



INTERVIEW

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**THE SUNDAY TIMES**

# National Express tells rivals: hands off our driver

*Kari West* Published: 5 August 2012

DEAN FINCH, chief executive of National Express, has been handed a huge pay rise to stop him defecting to a rival.

Finch, who has been instrumental in stabilising the fortunes of the bus and rail group, has received more than one offer — from a private equity firm and from a rival transport company, believed to be First Group.

The National Express chief spent 10 years at First Group, where he ran its rail business and led its American division before becoming chief operating officer.

National Express last week confirmed that its chairman, John Devaney, will step down early next year. It moved quickly to retain Finch by awarding him performance shares worth £550,000, improved pension terms and an increase in his annual bonus from 125% of salary to 150% — equal to £825,000.

National Express operates services in Britain, Spain and North America. More than 700m journeys are made on its buses, trains and coaches every year.

First Group's move for Finch suggests Tim O'Toole, the chief executive, is living on borrowed time. Sources suggested the group could now turn to other candidates, including Martin Griffiths, the respected finance director of Stagecoach.

O'Toole is under pressure after warning in March that operating profits could be £50m lower than expected owing to a squeeze on margins at First Group's British bus division. The warning sent its shares down 14%. Investors are also concerned that First Group may have to tap them for cash to help cut its £1.8 billion debt.

First Group denied it had approached Finch, adding: "The board is fully supportive of Tim O'Toole's plans for the business."