

PRESS RELEASE

1 November 2016

**THE GO-AHEAD GROUP PLC
("GO-AHEAD" OR "THE GROUP")**

FIRST QUARTER TRADING STATEMENT

No change to full year expectations

The Go-Ahead Group plc today announces its first quarter trading update for the period from 3 July 2016 to 31 October 2016 ahead of its Annual General Meeting on 3 November 2016.

The first quarter growth rates reported in this statement are for the period from 3 July 2016 to 1 October 2016.

Our expectations for the full year remain unchanged with robust trading in the first quarter.

The Group remains in a good financial position, with strong cash generation and a robust balance sheet.

Bus:

Regional:

Revenue and passenger journeys have continued at a similar rate of growth to the second half of last year. Economic weakness in the north east continues to impact our operations in the region, suppressing overall growth rates for the division.

First quarter growth rates:

Revenue	Passenger journeys
c. 2%	c.0.5%

Excluding the north east, our revenue growth was c.3% and passenger growth was c.1.5%.

London:

The rate of growth in revenue and mileage in London has slowed, in line with our expectations.

First quarter growth rates:

Revenue	Mileage
c.4%	c.0.5%

As previously reported, our fuel requirements are fully hedged to the end of 2018. Go-Ahead hedges its bus fuel costs in GBP.

Singapore:

In September we mobilised our bus contract in the Loyang region of Singapore and began the operation of 25 routes, operating 390 buses and employing 850 people. We have recently submitted our bid for another bus contract in this market.

Rail:

Our rail division operates the GTR, Southeastern and London Midland franchises through our 65% owned subsidiary Govia.

London Midland and Southeastern are trading well and both continue to make profit share payments to the DfT.

GTR's passenger revenue and journeys have been adversely affected by strike action during the period. As previously reported, the additional resources being invested in GTR to support service delivery continue to impact margins in the short term. Our margin expectations for the life of the franchise remain unchanged.

First quarter growth rates:

	Passenger revenue	Passenger journeys
Southeastern	c.3.5%	c.1%
London Midland	c.8%	c.7%
GTR	c.-3%	c.-0.5%

Germany:

Mobilisation of our two German rail contracts is underway ahead of the contract start dates in 2019.

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GO-AHEAD

Go-Ahead is a leading UK public transport operator, providing high quality services in the bus and rail sectors. Employing around 27,500 people across the country, over one billion passenger journeys are undertaken on our services each year. We are committed to operating our companies in a safe, socially and environmentally responsible way and are proud to have been accredited with triple Carbon Trust Standard for reductions in carbon, water and waste. In addition to the travelling public, our customers include the Department for Transport, Transport for London (TfL) and local authorities.

BUS

Go-Ahead is one of the UK's largest bus operators. With a fleet of around 4,800 buses, we carry around two million passengers every day. Our operations are focused on high density commuter markets. We have a strong presence in London, with around 24 per cent market share, where we provide regulated services for TfL. We operate deregulated services in Oxford, East Anglia, the South East, Southern and North East England. In September 2016, the Group began operating two bus contracts in Singapore, on behalf of the Singaporean Local Transport Authority.

RAIL

The rail operation, Govia, is 65 per cent owned by Go-Ahead and 35 per cent by Keolis. It is the largest rail operation in the UK, responsible for over 30 per cent of all UK passenger rail journeys through its rail franchises: GTR (Govia Thameslink Railway) Southeastern and London Midland.

Disclaimer

Certain statements included in this press release contain forward-looking information concerning the Group's strategy, operations, financial performance or condition, outlook, growth opportunities or circumstances in the sectors or markets in which the Group operates. By their nature, forward-looking statements involve uncertainty because they depend of future circumstances, and relate to events, not all of which are within the Group's control or can be produced by the Group. Although the Group believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Nothing in this press release should be construed as a profit forecast and no part of these results constitutes, or shall be taken to constitute, an invitation or inducement to invest in The Go-Ahead Group plc or any other entity, and must not be relied upon in any way in connection with any investment decision. Except as required by law, the Group undertakes no obligation to update any forward looking statement.