

FIRSTGROUP PLC

RESULTS FOR THE 52 WEEKS TO 29 MARCH 2025

Further progress across rail and bus divisions underpinned by significant investment in growth, diversification of earnings and decarbonisation positioning the Group well, ahead of industry transition:

- FY 2025 Group adjusted revenue of £1,370.0m (FY 2024: £1,279.6m) reflects strong underlying First Bus performance, higher variable fees in First Rail DfT TOCs and further growth in open access rail
- Group adjusted operating profit increased to £222.8m (FY 2024: £204.3m), driven by First Bus rising £12.4m to £96.0m and First Rail up £5.5m to £148.8m
- Adjusted EPS growth to 19.4p (FY 2024: 16.7p) with earnings growth further supported by repurchases of 54.8m shares during FY 2025
- Final dividend of 4.8p per share proposed with FY total of 6.5p (FY 2024 total: 5.5p)
- Additional £50m buyback programme announced
- c.£92m returned to shareholders via buyback programmes in FY 2025
- Significant investment in growth diversification and decarbonisation:
 - £90m acquisition of RATP London with a c.12% share of London bus market
 - further c.£31m of bolt-on acquisitions to grow First Bus's Adjacent services market share
 - £88m investment in First Bus, mostly on decarbonisation in FY 2025 net of £22m of government co-funding
 - acquisition of track access rights for two new open access rail services to double existing capacity
 - c.£500m order for 14 new, UK-manufactured Hitachi trains to facilitate First Rail open access growth, with an option to invest an additional c.£460m should our ongoing applications be approved
- Strong cash conversion and balance sheet strength maintained; adjusted year-end net debt of £86.9m

	FY 2025 (£m)			FY 2024 (£m)		
	Cont.	Disc.	Total	Cont.	Disc.	Total
Adjusted Revenue ¹	1,370.0	-	1,370.0	1,279.6	-	1,279.6
Adjusted operating profit/(loss) ²	222.8	(0.6)	222.2	204.3	(1.9)	202.4
Adjusted operating profit margin	16.3%		16.2%	16.0%		15.8%
Adjusted profit/(loss) before tax ²	165.1	(0.8)	164.3	139.0	(2.2)	136.8
Adjusted EPS ^{3,4}	19.4p	(0.1)p	19.3p	16.7p	(0.3)p	16.4p
Dividend per share			6.5p			5.5p
Adjusted net debt/(cash) ⁵			86.9			(64.1)

Statutory	FY 2025 (£m)			FY 2024 (£m)		
	Cont.	Disc.	Total	Cont.	Disc.	Total
Revenue	5,066.3	-	5,066.3	4,715.1	-	4,715.1
Operating profit/(loss)	222.6	4.9	227.5	46.5	(5.3)	41.2
Profit/(loss) before tax ⁶			169.6			(24.4)
Total comprehensive income for the year			161.7			49.0
EPS ⁴			21.3p			(2.4)p
Net debt			974.8			1,144.8
- Bonds, bank and other debt net of (cash)			(228.8)			(313.7)
- IFRS 16 lease liabilities			1,203.6			1,458.5

¹'Cont.' refers to the continuing operations comprising First Bus, First Rail, and Group items. ²'Disc.' refers to discontinued operations, being First Student, First Transit and Greyhound US.

Key developments

First Bus:

- 10.0% adjusted operating profit margin delivered in H2 2025 and 8.9% for the full year, excluding London (FY 2024: 8.3%), due to further data-led operational and yield improvements, cost efficiencies, and improved driver availability offsetting inflationary pressures and lower funding
- Underlying⁷ passenger volumes (excluding extra week in FY 2024) increased c.2% vs. FY 2024
- 1.13m passenger journeys a day (FY 2024: 1.14m)
- Total revenue of £1,081.5m (FY 2024: £1,012.2m) despite a c.£17m reduction in funding; underlying passenger revenue growth of 7% vs FY 2024
- Adjacent services revenue increased to £270.8m (FY 2024: £219.8m) resulting from contract wins and extensions and the contribution of businesses acquired in FY 2024 and FY 2025
- Acquisition of RATP London completed in February 2025 sees First Bus enter the London bus market at scale with anticipated material medium-term earnings growth; the business, now named First Bus London, contributed £23.2m revenue and £0.6m adjusted operating profit in March 2025
- Adjacent services portfolio bolstered by acquisitions of Anderson Travel, Lakeside Coaches and Matthews Coach Hire, and Flixbus contract, with anticipated combined annual revenues of c.£37.2m
- Actively participating in upcoming regional franchising opportunities in England
- Continued progress in electrification:
 - Group net investment of £88m in FY 2025 in First Bus, mostly on electrification, alongside ZEBRA co-funding of £22m, and an additional c.£20m of ZEBRA 2 funding awarded in March 2025
 - c.1,115 electric buses (c.20% of our fleet) in operation including in London at end of March 2025; we now have three fully electric depots and ten further depots substantially electrified outside London
 - 39 diesel to electric 'repowers' ordered in FY 2025 following successful trials
 - third party charging underway at multiple depots outside London with new contracts signed, including with Centrica and a number of eHGV operators
 - continued focus on energy cost efficiencies, including vehicle smart charging and investment in depot energy management systems and controls

First Rail:

- 2.9m open access passenger journeys in FY 2025 (FY 2024: 2.7m);
- Open access revenue increased to £106.4m (FY 2024: £99.8m), with adjusted operating profit of £34.1m (FY 2024: £30.0m)
- DfT TOCs financial performance ahead of expectations due to higher than forecast final variable fees
- First Rail successfully took over the operation of the London Cable Car in June 2024; anticipated revenues of c.£60m over an eight-year contract period
- Acquisition of track access rights for two new open access services between London Euston and Stirling and between London Paddington and South Wales to double existing seat capacity in the next two to three years; anticipated annual revenues of c.£100m with a double digit operating margin, post mobilisation
- Open access applications submitted to Office of Rail and Road for additional paths on our current operations, the extension of Hull Trains to Sheffield and Lumo to Glasgow, a new Lumo Rochdale-London service and for additional services from London Paddington to Carmarthen, Hereford and Paignton
- Additional services revenues of £110.7m (FY 2024: £98.2m), with operating profit growth in Mistral Data, First Customer Contact ('FCC') and First Rail Consulting partially offset by higher business development costs
- South Western Railway transitioned to DfT control on 25 May 2025; First Rail's Additional services businesses continue to provide services to SWR

Corporate:

- £115m on-market share buyback programme completed in August 2024 and subsequent £50m programme completed in March 2025
- The Group's £300m Revolving Credit Facility was extended for five years and a new £150m Term Loan Facility to fund First Bus electrification was agreed
- Legacy North America Greyhound pension obligations fully discharged resulting in one-off net settlement gain of £5.1m after related costs recognised in H1 2025

FY 2026 outlook

- Current trading and the outlook for FY 2026 remain in line with the Group's expectations:
 - The Group expects to at least maintain adjusted earnings per share in FY 2026

- First Bus: further adjusted operating profit progress anticipated in FY 2026 driven by First Bus London, productivity, overhead and yield improvements, the contribution of businesses acquired in FY 2024 and FY 2025 and growth in Adjacent services, partially offset by inflationary pressures
- First Rail: adjusted revenue and adjusted operating profit will be marginally lower, reflecting lower fees following the transfer of SWR to public ownership and a normalised level of DfT TOC variable fees offset by continued revenue growth in the current open access operations, tempered by mobilisation costs for the new open access operations
- Annualised cost savings of at least £15m being delivered in H1 2026 as a result of business restructuring
- Adjusted net debt position expected to be in the range of £120-130m at the end of FY 2026, reflecting strong cash generation, investment in decarbonisation and before any deployment of growth capital
- As the DfT TOCs transition to public ownership, we anticipate a cash inflow of c.£120m from the DfT TOCs, after any reorganisation cash costs the Group may incur, over a three-year period from April 2025, with cash received from the management fees a year in arrears. This includes earnings from the Additional services businesses that are expected to continue supporting the DfT TOCs for a year after their contracts end, as required under the National Rail Contracts
- We will participate in upcoming regional bus franchising and other UK rail opportunities and continue to evaluate a pipeline of value-accretive inorganic growth opportunities in line with the Group's disciplined capital allocation policy

Commenting, Chief Executive Officer Graham Sutherland said:

"I am pleased to report another positive set of results for our 2025 financial year. We have further strengthened our businesses and continued to deliver against our strategy, including growing and diversifying our earnings in both First Bus and First Rail. This leaves us well placed to at least maintain our adjusted earnings per share in FY 2026, from a stronger base, as we continue to successfully navigate a period of transition in bus and rail in the UK.

"Our focus remains on operational excellence and the disciplined deployment of capital to maintain our accelerated investment in decarbonisation and continuing to build a diverse, sustainable earnings base, while returning any excess capital to shareholders."

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A presentation and webcast for investors and analysts will be held at 09:00 (BST) today in London. To register to join in person or to request the webcast details, please email corporate.comms@firstgroup.co.uk. To access the presentation to be discussed on the webcast, together with a PDF copy of this announcement, go to www.firstgroupplc.com/investors. A playback facility will also be available there in due course.

Notes

¹ 'Adjusted revenue' is defined as revenue excluding that element of DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk. The Adjusted revenue measure includes management and performance fee income earned by the Group from its DfT TOC contracts.

² 'Adjusted operating profit/(loss)' and 'Adjusted profit/(loss) before tax' are before adjusting items as set out in note 3 to the financial statements

³ 'Adjusted earnings' are shown before net adjusting items and excludes IFRS 16 impacts in First Rail management fee operations. For definitions of alternative performance measures and other key terms, see the definitions section on pages 26-27.

⁴ 'Adjusted EPS' and EPS are based on the weighted average number of shares in the period of 597.7m (FY 2024: 662.9m) reflecting the current year and prior year share buybacks.

⁵ 'Adjusted net debt/(cash)' is bonds, bank and other debt net of free cash (i.e. excludes IFRS 16 lease liabilities and ring-fenced cash).

⁶ 'FY 2024 statutory operating loss of £(24.4)m included predominantly non-cash charges of £142.3m relating to the Group's termination of its participation in two Local Government Pension Schemes during the year, with an offsetting £160.4m gain in the Condensed Consolidated Statement of Comprehensive Income.

⁷ 'Underlying' adjusts for certain items which distort period-on-period trends in our commercial bus business, described on page 26-27.

Legal Entity Identifier (LEI): 549300DEJZCPWA4HKM93. Classification as per DTR 6 Annex 1R: 1.1.

About FirstGroup

FirstGroup plc (LSE: FGP.L) is a leading private sector provider of public transport services. With £5.1 billion in revenue and around 30,000 employees, we transported almost 2m passengers a day in FY 2025. We create solutions that reduce complexity, making travel smoother and life easier. Our businesses are at the heart of our communities and the essential services we provide are critical to delivering wider economic, social and environmental goals. Each of our divisions is a leader in its field: First Bus is one of the largest bus operators in the UK, serving more than 25% of the population in the UK with a fleet of c.5,800 buses, and carrying more than a million passengers a day. First Rail is one of the UK's most experienced rail operators, with many years of experience running long-distance, commuter, regional and sleeper rail services. We operate a fleet of c.3,800 locomotives and rail carriages through two DfT contracted train operating companies: WCP (incorporating Avanti West Coast and West Coast Partnership Development) and GWR, and two open access routes (Hull Trains and Lumo). We are formally committed to operating a zero emission First Bus commercial fleet by 2035, and First Rail will help support the UK Government's goal to remove all diesel-only trains from service by 2040. During FY 2025 FirstGroup received MSCI's highest possible ESG rating of AAA, was named one of the world's cleanest 200 public companies for the sixth consecutive year and holds an Industry Top-Rated status with Sustainalytics and Sustainability Yearbook membership with S&P Global. We provide easy and convenient mobility, improving quality of life by connecting people and communities. Visit our website at www.firstgroupplc.com and follow us @firstgroupplc on X.

Chief Executive Officer review

Introduction

FY 2025 has been another year of strong performance, further reinforcing our track record for delivery. Our adjusted operating profit has grown to £222.8m, from £204.3m in FY 2024, and our adjusted earnings per share ('EPS') has increased to 19.4p (FY 2024: 16.7p), with higher earnings benefiting from the buyback programmes we completed during the year. We have also recently completed a corporate restructuring to deliver significant cost savings and are well placed to at least maintain our adjusted EPS in FY 2026, off a stronger more diversified earnings base.

Continued growth in First Bus

We have improved our First Bus business over the last few years, growing revenues from £790m in FY 2022 to over £1bn in FY 2025 despite lower government funding. This is a great achievement and testament to the hard work and actions the team has taken to strengthen and grow the business.

In H2 2025 we delivered on our adjusted operating margin target of 10.0% excluding the contribution from London. For the full year First Bus has reported revenue of £1,081.5m (FY 2024: £1,012.2m) and adjusted operating profit of £96.0m (FY 2024: £83.6m), despite a £17m reduction in funding. This reflects further operational improvements, network and cost efficiencies, increased driver numbers, our newer electric fleet and the contribution of the businesses we acquired in FY 2025 and FY 2024.

Following the introduction of the £3 fare cap in England in January 2025, replacing the £2 cap, we introduced a clear and simple distance-based fare structure and the resulting yield increases outpaced a slight decline in passenger volumes in H2 2025. For the full year, passenger volumes grew by c.2% (excluding the extra week in FY 2024).

Entering the London bus market at scale

At the end of February, we completed the £90m acquisition of RATP London. This was a significant acquisition for the Group as the market recovers and has allowed us to enter London with a c.12% market share. The business, now named First Bus London, contributed revenue of c.£23.2m and adjusted operating profit of £0.6m in March 2025. As the route contracts evolve over the next five years, we anticipate annual revenues of £300-350m, with operating margins in line with historical London levels of 6-7%. We are very pleased to welcome RATP London's employees to the Group and the integration of the business is progressing well.

Increased revenue contribution from Adjacent services

As a result of further contract wins and extensions, and the contribution of the businesses we have acquired over the last two years, our Adjacent services revenue has grown from £219.8m in FY 2024 to £270.8m in FY 2025. We have continued to bolster our portfolio during the year, with the acquisitions of Anderson Travel, Lakeside Coaches and Matthews Coach Hire in Ireland, and a new contract with Flixbus.

Leaders in electrification

We invested c.£88m in First Bus in FY 2025, mostly on decarbonisation, net of c.£22m of government co-funding. At the end of March 2025, c.20% of our bus fleet was zero emission and we now have three fully electric depots and a further ten substantially electrified depots and electrification underway at a further five depots outside of London. As well as lowering emissions we are benefitting from electrification operational and cost efficiencies and making use of smart technologies to optimise our battery charging and energy use. We were the first operator to allow access to third party organisations and businesses to the charging facilities at our depots. During FY 2025 we have announced further third party charging partnerships, including with Centrica and a number of eHGV operators. We also continue to share our expertise with other operators and local authorities, including hosting regular knowledge-sharing sessions.

Focus on operational delivery in First Rail

In First Rail, we remain focused on delivering for our customers and partners. The division's financial performance for FY 2025 was ahead of expectations due to higher than previously forecast variable fees from the Department for Transport-contracted Train Operating Companies ('DfT TOCs'). Adjusted operating profit increased to £148.8m (FY 2024: £143.3m).

Our open access operations, Hull Trains and Lumo, have continued to perform well thanks to strong demand, effective yield management and continued high levels of customer satisfaction. They have delivered adjusted operating profit of £34.1m in FY 2025, up from £30.0m in FY 2024.

Our Additional services businesses, FCC, Mistral Data and First Rail Consultancy continue to perform well. They contributed revenues of £110.7m in FY 2025, up from £98.2m in FY 2024.

In line with the Government's announced policy, the DfT took over the operation of South Western Railway ('SWR') on 25 May 2025. Improving the infrastructure, customer experience and rolling stock across SWR's services during our eight-year stewardship has enabled us to deliver for our passengers, who make more than 150 million journeys each year. I would like to thank our teams for their hard work and support to ensure a successful transition.

Driving modal shift

Driving modal shift from car and air travel to bus and train is a key strategic priority and commercial driver for the Group, and crucial for reducing congestion and improving air quality. To encourage modal shift we strive to deliver the best possible customer experience, with reliable, cost-efficient services, and we are growing our businesses to increase capacity.

Highlights during the year have included the launch of the 'Everyday Actions' internal programme in First Bus to drive service improvements. This was complemented by a major brand refresh to deliver a consistent look and feel for customers and re-focus the business on its people and customers. A new external campaign, 'Moving the everyday' was launched alongside the brand refresh, to inspire people to switch from cars to buses, highlighting the role buses play in unlocking environmental, social, economic and health benefits. In First Rail, we are adding capacity and applying for new routes in open access and participating in other contract opportunities. We successfully took over the operation of the London Cable Car at the end of June 2024. Our team is now focused on working with Transport for London to enhance the customer proposition and place the service at the heart of its local community.

Leading in sustainability

Leading in environmental and social sustainability has long been a priority for the Group. We are committed to the safety of our customers, our employees and all third parties in contact with our businesses. We are investing in decarbonisation, enhancing our operations and driving modal shift to reduce our environmental impact and support growth and prosperity across the UK. During FY 2025, we have again been recognised for our achievements and progress to date, including our inclusion in the most recent S&P Sustainability Yearbook and Clean200 report as well as receiving MSCI's highest possible ESG rating of AAA. We are also very pleased to have just been ranked among Corporate Knights' Europe 50 Most Sustainable Corporations. In March, we were pleased to publish our first Climate Transition Plan, marking another important step in our sustainability journey. It sets out our comprehensive strategy to meaningfully reduce emissions, manage climate-related risks, drive modal shift and contribute to social and economic growth in the communities we serve.

Building a diverse, quality and sustainable earnings base

Our cash generative businesses and balance sheet capacity allow us to invest in value accretive

opportunities to grow and diversify our portfolio, creating a diverse, quality and sustainable earnings base that is less affected by changes in government policy.

In First Bus, we have bolstered our Adjacent services business to grow our market share and extend our geographical reach. We have demonstrated that we have the capability to successfully integrate new businesses and there is still considerable scope for us to grow in this market, specifically in airport services, workplace shuttles and coach services, which offer stable earnings with attractive margins. As I mentioned above, the acquisition of RATP London was significant for the Group, allowing us to enter London in a strong position, with anticipated material earnings contribution in the medium term.

In First Rail, we have made very good progress in growing our UK open access capacity. We have acquired track access rights for two new services, between London and South Wales and between London and Stirling which will double our current seat capacity and treble Lumo's services in two to three years' time, creating a national brand. We have also submitted applications to the ORR for extensions to our existing services and for new routes where we have identified there is capacity and demand. Should these applications be successful, we will treble our existing capacity.

We have a disciplined capital allocation policy and a strict set of criteria when assessing investment opportunities. They must be complementary to our existing portfolio and the Group's strategy, thoroughly assessed for risks and opportunities and operated within a well-understood contractual, political and regulatory environment with an appropriate balance of risk and reward.

A strong cash conversion and balance sheet enables progressive shareholder returns

We have reported a year-end adjusted net debt of £86.9m, having invested c.£88m in decarbonisation and c.£140m on acquisitions and returned £126m to shareholders via dividends and our buyback programmes. We repurchased the remainder of our 2024 bonds, extended our £300m Revolving Credit Facility for five years and agreed a new £150m Term Loan Facility to fund the continued electrification of our bus fleet. We also fully discharged our remaining legacy Greyhound pension obligations.

In light of the Group's strong performance in FY 2025, the Board has proposed a final dividend of 4.8p per share (FY 2024: 4.0p per share) in line with the current policy of around three times adjusted EPS cover ratio. This will result in a dividend payment of c.£27m, to be paid on 8 August 2025 to shareholders on the register at 4 July 2025. We have also announced an additional £50m buyback programme today.

Our positive cash generation and strong balance sheet allow us to capitalise on opportunities to grow our business as our industries transition, to maintain our progressive dividend policy and for further potential returns to shareholders.

A period of significant change in UK bus and rail

The rail and bus industries in the UK will see significant change over the next few years, with the National Rail Contracts moving to public ownership, and in the bus sector, a number of regions outside London planning to adopt the franchising model.

First Rail has been one of the largest operators for more than 25 years, working successfully with a wide range of partners and stakeholders under various contract types and delivering various significant rail infrastructure projects and fleet upgrades. Companies such as ours can bring innovation, enhanced service delivery, private investment and focus on cost control. Our DfT TOCs have saved more than £360m for the DfT in their annual business plans over the last four years. Hull Trains and Lumo have delivered substantial economic growth and created jobs in the communities they serve, grown demand and contributed to the funding of the rail network.

Enhancing rail connections is critical to boosting economic growth in the UK and we believe that, delivered effectively, rail reform will ensure the industry can grow passenger numbers, generate greater revenues and develop the value of rail in a customer-focused, dynamic and efficient environment. We believe that any future rail policy must fully embrace open access. It has been a hugely successful aspect of the rail industry over the last 25 years, connecting previously under-served places and providing additional capacity, which helps drive more people towards rail and away from less sustainable forms of transport at no cost to the tax payer. Services are provided entirely at the operator's own commercial risk and bring private investment into the sector. They create jobs and over £1bn in economic benefit to the UK, while driving modal shift to rail over more carbon intense transport modes such as car or plane.

In bus, we are one of the largest operators in the UK, carrying more than a million passengers a day. We are well placed to support the transformation of the bus sector, leveraging our expertise to work in close

partnership with national, regional and local governments, in every regulatory environment, to ensure the best outcomes for customers. We believe this can be achieved with a focus on bus priority and congestion tackling measures, 'bus first' planning decisions, targeted fare initiatives for young people to support life long bus usage, improved reliability, enhanced facilities and accessibility, attracting workers to the sector and making bus a leading visible indicator in the green transition.

Well positioned to navigate the industry transition

Over the last few years we have worked to transform, grow and diversify our businesses, including a recently completed corporate restructuring. Coupled with our strong balance sheet and leading positions, this leaves us well placed to navigate the industry transition ahead.

In First Bus we intend to win our fair share of the regional franchise market, develop our existing commercial bus business and grow our Adjacent services market share, and we will continue to actively evaluate a pipeline of inorganic growth opportunities in existing and new areas across the UK. We will also make use of our property portfolio and decarbonisation credentials to drive innovation, leverage electrification efficiencies and generate new revenue streams in the energy sector.

In First Rail, we are focused on growing our successful open access business, identifying where we can scale our Additional services businesses, bidding for new contracts and identifying new open access opportunities in the UK, as well as monitoring open access opportunities in Europe as the market continues to liberalise.

Board changes

At our AGM in July 2024, David Martin announced his intention to retire from the Board. I am grateful to David for his contribution to the Group and the strategic progress that he has overseen.

On 1 February 2025, Lena Wilson CBE joined the Board as Chair. Lena is currently Senior Independent Director at NatWest Group plc, and has held senior and Board roles at a number of listed and private companies. She was also Chief Executive of Scottish Enterprise from 2009 to 2017 and prior to that a Senior Investment Adviser to The World Bank in Washington DC. We are delighted that Lena has joined the Group and there is no doubt that we will benefit from her substantial experience in both the public and private sectors.

Outlook

We have entered FY 2026 with a stronger and more diversified earnings base and expect to at least maintain our adjusted EPS, with a lower contribution from the DfT TOCs offset by further profit growth in First Bus and lower corporate costs, aided by at least £15m of annualised cost savings as a result of the restructuring of our businesses.

In First Bus, we are restructuring the business to ensure we remain a strong and agile business as we respond to changes in the UK bus market. We anticipate further progress during FY 2026, with incremental yield, network and operational efficiencies, the contribution of the businesses acquired in the last two years and cost savings resulting from the restructuring of the business offsetting continued inflationary pressures and the anticipated c.£15m impact of the increase in employers' National Insurance contributions. We anticipate revenue of c.£1.4bn from First Bus in FY 2026, including c.£300m from First Bus London.

In First Rail, we anticipate lower adjusted revenue and adjusted operating profit, reflecting the transfer of SWR to public ownership, a normalised level of DfT TOC variable fees and mobilisation costs in our new open access operations, offset by continued growth in our current open access operations.

The Government's announced policy is to bring the National Rail Contracts into public ownership at the earliest possible opportunity, with SWR transferring on 25 May 2025, c2c on 20 July and Greater Anglia on 12 October 2025, with subsequent contracts transferring at intervals of approximately three months in the order that their current core contractual terms expire.

As the contracts transition, we anticipate a cash inflow of c.£120m from the DfT TOCs, after any reorganisation cash costs the Group may incur, over a three-year period from April 2025 with cash received from the management fees a year in arrears. The increase in the anticipated cash inflow to the Group has primarily been driven by higher variable fees in FY 2025 combined with GWR now expected to transition in FY 2027. This cash receipt includes the earnings from the division's Additional services businesses which are expected to continue supporting the DfT TOCs for a year or more after the National Rail Contracts end. First Rail continues to support Trans Pennine Trains in a number of areas two years after the transition of the National Rail Contract.

In First Bus, positive free cash flow is anticipated after net cash capital expenditure of c.£150m, mainly on decarbonisation.

Looking further ahead, we anticipate that our First Bus and our First Rail open access businesses will continue to grow from their existing strong bases. We also expect them to be more cash generative following a period of significant investment in the First Bus fleet and open access rail being capital light, with rolling stock funded through operating leases for the duration of the track access agreements.

Conclusion

In FY 2025 we have successfully executed our strategy, further strengthened our businesses and grown and diversified our portfolio despite high inflation and the impact of public policy changes. Our strong performance is testament to the expertise and efforts of our people and I am very grateful to all our teams for their continued hard work to ensure we provide the best possible services for our customers and stakeholders.

Looking ahead, for some time now we have been working to restructure our businesses and cost base ahead of a period of major transition for the Group. We are confident we will at least maintain our adjusted EPS in FY 2026, from a stronger, more diverse earnings base, with scope for material earnings growth in the medium term as we grow revenues in First Bus and open access rail.

As a leading, highly experienced and innovative public transport operator we are well placed to participate in future opportunities in UK bus and rail and to continue our significant investment in growth and decarbonisation. We recognise that we have a critical role to play in the delivery of the country's wider economic, social and environmental goals, and will continue to take a proactive approach, demonstrating our strengths as a trusted, experienced partner for the delivery of public transport services.

Graham Sutherland
Chief Executive Officer
10 June 2025

Business Review

First Bus

	£m		
	FY 2025	FY 2024	Change
Revenue	1,081.5	1,012.2	+69.3
Adjusted operating profit	96.0	83.6	+12.4
Adjusted operating margin	8.9%	8.3%	+60bps
EBITDA	160.1	148.1	+12.0
Adjacent services revenue	270.8	219.8	+51.0
Passenger volumes (m)	412.0	424.4	(12.4)
Regional revenue per mile (£)	5.58	5.38	+0.20
Net operating assets	813.3	580.2	+233.1
Net capital expenditure	88.2	129.4	(41.2)
Return on Capital Employed ¹	11.1%	11.5%	(40)bps

¹ Return on capital employed is a measure of capital efficiency and is calculated by dividing adjusted operating profit after tax by average year-end assets and liabilities excluding debt items.

First Bus revenue increased to £1,081.5m in FY 2025 compared with £1,012.2m in FY 2024, which had an extra week of trading and included the operation of the Oldham depot in Manchester. Total passenger revenue grew to £785.6m (FY 2024: £769.1m), with regional revenue per mile up by 4%.

Our adjusted operating profit increased to £96.0m in FY 2025 compared with £83.6m in FY 2024 which included c.£1.4m from the extra week of trading. In H2 2025 we delivered our targeted adjusted operating margin of 10.0%, with a margin of 8.9% for the full year, excluding First Bus London (FY 2024: 8.3%). This reflects the delivery of further operational improvements, network and cost efficiencies, increased driver numbers, our newer electric fleet and the contribution of recently acquired businesses, which offset ongoing inflationary pressures and a £17m reduction in funding.

Revenue from Adjacent services has also grown, to £270.8m from £219.8m in FY 2024 thanks to further contract wins and extensions and the contribution of the businesses we acquired in FY 2024 and FY 2025.

We successfully managed the transition from the £2 fare cap to £3 in England in January 2025, introducing a new fare structure, making use of our 'Tap On, Tap Off' technology that allows us to introduce simple, distance-based fares. The resulting yield increases outpaced a slight decline in passenger volumes in H2 2025. For the full year, excluding the extra week in FY 2024, passenger volumes increased by c.2%, with concessionary volumes up 4% and commercial volumes flat versus the prior year.

The free travel for under-22s scheme in Scotland and the £2, and subsequent £3 fare cap in England continued to support demand during FY 2025. Under the Scottish Government's under-22s scheme, operators are reimbursed a proportion of the cost of a full adult fare. Under the £3 fare cap scheme in England, operators agree a reimbursement schedule in advance with the DfT based on the projected cost to the operator for charging a flat £3 fare for journeys that would otherwise have cost more.

In February 2025 the Welsh Government announced plans for a year-long pilot scheme offering £1 single bus fares and £3 day tickets to under-22s in Wales from September and earlier this month we were very pleased to welcome the Chancellor of the Exchequer to our Huddersfield bus depot as she unveiled details of £15.6bn in funding for local transport projects across England's city regions. We welcome this investment by government and it is good to see that buses are put at the forefront of these projects.

We very much welcome government funding in critical areas and in key demographics, including in air quality, modal shift and economic growth. We are seeing some evidence in Scotland that young people continue to use the bus when they turn 23, reinforcing our support for young person funding schemes to encourage life long bus use.

Our post-tax return on capital employed decreased to 11.1% during the period (FY 2024: 11.5%). This reflects the growth in adjusted operating profit offset by growth investments, and the continued accelerated investment in the electrification of our fleet and infrastructure which, thanks to lower operating costs and potential adjacent revenue streams resulting from electrification, is anticipated to increase future profitability.

Focus on continued operational improvement

Our focus remains on the everyday basics, delivering incremental performance improvements to deliver the best possible services for our customers, drive further revenue growth and ensure we are in a strong position to participate in future franchise and commercial opportunities. We remain committed to the safety of our customers, employees and all third parties in contact with our business. In FY 2025, we launched an internal programme, 'Everyday Actions' to drive these improvements. We also continue to make use of our industry-leading data and software tools to improve our service delivery, align services to demand, implement smarter fares and drive operational and cost efficiencies throughout the business.

To manage the transition to the £3 fare cap and the increased employer's National Insurance contributions from 1 April 2025, alongside the new fare structure we introduced in H2 2025, we have delivered further network efficiencies, working with our local authority partners to ensure there is the necessary coverage for local communities.

Thanks to our continued efforts and investment in our recruitment and employee programmes, we have recruited over 100 more drivers during FY 2025. We are also benefiting from our newer electric fleet, with an average fleet age in FY 2025 of 8.8 years, down from 10.1 years in FY 2022 and 9.0 years in FY 2024.

A highlight of the year has been the launch of a ground-breaking new learning agreement with our trade union partner, Unite the Union. It includes six new learning centre hubs, offering all frontline colleagues a dedicated facility that puts continual learning opportunities outside of their day-to-day skillset at the forefront, equipping them with new skills to drive forward their careers and better support First Bus customers. Colleagues will have access to both vocational and non-vocational modules, alongside support from a trained and full-time Trade Union Learning Representative. We are proud of this important initiative, which builds on the strong foundations of an ongoing education partnership with Unite the Union that has spanned over two decades.

Industry-wide inflationary pressures continued during FY 2025. Costs increased due to inflation by c.3.5%, mostly in wages, where there was a 5% average increase in driver pay awards, much of which is carried over from agreements in the previous financial year; this was offset by pricing changes of c.£41m and network and operational efficiencies of c.£10m. In line with our focus on staggered, multi-year pay award

settlements, c.16% of our driver pay awards for FY 2026 were previously agreed, at an average increase of c.3%, and we have commenced negotiations for pay awards due in FY 2026.

We have fuel and electricity hedging programmes in place to mitigate in-year cost inflation and overall volatility of fuel and energy costs, and these programmes continue to evolve as we transition the First Bus fleet to zero emission.

A refreshed, unified brand marks a major milestone in our transformation journey

Over the last few years, we have transformed our operational and financial performance and grown our business both organically and inorganically. In December 2024, following extensive planning and incorporating feedback from our customers and employees, we launched a refreshed First Bus brand. This is yet another important milestone in our transformation journey and reinforces our focus on our customers, with a clear, consistent brand that is easier to recognise and engage with. Alongside the brand refresh we launched a campaign 'Moving the everyday', to inspire people to switch from cars to buses, highlighting the role buses play in unlocking environmental, social, economic and health benefits.

In addition to the rebrand, we have launched a major digital transformation programme to improve and streamline a number of our processes and functions. This includes the introduction of new systems in HR, payroll and back office services, new ticket machines and further improvements to our customer app.

Entering the London bus market at scale

At the end of February 2025, we completed the £90m acquisition of RATP London and created First Bus London. This was a significant acquisition for First Bus and has allowed us to enter London with a c.12% market share and strong operational footprint as the market recovers, with anticipated material earnings growth in the medium term. It will also bolster our credentials when bidding in future franchise opportunities.

With ten depots in West and Central London, c.3,700 employees and a fleet of around 1,000 buses, the business, now named First Bus London, contributed revenue of £23.2m and adjusted operating profit of £0.6m in March 2025 and the integration of the business has progressed well. As the route-contracts evolve over the next five years, we anticipate annual revenues of £300-350m, with operating margins in line with historical London levels of 6-7%.

A £38m onerous contract provision ('OCP') was recognised on acquisition, covering c.50 contracts of the total of c.90 TfL route contracts. The OCP is expected to unwind over the coming five years as these previously loss-making contracts are replaced by new contracts that reflect the current higher costs of contract delivery given the structural shift that occurred in the cost base, mainly driver wages, as London recovered from the impact of Covid-19. The Group anticipates funding of c.£10m over the next two years to cover the anticipated losses and capital expenditure before the business is cash positive from FY 2027 onwards. This does not include vehicle capital expenditure, where we are evaluating the optimal capital structure going forward.

We are very pleased to welcome RATP London's employees to First Bus to continue the delivery of the proven turnaround plan.

Growing our Adjacent services portfolio and operational footprint

In FY 2025 we have continued to grow our Adjacent services business, through new contract wins and extensions and the targeted acquisitions of complementary, value accretive businesses that we have successfully integrated into the business. Our Adjacent services revenues have increased by 23% during the year to £270.8m, thanks to new and extended contracts in our workplace shuttle services for a number of high-profile brands as well as a number of Park & Ride contracts and the contribution of the businesses we have acquired in FY 2025 and FY 2024.

As well as growing our coach business and extending our operational footprint in the UK, we anticipate that the acquisitions we have made in Adjacent services over last few years will contribute combined annual revenues of c.£124m and adjusted operating profit of c.£17m on a current run rate basis. In FY 2025 we acquired Anderson Travel, Lakeside Coaches and Matthews Coach Hire in Ireland, all well-established, profitable businesses with attractive margins and excellent growth profiles, for a total acquisition cost of £31m. We also entered into a new, five-year contract with FlixBus to operate eight coach routes across the UK, from May 2025, spanning from Penzance to Newcastle, out of our depots in Bath, Bristol, Slough, Taunton, Truro and Weston-super-Mare as well as in Yorkshire.

We have built a strong regional footprint and a credible market position in Adjacent services but there is still considerable scope for us to grow, specifically in airport services, workplace shuttles and B2B and B2C

coach services. We have a highly experienced business development team and will continue to leverage our operational strengths, infrastructure and decarbonisation credentials to grow our market share and maximise commercial return through longer-term, higher-value contracts.

A leader in bus fleet and infrastructure decarbonisation

We continue to make good progress towards our target of a zero emission commercial bus fleet by 2035 and remain at the forefront of bus decarbonisation in the UK. The experience and expertise we have built over the last few years places us in a strong position when bidding for new contracts and we are also able to share our learnings, including through our monthly sessions for local authorities and other partners and operators to learn about decarbonisation.

Our progress has been underpinned by our accelerated investment in decarbonisation, alongside available government co-funding. During the year, we continued to secure advance power connections to our sites, to install charging infrastructure and purchase electric vehicles. We invested net capital expenditure of c.£88m in First Bus in FY 2025, mostly on electrification, with £22m secured from the UK Government's ZEBRA co-funding schemes. In March 2025, we worked successfully with our local authority partners, to secure an additional £20m of ZEBRA 2 funding that had not yet been utilised. In addition to adding more chargers and vehicles to existing electrified depots, we introduced electric buses and infrastructure in Taunton, Basildon, Weston-super-Mare and Bristol. Later in 2025, our Bristol Hengrove depot will be fully electric, a fantastic change for our customers and colleagues in the city.

At the end of March 2025 we had c.1,115 zero emission buses, c.20% of our fleet, including in London, and outside London we now have three fully electrified and ten substantially electrified depots and electrification underway at a further five depots. We have more than 900 charging outlets at our depots outside London and have secured further third-party charging contracts during FY 2025, including with Centrica and a number of eHGV operators. RATP London was an early mover in electrification in the London market. At the end of March 2025, c.35% of the First Bus London fleet was electric, with charging infrastructure installed at five of ten depots.

Following successful trials, in FY 2025 we placed an order for 39 'repowers' with NewPower, a new entity launched by UK manufacturer Wrightbus. These are mid-life diesel or hybrid buses that have been converted to run entirely on electricity. Alongside the benefits of electric buses such as reduced emissions and lower operating costs, repowered vehicles are cheaper than new electric buses, can extend the lifespan of buses and avoid the emissions of manufacturing new vehicles, representing an important, incremental component of our decarbonisation strategy.

Our strategic partner Hitachi Zero Carbon has made further progress in FY 2025. This has included agreements to pilot its ZeroCarbon Battery Manager with Italian bus operator AMT Genoa to maximise fleet energy and battery efficiency, and with Indian bus manufacturer JBM Group to deploy the solution on their electric buses to enhance performance, extend battery life and maximise residual value.

The electrification of our fleet and infrastructure is a key component in the transformation of our business. It will allow us to standardise and reduce the size of our commercial fleet to drive efficiency and lower engineering costs whilst delivering the same mileage. Furthermore, by making use of smart charging software and, where possible, charging our vehicles when electricity prices are lower, we can optimise our energy use, increase battery efficiency and potentially extend battery life. Looking further ahead, in addition to the revenues generated from third party charging at our depots, we are well positioned to benefit from other potential value accretive, adjacent electrification revenue streams. This includes capacity market trading, on-site battery storage, opportunities on residual battery capacity and efficient battery recycling post commercial use through our joint venture with Hitachi Zero Carbon.

Well positioned to participate in franchising and partnership opportunities

The regional bus market will see considerable change over the next few years, as a number of Mayoral Authorities outside London choose franchising as their preferred future option for bus delivery. This includes some areas where we currently operate, and others where we do not, representing an opportunity for us to enter new markets.

As a leading, highly experienced operator with a large, well-capitalised fleet and depot footprint we are well positioned, and will actively take part in franchising opportunities as they commence. These include in Liverpool City Region, the West Midlands, West Yorkshire, Cambridge and Peterborough and South Yorkshire where locally Mayoral Authorities are progressing with schemes planned to commence in the next two to three years.

We also have good experience operating under the enhanced partnership model and have seen the great benefits these partnerships can deliver. In Leicester and Portsmouth, for example, investments of c.£100m and £76m respectively in their enhanced partnerships between 2022 and 2025 have resulted in passenger growth of 26% and 41% respectively since the start of the period.

Our mission is to drive modal shift and encourage more people to use the bus, and we will continue to adapt our business to deliver great value, to shape networks to suit where and when people want to travel, to serve communities and grow local economies in a sustainable way.

Regardless of the model, close partnerships with local government stakeholders are essential for the thriving local bus networks we all want to see, and we are committed to working with our partners locally and nationally to achieve this. We will participate in future franchise bids and partnership opportunities, positioning First Bus as the partner of choice, capable of consistent and competitive service delivery.

Looking ahead

We are restructuring our business to ensure we remain a strong and agile business as we respond to changes in the UK bus market. We anticipate further progress in First Bus during FY 2026, with further yield, network and operational efficiencies, the contribution of our recently acquired businesses and cost savings resulting from the restructuring of the business offsetting continued inflationary pressures and the anticipated c.£15m impact of the increase in employers' National Insurance contributions. We anticipate revenue of c.£1.4bn in FY 2026, including c.£300m from First Bus London.

We expect net cash capital expenditure of c.£150m in FY 2026, including £20m for accelerated investment in electric buses supported by additional ZEBRA 2 funding, £40m for property and electrification infrastructure projects and c.£10-12m to fund London cash losses before the release of onerous contract provisions.

Looking further ahead, we are well placed to navigate the market transition and to grow and diversify our portfolio and steadily grow our earnings, including from the contribution of First Bus London as the contract portfolio evolves. We intend to win our fair share of the franchise market, develop our existing commercial bus business, grow our Adjacent services earnings and market share, and continue to actively evaluate a pipeline of inorganic growth opportunities in existing and new areas across the UK. We will also make use of our property portfolio and decarbonisation credentials to drive innovation, leverage electrification efficiencies and generate energy-related revenue streams. Underpinning this, we firmly believe that government policy, favourable demographics and environmental and societal trends will support sustainable growth in the UK bus sector going forward.

First Rail

	£m		
	FY 2025	FY 2024	Change
Adjusted revenue from DfT TOCs ¹	71.7	69.8	+1.9
Adjusted revenue from open access and Additional services ²	217.1	198.0	+19.1
First Rail adjusted revenue	288.8	267.8	+21.0
Adjusted operating profit from DfT TOCs	107.3	105.6	+1.7
Adjusted operating profit from open access and Additional services	41.5	37.7	+3.8
First Rail adjusted operating profit	148.8	143.3	+5.5
Passenger journeys (m) – open access operations	2.9	2.7	+0.2

1 'Adjusted revenue' is revenue excluding that element of DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk. The Adjusted revenue measure includes management and performance fee income earned by the Group from its DfT TOC contracts; refer to Note 3 on page 36 for further detail

2 Includes intra divisional eliminations related to affiliate trading with the open access operations

The First Rail division reported total adjusted revenue of £288.8m for FY 2025 (FY 2024: £267.8m) reflecting higher variable fees in the DfT TOCs and further growth in open access and Additional services, including the contribution of the London Cable Car.

The division's two open access operations, Hull Trains and Lumo, delivered revenue of £106.4m in FY 2025, up from £99.8m in FY 2024 and adjusted operating profit of £34.1m (FY 2024: £30.0m). This was driven by strong demand, effective yield management, additional ten car services on Hull Trains and continued high levels of customer satisfaction, partially offset by slightly higher costs.

Our DfT TOCs operate under National Rail Contracts ('NRC's), where the DfT retains substantially all revenue and cost risk (including for fuel, energy and wage increases). There is a fixed management fee and the opportunity to earn an additional variable fee. The punctuality and other operational targets required to achieve the maximum level of variable fee under the contracts are designed to incentivise service delivery for customers. The DfT TOCs reported adjusted revenue of £71.7m in FY 2025 (FY 2024: £69.8m) and adjusted operating profit of £107.3m (FY 2024: £105.6m). As previously reported, FY 2025 income includes non-recurring variable fee upside for the year, higher than forecast, and FY 2024 included c.£13m higher final variable payments for FY 2023.

Attributable net income from the DfT TOCs – the Group's share of the management fee income available for distribution from the GWR, SWR and WCP DfT contracts – was £39.0m compared with £39.5m in FY 2024 which included the final variable fee payments for FY 2023 mentioned above, as well as the contribution of TransPennine Express which the Group operated until 28 May 2023.

In line with the Government's announced policy to bring the NRCs into public ownership at the earliest possible opportunity, the DfT took over the operation of SWR on 25 May 2025. In FY 2025, SWR contributed revenue of £1,178m and adjusted operating profit of £25.2m. The IFRS 16 impact comprises operating profit benefit of £7.6m and interest cost of £4.5m. Net attributable fees earned by the Group were £9.2m after the non-controlling interest of £4.0m. IFRS 16 leases recognised on the balance sheet at the end of FY 2025 were £23.1m (FY 2024: £160.5m), and SWR had £88.1m of ring fenced cash (FY 2024: £30.0m) which is anticipated to be returned following the handover of the contract in May 2025.

The Additional services businesses contributed revenue of £110.7m (FY 2024: £98.2m) and adjusted operating profit of £7.4m (FY 2024: £7.7m) reflecting business development costs of £5.7m (FY 2024: £1.7m).

Another strong year in open access

Our two highly successful open access operations, Hull Trains and Lumo, where we bear all revenue and cost risk and opportunity, continued to perform well during FY 2025, with continued very high levels of customer satisfaction.

Hull Trains has continued to run a ten-car service at peak demand times (typically a five-car service) to match demand, resulting in a 12% increase in passenger revenue in FY 2025 to £48.1m. Seat capacity utilisation remained at a similar level to the prior year, at 67% (FY 2024: 69%).

Lumo's profit is driven predominantly by demand and effective yield management, whilst still offering competitive prices. Passenger revenue increased by 8% in FY 2025, to £54.2m, reflecting better seat utilisation along all of the route coupled with further improvement in yields offsetting slightly higher costs. Seat capacity utilisation rose slightly, from 75% in FY 2024 to 78% in FY 2025.

Growing our open access capacity remains a key strategic priority

Growing our open access business is a key focus for the Group and we are working hard to drive efficiencies, add capacity and apply for new routes where we can connect under-served communities, and support economic growth and employment. The progress we have made during FY 2025 will see us at least doubling our existing seat capacity in the next two to three years and trebling Lumo's services, creating a national brand.

We are also committing significant investment to facilitate a material growth in our open access capacity, including our recently announced c.£500m ten year lease and maintenance agreements for 14 new five-car class 80X Hitachi electric, battery or bi-mode trains. The trains will be manufactured by Hitachi in County Durham, securing the skills base and jobs in the local area. The lease agreement also contains an option for the Group to procure an additional 13 trains for c.£460m if the applications outlined below are successful.

At the end of 2024, we acquired track access rights for two new open access services, between London Paddington and Carmarthen and between London Euston and Stirling which will double our current capacity in two to three years' time.

The current track access agreement for the Stirling service runs from May 2025 for a period of five years and includes four return services a day between London Euston and Stirling (three on Sundays), and a fifth return service between Euston and Preston seven days a week. The new service will call at a number of intermediate stations in England and Scotland, including Whifflet, Greenfaulds and Larbert, which will have their first direct services to London. It will create around 100 direct jobs and will provide more choice for passengers with significantly increased direct connections to and from London and central and southern

Scotland, making use of available capacity on the network. We have entered into a rolling stock lease agreement for five Class 222 six-car diesel trains with Eversholt Rail, with a total seat capacity of c.340 standard class seats per service. Services are currently expected to commence mid 2026 following the delivery of the trains and staff training. Following a c.2-year mobilisation period we expect an annual revenue contribution of c.£50m, with a low double digit adjusted operating margin, pre-IFRS 16.

The new South Wales service includes five services a day between London Paddington and Carmarthen, calling at intermediate stations in England and Wales including Bristol Parkway, Newport, Severn Tunnel Junction, Cardiff Central, Gowerton and Llanelli. Passengers can look forward to low fares, with free Wi-Fi and on-board catering, all offered in one comfortable class of travel. The service will create around 100 direct jobs and will create more customer choice and much-needed additional capacity on the route as well as providing the first direct service to London from Severn Tunnel Junction and Gowerton, and a vastly improved connection from Llanelli. The track access commences in December 2027 and following a two year period of mobilisation the Group expects the service to contribute annual revenues of c.£50m, with a double digit operating margin, pre-IFRS 16.

We have also submitted applications to the ORR for extensions to our existing services and for new routes where we have identified there is capacity and demand. These include a new Lumo service between London and Rochdale, the extension of the Lumo service between Glasgow and Edinburgh, an expansion of the new Lumo Carmarthen services to Paignton and Hereford, and a new Hull Trains service between London and Sheffield via Retford and Worksop. Should these applications be successful we will treble our existing capacity. Discussions on these applications continue with the ORR and Network Rail, supported by detailed business case and performance modelling conducted by our internal teams and third party experts.

Leveraging our expertise and capabilities in Additional services

Our First Rail Additional services businesses - First Customer ConFCC), Mistral Data and First Rail Consultancy, generated revenues of £110.7m in FY 2025, up from £98.2m in FY 2024. Adjusted operating profit was lower, at £7.4m (FY 2024: £7.7m due to higher business development costs during the year, of £5.7m (FY 2024: £1.1m)), including the Elizabeth Line bid and progressing the open access applications.

Our bespoke contact centre FCC provides customer relations, delay repay services and fraud prevention and management services to train operating companies. During FY 2025 FCC implemented a number of artificial intelligence tools to further improve its customer handling experience and continues to support a number of train operating companies, including Transpennine Express and SWR.

Our rail operations and commercial software as a service business Mistral Data provides a number of cloud-based tools focused on rail transport operations, staff messaging, customer engagement, revenue management, business intelligence and remote asset management. During the year, the team has continued to develop new tools and services, marketing them to UK and international industry participants. New contracts have been entered into with Network Rail Wessex, for the provision of Berth Maps and Sirocco, Mistral's real-time train visualisation and decision support solutions. Our services can enable data sharing across functions and passengers, as well as providing a single view of real-time railway operations for both operators and infrastructure providers. This leaves us very well positioned to support the delivery of effective and cohesive data and tools across the industry as the operation of rail services and the management of infrastructure and assets transfers to Great British Railways.

First Rail Consultancy provides expertise in all the major facets of transport operations to a range of operating companies, addressing both current services and the cost-effective delivery of major infrastructure projects, rolling stock procurement and upgrades. During FY 2025, the team secured a consultancy contract with its first non-rail client in an adjacent transport market and continued to support a wide range of UK rail industry clients, including West Coast Partnership Development, as they manage a range of deliverables in the developing HS2 project.

We believe that as the UK rail industry evolves the services our businesses provide are well placed to bring experience, expertise and benefits to the sector that will continue to be vital to the success of the industry, and we are looking at ways to scale them.

Continued focus on operational delivery in the DfT TOCs

Alongside our commitment to the safety of our customers, employees and third parties in contact with our business, we have continued to leverage our deep sector experience and expertise to work collaboratively with the DfT, our industry partners and stakeholders to add value, innovate and enhance our service offering.

Avanti West Coast successfully launched its new Evero all electric class 807 and bi-mode class 805 fleet, offering more services on the London to Liverpool route. The trains, rolled out as part of a £350m investment programme, will provide more seats and more services, and have received good customer feedback. Earlier this year, Avanti announced that a third of its new trainee driver recruits are women, following a very successful, targeted recruitment campaign. Since the launch of the campaign in 2023, Avanti has increased the number of female trainee drivers by nearly 60%.

At GWR, a three-year, £10m refurbishment of Great Western Railway's regional and suburban train fleet was completed, providing an improved journey experience for customers. GWR also opened the new Reading West Station and re-opened Ashley Down, which was part of a c.£300m investment by the West of England Mayoral Combined Authority, in partnership with GWR, Network Rail and Bristol City Council.

GWR also continued its industry-first fast-charge battery-only train trial during the year, gathering insights to share with the DfT and wider industry. The work the team has done to date has successfully raised the profile of fast charge as part of the potential solution for the decarbonisation of lines that are difficult or expensive to reach through traditional electrification.

At SWR, the team continued the roll out of the new, £1bn fleet of 90 Arterio trains. At the end of May, the new trains were serving some of SWR's busiest stations, including Earlsfield, Kingston, Richmond, Twickenham and Wimbledon. Improving the infrastructure, customer experience and rolling stock across SWR's services during our eight-year stewardship enabled us to deliver for our passengers, who make more than 150 million journeys each year. Right up to the final weeks of operation, we continued to innovate, with the introduction of advanced 5G services on c.70km of line between Basingstoke and Earlsfield, with best-in-class Wi-Fi experience for customers. I would like to thank our SWR passengers for their custom and our SWR colleagues for their hard work and dedication to customers and the important role they have played in the delivery of improvements to the service.

Transport for London contracts

Having operated London Trams on behalf of Transport for London ('TfL') for a number of years, we were very pleased to be awarded the contract to operate the London Cable Car on behalf of TfL, with estimated revenues of c.£60m over the eight-year contract period. We successfully took over the operation at the end of June 2024, following several months of mobilisation activity. Our team is now working with TfL to enhance the customer proposition and place the service at the heart of its local community.

As previously announced, in July 2024 we submitted a bid for the Elizabeth Line contract in partnership with Keolis SA. We were disappointed not to have been awarded the contract, having submitted what we believed was a commercially attractive bid. We will however apply our learnings from the process to our future bid processes.

Entering a period of significant change in UK rail

The UK rail industry will see considerable change over the next few years, with the NRCs moving to public ownership and the establishment of Great British Railways ('GBR').

First Rail has been one of the largest operators for more than 25 years, working successfully with a wide range of partners and stakeholders under various contract types and delivering various significant rail infrastructure projects and fleet upgrades. Companies such as ours can bring innovation, enhanced service delivery, private investment and focus on cost control. Our DfT TOCs have saved more than £360m for the DfT in their annual business plans over the last four years and recent data from the ORR has shown that West Coast Partnership paid £67m to the Treasury in 2023/24 after years of being a subsidised operation. Hull Trains and Lumo, our two very successful open access operations, have delivered economic growth and created jobs in the communities they serve, grown rail passenger demand and contributed to the funding of the rail network. Lumo for example, is the first open access operator to start paying the Infrastructure Capacity Charge alongside the Variable Usage Charge and from the fourth anniversary of launch in October 2025 will be paying just over £5 per train mile. An independent study earlier this year compared this with similar long-distance operators and confirmed that Lumo will pay more per mile in track access charges than other major operators on the East Coast Mainline, at the same time as growing passenger numbers on the line for all operators. This is a material benefit to taxpayers as the national infrastructure is being more efficiently utilised.

We believe that any future rail policy must fully embrace open access. It has been a hugely successful aspect of the rail industry over the last 25 years, connecting previously under-served places and providing additional capacity which helps drive more people towards rail and away from less sustainable forms of transport. Services are provided entirely at the operator's own commercial risk and bring private investment

into the sector. They create jobs and have added over £1bn in economic benefit to the UK, while driving modal shift to rail over more carbon intense transport modes such as car or plane.

Enhancing rail connections is critical to boosting economic growth in the UK and we believe that delivered effectively, reform will ensure the industry can grow passenger numbers, generate greater revenues and develop the value of rail in a customer-focused, dynamic and efficient environment.

Looking ahead

For FY 2026, we anticipate adjusted revenue and adjusted operating profit in First Rail will be marginally lower, reflecting the lower fees following the transfer of SWR to public ownership, a lower impact from IFRS 16 reflecting lease terms and a normalised level of DfT TOC performance fees offset by continued growth in open access partially tempered by mobilisation costs for the new open access operations

The Government’s announced policy is to bring the NRCs into public ownership at the earliest possible opportunity, with SWR transferring on 25 May 2025, c2c on 20 July and Greater Anglia on 12 October 2025, with subsequent contracts transferring at intervals of approximately three months in the order that their current core contractual terms expire.

As the contracts transition, we anticipate a cash inflow of c.£120m from the DfT TOCs, including any reorganisation cash costs the Group may incur, over a three-year period from April 2025 with cash received from the management fees a year in arrears. This cash receipt includes the earnings from the division’s Additional services businesses that are expected to continue supporting the DfT TOCs for a year or more after the NRCs end. First Rail continue to support Trans Pennine Trains in a number of areas two years following the transition of the NRC.

As outlined above, we expect our new London to Stirling service to commence operations mid-2026, and following a period of mobilisation, to deliver annual revenues of c.£50m with a low double digit adjusted operating profit margin, pre IFRS 16. Our London to Carmarthen service is expected to begin operations in December 2027 and following a c.2-year mobilisation period, we anticipate annual revenues of c.£50m, again with a low double digit pre IFRS 16 adjusted operating profit margin.

As the UK rail industry transitions, we are focused on growing in open access, identifying where we can scale our Additional services businesses, bidding for new contracts, and identifying new open access opportunities in the UK, as well as monitoring open access opportunities in Europe as the market continues to liberalise.

FINANCIAL REVIEW

Capital allocation framework

The Group has a disciplined capital allocation framework to drive further growth and returns

<p>Maintain a strong balance sheet</p>	<ul style="list-style-type: none"> • Leverage policy: less than 2.0x adjusted net debt: Rail adjusted EBITDA • First Bus: a younger fleet and greater reliability and availability of electric buses will drive cost efficiencies and mean fewer buses are required • First Bus London will be cash generative from FY 2027 • First Rail: anticipated cash inflow of c.£120m over three years from April 2025 as DfT TOCs transition; includes Additional services profit
<p>Invest in future growth</p>	<ul style="list-style-type: none"> • Strong pipeline of value accretive organic and inorganic growth opportunities • Acquisitions must exceed the Group’s post-tax weighed average cost of capital ('WACC') (8-9%) • Strong cash conversion in First Bus enables accelerated decarbonisation investment supported by government co-funding; First Bus: c.£150m net cash capital expenditure for FY 2026 including London, mostly on electrification • First Rail: continues to be cash capital-light, with any capital expenditure required by the DfT TOCs fully funded under the National Rail Contracts and open access rolling stock operating leases in line with the track access arrangements

Deliver progressive returns	<ul style="list-style-type: none"> Dividend policy: c.3x cover of Group adjusted earnings; paid around one third interim and two thirds final dividend Total dividends have increased from 3.8p in FY 2023 to 6.5p FY 2025 FY 2025 final dividend of 4.8p per share proposed; dividends paid in FY 2025 total £34m
Return surplus cash to shareholders	<ul style="list-style-type: none"> £92m returned to shareholders via buyback programmes in FY 2025; additional £50m buyback programme announced c.£77m held in escrow for Bus section of the Group's pension scheme; July 2025 triennial valuation deadline c.£23m held in escrow for Group section; 2030 valuation The Board remains committed to returning surplus cash to shareholders

Adjusted operating performance by division is as follows:

	52 weeks to 29 March 2025			53 weeks to 30 March 2024		
	Adjusted revenue ¹ £m	Adjusted operating profit ² £m	Adjusted operating margin ² %	Adjusted revenue £m	Adjusted operating profit ² £m	Adjusted operating margin ² %
First Bus	1,081.5	96.0	8.9	1,012.2	83.6	8.3
First Rail	288.8	148.8	51.5	267.8	143.3	53.5
Group items/eliminations ³	(0.3)	(22.0)		(0.4)	(22.6)	
Continuing operations	1,370.0	222.8	16.3	1,279.6	204.3	16.0
Discontinued operations ⁴	–	(0.6)	n/a	–	(1.9)	n/a
Total	1,370.0	222.2	16.2	1,279.6	202.4	15.8

Statutory operating performance by division is as follows:

	52 weeks to 29 March 2025			53 weeks to 30 March 2024		
	Revenue £m	Operating profit £m	Operating margin %	Revenue £m	Operating profit/(loss) £m	Operating margin %
First Bus	1,081.5	96.0	8.9	1,012.2	(63.3)	(6.3)
First Rail	4,013.1	148.8	3.7	3,738.4	143.3	3.8
Group items/eliminations ³	(28.3)	(22.2)		(35.5)	(33.5)	
Continuing operations	5,066.3	222.6	4.4	4,715.1	46.5	1.0
Discontinued operations ⁴	–	4.9	n/a	–	(5.3)	n/a
Total	5,066.3	227.5	4.5	4,715.1	41.2	0.9

1 Adjusted revenue is revenue excluding DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk.

2 'Adjusted' profit measures throughout this document are before adjusting items as set out in note 4 to the financial statements. The statutory operating profit including discontinued operations for the year was £227.5m (FY 2024: £41.2m) as set out in note 5.

3 Includes elimination of intra-group trading between Bus and Rail divisions, central management and other items.

4 Discontinued operations relates to the Group's residual Greyhound US activities.

Revenue

Adjusted revenue increased to £1,370.0m (FY 2024: £1,279.6m), reflecting strong underlying First Bus performance including from acquisition growth, higher than accrued variable fees in First Rail DfT TOCs, and

further growth in open access rail. The prior year benefited from an extra week of trading at First Bus. Revenue from continuing operations increased to £5,066.3m (FY 2024: £4,715.1m).

Adjusted operating performance

Adjusted operating profit from continuing operations was £222.8m (FY 2024: £204.3m). First Bus benefited from increased passenger volumes, further and data-led operational and yield improvements, cost efficiencies and improved driver availability which more than offset ongoing inflationary pressures and lower funding levels. In First Rail, open access operations performed strongly underpinned by strong demand and effective yield management more than offsetting inflationary increases including access fees now at the full level at Lumo. The DfT TOC business was ahead of expectations owing to higher than forecast variable fee awards despite the additional variable fees recognised in FY 2024 relating to FY 2023.

Central costs were £(22.0)m (FY 2024: £(22.6)m) with the current year including higher costs relating to the strategic growth including the acquisition costs for RATP London. The net impact to operating profit of IFRS 16 in the year was £49.4m (FY 2024: £47.7m), with the increase driven by new rolling stock leases. Adjusted earnings from continuing operations were £115.8m (FY 2024: £110.7m), primarily driven by the stronger adjusted operating profit performance across the business, partially offset by higher net interest charges (excluding DfT TOC IFRS 16 interest).

	52 weeks to 29 March 2025 Adjusted earnings £m	53 weeks to 30 March 2024 Adjusted earnings £m
First Bus adjusted operating profit	96.0	83.6
First Rail adjusted operating profit	148.8	143.3
Group central costs (operating profit basis)	(22.0)	(22.6)
Group adjusted operating profit	222.8	204.3
Interest	(57.7)	(65.3)
Profit before tax	165.1	139.0
IFRS 16 DfT contracted TOCs adjustment ¹	(1.1)	10.2
Taxation	(41.1)	(32.0)
Non-controlling interest	(7.1)	(6.5)
Group adjusted earnings¹	115.8	110.7

1 The Group's definition of adjusted earnings excludes the impact of IFRS 16 depreciation and interest charges in relation to its First Rail – DfT contracted TOCs operations, given the Group takes no cost risk on these rolling stock leases.

The Group's adjusted EBITDA, that recognises only the net fees for First Rail DfT TOCs, increased year-on-year and is calculated as follows:

	52 weeks to 29 March 2025 £m	53 weeks to 30 March 2024 £m
First Bus EBITDA ¹	144.0	132.5
Attributable net income from First Rail DfT contracted TOCs ²	39.0	39.5
First Rail – open access and Additional Services EBITDA ¹	40.8	37.6
Group central costs (EBITDA basis ¹)	(21.4)	(21.8)
Group EBITDA adjusted for First Rail DfT contracted TOCs' management fees	202.4	187.8

1 Pre-IFRS 16 basis.

2 A reconciliation to the segmental disclosures is set out in note 4.

Reconciliation to non-GAAP measures and performance

Note 4 to the financial statements sets out the reconciliations of operating profit/(loss) and profit/(loss) before tax to their adjusted equivalents.

The principal adjusting items in FY 2025 are as follows:

Greyhound Canada

A net £(0.2)m charge was incurred in the year relating to the continued winding down of Greyhound Canada operations.

The principal adjusting items in relation to the operating profit adjustments – discontinued operations are as follows:

CARES receipt

A credit of £0.4m was recognised in the year on receipt of CARES funding in relation to the discontinued North American operations.

Legacy US pensions scheme buy out

On 16 July 2024, the Group agreed terms with an insurance company to buy out the remaining liabilities of the legacy Greyhound US pension plan, with the plan being terminated thereafter. Following a Group contribution of \$6m, gross liabilities valued at \$155m (£123m) at the FY 2024 year-end were removed from the Group's balance sheet and the Group recognised a net settlement gain after related costs of £5.1m in the income statement as an adjusting item.

The principal adjusting items in FY 2024 were as follows:

First Bus pension settlement charge and related items

First Bus terminated its participation in two Local Government Pension Schemes on 31 October 2023, with affected employees enrolled into the First Bus Retirement Savings Plan. Adjusting charges of £146.9m were recognised in the prior year for the settlement charge and related termination costs. A gain of £161.0m was recognised in FY 2024 in Other comprehensive income in relation to the restricted accounting surplus.

Legal claims in North America and the UK

The Group recognised legal provisions in the prior year relating to claims in North America and the UK. Adjusting items – discontinued operations in FY 2024 were:

First Transit earnout

The final valuation of the First Transit earnout contingent consideration receivable was agreed and settled during the prior year, with the Group receiving cash of \$83.8m (£65.3m). The Group incurred an adjusting charge of £2.3m, reflecting the hedging of the cash receipt, translation of the US dollar asset into pounds sterling before settlement, partially offsetting the write-off of the residual asset on settlement.

Group statutory operating profit

Statutory operating profit from continuing operations was £222.6m (FY 2024: £46.5m) as a result of the positive underlying business performance. The prior year included the £146.9m charge recognised as a result of the termination of participation of the Local Government Pension Schemes at First Bus.

Finance costs and investment income

Net finance costs from continuing operations were £57.7m (FY 2024: £65.3m) with the decrease principally due to lower bond interest as the 6.875% bond was repaid on maturity in September 2024, and lower interest received on lower cash balances following the share buyback programme.

Profit before tax

Statutory profit before tax was £164.9m (FY 2024: loss before tax of £(18.8)m). The prior year included the Local Government Pension Scheme (LGPS) pension settlement and related charges. Adjusted profit before tax as set out in note 4 to the financial statements was £164.3m (FY 2024: £136.8m) including discontinued operations.

Tax

The tax charge, on adjusted profit before tax on continuing operations for the year was £41.1m (FY 2024: £32.0m), representing an effective tax rate of 24.9% (FY 2024: 23.0%) which is in line with the UK corporation tax rate. There was a non-recurring historical tax refund of £3.0m and a deferred credit on

recognising deferred tax on losses of £6.8m. The total tax charge, including tax on discontinued operations, was £31.3m (FY 2024: credit of £15.0m). The actual tax paid during the year was £6.0m (FY 2024: £2.2m). The ongoing Group's effective tax rate is expected to be broadly in line with UK corporation tax levels being 25%, with the cash taxes anticipated to be lower due to the utilisation of the brought forward losses and continued full expensing for capital expenditure.

Cash flow

The Group's adjusted cash flow of £(18.5)m (FY 2024: £(167.7)m) in the year reflects positive cash flow from operations of £828.5m (FY 2024: £626.6m) including working capital inflow of £76.0m. This is offset by net capital invested in the business, mainly in decarbonisation in First Bus and the £86.5m (FY 2024: £(16.7)m) acquisitions completed during the year, as well as the repayment of lease liabilities, dividends paid and purchases of shares under the share buyback programme. The movement in net debt is set out below:

	52 weeks to 29 March 2025 £m	53 weeks to 30 March 2024 £m
Adjusted EBITDA	779.8	746.8
Other non-cash income statement charges	10.3	13.7
Working capital	76.0	(106.1)
Movement in other provisions	(27.9)	(27.9)
(Increase)/decrease in financial assets	(1.0)	23.7
Settlement of foreign exchange hedge	–	(1.1)
Defined benefit pension payments (greater than)/lower than income statement charge	(8.7)	(22.5)
Cash generated by operations	828.5	626.6
Capital expenditure	(156.4)	(219.3)
Acquisitions	(86.5)	(16.7)
Proceeds from disposal of property, plant and equipment	17.9	42.8
Proceeds from capital grant funding	66.4	94.8
Proceeds from contingent consideration	–	65.3
Interest and tax	(66.3)	(67.6)
Shares purchased for Employee Benefit Trust	(16.1)	(16.5)
Share repurchases from buyback programme including costs	(91.8)	(117.6)
External dividends paid	(34.2)	(29.5)
Dividends paid to non-controlling shareholders	(3.4)	(6.5)
Settlement of foreign exchange hedge	–	4.1
Fees for finance facilities	–	(1.4)
Lease payments now in debt	(476.6)	(526.2)
Adjusted cash flow	(18.5)	(167.7)
Foreign exchange movements	0.3	3.4
Net (inception) and termination/reassessment of leases	(288.4)	(237.5)
Lease payments now in debt	476.6	526.2
Other non-cash movements	–	(0.1)
Movement in net debt in the period	170.0	124.3
Reconciliation to movement in adjusted net debt		
Ring-fenced cash	(66.1)	120.0
IFRS 16 lease liabilities	(254.9)	(290.1)
Movement in adjusted net debt	(151.0)	(45.8)

	52 weeks to 29 March 2025 £m	53 weeks to 30 March 2024 £m
Reconciliation to free cash flow		
Add back: Acquisitions and strategic growth	138.5	17.9
Add back: Transit earnout	–	(65.3)
Add back: Dividends	34.2	29.5
Add back: Share buyback	91.8	117.6
Free cash flow	113.5	53.9

Free cash flow for the 52 weeks ended 29 March 2025 are as follows:

	Open Access & Other Rail £m	DfT TOCs £m	First Bus £m	Group Items £m	Total Group £m
EBITDA	40.8	-	144.0	(21.4)	163.4
DfT TOC management fees	-	37.9	-	-	37.9
Working capital	19.1	-	(7.4)	(5.6)	6.1
Cash flow from operations	59.9	37.9	136.6	(27.0)	207.4
Capital expenditure	(3.9)	-	(88.2)	(0.5)	(92.6)
Disposal proceeds	0.7	-	16.2	0.2	17.1
Defined benefit pension higher than Income Statement	(3.0)	-	(2.0)	(3.7)	(8.7)
Interest and tax	-	-	-	(9.5)	(9.5)
Other movements	-	-	-	(0.2)	(0.2)
Free Cash Flow	53.7	37.9	62.6	(40.7)	113.5

Free cash flows for the 53 weeks ended 30 March 2024 were as follows:

	Open Access & Other Rail £m	DfT TOCs £m	First Bus £m	Group Items £m	Total Group £m
EBITDA	37.6	-	132.5	(21.8)	148.3
DfT TOC management fees	-	38.2	-	-	38.2
Working capital	(8.8)	-	(28.5)	(5.5)	(42.8)
Cash flow from operations	28.8	38.2	104.0	(27.3)	143.7
Capital expenditure	-	-	(134.7)	-	(134.7)
Disposal proceeds	-	-	35.8	-	35.8
Defined benefit pension lower than Income Statement	-	-	17.2	-	17.2
Interest and tax	-	-	-	(5.3)	(5.3)
Other movements	-	-	-	(2.8)	(2.8)
Free Cash Flow	28.8	38.2	22.3	(35.4)	53.9

EPS

Total adjusted EPS from continuing operations was 19.4p (FY 2024: 16.7p) with higher adjusted earnings further benefitting from lower shares in issue following the share buyback programme completed in the year. Basic EPS was 21.3p (FY 2024: (2.4)p).

Shares in issue

As at 29 March 2025, there were 565.6m shares in issue (FY 2024: 625.4m), excluding treasury shares and own shares held in trust for employees of 185.1m (FY 2024: 125.3m). The weighted average number of shares in issue for the purpose of basic EPS calculations (excluding treasury shares and own shares held in trust for employees) in the year was 597.7m (FY 2024: 662.9m).

Dividend

The Board is proposing that a final dividend of 4.8p per share, resulting in a total dividend payment of c.£27m, be paid on 8 August 2025 to shareholders on the register at 4 July 2025, subject to approval of shareholders at the 2025 AGM.

Capital expenditure

Non-First Rail gross capital expenditure before government grant funding was £239.4m (FY 2024: £201.1m), comprising First Bus £239.4m and Group items £nil (FY 2024: First Bus £200.8m and Group items £0.3m). In the year, the First Bus average fleet age was 8.8 years (FY 2024: 9.0 years) reflecting continued investment in the fleet, mainly on electric vehicles and related infrastructure. First Rail capital expenditure was £46.9m (FY 2024: £45.5m) and is typically matched by receipts from the DfT under current contractual arrangements or other funding.

During the year asset-backed financial liabilities were entered into in First Bus of £36.8m (FY 2024: £22.1m), with a further £43.3m as a result of the First Bus London acquisition. Through the investment in the strategic joint venture with Hitachi Zero Carbon, £9.8m of battery leases have been recognised through the sale and leaseback arrangements for 173 batteries (FY 2024: £13.2m for 257 batteries).

In addition, during the year the Group entered into leases with a right of use value of £50.8m comprising First Rail £27.8m, First Bus £22.0m and Group items £1.0m (FY 2024: £222.5m, comprising First Rail £192.6m, First Bus £27.2m and Group items £2.7m). A further £72.7m of leases were entered into as a result of the First Bus London acquisition (£69.8m) and other First Bus acquisitions (£2.9m).

Gross capital investment (fixed asset and software additions plus rights of use asset additions) was £380.9m (FY 2024: £443.5m) and comprised First Bus £323.4m, First Rail £56.5m and Group items £1.0m (FY 2024: First Bus £208.2m, First Rail £232.6m and Group items £2.7m). The balance between cash capital expenditure and gross capital investment represents new leases, creditor movements and the recognition of additional right of use assets in the year.

Net cash/(debt)

The Group's adjusted net debt as at 29 March 2025, which excludes IFRS 16 lease liabilities and ring-fenced cash was £(86.9)m (FY 2024: adjusted net cash of £64.1m).

Reported net debt was £(974.8)m (FY 2024: reported net debt of £(1,144.8)m) after IFRS 16 and including ring-fenced cash of £315.7m (FY 2024: £249.6m), as follows:

	29 March 2025	30 March 2024
	Total Group £m	Total Group £m
Analysis of net (cash)/debt		
Sterling bond (2024)	–	96.2
Bank loans and overdrafts	56.4	27.8
Lease liabilities	1,203.6	1,458.5
Asset backed financial liabilities	115.3	45.6
Bank loans	66.7	–
NextGen (Hitachi JV) facility	19.9	13.2
Gross debt excluding accrued interest	1,461.9	1,641.3
Cash	(171.4)	(246.9)
First Rail ring-fenced cash and deposits	(308.8)	(245.6)
Other ring-fenced cash and deposits	(6.9)	(4.0)
Net debt excluding accrued interest	974.8	1,144.8
IFRS 16 lease liabilities – rail	1,074.4	1,408.9

IFRS 16 lease liabilities – non-rail	129.2	49.6
IFRS 16 lease liabilities – total	1,203.6	1,458.5
Net cash excluding accrued interest (pre-IFRS 16)	(228.8)	(313.7)
Adjusted net debt/(cash) (pre-IFRS 16 and excluding ring-fenced cash)	86.9	(64.1)

First Bus London

On 28 February 2025, the Group completed its acquisition of London bus operator RATP Dev Transit London Limited and its subsidiaries ('First Bus London') for cash consideration of £47.3m. The Group is currently undertaking the purchase price allocation exercise for First Bus London, and this has identified a number of adjustments to reflect the fair value of the assets and liabilities acquired. IFRS 3 Business Combinations allows the Group 12 months from the date of acquisition to finalise this exercise, and the standard acknowledges that it will be necessary to estimate certain acquisition adjustments and fair values. Owing to the proximity of the acquisition to the reporting date, the acquisition adjustments and closing fair values are therefore disclosed in the financial statements as provisional. These will be finalised within the timeframe permitted by IFRS 3.

Note 29 to the financial statements provides more information on these provisional adjustments and fair values, and reflects an initial recognition of £38.0m relating to the onerous contract provision covering c.50 contracts of c.90 TfL route contracts that were entered into before 2024 and which are expected to be replaced over the coming five years.

Funding

As at the year end, the Group had £295.0m (FY 2024: £300.0m) of undrawn committed borrowing available under its Revolving Credit Facility ('RCF'). In addition, there was £92.4m (FY 2024: £129.8m) of committed headroom available under the Husk Financer Facility, £40.9m (FY 2024: £54.9m) available under the NextGen Battery facility and £85.0m (FY 2024: £nil) under the term loan facility. Total undrawn bank borrowing facilities at year end stood at £523.3m (FY 2024: £501.0m) of which £513.3m (FY 2024: £484.7m) was committed and £10.0m (FY 2024: £16.3m) was uncommitted. The average debt maturity is 4.1 years (FY 2024: 2.4 years).

Under the terms of the First Rail contractual agreements with the DfT, cash can only be distributed by the TOCs either up to the lower amount of their retained profits or the amount determined by prescribed liquidity ratios. £37.9m (FY 2024: £38.2m) has been paid in dividends from the TOCs after finalisation of their FY 2024 statutory accounts to the Group during the year. The ring-fenced cash represents that which is not available for distribution, or the amount required to satisfy the liquidity ratio at the balance sheet date.

Interest rate risk

Exposure to floating interest rates is managed to ensure that at least 50% (but at no time more than 100%) of the Group's pre-IFRS 16 gross debt is fixed rate for the medium term.

Based on the current adjusted net debt profile, the variable rate RCF is largely undrawn with only finance leases and the term loan outstanding.

Fuel and electricity price risk

We use a progressive forward hedging programme to manage commodity risk. As at June 2025, 90% of our 'at risk' UK crude requirement for FY 2026 (84m litres, which is all in First Bus) was hedged at an average rate of 47p per litre, and 61% of our requirements for the year to the end of March 2027 at 44p per litre. We also have an electricity hedge programme in place, with 70% of our consumption (based on current consumption forecasts) hedged for FY 2026 at £89/MWh and 56% for FY 2027 at £70/MWh.

Foreign currency risk

'Certain' and 'highly probable' foreign currency transaction exposures (including fuel purchases for the UK divisions) may be hedged at the time the exposure arises for up to two years at specified levels, or longer if there is a very high degree of certainty. The Group does not hedge the translation of earnings into the Group reporting currency (pounds Sterling) but accepts that reported Group earnings will fluctuate as exchange rates against pounds Sterling fluctuate for the currencies in which the Group does business, although this exposure is materially reduced following the sales of the North American divisions. During the year, the net cash generated in each currency may be converted by Group Treasury into pounds Sterling by way of spot transactions in order to keep the currency composition of net debt broadly constant.

Foreign exchange

The most significant exchange rates to pounds Sterling for the Group are as follows:

	29 March 2025		30 March 2024	
	Closing rate	Effective rate	Closing rate	Effective rate
US Dollar	1.29	1.25	1.22	1.11
Canadian Dollar	1.85	1.93	1.68	1.76

Pensions

We have updated our pension assumptions as at 29 March 2025 for the defined benefit schemes in the UK and North America. The net pension deficit of £25.3m at the beginning of the year moved to a net surplus of £22.8m at the end of the year.

The main factors that influence the balance sheet liabilities for pensions and the principal sensitivities to their movement (excluding rail contracts and insurance liabilities) at 29 March 2025 are set out below:

	Movement	Impact
Discount rate	+1.0%	Decrease liabilities by £11m
Inflation	+1.0%	Increase liabilities by £9m
Life expectancy	+1 year	Increase liabilities by £29m

During FY 2025, the Group agreed terms with an insurance company to buy out the remaining liabilities of the legacy Greyhound US pension plan, with the plan being terminated thereafter. Following a Group contribution of \$6m, gross liabilities of \$155m (£123m) at the FY 2024 year-end were removed from the Group's balance sheet and the Group recognised a net settlement gain after related costs of £5.1m in the Group's income statement as an adjusting item. Also during FY 2025, the merger of the First Bus and FirstGroup pension schemes was completed to drive further efficiencies. The Group Scheme triennial funding valuation as at 5 April 2024 (now comprising legacy Group and Bus pension obligations) will be finalised in FY 2026. The valuation outcome will determine how the £77m currently held in the Bus Scheme Limited Partnership will be distributed, with the balance of £23m relating to the Group scheme to be determined based on the 2030 triennial valuation.

During FY 2024, following a consultation with affected employees, the Group terminated the participation of the relevant First Bus subsidiaries in the two Local Government Pension Schemes in which they were admitted bodies.

An expense of £146.9m was recognised in the prior year as an adjusting income statement item for the settlement charges and other related costs, with gains of £5.0m recognised in income for curtailment gains and £161.0m recognised in Other comprehensive income in relation to the restricted accounting surplus. Also during FY 2024, the Limited Partnership created following the sale of the North American divisions returned £23.7m to the Bus Pension Scheme, and at legacy Greyhound, the Group bought out and settled c.\$75m (c.£62m) of Greyhound US pension liabilities, and in addition £153m of pension liabilities in Canada were secured with an annuity buy-in.

Balance sheet

Net assets have increased by £70.8m since 30 March 2024. The principal reason is the impact of the profit for the year offset by the share buyback programme and dividends paid.

	As at 29 March 2025 £m	As at 30 March 2024 £m
Balance sheets – Net assets/(liabilities)		
First Bus	813.3	580.2
First Rail	798.4	1,169.2
Greyhound	(10.5)	(24.7)
Divisional net assets	1,601.2	1,724.7
Group items	91.1	60.7

Net debt	(974.8)	(1,148.3)
Taxation	(5.0)	4.0
Greyhound – Held for sale	-	0.6
Total	712.5	641.7

Post-balance sheet events

The Group's South Western Railway NRC expired on 25 May 2025 and operations transferred to public control under the DfT Operator, in line with the Government's policy and as announced in December 2024.

Going concern

The Board carried out a review of the Group's financial projections for the 18 months to 30 September 2026 and evaluated whether it was appropriate to prepare the full year results on a going concern basis. In doing so the Board considered whether any material uncertainties exist that cast doubt on the Group's and the Company's ability to continue as a going concern over the going concern period.

Consistent with prior years, the Board's going concern assessment is based on a review of future trading projections, including whether banking covenants are likely to be met and whether there is sufficient committed facility headroom to accommodate future cash flows for the going concern period.

Divisional management teams prepared detailed, bottom-up projections for their businesses, including assumptions on passenger volumes and government support arrangements, and having regard to the risks and uncertainties to which the Group is exposed.

Following these reviews the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least the 12-month period from the date on which the financial statements were approved. Accordingly, they continue to adopt a going concern basis of accounting in preparing the consolidated financial statements in this full year report.

Definitions

Unless otherwise stated, all financial figures for the 52 weeks ending 29 March 2025 (the 'year' or 'FY 2025') include the results and financial position of the First Rail business for the year ended 31 March 2025 and the results of all other businesses for the 52 weeks ending 29 March 2025. The figures for the 53 weeks to 30 March 2024 (the 'prior year' or 'FY 2024') include the results and financial position of the First Rail business for the year ended 31 March 2024 and the results and financial position of all other businesses for the 53 weeks to 30 March 2024. Results for the 52 weeks to 28 March 2026 ('FY 2026') will include the results and financial position for First Rail for the year ending 31 March 2026 and the results and financial position of all the other businesses for the 52 weeks ending 28 March 2026.

'Cont.' or the 'Continuing operations' refer to First Bus, First Rail and Group items.

'Disc.' or the 'Discontinued operations' refer to First Student, First Transit and Greyhound US.

References to 'adjusted operating profit', 'adjusted profit before tax', 'adjusted earnings' and 'adjusted EPS' throughout this document are before the adjusting items as set out in note 4 to the financial statements, and in the case of 'adjusted earnings' and 'adjusted EPS', exclude the impact of IFRS 16 for the Group's management fee-based Rail operations.

'EBITDA' is adjusted operating profit less capital grant amortisation plus depreciation and software amortisation.

The Group's 'EBITDA adjusted for First Rail management fees' is First Bus and First Rail EBITDA from open access and Additional Services on a pre-IFRS 16 basis, plus First Rail attributable net income from management fee-based operations, minus central costs.

'Adjusted revenue' is defined as revenue excluding that element of DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk. The Adjusted revenue measure includes management and performance fee income earned by the Group from its DfT TOC contracts.

'Adjusted earnings' is the Group's statutory profit for the year attributable to equity holders of the parent, excluding adjusting items as detailed in note 4, and also excluding the impact of IFRS 16 for the Group's management fee-based Rail operations.

'Net debt/(cash)' is the value of Group external borrowings, excluding accrued interest, less cash balances.

'Adjusted net debt/(cash)' excludes ring-fenced cash and IFRS 16 lease liabilities from net debt/(cash).

Principal risks and uncertainties

The Board has conducted a thorough assessment of the principal risks and uncertainties facing the Group, including those that would threaten the successful and timely delivery of its strategic priorities, future financial performance, solvency and liquidity.

In addition to the risk and uncertainties facing the Group as detailed in the Business and Financial Reviews, the underlying principal risks and uncertainties in our operating businesses will be set out in detail in the Group's 2025 Annual Report and Accounts. The principal risks facing the Group are:

- Economic conditions
- Geopolitical
- Climate
- Growth and Diversification
- Safety
- Legal & Regulatory compliance
- Information security including cyber and resilience
- People
- Financial resources
- Pension scheme funding

A number of these risks remain elevated given the wider economic and geopolitical uncertainty, including the final form of Great British Railways and the extent to which it will have influence on the granting of track access rights for new open access rail operations, together with future policy and funding decisions by the Government.

For a full summary of the Principal Risks and Uncertainties facing the Group, please refer to the Annual Report and Accounts 2025 which will be published on 26 June 2025 on the Group's website: www.firstgroupplc.com/investors/reports-and-presentations.aspx.

Graham Sutherland
Chief Executive Officer
10 June 2025

Ryan Mangold
Chief Financial Officer
10 June 2025

CONSOLIDATED INCOME STATEMENT

For the 52 weeks ended 29 March 2025/53 weeks ended 30 March 2024

Continuing Operations	Notes	2025 £m	2024 £m
Revenue	2	5,066.3	4,715.1
Operating costs before LGPS pension settlement and related charges		(4,843.7)	(4,521.7)
LGPS pension settlement and related charges		–	(146.9)
Total operating costs		(4,843.7)	(4,668.6)
Operating profit		222.6	46.5
Investment income	5	7.7	16.7
Finance costs	5	(65.4)	(82.0)
Profit/(loss) before tax		164.9	(18.8)
Tax	6	(31.3)	15.1
Profit/(loss) from continuing operations		133.6	(3.7)
Profit/(loss) from discontinued operations	13	4.7	(5.7)
(Profit/(loss) for the year		138.3	(9.4)
Attributable to:			
Equity holders of the parent		127.5	(15.9)
Non-controlling interests		10.8	6.5
		138.3	(9.4)
Earnings per share			
Earnings per share for profit/(loss) from continuing operations attributable to the ordinary equity holders of the Company			
Basic earnings per share		20.5p	(1.5)p
Diluted earnings per share		19.7p	(1.5)p
Earnings per share for profit/(loss) attributable to the ordinary equity holders of the Company			
Basic earnings per share	7	21.3p	(2.4)p
Diluted earnings per share	7	20.5p	(2.4)p
Adjusted results (from continuing operations)¹			
Adjusted operating profit	3	222.8	204.3
Adjusted profit before tax		165.1	139.0
Adjusted EPS	7	19.4p	16.7p
Adjusted diluted EPS		18.6p	16.1p

1 Adjusted for certain items as set out in note 4.

The accompanying notes form an integral part of this consolidated income statement.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the 52 weeks ended 29 March 2025/53 weeks ended 30 March 2024

	2025 £m	2024 £m
Profit/(loss) for the year	138.3	(9.4)
Items that will not be reclassified subsequently to profit or loss		
Actuarial gains/(losses) on defined benefit pension schemes	32.9	(77.7)
Gain on termination of LGPS participation from restricted accounting surplus	–	161.0
Deferred tax on actuarial gains on defined benefit pension schemes	(7.5)	(20.2)
	25.4	63.1
Items that may be reclassified subsequently to profit or loss		
Hedging instrument movements	(4.0)	5.1
Deferred tax on hedging instrument movements	1.0	(0.5)
Cumulative loss on hedging instruments reclassified to the income statement	–	(2.7)
Exchange differences on translation of foreign operations – continuing operations	(2.1)	–
Exchange differences on translation of foreign operations – discontinued operations	3.1	(6.6)
	(2.0)	(4.7)
Other comprehensive income for the year	23.4	58.4
Total comprehensive income for the year	161.7	49.0
Attributable to:		
Equity holders of the parent	150.9	42.5
Non-controlling interests	10.8	6.5
	161.7	49.0
Total comprehensive income/(loss) for the year attributable to owners of FirstGroup plc arises from:		
Attributable to:		
Continuing operations	151.6	62.1
Discontinued operations	10.1	(13.1)
	161.7	49.0

The accompanying notes form an integral part of this consolidated statement of comprehensive income.

CONSOLIDATED BALANCE SHEET
As at 29 March 2025/30 March 2024

	Notes	2025 £m	2024 £m
Non-current assets			
Goodwill	8	148.2	111.0
Other intangible assets	9	16.1	10.4
Property, plant and equipment	10	2,028.0	2,155.4
Deferred tax assets	17	47.2	39.6
Retirement benefit assets		27.3	6.4
Derivative financial instruments	16	0.3	0.4
Financial asset	16	104.2	99.6
Investments		2.6	2.6
		2,373.9	2,425.4
Current assets			
Inventories		30.8	25.9
Trade and other receivables	11	761.6	852.6
Current tax assets		7.4	4.4
Cash and cash equivalents		487.1	496.5
Derivative financial instruments	16	0.2	2.0
		1,287.1	1,381.4
Assets held for sale		–	0.6
Total assets		3,661.0	3,807.4
Current liabilities			
Trade and other payables	12	1,208.2	1,258.6
Tax liabilities – Current tax liabilities		–	0.4
– Other tax and social security		59.6	39.6
Borrowings	14	482.9	626.5
Derivative financial instruments	16	3.0	3.4
Provisions	18	96.2	74.6
Current liabilities		1,849.9	2,003.1
Net current liabilities		(562.8)	(621.7)
Non-current liabilities			
Borrowings	14	979.0	1,018.3
Derivative financial instruments	16	1.0	1.3
Retirement benefit liabilities		4.6	31.7
Provisions	18	114.0	111.3
		1,098.6	1,162.6
Total liabilities		2,948.5	3,165.7
Net assets		712.5	641.7
Equity			
Share capital	19	37.5	37.5
Share premium		693.3	693.3
Hedging reserve		(2.2)	(1.8)
Other reserves		22.4	22.4

	Notes	2025 £m	2024 £m
Own shares		(31.1)	(20.4)
Translation reserve		(21.9)	(22.9)
Retained earnings		(1.3)	(74.8)
Equity attributable to equity holders of the parent		696.7	633.3
Non-controlling interests		15.8	8.4
Total equity		712.5	641.7

The accompanying notes form an integral part of this consolidated balance sheet.

Ryan Mangold

10 June 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 52 weeks ended March 2025/53 weeks ended 30 March 2024

	Share capital £m	Share premium £m	Hedging reserve £m	Other reserves £m	Own shares £m	Translation reserve £m	Retained earnings/ (deficit) £m	Total £m	Non-controlling interests £m	Total equity £m
Balance at 26 March 2023	37.5	693.2	(0.7)	22.4	(15.4)	(16.3)	19.5	740.2	10.6	750.8
(Loss)/profit for the period	-	-	-	-	-	-	(15.9)	(15.9)	6.5	(9.4)
Other comprehensive income/(loss) for the period	-	-	1.9	-	-	(6.6)	63.1	58.4	-	58.4
Total comprehensive income/(loss) for the period	-	-	1.9	-	-	(6.6)	47.2	42.5	6.5	49.0
Hedging instrument movements transferred to balance sheet (net of tax)	-	-	(3.0)	-	-	-	-	(3.0)	-	(3.0)
Transactions with owners in their capacity as owners										
Shares issued	-	0.1	-	-	-	-	-	0.1	-	0.1
Shares bought back but not yet cancelled	-	-	-	-	-	-	(74.7)	(74.7)	-	(74.7)
Liability for shares not yet bought back	-	-	-	-	-	-	(41.1)	(41.1)	-	(41.1)
Non-controlling interest buy-out	-	-	-	-	-	-	-	-	(2.2)	(2.2)
Dividends paid	-	-	-	-	-	-	(29.5)	(29.5)	(6.5)	(36.0)
Movement in EBT and treasury shares	-	-	-	-	(5.0)	-	(11.5)	(16.5)	-	(16.5)
Share-based payments	-	-	-	-	-	-	15.6	15.6	-	15.6
Deferred tax on share-based payments	-	-	-	-	-	-	(0.3)	(0.3)	-	(0.3)
Balance at 30 March 2024	37.5	693.3	(1.8)	22.4	(20.4)	(22.9)	(74.8)	633.3	8.4	641.7
Balance at 31 March 2024	37.5	693.3	(1.8)	22.4	(20.4)	(22.9)	(74.8)	633.3	8.4	641.7
(Loss)/profit for the period	-	-	-	-	-	-	127.5	127.5	10.8	138.3
Other comprehensive income/(loss) for the period	-	-	(3.0)	-	-	1.0	25.4	23.4	-	23.4
Total comprehensive income/(loss) for the period	-	-	(3.0)	-	-	1.0	152.9	150.9	10.8	161.7
Hedging instrument movements transferred to balance sheet (net of tax)	-	-	2.6	-	-	-	-	2.6	-	2.6
Transactions with owners in their capacity as owners										
Shares bought back but not yet cancelled	-	-	-	-	-	-	(50.4)	(50.4)	-	(50.4)
Dividends paid	-	-	-	-	-	-	(34.2)	(34.2)	(3.4)	(37.6)
Movement in EBT and treasury shares	-	-	-	-	(10.7)	-	(5.4)	(16.1)	-	(16.1)
Share-based payments	-	-	-	-	-	-	10.5	10.5	-	10.5
Deferred tax on share-based payments	-	-	-	-	-	-	0.1	0.1	-	0.1
Balance at 29 March 2025	37.5	693.3	(2.2)	22.4	(31.1)	(21.9)	(1.3)	696.7	15.8	712.5

The accompanying notes form an integral part of this consolidated statement of changes in equity.

CONSOLIDATED CASH FLOW STATEMENT

For the 52 weeks ended 29 March 2025/53 weeks ended 30 March 2024

	Notes	2025 £m	2024 £m
Cash generated by operations	21	828.2	626.6
Tax paid		(6.0)	(2.2)
Interest paid		(68.0)	(81.1)
Net cash from operating activities	21	754.2	543.3
Investing activities			
Interest received		7.7	15.7
Proceeds from disposal of property, plant and equipment		17.9	42.8
Purchases of property, plant and equipment		(150.7)	(216.9)
Purchases of software		(5.7)	(2.4)
Proceeds from capital grant funding		66.4	94.8
Proceeds from contingent consideration		–	65.3
Settlement of foreign exchange hedge		–	4.1
Acquisition of businesses (net of cash acquired)	20	(86.5)	(13.6)
Net cash used in from investing activities		(150.9)	(10.2)
Financing activities			
Shares purchased by Employee Benefit Trust		(16.1)	(16.5)
Treasury shares purchased via share buyback scheme and directly associated costs		(91.8)	(117.6)
External dividends paid		(34.2)	(29.5)
Dividends paid to non-controlling shareholders		(3.4)	(6.5)
Non-controlling interest buy-out		–	(3.1)
Repayment of bond issues		(96.2)	(88.0)
Term loan drawdown		65.0	–
Proceeds from rolling credit facility		80.0	–
Repayment of rolling credit facility		(75.0)	–
Repayment of lease liabilities		(503.5)	(506.9)
Repayment of asset backed financial liabilities		(9.8)	(19.3)
Proceeds from asset backed financial liabilities		36.7	–
Repayment of loan notes		–	(0.6)
Proceeds from NextGen facility		6.8	13.1
Fees for finance facilities		–	(1.4)
Net cash flow used in financing activities		(641.5)	(776.3)
Net decrease in cash and cash equivalents before foreign exchange movements		(38.2)	(243.2)
Cash and cash equivalents at beginning of year		468.7	708.5
Foreign exchange movements		0.2	3.4
Cash and cash equivalents at end of year		430.7	468.7

Cash flows of discontinued operations are shown in note 13.

	2025	2024
	£m	£m
Reconciliation to cash flow statement		
Cash and cash equivalents – balance sheet	487.1	496.5
Bank overdraft	(56.4)	(27.8)
Cash and cash equivalents at end of year per consolidated balance sheet	430.7	468.7

NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT – RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2025 £m	2024 £m
Net decrease in cash and cash equivalents in year	(38.2)	(243.2)
Decrease in debt excluding leases	19.4	75.5
Repayment of lease liabilities and asset backed financial liabilities	513.3	526.2
Inception and reassessment of leases and asset backed financial liabilities	(324.7)	(237.5)
Foreign exchange movements	0.2	3.4
Other non-cash movements	–	(0.1)
Movement in net debt in year	170.0	124.3
Net debt at beginning of year	(1,144.8)	(1,269.1)
Net debt at end of year	(974.8)	(1,144.8)

The accompanying notes form an integral part of this consolidated cash flow statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information

The financial information set out above does not constitute the Company's Statutory Accounts for the 52 weeks ended 29 March 2025 or the 53 weeks ended 30 March 2024, but is derived from those accounts. Statutory Accounts for 2024 have been delivered to the Registrar of Companies and those for 2025 will be delivered following the Company's Annual General Meeting. The auditors have reported on both sets of account; their reports were unqualified and did not contain statements under section 498 (2) or (3) of the Companies Act 2006.

Whilst the financial information included in this preliminary announcement has been computed in accordance with International Financial Reporting Standards (IFRSs), this announcement does not in itself contain sufficient information to comply with IFRSs. The Company expects to publish full financial statements that comply with IFRSs in June 2025. Copies of the Statutory Accounts for the 52 weeks ended 29 March 2025 will be available to all shareholders in June and will also be available thereafter at the Registered Office of the Company at 395 King Street, Aberdeen, AB24 5RP.

Basis of accounting

The consolidated financial statements of FirstGroup plc comply with UK-adopted international accounting standards and with the requirements of the Companies Act 2006. There were no unendorsed standards effective for the period ended 29 March 2025 affecting these consolidated and separate financial statements.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments, and on a going concern basis .

The Group has undertaken detailed reviews of a range of severe but plausible financial and operational scenarios using financial outlook modelling. Based on their review of the financial forecasts and having regard to the risks and uncertainties to which the Group is exposed, the Directors believe that the Company and the Group have adequate resources to continue in operational existence for at least a 12-month period from the date on which the financial statements were approved. Accordingly, the financial statements have been prepared on a going concern basis.

The financial statements for the 52 weeks ended 29 March 2025 include the results and financial position of the First Rail businesses for the year ended 31 March 2025 and the results and financial position of all the other businesses for the 52 weeks ended 29 March 2025. The financial statements for the 53 weeks ended 30 March 2024 include the results and financial position of the First Rail businesses for the year ended 31 March 2024 and the results and financial position of all the other businesses for the 53 weeks ended 30 March 2024.

Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except for the changes arising from new standards and amendments to existing standards which have been adopted in the current year.

The following amended standards and interpretations were adopted by the Group during the year:

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Amendments to IAS 1: Non-current Liabilities with Covenants
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

There has been no material change as a result of applying these amendments. No significant impact is expected from any of the future standards and amendments that are visible, with the exception of IFRS 18 Presentation and Disclosure in Financial Statements which is effective from 1 January 2027, which is expected to change the presentation of the consolidated financial statements.

2 Revenue

	2025 £m	2024 £m
Services rendered	4,317.2	3,952.1
First Rail contract subsidy receipts	412.8	456.8
Other revenues	336.3	306.2
Revenue from continuing operations	5,066.3	4,715.1
Discontinued operations	–	–
Revenue	5,066.3	4,715.1

3 Business segments and geographical information

For management purposes, the Group is organised into three operating divisions – First Bus, First Rail and Greyhound. Greyhound Canada is categorised as a Continuing Operation, although trading operations have ceased. The divisions are managed separately in line with the differing services that they provide and the geographical markets in which they operate. There is a clear distinction between each division and no judgement is required to identify each reportable segment.

The segment results for the 52 weeks ended 29 March 2025 are as follows:

	Continuing Operations				Discontinued Operations		Total £m
	First Bus £m	First Rail £m	Greyhound £m	Group items/ eliminations ¹ £m	Continuing Operations £m	Greyhound £m	
Passenger revenue	785.6	3,310.7	–	–	4,096.3	–	4,096.3
Contract revenue	249.2	–	–	(28.3)	220.9	–	220.9
Rail contract subsidy receipts	–	412.8	–	–	412.8	–	412.8
Other revenues	46.7	289.6	–	–	336.3	–	336.3
Revenue	1,081.5	4,013.1	–	(28.3)	5,066.3	–	5,066.3
Rail TOC revenue adjustments	–	(3,724.3)	–	28.0	(3,696.3)	–	(3,696.3)
Adjusted revenue²	1,081.5	288.8	–	(0.3)	1,370.0	–	1,370.0
EBITDA³	160.1	639.7	–	(19.4)	780.4	(0.6)	779.8
Depreciation	(77.0)	(541.1)	–	(2.1)	(620.2)	–	(620.2)
Software amortisation	(0.9)	(1.3)	–	(0.5)	(2.7)	–	(2.7)
Capital grant amortisation	13.8	51.5	–	–	65.3	–	65.3
Segment results	96.0	148.8	–	(22.0)	222.8	(0.6)	222.2
Other adjustments (note 4)	–	–	(0.2)	–	(0.2)	5.5	5.3
Operating profit/(loss)⁴	96.0	148.8	(0.2)	(22.0)	222.6	4.9	227.5
Investment income	0.5	0.2	–	7.0	7.7	0.1	7.8
Finance costs	(9.5)	(47.8)	–	(8.1)	(65.4)	(0.3)	(65.7)
Profit/(loss) before tax	87.0	101.2	(0.2)	(23.1)	164.9	4.7	169.6
Tax							(31.3)
Profit after tax							138.3

1 Group items comprise central management and other items.

2 Adjusted revenue is revenue excluding DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk.

3 EBITDA is adjusted operating profit less capital grant amortisation plus depreciation plus software amortisation.

4 Although the segment results are used by management to measure performance, statutory operating profit by operating division is also disclosed for completeness.

3 Business segments and geographical information continued

The segment results for the 53 weeks ended 30 March 2024 were as follows:

	Continuing Operations				Discontinued Operations			Total £m
	First Bus £m	First Rail £m	Greyhound £m	Group items/ eliminations ¹ £m	Continuing Operations £m	Greyhound £m	Group items ¹ £m	
Passenger revenue	769.1	3,030.1	–	–	3,799.2	–	–	3,799.2
Contract revenue	188.4	–	–	(35.5)	152.9	–	–	152.9
Rail contract subsidy receipts	–	456.8	–	–	456.8	–	–	456.8
Other revenues	54.7	251.5	–	–	306.2	–	–	306.2
Revenue	1,012.2	3,738.4	–	(35.5)	4,715.1	–	–	4,715.1
Rail TOC revenue adjustments	–	(3,470.6)	–	35.1	(3,435.5)	–	–	(3,435.5)
Adjusted revenue²	1,012.2	267.8	–	(0.4)	1,279.6	–	–	1,279.6
EBITDA³	148.1	620.5	–	(20.0)	748.6	(1.8)	–	746.8
Depreciation	(73.9)	(513.8)	–	(2.0)	(589.7)	(0.1)	–	(589.8)
Software amortisation	(1.0)	(1.7)	–	(0.6)	(3.3)	–	–	(3.3)
Capital grant amortisation	10.4	38.3	–	–	48.7	–	–	48.7
Segment results	83.6	143.3	–	(22.6)	204.3	(1.9)	–	202.4
Other adjustments (note 4)	(146.9)	–	(0.4)	(10.5)	(157.8)	(1.1)	(2.3)	(161.2)
Operating profit/(loss)⁴	(63.3)	143.3	(0.4)	(33.1)	46.5	(3.0)	(2.3)	41.2
Investment income	1.7	1.6	–	13.4	16.7	0.1	–	16.8
Finance costs	(4.2)	(61.5)	–	(16.3)	(82.0)	(0.4)	–	(82.4)
(Loss)/profit before tax	(65.8)	83.4	(0.4)	(36.0)	(18.8)	(3.3)	(2.3)	(24.4)
Tax								15.0
Loss after tax								(9.4)

1 Group items comprise central management and other items.

2 Adjusted revenue is revenue excluding DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk.

3 EBITDA is adjusted operating profit less capital grant amortisation plus depreciation plus software amortisation.

4 Although the segment results are used by management to measure performance, statutory operating profit by operating division is also disclosed for completeness.

4 Reconciliation to non-GAAP measures and performance

In measuring the Group and divisional adjusted operating performance, additional financial measures derived from the reported results have been used by management in order to eliminate factors which distort year-on-year comparisons, and to enable the like-for-like monitoring of the Group's recurring operations over time. The Group's adjusted performance is used to explain year-on-year changes when the effect of certain items is significant, including strategic items (including material M&A and group restructuring projects), costs of acquisitions including aborted acquisitions, and impairment of assets. Other items below £5.0m would not normally be considered as adjusting items unless part of a larger strategic project, but items which distort year-on-year comparisons that exceed this amount could potentially be classified as an adjusting item and are assessed on a case-by-case basis. Such potential adjusting other items may include: restructuring and reorganisation costs; property gains or losses; aged legal and self-insurance claims; movements on insurance discount rates; onerous contract provisions; pension settlement gains or losses; and other items which management has determined as not being relevant to an understanding of the Group's underlying business performance. Subsequent remeasurements of adjusting items are also recognised as an adjusting item in the future period in which the remeasurement occurs.

4 Reconciliation to non-GAAP measures and performance continued

The Group's statutory revenue measure will be impacted as National Rail Contracts (NRCs) are taken into public ownership. As a result, during FY 2025 the Group has identified Adjusted revenue as a new performance measure, to provide an indication of the Group's revenue excluding that from NRCs. Adjusted revenue is defined as revenue excluding that element of DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk. The Adjusted revenue measure includes management and performance fee income earned by the Group from its DfT TOC contracts.

	2025	2024
	£m	£m
Reconciliation of operating profit to adjusted operating profit on a continuing basis		
Operating profit on a continuing basis	222.6	46.5
Adjustments for:		
LGPS pension settlement and related charges	–	146.9
Legal claims in North America and the UK	–	10.5
Greyhound Canada	0.2	0.4
Total operating profit adjustments on a continuing basis	0.2	157.8
Adjusted operating profit on a continuing basis (note 3)	222.8	204.3

	2025	2024
	£m	£m
Reconciliation of operating profit/(loss) to adjusted operating profit on a discontinued basis		
Operating profit/(loss) from discontinued operations	4.9	(5.3)
Adjustments for:		
CARES receipt	(0.4)	–
Retirement benefit restructuring (credits)/charges	(5.1)	1.1
Transit earnout charge	–	2.3
Total operating profit adjustments from discontinued operations	(5.5)	3.4
Adjusted operating loss from discontinued operations	(0.6)	(1.9)

	2025	2024
	£m	£m
Reconciliation of profit/(loss) before tax to adjusted profit before tax and adjusted earnings		
Profit/(loss) before tax (including discontinued operations)	169.6	(24.4)
Adjusting operating profit items – continuing operations	0.2	157.8
Adjusting operating profit items – discontinued operations	(5.5)	3.4
Adjusted operating profit items – total operations	(5.3)	161.2
Adjusted profit before tax including discontinued operations	164.3	136.8
Rail management fee-based operations – IFRS 16 adjustment	(1.1)	10.2
Adjusted tax charge	(41.1)	(32.1)
Non-controlling interests ¹	(7.1)	(6.5)
Adjusted earnings including discontinued operations	115.0	108.4

1 Statutory non-controlling interests in 2025 and 2024 principally reflect Avanti West Coast and South Western Railway.

4 Reconciliation to non-GAAP measures and performance continued

	2025	2024
	£m	£m
Reconciliation of tax charge to adjusted tax charge		
Tax charge/(credit) (note 6)	31.3	(15.0)
Tax effect of adjusting items (note 7)	–	42.5
Non-recurring historical tax refund (note 7)	3.0	–
Write-back of previously unrecognised deferred tax assets (note 7)	6.8	5.3
Write-down of previously recognised deferred tax assets (note 7)	–	(0.7)
Adjusted tax charge (including discontinued)	41.1	32.1
Adjusted tax charge – continuing operations	41.1	32.0
Adjusted tax charge – discontinued operations	–	0.1

Adjusting items – 2025

The principal adjusting items in the year for the continuing business are as follows:

Greyhound Canada

A net £0.2m charge was incurred in the period relating to the continued winding down of Greyhound Canada operations.

Adjusting items – discontinued operations

CARES receipt

A credit of £0.4m was recognised in the period on receipt of CARES funding in relation to the discontinued North American operations.

Legacy US pensions scheme buy out

On 16 July 2024, the Group agreed terms with an insurance company to buy out the remaining liabilities of the legacy Greyhound US pension plan, with the plan being terminated thereafter. Following a Group contribution of \$6m, gross liabilities valued at \$155m (£123m) at the FY 2024 year-end were removed from the Group's balance sheet and the Group recognised a net settlement gain after related costs of £5.1m in the income statement as an adjusting item.

Adjusting items – 2024

The principal adjusting items in the prior year were as follows:

First Bus pension settlement charge and related items

In September 2023, First Bus concluded a period of consultation with regards to its two Local Government Pension Schemes and subsequently terminated its participation in these funds on 31 October 2023, with affected employees enrolled into the First Bus Retirement Savings Plan. Adjusting charges of £146.9m relating to the settlement charge and other costs relating to the termination were recognised during FY 2024. A gain of £161.0m was recognised in Other comprehensive income in relation to the restricted accounting surplus.

Legal claims in North America and the UK

The Group has recognised legal provisions relating to claims in North America and the UK.

Adjusting items – discontinued operations

First Transit earnout

The final valuation of the First Transit earnout contingent consideration receivable was agreed and settled during FY 2024, with the Group receiving cash of \$83.8m (£65.3m). The Group incurred an adjusting charge of £2.3m, reflecting the hedging of the cash receipt, translation of the US dollar asset into pounds sterling before settlement, offsetting the small write-off of the residual asset on settlement.

4 Reconciliation to non-GAAP measures and performance continued

	2025	2024
	£m	£m
First Bus EBITDA comprises:		
Pre-IFRS 16 EBITDA	144.0	132.5
IFRS 16 adjustments ¹	16.1	15.6
First Bus adjusted EBITDA per segmental results table (note 3)	160.1	148.1
	2025	2024
	£m	£m
First Rail EBITDA comprises:		
Non-management fees-based TOCs pre-IFRS 16 EBITDA	40.8	37.6
Group's share of management fee income available for dividends (net of tax and non-controlling interest)	39.0	39.5
Tax on management fee income	15.4	15.0
Non-controlling interest	7.2	6.5
IFRS 16 adjustments ¹	537.3	521.9
First Rail adjusted EBITDA per segmental results table (note 3)	639.7	620.5
Group items EBITDA comprises:		
Pre-IFRS 16 EBITDA	(21.4)	(21.9)
IFRS 16 adjustments ¹	2.0	1.9
Group items adjusted EBITDA per segmental results table (note 3)	(19.4)	(20.0)
First Rail adjusted operating profit comprises:		
Non-management fees-based TOCs	40.3	36.4
Group's share of management fee income available for dividends (net of tax and non-controlling interest)	39.0	39.5
Tax on management fee income	15.4	15.0
Non-controlling interest	7.2	6.5
IFRS 16 adjustments ¹	46.9	45.9
First Rail adjusted operating profit per segmental results table (note 3)	148.8	143.3
Reconciliation of pre-IFRS 16 adjusted EBIT to post-IFRS 16 adjusted EBIT		
Pre-IFRS 16 adjusted EBIT	173.4	156.6
IFRS 16 adjustments ¹	49.4	47.7
Post-IFRS 16 adjusted EBIT (note 3)	222.8	204.3
Reconciliation of statutory revenue to adjusted revenue²		
Revenue – statutory basis	5,066.3	4,715.1
Deduct: DfT TOC revenue	(3,881.0)	(3,626.5)
Add back: DfT TOC management and performance fees	71.7	69.8
Add back: Intercompany eliminations related to DfT TOCs	113.0	121.2
Adjusted revenue	1,370.0	1,279.6
Reconciliation of reported net debt to adjusted net debt/(cash)	29 March 2025	30 March 2024
Reported net debt	974.8	1,144.8
IFRS 16 lease liabilities (note 15)	(1,203.6)	(1,458.5)
Ring-fenced cash	315.7	249.6
Adjusted net debt/(cash)	86.9	(64.1)

1 IFRS 16 adjustments to EBITDA principally reflect the add back of operating lease rental costs charged to the income statement before the adoption of IFRS 16. IFRS 16 adjustments to operating profit reflect operating lease rental costs less depreciation charges on right of use assets.

2 Adjusted revenue is revenue excluding DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk. The Adjusted revenue measure includes management and performance fee income earned by the Group from its DfT TOC contracts.

5 Investment income and finance costs

	2025 £m	2024 £m
Bank interest receivable	(7.2)	(14.7)
Interest on pensions	(0.6)	(2.1)
Total investment income (including discontinued operations)	(7.8)	(16.8)
Bonds	3.1	11.9
Bank interest and facility fees	8.2	5.8
Finance charges payable in respect of lease liabilities	49.6	62.1
Finance charges payable in respect of asset backed financial liabilities	3.7	1.4
Interest on long-term provisions	1.0	0.8
Interest on pensions	0.1	0.4
Total finance costs (including discontinued operations)	65.7	82.4

Finance costs are stated after charging fee expenses of £1.1m (2024: £0.7m). There was no interest capitalised into qualifying assets in either the current or prior period.

Investment income of £0.1m (2024: £0.1m) and finance costs of £0.3m (2024: £0.4m) relate to discontinued operations (note 13).

6 Tax on profit/(loss) on ordinary activities

	2025 £m	2024 £m
Current tax charge	6.6	1.3
Adjustments with respect to prior years	(2.8)	(3.0)
Total current tax charge/(credit) (including discontinued operations)	3.8	(1.7)
Origination and reversal of temporary differences	36.2	(11.0)
Adjustment in respect of prior years	(1.9)	2.3
Writing down of previously recognised deferred tax assets	–	0.7
Write back of previously unrecognised deferred tax assets	(6.8)	(5.3)
Total deferred tax charge/(credit) (note 17)	27.5	(13.3)
Total tax charge/(credit) (including discontinued operations)	31.3	(15.0)
Tax charge/(credit) attributable to:		
Profit from continuing operations	31.3	(15.1)
Profit from discontinued operations	–	0.1

7 Earnings per share (EPS)

EPS is calculated by dividing the profit attributable to equity shareholders of £127.5m (2024: loss of £(15.9)m) by the weighted average number of ordinary shares of 597.7m (2024: 662.9m). The number of ordinary shares used for the basic and diluted calculations is shown in the table below.

The difference in the number of shares between the basic calculation and the diluted calculation represents the weighted average number of potentially dilutive ordinary share options.

	2025 Number m	2024 Number m
Weighted average number of shares used in basic calculation	597.7	662.9
Executive share options	25.0	26.2
Weighted average number of shares used in the diluted calculation	622.7	689.1

The adjusted EPS is intended to highlight the recurring operating results of the Group before certain other adjustments as set out in note 4, and before IFRS 16 charges relating to the Group's management fee-based Rail operations. A reconciliation is set out below:

	2025		2024	
	£m	EPS (pence)	£m	EPS (pence)
Basic profit/(loss)/EPS	127.5	21.3	(15.9)	(2.4)
Management fee-based Rail operations – IFRS 16 adjustments	0.5	0.1	10.2	1.5
Other adjustments (note 4)	(5.3)	(0.9)	161.2	24.3
Non-controlling interest	2.1	0.4	–	–
Tax effect of other adjustments	–	–	(42.5)	(6.4)
Non-recurring historical tax refund	(3.0)	(0.5)	–	–
Write down of previously recognised deferred tax assets	–	–	0.7	0.1
Write back of previously unrecognised deferred tax assets	(6.8)	(1.1)	(5.3)	(0.8)
Adjusted profit and EPS attributable to the ordinary equity holders of the Company	115.0	19.3	108.4	16.4
Adjusted (loss)/EPS from discontinued operations	(0.8)	(0.1)	(2.3)	(0.3)
Adjusted profit/EPS from continuing operations	115.8	19.4	110.7	16.7
		2025 pence		2024 pence
Diluted EPS		20.5		(2.4)
Adjusted diluted EPS		18.5		15.7

7 Earnings per share (EPS) continued

The adjusted EPS on a continuing basis is set out below:

	2025		2024	
	£m	EPS (pence)	£m	EPS (pence)
Basic profit/(loss)/EPS	122.8	20.5	(10.2)	(1.5)
Management fee-based Rail operations – IFRS 16 adjustments	0.5	0.1	10.2	1.5
Other adjustments (note 4)	0.2	–	157.8	23.7
Non-controlling interest	2.1	0.4	–	–
Tax effect of other adjustments	–	–	(42.5)	(6.3)
Non-recurring historical tax refund	(3.0)	(0.5)	–	–
Write-down of previously recognised deferred tax assets	–	–	0.7	0.1
Write back of previously unrecognised deferred tax assets	(6.8)	(1.1)	(5.3)	(0.8)
Adjusted profit/EPS from continuing operations	115.8	19.4	110.7	16.7

	2025 pence	2024 pence
Diluted EPS	19.7	(1.5)
Adjusted diluted EPS	18.6	16.1

8 Goodwill

	£m
Cost	
At 30 March 2024	111.0
Additions (note 20)	37.2
At 29 March 2025	148.2
Accumulated impairment losses	
At 30 March 2024	–
At 29 March 2025	–
Carrying amount	
At 29 March 2025	148.2
At 30 March 2024	111.0

9 Other intangible assets

	Customer contracts £m	Software £m	Total £m
Cost			
At 26 March 2023	–	39.8	39.8
Additions	–	2.4	2.4
Disposals	–	(5.2)	(5.2)
Transfers	–	4.0	4.0
At 30 March 2024	–	41.0	41.0
At 31 March 2024	–	41.0	41.0
Acquisitions	3.6	0.3	3.9
Additions	–	5.7	5.7
Disposals	–	(1.2)	(1.2)
Reclassifications ¹	–	(2.7)	(2.7)
At 29 March 2025	3.6	43.1	46.7
Accumulated amortisation and impairment			
At 26 March 2023	–	29.0	29.0
Charge for year	–	3.3	3.3
Disposals	–	(4.2)	(4.2)
Transfers	–	2.5	2.5
At 30 March 2024	–	30.6	30.6
At 31 March 2024	–	30.6	30.6
Charge for year	–	2.7	2.7
Reclassifications ¹	–	(2.7)	(2.7)
At 29 March 2025	–	30.6	30.6
Carrying amount			
At 29 March 2025	3.6	12.5	16.1
At 30 March 2024	–	10.4	10.4

- 1 As part of the groups continuing efforts to streamline reporting processes it was identified that £2.7m had been incorrectly classified between cost and accumulated depreciation.

10 Property, plant and equipment

Owned assets

	Land and buildings £m	Passenger carrying vehicle fleet £m	Other plant and equipment £m	Total £m
Cost				
At 26 March 2023	213.1	753.5	711.6	1,678.2
Acquisitions	–	3.1	0.1	3.2
Additions	31.1	135.5	74.4	241.0
Disposals	(7.3)	(74.5)	(76.1)	(157.9)
Reclassifications	(1.8)	13.4	(5.7)	5.9
Transfers to right of use assets	–	(2.7)	(14.7)	(17.4)
At 30 March 2024	235.1	828.3	689.6	1,753.0
At 31 March 2024	235.1	828.3	689.6	1,753.0
Acquisitions (note 20)	49.5	56.4	14.0	119.9
Additions	31.4	60.0	69.1	160.5
Disposals	(1.4)	(44.1)	(10.9)	(56.4)
Reclassifications ¹	16.3	–	(13.6)	2.7
Transfers to right of use assets	–	(2.3)	(8.4)	(10.7)
Foreign exchange movements	–	(0.3)	–	(0.3)
At 29 March 2025	330.9	898.0	739.8	1,968.7
Accumulated depreciation and impairment				
At 26 March 2023	60.5	432.9	546.1	1,039.5
Charge for year	11.5	53.2	33.9	98.6
Disposals	(3.2)	(67.6)	(59.7)	(130.5)
Impairment ²	–	–	2.6	2.6
Reclassifications	(5.9)	8.3	(7.7)	(5.3)
At 30 March 2024	62.9	426.8	515.2	1,004.9
At 31 March 2024	62.9	426.8	515.2	1,004.9
Charge for year	10.8	53.4	49.6	113.8
Disposals	(0.6)	(41.1)	(7.4)	(49.1)
Reclassifications ³	–	–	2.7	2.7
Foreign exchange movements	–	(0.1)	–	(0.1)
At 29 March 2025	73.1	439.0	560.1	1,072.2
Carrying amount				
At 29 March 2025	257.8	459.0	179.7	896.5
At 30 March 2024	172.2	401.5	174.4	748.1

1 As part of the Group's continuing efforts to streamline reporting processes it was identified that £16.3m of assets had been incorrectly classified between Land and Buildings and Other and £2.7m had been incorrectly classified between cost and accumulated depreciation in Other.

2 The impairment charge in the prior year of £2.6m relates to Rail contracts.

An amount of £58.0m (2024: £0.8m) in respect of assets under construction is included in the carrying amount of land and buildings and other plant and equipment, mainly relating to development of electric charging infrastructure in First Bus.

At 29 March 2025 the Group had entered into contractual capital commitments amounting to £341.5m (2024: £61.8m), principally representing purchase of passenger carrying vehicles, electrical infrastructure and TOC and open access operation commitments.

Right of use assets

	Rolling stock £m	Land and buildings £m	Passenger carrying vehicle fleet £m	Other plant and equipment £m	Total £m
Cost					
At 26 March 2023	3,781.7	71.4	51.7	8.5	3,913.3
Additions	183.3	4.3	6.5	2.8	196.9
Disposals	(221.6)	(10.6)	(0.5)	(0.4)	(233.1)
Transfers from owned assets	–	–	2.7	14.7	17.4
At 30 March 2024	3,743.4	65.1	60.4	25.6	3,894.5
At 31 March 2024	3,743.4	65.1	60.4	25.6	3,894.5
Additions	6.5	6.2	8.0	1.2	21.9
Acquisitions	-	19.5	53.3	-	72.8
Disposals	(75.5)	(3.3)	(10.0)	(1.5)	(90.3)
Reassessment	124.6	1.0	-	-	125.6
Transfers from owned assets	-	-	2.3	8.4	10.7
At 29 March 2025	3,799.0	88.5	114.0	33.7	4,035.2
Accumulated depreciation and impairment					
At 26 March 2023	2,144.7	30.9	40.3	6.4	2,222.3
Charge for period	470.3	8.7	10.2	1.9	491.1
Lease impairment	1.2	–	–	–	1.2
Disposals	(220.6)	(6.4)	(0.3)	(0.1)	(227.4)
At 30 March 2024	2,395.6	33.2	50.2	8.2	2,487.2
At 31 March 2024	2,395.6	33.2	50.2	8.2	2,487.2
Charge for period	485.4	8.8	8.3	3.9	506.4
Disposals	(75.2)	(3.3)	(9.9)	(1.5)	(89.9)
At 29 March 2025	2,805.8	38.7	48.6	10.6	2,903.7
Carrying amount					
At 29 March 2025	993.2	49.8	65.4	23.1	1,131.5
At 30 March 2024	1,347.8	31.9	10.2	17.4	1,407.3

The discounted lease liability relating to the right of use assets included above is shown in note 15.

Owned assets and right of use assets	Rolling stock £m	Land and buildings £m	Passenger carrying vehicle fleet £m	Other plant and equipment £m	Total £m
Carrying amount					
At 29 March 2025	993.2	307.6	524.4	202.8	2,028.0
At 30 March 2024	1,347.8	204.1	411.7	191.8	2,155.4

The maturity analysis of lease liabilities is presented in note 15.

Amounts recognised in income statement (including discontinued operations)	2025 £m	2024 £m
Depreciation expense on right of use assets	506.4	491.1
Interest expense on lease liabilities	49.6	62.1
Impairment charge	-	1.2
Expense relating to leases of low-value assets	-	0.1
	556.0	554.5

11 Trade and other receivables

Amounts due within one year (from continuing operations)	2025 £m	2024 £m
Trade receivables	364.1	400.1
Loss allowance	(10.6)	(41.7)
Trade receivables net	353.5	358.4
Other receivables	171.0	187.6
Amounts recoverable on contracts	57.5	38.9
Prepayments	37.2	38.7
Accrued income	142.4	229.0
	761.6	852.6

12 Trade and other payables

Amounts falling due within one year (from continuing operations)	2025 £m	2024 £m
Trade payables	352.2	277.4
Other payables	210.9	291.2
Accruals	480.1	539.9
Deferred income	140.2	129.0
Season ticket deferred income – Rail	24.8	21.1
	1,208.2	1,258.6

13 Discontinued operations

	2025	2024
	£m	£m
Discontinued operations		
Revenue	–	–
Operating income/(costs)	4.9	(5.3)
Operating profit/(loss)	4.9	(5.3)
Investment income	0.1	0.1
Finance costs	(0.3)	(0.4)
Profit/(loss) before tax	4.7	(5.6)
Tax	–	(0.1)
Profit/(loss) for the year after tax	4.7	(5.7)
Attributable to:		
Equity holders of the parent	4.7	(5.7)
Non-controlling interests	–	–
	4.7	(5.7)

	2025	2024
	pence	pence
EPS		
Basic EPS	0.8	(0.9)
Diluted EPS	0.8	(0.9)

	2025	2024
	£m	£m
Cash flow		
Net cash outflow from operating activities	(8.0)	(4.2)
Net cash inflow from investing activities	0.7	74.7
Net cash flow from financing activities	–	–
Net (decrease)/increase in cash generated	(7.3)	70.5

	2025	2024
	£m	£m
Other comprehensive income/(loss)		
Actuarial gain/(loss) on defined benefit pension schemes	1.9	(1.2)
Hedging instrument movements	–	0.4
Exchange differences on translation of discontinued operations	3.1	(6.6)
Total	5.0	(7.4)

14 Borrowings

	2025 £m	2024 £m
On demand or within one year		
Lease liabilities (note 15) ^{1,2}	410.3	492.8
Asset backed financial liabilities (note 15) ²	16.2	6.2
Bank overdraft	56.4	27.8
Bond 6.875% (repayable 2024)	–	99.7
Total current liabilities	482.9	626.5
Within one to two years		
Lease liabilities (note 15) ^{1,2}	393.6	385.0
Asset backed financial liabilities (note 15) ²	12.9	7.9
Syndicated loan facilities	64.3	–
	470.8	392.9
Within two to five years		
Lease liabilities (note 15) ^{1,2}	352.1	546.2
NextGen battery debt	15.0	3.0
Asset backed financial liabilities (note 15) ²	39.8	13.6
Syndicated loan facilities	2.4	–
	409.3	562.8
Over five years		
Lease liabilities (note 15) ^{1,2}	47.6	34.5
NextGen battery debt	4.9	10.2
Asset backed financial liabilities (note 15) ²	46.4	17.9
	98.9	62.6
Total non-current liabilities at amortised cost	979.0	1,018.3

1 The right of use assets relating to lease liabilities are shown in note 10.

2 The maturity analysis of lease liabilities and asset backed financial liabilities is presented in note 15.

15 Lease liabilities and asset backed financial liabilities

The Group had the following lease liabilities and asset backed financial liabilities at the balance sheet dates, excluding liabilities relating to the discontinued operations:

	Lease liabilities		Asset backed financial liabilities	
	2025 £m	2024 £m	2025 £m	2024 £m
Maturity analysis				
Due in less than one year	450.9	539.4	16.9	6.5
Due in more than one year but not more than two years	418.5	414.1	14.2	8.5
Due in more than two years but not more than five years	370.0	574.6	47.8	16.2
Due in more than five years	64.4	44.9	68.7	23.7
	1,303.8	1,573.0	147.6	54.9
Less future financing charges	(100.2)	(114.5)	(32.2)	(9.3)
	1,203.6	1,458.5	115.4	45.6

The total cash outflow for the lease liabilities and asset backed financial liabilities recorded on the balance sheet amounted to £553.3m and £13.8m respectively (2024: £506.9m and £19.3m).

The right of use assets related to the lease liabilities is presented in note 10.

16 Financial instruments

	2025 £m	2024 £m
Non-derivative financial assets		
Total non-derivatives		
Total non-current assets	104.2	99.6
Total assets	104.2	99.6

Certain pension partnership structures were implemented during 2022. These structures involved the creation of special purpose vehicles (SPVs) to hold cash to fund the Bus and Group pension schemes if required based on a designated funding mechanism. Management have concluded that these amounts represent financial assets under IAS 32.

During the year, FirstGroup Energy Ltd purchased a £1.0m fixed rate unsecured convertible loan note in KleanDrive Ltd. Management have concluded that this represents a financial asset under IAS 32.

Derivative financial instruments

	2025 £m	2024 £m
Total derivatives		
Total non-current assets	0.3	0.4
Total current assets	0.2	2.0
Total assets from continuing operations	0.5	2.4
Total current liabilities	3.0	3.4
Total non-current liabilities	1.0	1.3
Total liabilities from continuing operations	4.0	4.7

	2025 £m	2024 £m
Derivatives designated and effective as hedging instruments carried at fair value Non-current assets		
Fuel derivatives (cash flow hedge)	0.3	0.4
	0.3	0.4
Current assets		
Fuel derivatives (cash flow hedge)	0.2	2.0
	0.2	2.0
Current liabilities		
Fuel derivatives (cash flow hedge)	2.1	2.7
Currency forwards (cash flow hedge)	0.9	0.7
	3.0	3.4
Non-current liabilities		
Currency forwards (cash flow hedge)	0.3	0.2
Interest rate swaps (NextGen)	0.3	0.5
Fuel derivatives (cash flow hedge)	0.4	0.6
	1.0	1.3

The Group enters into derivative transactions under International Swaps and Derivatives Association Master Agreements that allow for the related amounts to be set-off in certain circumstances. The amounts set out as Fuel derivatives and Currency forwards in the table above represent the derivative financial assets and liabilities of the Group that may be subject to the above arrangements and are presented on a gross basis. Derivative liabilities of £nil (2024: £nil) were subject to netting arrangements. Total cash flow hedges are a liability of £3.5m (2024: £2.3m liability).

17 Deferred tax

The major deferred tax (assets)/liabilities recognised by the Group and movements thereon during the current and prior reporting periods are as follows:

	Accelerated tax depreciation £m	Retirement benefit schemes £m	Other temporary differences £m	Tax losses £m	Total £m
At 25 March 2023	24.7	8.6	(41.4)	(38.9)	(47.0)
Charge/(credit) to income statement	7.0	(33.4)	14.2	(1.1)	(13.3)
Charge/(credit) to other comprehensive income and equity	–	20.2	(0.2)	–	20.0
Acquisitions and disposals of subsidiaries	0.7	–	–	–	0.7
At 30 March 2024	32.4	(4.6)	(27.4)	(40.0)	(39.6)
Charge/(credit) to income statement	(0.1)	1.9	16.6	9.1	27.5
Charge/(credit) to other comprehensive income and equity	–	7.5	(0.3)	–	7.2
Acquisitions and disposals of subsidiaries	11.1	–	(4.0)	(49.4)	(42.3)
At 29 March 2025	43.4	4.8	(15.1)	(80.3)	(47.2)

17 Deferred tax continued

With respect to the total net deferred tax asset of £47.2m, UK net deferred tax assets of £46.3m have been recognised as the Group forecasts sufficient taxable profits in future periods and a deferred tax asset of £0.9m relating to the US is recognised because it is probable that book gains will arise on the remaining US property portfolio.

No deferred tax has been recognised on tax losses of £413.9m (2024: tax losses of £457.9m) as there are insufficient future profits forecast in North America and some UK entities may cease to trade before their tax losses can be utilised.

18 Provisions

	Onerous contracts £m	Insurance claims £m	Legal and other £m	Total £m
At 30 March 2024	–	100.2	85.7	185.9
Charged/(credited) to the income statement	–	14.7	(1.4)	13.3
Utilised in the year	(1.5)	(34.9)	(4.5)	(40.9)
Business acquisitions	38.0	16.0	0.2	54.2
Notional interest	–	(0.2)	–	(0.2)
Foreign exchange movements	–	(1.5)	(0.6)	(2.1)
At 29 March 2025	36.5	94.3	79.4	210.2
Current liabilities	20.8	32.6	42.8	96.2
Non-current liabilities	15.7	61.7	36.6	114.0
At 29 March 2025	36.5	94.3	79.4	210.2
Current liabilities	–	35.7	38.9	74.6
Non-current liabilities	–	64.5	46.8	111.3
At 30 March 2024	–	100.2	85.7	185.9

The onerous contract provision of £38.0m was recognised on acquisition of London bus operator RATP Dev Transit London Limited and its subsidiaries. The provision recognises that a number of contracts between the acquired business and TfL are loss making and therefore the Group has provided for the expected shortfall in these contracts, where the unavoidable costs of fulfilling these contracts outweigh the expected benefits.

The insurance claims provision arises from estimated exposures for incidents occurring prior to the balance sheet date. It is anticipated that the majority of such claims will be settled within the next four years although certain liabilities in respect of lifetime obligations of £1.0m (2024: £1.1m) can extend for more than 25 years. The utilisation of £34.9m (2024: £37.0m) represents payments made against the current liability of the preceding year as well as the settlement of claims resulting from incidents occurring in the current year.

The insurance claims provisions, of which £34.7m (2024: £55.7m) relates to legacy Greyhound claims, includes £31.0m (2024: £50.8m) which is recoverable from insurance companies and a receivable is included within other receivables in note 11.

Legal and other provisions relate to estimated exposures for cases filed or thought highly likely to be filed for incidents that occurred prior to the balance sheet date. It is anticipated that most of these items will be settled within ten years. Also included are provisions in respect of costs anticipated on the exit of surplus properties which are expected to be settled over the remaining terms of the respective leases and dilapidation, other provisions in respect of contractual obligations under rail franchises and restructuring costs. The dilapidation provisions are expected to be settled at the end of the respective franchise.

19 Called up share capital

	Number of shares million	£m
Allotted, called up and fully paid (ordinary shares of 5p each)		
Balance as at 30 March 2024	750.7	37.5
Balance as at 29 March 2025 (ordinary shares of 5p each)	750.7	37.5

The Company has one class of ordinary shares which carries no right to fixed income.

On 8 June 2023, the Company announced a share buyback programme to purchase up to £115m of ordinary shares. This buyback programme completed on 5 August 2024 having repurchased 71,200,278 shares for a total consideration of £115.8m including transaction costs.

On 14 November 2024, the Company announced a share buyback programme to purchase up to £50m of ordinary shares. This buyback programme completed on 21 March 2025 having repurchased 30,498,221 shares for a total consideration of £50.4m including transaction costs.

20 Acquisition of businesses and subsidiary undertakings

£m	RATP London	Andersons Travel	Lakeside Group	Matthews Coach Hire	Open Access - Stirling	Open Access – Wales & Western	Total
Provisional fair value of net assets acquired:							
Intangible assets	3.9	–	–	–	–	–	3.9
Property, plant and equipment	169.9	10.0	8.1	4.7	–	–	192.7
Deferred tax	44.3	(0.9)	(1.1)	–	–	–	42.3
Inventories	2.0	0.1	0.2	0.2	–	–	2.5
Trade and other receivables	12.0	5.1	1.7	0.6	–	–	19.4
Cash and cash equivalents	0.4	0.6	2.0	1.1	–	–	4.1
Trade and other payables	(24.7)	(4.9)	(0.6)	(0.7)	–	–	(30.9)
Taxation	(3.9)	(0.3)	0.1	(0.5)	–	–	(4.6)
Provisions	(54.2)	–	–	–	–	–	(54.2)
Lease liabilities	(69.9)	(2.9)	–	–	–	–	(72.8)
Asset backed financial liabilities	(43.3)	(3.6)	(2.1)	–	–	–	(49.0)
Net identifiable assets acquired	36.5	3.2	8.3	5.4	–	–	53.4
Goodwill	10.8	3.9	7.5	6.5	1.5	7.0	37.2
Satisfied by cash consideration	47.3	7.1	15.8	11.9	1.5	7.0	90.6
Less: cash and cash equivalents acquired	(0.4)	(0.6)	(2.0)	(1.1)	–	–	(4.1)
Net cash outflow in respect of acquisitions	46.9	6.5	13.8	10.8	1.5	7.0	86.5

Acquisitions in 52 weeks to 29 March 2025

On 21 October 2024, the Group announced its acquisition of Anderson Travel, a coach operator providing contracted school, private hire, mini coach and tour services in and around London. The acquisition will extend First Bus' operational footprint and forms part of the Group's strategy of targeted acquisitions to grow its share of the UK adjacent services market.

On 25 October 2024, the Group announced its acquisition of Lakeside Group, a Shropshire and Cheshire-based company that provides school, B2B and B2C private hire services, with a fleet of around 145 buses and coaches. The acquisition will grow the Group's coaching business and offers the potential to increase our presence in the West Midlands.

20 Acquisition of businesses and subsidiary undertakings continued

On 4 February 2025, the Group announced its acquisition of Matthews Coach Hire Limited, a coach and bus operator in Ireland with a fleet of more than 40 vehicles. The acquisition will allow the Group to expand its presence in non-airport commuter and B2B markets in Ireland.

On 28 February 2025, the Group acquired the acquisition of London bus operator RATP Dev Transit London Limited and its subsidiaries ('First Bus London'). The acquisition facilitated the Group's entry into the London bus market and supports the Group's strategy of growing and diversifying its revenue base.

On 19 August 2024, the Group acquired Grand Union Trains WCML Holdings Limited and its subsidiary companies, which owns the open access track access rights for the London Euston – Stirling route. On 4 December 2024, the Group acquired Grand Union Trains GWML Holdings Limited and its subsidiary companies, which owns the open access track access right for the London Paddington – Carmarthen route.

The businesses acquired during the year contributed £34.6m to Group revenue and £2.2m profit to Group operating profit from the date of acquisition.

If the acquisitions had been completed on the first day of the financial year, revenue from the acquisitions for the year would have been £315.7m and operating losses from the acquisitions would have been £(17.7)m.

The Group is currently undertaking the purchase price allocation exercise for First Bus London, and this has identified a number of adjustments to reflect the fair value of the assets and liabilities acquired. IFRS 3 Business Combinations allows the Group 12 months from the date of acquisition to finalise this exercise, and the standard acknowledges that it will be necessary to estimate certain acquisition adjustments and fair values. Owing to the proximity of the acquisition to the reporting date, the acquisition adjustments and closing fair values are therefore disclosed in the financial statements as provisional. These will be finalised within the timeframe permitted by IFRS 3.

Acquisitions in 53 weeks to 30 March 2024

On 23 February 2024, the Group completed the acquisition of York Pullman Bus Company Ltd for total consideration of £15.5m, which operates five coach services brands providing home-to-school and college contracted services, private hire operations including rail replacement services, and a small number of local bus routes on behalf of several local authorities. Net assets acquired were £4.2m, with goodwill arising of £11.3m.

21 Net cash from operating activities

	2025 £m	2024 £m
Operating profit from:		
Continuing operations	222.6	46.5
Discontinued operations	4.9	(5.3)
Total operations	227.5	41.2
Adjustments for:		
Depreciation charges	620.2	589.7
Capital grant amortisation	(65.3)	(48.7)
Software amortisation charges	2.7	3.4
Impairment	–	3.8
Share-based payments	10.5	15.6
Profit on disposal of property, plant and equipment	(0.2)	(5.7)
Operating cash flows before working capital and pensions	795.4	599.3
Decrease in inventories	(2.4)	0.1
Decrease/(increase) in receivables	109.4	(3.1)
Decrease in payables due within one year	(31.3)	(103.1)
(Increase)/decrease in financial assets	(1.0)	23.7
Decrease in provisions due within one year	(13.9)	(12.4)
Decrease in provisions due over one year	(14.0)	(15.5)
Settlement of foreign exchange hedge	–	(1.1)
Local Government Pension Scheme refund	–	23.1
Defined benefit pension payments (higher)/lower than income statement charge	(14.0)	115.6
Cash generated by operations	828.2	626.6
Tax paid	(6.0)	(2.2)
Interest paid ¹	(68.0)	(81.1)
Net cash from operating activities²	754.2	543.3

1 Interest paid includes £49.6m relating to lease liabilities (2024: £62.1m).

2 Net cash from operating activities is stated after an outflow of £3.2m (2024: inflow of £5.1m) in relation to financial derivative settlements.