

# Notes to the Summary Annual Report

## Note1 Dividends

	2007	2006
	£m	£m
<b>Amounts recognised as distributions in the year</b>		
<b>Dividends on ordinary shares</b>		
Final dividend paid of 2.3p per share for the year ended 30 April 2005	Nil	24.6
Interim dividend paid of 1.1p per share for the year ended 30 April 2006	Nil	12.0
Final dividend paid of 2.6p per share for the year ended 30 April 2006	28.4	Nil
Interim dividend paid of 1.2p per share for the year ended 30 April 2007	13.1	Nil
<b>Amounts recognised as distributions to equity holders in the year</b>	<b>41.5</b>	<b>36.6</b>
<b>Dividends proposed but neither paid nor included as liabilities in the financial statements</b>		
<b>Dividends on ordinary shares</b>		
Final dividend paid of 2.6p per share for the year ended 30 April 2006	Nil	28.4
Final dividend proposed of 2.9p per share for the year ended 30 April 2007	20.4	Nil
	<b>20.4</b>	<b>28.4</b>

The proposed final dividend in respect of the year ended 30 April 2007 is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in the financial statements. If approved, the final dividend will be payable on 3 October 2007 to shareholders on the register at close of business on 31 August 2007.

## Note2 Segmental analysis and earnings before interest, tax, depreciation and amortisation ("EBITDA")

The results of each segment are further analysed below:

	Year ended 30 April 2007								
	EBITDA pre-exceptional items £m	Joint venture interest and tax £m	EBITDA including joint venture interest and tax	Depreciation expense £m	Operating profit pre intangible and exceptional items £m	Intangible asset expenses £m	Exceptional items £m	Allocation of restructuring costs £m	Operating profit £m
UK Bus - excluding acquisition impact	121.1	Nil	121.1	(38.6)	82.5	(1.1)	28.9	(0.4)	109.9
- 2005/06 acquisitions	7.9	Nil	7.9	(5.9)	2.0	(5.3)	Nil	(0.6)	(3.9)
North America	33.7	Nil	33.7	(15.6)	18.1	(0.4)	Nil	Nil	17.7
UK Rail - subsidiaries	66.9	Nil	66.9	(8.1)	58.8	(2.8)	Nil	(2.2)	53.8
UK Rail - joint venture (Virgin Rail Group)	12.4	1.1	13.5	Nil	13.5	(5.1)	5.4	Nil	13.8
UK Bus - joint venture (Citylink)	1.3	(0.4)	0.9	Nil	0.9	Nil	Nil	Nil	0.9
N America - joint venture (Splash Tours)	(0.2)	Nil	(0.2)	Nil	(0.2)	Nil	Nil	Nil	(0.2)
Group overheads	(11.0)	Nil	(11.0)	(0.1)	(11.1)	Nil	Nil	Nil	(11.1)
Restructuring costs	(3.2)	Nil	(3.2)	Nil	(3.2)	Nil	Nil	3.2	Nil
	<b>228.9</b>	<b>0.7</b>	<b>229.6</b>	<b>(68.3)</b>	<b>161.3</b>	<b>(14.7)</b>	<b>34.3</b>	<b>Nil</b>	<b>180.9</b>
	Year ended 30 April 2006								
	EBITDA pre-exceptional items £m	Joint venture interest and tax £m	EBITDA including joint venture interest and tax	Depreciation expense £m	Operating profit pre intangible and exceptional items £m	Intangible asset expenses £m	Exceptional items £m	Allocation of restructuring costs £m	Operating profit £m
UK Bus - excluding acquisition impact	101.7	Nil	101.7	(36.7)	65.0	(1.2)	Nil	(0.2)	63.6
- 2005/06 acquisitions	0.5	Nil	0.5	(2.4)	(1.9)	(2.4)	Nil	(0.8)	(5.1)
North America	32.9	Nil	32.9	(16.0)	16.9	(0.8)	Nil	Nil	16.1
UK Rail - subsidiaries	64.7	Nil	64.7	(5.8)	58.9	(3.0)	Nil	(0.4)	55.5
UK Rail - joint venture (Virgin Rail Group)	5.3	0.2	5.5	Nil	5.5	(13.1)	Nil	Nil	(7.6)
UK Bus - joint venture (Citylink)	0.1	Nil	0.1	Nil	0.1	Nil	Nil	Nil	0.1
Group overheads	(9.9)	Nil	(9.9)	(0.1)	(10.0)	Nil	Nil	(0.1)	(10.1)
Restructuring costs	(1.5)	Nil	(1.5)	Nil	(1.5)	Nil	Nil	1.5	Nil
	<b>193.8</b>	<b>0.2</b>	<b>194.0</b>	<b>(61.0)</b>	<b>133.0</b>	<b>(20.5)</b>	<b>Nil</b>	<b>Nil</b>	<b>112.5</b>