

FIRSTGROUP NAMED AS PREFERRED OPERATOR FOR LONDON OVERGROUND RAIL CONTRACT

FirstGroup plc (a€FirstGroupa€™ or a€the Groupa€™) is pleased to announce that it has been named as the preferred operator for the London Overground suburban rail network contract by Transport for London (a€TfLa€™), acting through its subsidiary, Rail for London Limited.

The Groupa€™s subsidiary, First Rail London Limited (a€FRLLa€™) will become the new operator from 3 May 2026, with an initial eight-year term contract and an option to extend for up to two additional years at TfLa€™s discretion.

Under the terms of the contract TfL retains all revenue risk and will specify the service levels, with FRL, as the operator, responsible for the delivery of train services and management of stations. The contract is estimated to have a value of around A£3bn, over eight years plus an optional extension period of two years. FRL will also be responsible for operational performance, customer service and ticketless travel.

The Group will make use of its long-standing expertise and Rail Services capabilities to work alongside TfL to deliver the next chapter of the London Overground, with a number of key improvements set out in the contract. These include:

- an increase in services on the Mildmay and Windrush lines
- supporting TfLa€™s Vision Zero commitments to deliver a safer transport network
- working with Network Rail, Alstom and other industry partners to deliver continued high performance and passenger satisfaction
- improving the customer experience through investing in information systems, colleague training, enhanced security and better customer information
- continuing to work in partnership with stakeholders to improve accessibility on the network

Leading in sustainability is one of the Groupa€™s four strategic pillars and we strive to be the partner of choice for low- and zero-emission transport. The London Overground has an electric train fleet, and as part of the contract the Group will continue to develop and implement initiatives to reduce the servicea€™s impact on the environment, including improving air quality in line with TfLa€™s commitment to a 90% reduction in Scope 1 and 2 emissions by 2030.

Graham Sutherland, FirstGroup Chief Executive Officer, said:

a€The London Overground has greatly improved connectivity in London, with around four million passengers now using the service every week. We are delighted to have been named as the preferred operator for the service from next May and look forward to welcoming employees who will be joining the Group and to play our part in the success of this vital rail network.

We are an experienced and trusted partner in public transport and look forward to building on our relationship with TfL, for whom we already operate buses, trams and the London Cable Car. Our successful bid for this contract represents another significant step in our strategy to diversify and grow our portfolio, and we will continue to evaluate further growth opportunities like this.

David Thomas, Head of Concession for London Overground, said:

a€London Overground is one of the most popular parts of our transport network, and this new concession puts customers at its heart, helping make the service even better. Wea€™re delighted to welcome First Rail London Limited as our preferred new partner and look forward to working together to deliver a range of benefits for everyone who uses the network.

Notes to Editors

Additional background on the London Overground and the financial terms of the Concession Agreement

- The London Overground was launched in 2007 to provide better connections between areas outside of central London. TfL took over a series of under-used suburban rail lines and transformed them into a high frequency metro-style service. The Overground network spans six routes and covers 100 miles of railway, 113 stations and all 9 fare zones and around 4 million passengers use the service each week. (Source: [London Overground - Transport for London](#))
- TfL retains all passenger revenue risk, and some cost risk for electricity pricing, regulatory charges and inflation protection up to an agreed amount.
- The contract includes a profit margin on concession payments.
- The service quality regimes provide the opportunity to earn additional fees if the train operator achieves greater levels of performance. Service quality regimes cover operational performance, delivery of customer service levels, customer satisfaction and ticketless travel.
- The Group is obliged to retain a A£30m Performance Bond and a Parent company guarantee of A£80m.
- First Rail London Limited will continue to be fully consolidated in the Groupa€™s financial statements.

Contacts at FirstGroup:

Marianna Bowes, Head of Investor Relations
Stephen Bethel, Director of Brand & Communications
corporate.comms@firstgroup.co.uk
Tel: +44 (0) 20 7725 3354

Contacts at Brunswick Group:

Simone Selzer / Charlotte Millington
Tel: +44 (0) 20 7404 5959

Contacts at Panmure Liberum:

Nicholas How / Satbir Kler
Tel: +44 (0) 20 3100 2000

Contacts at RBC Europe Limited:

James Agnew / Elliot Thomas
Tel: +44 (0) 20 7653 4000

This announcement contains inside information and the person responsible for publishing the announcement is David Blizzard, General Counsel and Company Secretary.

Forward-looking statements

Certain statements included or incorporated by reference within this announcement may constitute 'forward-looking statements' with respect to the business, strategy and plans of the Group and our current goals, assumptions and expectations relating to our future financial condition, performance and results. By their nature, forward-looking statements involve known and unknown risks, assumptions, uncertainties and other factors that cause actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No statement in this announcement should be construed as a profit forecast for any period. Shareholders are cautioned not to place undue reliance on the forward-looking statements. Except as required by the UK Listing Rules and applicable law, the Group does not undertake any obligation to update or change any forward-looking statements to reflect events occurring after the date of this announcement.

Legal Entity Identifier (LEI): 549300DEJZCPWA4HKM93.

About FirstGroup

FirstGroup plc (LSE: FGP.L) is a leading private sector provider of public transport services. With around 29,000 employees, we reported revenue of Â£5.1 billion and transported almost 2m passengers a day in FY 2025. We create solutions that reduce complexity, making travel smoother and life easier. Our businesses are at the heart of our communities and the essential services we provide are critical to delivering wider economic, social and environmental goals. Each of our divisions is a leader in its field: First Bus is one of the largest bus operators in the UK, serving more than 25% of the population in the UK with a fleet of c.6,000 buses and coaches, and carrying more than a million passengers a day. First Rail is one of the UK's most experienced rail operators, with many years of experience running long-distance, commuter, regional and sleeper rail services. We operate a fleet of c.1,800 locomotives and rail carriages through two DfT contracted train operating companies: WCP (incorporating Avanti West Coast and West Coast Partnership Development) and GWR, and two open access routes (Hull Trains and Lumo). We are formally committed to operating a zero emission First Bus commercial fleet by 2035, and First Rail will help support the UK Government's goal to remove all diesel-only trains from service by 2040. During FY 2025 FirstGroup received MSCI's highest possible ESG rating of AAA, was named one of the world's cleanest 200 public companies for the sixth consecutive year and holds an Industry Top-Rated status with Sustainalytics and Sustainability Yearbook membership with S&P Global. We provide easy and convenient mobility, improving quality of life by connecting people and communities. Visit our web site at www.firstgroupplc.com and follow us on LinkedIn at <http://www.linkedin.com/company/first-group>.
