

About us



The Go-Ahead Group plc is predominantly a UK based public passenger transport operator of bus and rail services. The Group also operates bus and rail services in targeted international markets.

Go-Ahead has been a leading bus and rail operator in the UK for three decades, providing value for money travel to people across the country. Our core bus business provides stable profit and cash flow, while our rail operations offer good returns on capital. The Group is committed to ensuring high levels of customer service and strong financial performance from these core businesses through our local, customer-focused business units. We are focused on delivering change, to drive sustainable revenue growth and cost control to protect and grow our core business for the long term.

The Group operates through three segments: regional bus, London & International bus, and rail. The regional bus segment comprises commercial bus businesses outside of London. The London & International bus segment comprise tendered bus operations in London, Singapore and Dublin. The rail division includes train franchises tendered by transport authorities in the United Kingdom, Germany and Norway.

Our Strategy



2019 in numbers

£121.1m

Total operating profit
(pre-exceptional items)
(2018: £135.9m)

£104.3m

Total operating profit
(post-exceptional items)
(2018: £161.0m)

102.08p

Dividend per share
(2018: 102.08p)

169.4p

Earnings per share
(pre-exceptional items)
(2018: 181.6p)

£74.1m

Free cashflow
(2018: £57.7m)

92%

Regional bus customer
satisfaction
(2018: 91%)

81%

Rail customer
satisfaction
(2018: 75%)

1.15kg

Carbon emissions
per passenger journey
(2018: 1.28kg)

£3,807.1m

Total revenue
(2018: £3,461.5m)

1.32x

Net debt to EBITDA
[excl restricted rail cash]
(2018: 1.30x)

Capital Allocation

Bus division profitability and balance sheet strength leave the Group well placed to make choices about the allocation of capital.

Our three key capital principles

- To manage the Group's financial affairs in a way consistent with the retention of an Investment Grade rating
- To target a dividend payout ratio of 50% to 75% of net income
- To remain in the lower half of our target gearing range of 1.5x to 2.5x EBITDA

Our priorities for capital allocation

- To sustain profits from existing businesses and meet commitments in franchise and other contracts
- To reserve against known risks and contingencies
- To bid for opportunities in agreed target markets
- To support new franchises and contracts
- To pay an ordinary dividend
- To make returns to shareholders consistent with our capital principles

Returns to shareholders will be determined in line with this policy, taking account of the Group's long term interests.

Investment story

We are one of the UK's leading public transport providers with a compelling investment case:

1. Stable cash generative UK bus business

- Well established regional bus operator with a focus on urban areas with prospects for growth
- Largest bus operator in London with strategically located depots providing competitive advantage
- Efficient operations supported by consistent investment in high quality fleet
- Good cash generation in our regional and London bus businesses

2. Value adding UK rail expertise

- Leading change and transformation as the operator of the UK's busiest rail franchises
- Track record of UK rail franchises contributing to Group profits and cashflows
- Low levels of capital deployment

3. Growing international operations

- Clear and disciplined strategy for low risk international diversification
- Ten international contracts won to date in five countries
- Strong pipeline of opportunities in targeted markets
- Target to deliver 15–20% of Group operating profits from international activities by 2022

4. Devolved customer focused management and engaged colleagues

- Devolved local management teams embedded in their local communities to optimise performance and service
- Award winning customer service with an industry leading regional bus customer satisfaction score
- Playing a key role in the communities we serve by supporting local economies enabling access to work, education, leisure and retail
- Our inclusive culture empowers our people to be accountable for delivering excellent customer service

5. Focus on sustainability and innovation

- Addressing socio-economic dynamics impacting public transport
- Continued innovation and deployment of technology to make passenger transport easier and more efficient
- Committed to minimising our impact on climate change and improving the environment and air quality, and maximising the benefits public transport offers
- Focus on remaining a sustainable and responsible business

6. Strong financial profile

- Robust balance sheet with low levels of net debt
- Disciplined approach to capital allocation and risk management
- Committed to paying an attractive dividend, having never reduced it

Go Ahead