Scandlines

At a glance
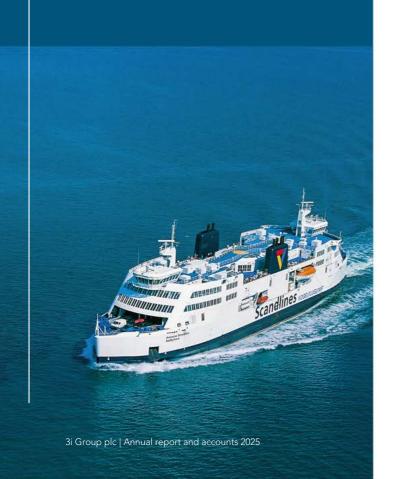
Gross investment return

£46m
or 9%

(2024: £10m or 2%)

Dividend income

£22m

(2024: £25m)

We first invested in Scandlines in 2007, increasing our stake in 2013, before realising our holding in 2018, returning £835 million of proceeds at a money multiple of 7.7x. We subsequently reinvested £529 million in a 35% stake in Scandlines in 2018. Since our reinvestment, Scandlines has returned total cash proceeds of £232 million, 44% of our reinvestment, and is held on a longer-term basis to generate capital and income returns.

Performance

Scandlines performed resiliently in FY2025, generating a GIR of £46 million, or 9% of opening portfolio value (2024: £10 million, 2%).

Leisure revenues performed strongly, achieving record levels over the peak summer period. Freight volumes were softer due to a weak macro-economic environment in Germany and Scandinavia, whilst reduced consumer purchasing power in Sweden negatively impacted one-day shopping volumes.

The business continues to be cash generative, resulting in the receipt of £22 million of dividend income in FY2025 (2024: £25 million).

Scandlines is making good progress with its sustainability agenda. For further details, see page 47.

We continue to value Scandlines on a DCF basis, with a value of £529 million at 31 March 2025 (31 March 2024: £519 million).

Foreign exchange

We hedge the balance sheet value of our investment in Scandlines. We recognised a £10 million loss on foreign exchange translation (2024: loss of £15 million), offset by a £15 million fair value gain (2024: gain of £20 million) from derivatives in our hedging programme.

Table 7: Gross investment return for the year to 31 March

Investment basis	2025 £m	2024 £m
Unrealised profits/ (losses) on the revaluation of investments	19	(20)
Dividends	22	25
Foreign exchange on investments	(10)	(15)
Movement in fair value of derivatives	15	20
Gross investment return	**46**	10
Gross investment return as a % of opening portfolio value	**9%**	2%