# Lothian’s profits increase on last year

## Our bus company Lothian has announced that it will pay its owner, The City of Edinburgh Council, an increased dividend this year of £7.7 million up from £6.8 million last year.

*2018 performance against the group’s key indicators includes:*

- *Patronage: 119.2m*
- *Revenue £160.6m: an increase of £7.7m*
- *Profit before tax: £2.3m*
- *Dividend £7.7m: an increase of £0.9m*

The annual report is published today showing the company’s turnover increased by 5.1%. Turnover in 2018 was £152.9 million and rose to £160.6 million in 2019.

Earnings before tax, depreciation and amortisation also rose to £20.0 million from £19.4 million in the previous year.

The company has invested £11.4 million in new buses, increasing its fleet by around 10% with 91 new passenger vehicles.

In the last decade the company has generated income of over £1.3 billion from its 1.1 billion passengers, and paid £46.4 million to the council which is the majority shareholder.

Jim McFarlane, Chair of Lothian, said:“Lothian continues to contribute to the local and wider economy, creating new job opportunities and investing heavily in the newest technology and vehicles for the benefit of our customers.

“I’m really pleased that our annual accounts released today demonstrate that we are continuing to grow our revenues, whilst also investing in the development and expansion of our business.

“Our performance during 2018 and effective management of increasing cost pressures also mean that we can return a £7.7m dividend to our shareholders.”

Richard Hall, Managing Director of Lothian, added: “We have continued to adapt and develop our business by reviewing new opportunities and how we evolve both our current and future public transport offerings.

“Our results for the year are in line with our forecasted expectations and significantly show an overall revenue increase of 5.1% over the previous year driven by the exploitation of growth opportunities, delivering a profit before tax of £2.3m.

“Lothian has faced significant operating and cost pressures driven by economic change and inflation. We anticipate that these cost pressures will not only remain but also increase in the future and we continue to work proactively to address and mitigate the impact of these in order to maintain our required investment and returns.

“2018 also saw us review and implement significant changes to our bus depreciation policy driven by rapidly changing emission regulations driving fleet renewals. As a result our bus depreciation term was decreased from 15 years to 12 years.”


Lothian’s first all electric buses are now in full time service. © Wullie Marr Photography