

PRESS RELEASE

20 October 2015

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

FIRST QUARTER TRADING STATEMENT

**Satisfactory performance overall;
in line with management expectations**

The Go-Ahead Group plc today announces its first quarter trading statement for the period from 28 June 2015 to 19 October 2015 ahead of its Annual General Meeting on 22 October 2015.

The first quarter growth rates reported in this statement are for the period from 28 June 2015 to 26 September 2015.

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

"Overall trading performance has been satisfactory and our full year expectations for both bus and rail operations remain unchanged.

"In our rail division we look forward to hearing the outcome of the Northern and TransPennine Express rail franchise competitions, and to submitting our bid for TfL's London Overground contract.

"We continue to make progress in our bus division. Our locally-run bus companies work in partnership with local authorities and are focused on the needs of the communities they serve. We are proud of our high levels of customer satisfaction, which remain the best in the sector at 90%."

Bus:

Regional:

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

First quarter growth rates:

Revenue	Passenger journeys
c. 1.0%	c.-1.5%

London:

Both mileage operated and revenue growth in our London bus operations have been consistent with our expectations.

Quality Incentive Contract revenue continues to be adversely affected by congestion resulting from roadworks, which are expected to continue in the capital for the foreseeable future.

First quarter 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.

First quarter growth rates:

	Passenger revenue	Passenger journeys
Southeastern	c.6.0%	c.3.5%
London Midland	c.11.0%	c.5.0%
GTR*	c.4.5%	c.2.5%

*Compares the period of operation to the comparative period last year when operating as First Capital Connect and Southern

London Midland growth rates reflect prior-year quarter performance, which was affected by engineering works. Notwithstanding this, the franchise continued its trend of improvement as seen in the second half of last year. Discussions with the DfT are ongoing regarding a potential direct award contract for London Midland from March 2016 to October 2017.

Southern and Gatwick Express were integrated into the GTR franchise in July 2015. GTR continues to incur incremental costs as a result of operational challenges and changes in its operating network. Management is working closely with industry partners to improve performance and manage contract changes, and is focused on delivering its own committed obligations and bid targets.

As expected, Southeastern has delivered a strong trading performance in the first quarter of the year and continues to help offset challenges in GTR.

Outlook:

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

In the second quarter of the year we expect the DfT to announce the successful bidders for the Northern and TransPennine Express franchises, and we will be submitting our bid for TfL's London Overground contract. Overseas, we await the outcome of a bid submitted in the Singapore bus market.

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

David Brown, Group Chief Executive

020 7799 8971

Keith Down, Group Finance Director

020 7799 8973

Peter Russell, Interim Head of Investor Relations

07779 420 996

Citigate Dewe Rogerson

Michael Berkeley/Chris Barrie/Angharad Couch

020 7638 9571

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.