

**The Great Rolling Stock Company PLC**  
(formerly The Great Rolling Stock Company Limited)

**UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS**

**FOR THE 6 MONTHS ENDED 30 JUNE 2019**

The Great Rolling Stock Company PLC  
Registered in England and Wales: Number. 3086382  
Registered Office: c/o Angel Trains Limited, 123 Victoria Street, London, SW1E 6DE

# The Great Rolling Stock Company PLC

| <b>CONTENTS</b>                           | <b>Page</b> |
|---|-------------|
| <b>Officers and Professional Advisers</b> | <b>1</b>    |
| <b>Income Statement</b>                   | <b>2</b>    |
| <b>Statement of Comprehensive Income</b>  | <b>2</b>    |
| <b>Statement of Changes in Equity</b>     | <b>3</b>    |
| <b>Balance Sheet</b>                      | <b>4</b>    |
| <b>Statement of Cash Flows</b>            | <b>5</b>    |

**The Great Rolling Stock Company PLC**  
Registered Number 3086382

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS:**

A. Lowe  
K. Tribley  
D. Jordan  
M. Hicks (resigned 23/07/2019)  
M. Prosser (appointed 23/07/2019)

**COMPANY SECRETARY:**

N. Holas

**REGISTERED OFFICE:**

c/o Angel Trains Limited  
123 Victoria Street  
London  
SW1E 6DE

**AUDITORS:**

PricewaterhouseCoopers LLP  
7 More London Riverside  
London  
SE1 2RT

**The Great Rolling Stock Company PLC**  
Registered Number 3086382

**INCOME STATEMENT  
FOR THE 6 MONTHS ENDED 30 JUNE 2019**

|   | <b>6 months<br/>ended<br/>30 June<br/>2019</b> | <b>6 months<br/>ended<br/>30 June<br/>2018</b> |
|---|--|--|
|   | <b>£'000</b>                                   | <b>£'000</b>                                   |
| <b>Revenue</b>  | 61,968   | 65,699   |
| Cost of sales   | <u>(56,942)</u>                                | <u>(56,452)</u>                                |
| <b>Gross profit</b>                                       | 5,026  | 9,247  |
| Administrative expenses                                   | <u>(19)</u>                                    | <u>(77)</u>                                    |
| <b>Operating profit</b>                                   | 5,007  | 9,170  |
| Other (losses)/gains                                      | <u>(24,866)</u>                                | <u>7,220</u>                                   |
| <b>(Loss)/profit before income tax</b>                    | (19,859)                                       | 16,390   |
| Income tax credit/(expense)                               | <u>3,697</u>                                   | <u>(3,228)</u>                                 |
| <b>(Loss)/profit attributable to owners of the parent</b> | <u><u>(16,162)</u></u>                         | <u><u>13,162</u></u>                           |

All profit and loss items relate to continuing operations of the Company.

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE 6 MONTHS ENDED 30 JUNE 2019**

|   | <b>6 months<br/>ended<br/>30 June<br/>2019</b> | <b>6 months<br/>ended<br/>30 June<br/>2018</b> |
|---|--|--|
|   | <b>£'000</b>                                   | <b>£'000</b>                                   |
| <b>(Loss)/profit for the 6 months</b>   | <u>(16,162)</u>                                | <u>13,162</u>                                  |
| <b>Other comprehensive (expense)/income</b>   |  |  |
| <i>Items that are or may be subsequently reclassified to profit or loss</i>                       |  |  |
| <b>Cash flow hedges</b>   |  |  |
| (Losses)/gains taken to equity  | (50,777)                                       | 23,924   |
| Recycling of amounts to profit or loss  | 6,363  | 8,680  |
| Income tax on these items   | <u>7,491</u>                                   | <u>(6,099)</u>                                 |
| <b>Other comprehensive (expense)/income for the 6 months</b>                                      | <u>(36,923)</u>                                | <u>26,505</u>                                  |
| <b>Total comprehensive (expense)/income for the 6 months attributable to owners of the parent</b> | <u><u>(53,085)</u></u>                         | <u><u>39,667</u></u>                           |

**The Great Rolling Stock Company PLC**  
Registered Number 3086382

**STATEMENT OF CHANGES IN EQUITY  
FOR THE 6 MONTHS ENDED 30 JUNE 2019**

|  | Called up<br>share<br>capital | Hedging<br>reserve | Capital<br>reserve | Accumulated<br>losses | Total<br>equity |
|--|-------------------------------|--------------------|--------------------|-----------------------|-----------------|
|  | £'000                         | £'000              | £'000              | £'000                 | £'000           |
| <b>At 1 January 2018</b><br>(as previously reported) | 140,000                       | (78,636)           | 200,000            | (87,463)              | 173,901         |
| Adjustments (restated) (Note 1)                      | -                             | -                  | -                  | (536)                 | (536)           |
| <b>At 1 January 2018</b>                             | <b>140,000</b>                | <b>(78,636)</b>    | <b>200,000</b>     | <b>(87,999)</b>       | <b>173,365</b>  |
| Profit for the period                                | -                             | -                  | -                  | 13,162                | 13,162          |
| <b>Other comprehensive income</b>                    |                               |                    |                    |                       |                 |
| <b><i>Cash flow hedges</i></b>                       |                               |                    |                    |                       |                 |
| Gain arising during the period                       | -                             | 23,924             | -                  | -                     | 23,924          |
| Recycling of amounts to profit or loss               | -                             | 8,680              | -                  | -                     | 8,680           |
| Income tax on these items                            | -                             | (6,099)            | -                  | -                     | (6,099)         |
|  | -                             | <b>26,505</b>      | -                  | <b>13,162</b>         | <b>39,667</b>   |
| <b>Total comprehensive income</b>                    |                               |                    |                    |                       |                 |
| <b>At 30 June 2018</b>                               | <b>140,000</b>                | <b>(52,131)</b>    | <b>200,000</b>     | <b>(74,837)</b>       | <b>213,032</b>  |
| <b>At 1 January 2019</b>                             | <b>140,000</b>                | <b>(59,911)</b>    | <b>200,000</b>     | <b>(77,355)</b>       | <b>202,734</b>  |
| Loss for the period                                  | -                             | -                  | -                  | (16,162)              | (16,162)        |
| <b>Other comprehensive (expense)</b>                 |                               |                    |                    |                       |                 |
| <b><i>Cash flow hedges</i></b>                       |                               |                    |                    |                       |                 |
| Loss arising during the period                       | -                             | (50,777)           | -                  | -                     | (50,777)        |
| Recycling of amounts to profit or loss               | -                             | 6,363              | -                  | -                     | 6,363           |
| Income tax on these items                            | -                             | 7,491              | -                  | -                     | 7,491           |
|  | -                             | <b>(36,923)</b>    | -                  | <b>(16,162)</b>       | <b>(53,085)</b> |
| <b>Total comprehensive (expense)</b>                 |                               |                    |                    |                       |                 |
| <b>At 30 June 2019</b>                               | <b>140,000</b>                | <b>(96,834)</b>    | <b>200,000</b>     | <b>(93,517)</b>       | <b>149,649</b>  |

Note 1: IFRS 9 (as revised in 2014) became effective for annual periods beginning 1 January 2018. A key impact to the Company on transition to IFRS 9 was the requirements for the measurement of financial liabilities. Specifically, when a financial liability measured at amortised cost is modified without this resulting in derecognition, a gain or loss should be recognised in profit or loss. The gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate. (IFRS 9, paragraph B5.4.6). IFRS 9 is required to be applied retrospectively, therefore modification gains and losses arising from financial liabilities that are still recognised at 1 January 2018 have been calculated and adjusted through opening retained earnings on transition.

**The Great Rolling Stock Company PLC**  
Registered Number 3086382

**BALANCE SHEET  
AT 30 JUNE 2019**

|  | <b>30 June<br/>2019</b> | <b>31 December<br/>2018</b> |
|--|-------------------------|-----------------------------|
|  | <b>£'000</b>            | <b>£'000</b>                |
| <b>Assets</b>                                      |                         |                             |
| <b>Non-current assets</b>                          |                         |                             |
| Finance lease receivables                          | 845,084                 | 874,443                     |
| Deferred tax assets                                | 18,894                  | 10,189                      |
| Derivative financial instruments                   | 39,004                  | 49,071                      |
| Loans receivable                                   | 653,968                 | 665,615                     |
| Investments  | 363,564                 | 363,564                     |
|  | <u>1,920,514</u>        | <u>1,962,882</u>            |
| <b>Current assets</b>                              |                         |                             |
| Finance lease receivables                          | 65,146                  | 64,948                      |
| Trade and other receivables                        | 83                      | 17                          |
| Cash and cash equivalents                          | 557                     | 36                          |
| Loans receivable                                   | 200,000                 | 200,000                     |
|  | <u>265,786</u>          | <u>265,001</u>              |
| <b>Current Liabilities</b>                         |                         |                             |
| Trade and other payables                           | (28,421)                | (28,463)                    |
| Loans payable                                      | -                       | (66,675)                    |
| Current tax liability                              | (789)                   | (3,272)                     |
|  | <u>(29,210)</u>         | <u>(98,410)</u>             |
| <b>Net current assets</b>                          | <u><b>236,576</b></u>   | <u><b>166,591</b></u>       |
| <b>Total assets less current liabilities</b>       | <u><b>2,157,090</b></u> | <u><b>2,129,473</b></u>     |
| <b>Non-current liabilities</b>                     |                         |                             |
| Loans payable                                      | 1,802,231               | 1,780,743                   |
| Derivative financial instruments                   | 205,210                 | 145,996                     |
|  | <u>2,007,441</u>        | <u>1,926,739</u>            |
| <b>Equity attributable to owners of the parent</b> |                         |                             |
| Called up share capital                            | 140,000                 | 140,000                     |
| Capital reserve                                    | 200,000                 | 200,000                     |
| Hedging reserve                                    | (96,834)                | (59,911)                    |
| Accumulated losses                                 | (93,517)                | (77,355)                    |
| <b>Total equity</b>                                | <u><b>149,649</b></u>   | <u><b>202,734</b></u>       |
| <b>Total equity and non-current liabilities</b>    | <u><b>2,157,090</b></u> | <u><b>2,129,473</b></u>     |

Certified as fairly representing the position of the Company by Alan Lowe.

All equity is attributable to equity holders of the Company.

**The Great Rolling Stock Company PLC**  
Registered Number 3086382

**STATEMENT OF CASH FLOWS  
FOR THE 6 MONTHS ENDED 30 JUNE 2019**

|   | <b>6 months<br/>ended<br/>30 June<br/>2019</b> | <b>6 months<br/>ended<br/>30 June<br/>2018</b> |
|---|--|--|
|   | <b>£'000</b>                                   | <b>£'000</b>                                   |
| <b>Cash flows from operating activities</b>               |  |  |
| Cash receipts from customers                              | 38,569   | 40,907   |
| Cash paid to suppliers and employees                      | (1,433)  | (752)  |
| Cash generated from operations                            | <u>37,136</u>                                  | <u>40,155</u>                                  |
| Interest paid   | (55,490)                                       | (59,112)                                       |
| <b>Net cash used in operating activities</b>              | <u>(18,354)</u>                                | <u>(18,957)</u>                                |
| <br><b>Cash flows from investing activities</b>           |  |  |
| Interest received   | 3,915  | 4,629  |
| Capital repayment of finance lease                        | -  | 27,333   |
| Principal elements of lease payments                      | <u>28,748</u>                                  | <u>-</u>                                       |
| <b>Net cash generated from investing activities</b>       | <u>32,663</u>                                  | <u>31,962</u>                                  |
| <br><b>Cash flows from financing activities</b>           |  |  |
| Repayment of loans  | (45,288)                                       | (85,388)                                       |
| Receipt of new loans                                      | -  | 70,800   |
| Repayment of loans from group companies                   | 84,550   | 94,885   |
| Issue of new loans to group companies                     | <u>(53,050)</u>                                | <u>(93,250)</u>                                |
| <b>Net cash used in financing activities</b>              | <u>(13,788)</u>                                | <u>(12,953)</u>                                |
| <br><b>Net increase in cash and cash equivalents</b>      | 521  | 52   |
| Cash and cash equivalents at the beginning of the period  | 36   | 525  |
| Effect of foreign exchange rate changes                   | -  | 1  |
| <b>Cash and cash equivalents at the end of the period</b> | <u>557</u>                                     | <u>578</u>                                     |
| Bank balances and cash                                    | <u>557</u>                                     | <u>578</u>                                     |