

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

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Body

BRITISH WEEKLY STOCK REPORT

Dateline: Saturday October 12, 2019

Go-**Ahead** Group PLC (L:GOG), the United Kingdom's 19th largest Travel & leisure company by market cap, has lifted GBX131.0 (or 6.6%) in the past week to close at GBX2,120.0, ending a two-week streak of losses. Compared with the FTSE 100 Index which rose 91.7 points (or 1.3%) in the week, this represented a relative price increase of 5.3%. The volume was 1.1 times average trading per week of 518,105 shares. In the past week the market cap has risen GBP56.5 million (US\$70.4 million).

ANNUAL REPORT

Go-**Ahead** Group (L:GOG) reported net profit for the year-ended 30 June 2019 of GBP58.8m (\$US74.7m), down 33.9% from GBP89.0m (\$US117m) in the previous year. Earnings per share (EPS) were down 34% from GBP2.07 (\$US2.72) in FY2018 to GBP1.37 (\$US1.74) in FY2019.

BULLISH TURNING POINT

MAP and P/MAP

The P/MAP [Price/Moving Average Price] was previously below 1 and falling. These were bearish indicators. Go-**Ahead** Group's stock is now trading above both its MAPs at GBX1,947.67 for the 200-day MAP and GBX2,048.38 for the 50-day MAP, a bullish indicator. Both indicators are now bullish with P/MAP greater than 1 and MAP rising.

Stock Summary

Currency	Pence Sterling (GBP)1 GBP = 1.25 USD
Last	GBX2,120.0
Shares Outstanding	43,147,338
Sector	Travel & Leisure
Market Cap	GBP914.7 million (US\$1.1 billion)
<u>Week</u> 's Range(GBX)	1,891.00 - 2,126.00
52- <u>Week</u> Range(GBX)	1,408.05 - 2,242.00
Ave Daily Volume	103,621

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SECTION 1 THE PAST WEEK

Snapshot: Go-Ahead Group stock was up GBP131.0 or 6.6% in the past week. Volume in the week was 1.1 times average trading of 518,105 shares. It underperformed the FTSE 100 index in 4 out of 5 days.

Day	Go- <u>Ahead</u> Group	Close price [GBX]	Price change %	Relative change %	Comment
Thursday	Drops to four-month low on high volume	1,922.0	-0.4	-0.7	VI*=2.003
Wednesday	Loses GBP24.2 million (US\$29.5 million) in MCap, steepest heavyweight fall in Travel & leisure sector	1,930.0	-2.8	-3.1	Steepest Fall
Tuesday	Increases against the trend	1,986.0	0.1	0.9	Price/PMAP20 0 above 1
Monday	Decreases	1,984.0	-0.3	-0.8	Price fall on falling relative strength
Friday	Inches higher, resistance at 12-day EMA	1,989.0	0.7	-0.4	Top Rise

[Volume Index (VI); 1 is average]

SECTION 2 DOWNLOAD GO-AHEAD GROUP FINANCIALS PAST 10 YEARS

Description	Jun 19	Jun 18	Jul 17	Jul 16	Jun 15	Jun 14	Jun 13	Jun 12	Jul 11	Jul 10
Income Statement										
Sales (B)	3.8	3.5	3.5	3.4	3.2	2.7	2.6	2.4	2.3	2.2
Other Revenue				3.2	2.4	1.5				

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(M)										
EBITDA	97	145.7	136.8	145	173.9	177.5	146.4	165.8	144.5	143.7
(M)										
Depreciati on (M)					74.7	66.5	64.6	63.5	59.7	63
EBIT (M)	97	145.7	136.8	145	99.2	111	81.8	102.3	84.8	80.7
Interest (M)					20.5	19.8	18.7	17.8		14.9
Profit before tax (M)	97	145.7	136.8	145	78.7	91.2	63.1	84.5	84.8	65.8
Tax (M)	(21.9)	(36.4)	(25.3)	(26.9)	19.4	13.6	13.1	18	9.8	14.5
Net profit (M)	58.8	89	89.1	93.7	52.2	70.3	46.2	55.5	67.4	17.2
EPS	1.37	2.07	2.08	2.18	1.48	1.47	1.07	1.29	1.21	0.4
Balance Sheet										
Equity Share Capital (M)	310.1	287.9	227.2	171.1	65.3	50.7	31.7	39.2	17.1	(52.3)
Retained Earnings (M)	300.9	267.9	206.3	178.4	79.7	50.4	29.1	36.9	(2.9)	(59.7)
Total Debt (M)	414	403.2	164.9	312.4	309.5	322.9	337.3	341.2	295	321
Total Assets (B)	1.8	1.7	1.6	1.6	1.4	1.2	1.1	1.1	1	1
Current Asset	1 B	937.7	943.5	993 M	888.2	624.6	501.5	465.7	460.2	440.5
		M	M		M	M	M	M	M	M
Fixed Asset (M)	631.9	628.7	575.2	494.3	437.4	458.6	457.6	459.4	416.4	415.9
Working Capital (M)	101.3	74.4	(154. 2)	59.3	6.6	(16.4)	(22.1)	(89.2)	(15.2)	(73)
Cash Flow										
Operating Cash Flow (M)	223.7	162.3	144.1	212.3	411.1	171.9	114.9	152.1	113	141.8
Investing Cash Flow (M)	(87.6)	(159. 6)	(153. 5)	(103. 7)	(9.4)	(63.9)	(55.6)	(105)	(49.5)	(72.3)
Financing Cash Flow (M)	(61.8)	(36.4)	(36.7)	(76.5)	(79.3)	(75.1)	(64.1)	(17)	(69.9)	(41.6)
Net Cash Flow (M)	74.3	(33.7)	(46.1)	32.1	322.4	32.9	<u>(4.8)</u>	30.1	(6.4)	27.9

SECTION 3 FRIDAY'S BULLISH SIGNALS

3.1 Uptrend

The stock traded at a 14-day high of GBX2,126.0 today.

Today's Volatility:

The 5.4% discount to 12-month high of GBX2,242.0 against the 50.6% premium to 12-month low of GBX1,408.05 suggests the stock continues to push for new highs.

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Today its volatility (highest price minus lowest price/lowest price) of 10.0% was 3.1 times the average daily volatility of 3.2%, up from 2.3% on Thursday and 2.6% on Wednesday. A rise in the price on high volatility is a bullish signal.

Price/Moving Average Price and MACD:

- The price to 50-day EMAP ratio is 1.0, a bullish indicator. In the past 50 days this ratio has exceeded 1.0 just twice suggesting a resistance level. The 50-day EMAP has increased to GBX2,040.72. An increase is another bullish indicator.

- The price to 200-day MAP ratio is 1.09, a bullish indicator. In the past 200 days this ratio has exceeded 1.09, 150 times suggesting further upside. The stock is trading above both its MAPs and the 50-day MAP of GBX2,048.38 is higher than the 200-day MAP of GBX1,947.67, another bullish indicator.

Past **Week**:

- In the past **week**, volume was 1.1 times average and the shares were up 6.6%. Friday's close price is at a 5.7% premium to its 5-day Volume Weighted Average Price (VWAP) of GBX2,004.81.

Past Month:

- The present value of GBP1,000 (PV1000) invested one month ago in Go-**Ahead** Group is GBP1,027, for a capital gain of GBP27.

PV1000	<u>1-week</u>	1-month	1-year
GOG.L	1,066	1,027	1,488
FTSE 100 Index	1,013	987	1,034

Past Quarter:

In the last three months the stock has hit a new 52-**week** high five times, pointing to an uptrend.

3.2 High Price Performance Indicators and rank of Go-**Ahead** Group in the United Kingdom market:

Description	GOG Value	Rank In Market
Today's Trading Turnover	GBP4.3 million (US\$5.3 million)	In Top Quartile
MCap	GBP914.7 million	In Top Quartile
Price/MAP200	1.09	In Top Quartile

3.3 Undervaluation

Dividend Yield

- The relative yield of the stock, defined by its yield of **4.8%**, divided by average yield of dividend yielding stocks in the FTSE 100 Index of 3.3% is 147.9%. This suggests the stock is undervalued in dividend yield terms.

MCap/Total Assets

- Tobin's Q Ratio, defined as MCap divided by Total Assets, is 0.5. Compared with the rest of the market the stock is undervalued.

3.4 Other Bullish Signals

- Return on Equity of 21.8% versus sector average of 16.7% and market average of 5.8%.
- Return on Capital Employed of 10.8% versus sector average of 6.7% and market average of 2.8%.
- As per the Du Pont analysis, Return on Equity is high at 21.8%. This is computed as net profit margin of 2.0% times asset turnover [sales/assets] of 2.1 times leverage factor [total assets/shareholders' equity] of 5.2.

SECTION 4 FRIDAY'S BEARISH SIGNALS

4.1 Downtrend

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Price/Moving Average Price and MACD:

- The Price/MAP of 1.09 for GOG is lower than the Price/MAP for the FTSE 100 Index of 1.13.
- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 2,008.94 minus the 26-day EMA of 2,027.85 is negative, suggesting a bearish signal.

4.2 Low Price Performance Indicator and rank of Go-Ahead Group in the United Kingdom market:

Description	GOG Value	Rank In Market
Volatility %	10.0	In Bottom Quartile

4.3 Overvaluation

Price/Earnings

- Price/Earnings of 15.5 versus sector average of 9.6. We estimate the shares are trading at a current year P/E of 17 and a forward year P/E of 18.6.

Price to Book

- The Price to Book of 3.9 higher than average of 3.3 for the Travel & Leisure sector and 2.5 for the Total United Kingdom Market. We estimate the shares are trading at a current year Price/Sales of 0.2 and a forward year Price/Sales of 0.2.

4.4 Other Bearish Signals

- Total Liabilities/ EBITDA of 15 is more than or equal to 5, this compares unfavourably with the Joseph Piotroski benchmark of 5.
- Return on Assets of 4.2% versus sector average of 6.7%.
- Net profit margin has averaged 2.8% in the last 3 years. This suggests the company is less profitable with a low margin of safety.

Annual Trend in Revenue, EPS and EBITDA:

- Earnings per share growth rate has been negative in recent years. [Year ended, all figures in %]

Year	Revenue Growth	EPS Growth	EBITDA Growth
Jun 19	10	-34	-33.4
Jun 18	-0.6	-0.4	6.5

4.5 Overbought/Bearish Signals:

- The stock is overbought according to the Williams % R indicator of -7.3, suggesting the price is close to its 14-day high of GBX2,138.0.

SECTION 5 ONGOING BULLISH PARAMETERS

5.1 Earnings yield greater than Bond Yield

(All figures in %)

Earnings Yield	6.5
Dividend Yield	4.82
Bond Yield	0.6

- Earnings yield of 6.5% is 10.8 times the 10-year bond yield of 0.6%.

5.2 Dividend yield greater than Bond yield

(All figures in %)

Dividend Yield	4.82
Bond Yield	0.6

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Spread

4.22

The dividend yield of 4.82% is 8.03 times the triple-A bond yield of 0.6%. This is above the benchmark of 0.67 set by Benjamin Graham.

5.3 Moving Annual Return (Past 5 years)

Based on a dynamic start date of 5 years ago, the real rate of return has averaged 8.8%. The Moving Annual Return has been positive in 3 of the last 5 years. An investment a year ago in GOG would have produced a return of 46.6%.

GOG	Close (GBX)	Dividends (GBX)	Capital Gain / (Loss) %	% Yield	Annual Return %
Oct 11	2,120	102.08	39.9	6.7	46.6
1 Yr ago	1,515.28	102.08	(0.9)	6.7	5.8
2 Yrs ago	1,528.68	97.69	(8.0)	5.9	(2.1)
3 Yrs ago	1,660.72	91.73	(16.9)	4.6	(12.3)
4 Yrs ago	1,998.17	85.6	1.7	4.4	6.0

Close 5 years ago GBX1,964.98

5.4 Annualised Period-based Total Shareholder Returns [TSR %]

TSR %	1 yr	3 yrs	5 yrs	10 yrs
GOG.L	48.8	15.1	7.1	16.8

The annualised period-based Total Shareholder Returns [TSR %] for 1 yr, 3 yrs, 5 yrs and 10 yrs has consistently exceeded 7.0%.

5.5 Present Value of GBP1,000 invested 10 years ago

- The present value of GBP1,000 (PV1000) invested ten years ago in Go-**Ahead** Group is GBP4,735, including a capital gain of GBP2,568 and dividend reinvested of GBP1,166.
- 10 years Multiplier in GBP = 4.735x
- Annualized Total Shareholder Returns (TSR) in GBP = 16.8%

5.6 Present Value of USD1,000 invested 10 years ago

- The present value of USD1,000 (PV1000) invested ten years ago in Go-**Ahead** Group is \$US3,523, including a capital gain of \$US1,777 and dividend reinvested of \$US746.
- 10 years ago GBP 1 equalled USD 1.6
- 10 years Multiplier in USD = 3.523x
- Annualized Total Shareholder Returns (TSR) in USD = 13.4%
- The average annual compound return on the share price in the last 5 years was 7.1%, exceeding the average annual compound return on the FTSE 100 Index of 2.7%.

5.7 High Performance Indicators and rank in the United Kingdom market:

Description	Value	Rank In Market
Annual Revenue	GBP3.8 billion (US\$4.7 billion)	In Top 7%
Price to Sales	0.2	In Top 9%
YTD Relative Price Change %	34.5	In Top Quartile
YTD Price Change %	42.1	In Top Quartile
Return on Equity [ROE] %	21.8	In Top Quartile
Turnover in Quarter	GBP105.5 million	In Top Quartile

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Relative Strength (6Mo)*	80	In Top Quartile
MCap	\$US1.1 billion	In Top Quartile
Price/MAP200	1.09	In Top Quartile

* Relative Strength: Price close today/Price close 6 months ago, then ranked by percentile within the entire market.

5.8 Increased ADVT past five years

Avg. Daily Volume Traded 12 months ended Oct 11, thousand shares

Year	ADVT
2019	103.6
2018	131.3
2017	145.4
2016	92.8
2015	67.0

In the past five years, Average Daily Volume of Trading (ADVT) has increased 54.6% to 103,621 shares.

5.9 Increased Average Daily Turnover

Past five years, 12 months ended Oct 11 (GBP million)

Year	Average Daily Turnover
2019	1.9
2018	2.0
2017	2.4
2016	1.8
2015	1.3

In the past five years, average daily share turnover has increased 39.9% to GBP1.9 million (US\$2.3 million). This suggests increased liquidity.

5.10 Satisfies three criteria of Benjamin Graham

- "An earnings-to-price yield of at least twice the triple-A bond"; the stock's earning yield of 6.5% is 10.8 times the triple-A bond yield of 0.6%.
- "A dividend yield of at least two-thirds the triple-A bond yield"; the stock's dividend yield is 8.1 times the triple-A bond yield of 0.6%.
- "Total debt equal or less than twice the net quick liquidation value"; total debt of GBP414 Million is 0.7 times the net liquidation value of GBP591 Million.

5.11 Satisfies 5 out of 9 criteria of Joseph Piotroski [pass mark 5]

- Positive net income.
- Positive operating cashflow.
- Good quality of earnings [operating cashflow exceeds net income].
- Total shares on issue unchanged.
- Improvement in asset turnover [growth in revenue of 10 exceeded growth in assets of 5.5%].

SECTION 6 ONGOING BEARISH PARAMETERS

6.1 Past 5 years Annual EPS growth:

Annual Report	EPS (GBP)	Growth %
2019	1.37	-34.0
2018	2.07	-0.4

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2017	2.08	-4.7
2016	2.18	47.4
2015	1.48	0.7

Average Annual Compounded rate of growth in EPS for the 5 years was -1.4%. There have been two rises and three declines in the past 5 years.

6.2 High Debt to Equity

Years	Debt to Equity (%)
Jun 2019	119.93
Jun 2018	126.24
Jul 2017	72.58
Jul 2016	182.58
Jun 2015	473.97

The debt to equity ratio of 119.9% is above a safe benchmark figure of 70%. However, it has improved from 126.2% a year ago.

6.3 MCap: 5-Year Decrease

In the past 5 years Market Capitalization has decreased by GBP159.9 million from GBP1.1 billion to GBP914.7 million. Based on a dynamic start date of 5 years ago, there have been declines in MCap in 4 out of 5 years.

	Price	MCap (GBP M)	MCap (US\$ M)
Last	GBX2,120.0	914.7	1,139
1 Year ago	GBX1,515.28	694.7	903.7
2 Years ago	GBX1,528.68	741	973
3 Years ago	GBX1,660.72	845.9	1,051.7
4 Years ago	GBX1,998.17	1,055.7	1,617.1
5 Years ago	GBX1,964.98	1,074.7	1,719.5

6.4 Increase in Insider Selling :

In the past 5 years a total of 34,625 Go-**Ahead** Group shares worth GBX83.2 million were sold by insiders. Based on a dynamic start date of 5 years ago, insider selling has averaged 6,925 shares per year. In the past year, insiders sold 1,514 shares, an increase of 876.77% from the previous year.

Year	No. of Shares	Value, GBX
Oct 11, 2019	1,514	2,400,508
1 Yr ago	155	302,436
2 Yrs ago	844	1,733,544
3 Yrs ago	9,733	24,586,129
4 Yrs ago	22,379	54,162,775
Total	34,625	83,185,391

6.5 Low Performance Indicators and rank in the United Kingdom market:

Description	Value	Rank In Market
EBITDA Margin %	2.5	In Bottom 7%
Net Profit Margin %	2.0	In Bottom 7%
Total Debt to Equity	1.2	In Bottom Quartile
Volatility %	10.0	In Bottom Quartile
Price to Book Value	3.9	In Bottom Quartile

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6.6 Declining VWAP

Past five years, 12 months ended Oct 11 (GBX)

Year	High Price	VWAP	Low Price
2019	2242.0	1837.15	1408.05
2018	1884.93	1534.81	1210.93
2017	2043.53	1628.64	1279.37
2016	2303.58	1878.39	1498.62
2015	2234.2	2035.68	1780.2

In the past five years Volume Weighted Average Price (VWAP) has decreased by 9.8% to GBX1,837.15. Based on a dynamic start date of five years ago, there have been declines in VWAP in 4 out of 5 years.

SECTION 7 PRICE VOLUME DYNAMICS (PAST QUARTER)

7.1 YTD Aggregate Volumes

+London: GOG.L year-to-date volume is 18,376,522; volume 99.69% of aggregate. Average daily volume is 91,883. Year-to-date (YTD) Volume Weighted Average Price (VWAP): GBX1,963.0.

+Frankfurt: G9X.FRA year-to-date volume is 56,555; volume 0.31% of aggregate. Average daily volume is 850. Year-to-date (YTD) VWAP: EUR22.0.

Using the current exchange rate of EUR1 equals 89.8605GBX, the shares are at a 0.7% premium to the year-to-date VWAP on London.

+YTD Aggregate volume: there were 18,433,077 shares of Go-Ahead Group worth GBX36.2 billion traded year-to-date.

7.2 The Best 3 weeks in the past quarter

Mon-Fri	Change %	FTSE 100 index Change %	RPC %	Vol Ind [1 is avg]
Oct 07-11	6.6	1.3	5.3	1.1
Aug 26-30	3.3	1.6	1.7	0.7
Jul 08-12	3	-0.6	3.7	0.6

In the past quarter the week beginning Monday October 07 saw the highest weekly rise of 6.6% for a relative price increase of 5.3%.

7.3 The Worst 3 weeks in the past quarter

Mon-Fri	Change %	FTSE 100 index Change %	RPC %	Vol Ind [1 is avg]
Sep 09-13	-6.6	1.2	-7.8	0.7
Jul 29-Aug 02	-5	-1.9	-3.2	0.6
Aug 12-16	-3.2	-1.9	-1.3	0.7

In the past quarter the steepest fall of 6.6% took place in the week beginning Monday September 09.

7.4 Stock Trading Volume and Turnover in the past 3 months

Turnover	US\$131.3 million
Avg daily turnover	US\$2 million
Volume	5,087,585
Avg daily volume	78,271

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7.5 Period-based Price Change %

3-Year price change of 27.7% for GOG outperformed the change of 2.1% in the FTSE 100 index for a relative price change of 25.5%.

Price Change %	Quarter	Year	3 Years
GOG	-0.7	39.9	27.7
Sector*	12.6	18.2	346.8
FTSE 100 index	-3.5	1.4	2.1

* Travel & Leisure

7.6 Total Shares on Issue: Steady over 5 Years

In the past 5 years total shares on issue have been steady at 43 million.

Period Ending	Total Shares on Issue
Jun 30, 2019	43,000,000
Jun 30, 2018	43,000,000
Jul 01, 2017	42,902,000
Jul 02, 2016	42,951,000
Jun 27, 2015	42,900,000
Jun 28, 2014	42,900,000

7.7 Beta & Standard Deviation

The Beta of this stock is 0.8. A Beta lower than 1 suggests this is a lower risk, lower return stock with volatility less than that of the market.

SD is a statistical measure of deviation from the mean. The SD of 2.0% gives it a percentile rank of 47 meaning that 47% of stocks in the United Kingdom market are less volatile than this stock.

	Stock	Interpretation
Beta	0.8	Lower risk, lower return
Standard Deviation	2.0	Less volatile

SECTION 8 PERIOD-BASED SHAREHOLDER RETURNS

8.1 Past Quarter

The stock fell 36 times (55.4% of the time) and rose 29 times (44.6% of the time). The aggregate volume was 0.8 times average trading of 103,621 shares. The value of GBP1,000 invested 3 months ago is GBP993 [vs GBP965 for the FTSE 100 Index] for a capital loss of GBP7.

8.2 Year-to-Date

Go-**Ahead** Group surges 42% in 2019

Go-**Ahead** Group PLC (L:GOG), surged GBX628.59 (or 42.1%) year-to-date (YTD) in 2019 to close at GBX2,120.0 today. Compared with the FTSE 100 Index which has risen 7.6% YTD, this is a relative price increase of 34.5%.

8.3 Past Year

Go-**Ahead** Group surges 40% in past year

Go-**Ahead** Group PLC (L:GOG), surged GBX604.72 (or 39.9%) in the past year to close at GBX2,120.0 today. Compared with the FTSE 100 Index which has risen 1.4% over the same period, this is a relative price increase of 38.5%.

The stock rose 126 times (50% of the time), fell 124 times (49.2% of the time) and was unchanged 2 times (0.8% of the time). The value of GBP1,000 invested a year ago is GBP1,488 [vs GBP1,034 for the FTSE 100 Index], including a capital gain of GBP399 and dividend reinvested of GBP88.

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8.4 Present Value of GBP1000 Invested in the Past [3 Mo, 1 Yr, 3 Yrs]

PVGBP1,000	3 mo ago	1 yr ago	3 yrs ago
GOG.L	GBP993	GBP1,488	GBP1,530
Travel & Leisure sector	GBP1,126	GBP1,199	GBP4,428
FTSE 100 Index	GBP965	GBP1,034	GBP1,025

SECTION 9 GO-**AHEAD** GROUP PEER GROUP ANALYSIS & RANKING

9.1 Global Peer Group (all figures in USD): Key Financials

In its Global Peer Group of 9 companies GOG is ranked first by PV\$1000, Revenue, fourth by Total Assets, fifth by Relative Strength, MCap and sixth by Net Profit.

Name (Code)	Relative Str.(6 mo)	M Cap	PV \$1000(1 yr)	Revenue	Net Profit	Total Assets
Rank of GOG	5	5	1	1	6	4
Parques Reunidos Servicios Centrales (PQR)	93	1.2 B	1,304.8	640.6M	14.3M	2.3B
MTY Food (MTY)	83	1.2 B	1,003.7	265.3M	74M	923.8M
Dine Brands Global (DIN)	34	1.2 B	940.7	780.9M	77.6M	1.8B
Harbour Centre Development (00051)	49	1.2 B	903.3	201.8M	106M	3.4B
Go- <u>Ahead</u> Group (GOG)	60	1.1 B	1,424.0	4.7B	71.9M	2.2B
Societe des Bains de Mer (BAIN)	88	1.1 B	988.3	504.1M	(40M)	1.2B
Grand Korea Leisure (A114090)	51	1.1 B	1,002.6	401.1M	62.8M	639.4M
International Speedway Class A (ISCA)	77	1.1 B	1,296.5	675M	225.3M	2.2B
Dalata Hotel Group (DHG)	43	1.1 B	904.9	432.6M	184.5M	1.4B

Global Peer Group: Relative Value Indicators

GOG is ranked first by P/S, second by P/E, third by P/Book and seventh by Turnover Rate.

Code	Country Code	Last Price	P/E	P/S	P/Book	Turnover Rate (%)	% Disc to 52-w Hi	Retention Ratio
Rank of GOG			2	1	3	7		
PQR	ES	EUR13.76	86.0	1.9	9.2	69.5	<u>4.8</u>	
MTY	CA	CAD63.25	15.5	4.5		75.2	13.2	84.2
DIN	US	\$US69.85	12.1	1.4		623.0	32.2	53.1
00051	HK	HKD13.0	11.1	5.1		0.5	15.6	74.4

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

GOG	GB	GBX2, 120.0	9.3	0	3.6	57.7	14.3	
				8				
BAIN	FR	EUR55 .60		2		1.8	7.3	
A11409 0	KR	KRW21 ,700.0	17. 3	2	2.4	76.2	18.8	53.9
				8				
ISCA	US	\$US45. 15	8.8	1		166.3	1.3	90.4
				6				
DHG	IE	EUR5. 19	12. 7	2	1.1	81.3	16.1	74.4
				4				

9.2 BuySellSignals Fundamentals Valuation Ranking: Go-**Ahead** Group vs United Kingdom Market

Out of 1,358 stocks and 117 units in the United Kingdom Market, Go-**Ahead** Group is ranked Eighty-first by Revenue, 104th by Free Cash Flow, 312th by Yield and 323rd by Market Cap GBP.

	United Kingdom Avg	GOG	Rank	Rank 1	Rank 2	Rank 3	Lowest Rank
Revenue GBP	1.9 B	3.8 B	81	318.5 B RDSB	318.5 B RDSA	243.9 B BP.	
Free Cash Flow	(480.2 M)	73.6 M	104	10 B BNC	4.8 B AV.	4.7 B AV.A	
Yield (%)	2.4	4.8	312	19.4 CNA	18.4 EVR	17.3 SHOE	0.03 NBPE
Market Cap GBP	3.9 B	914.7 M	323	536.7 B FLTR	533.2 B SKG	182.4 B RDSA	94,459 KIN
P/Earnings	19.2x	15.5x	365	1.5x PXOG	1.6x INDV	1.9x VLE	-
ROA (%)	1.04	4.2	809			144.4 CGT	0.03 LGEN
Price/Net Tangible Assets	2.5x	3.9x	833	0.1x GMS	0.1x G3E	0.1x BWRA	-
EBITDA Margin	16.9	2.5	860	89.2 ICGT	88.7 OIG	88.4 SEC	(83.9) CCPG
Total Debt/Equity	0.6x	1.2x	1095	GLV	AVV	ERGO	7.3x GSK
Discount to 52- Wk High (%)	14.9	5.4	1225	98.5 MTFB	94.7 7DIG	93.5 MYSL	-

Negative values are shown in brackets.

9.3 Market Share

Go-**Ahead** Group vs Travel & Leisure sector [Travel & Leisure sector Total in Brackets]

Revenue of GBP3.8 billion (US\$4.7 billion)[4.1% of aggregate sector revenue of GBP109.8 billion; up from 4.0% in the previous year.]

EBIT of GBP97 million (US\$120.8 million) [1.3% of aggregate sector EBIT of GBP7.7 billion; down from 1.9% in the previous year.]

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

9.4 Share in Index

Go-**Ahead** Group is a constituent of the following indices. Its market capitalisation accounts for 0.1% of the combined MCap of the FTSE 250 Index.

Index Name	MCap of Index (USD B)	MCap as % of Index
FTSE 250 Index	761	0.1
FTSE 350 Index	4,437	0.03
FTSE All-Share Index	4,576	0.02

9.5 Global Rank [out of 47,202 stocks] and Rank of Go-**Ahead** Group in the Europe Region [out of 8,110 stocks]

Description	Value	Global Rank	In Eur Region
MCap (US\$)	1.1B	7,447	1,363
Total Assets (US\$)	2.2B	6,707	1,265
Revenue (US\$)	4.7B	2,431	491
Net Profit (US\$)	71.9M	6,562	1,288
Return on Equity %	21.8	3,307	745
Net Profit Margin %	2.0	23,960	3,802
Price to Book	3.6	29,391	4,092
Price/Earnings	9.3	6,286	782
Yield %	5.3	5,514	1,095
PV1000 (1Year) USD*	1,424	7,493	1,225
US\$* Change (1Year) %	18.2	8,596	1,415

* 1 year ago GBP 1 = USD 1.3

Oct 11, 2019: GBP 1 equals USD 1.25

9.6 Rank of Go-**Ahead** Group in the Total United Kingdom Market [out of 1681 stocks] and in the Travel & leisure sector [out of 54 stocks]

Description	Value	In Total United Kingdom Market	In Travel & leisure sector
MCap (GBP)	914.7 M	301	20
Total Assets (GBP)	1.8B	250	19
Revenue (GBP)	3.8B	91	7
Net Profit (GBP)	58.8M	283	17
Return on Equity %	21.8	166	9
Net Profit Margin %	2.0	933	40
Price to Book	3.9	1,140	36
Price/Earnings	15.5	462	14
Yield %	4.8	358	15
PV1000 (1Year) GBX	1,488	121	7

9.7 Independent Ratings

+ BuySellSignals/News Bites:

Go-**Ahead** Group PLC is placed 132/1386 in BuySellSignals News Bites' ranking of United Kingdom performers in the past year, a percentile ranking of 90.

+ Vanguard Total World Stock ETF 7636:

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

The stock was one of 7636 global stocks selected by Vanguard Total World Stock ETF (VT) who sold 1,927 shares in the period Jun 30, 2019 to Jul 31, 2019 worth \$US4,124,456 at an estimated Volume Weighted Average Price (VWAP) of \$US2,140.35. As at Jul 31, 2019, the Vanguard Total World Stock ETF held 15,044 shares worth \$US391,577 by value of the ETF's portfolio [Ranked 3868 out of 7636 by value and 205 out of 294 for United Kingdom].

9.8 Long-Term Fundamental Ranking: 4 out of 5 [5 is best]

Go-**Ahead** Group is ranked number 24 out of 76 listed travel & leisure companies in the United Kingdom with a market capitalization of GBP914.7 million (US\$1.1 billion).

In the travel & leisure companies it has the 19th highest total assets and 5th highest revenues.

Within its sector it has a relatively low P/S of 0.2.

It has a strong relative ROE of 21.8% and ROA of 4.2%. The company paid a dividend of GBX30.17 in the last twelve months. The dividend yield is high at **4.8%**.

Stocks are scored on a set of parameters reflecting fundamental analytical tools involving valuation, size and financial performance. They are ranked according to the average values of those parameters. The highest ranking is 5 and the lowest ranking is 1.

SECTION 10 Insider Transaction

10.1 Insider buying Summary in the past 12 months

Name	No. of Shares	Price, GBX	Value, GBP
David Brown [CEO]	98	1,834.7	1,798
Carolyn Ferguson [Company Secretary]	97	1,837.1	1,782
Adrian Ewer [Non-Executive Independent Director]	6	1,633.3	98
Total	201	1,829.9	3,678

10.2 DAVID BROWN [CEO] REPORTED BUYING IN THE PAST 12 MONTHS

Month	No. of Shares	Price, GBX	Value, GBP
September 13, 2019	7	2,048.0	143
August 14, 2019	7	2,027.9	142
July 16, 2019	7	2,168.9	152
June 14, 2019	8	1,989.6	159
May 14, 2019	8	1,898.0	152
April 15, 2019	8	1,883.9	151
March 15, 2019	7	2,025.8	142
February 14, 2019	8	1,828.0	146
January 15, 2019	9	1,711.3	154
December 14, 2018	9	1,607.4	145
November 15, 2018	10	1,519.0	152
October 16, 2018	10	1,596.6	160
Total: David Brown	98	1,834.7	1,798

DAVID BROWN [CEO] PREVIOUS 7 YEARS REPORTED BUYING

In the 7-year period 2012 to 2018 a total of 40,940 shares worth GBP491,725 were bought.

Year	No. of Shares	Price, GBX	Value, GBP
2018	100	1,644.0	1,644

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

2017	2,943	1,728.13	50,859
2016	69	2,161.19	1,491
2015	53	2,532.59	1,342
2014	71	2,213.67	1,572
2013	46	1,594.56	733
2012	37,658	1,152.7	434,084
Total	40,940	1,201.09	491,725

10.3 CAROLYN FERGUSON [COMPANY SECRETARY] REPORTED BUYING IN THE PAST 12 MONTHS

Month	No. of Shares	Price, GBX	Value, GBP
September 13, 2019	7	2,048.0	143
August 14, 2019	7	2,027.9	142
July 16, 2019	7	2,168.9	152
<u>June</u> 14, 2019	8	1,989.6	159
May 14, 2019	8	1,898.0	152
April 15, 2019	8	1,883.9	151
March 15, 2019	7	2,025.8	142
February 14, 2019	8	1,828.0	146
January 15, 2019	9	1,711.3	154
December 14, 2018	9	1,607.4	145
November 15, 2018	10	1,519.0	152
October 16, 2018	9	1,596.6	144
Total: Carolyn Ferguson	97	1,837.1	1,782

CAROLYN FERGUSON [COMPANY SECRETARY] PREVIOUS 6 YEARS REPORTED BUYING

In the 6-year period 2013 to 2018 a total of 407 shares worth GBP7,997 were bought.

Year	No. of Shares	Price, GBX	Value, GBP
2018	93	1,627.96	1,514
2017	75	1,809.7	1,357
2016	60	2,204.31	1,323
2015	54	2,529.01	1,366
2014	72	2,216.47	1,596
2013	53	1,587.5	841
Total	407	1,964.86	7,997

10.4 ADRIAN EWER [NON-EXECUTIVE INDEPENDENT DIRECTOR] REPORTED BUYING IN THE PAST 12 MONTHS

Month	No. of Shares	Price, GBX	Value, GBP
December 13, 2018	6	1,636.0	98

10.5 Insider selling Summary in the past 12 months

Name	No. of Shares	Price, GBX	Value, GBP
Carolyn Ferguson [Company Secretary]	1,514	1,585.5	24,005
Total	1,514	1,585.5	24,005

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

10.6 CAROLYN FERGUSON [COMPANY SECRETARY] REPORTED SELLING IN THE PAST 12 MONTHS

Month	No. of Shares	Price, GBX	Value, GBP
November 22, 2018	1,514	1,585.5	24,005

CAROLYN FERGUSON [COMPANY SECRETARY] PREVIOUS 4 YEARS REPORTED SELLING

In the 4-year period 2015 to 2018 a total of 2,632 shares worth GBP44,395 were sold.

Year	No. of Shares	Price, GBX	Value, GBP
2018	1,669	1,619.5	27,029
2017	NA	NA	NA
2016	844	2,053.96	17,335
2015	119	26.31	31
Total	2,632	1,686.74	44,395

SECTION 11 STOCK NEWS

11.1 Go-**Ahead** Group Corporate Wires

11.1.1 Changes in Board (TTM)

July 25: Go-**Ahead** Group: Directorate Declaration

Pursuant to paragraph 9.6.14 of the UKLA Listing Rules, and further to the release of the Vodacom Group Limited ("Vodacom") announcement dated 24 July 2019, Go-**Ahead** confirms that Leanne Wood, Non-Executive Director of Go-**Ahead**, has been appointed as a Non-Independent Non-Executive Director of Vodacom with effect from 24 July 2019.

Vodacom is a leading African communications company providing a wide range of communication services. Vodacom is majority owned by Vodafone (60.5% holding), where Leanne is currently a Member of the Executive Committee and Chief Human Resources Officer.

Source: London Stock Exchange

11.1.2 Dividends

September 06: Go-**Ahead** Group announces dividend

Go-**Ahead** Group today announced a final dividend of GBX71.91 per share. The ex dividend date is Thursday, October 31, 2019 and it is payable on Friday, November 22.

February 22: Go-**Ahead** Group announces dividend

Go-**Ahead** Group today announced an interim dividend of GBX30.17 per share. The ex dividend date is Thursday, March 28, 2019 and it is payable on Friday, April 12.

11.1.3 Performance

February 21: Go-**Ahead** Group: Half Year Results

HALF YEAR RESULTS FOR THE SIX MONTHS ENDED 29 DECEMBER 2018

Business overview

' Good progress made in all three strategic pillars: protect and grow the core; win new bus and rail contracts; prepare for the future of transport

' Group operating profit for the half year **ahead** of management expectations; full year expectations increased principally due to rail

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

' Bus operating profit pre-exceptional items slightly **ahead** of last year at Pound46.9m (2018: Pound46.6m)

' Rail operating profit at Pound17.6m (2018: Pound40.3m) **ahead** of expectations, though lower than last year due to the end of the London Midland franchise in December 2017

' GTR reliability significantly improved since last year's timetable changes; contractual agreement reached with DfT in December 2018

' Strong operational and financial performance continues at Southeastern; franchise extended by 12 **weeks** to 22 **June** 2019; shortlisted for the new South Eastern Franchise

' Continued progress in our international strategy: won our fifth rail contract in Germany, first rail contract in Norway and first consultancy contract in Australia

' Maintained interim dividend of 30.17p (2018: 30.17p) in line with policy

Source: London Stock Exchange

11.1.4 Share Buybacks

March 19: Go-**Ahead** Group: Employee Benefit Trust Share Purchase

Employee Benefit Trust Share Purchase

The Company was notified on 18 March 2019 by Computershare Trustees (Jersey) Limited, the Trustees of The Go-**Ahead** Group Employee Trust (the "Trust"), that on 18 March 2019, the Trust completed the purchase of 4,246 ordinary shares of 10p each in the Company at an average share price of Pound20.20, as part of a planned program of monthly share purchases over the next 10 months.

The Trust holds shares for the benefit of the Company's employees and in particular for the satisfying of awards made under the Company's various share schemes.

Source: London Stock Exchange

October 18 2018: Go-**Ahead** Group: Employee Benefit Trust Share Purchase

The Company was notified on 17 October 2018 by Computershare Trustees (Jersey) Limited, the Trustees of The Go-**Ahead** Group Employee Trust (the "Trust"), that on 16 October 2018, the Trust completed the purchase of 6,583 ordinary shares of 10p each in the Company at an average share price of Pound16.2010, as part of a planned program of monthly share purchases.

The Trust holds shares for the benefit of the Company's employees and in particular for the satisfying of awards made under the Company's various share schemes.

Source: London Stock Exchange

11.1.5 Share Capital

July 18: Go-**Ahead** Group: Employee Benefit Trust Share Purchase

The Company was notified on 16 July 2019 by Computershare Trustees (Jersey) Limited, the Trustees of The Go-**Ahead** Group Employee Trust (the "Trust"), that on 16 July 2019, the Trust completed the purchase of 4,246 ordinary shares of 10p each in the Company at an average share price of Pound21.78, as part of a planned program of monthly share purchases.

Source: London Stock Exchange

June 18: Go-**Ahead** Group increases issued capital

Go-**Ahead** Group (GOG.L) has announced an increase of 22,165 shares (or 0.1%) in total shares on issue from 43,125,173 to 43,147,338. The effective date is Tuesday, **June** 18.

SECTION 12 GO-**AHEAD** GROUP FINANCIALS

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

12.1 Financials Summary

Year ended	Jun 2019	Jun 2018	Jul 2017
Sales (USD B)	4.7	4.3	4.3
Pretax (USD M)	120.8	181.4	170.3
Net (USD M)	73.2	110.8	110.9
EPS (GBP)	1.368	2.072	2.08

+ Net profit was down 33.9% from US\$110.8 million in 2018 to US\$73.2 million in 2019.

+ Earnings Per Share (EPS) was down 34% from GBP2.07 to GBP1.37.

12.2 Financial Results as reported (Annual)

RESULTS OF OPERATIONS AND FINANCIAL CONDITION

(In GBP Million, except per share data and shares outstanding)

INCOME STATEMENT AS REPORTED

Description	GBP Million	GBP Million	
Jun 30	2019	2018	Change %
Group revenue	3,807.1	3,461.5	Up 10.0
Operating costs	-3,702.8	-3,300.5	Deterioration 12.2
Group operating profit	104.3	161	Down 35.2
Share of result of joint venture	-0.5	-1.1	Improved 54.5
Finance revenue	5.1	2.5	Up 104.0
Finance costs	-11.9	-16.7	Improved 28.7
Profit before taxation	97	145.7	Down 33.4
Tax expense	-21.9	-36.4	Improved 39.8
Profit for the year from continuing operations	75.1	109.3	Down 31.3
Attributable to:			
Equity holders of the parent	58.8	89	Down 33.9
Non-controlling interests	16.3	20.3	Down 19.7
	75.1	109.3	Down 31.3
Earnings per share			
basic	GBP1.37	GBP2.07	Down 34.0
diluted	GBP1.36	GBP2.07	Down 34.0
Dividends paid (pence per share)	GBP1.02	GBP1.02	Steady
Final dividend proposed (pence per share)	71.91 GBX	71.91 GBX	Steady
Weighted average number of shares	43,000,000	43,000,000	Steady

BALANCE SHEET AS REPORTED

Description	GBP Million	GBP Million	
Jun 30	2019	2018	Change %
Assets			
Non-current assets			
Property plant and equipment	631.9	628.7	Up 0.5
Intangible assets	108.8	91.5	Up 18.9
Deferred tax assets	0.2	0.1	Up 100.0
Investments		0.3	

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

Other financial assets	1.5	8.1	Down 81.5
Retirement benefit obligations	53.8	41.4	Up 30.0
	796.2	770.1	Up 3.4
Current assets			
Inventories	16.8	15.2	Up 10.5
Trade and other receivables	350.3	342.9	Up 2.2
Other financial assets	4.4	10	Down 56.0
Assets classified as held for sale	2.7	13.1	Down 79.4
Cash and cash equivalents	630.8	556.5	Up 13.4
	1,005	937.7	Up 7.2
Total assets	1,801.2	1,707.8	Up 5.5
Liabilities			
Current liabilities			
Trade and other payables	-847.7	-804.8	Deterioration 5.3
Other financial liabilities	-0.8		
Interest-bearing loans and borrowings	-7.3	-8.4	Improved 13.1
Current tax liabilities	-13.1	-20.5	Improved 36.1
Provisions	-34.8	-29.6	Deterioration 17.6
	-903.7	-863.3	Deterioration 4.7
Non-current liabilities			
Trade and other payables	-9	-1	Deterioration 800.0
Other financial liabilities	-0.8		
Interest-bearing loans and borrowings	-405.9	-394.8	Deterioration 2.8
Retirement benefit obligations	-5.1	-4.6	Deterioration 10.9
Deferred tax liabilities	-49.5	-51	Improved 2.9
Provisions	-82	-73.7	Deterioration 11.3
	-552.3	-525.1	Deterioration 5.2
Total liabilities	-1,456	-1,388.4	Deterioration 4.9
Net assets	345.2	319.4	Up 8.1
Capital and reserves			
Share capital	74.7	74.2	Up 0.7
Reserve for own shares	-71.3	-71.3	Steady
Hedging reserve	3.5	14.8	Down 76.4
Share premium reserve	1.6	1.6	Steady
Capital redemption reserve	0.7	0.7	Steady
Retained earnings	300.9	267.9	Up 12.3
Total shareholders' equity	310.1	287.9	Up 7.7
Non-controlling interests	35.1	31.5	Up 11.4
Total equity	345.2	319.4	Up 8.1

CASH FLOW AS REPORTED

Description	GBP Million	GBP Million	
Jun 30	2019	2018	Change %

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

Profit after tax for the year	75.1	109.3	Down 31.3
Net finance costs	6.8	14.2	Down 52.1
Tax expense	21.9	36.4	Down 39.8
Depreciation of property plant and equipment	79.3	82.7	Down 4.1
Amortisation of intangible assets	<u>4.8</u>	3.3	Up 45.5
Investment/asset/goodwill impairment	0.3	10.1	Down 97.0
Share of result of joint venture	0.5	1.1	Down 54.5
Loss/(profit) on sale of assets held for sale	0.1	-0.9	Recovery
Profit on sale of property plant and equipment	-0.2	-7.3	Improved 97.3
Share based payment charges	1	2.2	Down 54.5
Difference between pension contributions paid and amounts recognised in the income statement	-7.1	-6.3	Deterioration 12.7
Pension scheme exceptional items	16.8	-35.2	Recovery
(Increase)/decrease in inventories	-1.6	1.5	Deterioration
Increase in trade and other receivables	-10.6	-1.9	Deterioration 457.9
Increase/(decrease) in trade and other payables	55.6	-18.9	Recovery
Movement in provisions	13.5	0.7	Up 1,828.6
Cashflows generated from operations	256.2	191	Up 34.1
Taxation paid	-32.5	-28.7	Deterioration 13.2
Net cashflows from operating activities	223.7	162.3	Up 37.8
Cashflows from investing activities			
Interest received	5	2.5	Up 100.0
Proceeds from sale of property plant and equipment	3.4	15.4	Down 77.9
Proceeds from sale of assets held for sale	12.4	1.7	Up 629.4
Purchase of property plant and equipment	-72.6	-126.7	Improved 42.7
Purchase of property plant and equipment held for sale	-2.1	-11.4	Improved 81.6
Purchase of intangible assets	-22.2	-10.1	Deterioration 119.8
Purchase of businesses	-11.5	-9.2	Deterioration 25.0
Cash acquired with subsidiary		2	
Transferred with franchise		-23.5	
Acquisition of investments		-0.3	
Net cashflows used in investing activities	-87.6	-159.6	Improved 45.1
Cashflows from financing activities			
Interest paid	-14.5	-15.8	Improved 8.2
Dividends paid to members of the parent	-43.8	-43.8	Steady
Dividends paid to non-controlling interests	-12.7	-13.9	Improved 8.6
Payment to acquire own shares	-1	-1.1	Improved 9.1
Foreign exchange gain		0.8	
Repayments of borrowings	-0.7	-222.5	Improved 99.7
Proceeds from borrowings	13.7	260.2	Down 94.7
Proceeds from issue of shares	0.5	0.6	Down 16.7

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

Payment of finance lease and hire purchase liabilities	-3.3	-0.9	Deterioration 266.7
Net cash outflows used in financing activities	-61.8	-36.4	Deterioration 69.8
Net increase/(decrease) in cash and cash equivalents	74.3	-33.7	Recovery
Cash and cash equivalents at 30 <u>June</u> 2018	556.5	590.2	Down 5.7
Cash and cash equivalents at 29 <u>June</u> 2019	630.8	556.5	Up 13.4

Margins %

Jun 30	2019	2018
EBITDA Margin	2.5	4.2
Earnings from Cont. Ops. Margin	2.5	4.2
Net Income Margin	2	3.2

12.3 Annual Report: Key Parameters

FY2019 Annual Report: Go-**Ahead** Group profits hit by 33.9% fall

Release Date: September 24, 2019

Go-**Ahead** Group (L:GOG) reported net profit for the year-ended 30 June 2019 of GBP58.8m (\$US74.7m), down 33.9% from GBP89.0m (\$US117m) in the previous year. Earnings per share (EPS) were down 34% from GBP2.07 (\$US2.72) in FY2018 to GBP1.37 (\$US1.74) in FY2019.

Major changes compared with previous year:

Favourable Changes:

- Sales revenue up 10% from GBP3.5b (\$US4.5b) to GBP3.8b (\$US4.8b)
- Total revenue to total assets up from 2.0 to 2.1
- Debt to Equity down **4.8%** from 1.3 to 1.2
- Working capital to total assets up from 4.4% to 5.6%
- Retained earnings to total assets up from 15.7% to 16.7%
- Net tangible assets per share up 3.8% from GBP5.3 (\$US7) to GBP5.5 (\$US7)

Unfavourable Changes:

- Net profit slumps 33.9% from GBP89.0m (\$US116.8m) to GBP58.8m (\$US74.7m)
- EPS slumps 33.8% from GBP2.07 (\$US2.72) to GBP1.37 (\$US1.74)
- EBIT Margin down from 4.2% to 2.5%
- EBIT to total assets down from 8.5% to 5.4%
- Sales and marketing expenses to Sales up from 95.3% to 97.3%
- Profit before tax to Sales down from 4.2% to 2.5%
- Fixed Assets to Total Assets down from 36.8% to 35.1%
- Current Debtors to Total Assets down from 20.1% to 19.4%
- Total Liabilities to EBITDA of 15.0 compares unfavourably with the Joseph Piotroski benchmark of <5. This ratio has deteriorated by 57.5% from the previous year's ratio of 9.5.
- Total Liabilities to Operating Cash Flow of 6.5 compares unfavourably with the Joseph Piotroski benchmark of <4. However, it has improved by 23.9% from the previous year's ratio of 8.6.

Note:

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

- Current ratio steady at 1.1
- Total current assets to Total Assets up from 54.9% to 55.8%
- Total non-current assets to Total Assets down from 45.1% to 44.2%
- Intangibles to Total Assets up from 5.4% to 6%

Annual Report [Year-on-year comparison: 2019 vs 2018]

Company Name : Go-**Ahead** Group PLC (GOG)

<u>June</u> 30	2019	2018	2019	2018	Change
Description	GBP m	GBP m	\$US m	\$US m	(%)
Sales Revenue	3,807.1	3,461.5	4,834.7	4,542.9	Up 10
EBITDA	97	145.7	123.2	191.2	Down 33.4
EBIT	97	145.7	123.2	191.2	Down 33.4
Pre-Tax Profit/(Loss)	97	145.7	123.2	191.2	Down 33.4
Profit/(Loss) after Tax	58.8	89	74.7	116.8	Slumps 33.9
Working Capital	101.3	74.4	128.6	97.6	Up 36.2
Current Assets	1,005	937.7	1,276.3	1,230.7	Up 7.2
Current Liabilities	903.7	863.3	1,147.6	1,133	Up 4.7
Shareholders' Funds	310.1	287.9	393.8	377.8	Up 7.7
Total Liabilities	1,456	1,388.4	1,849	1,822.2	Up 4.9
Total Assets	1,801.2	1,707.8	2,287.4	2,241.4	Up 5.5
Current Debt	8.1	8.4	10.3	11	Down 3.6
Non-Current Debt	405.9	394.8	515.5	518.1	Up 2.8
Total Debt	414	403.2	525.8	529.2	Up 2.7
Operating Cash Flow	223.7	162.3	284.1	213	Up 37.8
Net Assets	345.2	319.4	438.4	419.2	Up 8.1
Net Tangible Assets	236.4	227.9	300.2	299.1	Up 3.7

Year-on-year comparison of Per Share figures

<u>June</u> 30	2019	2018	2019	2018	Change (%)
Sales	GBP88.5	GBP80.5	\$US112.4	\$US105.6	Up 10
EBIT	GBP2.3	GBP3.4	\$US2.9	\$US4.4	Down 33.4
EBITDA	GBP2.3	GBP3.4	\$US2.9	\$US4.4	Down 33.4
Cash	GBP14.8	GBP13.5	\$US18.8	\$US17.7	Up 10.1
Working Capital	GBP2.4	GBP1.7	\$US3	\$US2.3	Up 36.2
Shareholders' Funds	GBP7.2	GBP6.7	\$US9.2	\$US8.8	Up 7.7
Total Liabilities	GBP33.9	GBP32.3	\$US43	\$US42.4	Up 4.9
Total Assets	GBP41.9	GBP39.7	\$US53.2	\$US52.1	Up 5.5

* EPS Factor = Net Profit change/ EPS change

<u>June</u> 30	2019	2018	Change (%)
Return on Equity (%)	21.8	34.2	Down 36.3
Return on Assets (%)	4.2	6.4	Down 34.4
Total debt to net tangible assets (%)	175.1	176.9	Down 1
Total Liabilities to EBITDA	15	9.5	Up 57.5
Total Liabilities to Operating Cash Flow	6.5	8.6	Down 23.9
Debt/Equity	1.2	1.3	Down <u>4.8</u>
Total Liabilities/Total Assets (Steady % from 0.81 to 0.81)	0.8	0.8	Steady
Current Ratio (Up 1.8% from 1.09 to 1.11)	1.1	1.1	Up 1.8
Common Size Ratios by Assets %			
Total current assets to Total Assets	55.8	54.9	Up 1.6
Total non-current assets to Total Assets	44.2	45.1	Down 2.0
Fixed Assets to Total Assets	35.1	36.8	Down 4.7
Current Debtors to Total Assets	19.4	20.1	Down 3.4
Intangibles to Total Assets	6.0	5.4	Up 12.0
Common Size Ratios by Sales %			
Sales and marketing expenses to Sales	97.3	95.3	Up 2.0
Profit before tax to Sales	2.5	4.2	Down 40.6
Tax expenses to Sales	(0.6)	(1.1)	Up 42.9

Currency Conversion (**June** 30, 2018): \$US1 = GBP0.76

In the last 5 years Total Revenue averaged GBP3,466.4M (\$US4,402M), EBITDA averaged GBP139.7M (\$US177.4M) and Net Profit averaged GBP94.7M (\$US120.2M). Compound Annual Growth Rate (CAGR) averaged 7.1% for Total Revenue, -3.5% for Net Profit and -11.4% for EBITDA.

Description	Annual (GBP M)	Annual (\$US M)	5-year Avg (GBP M)	5-year Avg (\$US M)	5-year CAGR %
Total Revenue	3,807.1	4,834.7	3,466.4	4,402	7.1

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

EBITDA	97	123.2	139.7	177.4	(11.4)
Operating Profit	97	123.2	124.7	158.4	(2.7)
Net Profit	58.8	74.7	94.7	120.2	(3.5)

Five-year record of EBITDA, Operating Profit, Net Profit, ROE, ROA and ROCE

In 2019 Net Profit Margin of 2.0% was below its 5-year Avg of 2.7% (All Figures in %)

Description	2019	5-year Avg
EBITDA Margin	2.5	4.1
Operating Profit Margin	2.5	3.6
Net Profit Margin	2	2.7
Return on Equity	21.8	53.7
Return on Assets	4.2	5.8
Return on Capital Employed	10.8	19.1

12.4 Dividend History

Trailing 12 months dividend has improved from GBX85.6 in 2015 to GBX102.08 in 2019.

Date Paid	Value (GBX)	Type
28 Mar 2019	30.17	Interim
08 Nov 2018	71.91	Final
Tr 12 Months	102.08	
05 Apr 2018	30.17	Interim
09 Nov 2017	71.91	Final
2017 - 2018	102.08	
30 Mar 2017	30.17	Interim
10 Nov 2016	67.52	Final
2016 - 2017	97.69	
24 Mar 2016	28.33	Interim
29 Oct 2015	63.4	Final
2015 - 2016	91.73	
26 Mar 2015	26.6	Interim
29 Oct 2014	59	Final
2014 - 2015	85.6	

SECTION 13 GO-**AHEAD** GROUP BOARD OF DIRECTORS

13.1 Board of Directors and years since appointment

Name	Designation	Since Appointment
David Brown	Chief Executive Officer, Executive Director	8 Yrs, 6 Mos
Andrew Allner	Chairman	6 Yrs, 6 Mos
Katherine Innes Ker	Independent Director	-
Leanne Wood	Non-Executive Director	-
Nick Horler	Non-Executive Director	7 Yrs, 11 Mos
Harry Holt	Non-Executive Director	-
Adrian Ewer	Non-Executive Independent Director	6 Yrs, 6 Mos

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

Carolyn Sephton	Company Secretary	-
Carolyn Ferguson	Company Secretary	13 Yrs

13.2 Profiles

David Brown

CEO & Executive Director

Appointment: David Brown was appointed to the Board as Deputy Chief Executive on 1 April 2011 before his accession to the post of Group Chief Executive on 3 July 2011

Length of service: 5 years and 5 months

Skills and experience: Over 33 years' experience in the industry with particular expertise in the London bus market. Former Managing Director of Surface Transport at Transport for London. Thorough knowledge and understanding of the Group's business, having been Chief Executive of Go-**Ahead's** London bus business from 2003 to 2006 and advisor to the main Board

Committee membership: Nomination committee member

Other directorships and offices: Non-Executive Director of ATOC Limited (Chair of the remuneration committee) and Director of Rail Delivery Group Limited

Shareholder Value:

Creation of shareholder value in Go-**Ahead** Group:

Date of appointment: April 01, 2011

In the last 5 years the average annualized return to shareholders was 7.1%. The present value of GBP1,000 (PV1000) invested 5 years ago is now GBP1,409, a gain of GBP79 and dividend reinvested of GBP330.

Andrew Allner

Chairman

Appointment: Andrew Allner joined the Board in October 2008 and was appointed as Chairman of the Group in April 2013

Length of service: 7 years and 10 months

Independent: On appointment

Skills and experience: Significant Board experience including Finance Director, Chief Executive Officer, Non-Executive Director and Chair roles. Experience across a broad range of UK and multinational companies and sectors. Former Partner at PricewaterhouseCoopers and a Fellow of the Institute of Chartered Accountants in England & Wales. Graduate of Oxford University. Non-Executive Director of AZ Electronic Materials SA from 2010 to 2014, of CSR plc from 2008 to 2013 and of Moss Bros Group plc from 2001 to 2005

Committee membership: Nomination Committee Chair and remuneration committee

Other directorships and offices: Non-Executive Chairman of Marshalls plc (Chairman of the nomination committee); Senior Independent Director of Northgate plc (Chairman of the audit and risk committee and member of the nomination and remuneration committees) and Non-Executive Chairman of Fox Marble Holdings plc (member of remuneration committee)

Shareholder Value:

Creation of shareholder value in Go-**Ahead** Group:

Month of appointment: April 2013

In the last 5 years the average annualized return to shareholders was 7.1%. The present value of GBP1,000 (PV1000) invested 5 years ago is now GBP1,409, a gain of GBP79 and dividend reinvested of GBP330.

Katherine Innes Ker

Independent Director

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

Appointment: Katherine Innes Ker joined the Board in July 2010 and was appointed as Senior Independent Director in April 2013

Length of service: 6 years and 1 month

Independent: Yes

Skills and experience: Former city financial analyst. Extensive executive and non-executive experience in helping to grow successful and dynamic organisations. Held many previous non-executive directorships including St Modwen Properties plc, Victoria plc, Taylor Wimpey plc, Taylor Woodrow plc, The Television Corporation plc, Fibernet plc, Williams Lea plc, Shed Media plc and Gyrus Group plc

Committee membership: Remuneration Committee Chair, nomination and audit committee member

Other directorships and offices: Non-Executive Chair of The Mortgage Advice Bureau

Leanne Wood

Non-Executive Director

Leanne Wood joined the Board on 23 October 2017

Role as Non-Executive Director:

Brings independent judgement and scrutiny to the decisions taken by the Board

Monitors the success of management in delivering the agreed strategy within the risk appetite and control framework set by the Board

Skills and experience:

Extensive corporate experience working in several senior international executive roles at Diageo plc from 2000 to 2015, and Burberry Group plc from 2015 to date

An International career background with significant experience of leading corporate strategy and organisational transformation

Nick Horler

Non-Executive Director

provide constructive challenge

help develop strategy

scrutinise performance of management

monitor reporting of performance

ensure integrity of financial information

ensure financial controls and systems of risk management are robust and defensible

determine appropriate levels of remuneration for the executive directors

is available to meet with major shareholders

Skills and experience:

former chief executive officer of Scottish Power and managing director of E.On Retail

extensive general management experience in UK and USA regulated markets, specialising in sales and marketing

brings valuable insights to Go-**Ahead's** development of social networks and digital marketing to attract new passengers

Committee membership:

remuneration committee member

audit committee member

nomination committee member

Other directorships and offices:

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

Non-executive director of Royal Mail plc (member of the audit and risk and nomination committees; chair of Alderney Renewable Energy Limited; chair of Meter Provida Limited and Meter Provida Investments Limited, non-executive director of Thames Water Utilities Limited, chair of Adler and Allan Limited and chair of UK Power Reserve Limited

Shareholder Value:

Creation of shareholder value in Go-**Ahead** Group:

Date of appointment: November 14, 2011

In the last 5 years the average annualized return to shareholders was 7.1%. The present value of GBP1,000 (PV1000) invested 5 years ago is now GBP1,409, a gain of GBP79 and dividend reinvested of GBP330.

Harry Holt

Non-Executive Director

Harry Holt joined the Board on 23 October 2017

Role as Non-Executive Director:

Brings independent judgement and scrutiny to the decisions taken by the Board Monitors the success of management in delivering the agreed strategy within the risk appetite and control framework set by the Board

Skills and experience:

Served 24 years in the British Army fulfilling some of the Defence's most demanding appointments Extensive experience working as both a commander on combat operations, as a senior executive in the Ministry of Defence and in government relations A wealth of experience in strategic planning, operations, culture and transformation through leadership positions held at Rolls-Royce plc from 2011 to date

Committee membership:

Remuneration Committee Member

Audit Committee Member

Nomination Committee Member

Other directorships and office:

Chief People Officer at Rolls-Royce plc

Non-Executive Chairman of Royal Foundation's Endeavour Fund

Adrian Ewer

Non-Executive Independent Director

Term of office: Adrian Ewer joined the Board in April 2013. He was elected by shareholders at the 2013 AGM for the first time, and will stand for re-election at the AGM in October 2014.

Independent: Yes

Committee membership: Chairman of the audit committee and member of the remuneration and nomination committees.

Skills & experience:

Former Chief Executive Director of John Laing plc and associated companies. Became a Chartered Accountant in 1977 and has sound recent and relevant financial experience. Wealth of experience of major long term contracts. Strong customer focus and flair for strategy and finance. Experience in bidding and operating heavy and light rail franchises as well as rail infrastructure procurement.

Shareholder Value:

Creation of shareholder value in Go-**Ahead** Group:

Month of appointment: April 2013

In the last 5 years the average annualized return to shareholders was 7.1%. The present value of GBP1,000 (PV1000) invested 5 years ago is now GBP1,409, a gain of GBP79 and dividend reinvested of GBP330.

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

Carolyn Sephton

Company Secretary

Term of office: Carolyn Sephton was appointed as Group Company Secretary in July 2006.

Committee membership: Secretary to the Audit, Remuneration and Nomination Committees.

External appointments: None.

Previous experience: Carolyn Sephton spent 12 years working for Northern Electric, predominantly in the field of pensions, before joining Go-**Ahead** in 2001. Carolyn is a Chartered Secretary and a Fellow of the Institute of Chartered Secretaries and Administrators. Prior to her appointment as Group Company Secretary she was Assistant Company Secretary for the Group with responsibility for non-rail pensions and a wide range of company secretariat functions including share schemes, legislative compliance, corporate governance and codes of conduct specific to the Group's business activities.

Carolyn Ferguson

Company Secretary

Term of office: Carolyn Ferguson was appointed as Group Company Secretary in July 2006. Committee membership: Secretary to the audit remuneration and nomination committees. Skills & experience: A Fellow of the Institute of Chartered Secretaries and Administrators, Prior to her appointment as Group Company Secretary she was appointed Assistant Company Secretary in 2001 with responsibility for non-rail pensions and a wide range of company secretariat functions including share schemes, legislative compliance, corporate governance and the Group's code of conduct, policies and procedures, Before joining Go-**Ahead**, she spent 12 years working for Northern Electric, predominantly in the field of pensions.

Shareholder Value:

Creation of shareholder value in Go-**Ahead** Group:

Year of appointment: 2006

In the last 10 years the average annualized return to shareholders was 16.8%. The present value of GBP1,000 (PV1000) invested 10 years ago is now GBP4,735, a gain of GBP2,568 and dividend reinvested of GBP1,166.

SECTION 14 CORPORATE PROFILE

14.1 Stock Identifiers

ISIN: GB0003753778

PermID: 4295895897

14.2 Contact details

Website

<http://www.go-ahead.com>

Physical Address

1 Warwick Row, 6th Floor, London, SW1E 5ER, United Kingdom

Phone

44-191-2323123

Fax

44-191-2210315

14.3 Industry & Sector

Classification Level

Name of Sector

Business Sector

Cyclical Consumer Services

Industry Group

Hotels & Entertainment Services

Industry

Leisure & Recreation

Economic Sector

Consumer Cyclical

14.4 Primary Exchange and Other Listings

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

Exchange	Ticker	Last Price	Avg. Daily Volume	Volume % of Total	Vol Index*
London	GOG	GBX2,120.0	103,560	99.9	2
Frankfurt	G9X	EUR20.68	827	0.1	0.3
Total				100.00	

* 1-day (1 is avg)

14.5 Activities

The Go-**Ahead** Group plc, together with its subsidiaries, provides passenger transport services operating in the bus and rail services sectors in the United Kingdom. Its Bus segment provides regulated services in London; and deregulated services in the north east, Oxford, the south east, southern England, and Norfolk, as well as operates the United States school bus. The company operates a fleet of approximately 3,800 buses. Its Rail segment offers passenger rail services through its Southern, Southeastern, and London Midland franchises. The company was founded in 1987 and is headquartered in London, the United Kingdom.

SECTION 15 GLOSSARY

ADVT: Average Daily Volume of shares Traded

Capital Gain/Loss from n Years Ago to n-1 Years Ago: Capital Gain or Loss over 1 Year/Price 1 Year Ago (%)

Debt/Equity: Net Debt/Net Assets %

Dividend Yield: Dividend Per Share/Share Price (%)

PV1000: Present value of 1000 invested 1 year/'n' years ago

Relative Price Change [RPC]: Relative price change is price change of stock with respect to Benchmark Index

Relative Strength (6 Months): Price close today/Price close 6 months ago, then ranked by percentile within the entire market.

Volatility: Highest Price minus Lowest Price/Lowest Price (%)

Volume Index (VI): Number of shares traded in the period/Average number of shares traded for the period

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Classification

Language: English

Document-Type: Corporate Analysis; Investing; Profile; Ranking; Independent Ratings; Performance; Directors

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Company: GO-**AHEAD** GROUP PLC (94%); LEISURE CO (91%); Go-**Ahead** Group PLC

Ticker: GOG (LSE) (94%); GOG

Stock Weekly: Go-Ahead Group jumps 6.6% - outperforming 80% of stocks

Industry: STOCK PRICES (73%); STOCK INDEXES (73%); PRICE INCREASES (70%); PRICE CHANGES (70%); TRAVEL, HOSPITALITY & TOURISM (52%)

Geographic: EUROPE (73%); UNITED KINGDOM (73%); WESTERN EUROPE (58%); United Kingdom; United Kingdom

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