

PRESS RELEASE

10 December 2015

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

PRE-CLOSE TRADING STATEMENT

Trading in line; full year expectations unchanged

The Go-Ahead Group plc today announces its pre-close trading update for the six months ending 27 December 2015 ahead of its half year results announcement on 18 February 2016.

David Brown, Group Chief Executive of Go-Ahead, said:

"Our full year expectations remain unchanged.

"During this period the Group welcomed news of contracts wins in both bus and rail services. We were pleased to be awarded by the Department for Transport (DfT) a direct award contract for London Midland from March 2016 to October 2017. Overseas, Go-Ahead was successful in bidding for a 25 route bus contract in Singapore and two German rail contracts. These opportunities establish Go-Ahead's presence in these strategic markets and add value to our existing portfolio.

"In the period we also welcomed the report and findings of the independent Quality Contracts Scheme Board on Nexus's proposed Quality Contract Scheme for Tyne and Wear, which concluded that the proposed Scheme failed to meet the necessary statutory public interest tests. Our firm belief is that working in partnership can bring about better outcomes for both bus passengers and taxpayers.

"Following the government Spending Review, we are encouraged that the DfT has confirmed the Bus Service Operators Grant will be protected until at least 2020/2021."

Bus:

Regional:

As expected, second quarter trading in regional bus has followed similar trends to the first quarter of the year.

Expected half year growth rates:

Revenue	Passenger journeys
c. 1.0%	c.-1.0%

London:

Both mileage operated and revenue growth in our London bus operations have been in line with our expectations. Quality Incentive Contract revenue continues to be adversely impacted by congestion resulting from roadworks.

Expected half year growth rates:

Revenue	Mileage
c.2.5%	c.2.0%

Rail:

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

Expected half year growth rates:

	Passenger revenue	Passenger journeys
Southeastern	c.6.0%	c.3.0%
London Midland	c.12.0%	c.8.0%
GTR*	c.6.0%	c.5.0%

*Compares the period of operation to the comparative period last year, which included when operating as First Capital Connect up to 14 September 2014

The original London Midland franchise will remain on its existing terms until April 2016. London Midland will then begin a new direct award contract under revised terms that runs to October 2017. London Midland has continued its recent trend of improvement.

GTR continues to incur incremental costs as a result of operational challenges and changes in network capability. As previously reported, management is working closely with industry partners to improve performance and manage changes within the contract, and is focused on delivering its own committed obligations and bid targets.

The Southeastern franchise continues to trade strongly.

Outlook:

Overall, current trading is satisfactory and we remain on course to meet our full year expectations for both the bus and rail divisions.

The Group remains in a good financial position with strong cash generation and a robust balance sheet, supporting our progressive dividend policy and allowing flexibility to pursue value-adding opportunities.

ENDS

Go-Ahead will be hosting a series of calls with analysts throughout the day.

For further information, please contact:

The Go-Ahead Group

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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 26,000 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.

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 around 35 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.