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14 May 2008

FirstGroup plc ("FirstGroup" or the "Company")

RESULT OF EQUITY PLACING

FirstGroup is pleased to announce the successful completion of the placing announced earlier today (the "Placing").

A total of 43,788,372 new ordinary shares of 5 pence each (the "**Placing Shares**") issued by the Company have been placed with institutions at a price of 540 pence per Placing Share. Based on the placing price, the gross proceeds are approximately £236 million. The Placing Shares being issued represent approximately 9.99 per cent of FirstGroup's issued ordinary share capital prior to the Placing.

The Placing Shares will, when issued, be credited as fully paid and will rank equally in all respects with the existing issued ordinary shares of 5 pence each in the capital of the Company including the right to receive all future dividends and other distributions declared, made or paid in respect of such ordinary shares after the date of issue of the Placing Shares.

Application has been made for, and the Placing is conditional on, *inter alia*, admission of the Placing Shares to listing on the Official List maintained by the UK Listing Authority and admission to trading by the London Stock Exchange plc on its market for listed securities (together, "Admission"). Admission is expected to take place, settlement to occur and dealing in the Placing Shares to commence at 8.00 a.m. on 19 May 2008.

ENQUIRIES:

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The Placing Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or under the laws of any state of the United States and may not be offered, sold or transferred, directly or indirectly, within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. In the United States, the offering is being made only to a limited number of "qualified institutional buyers" in reliance on Rule 144A under the Securities Act. This announcement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the Placing Shares in any state in which such offer, solicitation or sale would be unlawful. The Placing Shares have not been, and will not be, registered with any regulatory authority of any state within the United States.