

Trainline

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Trainline hits the buffers as investors fret over Labour plans to cut ticket prices

Trainline PLC (LON:TRN) shares were on a downward track on Monday as investors fretted whether to disembark over Labour's plans to cut rail fares for UK commuters.

On Sunday the party said if it forms a government following this month's general election it will immediately reduce the price of season tickets and other regulated rail fares by around 33%, while also introducing free rail travel for those aged under 16.

READ: Full steam ahead at Trainline as more passengers go online "Privatisation has created one of the most complex, exploitative and expensive ticketing systems in the world. Labour will scrap the bewildering and outdated fares and ticketing system that discriminates against part-time workers, discourages rail travel and excludes the young and low paid", said Labour's shadow transport secretary, Andy McDonald.

The party will also set up a new online ticketing website that will allow passengers to buy tickets without paying booking fees.

The site would provide a direct competitor to Trainline, which sells tickets for 220 rail and coach carriers across 45 European and Asian countries through its website and mobile app.

The firm floated on the London Stock Exchange at 350p per share in June and since then has seen an increase of 33% to 467p as of close last Friday, giving it a market cap of over £2bn.

While Labour's plans will not affect its international operations, they will likely weigh heavily on Trainline's core UK business, which in its last set of half year results raked in around £1.6bn in net ticket sales, nearly 90% of its total for the period.

The news caused some investors to disembark in early trading as the stock tracked 3.4% lower to 451p.

Price: 503

Market Cap: £2.42 billion

1 Year Share Price Graph



Share Information

Code: TRN

Listing: LSE

52 week	High	Low
	525	400

Sector: Leisure, gaming and gambling

Website: www.thetrainline.com

Company Synopsis:

thetrainline.com is the leading online provider of rail tickets for travel in the UK by value of tickets sold, with a mission to help rail passengers save money, time and hassle. Customers booking in advance with thetrainline.com can save an average of 43% with Advance fares versus booking on the day of travel (limited availability & routes). Since it was established in 1997, thetrainline.

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