

Profits Up for Reading Transport Firm

The transport firm that operates buses and trains in the Reading area recently announced a rise in annual profits. FirstGroup is the largest bus company in the UK. Subsidiary First Great Western operates train services between the Thames Valley and London.

The company announced profits have reached £195.8 million following the addition of new rail franchises. The figure represents a rise of 11% on adjusted pre-tax profits compared to the same period one year ago. Revenues were up by 22.4% on last year.

The successful year has been attributed to the rail business. The company expanded its franchise operations last year in both the local and high-speed areas (First Great Western and First Capital Connect respectively) and this is the first full year in

which the contribution from this expansion has been measured. There has also been a steady growth in passenger volume in the last 12 months.

The rail division as a whole showed an increase in sales of 56.6% - a figure which equates to £1.82 billion. Operating profits were up 36.7% to £108.8 million.

FirstGroup has a 23% market share of the bus market making them the biggest bus operator in the UK. Despite the impact of increased fuel costs, the bus division still showed an increase from £98.4 million to £103 million in the last year. The company is well known in the US as a key operator of yellow school buses, running some 22,000 vehicles in the states and across Canada. They are also in talks to buy the Greyhound Bus Service, a move which will make them the largest private bus operator in the US.