GO-AHEAD FULL YEAR RESULTS

for the year ended 30 June 2012

6 September 2012

FULL YEAR RESULTS OVERVIEW

- A strong performance; results in line with management expectations
- Record passenger levels across both bus and rail
- Excellent performance in delivering Olympic Games transport
- Record profits in deregulated bus driven by sector leading passenger growth
- Best in class London bus operations; cost efficient and high quality operator
- Biggest ever investment in new buses of £80m
- Five value adding bus acquisitions
- Robust rail performance with good revenue growth in all franchises
- Shortlisted for new Thameslink franchise
- Strong cash management and robust balance sheet
- Maintained full year dividend at 81.0p; cover strengthened

KEITH DOWN

Group Finance Director

Go-Ahead

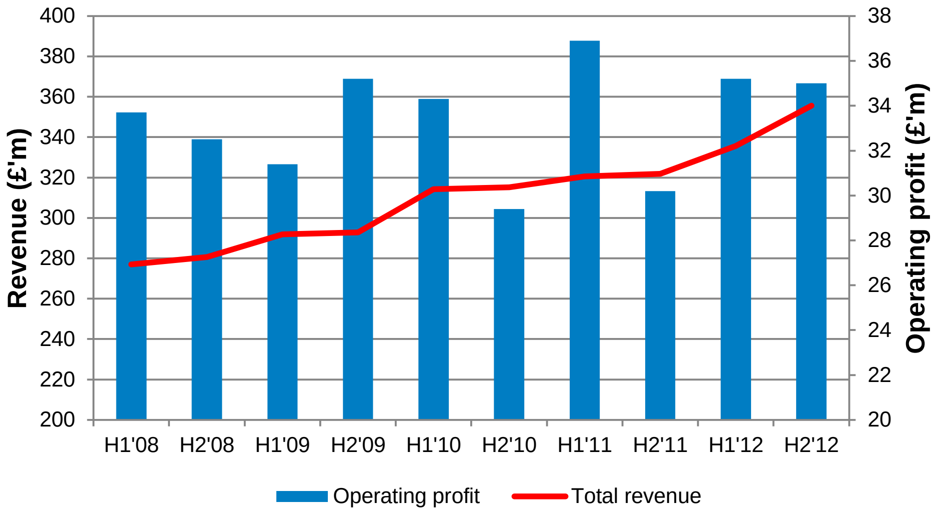
STRONG PERFORMANCE IN BUS AND RAIL

	Operating profit FY'11 £'m	One-off benefits FY'11 £'m	Acquisitions FY'12 £'m	Like-for-like Variance £'m	Operating profit FY'12 £'m
Deregulated bus	33.7	–	0.5	1.2	35.4
Regulated bus	33.4	–	0.5	0.9	34.8
Total bus	**67.1**	**–**	**1.0**	**2.1**	**70.2**
Rail	48.0	(13.0)	–	5.0	40.0
Total	**115.1**	**(13.0)**	**1.0**	**7.1**	**110.2**

- Overall trading for the Group in line with management expectations
- Group revenue up 5.5%
- Like-for-like operating profit up £7.1m. Acquisitions contributed £1.0m and the prior year included £13.0m of one-off rail contract management benefits
- Achieved record bus profits, over £70m for the first time

Unless otherwise stated, operating profit excludes amortisation and exceptional items

BUS: Half yearly trends

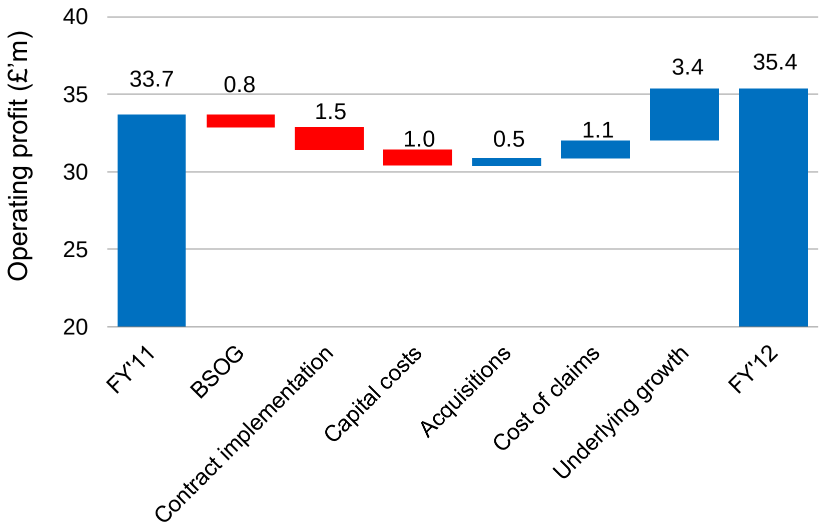


lfl change	FY'12	H1'12	H2'12
Deregulated (outside of London)			
Revenue	4.7%	5.0%	4.4%
Passengers	2.8%	3.6%	2.0%
Regulated (London)			
Revenue	5.8%	3.0%	8.6%
Mileage	3.9%	1.8%	6.0%
QICs	£6.8m	£3.1m	£3.7m

- All companies reported underlying commercial revenue growth in the year. Strong growth in fare paying passengers was partly offset by a weaker concessionary performance
- Underlying passenger growth in all our deregulated businesses
- Regulated mileage increased as expected. Good performance resulted in an improvement in Quality Incentive Contracts (QICs) revenue in the second half of the year

Like-for-like (lfl) excludes acquisitions

DEREGULATED BUS: Profit bridge

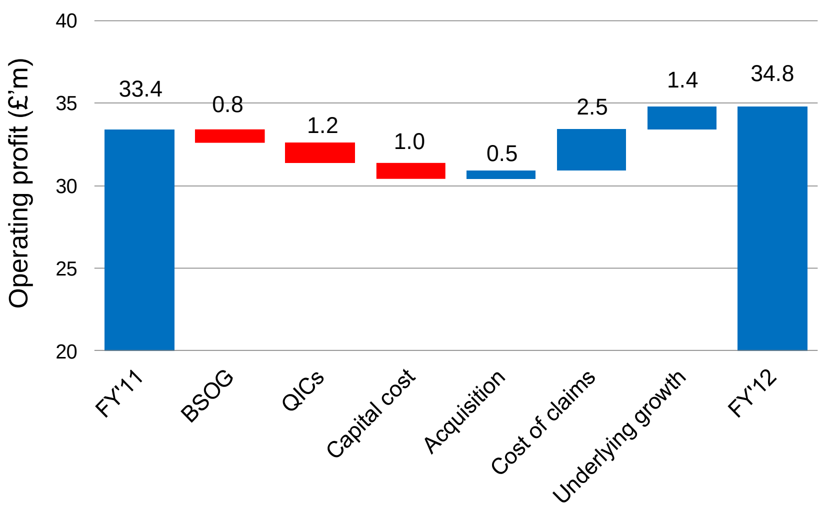


Margin performance

%	FY'12	H1'12	H2'12	FY'11
Operating profit margin	11.3	11.7	11.0	11.6

- Operating profit up £1.7m to £35.4m
- BSOG 20% reduction took effect in April 2012
- Increased costs resulting from implementation of a new contract in H1'12
- Capital costs represent depreciation and leasing expenditure, in line with increased investment in fleet
- Acquisitions includes the contribution from the four new businesses acquired in 2011/12 plus the part year impact of Thames Travel, acquired in 2010/11
- Decline in number of accidents and reduced claim costs due to management action
- Underlying organic growth reflects strong like-for-like revenue growth
- Margins in second half impacted by BSOG and slightly lower revenue growth

REGULATED BUS: Profit bridge



Margin performance

%	FY'12	H1'12	H2'12	FY'11
Operating profit margin	9.2	9.5	8.9	9.5

- Operating profit up £1.4m to £34.8m
- BSOG 20% reduction took effect in April 2012
- No significant reduction in QICs in second half
- Capital costs represent depreciation and leasing expenditure, in line with increased investment in fleet
- Acquisitions reflects the benefit from Northumberland Park, acquired in 2011/12.
- Decline in number of accidents and reduced claim costs
- Margin decline in second half due to BSOG and slightly dilutive acquisition

BUS: Fuel

Fuel hedging prices	FY'12	FY'13	FY'14	FY'15
% hedged	Fully#	Fully	50%	25%
Price (pence per litre)	41	49	51	50
Usage (m litres pa)	120	126	126	126
£'m commodity cost	50	62	64*	63*

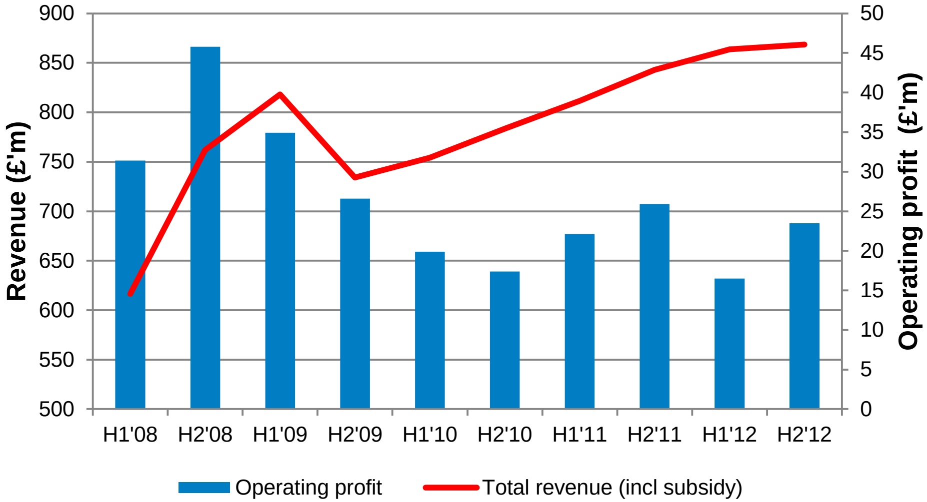
- FY'13 – fuel fully hedged at 49ppl, 8ppl higher than FY'12
- Full year expected increase in fuel costs of c£10m
- Bus Service Operators Grant (BSOG) reduced by 20% in April 2012
  - FY'12 impact £1.6m, in H2'12
  - FY'13 impact c£10.0m
- Headwinds manageable
  - Acquisition contribution and yield benefits expected to offset reduced subsidy
  - Contract tender bids in London now reflect BSOG reduction

FY'12 bus fuel cost	Pence per litre	Cost £m
Commodity cost	41	50
Duty	58	70
Delivery	1	2
BSOG	(43)	(52)
Net cost	57	70

* Assuming hedging completed at same average price

Fully hedged for anticipated usage of 115m litres of fuel at the beginning of the year. Acquisitions through the year have resulted in increased fuel usage

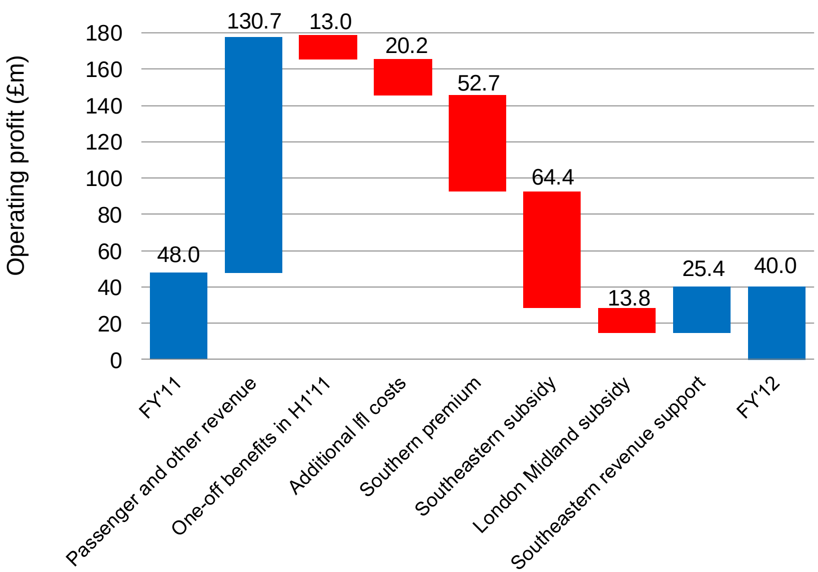
RAIL: Half yearly trends



	FY'12	H1'12	H2'12
Southern			
Passenger revenue	7.9%	9.0%	6.8%
Passenger volume	1.2%	3.1%	(0.7)%
Southeastern			
Passenger revenue	10.1%	8.8%	11.3%
Passenger volume	1.3%	3.3%	(0.7)%
London Midland			
Passenger revenue	13.3%	14.0%	12.6%
Passenger volume	7.4%	11.5%	3.3%

- Strong passenger revenue growth in Southeastern and London Midland – slightly weaker performance in Southern, driven by falling passenger growth
- Southern: challenges due to economic assumptions in the bid model, eligible for revenue support in September 2013
- Southeastern: strong revenue performance despite decline in passenger numbers in the second half, helped by increase in high yield journeys. Remains in 80% revenue support
- London Midland: continued strong performance despite fall in passenger growth as anticipated

RAIL: Operating profit bridge

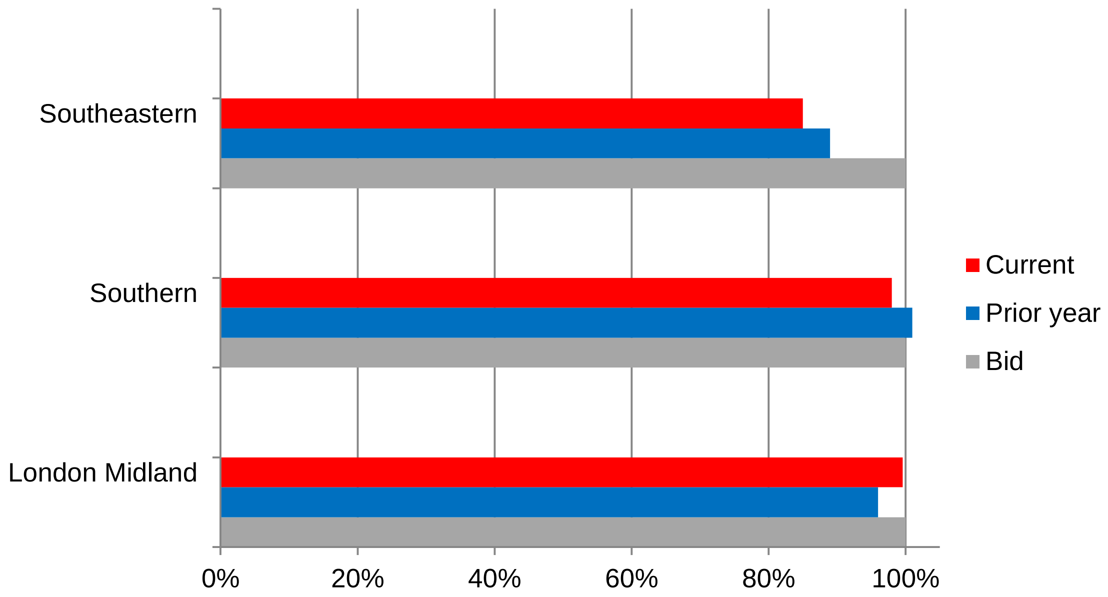


- Operating profit down £8.0m to £40.0m
- Passenger revenue increased by 9.6% offsetting changes in subsidy/premium
- Prior year included £13.0m of one-off contract management benefits
- Excellent cost control. Cost rising at a slower rate than revenue growth
- Overall reduction in net subsidy £105.4m
- Total net subsidy of £73.4m received in year, down from £178.8m last year
- Expected to become a small net contributor to the DfT in 2012/13, after a further reduction in net subsidy of c£80m next year

Margin performance

%	FY'12	H1'12	H2'12	FY'11
Operating profit margin	2.3	1.9	2.7	2.9

RAIL: Revenue performance against bid



- Southern around 2% below bid
- Southeastern around 15% below bid, remains in 80% revenue support, but still profitable
- London Midland is eligible for revenue support but it is not required due to strong performance driven by management action. Around 0.4% below bid

RAIL: Review of Southern bid exogenous growth assumption

The profile of underlying demand assumptions compares unfavourably to latest economic projections:

%	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	Average
Bid model growth	(0.2)	(1.6)	1.3	3.1	3.9	4.1	4.0	2.1
Latest GDP forecast*	(4.4)	2.0	0.6	0.4	0.8	2.4	2.8	0.7
Variance	**(4.2)**	**3.6**	**(0.7)**	**(2.7)**	**(3.1)**	**(1.7)**	**(1.2)**	**(1.4)**
Cumulative variance	**(4.2)**	**(0.6)**	**(1.3)**	**(4.0)**	**(7.1)**	**(8.8)**	**(10.0)**	

- At 30 June 2012, cumulatively behind growth forecast
- Until June 2011, growth shortfall offset by initiatives such as marketing
- From 2011/12, bid assumptions fall significantly behind latest growth forecasts
- Southern becomes eligible for revenue support in September 2013, should it be required
- As with Southeastern, we will manage the franchise flexibly to reduce profit impact
- We expect Southern to remain profitable in 2012/13

*2009 Oxford Economics, 2012 CEBR survey

SUMMARY INCOME STATEMENT

£'m	FY'12	FY'11	*Variance*
Revenue	2,423.8	2,297.0	*126.8*
Operating profit	**110.2**	115.1	***(4.9)***
Net finance costs	(16.0)	(17.5)	*1.5*
Profit before tax*	**94.2**	97.6	***(3.4)***
Amortisation	(9.7)	(10.5)	*0.8*
Exceptional items	-	(2.3)	*2.3*
Profit before tax	**84.5**	84.8	***(0.3)***
Tax	(18.0)	(9.8)	*(8.2)*
Profit for the year	**66.5**	75.0	***(8.5)***
Profit from discontinued operations	-	4.4	*(4.4)*
Non-controlling interests	(11.0)	(12.0)	*1.0*
Profit attributable to members	**55.5**	67.4	***(11.9)***

Adjusted, continuing eps (p)	**141.9**	135.2	***6.7***
Total dividend per share (p)	**81.0**	81.0	**-**

→ Reduction in finance costs largely due to non-cash hedging movement

→ No exceptional items this year Comparative consists of accelerated depreciation, release of onerous bus leases and rail organisation liabilities

→ Effective tax rate 21.3% (FY'11 26.2%)

→ Prior year relates to aviation

→ 35% Keolis rail holding

→ Primarily due to fall in effective tax rate

→ Dividend maintained. Payable 16 November

*Excludes amortisation and exceptional items

FINANCE COSTS

£m	FY'12	FY'11
Finance revenue	**1.8**	**1.5**
Interest payable on £200m bond	(11.1)	(11.1)
Interest payable on loans and overdrafts	(4.8)	(4.9)
Other interest payable	(2.6)	(3.0)
Hedging ineffectiveness	0.7	-
Finance costs	**(17.8)**	**(19.0)**
Net finance costs	**(16.0)**	**(17.5)**

- Finance revenue increase reflects higher cash balances, including restricted cash
- £200m 7.5 year 5.375% sterling bond issued in March 2010
- Average gross debt interest rate 4.9%
- Hedging adjustment reverses loss reported in 2010
- Expect finance costs next year to return to FY'11 levels

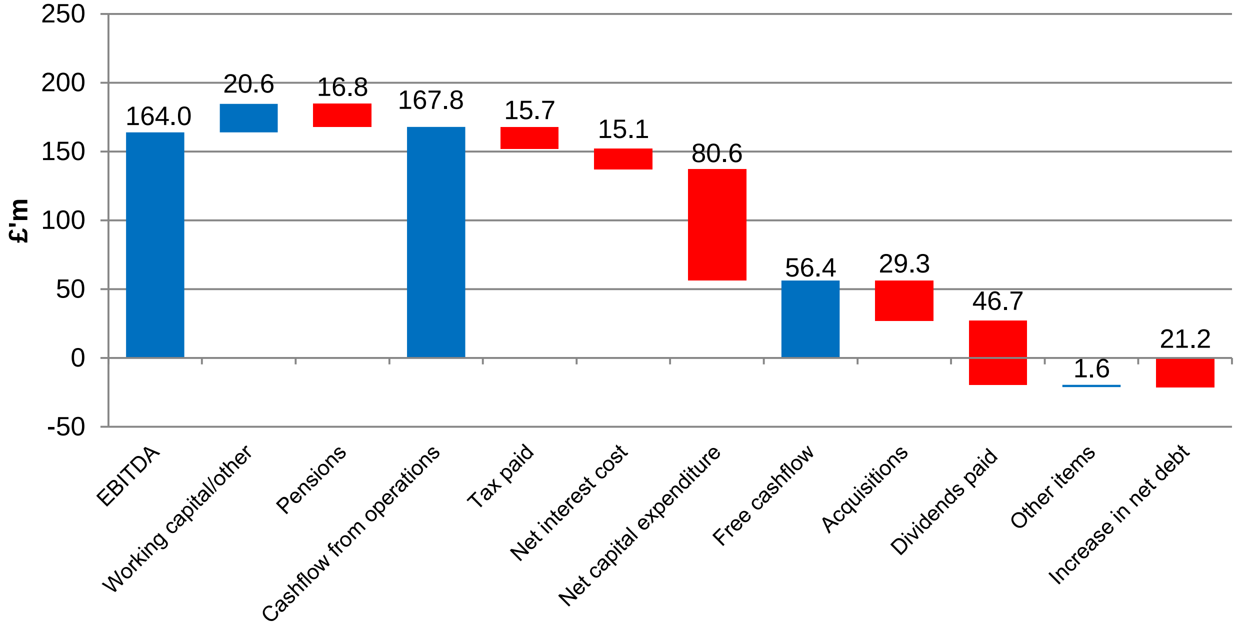
TAX

£m	FY'12	FY'11
Operating profit	110.2	115.1
Net finance costs	(16.0)	(17.5)
Amortisation	(9.7)	(10.5)
Profit before tax	84.5	87.1
Tax*	(18.0)	(22.8)
Effective rate	21.3%	26.2%

- Effective rate of 21.3%, below the UK statutory rate due to a £3.7m deferred tax credit
- Statutory rate expected to reduce by a further 2%, ultimately dropping to 22% by 2014
- Effective tax rate expected to be broadly in line with statutory rate on an on-going basis
- Tax paid of £15.7m (FY'11: £24.9m)
- Similar level of tax expected to be paid next year

* Excluding exceptional tax

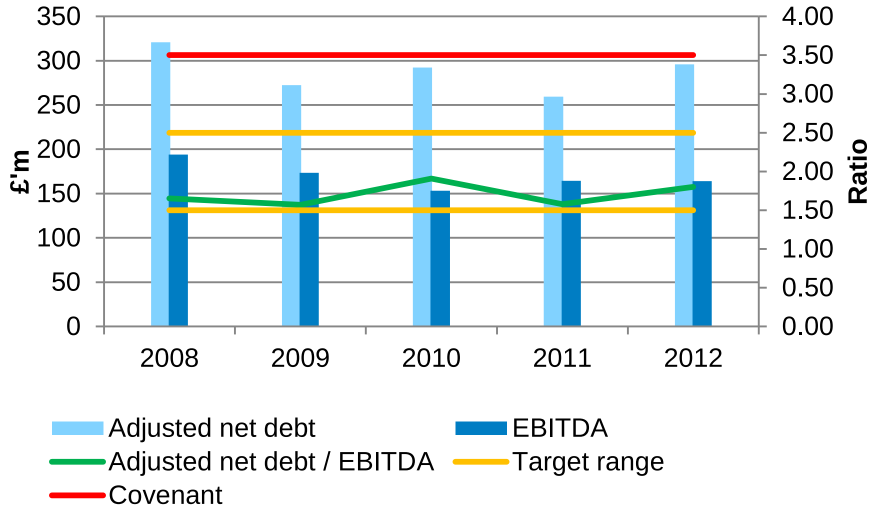
CASHFLOW ANALYSIS



- Cashflow from operations is c£30m higher due to improved working capital
- Pensions includes a one-off contribution of £5m as part of pension scheme merger
- Free cashflow £10.5m higher than last year despite additional £25.6m of capital expenditure
- Five businesses were acquired in the year for a total cash consideration of £29.3m
- Expect similar increase in net debt next year, assuming no acquisitions and no working capital benefit

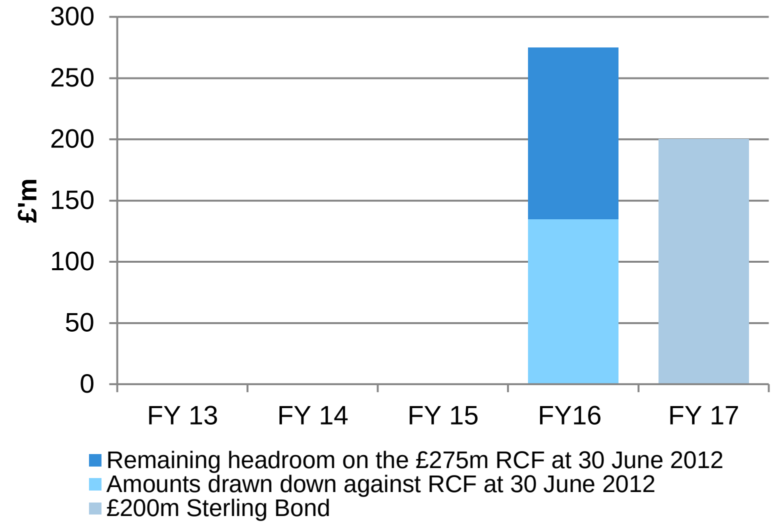
BALANCE SHEET AND LIQUIDITY

Adjusted Net Debt to EBITDA



Maturity profile

£275m revolving credit facility matures in February 2016
£200m sterling bond redeemed in September 2017



- Adjusted net debt / EBITDA 1.80x, well within target range* of 1.5x - 2.5x
- BBB- / Baa3 (stable) rating
- Restricted cash was £205m, of which deferred season ticket income was £116m. If franchises ended, would expect significant proportion of the balance of £89m to remain with the business

- £140m of available liquidity
- Average duration over 4 years, balanced between bank and bond markets

* Targets and covenant refer to adjusted net debt to EBITDA

PENSIONS

£m	FY'12	FY'11
Assets	535.9	469.8
Liabilities	558.7	529.7
Net deficit	(22.8)	(59.9)
Less tax	5.5	15.6
Post tax deficit	(17.3)	(44.3)

Rail pensions:

- Net operating cost of £29.4m (FY'11: £31.8m)
- Rail schemes moving from RPI to CPI
- Expect income statement benefit of £5m in 2012/13
- Assume cash contributions will also be reduced in due course.
- Net deficit £7.7m (FY'11: £17.0m). DfT guarantee any deficit after franchise end

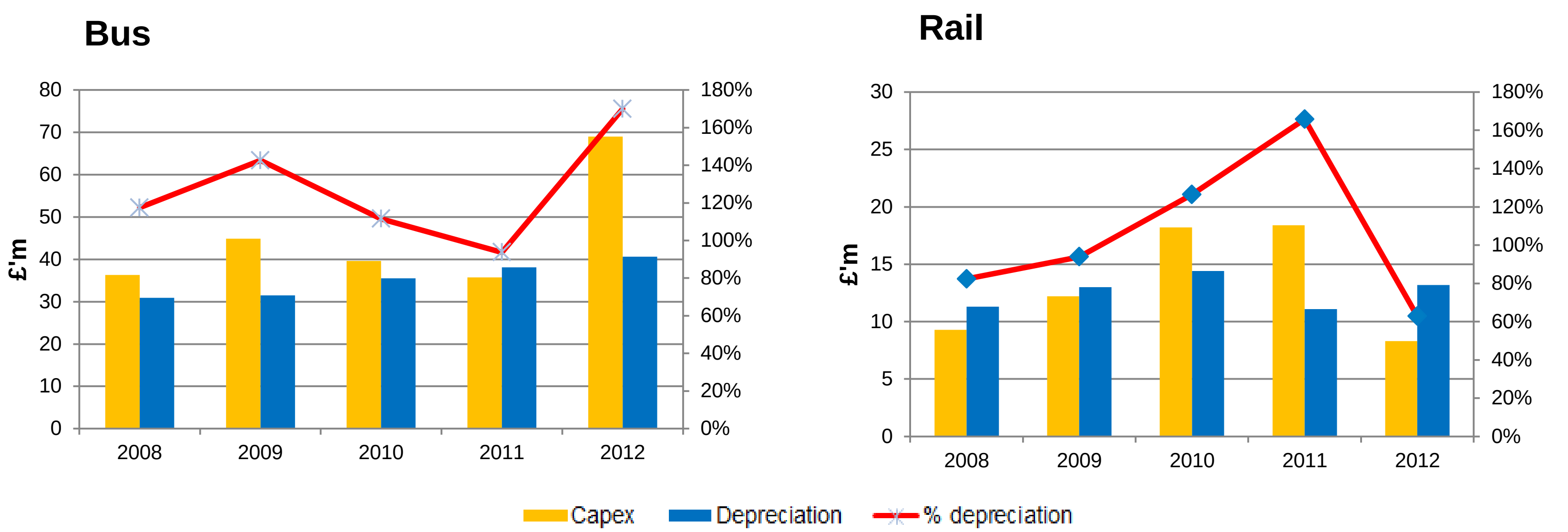
Bus pensions:

- Net operating cost £4.9m (FY'11: £5.2m)
- Discount rate: 5.0% (FY'11 : 5.6%)
- +/- 0.1% discount rate = -/+ c£10.1m deficit
- Actuarial valuation results due early 2013
- Different assumptions applied on actuarial valuation compared to accounting valuation above

IAS 19 (revised):

- IAS 19 (revised) becomes effective for the Group in the 2013/14 financial year
- Had it been effective in 2011/12, reported operating profit before tax would have been £14.6m lower, down £11.8m in rail and £2.8m in bus
- EPS and adjusted EPS would have reduced by 18.1p
- No impact on cash, credit rating or bank covenant

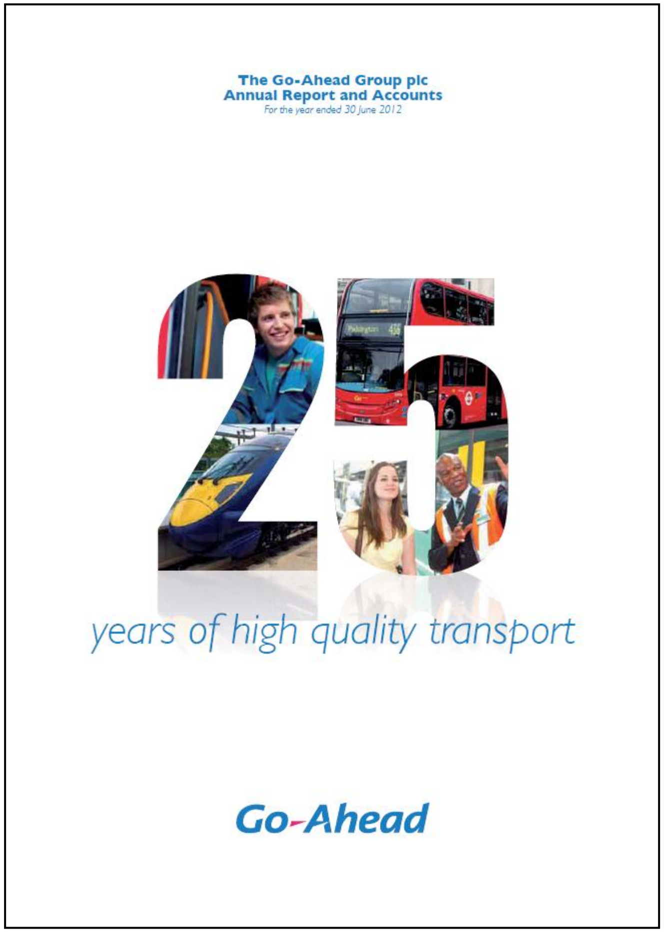
CAPITAL EXPENDITURE



- Bus capex increased to £69.0m due to significant investment in expanding and enhancing the fleet
- Rail capex down year on year to £8.3m due to fewer franchise commitments falling within the year
- Expect FY’13 bus capital spend of c£70m
- Expect FY’13 rail capital spend of c£15m
- Overall spend of £85m similar to current year

FINANCIAL HIGHLIGHTS

- Bus: record operating profit, well placed to offset cost headwinds
- Rail: underlying profits up year on year,
- Strong balance sheet: low debt, good cashflow and liquidity
- Acquisitive investment made in growing the business and significant capital expenditure to expand and enhance our bus fleet



Full annual report & accounts available on our website www.go-ahead.com



DAVID BROWN

Group Chief Executive

Go-Ahead

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SOUTHERN · Gatwick Express · southeastern. · london midland

DEREGULATED BUS (REGIONAL)

HIGHLIGHTS

- Record operating profit
- Sector leading growth

	FY'12	FY'11
Operating margin	**11.3%**	11.6%
Revenue growth (lfl)	**4.7%**	5.1%
Passenger growth (lfl)	**2.8%**	2.3%

- Strong performance – high quality and locally focused services
- 90% of operations are commercial
- The majority of our operations are in the south of England
- Investment of £21m in new buses
- Sector leading customer satisfaction rates of 90%
- Fare increases of 4-7% introduced in April to offset BSOG and fuel headwinds
- Continued roll out of “the key” - most widely used smartcard outside of London
- Customers taking advantage of value for money
- Acquired four value adding businesses from independent operators
- Successful delivery of Olympic contract for sailing event in Weymouth
- Government support – buses can help drive sustainable economic growth

DEREGULATED BUS (REGIONAL) – GOING FORWARD

HIGHLIGHTS	
• Strong performance in FY'13 • Mitigation of cost headwinds	• Continued focus on cost efficiencies • Opportunities to grow

- Strong marketing plans in place
- Smartcard 'the key' as an enabler – business to business / students
- Fare increases managed via individual products
- Focus remains on providing high quality services
- Investment in new buses to continue
- Full year contributions from new acquisitions – other opportunities exist
- Focus on cost efficiencies; more shared services / shared practice

REGULATED BUS

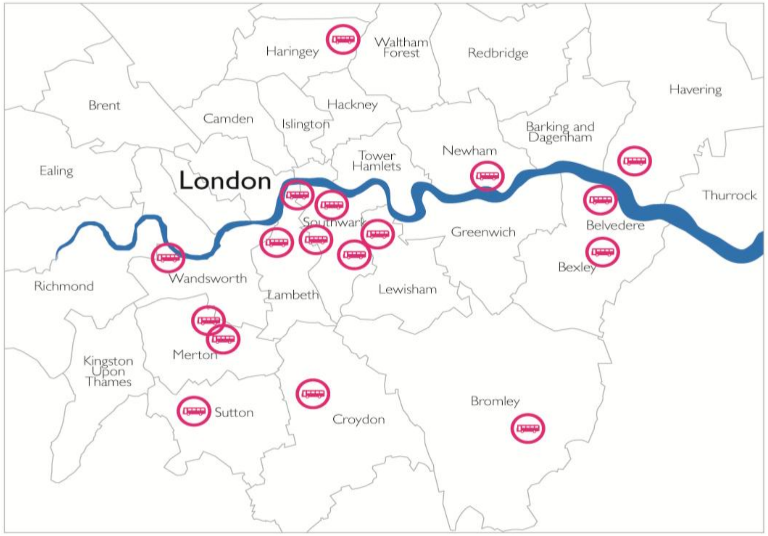
HIGHLIGHTS

- Sector leading margins
- Acquisition of new depot

	FY'12	FY'11
Operating margin	**9.2%**	9.5%
Revenue growth (lfl)	**5.8%**	(2.3)%
Mileage growth (lfl)	**3.9%**	(0.6)%

- Largest operator in London
- Cost efficient and high quality operator
- Best in class margins
- Additional contract wins
- QICs – changing contract profile
- Acquisition of Northumberland Park
- BSOG pressure
- Successful delivery of Olympic contracts
- Yellow Buses in North America

GO-AHEAD'S LONDON BUS DEPOTS



REGULATED BUS (LONDON) – GOING FORWARD

HIGHLIGHTS

- Good performance expected in FY’13

- Maintain efficiency and quality

- Fundamental strengths of London bus market
  - Most widely used form of public transport
  - Key driver: population growth
  - Support from Mayor of London
- Competitive environment more stable
- Continued focus on cost efficiency
- FY’13 mileage expected to be over 6%; H1’13 mileage expected to be over 11%

RAIL

HIGHLIGHTS

- Good revenue growth in all franchises
- Strong operational performance
- Effective and innovative management

	FY'12	FY'11
Operating margin	**2.3%**	2.9%
Passenger revenue growth	**9.6%**	8.5%
Passenger journey growth	**2.1%**	4.2%

Southeastern

- Good progress in managing business to deliver value
- HS1 – good growth in journeys of nearly 13%
- EFQM 5 star rating and Gold Investors in People (IiP)
- Javelin service – key role in Olympic transport plan, 96% punctuality

Southern

- Good business – Rail Business of the Year
- Recently formed alliance with Network Rail
- Trial of 'the key' smartcard
- EFQM 4 star rating, IiP Bronze, ISO 14001 across whole company

RAIL continued

London Midland

- Very strong growth – passenger journeys up 7.4%
- Highest ever customer satisfaction score – 87%
- Award winning marketing
- EFQM 5 star rating
- Innovation – 110mph trains on West Coast Main Line

RAIL GOING FORWARD

- Focus on all three franchises delivering value
- Maintain operational performance
- Implement cost efficiencies through Group or industry partners via alliances
- Southern emphasis remains on growing the top line
- Rail franchise bidding

RAIL - FUTURE FRANCHISES

HIGHLIGHTS

- Highly skilled permanent bid team
- Focused on delivering Thameslink bid

- Experienced operator
- Growth opportunities

- Committed to the rail industry
- 12 of 19 franchises retendered over the next four years
- Each franchise will have different characteristics
- Will carefully assess all opportunities – bid on an appropriate risk /reward basis

	Bid process begins*	Awarded	Franchise start date	Approx annual passenger revenue
Thameslink	Dec 2011	May 2013	Sep 2013	£1.1bn
East Coast	Oct 2012	Aug 2013	Dec 2013	£0.6bn
Southeastern	Dec 2012	Dec 2013	Apr 2014	£0.5bn
Northern	Dec 2012	Dec 2013	Apr 2014	£0.3bn
Greater Anglia	Dec 2012	Mar 2014	Jul 2014	£0.5bn
Scotrail	Dec 2012	Jul 2014	Nov 2014	£0.3bn
Crossrail	Mar 2013	Sep 2014	Apr 2015	£0.6bn

*Pre-qualification
Dates will be subject to change

SUMMARY

- We have leading positions in the bus and rail markets
- Growth opportunities exist across both sectors
- Opportunities exist internally to drive revenue and remove costs
- Good long term growth fundamentals
  - We are a high quality and innovative operator
  - Modal shift continues
  - Strong political support for public transport
- We operate with financial discipline and are committed to maintaining the dividend
- Look forward to seeing you at our investor day – 18 October

Q&A

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