FIRSTGROUP PLC
HALF-YEARLY REPORT FOR THE 26 WEEKS TO 26 SEPTEMBER 2026

Progress in H1 2027 leaves the Group on course to maintain adjusted earnings per share in FY 2027, with a clear path to continued growth and returns ahead.

Financial Highlights

- Group adjusted revenue up 21% to £1,011m reflecting strong growth in Bus and London Overground mobilisation in May 2026 (revenue of £125m in H1 2027)
- Group adjusted operating profit up 7% to £110.5m:
  - Further profit growth in First Bus
  - First Rail is reported as in line with prior year with the impact of the SWR transition, Stirling launch and ramp up costs of £8m and sustained price competition in Open Access offset by benefit of DfT TOCs IFRS 16 accounting adjustments
  - Group adjusted operating profit margin lower, driven mainly by London Overground and Stirling launch
- Adjusted EPS of 8.4p (H1 2026: 9.9p) lower, mainly due to higher First Bus earnings offset by Stirling launch and ramp up costs and higher interest
- Strong cash conversion and balance sheet maintained; H1 2027 adjusted net debt of £186.0m
  - Free cash flow of £36.0m before acquisitions and returns
  - Mistral Data sale proceeds of c.£48m
  - c.£12.0m growth investment and accelerated capex of c.£70.3m principally on First Bus electrification
  - £72.3m returned to shareholders via dividends and ongoing £100m share buyback programme
- Progressive interim dividend of 2.3p per share (H1 2026: 2.2p)
- Free cash generation of over £500m now anticipated over three years to FY 2029
- Further £50m share buyback programme announced; expected to complete in FY 2028

	H1 2027 (£m)			H1 2026 (£m)			FY 2026 (£m)		
Adjusted	**Cont Excl DfT TOCs**	**DfT TOCs & Disc.**	**Total**	Cont Excl DfT TOCs	DfT TOCs & Disc.	Total	Cont Excl DfT TOCs	DfT TOCs & Disc.	Total
Adjusted revenue[1]	**992.1**	**18.6**	**1,010.7**	809.4	24.2	833.6	1,671.3	44.4	1,715.7
Adjusted operating profit[2]	**56.6**	**53.9**	**110.5**	63.9	39.5	103.4	136.3	85.2	221.5
Adjusted op.profit margin	**5.7%**	**-**	**10.9%**	7.9%	-	12.4%	8.2%	-	12.9%
Adjusted profit before tax[2]	**41.5**	**47.7**	**89.2**	53.6	22.5	76.1	108.7	50.1	158.8
Adjusted EPS[3,4]	**6.0p**	**2.4p**	**8.4p**	7.2p	2.7p	9.9p	15.0p	5.7p	20.7p
Dividend per share			**2.3p**			2.2p			7.2p
Adjusted net debt[5]			**186.0**			207.6			137.7

	H1 2027 (£m)			H1 2026 (£m)			FY 2026 (£m)		
Statutory	**Cont.**	**Disc.**	**Total**	Cont.	Disc.	Total	Cont	Disc	Total
Revenue	**2,366.8**	**-**	**2,366.8**	2,297.6	-	2,297.6	4,751.9	-	4,751.9
Operating profit/(loss)	**154.0**	**-**	**154.0**	103.6	(0.2)	103.4	219.4	2.1	221.5
Profit/(loss) before tax	**132.7**	**-**	**132.7**	76.3	(0.2)	76.1			158.8
EPS[4]			**20.5p**			9.9p			21.4p
Net debt[6]			**164.1**			1,002.8			725.3
- Bank and other debt net of (cash)			**(162.4)**			*(25.2)*			*(124.7)*
- IFRS 16 lease liabilities			**326.5**			*1,028.0*			*850.0*

'Cont.' refers to the Continuing operations comprising First Bus, First Rail, and Group items, including Greyhound Canada. 'Disc.' refers to discontinued operations, being First Student, First Transit and Greyhound US.

First Bus Highlights:

- Adjusted revenue up 7% to £750m
- Adjusted operating profit up 18% to £50.2m, driven by further yield and cost efficiencies, growth in Business and Coach and First Bus London, and Wales depot sale gain
- Regional Bus passenger volumes have largely stabilised
- Focus remains on service delivery, efficiencies and growth in attractive markets:
  - Net Promoter Score has continued to improve, from +15 in H1 2026 to +25 in H1 2027
  - Franchise revenues of £178.3m, with further growth and route contract awards in First Bus London, including from the Wandsworth depot acquired in FY 2026
  - Business and Coach revenue grew 11% to £123m
  - acquisition of two coach businesses in the period growing our operational and asset footprint in key markets; two further acquisitions post-period end
  - award of Bramley and Huddersfield franchise contracts in West Yorkshire from May 2027
- Electrification continues at pace:
  - c.28% of bus fleet zero emission at end of Sept 2026 (c.27% in Regional Bus and c.42% in London)
  - Four fully electric depots and 20 further depots substantially electrified across the UK; third party charging underway at 14 depots
  - electrification of depots on behalf of Mayoral Authorities in South and West Yorkshire underway
- Post period end £109m West Yorkshire asset sales agreement concludes the asset sales in West Yorkshire, South Yorkshire and Wales ahead of transition to franchising for these markets

First Rail Highlights:

- Open Access passenger journeys up 31% vs. H1 2026 to 1.87m
- Open Access revenue increased to £60.2m (H1 2026: £53.2m), includes contribution of new Stirling service that was fully operational in August
- Open Access adjusted operating profit decreased to £0.8m (H1 2026: £16.3m):
  - Stirling launch and ramp up costs of c.£8.0m and scheduled c.£1.8m increase in Lumo's infrastructure charge
  - margins in East Coast Main Line operations remain robust despite sustained price competition and extreme heat constraining passenger demand during the summer
- Sale of Mistral Data to Tracsis plc for c.£48m completed in August 2026; revenue growth continues in remaining Rail Services businesses, FCC and First Rail Consultancy
- DfT TOCs financial performance in line with expectations; SWR transferred to DfTO in May 2025
- London Overground operations commenced in May 2026

Outlook

- The Group expects to maintain adjusted EPS in FY 2027 from a high-quality earnings base:
  - c.50% of revenues are now contracted with certain inflation protections
  - First Bus: anticipated FY 2027 revenue of just over £1.5bn, with further progress in adjusted operating profit; FY 2028 will reflect the transition to franchising in Regional Bus with lower margins but a higher level of cash generation in line with the more capital light model
  - First Rail Open Access: FY 2027 revenue of c.£130m, with lower Stirling ramp up losses in H2; the total Open Access adjusted operating profit margin is expected to be in the mid-teens following c.two-year mobilisation and ramp up periods for the Stirling and Carmarthen services
  - London Overground: FY 2027 anticipated revenue of c.£300m, progressing to a mid-single digit operating profit as we improve performance over the next 12 months
- Accelerated First Bus decarbonisation investment of c.£140m net of c.£15m of co-funding expected in FY 2027, lowering to c.£80-90m in FY 2028
- Free cash generation of over £500m now anticipated over the three years to FY 2029
- c.£20m of cost savings and portfolio margin improvements anticipated in FY 2028
- In line with its UK-focused growth strategy, the Group will actively participate in value accretive regional bus franchising opportunities and continue to evaluate a pipeline of bus and rail growth opportunities

Commenting, Chief Executive Officer Graham Sutherland said:

"We have delivered on our commitments in H1 2027 and remain on course to maintain full year earnings per share, from a high-quality, cash generative earnings base. Alongside this, we have continued to secure strategically important contracts and unlock value from our expertise and well-capitalised asset base.

"As we move into the second half, the transfer dates for our two remaining DfT TOCs are now confirmed, providing increased visibility as we continue to reposition the Group for sustainable, long-term growth, supported by our strong balance sheet."

Results presentation and webcast
A presentation and webcast for investors and analysts will be held at 09:00 (GMT) today in London. To register to join in person, please email corporate.comms@firstgroup.co.uk. Alternatively, to join via a live webcast, please register **here**. To access the presentation to be discussed on the webcast, together with a pdf copy of this announcement, go to www.firstgroupplc.com/investors. A playback facility will also be available there in due course.

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Notes
[1] 'Adjusted revenue' is defined as revenue excluding that element of DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk. The Adjusted revenue measure includes management and performance fee income earned by the Group from its DfT TOC contracts
[2] 'Adjusted operating profit/(loss)' and 'Adjusted profit/(loss) before tax' are before adjusting items as set out in note 3 to the financial statements
[3] 'Adjusted earnings' are shown before net adjusting items and excludes IFRS 16 impacts in First Rail management fee operations. For definitions of alternative performance measures and other key terms, see the definitions section on page 20.
[4] 'Adjusted EPS' and EPS based on weighted average number of shares in the period of 533.7m (H1 2026: 559.7m) reflecting the current year and prior year share buybacks.
[5] 'Adjusted net debt/(cash)' is bonds, bank and other debt net of free cash (i.e. excludes IFRS 16 lease liabilities and ring-fenced cash).
[6] Net debt for H1 2026 is restated to reflect the finalisation of acquisition accounting adjustments for First Bus London.

Legal Entity Identifier (LEI): 549300DEJZCPWA4HKM93.

About FirstGroup
FirstGroup plc (LSE: FGP.L) is a leading private sector provider of public transport services. With around 30,000 employees, we reported adjusted revenue of £1.72 billion and transported almost 1.5m passengers a day in FY 2026. 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 20% 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.320 trains through two DfT contracted train operating companies: WCP (incorporating Avanti West Coast and West Coast Partnership Development) and GWR, and three Open Access routes (Hull Trains and two under the Lumo brand). We are formally committed to operating a zero emission commercial bus 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 2026 FirstGroup received MSCI's highest possible ESG rating of AAA, was named one of the world's cleanest 200 public companies for the seventh consecutive year, was ranked in the top decile for its industry by ISS based on its ESG Performance Score and holds Yearbook membership with S&P Global. We provide easy and convenient mobility, improving quality of life by connecting people and communities. Visit our website at www.firstgroupplc.com and follow us on LinkedIn at http://www.linkedin.com/company/first-group.

Chief Executive Officer review

On track to deliver full year earnings and material shareholder returns
I am pleased to report further progress and continued delivery of our commitments in the first half of our 2027 financial year, leaving us on course to maintain FY 2027 adjusted earnings per share, in line with FY 2026.

The work we have done to transform First Bus over the last few years and to manage the material headwinds experienced in prior years has driven further earnings growth in the division in H1 2027. In First Rail, earnings during the period reflect the transfer of SWR to the DfTO in May 2025 and the launch and ramp up of our new Stirling Open Access service. Group adjusted revenue has grown by over 20% compared to the prior year, to just over £1 billion. Group adjusted earnings per share has decreased, to 8.4p (H1 2026: 9.9p), with profit growth in First Bus offset by launch and ramp up costs and sustained price competition in Open Access rail.

We have returned c.£72.3m to our shareholders via dividends and our ongoing £100m share buyback programme in H1 2027. The Board has declared an interim dividend of 2.3p (H1 2026: 2.2p) which will result in a dividend payment of c.£12m, to be paid on 29 December to shareholders on the register on 27 November. Looking ahead, as we continue to reposition the Group and thanks to our significant free cash generation, the Board has today announced a further £50m share buyback programme, following on from the current £100m programme, which we expect to complete in FY 2028.

Focus on service delivery continues to drive growth
Service delivery remains a key strategic priority across our businesses. Not only do reliable, sustainable services attract and grow passenger demand, they also position us to win value accretive contracts in key markets as the UK bus and rail industries continue to evolve.

In First Bus, we have again improved our Net Promoter Score, from +15 in the prior year, to +25 in H1 2027 and in our franchise operations we continue to rank highly in performance tables. Our expertise and commitment to best-in-class service delivery have also been recognised with the award of the Sizewell C worker transport contract, where at peak construction an estimated 8,000 workers will be on site, new route contracts in London and more recently, two bus franchise contracts in West Yorkshire.

In First Rail, we took over the operation of the London Overground concession in May 2026. We have a highly experienced team in place, working to restore and improve operational performance levels. Initiatives include a step change in driver recruitment and training to ensure all depots are fully staffed moving forwards. In Open Access, our East Coast Main Line operations continue to rank highly in customer satisfaction surveys and seat miles utilisation remains in line with H1 2026 at 68%.

Launch of Stirling service brings the benefits of open access to the West Coast
During H1 2027 we launched our new Lumo service on the West Coast Main Line, linking Stirling to London Euston. This is the first ever direct service to the capital for communities in Greenfaulds, Whifflet and Larbert and has already created around 100 new jobs. The service reported revenues of £6.3m for the half year, with seat miles utilisation of 45%, in line with the long-distance industry average. Lumo has established a strong brand, with attractive fares and an excellent track record of growing demand and we are confident that our Stirling service will continue to attract new passengers as the ramp up phase continues.

We were disappointed that our revised application for a new Lumo service between London and Rochdale was declined by the Office of Rail and Road (ORR). Our proposal demonstrated a workable solution and strong economic benefits for passengers and communities in Manchester and the North West, alongside significant investment in UK public transport.

Economic growth, regional regeneration and thriving local communities have returned to the forefront of public policy, with increasing recognition that improving lives requires investment not only in infrastructure, but also in the networks and opportunities that connect people to work, services and society.

Against a backdrop of fiscal constraint and increasing transport subsidy, we firmly believe that open access should be part of Great British Railways' solution to operating the railway effectively, with competition on a level playing field. Operated without government subsidy, open access services drive productivity, create jobs and bring significant benefits to passengers and communities including affordable fares, excellent

customer service and greater choice, as well as a material contribution to the UK in taxes and infrastructure charges. Private sector investment in new, environmentally friendly fleets and improved connectivity is also vital for driving growth and reducing the burden on the UK taxpayer by slowing the long-term growth in public subsidy and delivering improved returns on infrastructure investment.

Our strong balance sheet provides significant capital allocation optionality
Alongside operational delivery in the first half, our cash conversion and balance sheet have remained robust, with free cash generation before acquisitions and returns of £36.0m and adjusted net debt of £186.0m at the end of the half.

We now anticipate free cash generation over the three years to FY 2029 of over £500m, boosted by the c.£48m Mistral Data sale proceeds, the recent £17.5m Group Section Pension escrow return and the c.£55m cash inflow from the depot sales in West Yorkshire. This provides significant scope to deploy capital within a disciplined framework to grow and diversify our portfolio in attractive markets whilst continuing to deliver meaningful shareholder returns.

On course to maintain full year earnings per share
We are on course to maintain Group adjusted earnings per share in FY 2027, from a high-quality earnings base. Looking further ahead, in First Bus we have scope to grow earnings further, with a medium-term total adjusted operating profit margin target of 8-9% and a lower level of capital expenditure. In First Rail, our Open Access earnings will see further growth following the launch of our new Carmarthen service and the addition of ten-car operations on certain Lumo East Coast services in the summer of 2028.

A clear path to continued sustainable growth and returns
We enter the second half of our financial year with increased visibility following the confirmation of the transfer dates for our two remaining DfT TOCs and with a more sustainable earnings base, with around half of our revenues now contracted with some level of cost inflation protections. We will continue to reposition the Group to improve our cost base and operating model, including an anticipated c.£20m of cost savings and portfolio margin improvements in FY 2028, to continuously improve performance, increase earnings and grow in attractive UK bus and rail markets, supported by our strong balance sheet and highly cash generative business model. Underpinning this strategy is the Board's continued commitment to progressive dividends and the return of surplus cash to shareholders.

I would like to conclude by thanking all our employees for their continued hard work and expertise that has contributed to another period of consistent delivery and progress. Together we are delivering the best possible services for our customers and creating a stronger, more resilient FirstGroup, well positioned to seize the many opportunities ahead.

Graham Sutherland
Chief Executive Officer
16 November 2026

Business Review

First Bus

	£m	£m	
	H1 2027	H1 2026	**Change**
Revenue	**749.9**	702.9	+6.7%
Adjusted operating profit	**50.2**	42.7	+17.6%
Adjusted operating profit margin	**6.7%**	6.1%	+60bps
EBITDA	**107.6**	91.7	+17.3%
Revenue – Regional Bus	**448.6**	437.0	+2.7%
Revenue – Business and Coach	**123.0**	110.5	+11.3%
Revenue – Franchising	**178.3**	155.4	+14.7%
Regional Bus passenger volumes (m)[1]	**187.9**	189.1	(0.6)%
Regional Bus operational mileage (m)[1]	**78.8**	76.8	+2.6%
Regional Bus revenue per mile (£)[1]	**5.69**	5.55	+2.5%
Net operating assets	**1,020.1**	867.0	+153.1
Net capital expenditure[2]	**87.2**	110.6	(23.4)
ROCE (12 months rolling)[3]	**9.6%**	9.4%	+20bps

1 Excludes Cornwall operations that the Group closed in February 2026.

2 Net capital expenditure comprises fixed asset additions and software additions plus right of use asset additions.

3 Return on Capital Employed (ROCE) is a measure of capital efficiency and is calculated by dividing adjusted operating profit after tax by average year- end assets and liabilities excluding debt items.

A strong performance driven by focus on continuous improvement

Our results for H1 2027 reflect the work we have done to transform our business, deliver continuous improvements and successfully navigate the material headwinds we experienced in prior years.

Revenue has increased to £750m (H1 2026: £703m) thanks to growth in all three of our businesses, Regional Bus, Business and Coach, and Franchising. Adjusted operating profit has grown by 18%, to £50.2m thanks to further yield and cost efficiencies, the completion of a depot sale in Wales and further growth in Business and Coach and in First Bus London.

Service delivery remains a key priority

Service delivery is a key focus across our operations, underpinned by our commitment to the safety of our customers, employees and all third parties interacting with our businesses. By delivering the best possible service we can improve customer satisfaction, encourage more people to use our services, support revenue growth and maximise performance incentives in our franchised businesses. It also positions us well to participate in further partnership, franchising and commercial opportunities.

In Regional Bus, alongside our focus on employee engagement and support and driver recruitment programmes, we continue to implement data and behavioural led interventions to improve performance and punctuality. Revenue per mile improved to £5.69 in H1 2027 (H1 2026: £5.55) and we reduced our agency drivers by c.55% compared to the prior year. In our franchise operations in London and Rochdale, we continue to rank highly in the operator league tables.

By making use of our rich customer data to identify targeted actions, we have also continued to improve customer experience in H1 2027. Our overall Net Promoter Score has increased further, to +25 (H1 2026: +15) tracking closely with improvements in reliability and punctuality. Customers continue to highlight improvements in driver friendliness, vehicle cleanliness and journey comfort. Ongoing investment in fleet modernisation, including through the rollout of electric vehicles, has further enhanced the customer experience and contributed positively to overall satisfaction scores. In H1 2027, Norfolk Suffolk Coast and Dorset achieved NPS scores of 46 and 43 respectively, supported by good punctuality and reliability. Leicester continued to be one of our best-performing operations, achieving an NPS score of 40 and industry-leading on-time performance of 92.4%.

Passenger volumes have stabilised

Alongside our focus on performance and customer experience to help grow passenger demand, we have continued to strengthen our marketing operations, bringing in specialist skill sets to deliver data-led pricing strategies and marketing campaigns that are more commercially focused and efficient.

We are now largely through the decline in passenger volumes following the transition to the £3 fare cap in January 2025. Total volumes in Regional Bus, excluding our operations in Cornwall that were closed in February 2026, declined by 0.6% compared to the prior year, with a 2.4% increase in concessionary volumes offsetting a 2.4% decline in commercial volumes.

The free bus travel for children scheme introduced across England in August drove a 47% increase in child tickets year on year, demonstrating how young person funding schemes can stimulate passenger growth and encourage lifelong bus use. The scheme has supported continued volume growth in the majority of our markets in England, and as customers returned from the summer holiday period, we have also seen improvements in our adult and student volumes.

In Scotland, the expansion of the £2 fare cap pilot scheme to the Strathclyde region during September 2026 resulted in a 2% improvement in our commercial volumes in Glasgow compared to volumes prior to the cap being introduced and on our Glasgow Airport Express Service we have seen year on year passenger growth of 20%.

Looking ahead, we welcomed the recent announcements regarding the re-introduction of the £2 fare cap in England from 1 January to 31 December 2027 and the extension of the £2 fare scheme in Scotland to Aberdeen and Aberdeenshire from April 2027. We look forward to working with the UK and Scottish Governments to deliver the schemes, and as we have with previous schemes, on the detail of the reimbursement mechanisms.

Focus on cost control as industry-wide inflationary pressures remain

Despite an increasing proportion of contracted revenues and fare schemes with some inflationary protection, an ongoing focus on cost efficiencies remains a priority. In H1 2027, revenues benefitted from fare increases of c.£15m and contracted revenue inflation of c.£9m that more than mitigated £16m of cost inflation.

Costs during the period increased due to inflation by c.2.5%, mainly in wages, with a c.4% average increase in driver pay awards. In line with our focus on staggered, multi-year pay award settlements, we have now settled 76% of our driver pay awards with multi-year awards.

We continue to manage our fuel and electricity costs with our two-year forward hedging programme. As at November 2026, c.83% of our fuel requirement for H2 2027 was hedged at 42.8p per litre and c.68% for FY 2028 at 43.3p per litre. Approximately 87% of the Group’s H2 2027 forecast floating rate electricity consumption is hedged at £79/MWh and c.75% for FY 2028 at £73/MWh.

An important period for Business and Coach

In Business and Coach, where we are actively working to grow and diversify, we have again grown earnings. Revenue in H1 2027 increased by 11% to £123m thanks to continued contract extensions, new contract awards and the contribution of our new businesses.

In July, we were pleased to announce that our subsidiary, Specialist Passenger Solutions (SPS) had been awarded the contract to operate worker transport and site shuttle services for the Sizewell C nuclear power construction site.

The contract has a term of up to five years from July 2026 and SPS will operate a modern, zero emission fleet of c.150 buses provided to SPS by Sizewell C Ltd. The new operation is also expected to create around 400 new jobs, including drivers, engineers and support staff and at peak construction it is estimated that nearly 8,000 workers will be working at Sizewell C.

We look forward to making use of our extensive experience from our SPS operations at Hinkley Point C where we have successfully managed workforce transport for the UK’s largest construction site since 2016 and currently transport more than 12,000 people a day.

We have also continued to expand our UK coach portfolio through a series of targeted acquisitions, including

Eagle Coaches in Bristol, Wilfreda Beehive in Doncaster, Peace Coaches in Aberdeenshire and KB Coaches in Gloucestershire, combined with the expansion of services we operate on behalf of Flixbus. The acquired businesses represent annual revenues of c.£15.5m and adjusted operating profit of c.£3.1m and will further strengthen our regional presence, broaden our customer offering and contribute to our diversified coach business that has grown to around 640 coaches and more than 800 employees.

Further growth ahead in First Bus London
First Bus London contributed revenue of £173m in H1 2027 and remains on course to deliver full year revenue of c.£350m. We have won a number of new routes over the last few months, including the new Superloop 15 route out of our recently acquired Wandsworth depot, and retained a number of key routes out of our Shepherds Bush and Fulwell depots. We currently have 100% of our FY 2027 contracted revenues secured, 96% of FY 2028 and 81% for FY 2029.

Leading in electrification, enabling adjacent revenue opportunities
Thanks to our accelerated investment in electrification over the last few years, we have one of the largest zero emission bus fleets in the UK (c.28% of our fleet at the end of September), four fully and 20 substantially electrified depots. In London, 42% of our fleet is now electric and during H1 2027 we completed the installation of a gantry charging system at our Westbourne Park depot with the capacity to charge at least 150 electric buses.

Our expertise in electrification has been recognised by both the South Yorkshire and West Yorkshire Combined Authorities who have engaged First Bus to support the electrification of two depots in each region ahead of the transition to franchising. Works include a comprehensive design, tendering and project management service.

The electrification of our fleet and depots is also allowing us to start to unlock adjacent revenue streams including third party charging at our depots, capacity market trading and on-site battery storage. During H1 2027 we had third party charging available at 14 of our depots outside London and having successfully installed a one-megawatt battery energy storage facility at our Hoeford depot in August, we are expanding our partnership with Palmer Energy Technology to bring battery storage units to more of our sites. We have six live projects underway, including the installation of a 2.15 megawatt battery energy storage system in Aberdeen. Designed to house five or more bus battery-equivalent, these units will be used to participate in grid-based revenue streams by distributing power back into the grid at peak times.

West Yorkshire asset sales and contracts unlock material value and bolster our franchise portfolio
We continue to work alongside our regional partners to support the transition to franchising. We have now completed the sale of depots in South Yorkshire and Wales, and we recently announced an agreement with the West Yorkshire Combined Authority (WYCA) regarding the sale of five depots and 330 buses for £109m.

Following the transition to franchising in West Yorkshire, South Yorkshire and Wales, our Regional Bus owned fleet is expected to reduce to c.2,900 vehicles from c.4,500 currently. An estimated c.300 vehicles that will not be used in franchising will be available to be cascaded to other depots, resulting in a c.£10m further deferral of medium-term capital expenditure and other related working capital.

We were also delighted to have recently been awarded two bus franchise contracts in West Yorkshire. Following a period of mobilisation, the contracts in Bramley and Huddersfield, where we currently operate, are due to commence in May 2027 with a core five-year term with an option to extend for a further two years. WYCA will retain revenue risk and specify the service levels, with the Group responsible for the delivery of services. We anticipate combined annual revenues of c.£40m from the contracts with operating profit margins reflecting the more capital light franchise model, with one depot still partially operating with owned diesel vehicles. We look forward to drawing on our scale, expertise and strong operational track record to deliver high-quality, sustainable bus services in partnership with WYCA.

An experienced partner to help bus networks grow and thrive
We are a leading, highly experienced operator with a large, well-capitalised fleet and depot footprint, a strong focus on best-in-class service delivery and a proven track record of delivering quality services under both the franchise and partnership models. This positions us well to actively take part in future franchising and partnership opportunities as the regional bus market in England evolves.

Looking ahead, an estimated £1.5bn of annualised revenues in regional bus will be competitively franchised over the next five years in regions that have already formally announced their intention to transition to the franchise model. This includes in South Yorkshire, West Yorkshire and Wales where we currently operate, representing annual revenues of c.£260m and in Liverpool and West Midlands where we do not currently operate. We are working alongside our local authority partners to support the transition to franchising, including through the sale of depots in South Yorkshire, Wales and West Yorkshire, and will actively participate in value accretive franchising opportunities where we can make use of our substantial assets and expertise.

In Scotland, the First Minister has recently announced that the Scottish Government intends to bring Scotland's bus network under public control by 2031 through a combination of franchising and regulation. We welcome the aim to deliver better bus services and encourage more people to use public transport. The Scottish Government began its engagement on the 'Better Buses' legislation that was announced as part of the Plan for Government in September, and we will continue to work in partnership as proposals are worked up in further detail ahead of the introduction of legislation which we understand is set to be introduced to Holyrood in 2027. The Bill will then need to progress through the Parliamentary process before becoming law.

Active partnerships with local and national stakeholders are essential for thriving local bus networks. Regardless of the model, our aim is to provide consistently high-quality service delivery and to encourage more people to use the bus. We will continue to adapt our business to deliver great value, to shape networks to suit where and when people want to travel, to serve communities and grow local economies in a sustainable way.

Outlook

We anticipate revenue of just over £1.5bn for FY 2027, with further progress in adjusted operating profit. We anticipate capital expenditure of c.£140m in FY 2027, net of c.£15m of co-funding.

In FY 2028, our capital expenditure is expected to decrease to £80-90m following a period of accelerated decarbonisation investment. FY 2028 revenue and adjusted operating profit and margins in Regional Bus will reflect the transition to franchising, offset by a higher level of cash generation, in line with the move towards a more capital light model in these markets.

Looking further ahead, as the UK bus market evolves, we will make use of our scale, expertise, substantial asset base, operational footprint and decarbonisation credentials to grow earnings further, with a medium-term total adjusted operating profit margin target of 8-9% and a lower level of capital expenditure.

First Rail

	£m	£m	
	H1 2027	**H1 2026**	**Change**
Adjusted revenue from DfT TOCs and Rail Services[1 2]	**59.9**	62.9	(4.8)%
Adjusted revenue from Open Access and rail contracts	**201.0**	68.0	+195.6%
First Rail Adjusted Revenue	**260.9**	130.9	+99.3%
Adjusted operating profit from DfT TOCs and Rail Services	**29.3**	32.8	(10.7)%
Adjusted operating profit from Open Access and rail contracts	**2.9**	17.6	(83.5)%
DfT TOC IFRS 16 adjustment	**34.8**	16.2	+114.8%
First Rail adjusted operating profit	**67.0**	66.6	+0.6%
Open Access passenger journeys (m)	**1.87**	1.43	+30.8%
Open Access pence per seat mile (p)	**10.0**	11.8	(15.3)%

1 *'Adjusted revenue' is revenue excluding that element of DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk. The Adjusted revenue measure includes management and performance fee income earned by the Group from its DfT TOC contracts; refer to note 3 for further detail.*

2 *Includes intra divisional eliminations related to affiliate trading with the Open Access operations.*

H1 2027 financial overview

The division has reported total adjusted revenue of £260.9m in H1 2027 (H1 2026: £130.9m), which included revenue from the London Overground that the Group started to operate in May 2026. In Open Access, Hull Trains and Lumo delivered revenue of £60.2m, up 13% against the prior year, boosted by the new Stirling service that was fully operational in August 2026, contributing revenue of just over £6m during the period.

In line with the Government's announced policy to bring the National Rail Contracts into public ownership at the earliest possible opportunity, the DfTO took over the operation of SWR on 25 May 2025. Net attributable fees earned by the Group from the DfT TOCs in H1 2027 were £12.8m after the non-controlling interest of £1.6m. Mistral Data contributed adjusted operating profit of £1.7m in H1 2027 (H1 2026: £1.6m). The sale of Mistral Data was completed in August 2026 and will result in an adjusting profit item of £46.3m in FY 2027.

The division's adjusted operating profit of £67.0m was in line with the prior year (H1 2026: £66.6m). This included DfT TOC IFRS 16 accounting adjustments of £18m, following finalisation of the GWR National Rail Contract end date, which offset the transition of SWR, sustained price competition on the East Coast Main Line in Open Access and launch and ramp up costs of c.£8.0m incurred for the launch and ramp up of the new Stirling service. Additional costs in Open Access also included a scheduled c.£1.8m increase in Lumo's East Coast infrastructure charge, now at its highest contracted level, having reached the fifth year of operation in October 2025.

DfT TOC IFRS 16 lease liabilities recognised on the balance sheet at the end of H1 2027 were £124.8m (H1 2026: £828.1m).

Open Access financial performance impacted by Stirling launch and ramp up costs and sustained price competition on East Coast Main Line
H1 2027 has been another important period in Open Access, with the launch and ramp up of our new Lumo Stirling service.

We have reported a 31% increase in total Open Access passenger journeys, to 1.87m during the period. H1 2027 seat miles utilisation of 68% in the East Coast Main Line operations remains well above the long-distance industry average of 45%.

Lumo has successfully launched on the West Coast Main Line
In May 2026 we launched our new Lumo service that was fully operational in August, linking Stirling to London Euston. The service calls at Larbert, Greenfaulds, Whifflet, Motherwell, Lockerbie, Carlisle, Preston, Crewe, Nuneaton and Milton Keynes. For Whifflet, Greenfaulds and Larbert it provides the first direct rail services to London.

We have a new Lumo West Coast headquarters in Preston which serves as our main operational centre, creating local employment and entry points for people who may not have previously considered the rail sector. We have already created around 100 jobs, including Level 3 Train Driver apprenticeships, instructor roles, qualified driver positions and approximately 50 Customer Experience Ambassador roles across the route.

Growing our Open Access reach, driving benefits for our customers and communities
In the last year we have grown our Open Access capacity by c.50% and remain on course to nearly double our capacity over the next few years, underpinned by our c.£500m lease agreement with Hitachi for 14 new electric, battery or bi-mode trains. This follows the award of additional paths on the East Coast Main Line, the extension of some Lumo services to Glasgow, the launch of our new Stirling service. Looking ahead, FY 2029 will see further growth in capacity with the introduction of our new Carmarthen service in the summer of 2028 and ten-car services on certain Lumo East Coast services.

During H1 2027 we continued to test how Open Access can add capacity in response to strong demand. In July 2026, Lumo operated a 10-coach service between Edinburgh, Newcastle and London, the highest capacity domestic intercity train operated in the UK that weekend.

We were disappointed that our revised application for new Lumo service between London and Rochdale was declined by the ORR. We believed our proposal demonstrated a workable solution and strong economic benefits for passengers and communities in Manchester and the North West. We still have applications under consideration by the ORR, including expanding our existing Carmarthen track access rights to add new services from Paignton to London and Hereford to London, an extension of our current track access rights for the Stirling service to the late 2030s with the addition of five new, battery electric trains and for a new route between Cardiff and York via Birmingham, Derby and Sheffield from December 2028 to December 2033. Discussions on these applications continue with the ORR and Network Rail, supported by detailed business case and performance modelling conducted by our internal teams and third-party experts.

Looking ahead, as Great British Railways is established, we firmly believe there is a continued role for private sector operators in the future railway, with competition on a level playing field. Operating without Government subsidy, Lumo and Hull Trains continue to demonstrate the unique contribution that open

access rail can make to the UK's transport network. By increasing connectivity between major cities, regional centres and underserved communities, combining commercial innovation with a strong customer focus, they are bringing significant benefits to passengers and local communities, as well as material benefits to HM Treasury.

Mobilising the London Overground operation
We took over the operation of the London Overground in May 2026 and now have a highly experienced team in place, working to restore and improve operational performance levels. Initiatives include a step change in driver recruitment and training to ensure all depots are fully staffed moving forwards. We are confident that our deep sector expertise and long-standing relationship with TfL, having operated London Trams since 2000 and the London Cableway since 2024, will allow us to strengthen performance and deliver a range of benefits across this vital network.

Leveraging our expertise to unlock value in Rail Services
H1 2027 has been a pivotal period in our Rail Services, with the sale of Mistral Data to Tracsis plc for c.£48m. We established Mistral Data to develop and provide complementary software solutions to the rail industry and grew revenues from c.£7m in FY 2022, to c.£13m in FY 2026, with operating profit of c.£4m.

Revenues in our remaining Rail Services businesses, First Customer Contact (FCC) and First Rail Consultancy increased by 24% in H1 2027 and we continued to secure contract extensions and new external customers.

In FCC, we have secured a DfT TOC contract extension and continued to develop our AI portfolio, tailored to our rail clients. First Rail Consultancy has continued to diversify its client portfolio beyond First Rail, with client wins including two major passenger rail operators. Work to support a strategically important freight programme for Network Rail has continued and work with a major airport on its Surface Access Strategy has been extended. Going forward, there is a significant pipeline of projects, particularly in rail operations and engineering.

Supporting the transition of the DfT TOCs
We now have confirmed dates for the transfer of both GWR and WCP to the DfTO, on 13 December 2026 and 7 March 2027 respectively. Our teams are working hard with the DfT and DfTO to ensure smooth and orderly transitions for customers, colleagues and stakeholders. We are very grateful to everyone at GWR and Avanti for their dedication, expertise and hard work. Their contribution has been central to the success and significant contribution they have made throughout the Group's stewardship of these operations.

Having been part of FirstGroup for 30 years, Great Western Railway (GWR) has built a strong track record of innovation, operational excellence and investment in its people. The company revived the historic Great Western Railway name in 2015, reinforcing its heritage while continuing to modernise the railway. GWR is recognised as one of the UK's Top 100 Apprenticeship Employers and has achieved Platinum status in the Investors in People 'We Invest in Apprentices' accreditation. In 2026, it launched the UK railway's first dedicated Security Operations Centre and introduced the UK's first battery-only train in passenger service, demonstrating its commitment to safety, sustainability and innovation. This builds on significant fleet investment over the past decade, including the introduction of the Intercity Express Trains and the ongoing rollout of the refurbished Class 175 fleet.

Avanti West Coast has established a strong track record of innovation, customer service and social impact. The operator has delivered significant fleet upgrades, including the introduction of the Evero trains and the £117m upgrade of its Pendolino fleet, while also enhancing the customer experience through the launch of the rail industry's first Standard Premium travel class and the Club Avanti rewards programme, which now has more than one million members. Beyond its operational achievements, Avanti West Coast generates substantial economic and social value, delivering £470m of annual social value and contributing more than £5 billion to the UK economy. The company has also demonstrated its commitment to creating an inclusive workplace, earning bronze accreditation through the Inclusive Employers Standard.

Looking ahead
For the 2027 full year, in Open Access we anticipate revenues of c.£130m, with a lower level of Stirling ramp up losses in H2.

Looking ahead, we will see a further increase in capacity in FY 2029 as our new Carmarthen service is expected to begin operations in the summer of 2028 and with the addition of ten-car operations on certain Lumo East Coast Main Line services. The total adjusted operating profit margin in Open Access is expected to progress to mid-teens following a c.two-year mobilisation and ramp up period in the Stirling and Carmarthen operations.

The London Overground will add anticipated revenue of c.£300m in FY 2027, progressing to a mid-single

digit operating profit as we improve performance over the next 12 months. Earnings in the DfT TOCs will reflect the transfer of GWR on 13 December 2026 and WCP on 7 March 2027, a c.£7m earnings reduction after tax and non-controlling interests.

As the DfT TOCs transition, we anticipate a cash inflow of c.£70-80m, after any further reorganisation cash costs the Group may incur, from October 2026, with cash received from the management fees a year in arrears. This cash receipt includes the earnings from the division's Rail Services businesses which are expected to continue supporting the DfT TOCs for at least a year after the National Rail Contracts end.

Financial review

Adjusted revenue from continuing operations increased to £1,010.7m (H1 2026: £833.6m). First Bus revenue increased by 7% to £749.9m, with growth across each of Regional Bus, Business and Coach, and Franchising. Regional Bus passenger volumes were (0.6)% lower, excluding Cornwall operations which were closed in February 2026. First Rail saw a 13% increase in revenue in Open Access, boosted by the launch of the new Stirling service, with the London Overground concession also contributing c.£125m in the first half of the year, since it commenced in May 2026. DfT TOC adjusted revenue was lower, mainly as a result of higher variable fees in the prior year and the transfer of SWR in May 2025.

Operating performance

Adjusted operating performance by division is as follows:

	26 weeks to 26 September 2026			26 weeks to 27 September 2025			52 weeks to 28 March 2026		
	Adjusted Revenue[1] £m	**Adjusted operating profit[2] £m**	**Adjusted operating margin[2] %**	Adjusted Revenue[1] £m	Adjusted operating profit[2] £m	Adjusted operating margin[2] %	Adjusted Revenue[1] £m	Adjusted operating profit[2] £m	Adjusted operating margin[2] %
First Bus	**749.9**	**50.2**	**6.7**	702.9	42.7	6.1	1,443.6	102.8	7.1
First Rail	**260.9**	**67.0**	**25.7**	130.9	66.6	50.9	272.4	129.9	47.7
Group items/ eliminations[3]	**(0.1)**	**(6.7)**	**n/a**	(0.2)	(5.7)	n/a	(0.3)	(13.3)	n/a
Continuing operations	**1,010.7**	**110.5**	**10.9**	833.6	103.6	12.4	1,715.7	219.4	12.8
Discontinued operations[4]	**-**	**-**	**n/a**	-	(0.2)	n/a	**-**	2.1	n/a
Total	**1,010.7**	**110.5**	**10.9**	833.6	103.4	12.4	1,715.7	221.5	12.9

Statutory operating performance by division is as follows:

	26 weeks to 26 September 2026			26 weeks to 27 September 2025			52 weeks to 28 March 2026		
	Revenue £m	**Operating profit £m**	**Operating margin %**	Revenue £m	Operating profit £m	Operating margin %	Revenue £m	Operating profit £m	Operating margin %
First Bus	**749.9**	**47.7**	**6.4**	702.9	42.7	6.1	1,443.6	102.8	7.1
First Rail	**1,622.3**	**113.3**	**7.0**	1,604.8	66.6	4.2	3,327.6	129.9	3.9
Group items[3]	**(5.4)**	**(7.0)**	**n/a**	(10.1)	(5.7)	n/a	(19.3)	(13.3)	n/a
Continuing operations	**2,366.8**	**154.0**	**6.5**	2,297.6	103.6	4.5	4,751.9	219.4	4.6
Discontinued operations[4]	**-**	**-**	**n/a**	-	(0.2)	n/a	**-**	2.1	n/a
Total	**2,366.8**	**154.0**	**6.5**	2,297.6	103.4	4.5	4,751.9	221.5	4.7

1 *'Adjusted revenue' is revenue excluding DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk.*
2 *'Adjusted operating profit' and 'Adjusted operating margin' are before adjusting and certain other items as set out in note 3 to the interim financial statements.*
3 *Includes elimination of intra-group trading between Bus and Rail divisions, and charges relating to central management and other items.*
4 *Discontinued operations relates to the Group's residual Greyhound US activities.*

Adjusted operating profit from continuing operations was £110.5m (H1 2026: £103.6m). First Bus saw further profit growth from further yield and cost efficiencies. First Rail was in line with the prior year reflecting DfT TOC IFRS 16 accounting benefit, offset by the SWR NRC expiry in May 2025, and in Open Access, the ramp-up of new Stirling operations and sustained competition on the East Coast Main Line. Central costs were £(6.7)m (H1 2026: £(5.7)m).

The Group's EBITDA measure, adjusted for First Rail management fees performance, was lower year–on year, with better performance in First Bus offset by lower profits in Open Access and lower DfT TOC variable fee recognition.

	26 weeks to 26 September 2026 £m	**26 weeks to 27 September 2025 £m**	**52 weeks to 28 March 2026 £m**
First Bus EBITDA[1]	**84.2**	73.3	164.7
Attributable net income from First Rail DfT contracted TOCs[2]	**12.8**	15.3	29.3

First Rail – Open Access and Other Rail EBITDA[1]	**15.4**	28.9	51.2
Group central costs (EBITDA basis[1])	**(6.9)**	(5.7)	(13.3)
Group EBITDA adjusted for First Rail DfT contracted TOCs' management fees	**105.5**	**111.8**	**231.9**

[1] *Pre-IFRS 16 basis.*
[2] *A reconciliation to the segmental disclosures is set out in note 3.*

Adjusted earnings were £44.9m (H1 2026: £55.5m), primarily driven by the reduction in profit in the First Rail Open Access business where c.£8m has been incurred in launch and ramp up costs for the new Stirling route that was fully operational in August 2026.

	26 weeks to 26 September 2026 £m	26 weeks to 27 September 2025 £m	52 weeks to 28 March 2026 £m
First Bus adjusted operating profit	**50.2**	42.7	102.8
First Rail adjusted operating profit	**67.0**	66.6	129.9
Group central costs (operating profit basis)	**(6.7)**	(5.7)	(13.3)
Group adjusted operating profit	**110.5**	103.6	219.4
Interest	**(21.3)**	(27.3)	(62.7)
Profit before tax	**89.2**	76.3	156.7
IFRS 16 DfT contracted TOCs adjustment	**(21.4)**	0.6	(2.8)
Taxation	**(21.3)**	(19.1)	(37.3)
Non-controlling interest	**(1.6)**	(2.3)	(4.0)
Group adjusted earnings (continuing operations)	**44.9**	**55.5**	**112.6**

Reconciliation to non-GAAP measures and performance
Note 3 to the financial statements sets out the reconciliations of operating profit and profit before tax to their adjusted equivalents.

The principal adjusting items in H1 2027 were as follows:

Mistral disposal
In August, the Group disposed of its Mistral Data Services Limited (Mistral) business to Tracsis plc for consideration of c.£48m giving rise to an adjusted profit on disposal of £46.3m.

Pension equalisation
During the first half of the year, the Group recognised an adjusting historical pension equalisation charge of £2.5m.

There were no adjusting items in H1 2026.

Group statutory operating profit
Statutory operating profit (continuing basis) was £154.0m (H1 2026: £103.6m).

Finance costs and investment income
Net finance costs were £21.3m (H1 2026: £27.3m) with the decrease principally due to lower IFRS 16 interest charges in the DfT TOCs. Net finance costs excluding DfT TOC IFRS 16 interest charges were £15.1m (H1 2026: £10.4m).

Profit before tax
Statutory profit before tax (continuing basis) was £132.7m (H1 2026: £76.3m). Adjusted profit before tax (continuing basis) as set out in note 3 to the financial statements was £89.2m (H1 2026: £76.3m).

Tax
The tax charge on adjusted profit before tax on continuing operations was £21.3m (H1 2026: £19.1m), representing an effective tax rate of 23.9% (H1 2026: 25.0%). The effective rate remains broadly in line with the UK rate. The total tax charge, including tax on discontinued operations, was £20.6m (H1 2026: £19.1m). The cash tax during the period was a payment of £1.8m, benefitting from the accelerated capital allowances on the investment in the Bus fleet (H1 2026: £1.9m tax receipt, as a result of a tax refund for the carry back of tax losses within the DfT TOCs).

The ongoing Group's effective tax rate is expected to be broadly in line with UK corporation tax levels (currently 25%) with future cash taxes benefitting in the short to medium term from brought forward losses and accelerated capital allowances.

EPS
Adjusted continuing EPS was 8.4p (H1 2026: 9.9p), mainly reflecting the reduction in profit in the First Rail Open Access business and higher interest costs, partly offset by the impact of the reduced weighted average number of shares following the share buybacks. Basic continuing EPS was 20.5p (H1 2026: 9.9p), the uplift over adjusted EPS mainly being from the Mistral business disposal gain.

Shares in issue
As at 26 September 2026 there were 518.1m shares in issue (H1 2026: 543.8m), excluding treasury shares and own shares held in trust for employees of 52.6m (H1 2026: 206.9m). During the first half of the year, the Company repurchased 25,038,129 shares for total consideration of £45.5m, including transaction costs. The weighted average number of shares in issue for the purpose of basic EPS calculations (excluding treasury shares and own shares held in trust for employees) in the period was 533.7m (H1 2026: 559.7m).

Capital allocation framework

The Group has a disciplined capital allocation framework to drive further growth and returns**:**

Maintain a strong balance sheet	• Leverage policy: less than 2.0x adjusted net debt: Rail adjusted EBITDA • First Bus: a younger fleet and greater reliability and availability of electric buses will drive cost efficiencies and mean fewer buses are required
Invest in future growth	• Pipeline of value accretive organic and inorganic growth opportunities • Acquisitions must exceed the Group's post-tax weighted average cost of capital ('WACC') (c.9%) • Strong cash conversion and c.£55m depot sale proceeds in First Bus in H2 2027: c.£140m net cash capital expenditure for FY 2027, mostly on electrification • First Rail: continues to be mostly capital light, with Open Access rolling stock operating leases broadly in line with the track access arrangements
Deliver progressive returns	• Progressive dividend per share, paid around one third interim and two thirds final dividend • H1 2027 interim dividend of 2.3p per share
Return surplus cash to shareholders	• £72m returned to shareholders via dividends and ongoing £100m share buyback programme in H1 2027; further £50m programme announced and expected to complete in FY 2028 • c.£44m held in escrow for Bus Section pension scheme until completion of 2030 valuation • The Board remains committed to returning surplus cash to shareholders

Dividend
The Board has declared an interim dividend of 2.3p per share (c.£11.6m in aggregate), to be paid on 29 December 2026 to shareholders on the register at 27 November 2026.

Adjusted cash flow

The Group's adjusted cash inflow of £28.0m (H1 2026: outflow of £(212.2)m) in the period reflects strong underlying cash generated by operations, inflows from the Mistral disposal and the pension escrow, offset by capital outflows relating to investment in First Bus electric fleet and infrastructure, the impact of the share buyback programme, lease payments and dividend payments. The adjusted cash flow is set out below:

	26 weeks to 26 September 2026 £m	26 weeks to 27 September 2025 (restated[1]) £m	52 weeks to 28 March 2026 £m
Adjusted EBITDA	**323.3**	341.6	702.9
Other non-cash income statement charges	**0.4**	4.0	0.1
Working capital	**51.2**	(67.2)	14.6
Movement in other provisions	**(9.7)**	(25.9)	(47.7)
Movement in financial assets	**5.6**	(0.3)	35.0
Pension payments lower/(greater) than income statement charge	**14.2**	(1.1)	(23.4)
Cash generated by operations	**385.0**	251.1	681.5
Capital expenditure	**(87.5)**	(136.4)	(253.0)
Acquisitions	**(9.3)**	(9.5)	(35.3)
Proceeds from disposal of property, plant and equipment	**11.5**	11.4	45.7
Proceeds from capital grant funding	**11.4**	13.6	51.5
Net proceeds from disposal of business	**47.4**	-	-
Interest and tax	**(22.6)**	(25.6)	(61.0)
Shares purchased for Employee Benefit Trust	**(17.9)**	(20.3)	(24.3)
Share repurchases from buyback programmes, including costs	**(45.5)**	(48.7)	(50.4)
External dividends paid	**(26.8)**	(26.9)	(38.9)
Dividends paid to non-controlling interests	**-**	-	(6.7)
Fees for financing facilities	**(1.2)**	-	(0.6)
Lease and asset backed liabilities payments in debt	**(216.5)**	(220.9)	(432.5)
Adjusted cash flow	**28.0**	(212.2)	(124.0)
Foreign exchange movements	**0.1**	-	(0.1)
Net inception/termination/reassessment of leases/asset backed liabilities	**316.6**	(25.9)	(47.5)
Lease and asset backed liabilities payments in debt	216.5	220.9	432.5
Other non-cash movements	**-**	-	(0.6)
Movement in net debt in the period	**561.2**	(17.2)	260.3
Reconciliation to movement in adjusted net debt			
Ring-fenced cash	**(86.0)**	82.9	53.3
IFRS 16 lease liabilities	**(523.5)**	(186.4)	(364.4)
Movement in adjusted net debt	**(48.3)**	(120.7)	(50.8)
Reconciliation to free cash flow			
Add back: Acquisitions and strategic growth	**12.0**	9.5	35.3
Add back: Dividends	**26.8**	26.9	38.9
Add back: Share buyback	**45.5**	48.7	50.4
Free cash flow	**36.0**	(35.6)	73.8

[1] Restatement reflects a reclassification between capital grant funding inflows and working capital outflows.

Free cash flow for the 26 weeks ended 26 September 2026 is as follows:

	Open Access & Contract Rail £m	DfT TOCs & Rail Services £m	First Bus £m	Group Items £m	**Total Group £m**
EBITDA	2.5	12.9	84.2	(6.9)	**92.7**
DfT TOC management fees	-	-	-	-	**-**
Working capital	9.1	(3.1)	(32.4)	(5.2)	**(31.6)**
Cash flow from operations	11.6	9.8	51.8	(12.1)	**61.1**
Capital expenditure	(1.2)	(0.7)	(68.4)	-	**(70.3)**
Disposal proceeds	-	-	10.9	-	**10.9**
Pension payment lower than Income Statement	-	-	(3.1)	17.3	**14.2**
Proceeds from business disposal	-	47.4	-	-	**47.4**
Interest and tax	0.3	-	(4.7)	(5.0)	**(9.4)**
Other movements	-	-	(1.2)	(16.7)	**(17.9)**
Free cash flow	10.7	56.5	(14.7)	(16.5)	**36.0**

Free cash flow for the 26 weeks to 27 September 2025 was as follows:

	Open Access & Contract Rail £m	DfT TOCs & Rail Services £m	First Bus £m	Group Items £m	**Total Group £m**
EBITDA	17.1	11.8	73.3	(5.7)	**96.5**
DfT TOC management fees	-	9.2	-	-	**9.2**
Working capital	5.6	(10.6)	(11.7)	(0.6)	**(17.3)**
Cash flow from operations	22.7	10.4	61.6	(6.3)	**88.4**
Capital expenditure	-	(0.4)	(114.8)	-	**(115.2)**
Disposal proceeds	-	0.3	11.0	0.1	**11.4**
Pension payment higher than Income Statement	(0.6)	-	(0.7)	0.2	**(1.1)**
Interest and tax	(0.1)	-	(3.3)	(0.6)	**(4.0)**
Other movements	1.0	1.4	1.6	(19.1)	**(15.1)**
Free cash flow	23.0	11.7	(44.6)	(25.7)	**(35.6)**

Capital expenditure

Non-First Rail gross capital expenditure before government grant funding was £76.8m (H1 2026: £94.4m, including assets from acquisitions). First Rail gross capital expenditure was £14.3m (H1 2026: £20.0m) and is typically matched by receipts from the DfT under current contractual arrangements or other funding.

During the period, asset-backed financial liabilities were entered into in First Bus of £14.9m (H1 2026: £40.5m). In addition, during the period the Group entered into leases with a right of use value of £23.1m comprising First Rail £12.4m, First Bus £10.4m and Group items £0.3m (H1 2026: £22.0m, comprising First Rail £5.0m, First Bus £16.2m and Group items £0.8m).

Gross capital investment (fixed asset and software additions plus right of use asset additions) was £114.2m (H1 2026: £136.4m including assets from acquisitions) and comprised First Bus £87.2m, First Rail £26.7m and Group items £0.3m (H1 2026: First Bus £110.6m, First Rail £25.0m and Group items £0.8m). The balance between gross capital expenditure and gross capital investment represents new leases and the recognition of additional right of use assets in the year.

Funding
As at the period end, the Group had £295.0m (FY 2026: £295.0m) of undrawn committed borrowing available under its Revolving Credit Facility (RCF). In addition there was £30.7m (FY 2026: £43.0m) of committed headroom available under the Husk Finance Facility, and £26.1m (FY 2026: £26.1m) under the NextGen battery facility. Total undrawn committed headroom under all facilities at the period end stood at £351.8m (FY 2026: £364.1m).

Net debt
As at 26 September 2026 the Group's adjusted net debt, which excludes IFRS 16 lease liabilities and ring-fenced cash, was £(186.0)m (FY 2026: £(137.7)m). Reported net debt was £(164.1)m (FY 2026: £(725.3)m) after IFRS 16 and including ring-fenced cash of £348.4m (FY 2026: £262.4m). Rail IFRS 16 debt reduced significantly, mainly as a result of the lease reassessment resulting from the confirmation of the GWR NRC expiry date.

Analysis of net debt	**26 September 2026 £m**	27 September 2025 (restated[1]) £m	28 March 2026 £m
Bank loans and overdrafts	**39.5**	97.8	25.5
Lease liabilities	**326.5**	1,028.0	850.0
Asset backed financial liabilities	**154.7**	147.2	152.3
NextGen (Hitachi JV) facility	**27.3**	23.6	27.4
Bank loans	**102.4**	127.2	102.1
Gross debt excluding accrued interest	**650.4**	1,423.8	1,157.3
Cash	**(137.9)**	(188.2)	(169.6)
First Rail ring-fenced cash and deposits	**(344.0)**	(226.4)	(260.8)
Other ring-fenced cash and deposits	**(4.4)**	(6.4)	(1.6)
Net debt excluding accrued interest	**164.1**	1,002.8	725.3
IFRS 16 lease liabilities – rail	**183.9**	877.7	702.3
IFRS 16 lease liabilities – non-rail	**142.6**	150.3	147.7
IFRS 16 lease liabilities – total	**326.5**	1,028.0	850.0
Net cash excluding accrued interest (pre-IFRS 16)	**(162.4)**	(25.2)	(124.7)
Adjusted net debt (pre-IFRS 16 and excluding ring-fenced cash)	**186.0**	207.6	137.7

1 Restatement reflects finalisation of acquisition accounting adjustments for First Bus London business.

Under the terms of the First Rail contractual agreements with the DfT, cash can only be distributed by the TOCs either up to the lower amount of their retained profits or the amount determined by prescribed liquidity ratios. The ring-fenced cash represents that which is not yet approved for distribution while prior year fees are being finalised, or the amount required to satisfy the liquidity ratios at the balance sheet date. The London Overground concession also holds ring-fenced cash insofar as it is available for use by the Overground operation, but not by the wider Group until it has been distributed by First Rail London.

Interest rate risk
Exposure to floating interest rates is managed to ensure that at least 50% (but at no time more than 100%) of the Group's pre-IFRS 16 gross debt is fixed rate for the medium term.

Fuel and electricity price risk
We use a progressive forward hedging programme to manage commodity risk. As at November 2026, 83% of our 'at risk' First Bus diesel requirements for H2 2027 was hedged at an average rate of 42.8p per litre, 68% of our requirements for the year to the end of March 2028 at 43.3p per litre, and 3% of our requirements for the year to the end of March 2029 at 48.1p per litre. We also have an electricity hedge programme in place, with 87% of our consumption (based on current consumption forecasts) hedged for H2 2027 at £79/MWh, c.75% for FY 2028 at £73/MWh and 55% for FY 2029 at £70/MWh.

Foreign currency risk
'Certain' and 'highly probable' foreign currency transaction exposures (including fuel purchases for the UK divisions) may be hedged at the time the exposure arises for up to two years at specified levels, or longer if there is a very high degree of certainty. The Group does not hedge the translation of earnings into the Group reporting currency but accepts that reported Group earnings will fluctuate as exchange rates against pounds Sterling fluctuate for the currencies in which the Group does business, although this exposure is materially

reduced following the sales of the North American divisions. During the year, the net cash generated in each currency may be converted by Group Treasury into pounds Sterling by way of spot transactions in order to keep the currency composition of net debt broadly constant.

Foreign exchange

The most significant exchange rates to pounds Sterling for the Group are as follows:

	26 September 2026		27 September 2025		28 March 2026	
	Closing rate	**Effective rate**	Closing rate	Effective rate	Closing rate	Effective rate
US Dollar	**1.32**	**1.34**	1.34	1.35	1.33	1.35
Canadian Dollar	**1.87**	**1.87**	1.87	1.87	1.84	1.84
Euro	**1.16**	**1.16**	1.15	1.15	1.15	1.16

Pensions

Pension assumptions have been updated for the defined benefit schemes in the UK. The net pension surplus of £19.9m at the beginning of the reporting period moved to a net surplus of £34.5m as at 26 September 2026, with the movement principally due to changes in financial assumptions (primarily an increase in discount rates), partly offset by losses from asset returns. The main factors that influence the balance sheet position for pensions and the principal sensitivities to their movement at 26 September 2026 are set out below:

	Movement	**Impact**
Discount rate	-0.1%	Increase deficit by £9m
Inflation	+0.1%	Increase deficit by £8m
Life expectancy	+1 year	Increase deficit by £28m

Balance sheet

Net assets have increased by £49.5m since 28 March 2026.

Balance sheets – net assets/(liabilities)	**As at 26 September 2026 £m**	As at 27 September 2025 (restated[1]) £m	As at 28 March 2026 £m
First Bus	**1,020.1**	878.4	956.7
First Rail	**(98.2)**	685.2	450.7
Divisional net assets	**921.9**	1,563.6	1,407.4
Group items (including Greyhound Canada)	**74.7**	94.5	69.8
Borrowings and cash	**(164.1)**	(1,002.8)	(725.3)
Taxation	**(63.5)**	(15.3)	(32.4)
Total	**769.0**	640.0	719.5

1 Restatement reflects finalisation of acquisition accounting adjustments for First Bus London business.

Events after the reporting period

On 27 September 2026, First Trenitalia West Coast Rail Limited received notice from the DfT that its NRC would expire on 7 March 2027, at which time the Group's West Coast Partnership business (comprising Avanti West Coast and West Coast Partnership Development) will hand over to the DfT Operator.

On 2 November 2026, the Group completed the disposal of five depots to the West Yorkshire Combined Authority (WYCA) for consideration of £55m, as WYCA moves to bus franchising arrangements. At the reporting date, these depots had been recognised as Held for Sale on the balance sheet.

During October 2026, the Group announced the acquisition of two coach operators – KB Coaches, a Gloucester-based coach operator, and Peace Coaches, based in Aberdeenshire.

In November, the Group announced it had acquired the Colchester depot and routes previously operated by Arriva.

On 8 October 2026, the Company reduced its share premium account by £500 million, which was transferred to its retained earnings account, creating additional distributable reserves for the Group.

The Group completed the buy-in of its Group Section Pension Liabilities, utilising c.£22m of the Group Section escrow funds, with £17.5m returned to the Group before the end of the reporting period. For the purposes of measuring the IAS 19 Retirement Benefits balance at the reporting date, the buy-in contract had not yet become effective and so the Group's IAS 19 information is reported before the buy-in transaction.

Going concern
The Board carried out a review of the Group's financial projections for the 18 months to 31 March 2028 and having regard to the risks and uncertainties to which the Group is exposed, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the condensed consolidated financial statements in the half-yearly report have been prepared on the going concern basis.

Definitions
Unless otherwise stated, all financial figures for the 26 weeks to 26 September 2026 (the 'first half', the 'period' or 'H1 2027') include the results and financial position of the First Rail business for the period ended 19 September 2026 and the results of all other businesses for the 26 weeks ended 26 September 2026. The figures for the 26 weeks to 27 September 2025 (the 'prior period' or 'H1 2026') include the results and financial position of the First Rail business for the period ended 13 September 2025 and the results of all other businesses for the 26 weeks ended 27 September 2025. Figures for the 52 weeks to 28 March 2026 ('FY 2026') include the results and financial position of the First Rail business for the year ended 31 March 2026 and the results of all other businesses for the 52 weeks ended 28 March 2026.

'Cont.' or the 'Continuing operations' refer to First Bus, First Rail and Group items including Greyhound Canada.

'Disc.' or the 'Discontinued operations' refer to First Student, First Transit and Greyhound US.

References to 'adjusted operating profit', 'adjusted profit before tax', 'adjusted earnings' and 'adjusted EPS' throughout this document are before the adjusting items as set out in note 3 to the financial statements, and in the case of 'adjusted earnings' and 'adjusted EPS', excluding the impact of IFRS 16 for the Group's management fee-based Rail operations.

'EBITDA' is adjusted operating profit less capital grant amortisation plus depreciation and intangible amortisation.

The Group's 'EBITDA adjusted for First Rail management fees' is First Bus and First Rail EBITDA from Open Access, contracted rail and Rail Services on a pre-IFRS 16 basis, plus First Rail attributable net income from management fee-based operations, minus central costs.

'Adjusted revenue' is revenue excluding that element of DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk. The Adjusted revenue measure includes management and performance fee income earned by the Group from its DfT TOC contracts.

'Adjusted earnings' is the Group's statutory profit for the period attributable to equity holders of the parent, excluding adjusting items as detailed in note 3, and also excluding the impact of IFRS 16 for the Group's management fee-based Rail operations.

'Net debt/(cash)' is the value of Group external borrowings, excluding accrued interest, less cash balances.

'Adjusted net debt/(cash)' excludes ring-fenced cash and IFRS 16 lease liabilities from net debt/(cash).

Forward-looking statements
Certain statements included or incorporated by reference within this document 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 document 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 document.

Principal risks and uncertainties
The Board has conducted a thorough assessment of the principal risks and uncertainties facing the Group for the remainder of the financial year, including those that would threaten the successful and timely delivery of its strategic priorities, future performance, solvency and liquidity.

There are a number of risks and uncertainties facing the Group in the remaining six months of the financial year in addition to those mentioned in the Business and Financial Reviews. The underlying principal risks and uncertainties in our operating businesses remain broadly consistent with those set out in detail on pages 60 to 69 of the Annual Report and Accounts 2026.

Several of the principal risks remain more elevated currently given the wider geopolitical and related economic backdrop. The Principal Risks are:

- Economic conditions
- Geopolitical
- Climate
- Growth and Diversification
- Financial resources
- Safety
- Regulatory compliance
- Information Security, including cyber and resilience
- People

For a full summary of the Principal Risks and Uncertainties facing the Group, please refer to the Annual Report and Accounts 2026 at Annual Report 2026 – FirstGroup plc

Graham Sutherland

Chief Executive Officer
16 November 2026

Ryan Mangold

Chief Financial Officer
16 November 2026

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	**Unaudited 26 weeks to 26 September 2026 £m**	Unaudited 26 weeks to 27 September 2025 £m
Revenue	2, 4	**2,366.8**	2,297.6
Operating costs before gain on business disposal		**(2,259.1)**	(2,194.0)
Gain on business disposal		**46.3**	-
Operating costs		**(2,212.8)**	(2,194.0)
Operating profit		**154.0**	103.6
Investment income	5	**2.4**	3.6
Finance costs	5	**(23.7)**	(30.9)
Profit before tax		**132.7**	76.3
Tax	6	**(20.6)**	(19.1)
Profit from continuing operations		**112.1**	57.2
Profit/(loss) from discontinued operations	4	**-**	(0.2)
Profit for the period		**112.1**	57.0
Attributable to:			
Equity holders of the parent		**109.4**	55.5
Non-controlling interests		**2.7**	1.5
		112.1	57.0
Earnings per share			
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company			
Basic	7	**20.5p**	9.9p
Diluted	7	**20.1p**	9.5p
Earnings per share for profit attributable to the ordinary equity holders of the company			
Basic	7	**20.5p**	9.9p
Diluted	7	**20.1p**	9.5p
Adjusted results (from continuing operations)[1]			
Adjusted operating profit	3	**110.5**	103.6
Adjusted profit before tax		**89.2**	76.3
Adjusted EPS	7	**8.4p**	9.9p
Adjusted diluted EPS	7	**8.3p**	9.5p

[1] *Adjusted for certain items as set out in note 3 and note 7.*

The accompanying notes form an integral part of this consolidated income statement.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 26 weeks to 26 September 2026 £m	Unaudited 26 weeks to 27 September 2025 £m
Profit for the period	**112.1**	57.0
Items that will not be reclassified subsequently to profit or loss		
Actuarial gains/(losses) on defined benefit pension schemes	**14.1**	(52.6)
Deferred tax on actuarial (gains)/losses on defined benefit pension schemes	**(3.5)**	13.2
	10.6	(39.4)
Items that may be reclassified subsequently to profit or loss		
Hedging instrument movements	**26.4**	(1.0)
Deferred tax on hedging instrument movements	**(6.6)**	0.3
Exchange differences on translation of foreign operations – continuing operations	**(0.1)**	(4.3)
Exchange differences on translation of foreign operations – discontinued operations	**-**	4.7
	19.7	(0.3)
Other comprehensive income/(loss) for the period	**30.3**	(39.7)
Total comprehensive income for the period	**142.4**	17.3
Attributable to:		
Equity holders of the parent	**139.7**	15.8
Non-controlling interests	**2.7**	1.5
	142.4	17.3
Total comprehensive income for the period attributable to owners of FirstGroup plc arises from:		
Continuing operations	**142.4**	12.8
Discontinued operations	-	4.5
	142.4	17.3

The accompanying notes form an integral part of this consolidated statement of comprehensive income.

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	Unaudited 26 September 2026 £m	Audited 28 March 2026 £m
Non-current assets			
Goodwill	8	**160.8**	157.0
Other intangible assets		**23.2**	21.9
Property, plant and equipment	9	**1,216.0**	1,727.1
Non-current receivables	11	**1.3**	1.5
Deferred tax assets		**3.4**	18.2
Retirement benefit assets	19	**38.2**	22.0
Derivative financial instruments	14	**7.7**	3.9
Financial assets	14	**49.6**	71.6
Investments		**2.2**	2.3
Investments in associates		**2.0**	2.0
		1,504.4	2,027.5
Current assets			
Inventories		**29.1**	29.3
Trade and other receivables	11	**603.8**	586.4
Current tax assets		**5.2**	6.2
Cash and cash equivalents	18	**486.3**	432.0
Derivative financial instruments	14	**28.8**	19.6
Financial assets	14	**0.4**	0.4
Assets held for sale	10	**20.4**	-
		1,174.0	1,073.9
Total assets		**2,678.4**	3,101.4
Current liabilities			
Trade and other payables		**926.4**	888.9
Tax liabilities - Other tax and social security		**60.8**	56.8
Borrowings	12	**227.8**	447.1
Derivative financial instruments	14	**0.5**	0.6
Provisions	15	**63.5**	68.5
Current liabilities		**1,279.0**	1,461.9
Net current liabilities		**(105.0)**	(388.0)
Non-current liabilities			
Other payables		**106.0**	120.5
Borrowings	12	**422.6**	710.2
Derivative financial instruments	14	**0.1**	-
Deferred tax liabilities		**11.3**	-
Retirement benefit liabilities	19	**3.7**	2.1
Provisions	15	**86.7**	87.2
		630.4	920.0
Total liabilities		**1,909.4**	2,381.9
Net assets		**769.0**	719.5
Equity			
Share capital	16	**28.5**	28.5
Share premium		**693.3**	693.3
Hedging reserve		**24.7**	15.6
Other reserves		**31.4**	31.4
Own shares		**(24.7)**	(37.5)
Translation reserve		**(21.6)**	(21.5)
Retained earnings		**25.2**	0.2
Equity attributable to equity holders of the parent		**756.8**	710.0
Non-controlling interests		**12.2**	9.5
Total equity		**769.0**	719.5

The accompanying notes form an integral part of this consolidated balance sheet.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital £m	Share premium £m	Hedging reserve £m	Other reserves £m	Own shares £m	Translation reserve £m	Retained earnings/ (deficit) £m	Total £m	Non-controlling interests £m	Total equity £m
Balance at 28 March 2026	**28.5**	**693.3**	**15.6**	**31.4**	**(37.5)**	**(21.5)**	**0.2**	**710.0**	**9.5**	**719.5**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**109.4**	**109.4**	**2.7**	**112.1**
Other comprehensive income/(loss) for the period	**-**	**-**	**19.8**	**-**	**-**	**(0.1)**	**10.6**	**30.3**	**-**	**30.3**
Total comprehensive income/(loss) for the period	**-**	**-**	**19.8**	**-**	**-**	**(0.1)**	**120.0**	**139.7**	**2.7**	**142.4**
Derivative hedging instrument movements transferred to balance sheet (net of tax)	**-**	**-**	**(10.7)**	**-**	**-**	**-**	**-**	**(10.7)**	**-**	**(10.7)**
Transactions with owners in their capacity as owners										
Shares bought back but not yet cancelled	**-**	**-**	**-**	**-**	**-**	**-**	**(45.5)**	**(45.5)**	**-**	**(45.5)**
Movement in EBT and treasury shares	**-**	**-**	**-**	**-**	**12.8**	**-**	**(26.7)**	**(13.9)**	**-**	**(13.9)**
Share-based payments	**-**	**-**	**-**	**-**	**-**	**-**	**4.4**	**4.4**	**-**	**4.4**
Deferred tax on share-based payments	**-**	**-**	**-**	**-**	**-**	**-**	**(0.4)**	**(0.4)**	**-**	**(0.4)**
Dividends paid	**-**	**-**	**-**	**-**	**-**	**-**	**(26.8)**	**(26.8)**	**-**	**(26.8)**
Balance at 26 September 2026 (unaudited)	**28.5**	**693.3**	**24.7**	**31.4**	**(24.7)**	**(21.6)**	**25.2**	**756.8**	**12.2**	**769.0**
Balance at 29 March 2025	37.5	693.3	(2.2)	22.4	(31.1)	(21.9)	(1.3)	696.7	15.8	712.5
Profit for the period	-	-	-	-	-	-	55.5	55.5	1.5	57.0
Other comprehensive income/(loss) for the period	-	-	(0.7)	-	-	0.4	(39.4)	(39.7)	-	(39.7)
Total comprehensive income/(loss) for the period	-	-	(0.7)	-	-	0.4	16.1	15.8	1.5	17.3
Derivative hedging instrument movements transferred to balance sheet (net of tax)	-	-	1.6	-	-	-	-	1.6	-	1.6
Transactions with owners in their capacity as owners										
Shares bought back but not yet cancelled	-	-	-	-	-	-	(48.7)	(48.7)	-	(48.7)
Liability for shares not yet bought back	-	-	-	-	-	-	(1.7)	(1.7)	-	(1.7)
Movement in EBT and treasury shares	-	-	-	-	(7.8)	-	(13.5)	(21.3)	-	(21.3)
Share-based payments	-	-	-	-	-	-	5.2	5.2	-	5.2
Deferred tax on share-based payments	-	-	-	-	-	-	2.0	2.0	-	2.0
Dividends paid	-	-	-	-	-	-	(26.9)	(26.9)	-	(26.9)
Balance at 27 September 2025 (unaudited)	37.5	693.3	(1.3)	22.4	(38.9)	(21.5)	(68.8)	622.7	17.3	640.0

The accompanying notes form an integral part of this consolidated statement of changes in equity.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Note	Unaudited 26 weeks to 26 September 2026 £m	Unaudited 26 weeks to 27 September 2025 (restated) £m
Cash generated by operations		**385.0**	251.1
Tax (paid)/received		**(1.8)**	1.9
Interest paid		**(22.3)**	(30.7)
Net cash from operating activities	17	**360.9**	222.3
Investing activities			
Interest received		**1.5**	3.2
Proceeds from disposal of property, plant and equipment		**11.5**	11.4
Purchases of property, plant and equipment		**(83.6)**	(132.8)
Purchases of software		**(3.9)**	(3.6)
Proceeds from capital grant funding		**11.4**	13.6
Acquisitions of businesses, net of cash acquired		**(9.3)**	(7.5)
Proceeds from disposal of businesses		**47.4**	-
Investment in associate		**-**	(2.0)
Net cash from investing activities		**(25.0)**	(117.7)
Financing activities			
Shares purchased by Employee Benefit Trust		**(17.9)**	(20.3)
Treasury shares purchased via share buyback schemes and directly associated costs		**(45.5)**	(48.7)
External dividends paid		**(26.8)**	(26.9)
Term loan drawdown		**-**	35.0
Repayment of revolving credit facility		**(60.0)**	(74.5)
Proceeds from revolving credit facility		**60.0**	100.0
Repayment of asset backed financial liabilities		**(12.3)**	(8.8)
Proceeds from asset backed financial liabilities		**12.2**	40.5
Proceeds from NextGen facility		-	3.7
Repayment of lease liabilities		**(204.2)**	(212.1)
Fees for financing facilities		**(1.2)**	-
Net cash flow used in financing activities		**(295.7)**	(212.1)
Net increase/(decrease) in cash and cash equivalents before foreign exchange movements		**40.2**	(107.5)
Cash and cash equivalents at beginning of period		**406.5**	430.7
Foreign exchange movements		**0.1**	-
Cash and cash equivalents at the end of the period		**446.8**	323.2

Cash flow from discontinued operations			
Net cash inflow/(outflow) from operating activities		**-**	0.2
Net cash flow from investing activities		**-**	-
Net cash flow from financing activities		**-**	-
Net cash flow from discontinued operations		**-**	0.2

Cash and cash equivalents are included within current assets on the consolidated balance sheet. Cash and cash equivalents includes ring-fenced cash of £348.4m in H1 2027 (full year 2026: £262.4m). The most significant ring-fenced cash balances are held by the Group's First Rail subsidiaries. All non-distributable cash in the DfT TOCs and London Overground concession is considered ring-fenced under the terms of their contracts.

Reconciliation to cash flow statement

	Note	Unaudited 26 September 2026 £m	Audited 28 March 2026 £m
Cash and cash equivalents – balance sheet	18	**486.3**	432.0
Bank overdraft	18	**(39.5)**	(25.5)
Balances per consolidated cash flow statement		**446.8**	406.5

Note to the condensed consolidated cash flow statement – reconciliation of net cash flow to movement in net debt

	Note	**Unaudited 26 weeks to 26 September 2026 £m**	Unaudited 26 weeks to 27 September 2025 £m
Net increase/(decrease) in cash and cash equivalents in period		**40.2**	(107.5)
Increase in debt excluding leases and asset backed financial liabilities		**-**	(64.2)
Repayment of lease liabilities and asset backed financial liabilities		**216.5**	220.9
Reassessment/(inception) of leases and asset backed financial liabilities		**304.4**	(66.4)
Foreign exchange movements and other non-cash items		**0.1**	-
Movement in net debt in period		**561.2**	(17.2)
Net debt at beginning of period		**(725.3)**	(974.8)
Net debt at end of period	18	**(164.1)**	(992.0)

Management considers that adjusted cash flow is an appropriate measure for assessing the Group cash flow as it is the measure that is used to assess both Group and divisional cash performance against budgets and forecasts. Adjusted cash flow is stated prior to cash flows in relation to debt excluding leases.

The accompanying notes form an integral part of this consolidated cash flow statement.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1 Basis of preparation

The half yearly results for the 26 weeks to 26 September 2026 include the results and financial position of the First Rail division for the period ended 19 September 2026 and the results and financial position for the other divisions for the 26 weeks ended 26 September 2026. The comparative figures for the 26 weeks to 27 September 2025 include the results of the First Rail division for the period ended 13 September 2025 and the results of the other divisions for the 26 weeks ended 27 September 2025. The comparative figures for the 52 weeks ended 28 March 2026 include the financial position of the First Rail division at 31 March 2026 and the financial position of the other divisions at 28 March 2026.

These half yearly results do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 28 March 2026 were approved by the board of directors on 17 June 2026 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

These condensed consolidated interim financial statements for the half year reporting period for the 26 weeks to 26 September 2026 have been prepared in accordance with the UK-adopted International Accounting Standard 34 Interim Financial Reporting and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The condensed consolidated interim financial statements do not include all of the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 28 March 2026, and any public announcements made by FirstGroup plc during the interim reporting period.

The accounting policies applied are consistent with those described in the Group's latest annual audited financial statements, except for income tax which at the interim is based on applying expected full year effective tax rates to the interim results. There has been no material change as a result of applying these amendments. We have also included certain non-GAAP measures in order to reflect management's reported view of financial performance excluding certain other items.

These results are unaudited but have been reviewed by the auditor. The comparative figures for the 26 weeks to 27 September 2025 are unaudited and are derived from the condensed consolidated interim financial statements for that period, which was also reviewed by the auditor.

Going concern – basis of preparation
The Directors have carried out a review of the Group's financial projections for the 18 months to 31 March 2028, with due regard for the risks and uncertainties to which the Group is exposed, the uncertain economic climate and the impact that this could have on trading performance. The review also considered the Group's net current liabilities position at 26 September 2026. Based on this review, the Directors believe that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the half yearly results have been prepared on the going concern basis in preparing this report.

Evaluation of going concern
The Board evaluated whether it was appropriate to prepare the half yearly results in this report on a going concern basis and in doing so considered whether any material uncertainties exist that cast doubt on the Group's and the Company's ability to continue as a going concern over the going concern period.

Consistent with prior years, the Board's going concern assessment is based on a review of future trading projections, including whether banking covenants are likely to be met and whether there is sufficient committed facility headroom to accommodate future cash flows for the going concern period.

Divisional management teams prepared detailed, bottom-up projections for their businesses reflecting the impact of the macroeconomic considerations on the operating environment, assumptions on passenger volumes and government support, and the potential impact of government policy changes. Projections considered the impact of actions required to address the Group's climate-related targets and ambitions, and also took into account the risks and uncertainties to which the Group is exposed.

Base case scenario
These projections were the subject of a series of executive management reviews and were used to update the base case scenario that was used for the purposes of the going concern assessment at the 2026 year end. The Bus base case assumes a gradual net profit increase from passenger volumes and yields in FY 2027, with some offset from cost inflation. The base case also reflects the impact of acquisitions completed, and the anticipated impact of bus franchising contracts which the Group has been awarded. The Rail base case reflects the expiry dates of the Group's remaining NRCs, and the London Overground contract which commenced in May 2026. The macro projections in the updated base case assume that the UK operates in a low-growth economy with inflationary pressures. The projections also capture the expected financial impact of the actions required to support the Group's climate-related targets and ambitions, and the cash flow impact of other capital allocation decisions which the Group may consider.

1 Basis of preparation (continued)

Severe, plausible downside scenario
In addition, a severe but plausible downside case was also modelled which assumes a more adverse macroeconomic profile, including the potential impacts of geopolitical instability. In First Bus the severe but plausible downside case assumes a reduction in passenger volumes, as well as the impact of other unexpected cost inflation, driving a 25% reduction in Bus profitability. In First Rail, the downside case assumes reduced TOC performance fee awards and lower volumes and revenues in Hull Trains and Lumo open access, and other unbudgeted cost and inflationary risks. The downside case also considered potential downsides of a significant climate-related event or unbudgeted decarbonisation costs, and the risk of one-off safety, regulatory non-compliance or technology incidents. The downside scenario also takes into account some controllable mitigating actions available to the Group.

Mitigating actions
If the future operating environment of the Group were to be more challenging than assumed in the base case or downside case scenarios, the Group would further reduce and defer planned growth capital expenditure and further reduce costs in line with a lower-volume operating environment, to the extent that the essential services we operate in First Bus are not required to be run for the governments and communities we support. In a more severe scenario than the downside scenario described above, further mitigating actions could be taken in relation to capital allocation decisions.

Going concern statement
Based on the scenario modelling undertaken, and the potential mitigating actions referred to above, the Board is satisfied that the Group's liquidity and covenant headroom over the going concern period is sufficient for the business needs.

Operating and financial review
The operating and financial review considers the impact of seasonality on the Group and also the principal risks and uncertainties facing it in the remaining six months of the financial year.

Summary of significant events in the Group
Significant events during the period in relation to the change in the financial position and performance of the Group:

First Bus
On 2 April, the Group announced its acquisition of Eagle Coaches, a coaching business based in Bristol, and on 10 April 2026 the Group announced its acquisition of Wilfreda Luxury Coaches Limited, a Doncaster-based coaching business.

On 1 September, the Group announced that First Bus had been chosen to operate services in Bramley and Huddersfield as part of the West Yorkshire Combined Authority's move to bus franchising.

First Rail
On 3 May, the Group's First Rail London Limited (FRL) subsidiary commenced the operation of the London Overground rail contract on behalf of Transport for London (TfL).

On 7 May, First Greater Western Railway Limited received notice from the DfT that its NRC would expire on 13 December 2026, at which point GWR will hand over to the DfT Operator.

On 25 May, the Group's new Lumo West Coast open access rail operator commenced services between London Euston and Stirling, and which became fully operational in August.

On 23 August, the Group completed the sale of its Mistral Data Limited business to Tracsis plc.

Group
On 18 June, the Group announced a £100m share buyback programme, and at 26 September 2026 the Group had repurchased 25,038,129 shares for a total consideration of £45.5m, including transaction costs.

As part of the transaction to buy-in of the Group Section Pension liabilities which completed in early October, £17.5m of the Group Section escrow funds was returned to the Group immediately before the H1 2027 period end date.

Restatements
The prior year Cash flow statement and Net cash from operating activities note have been restated for a reclassification between Proceeds from capital grant funding inflows (investing activities) and Movements in payables (operating activities). This restatement has reduced both Capital grant funding inflows and Payables outflows by £24.7m.

Key sources of estimation uncertainty and significant accounting judgements
The preparation of these half yearly results requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Although these estimates are based on management's best knowledge, actual results may ultimately differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

In preparing these half yearly results, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty for the consolidated financial statements for the year ended 28 March 2026 have continued to be applied.

In addition to these, following the commencement of the London Overground concession in May between the Group's subsidiary First Rail London (FRL), and Rail for London (RfL), the Group has concluded that IFRIC 12 Service

concession arrangements should apply to the London Overground operation. FRL provides rail passenger services involving the use of infrastructure on behalf of a public sector entity (RfL), with RfL as grantor paying FRL as operator for its services, and where the infrastructure transfers to the RfL as grantor at the end of the arrangement.

This half yearly report has been prepared in respect of the Group as a whole and accordingly matters identified as being significant or material are so identified in the context of FirstGroup plc and its subsidiary undertakings taken as a whole.

These condensed consolidated interim financial statements were approved by the Board on 16 November 2026.

2 Revenue

Passenger revenue in First Bus was £406.5m (H1 2026: £398.4m) with the increase mainly due to higher passenger yields and increased revenue per mile. First Bus revenue also grew in its Business and Coach, and Franchising (including First Bus London) businesses. First Rail passenger revenue was £1,193.0m (H1 2026: £1,290.5m).

The principal direct fiscal support recognised within revenue during the period comprised £10.8m (H1 2026: £10.7m) of funding in First Bus. These are recognised within revenue in accordance with IFRS 15 (as per our policy on revenue recognition in the 2026 Annual Accounts), when control of the good or service is transferred to the customer and the Group is entitled to the consideration.

The main direct fiscal support recognised in revenue over time for each division has been as follows:

First Bus: The English, Scottish and Welsh Governments have each supported bus operators, through a variety of funding schemes since March 2020. In England the BSOG+ scheme provides funding through enhanced BSOG rates per litre and an additional payment per km operated for eligible miles. In addition to this the DfT implemented a cap on single fares in January 2023, starting at £2 and increasing to £3 in January 2025, with operators being reimbursed for any revenue foregone as a result of the reduced ticket prices. A £2 fare cap will be reintroduced in England (excluding London) for the 2027 calendar year. In Scotland, funding is provided by the NSG scheme which replaced their BSOG scheme. Transport for Scotland launched a £2 fare cap in certain regions in September 2026. In Wales funding is provided through BSSG and the tendering of routes which are no longer commercially viable.

First Rail: The DfT TOC NRCs transferred substantially all revenue and cost risk to the government and for the current year and prior year periods, our First Rail franchises were operated under the terms of these arrangements.

- GWR operated under an NRC to June 2028. On 7 May 2026, First Greater Western Railway Ltd received notice from the DfT that its NRC would expire on 13 December 2026, at which point GWR will hand over to the DfT Operator
- WCP/Avanti were awarded a nine-year NRC in September 2023, with a minimum core three-year term to October 2026. On 27 September 2026, WCP/Avanti received notice from the DfT that its NRC would expire on 7 March 2027, at which point WCP/Avanti will hand over to the DfT Operator
- SWR operated under an NRC which expired on 25 May 2025

Under the arrangements, our franchised TOCs are paid a fixed management fee to continue to operate the rail network at a service level agreed with the government. Performance based fees are earned through a combination of scorecards and quantified target methodologies benchmarked off this agreed service level. DfT funding including the management and performance fee is recognised as revenue in Rail contracts subsidy receipts, in line with the revenue recognition policy for contract subsidy receipts from the DfT.

For the London Overground operation, concession payments in Revenue relate to amounts receivable from Rail for London (RfL), and are presented in line with IFRIC 12 Service concession arrangements and IFRS 15 Revenue from Contracts with Customers. Income is accrued where it is earned in an earlier period to that in which it is invoiced or received in cash, and income is deferred where it is received in an earlier period than that to which it relates.

Disaggregated revenue by operating segment is set out in note 4.

3 Reconciliation to non-GAAP measures and performance

In measuring the Group and divisional adjusted operating performance, additional financial measures derived from the reported results have been used by management in order to eliminate factors which distort year-on-year comparisons, and to enable the like-for-like monitoring of the Group's recurring operations over time. The Group's adjusted performance is used to explain year-on-year changes when the effect of certain items is significant, including strategic items (including material M&A and group restructuring projects), costs of acquisitions including aborted acquisitions, and impairment of assets. Other items below £5.0m would not normally be considered as adjusting items unless part of a larger strategic project, but items which distort year-on-year comparisons could potentially be classified as an adjusting item and are assessed on a case-by-case basis. Such potential adjusting other items include: restructuring and reorganisation costs; property gains or losses; aged legal and self-insurance claims; movements on insurance discount rates; onerous contract provisions; pension settlement gains or losses; and other items which management has determined as not being relevant to an understanding of the Group's underlying business performance. Subsequent remeasurements of adjusting items are also recognised as an adjusting item in the future period in which the remeasurement occurs.

3 Reconciliation to non-GAAP measures and performance (continued)

Reconciliation of operating profit to adjusted operating profit on a continuing basis	**26 weeks to 26 September 2026 £m**	26 weeks to 27 September 2025 £m
Operating profit on a continuing basis	**154.0**	103.6
Adjustments for:		
Mistral gain on disposal	**(46.3)**	-
Pension equalisation and other charges	**2.8**	-
Total adjusting operating profit items on a continuing basis	**(43.5)**	-
Adjusted operating profit on a continuing basis	**110.5**	103.6

Reconciliation of operating (loss)/profit to adjusted operating loss on a discontinued basis	**26 weeks to 26 September 2026 £m**	26 weeks to 27 September 2025 £m
Operating loss from discontinued operations	**-**	(0.2)
Total adjusting operating profit items from discontinued operations	**-**	-
Adjusted operating loss from discontinued operations	**-**	(0.2)

Reconciliation of profit before tax to adjusted earnings	**26 weeks to 26 September 2026 £m**	26 weeks to 27 September 2025 £m
Profit before tax (including discontinued operations)[1]	**132.7**	76.1
Adjusting operating profit items – continuing operations	**(43.5)**	-
Adjusting operating profit items – discontinued operations	**-**	-
Adjusting operating profit items – total operations	**(43.5)**	-
Adjusted profit before tax including discontinued operations	**89.2**	76.1
Rail management fee-based operations – IFRS 16 adjustment	**(21.4)**	0.6
Adjusted tax charge	**(21.3)**	(19.1)
Non-controlling interests[2]	**(1.6)**	(2.3)
Adjusted earnings including discontinued operations	**44.9**	55.3

1 See note 4.
2 Non-controlling interests principally reflects Avanti West Coast and, in the prior year, South Western Railway.

Adjusting items

On 23 August 2026, the Group disposed of its Mistral Data Services Limited (Mistral) business to Tracsis plc for consideration of £48.9m giving rise to an adjusted profit on disposal of £46.3m. During the first half of the year, the Group also recognised an adjusting pension equalisation charge of £2.5m.

There were no adjusting items in relation to the operating profit adjustments in the 26 weeks to 27 September 2025.

3 Reconciliation to non-GAAP measures and performance (continued)

First Bus EBITDA comprises:	**26 weeks to 26 September 2026 £m**	26 weeks to 27 September 2025 £m
Pre-IFRS 16 EBITDA	**84.2**	73.3
IFRS 16 adjustments[1]	**23.4**	18.4
First Bus adjusted EBITDA per segmental results (note 4)	**107.6**	91.7
First Rail EBITDA comprises:		
Non-management fees based TOCs	**15.4**	28.9
Group's share of management fee income available for dividends	**12.8**	15.3
Tax at 25% (H1 2026: 25%)	**4.7**	5.9
Non-controlling interest	**1.6**	2.3
IFRS 16 adjustments[1]	**186.6**	202.1
First Rail adjusted EBITDA per segmental results table (note 4)	**221.1**	254.5
Group items EBITDA comprises:		
Pre-IFRS 16 EBITDA	**(6.9)**	(5.7)
IFRS 16 adjustments[1]	**1.5**	1.3
Group items adjusted EBITDA per segmental results table (note 4)	**(5.4)**	(4.4)
First Rail adjusted operating profit comprises:		
Non-management fees based TOCs	**12.4**	26.3
Group's share of management fee income available for dividends (net of tax and non-controlling interest)	**12.8**	15.3
Non-controlling interest	**1.6**	2.3
Tax at 25% (H1 2026: 25%)	**4.7**	5.9
IFRS 16 adjustments[1]	**35.5**	16.8
First Rail adjusted operating profit per segmental results table (note 4)	**67.0**	66.6
Reconciliation of pre-IFRS 16 adjusted operating profit to post-IFRS 16 adjusted operating profit:		
Pre-IFRS 16 adjusted EBIT	**71.3**	84.4
IFRS 16 adjustments[1]	**39.2**	19.2
Post-IFRS 16 adjusted EBIT	**110.5**	103.6
Reconciliation of statutory revenue to adjusted revenue[2]:		
Revenue – statutory basis	**2,366.8**	2,297.6
Deduct: DfT TOC revenue	**(1,408.7)**	(1,526.1)
Add back: DfT TOC management and performance fees	**19.5**	23.0
Intercompany eliminations related to DfT TOCs	**33.1**	39.1
Adjusted revenue	**1,010.7**	833.6

Reconciliation of reported net debt to adjusted net debt:	**26 September 2026 £m**	28 March 2026 £m
Reported net debt	**164.1**	725.3
IFRS 16 lease liabilities	**(326.5)**	(850.0)
Ring-fenced cash	**348.4**	262.4
Adjusted net debt	**186.0**	137.7

1 IFRS 16 adjustments to EBITDA principally reflect the add back of operating lease rental costs charged to the income statement before the adoption of IFRS 16. IFRS 16 adjustments to operating profit reflect operating lease rental costs less depreciation charges on right of use assets.

2 Adjusted revenue is revenue excluding DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk. The Adjusted revenue measure includes management and performance fee income earned by the Group from its DfT TOC contracts.

4 Business segments information

For management purposes, the Group is organised into two operating divisions – First Bus and First Rail. Greyhound Canada is categorised as a Continuing Operation, although trading operations have ceased and it is reported within Group Items. The divisions are managed separately in line with the differing services that they provide and the geographical markets which they operate in. There is a clear distinction between each division and no judgement is required to identify each reportable segment.

The segment results for the 26 weeks to 26 September 2026 are as follows:

	Continuing Operations				Discontinued Operations	
	First Bus £m	First Rail £m	Group Items[1] £m	Total £m	Greyhound £m	Total £m
Passenger revenue	**406.5**	**1,193.0**	**-**	**1,599.5**	**-**	**1,599.5**
Contract revenue	**313.5**	**-**	**(5.4)**	**308.1**	**-**	**308.1**
Rail franchise subsidy receipts	**-**	**168.9**	**-**	**168.9**	**-**	**168.9**
Other	**29.9**	**260.4**	**-**	**290.3**	**-**	**290.3**
Revenue	**749.9**	**1,622.3**	**(5.4)**	**2,366.8**	**-**	**2,366.8**
Rail TOC revenue adjustments	**-**	**(1,361.4)**	**5.3**	**(1,356.1)**	**-**	**(1,356.1)**
Adjusted revenue[2]	**749.9**	**260.9**	**(0.1)**	**1,010.7**	**-**	**1,010.7**
Adjusted EBITDA[3]	**107.6**	**221.1**	**(5.4)**	**323.3**	**-**	**323.3**
Depreciation	**(62.2)**	**(185.5)**	**(1.2)**	**(248.9)**	**-**	**(248.9)**
Software amortisation	**(1.0)**	**(1.2)**	**(0.1)**	**(2.3)**	**-**	**(2.3)**
Capital grant amortisation	**5.8**	**32.6**	**-**	**38.4**	**-**	**38.4**
Adjusted operating profit	**50.2**	**67.0**	**(6.7)**	**110.5**	**-**	**110.5**
Other adjustments (note 3)	**(2.5)**	**46.3**	**(0.3)**	**43.5**	**-**	**43.5**
Operating profit/(loss)	**47.7**	**113.3**	**(7.0)**	**154.0**	**-**	**154.0**
Investment income	**0.6**	**0.4**	**1.4**	**2.4**	**-**	**2.4**
Finance costs	**(11.3)**	**(7.2)**	**(5.2)**	**(23.7)**	**-**	**(23.7)**
Profit/(loss) before tax	**37.0**	**106.5**	**(10.8)**	**132.7**	**-**	**132.7**
Tax						**(20.6)**
Profit after tax						**112.1**

1 Group items comprise the elimination of intra-group trading between Bus and Rail divisions, charges relating to central management, charges relating to Greyhound Canada which has now ceased operations, and other items.
2 Adjusted revenue is revenue excluding DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk.
3 Adjusted EBITDA is adjusted operating profit less capital grant amortisation plus depreciation plus software amortisation.

Balance sheet at 26 September 2026	Total assets £m	Total liabilities £m	Net assets/(liabilities) £m
First Bus	**1,362.2**	**(342.1)**	**1,020.1**
First Rail	**675.8**	**(774.0)**	**(98.2)**
	2,038.0	**(1,116.1)**	**921.9**
Group items (including Greyhound Canada)	**145.5**	**(70.8)**	**74.7**
Borrowings and cash	**486.3**	**(650.4)**	**(164.1)**
Taxation	**8.6**	**(72.1)**	**(63.5)**
Total	**2,678.4**	**(1,909.4)**	**769.0**

4 Business segments information (continued)

The segment results for the 26 weeks to 27 September 2025 were as follows:

	Continuing Operations				Discontinued Operations	
	First Bus £m	First Rail £m	Group Items[1] £m	Total £m	Greyhound £m	Total £m
Passenger revenue	**398.4**	**1,290.5**	**-**	**1,688.9**	**-**	**1,688.9**
Contract revenue	**281.2**	**-**	**(10.1)**	**271.1**	**-**	**271.1**
Rail franchise subsidy receipts	**-**	**190.3**	**-**	**190.3**	**-**	**190.3**
Other	**23.3**	**124.0**	**-**	**147.3**	**-**	**147.3**
Revenue	**702.9**	**1,604.8**	**(10.1)**	**2,297.6**	**-**	**2,297.6**
Rail TOC revenue adjustments	**-**	**(1,473.9)**	**9.9**	**(1,464.0)**	**-**	**(1,464.0)**
Adjusted revenue[2]	**702.9**	**130.9**	**(0.2)**	**833.6**	**-**	**833.6**
Adjusted EBITDA[3]	**91.7**	**254.5**	**(4.4)**	**341.8**	**(0.2)**	**341.6**
Depreciation	**(53.3)**	**(230.0)**	**(1.1)**	**(284.4)**	**-**	**(284.4)**
Software amortisation	**(1.3)**	**(1.2)**	**(0.2)**	**(2.7)**	**-**	**(2.7)**
Capital grant amortisation	**5.6**	**43.3**	**-**	**48.9**	**-**	**48.9**
Adjusted operating profit	**42.7**	**66.6**	**(5.7)**	**103.6**	**(0.2)**	**103.4**
Other adjustments (note 3)	**-**	**-**	**-**	**-**	**-**	**-**
Operating profit/(loss)	**42.7**	**66.6**	**(5.7)**	**103.6**	**(0.2)**	**103.4**
Investment income	**0.5**	**0.1**	**3.0**	**3.6**	**-**	**3.6**
Finance costs	**(7.8)**	**(17.5)**	**(5.6)**	**(30.9)**	**-**	**(30.9)**
Profit/(loss) before tax	**35.4**	**49.2**	**(8.3)**	**76.3**	**(0.2)**	**76.1**
Tax						**(19.1)**
Profit after tax						**57.0**

1 Group items comprise the elimination of intra-group trading between Bus and Rail divisions, charges relating to central management, charges relating to Greyhound Canada which has now ceased operations, and other items.
2 Adjusted revenue is revenue excluding DfT TOC revenue, and related intercompany eliminations, where the Group takes substantially no revenue risk.
3 Adjusted EBITDA is adjusted operating profit less capital grant amortisation plus depreciation plus software amortisation.

Balance sheet at 28 March 2026	Total assets £m	Total liabilities £m	Net assets/(liabilities) £m
First Bus	**1,308.5**	**(351.8)**	**956.7**
First Rail	**1,187.8**	**(737.1)**	**450.7**
	2,496.3	**(1,088.9)**	**1,407.4**
Group items (including Greyhound Canada)	**148.7**	**(78.9)**	**69.8**
Borrowings and cash	**432.0**	**(1,157.3)**	**(725.3)**
Taxation	**24.4**	**(56.8)**	**(32.4)**
Total	**3,101.4**	**(2,381.9)**	**719.5**

Segment assets and liabilities are determined by identifying the assets and liabilities that relate to the business of each segment but excluding intercompany balances, borrowings and cash and taxation.

5 Investment income and finance costs

	26 weeks to 26 September 2026 £m	26 weeks to 27 September 2025 £m
Investment income		
Bank interest receivable	**(1.5)**	(3.2)
Interest on pensions	**(0.9)**	(0.4)
Total investment income (including discontinued operations)	**(2.4)**	(3.6)
Finance costs		
Bank interest and facility fees	**6.1**	6.1
Finance charges payable in respect of lease liabilities	**13.3**	21.6
Finance charges payable in respect of asset backed financial liabilities	**3.8**	2.8
Interest on long-term provisions	**0.5**	0.4
Total finance costs (including discontinued operations)	**23.7**	30.9
Total finance costs	**23.7**	30.9
Investment income	**(2.4)**	(3.6)
Net finance costs (including discontinued operations)	**21.3**	27.3

6 Tax on profit on ordinary activities

	26 weeks to 26 September 2026 £m	26 weeks to 27 September 2025 £m
Current tax charge	**2.4**	2.0
Deferred tax charge	**18.2**	17.1
Total tax charge (including discontinued operations)	**20.6**	19.1
Tax charge attributable to:		
Profit from continuing operations	**20.6**	19.1
Profit from discontinued operations	**-**	-

The tax effect of the adjustments disclosed in note 3 was £(0.7)m in H1 2027 (H1 2026: £nil).

7 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit attributable to equity shareholders of £109.4m in H1 2027 (H1 2026: £55.5m) by the weighted average number of ordinary shares in issue of 533.7m (H1 2026: 559.7m). The number of ordinary shares used for the basic and diluted calculations is shown in the table below.

The difference in the number of shares between the basic calculation and the diluted calculation represents the weighted average number of potentially dilutive ordinary share options.

	26 September 2026 number m	27 September 2025 number m
Weighted average number of shares used in basic calculation	**533.7**	559.7
Executive share options	**10.4**	22.9
Weighted average number of shares used in the diluted calculation	**544.1**	582.6

7 Earnings per share (EPS) (continued)

The adjusted EPS is intended to highlight the results of the Group before certain other adjustments as set out in note 3, and before IFRS 16 charges relating to the Group's management fee-based Rail operations. A reconciliation is set out below:

	26 weeks to 26 September 2026		26 weeks to 27 September 2025	
	£m	**EPS (p)**	£m	EPS (p)
Basic profit / EPS	**109.4**	**20.5**	55.5	9.9
Management fee-based Rail operations – IFRS 16 adjustments	**(21.4)**	**(4.0)**	0.6	0.1
Non-controlling interest	**1.1**	**0.2**	(0.8)	(0.1)
Other adjustments (note 3)	**(43.5)**	**(8.2)**	-	-
Tax effect of above adjustments	**(0.7)**	**(0.1)**	-	-
Adjusted profit and EPS attributable to the ordinary equity holders of the company	**44.9**	**8.4**	55.3	9.9
Add back: Adjusted loss from discontinued operations	**-**	**-**	(0.2)	-
Adjusted profit and EPS from continuing operations	**44.9**	**8.4**	55.5	9.9

	26 weeks to 26 September 2026 pence	26 weeks to 27 September 2025 pence
Diluted EPS	**20.1**	9.5
Adjusted diluted EPS	**8.3**	9.5

8 Goodwill

	£m
Cost	
At 28 March 2026	**157.0**
Additions[1]	**3.8**
At 26 September 2026	**160.8**
Accumulated impairment losses	
At 28 March 2026	**-**
At 26 September 2026	**-**
Carrying amount	
At 26 September 2026	**160.8**
At 28 March 2026	157.0

1 Additions of £3.8m relates to provisional goodwill on the acquisitions of Wilfreda Luxury Coaches and Eagle Coaches.

Disclosures including goodwill by cash generating unit (CGU), details of impairment testing and sensitivities thereon are set out on page 152 of the 2026 Annual Report.

At 26 September 2026, a review for indicators of impairment was undertaken for each of the First Bus (excluding London), First Bus London, and First Rail (excluding DfT TOCs) CGUs. For each of these, it was concluded that there had been no indicators of impairment since March 2026, therefore no impairment assessment was performed at 26 September 2026.

9 Property, plant and equipment

Owned assets

	Land and buildings £m	Passenger carrying vehicle fleet £m	Other plant and equipment £m	Total £m
Cost				
At 28 March 2026	315.5	961.1	538.4	1,815.0
Acquisition	-	11.4	0.4	11.8
Additions	4.2	53.1	18.1	75.4
Disposals	(5.8)	(29.4)	(1.8)	(37.0)
Reclassifications	0.7	-	(0.7)	-
Transfers to right of use assets	-	-	(0.7)	(0.7)
Transfers to held for sale	(25.9)	-	(2.6)	(28.5)
Foreign exchange movements	-	(0.3)	-	(0.3)
At 26 September 2026	**288.7**	**995.9**	**551.1**	**1,835.7**
Accumulated depreciation and impairment				
At 28 March 2026	60.7	439.5	369.9	870.1
Acquisition	-	5.2	0.3	5.5
Charge for period	7.0	32.7	36.9	76.6
Impairment reversal	-	-	(0.6)	(0.6)
Disposals	(2.8)	(25.6)	(2.9)	(31.3)
Transfers to held for sale	(7.3)	-	(0.8)	(8.1)
At 26 September 2026	**57.6**	**451.8**	**402.8**	**912.2**
Carrying amount				
At 26 September 2026	**231.1**	**544.1**	**148.3**	**923.5**
At 28 March 2026	254.8	521.6	168.5	944.9

Right of use assets

	Rolling stock £m	Land and buildings £m	Passenger carrying vehicle fleet £m	Other plant and equipment £m	Total £m
Cost					
At 28 March 2026	3,025.6	89.6	147.1	39.9	3,302.2
Additions	11.7	0.5	9.9	1.0	23.1
Reassessments	(341.4)	(2.0)	2.3	-	(341.1)
Transfers from owned assets	-	-	-	0.7	0.7
Disposals	-	-	-	(0.1)	(0.1)
At 26 September 2026	**2,695.9**	**88.1**	**159.3**	**41.5**	**2,984.8**
Accumulated depreciation and impairment					
At 28 March 2026	2,393.4	42.8	70.7	13.1	2,520.0
Charge for period	148.6	5.4	15.7	2.6	172.3
At 26 September 2026	**2,542.0**	**48.2**	**86.4**	**15.7**	**2,692.3**
Carrying amount					
At 26 September 2026	**153.9**	**39.9**	**72.9**	**25.8**	**292.5**
At 28 March 2026	632.2	46.8	76.4	26.8	782.2

The discounted lease liability relating to the right of use assets included above is shown in note 12.

As at 26 September 2026 the Group had entered into contractual capital commitments amounting to £304.7m, principally representing purchase of passenger carrying vehicles, electrical infrastructure and TOC and open access operation commitments.

9 Property, plant and equipment (continued)

Owned assets and right of use assets	Rolling stock £m	Land and buildings £m	Passenger carrying vehicle fleet £m	Other plant and equipment £m	Total £m
Carrying amount					
At 26 September 2026	**153.9**	**271.0**	**617.0**	**174.1**	**1,216.0**
At 28 March 2026	632.2	301.6	598.0	195.3	1,727.1

The maturity analysis of lease liabilities is presented in note 13.

Amounts recognised in income statement	**26 weeks to 26 September 2026 £m**	26 weeks to 27 September 2025 £m
Depreciation expense on right of use assets	**172.3**	202.4
Interest expense on lease liabilities	**13.3**	21.6
	185.6	224.0

10 Assets held for sale

	26 September 2026 £m	28 March 2026 £m
Assets held for sale	**20.4**	-

Assets held for sale primarily relate to the disposal of five depots to the West Yorkshire Combined Authority. The disposal was completed on 2 November 2026.

11 Trade and other receivables

Amounts due within one year (from continuing operations)	**26 September 2026 £m**	28 March 2026 £m
Trade receivables	**259.3**	255.2
Loss allowance	**(0.6)**	(0.4)
Trade receivables net	**258.7**	254.8
Other receivables	**75.0**	94.7
Amounts recoverable on contracts	**44.7**	33.7
Prepayments	**78.0**	54.8
Accrued income	**147.4**	148.4
	603.8	586.4

Amounts due over one year (from continuing operations)	**26 September 2026 £m**	28 March 2026 £m
Other receivables	**1.3**	1.5

12 Borrowings

	26 September 2026 £m	28 March 2026 £m
On demand or within one year		
Lease liabilities[1]	**165.6**	400.2
Asset backed financial liabilities[2]	**22.7**	21.4
Bank overdraft	**39.5**	25.5
Total current liabilities	**227.8**	447.1
Within one to two years		
Lease liabilities[1]	**36.7**	262.3
Asset backed financial liabilities[2]	**22.6**	19.9
NextGen battery debt	**4.8**	1.6
Syndicated loan facilities	**99.7**	99.6
	163.8	383.4
Within two to five years		
Lease liabilities[1]	**79.2**	135.5
NextGen battery debt	**21.4**	20.8
Asset backed financial liabilities[2]	**72.9**	67.4
Syndicated loan facilities	**2.7**	2.5
	176.2	226.2
More than five years		
Lease liabilities[1]	**45.0**	52.0
NextGen battery debt	**1.1**	5.0
Asset backed financial liabilities[2]	**36.5**	43.6
	82.6	100.6
Total non-current liabilities	**422.6**	710.2

1 The right of use assets relating to lease liabilities are shown in note 9. The maturity analysis of lease liabilities is presented in note 13.
2 The maturity analysis of asset backed financial liabilities is presented in note 13.

13 Lease liabilities and asset backed financial liabilities

The Group had the following lease liabilities at the balance sheet dates:

Lease liabilities	**26 September 2026 £m**	28 March 2026 £m
Due in less than one year	**178.7**	432.3
Due in more than one year but not more than two years	**46.7**	279.2
Due in more than two years but not more than five years	**96.3**	155.3
Due in more than five years	**62.3**	71.2
	384.0	938.0
Less future financing charges	**(57.5)**	(88.0)
	326.5	850.0
Comprising:		
Lease liabilities – non-Rail	**142.6**	147.7
Lease liabilities – Rail	**183.9**	702.3

13 Lease liabilities and asset backed financial liabilities (continued)

The Group had the following asset backed financial liabilities at the balance sheet dates:

Asset backed financial liabilities	26 September 2026 £m	28 March 2026 £m
Due in less than one year	**23.9**	22.4
Due in more than one year but not more than two years	**24.7**	21.9
Due in more than two years but not more than five years	**88.2**	81.2
Due in more than five years	**51.6**	61.5
	188.4	187.0
Less future financing charges	**(33.7)**	(34.7)
	154.7	152.3
Comprising:		
Asset backed financial liabilities – non-Rail	**154.7**	152.3
Asset backed financial liabilities – Rail	**-**	-

14 Financial instruments

Non-derivative financial instruments

Non-derivative financial assets	26 September 2026 £m	28 March 2026 £m
Total non-current assets	**49.6**	71.6
Total current assets	**0.4**	0.4
Total non-derivative financial assets	**50.0**	72.0

Certain pension partnership structures were implemented during 2023. These structures involved the creation of special purpose vehicles (SPVs) to hold cash to fund the Bus and Group pension schemes, if required, based on a designated funding mechanism. Management have concluded that these amounts represent financial assets under IAS 32. During the period £22.3m was redeemed from these entities, of which £17.5m was returned to the Group and £2.1m applied towards the buy-in premium. The balance of £2.7m has been retained in escrow to cover transaction, legal and advisory costs.

Derivative financial instruments

Derivatives designated and effective as hedging instruments carried at fair value	26 September 2026 £m	28 March 2026 £m
Non-current assets		
Fuel derivatives (cash flow hedge)	**7.2**	3.8
Interest rate swaps	**0.5**	-
Currency forwards (cash flow hedge)	**-**	0.1
	7.7	3.9
Current assets		
Fuel derivatives (cash flow hedge)	**28.8**	19.3
Currency forwards (cash flow hedge)	**-**	0.3
	28.8	19.6
Current liabilities		
Currency forwards (cash flow hedge)	**0.5**	0.6
	0.5	0.6
Non-current liabilities		
Currency forwards (cash flow hedge)	**0.1**	-
	0.1	-

15 Provisions

	Onerous contracts £m	Insurance claims £m	Legal and other £m	Total £m
At 28 March 2026	**9.5**	**75.0**	**71.2**	**155.7**
Charged to the income statement	**-**	**13.3**	**4.4**	**17.7**
Utilised in the period	**(4.5)**	**(16.5)**	**(2.7)**	**(23.7)**
Notional interest	**-**	**0.5**	**-**	**0.5**
At 26 September 2026	**5.0**	**72.3**	**72.9**	**150.2**
Current liabilities	**5.0**	**21.6**	**36.9**	**63.5**
Non-current liabilities	**-**	**50.7**	**36.0**	**86.7**
At 26 September 2026	**5.0**	**72.3**	**72.9**	**150.2**
Current liabilities	9.5	23.7	35.3	68.5
Non-current liabilities	-	51.3	35.9	87.2
At 28 March 2026	9.5	75.0	71.2	155.7

The insurance claims provision arises from estimated exposures for incidents occurring prior to the balance sheet date. It is anticipated that the majority of such claims will be settled within the next four years although certain liabilities in respect of lifetime obligations of £1.1m (full year 2026: £1.1m) can extend for more than 25 years. The utilisation of £16.5m in H1 2027 (full year 2026: £36.8m) represents payments made against the current liability of the preceding year as well as the settlement of claims resulting from incidents occurring in the current year.

The insurance claims provisions, of which, £15.9m (full year 2026: £19.2m) relates to legacy Greyhound claims, includes £13.3m (full year 2026: £16.0m) which is recoverable from insurance companies and a receivable is included within other receivables in note 11.

Legal and other provisions relate to estimated exposures for cases filed or thought highly likely to be filed for incidents that occurred prior to the balance sheet date. It is anticipated that most of these items will be settled within ten years. Also included are provisions in respect of costs anticipated on the exit of surplus properties which are expected to be settled over the remaining terms of the respective leases and dilapidation, other provisions in respect of contractual obligations under rail franchises and restructuring costs. The dilapidation provisions are expected to be settled at the end of the respective franchise.

The onerous contract provision was recognised on acquisition of London bus operator RATP Dev Transit London Limited and its subsidiaries in full year 2025. The provision recognises that a number of contracts between the acquired business and TfL are loss making and therefore the Group has provided for the expected shortfall in these contracts, where the unavoidable costs of fulfilling these contracts outweigh the expected benefits.

16 Called up share capital

	26 September 2026 £m	28 March 2026 £m
Allotted, called up and fully paid		
570.7m ordinary shares of 5p each (28 March 2026: 570.7m)	**28.5**	28.5

The Company has one class of ordinary shares which carries no right to fixed income.

On 18 June 2026, the Company announced a share buyback programme to purchase up to £100m of ordinary shares. As at 26 September 2026, the Company had repurchased 25,038,129 shares for a total consideration of £45.5m, including transaction costs. This amount has been deducted from retained earnings.

The directors have declared an interim dividend of 2.3p per ordinary share in respect of the period ended 26 September 2026, totalling approximately £11.6m.

17 Net cash from operating activities

	26 weeks to 26 September 2026 £m	26 weeks to 27 September 2025 (restated) £m
Operating profit from:		
Continuing Operations	**154.0**	103.6
Discontinued Operations	**-**	(0.2)
Total Operations	**154.0**	103.4
Adjustments for:		
Depreciation charges	**248.9**	284.4
Capital grant amortisation	**(38.4)**	(48.9)
Software and other intangible amortisation charges	**2.3**	2.7
Share-based payments	**4.4**	5.2
Profit on disposal of property, plant and equipment	**(4.0)**	(1.2)
Gain on business disposal	**(46.3)**	-
Operating cash flows before working capital and pensions	**320.9**	345.6
Decrease/(increase) in inventories	**0.3**	(2.9)
(Increase)/decrease in receivables	**(15.1)**	65.4
Increase/(decrease) in payables	**66.1**	(129.7)
Decrease/(increase) in financial assets	**23.1**	(0.3)
Decrease in provisions due within one year	**(9.2)**	(21.0)
Decrease in provisions due over one year	**(0.5)**	(4.9)
Defined benefit pension payments greater than income statement charge	**(0.6)**	(1.1)
Cash generated by operations	**385.0**	251.1
Tax (paid)/received	**(1.8)**	1.9
Interest paid[1]	**(22.3)**	(30.7)
Net cash from operating activities	**360.9**	222.3

1 Interest paid includes £13.3m relating to lease liabilities (H1 2026: £21.6m).

18 Analysis of changes in net debt – adjusted cash flow

	At 28 March 2026 £m	Cash flow £m	Foreign exchange movements £m	Other £m	**At 26 September 2026 £m**
Components of financing activities:					
Bank loans	(102.1)	**-**	**-**	**(0.3)**	**(102.4)**
Lease liabilities[1]	(850.0)	**222.4**	**-**	**301.1**	**(326.5)**
Asset backed financial liabilities[1]	(152.3)	**1.4**	**-**	**(3.8)**	**(154.7)**
Share of NextGen battery debt[1]	(27.4)	**0.1**	**-**	**-**	**(27.3)**
Total components of financing activities	(1,131.8)	**223.9**	**-**	**297.0**	**(610.9)**
Cash	169.6	**(31.8)**	**0.1**	**-**	**137.9**
Bank overdrafts	(25.5)	**(14.0)**	**-**	**-**	**(39.5)**
Ring-fenced cash	262.4	**86.0**	**-**	**-**	**348.4**
Cash and cash equivalents	406.5	**40.2**	**0.1**	**-**	**446.8**
Net debt	**(725.3)**	**264.1**	**0.1**	**297.0**	**(164.1)**

1 The 'Other' column for Lease liabilities, Asset backed financial liabilities and Share of NextGen battery debt consists of the net inception of new leases, as well as interest charges. The 'Cash flow' column consists of repayments of principal and interest (financing activities and operating activities respectively in the Condensed consolidated cash flow statement).

19 Retirement benefit schemes

The Group supports defined contribution (DC) and defined benefit (DB) schemes for the benefit of employees across the following business areas:

- UK Bus and Group – DB schemes: The FirstGroup Pension Scheme. DC schemes: The First Bus Retirement Savings Plan, the Enhanced Lifetime Savings Plan and a range of smaller DC arrangements acquired through corporate transactions. Employees in Group corporate functions participate in the First Bus pension arrangements.
- Canada – the Group is winding up legacy schemes from operations which have now been sold. During the prior year, the liabilities of the Greyhound Canada Retirement Income Plan were bought out with an insurer, removing obligations from the balance sheet. There remains a modest surplus, which will be distributed to Plan participants before the Plan is fully wound up.
- Rail – DB schemes: Railways Pension Scheme (RPS) Shared Cost Sections. As at the balance sheet date, the Group sponsored two sections of the RPS in respect of TOCs operating under NRCs and one in respect of London Overground. Since the obligations to these arrangements are considered to be limited to contributions during the period of the contract, these are fundamentally different to the obligations to the other pension arrangements. Additionally, the Group sponsors a section for its open access Hull Trains business, which closed to new entrants in March 2024. DC schemes: RPS Industry-Wide Defined Contribution (IWDC) Section. Hull Trains employees who are not eligible for the DB section, and Tram Operations employees, are enrolled into the IWDC Section.

Each of these groups of arrangements have therefore been shown separately. The scheme details are described on pages 177 to 185 of the Annual Report and Accounts for the 52 weeks ended 28 March 2026.

(a) UK Bus and Group (including Hull Trains)

The table below is set out to show amounts charged/(credited) to the condensed consolidated income statement along with the amounts included in the condensed consolidated balance sheet arising from the fair value of schemes' assets (Assets) and the present value of defined benefit obligations (DBO) (Liabilities) for the UK Bus, Group and Hull Trains DB schemes:

Income statement	**26 weeks to 26 September 2026 £m**	26 weeks to 27 September 2025 £m
Operating		
– Current service and administration cost	**2.1**	2.0
– Past settlement costs/(gains) including service gains and curtailments	**2.5**	(0.2)
Total operating	**4.6**	1.8
Interest income	**(0.9)**	(0.4)
Total income statement	**3.7**	1.4

Balance sheet	**26 September 2026 £m**	28 March 2026 £m
Fair value of scheme assets	**965.4**	977.9
Present value of defined benefit obligations	**(931.2)**	(958.3)
Surplus in schemes	**34.2**	19.6
The amount is presented in the condensed consolidated balance sheet as follows:		
Non-current assets	**37.9**	21.7
Non-current liabilities	**(3.7)**	(2.1)
	34.2	19.6

In the first half of the year, the Group undertook a transaction for the buy-in of its c.£90m Group Section Pension Liabilities, utilising c.£22m of the Group Section escrow funds, with £17.5m returned to the Group before the end of the reporting period, and £2.1m applied towards the buy-in premium. A balance of £2.7m was retained in escrow to cover transaction, legal and advisory costs, to ultimately convert this to buy-out. For the purposes of measuring the IAS 19 Retirement Benefits balance at the reporting date, the buy-in contract had not yet become effective and so the Group's IAS 19 information is reported before the buy-in transaction.

During the prior year, the 2024 triennial valuation of the Bus section of the Group's pension scheme was completed and £20m of cash was returned to the Group, with £20m paid to the Bus Section.

(b) Canada

Greyhound pension arrangements
The Group has retained certain responsibilities for the provision of retirement benefits for some legacy schemes in Canada where there is a legacy plan with a DB and a DC section that is currently being wound up.

The table below is set out to show amounts charged/(credited) to the condensed consolidated income statement along with the amounts included in the condensed consolidated balance sheet arising from the fair value of schemes' assets (Assets) and the present value of DBO (Liabilities) for the Canadian DB schemes:

19 Retirement benefit schemes (continued)

Income statement	26 weeks to 26 September 2026 £m	26 weeks to 27 September 2025 £m
Operating		
– Current service and administration cost	**0.3**	0.2
– Past service gain including curtailments and settlements	**-**	-
Total operating	**0.3**	0.2
Interest charge	**-**	-
Total income statement	**0.3**	0.2

Balance sheet	26 September 2026 £m	28 March 2026 £m
Fair value of schemes' assets	**4.5**	5.0
Present value of defined benefit obligations	**(4.2)**	(4.7)
Surplus in schemes	**0.3**	0.3
The amount is presented in the condensed consolidated balance sheet as follows:		
Non-current assets	**0.3**	0.3
Non-current liabilities	**-**	-
	0.3	0.3

(c) Rail contracts

The Railways Pension Scheme (RPS)

The Group is responsible for collecting and paying contributions for a number of sections of the Railways Pension Scheme (RPS) as part of its obligations under the contracts which it holds for its TOCs. These responsibilities continue for the periods of the TOCs and are passed to future contract holders when those TOCs terminate. Management of the RPS is not the responsibility of the Group, nor is it liable to benefit from any future surplus or fund any deficit of those funds.

The RPS is managed by the Railways Pension Trustee Company Limited, and is subject to regulation from The Pensions Regulator and relevant UK legislation. The RPS is a shared cost arrangement. All costs, and any deficit or surplus, are shared 60% by the employer and 40% by the members. As at the balance sheet date, the Group sponsored two sections of the RPS relating to its contracting obligations for its TOCs. In line with Government policy to take TOCs into public ownership, sponsorship of these remaining sections will transfer to the DfT Operator when NRCs expire.

For the TOC sections, under the contractual arrangements with the DfT, the employer's responsibility is to pay the contributions following triennial funding valuations while it operates the contracted services. These contributions are subject to change on consideration of future statutory valuations, though the Group is fully protected from any such changes through its contracts with the DfT. At the end of the contract, any deficit or surplus in the scheme section passes to the subsequent train operating company with no compensating payments from or to the outgoing TOC.

In May 2026, the Group's First Rail London Limited (FRL) subsidiary commenced the operation of the London Overground rail contract on behalf of Transport for London (TfL). Similar to the DfT TOCs, the employer's responsibility is to pay the contributions following triennial funding valuations while it operates the contracted services. At the end of the contract, any deficit or surplus in the scheme section passes to the new London Overground operator with no compensating payments from or to the outgoing operator.

The statutory funding valuations of the various Rail Pension Scheme sections in which the Group is involved (last finalised with an effective date of 31 December 2022) and the IAS 19 actuarial valuations are carried out for different purposes and may result in materially different results. The IAS 19 valuation is set out in the disclosures below.

The accounting treatment for the time-based risk-sharing feature of the Group's participation in the RPS is not explicitly considered by IAS 19 Employee Benefits (Revised). The contributions currently committed to being paid to each TOC and London Overground section are lower than the share of the service cost (for current and future service) that would normally be calculated under IAS 19 (Revised) and the Group does not account for uncommitted contributions towards the sections' current or expected future deficits. Therefore, the Group does not need to reflect any deficit on its balance sheet. A TOC/Overground adjustment (asset) exists that exactly offsets any section deficit that would otherwise remain after reflecting the cost sharing with the members. This reflects the legal position that some of the existing deficit and some of the service costs in the current year will be funded in future years beyond the term of the current contract and committed contributions. The TOC/Overground adjustment on the balance sheet date reflects the extent to which the Group is not currently committed to fund the deficit.

19 Retirement benefit schemes (continued)

The table below is set out to show amounts charged/(credited) to the condensed consolidated income statement along with the amounts included in the condensed consolidated balance sheet arising from the fair value of schemes' assets (Assets) and the present value of defined benefit obligations (DBO) (Liabilities) for the TOC and London Overground defined benefit schemes:

Income statement	**26 weeks to 26 September 2026 £m**	26 weeks to 27 September 2025 £m
Operating		
– Current service cost	**24.9**	18.8
– Administrative cost	**0.9**	0.7
– Impact of franchise adjustment on operating cost	**(4.4)**	(2.5)
Total operating	**21.4**	17.0
Interest cost	**9.9**	6.6
Impact of franchise adjustment on net interest income	**(9.9)**	(6.6)
Total income statement	**21.4**	17.0

Balance sheet	**26 September 2026 £m**	28 March 2026 £m
Fair value of schemes' assets	**3,029.3**	2,549.3
Present value of defined benefit obligations	**(2,307.1)**	(2,054.1)
Surplus before adjustment	**722.2**	495.2
Franchise adjustment (60%)	**(433.3)**	(297.1)
Adjustment for employee share of RPS deficits (40%)	**(288.9)**	(198.1)
Surplus in schemes	**-**	-

(d) Valuation assumptions

The valuation assumption used for accounting purposes have been made uniform to Group standards, as appropriate, when each scheme is actuarially valued.

The key assumptions were as follows:

	26 September 2026			28 March 2026		
	First Bus %	**First Rail %**	**North America %**	First Bus %	First Rail %	North America %
Key assumptions used:						
Discount rate	**6.52 – 6.59**	**6.48**	**N/A**	6.22 – 6.30	6.26	N/A
Expected rate of salary increases	**N/A**	**2.99 – 3.25**	**N/A**	N/A	3.07 – 3.32	N/A
Inflation - CPI	**2.81 – 2.83**	**2.78**	**N/A**	2.84 – 2.85	2.86	N/A
Future pension increases	**2.49**[2]	**2.78**	**N/A**	2.51[2]	2.86	N/A
Post retirement mortality (life expectancy in years)[1]						
Current pensioners at 65:	**19.7**	**20.4**	**N/A**	19.7	20.5	N/A
Future pensioners at 65 aged 45 now:	**20.5**	**21.8**	**N/A**	20.5	21.9	N/A

1 Life expectancies reflect the largest underlying plans in each region.

2 Weighted average for principal scheme.

20 Contingent liabilities

To support subsidiary undertakings in their normal course of business, FirstGroup plc and certain subsidiaries have indemnified certain banks and insurance companies who have issued performance bonds for £64.8m (28 March 2026: £58.4m) and letters of credit for £98.6m (28 March 2026: £111.3m). The performance bonds primarily relate to First Rail franchise operations and the London Overground concession (£54.3m) and UK Bus operations (£10.5m). The letters of credit relate substantially to insurance arrangements in the UK and North America. The parent company has committed further support facilities of up to £78.0m to First Rail Train Operating Companies of which £62.4m remains undrawn. Letters of credit remain in place to provide collateral for legacy Greyhound insurance and pension obligations.

The Group is party to certain unsecured guarantees granted to banks for overdraft and cash management facilities provided to itself and subsidiary undertakings. The Company has given certain unsecured guarantees for the liabilities of its subsidiary undertakings arising under certain operating arrangements, HP contracts, finance leases, operating leases and certain pension scheme arrangements. It also provides unsecured cross guarantees to certain subsidiary undertakings as required by VAT legislation. First Bus subsidiaries have provided unsecured guarantees on a joint and several basis to the FirstGroup Pension Scheme Trustee.

In its normal course of business the Group has ongoing contractual negotiations with Government and other organisations. The Group is party to legal proceedings and claims which arise in the normal course of business, including but not limited to employment and safety claims. The Group takes legal advice as to the likelihood of success of claims and counterclaims. No provision is made where due to inherent uncertainties, no accurate quantification of any cost, or timing of such cost, which may arise from any of the legal proceedings can be determined.

The Group's operations are required to comply with a wide range of regulations, including environmental and emissions regulations. Failure to comply with a particular regulation could result in a fine or penalty being imposed on that business, as well as potential ancillary claims rooted in non-compliance.

21 Related party transactions

There are no related party transactions or changes since the Group's 2026 Annual Report which could have a material effect on the Group's financial position or performance of the Group in the 26 weeks to 26 September 2026.

22 Events after the reporting period

On 27 September 2026, First Trenitalia West Coast Rail Limited received notice from the DfT that its NRC would expire on 7 March 2027, at which time the Group's West Coast Partnership business (comprising Avanti West Coast and West Coast Partnership Development) will hand over to the DfT Operator.

On 2 November 2026, the Group completed the disposal of five depots to the West Yorkshire Combined Authority (WYCA) for consideration of £55m, as WYCA moves to bus franchising arrangements. At the reporting date, these depots had been recognised as Held for Sale on the balance sheet.

During October, the Group announced the acquisition of two coach operators – KB Coaches, a Gloucester-based coach operator, and Peace Coaches, based in Aberdeen.

In November, the Group announced it had acquired the Colchester depot and routes previously operated by Arriva.

On 8 October 2026, the Company reduced its share premium account by £500 million, which was transferred to its retained earnings account, creating additional distributable reserves for the Group.

The Group completed the buy-in of its Group Section Pension Liabilities, utilising c.£22m of the Group Section escrow to complete the transaction, with £17.5m returned to the Group before the end of the reporting period. For the purposes of measuring the IAS 19 Retirement Benefits balance at the reporting date, the buy-in contract had not yet become effective and so the Group's IAS 19 information is reported before the buy-in transaction.

Responsibility statement

The directors confirm that these condensed consolidated interim financial statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the interim management report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely:

- an indication of important events that have occurred during the first 26 weeks and their impact on the half yearly results, and a description of the principal risks and uncertainties for the remaining 26 weeks of the financial year; and
- material related-party transactions in the first 26 weeks and any material changes in the related-party transactions described in the last annual report.

The Directors of FirstGroup plc are listed on the Group's website at www.firstgroupplc.com.

Graham Sutherland
Chief Executive Officer
16 November 2026

Ryan Mangold
Chief Financial Officer
16 November 2026

Independent review report to FirstGroup plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed FirstGroup plc's condensed consolidated interim financial statements (the "interim financial statements") in the Half-Yearly Report of FirstGroup plc for the 26 week period ended 26 September 2026 (the "period"). Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed Consolidated Balance Sheet as at 26 September 2026;
- the Condensed Consolidated Income Statement for the period then ended;
- the Condensed Consolidated Statement of Comprehensive Income for the period then ended;
- the Condensed Consolidated Cash Flow Statement for the period then ended;
- the Condensed Consolidated Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Half-Yearly Report of FirstGroup plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Half-Yearly Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Half-Yearly Report, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Half-Yearly Report in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Half-Yearly Report, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Half-Yearly Report based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of this report

This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
Watford
16 November 2026