

Definitions and Supporting Information

AGM	Annual General Meeting
Bps	Basis points
BSOG	Bus Service Operators Grant
CDP	Carbon Disclosure Project
Code	The UK Corporate Governance Code published by the Financial Reporting Council in September 2014
The Company	National Express Group PLC
CPI	Consumer Price Index
CRM	Customer Relationship Management
CTV	Consolidated Tax Voucher
DfT	Department for Transport
DTRs	Disclosure and Transparency Rules
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest and Tax plus Depreciation and Amortisation. It is calculated by taking normalised operating profit and adding back depreciation, fixed asset grant amortisation, normalised profit on disposal of non-current assets and share-based payments
EFQM	European Foundation for Quality Management
EPS	Earnings per share – the profit for the year attributable to shareholders, divided by the weighted average number of shares in issue, excluding those held by the Employee Benefit Trust which are treated as cancelled
EU	European Union
EURIBOR	Euro Interbank Offered Rate
Free cash flow	is the cash flow equivalent of normalised profit after tax
FWI	Fatalities and Weighted Injuries index
GDP	Gross Domestic Product – used to determine the economic performance of a whole country or region
Gearing ratio	the ratio of net debt to EBITDA over the last 12 months, including any pre-acquisition EBITDA generated in that 12-month period by businesses acquired by the Group during that period. For the purposes of this calculation, net debt is translated using average exchange rates
GHG	Greenhouse Gas
The Group	The Company and its subsidiaries
HMRC	Her Majesty's Revenue and Customs
IAS	International Accounting Standards
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
KPI	Key Performance Indicator
LIBOR	London Interbank Offered Rate
LTIP	Long-Term Incentive Plan
MAA	Moving Annual Average

Net capital expenditure	The increase in net debt arising on the purchase of property, plant and equipment and intangible assets less proceeds from disposals of property, plant and equipment. It excludes capital expenditure arising from UK rail franchise entry and exits and discontinued operations, which are included in these headings. Growth capital expenditure reflects investment in new or nascent parts of the business that drive enhanced profit growth
Net debt	is defined as cash and cash equivalents (cash overnight deposits, other short-term deposits) and other debt receivables, offset by borrowings (loan notes, bank loans and finance lease obligations) and other debt payable (excluding accrued interest)
Net interest expense	is finance costs less finance income
Normalised earnings per share	Earnings per share, excluding intangible asset amortisation and tax relief thereon
Normalised operating profit	Statutory operating profit excluding intangible asset amortisation. The Board believes that the normalised result gives a better indication of the underlying performance of the Group, by adding back this non-cash item, and it also allows better comparison of divisional performance which have different levels of intangible amortisation
Normalised result	The statutory result excluding intangible asset amortisation and tax relief thereon
Operating cash flow	Operating cash flow is the cash flow equivalent of normalised operating profit. A reconciliation is set out in the table within the Group Finance Director's review.
Operating margin	is normalised profit divided by revenue, expressed as a percentage
ORR	Office of Rail and Road
PPM	Public Performance Measure – used by the rail industry to measure punctuality
RCF	Revolving credit facility
Return on assets (ROA)	is normalised operating profit divided by net assets excluding net debt, derivative financial instruments and intangible assets. For the purposes of this calculation, net assets are translated using average exchange rates
Return on capital employed (ROCE)	is normalised operating profit divided by net assets excluding net debt and derivative financial instruments. For the purposes of this calculation, net assets are translated using average exchange rates
Return on invested capital (ROIC)	is normalised operating profit divided by invested capital. For acquisitions, invested capital is total consideration for the acquired business
RME	Rhine-Münster Express
RMS	Revenue Management System
RPI	Retail Prices Index
RPS	Railways Pension Scheme
RRX	Rhine-Ruhr Express
SPAD	Signal Passed at Danger
TOC	Train Operating Company
TSR	Total Shareholder Return – the growth in value of a shareholding over a specified period assuming that dividends are re-invested to purchase additional shares
TUPE	Transfer of Undertakings (Protection of Employment)
ULSD	Ultra low sulphur diesel
Underlying revenue	compares the current year with the prior year on a consistent basis, after adjusting for the impact of currency

In UK Bus, commercial revenue is that from fare-paying customers and excludes concessions and contracted services.

In UK Coach, core express revenue is that from the scheduled National Express network.

Safety Incidents measure those for which the Group is responsible and is based on the Fatalities and Weighted Injuries index used in the UK rail industry.