

# NOBINA AB – INTERIM REPORT

## MARCH 1–MAY 31, 2012

### FIRST QUARTER (MARCH 1 – MAY 31, 2012)

- Sales reached SEK 1,838 million (1,814), an increase of 1.3% or SEK 24 million.
- Operating profit of SEK 65 million (60), an increase of SEK 5 million.
- Earnings for the quarter amounted to SEK -12 million (-12). Earnings per share amounted to SEK -0.49 SEK (-0.47).
- Cash flow from the operations was SEK 124 million (147). Cash flow after net investments amounted to SEK -17 million (110).
- The Group's investments, primarily for the purchase of buses, amounted to SEK 347 million (116), of which investments of SEK 339 million (102) were financed through leasing agreements and SEK 8 million (14) were financed in cash.

### SIGNIFICANT EVENTS DURING THE QUARTER

- In light of the ongoing refinancing of the company's Senior Notes, Standard & Poor's has downgraded the long-term credit rating for the Nobina Group and Nobina Europe Holding AB, from B- to CCC+.
- Financial targets defined for one to five years horizon, and are presented on page 6 of the report.

### SIGNIFICANT EVENTS SINCE THE END OF THE QUARTER

- Nobina Europe AB intends to conclude negotiations on replacement financing of its Senior Notes of EUR 85 million prior to the maturity date August 1, 2012.
- Nobina has won Skånetrafiken's contract for city traffic in Helsingborg. In total, this involves approximately 80 buses and the contract is worth almost SEK 200 million per year, depending on the incentive element in the agreement, which is based on increased travel and quality. It will be necessary to acquire a small number of buses, but most will be leased from Skånetrafiken.
- AFA Försäkring has decided to reduce refunded premiums in respect of contractual group health insurance (Avtalsgruppsjukförsäkring, AGS) and contractual group health insurance (AGS-KL) as well as premium release insurance (Avgiftsbefrielseförsäkring) in respect of the years 2007 and 2008. According to preliminary calculations, SEK 25 million will be refunded.

### CEO's comments

*The new year has started well with improved operating profit for the first quarter, driven primarily by the Swedish operations. The program of measures in Swebus has begun to yield results and the situation in Norway has begun to stabilize. We will continue to focus on efficiency improvements in the existing Danish and Norwegian contracts, the start-up in Tromsø, and the impending traffic start in Oslo Vest in the autumn. During the early summer we have started up the re-won and expanded traffic contract in Uppland and have won a major contract in Skåne, where we received the highest possible quality rating in the procurement procedure. Skånetrafiken thereby becomes our largest client with a total of 400 buses. We look forward to a successful refinancing of the Senior Notes.*

*Ragnar Norbäck, CEO*

## Key ratios

The Group (SEK millions, unless otherwise stated)	Quarter		Full year	Rolling 12m*
	Mar-May 12	Mar-May 11	Mar 11-Feb 12	Jun 11–May 12
Sales	1,838	1,814	7,050	7,074
Operating profit	65	60	37	42
Earnings after finance net	-12	-12	-230	-230
Earnings after tax	-12	-12	-230	-230
Cash flow	-17	110	-120	-247
Cash and cash equivalents	90	336	107	-
Equity ratio, %	Neg	3.3	Neg	-
Shareholders' equity	-55	169	-43	-
Number of buses	3,505	3,599	3,437	-
Estimated full time positions	6,824	7,152	7,008	-

## The market

Nobina is working to address the changes affecting the Company and other players on the market in connection with the new Public Transport Deregulation Act, which entered into force in January 2012. However, it is still too early to say much in particular about the ultimate outcome. The industry structure is being reviewed both organizationally and politically, which will change the way in which decisions are taken. Nobina is actively participating in various industry initiatives, within both regional and interregional traffic, and has high hopes to strengthen its position as a consequence of the new legislation. Nobina perceives no threat to regional traffic, since competing private initiatives will not have access to tax subsidies and existing ticket systems.

The EU is currently addressing a number of matters relating to unlawful public aid to publicly owned traffic operators. In one of these cases, it has been decided that ESA erroneously approved the loan which, in 2004, was granted to a Norwegian municipal public transport company by its owner in order to cover losses. Similar proceedings are pending in Finland, where the Helsinki municipality covers the losses of its subsidiary, the HELB public transport company, through loan financing. In that matter, Nobina has turned to the EU. The EU Commission sent a letter to the Finnish State, which the Finnish State answered in February 2012.

During the 2012/2013 financial year, contracts involving more than 1,800 buses will be awarded within the scope of public tender procedures in the Nordic region, with major potential and low exposure for Nobina; only 109 of the contracted buses are currently operated by Nobina.

## Development of the business

### THE GROUP

The Group's sales for the first quarter of 2012/2013 amounted to SEK 1,838 (1,814), an increase of 1.3% compared with the corresponding quarter of last year. Of this amount, SEK 60 million related to a net reduction from new and ended contracts. The remainder relates to positive effects from indexation (SEK 23 million), and positive price and growth volume (SEK 91 million).

Operating profit for the first quarter increased to SEK 65 million (60). Regional traffic improved its earnings by SEK 2 million. Interregional traffic demonstrated a zero result, which also represents an improvement of SEK 2 million.

An improved underlying operating profit is expected for the coming 2012/13 financial year.

Explanation items for revenue and earnings growth (SEK millions)	Revenues and earnings	
	Revenues	EBIT
<b>Period Mar 2011-May 2011</b>	<b>1,814</b>	<b>60</b>
Price and volume	91	-3
Contract changes	-60	-1
Indexation	23	18
Business efficiency		-11
One-off costs		2
Fleet finance and use		5
Other	-30	-5
<b>Period March 2012-May 2012</b>	<b>1,838</b>	<b>65</b>

- 'Price and volume' growth represents changes in performed traffic volumes as well as changes in prices for performed traffic and their effect on sales and earnings.
- 'Contract changes' shows the effect on sales and earnings of changes in the contract portfolio in the form of terminated old contracts and startup of new contracts.
- 'Indexation' shows the effect of price adjustments on sales and earnings, as regards compensation for underlying cost inflation in the operation of traffic within the scope of awarded traffic contracts.
- 'Business efficiency' shows the effect on earnings of efficiency developments concerning personnel costs, maintenance, damage, etc.
- 'Fleet finance and use' shows the effect on earnings of changes in financing terms and efficiency in the use of vehicles.
- In addition, the effects on current sales and earnings of certain specific and other factors are shown.

#### REGIONAL TRAFFIC BUSINESS AREA

Nobina submitted tenders for 197 buses during the first quarter of 2012/2013 with a total contract value of SEK 2,937 million and won contracts for 33 buses with a contract value of SEK 492 million.

The Swedish operations delivered a strong result. During the spring Nobina started the regained and expanded contract in Uppland and, since the expiry of the quarter, has gained a major contract in Skåne. The contract is based on a combination of fixed price and variable compensation (bonus) in respect of the number of boarding passengers. The incentive compensation can amount to a maximum of 40% of the contract value. Skånetrafiken thereby has become Nobina's largest client with a total of 400 buses.

The Danish operations demonstrated ever-improving earnings thanks to sustained quality and efficiency work as well as a focus on management issues. As a consequence, an own workshop will be opened in Copenhagen in September.

The Norwegian operations have stabilized somewhat but continue to suffer from problems of a financial and operational nature. Focus continues to be placed on efficiency improvements in the existing Norwegian contracts, in the newly started contract in Tromsø, and the impending traffic start in Oslo Vest during the autumn.

Tender situation per country, Q1	Tenders during the period			Traffic during the period	
	Submitted	Won	Lost	Commenced	Ended
Sweden	28	9	19	17	8
Norway	0	0	0	0	0
Finland	169	24	145	0	0
Denmark	0	0	0	0	0
<b>Total regional traffic</b>	<b>197</b>	<b>33</b>	<b>164</b>	<b>17</b>	<b>8</b>

#### INTERREGIONAL TRAFFIC BUSINESS AREA

The interregional traffic have met major challenges. However, the airport shuttle traffic developed to the highest volume and revenue so far and Swebus is continuing to gain market shares. Endeavors are being made to attract more passengers, increase flexibility, and broaden the offering provided by Swebus. The decrease in number of passengers has been stabilized and the transformation into a more flexible cost structure has started to gain effect.

In the Cannes Lions international advertising competition, Swebus' campaign "Swebus Jackpot" was awarded one silver and two bronze medals. The campaign won a silver medal in the Promo & Activation category, a bronze medal in the Direct category, and a further bronze medal in the Cyber category. In total, 34,000 competition contributions from 87 countries participated in Cannes Lions, or the advertising world championships as the competition is often called.

Trend interregional traffic (Swebus)	Quarter		Full year	Rolling 12 m
	Mar-May 12	Mar-May 11	Mar 11-Feb 12	Jun 11-May 12
Number of passengers	498,734	487,401	2 109 023	2,120,356
Number of driven km	4,199,975	4,323,019	17,829,919	17,706 875
Load factor, %	42	41	48	47
Average revenues/km (SEK)	22.0	20.9	21.4	21.9
Average revenues/passenger (SEK)	169	176	182	180

## Sales

FIRST QUARTER (MARCH 1 – MAY 31, 2012)

The Group's sales during the first quarter increased to SEK 1,838 million (1,814), an increase of 1.3% compared with the corresponding quarter of last year.

First quarter sales within the *regional traffic* business area increased by SEK 24 million compared with the corresponding period of last year, to SEK 1,748 million (1,724).

First quarter sales within the *interregional traffic* business area were SEK 90 million, which is in line with last year.

Revenues (SEK millions)	Quarter		Full year	Rolling 12 m
	Mar-May 12	Mar-May 11	Mar 11-Feb 12	Jun 11–May 12
<b>Revenues per segment</b>				
<i>Nobina Sweden</i>	1,231	1,275	4,905	4,861
<i>Nobina Denmark</i>	86	78	325	333
<i>Nobina Norway</i>	237	177	718	778
<i>Nobina Finland</i>	202	206	775	771
Elimination of sales to Interregional traffic	-8	-12	-43	-39
<b>Total regional traffic</b>	<b>1,748</b>	<b>1,724</b>	<b>6,680</b>	<b>6,704</b>
<i>Swebus</i>	90	90	370	370
Elimination of sales to regional traffic	-	-	-	-
<b>Total interregional traffic</b>	<b>90</b>	<b>90</b>	<b>370</b>	<b>370</b>
<b>Total revenues</b>	<b>1,838</b>	<b>1,814</b>	<b>7,050</b>	<b>7,074</b>

## Earnings

FIRST QUARTER (MARCH 1 – MAY 31, 2012)

The Group's operating profit for the first quarter was SEK 65 million (60), of which SEK 73 million (71) relates to *regional traffic* and SEK 0 million (-2) to *interregional traffic*. The profit is record high for a first quarter, despite the fact that last year's first quarter included SEK 16 million of ethanol compensation from one client.

The operating profit for *regional traffic* increased by SEK 2 million. The weaker results in Norway (due primarily to the start-up in Tromsö) and in Finland (primarily due to increased maintenance costs) were offset by higher earnings in Sweden, which succeeded in stabilizing the contract results despite extensive contract migration last year, and Denmark, which demonstrated improved operational efficiency.

The operating profit for *interregional traffic* increased by SEK 2 million and thereby demonstrated a zero result.

Operating profit (SEK millions)	Quarter		Full year	Rolling 12m
	Mar-May 12	Mar-May 11	Mar 11-Feb 12	Jun 11–May 12
<b>Operating profit per segment</b>				
<i>Nobina Sweden</i>	85	78	295	302
<i>Nobina Denmark</i>	-5	-12	-33	-26
<i>Nobina Norway</i>	-9	-1	-128	-136
<i>Nobina Finland</i>	2	6	12	8
<b>Total regional traffic</b>	<b>73</b>	<b>71</b>	<b>146</b>	<b>148</b>
<i>Swebus</i>	0	-2	-4	-2
<b>Total inter-regional traffic</b>	<b>0</b>	<b>-2</b>	<b>-4</b>	<b>-2</b>
<i>Central functions and other items</i>	-8	-9	-105	-104
<b>Total operating profit</b>	<b>65</b>	<b>60</b>	<b>37</b>	<b>42</b>

Operating profit (SEK millions)	Group			
	Mar-May 12	Mar-May 11	Mar 11-Feb 12	Jun 11-May 12
Net sales	1 838	1 814	7 050	7 074
Operating profit	65	60	37	42

Operating profit (SEK millions)	Regional traffic			
	Mar-May 12	Mar-May 11	Mar 11-Feb 12	Jun 11-May 12
Net sales	1 748	1 724	6 680	6 704
Operating profit	73	71	146	148

Operating profit (SEK millions)	Interregional traffic			
	Mar-May 12	Mar-May 11	Mar 11-Feb 12	Jun 11-May 12
Net sales	90	90	370	370
Operating profit	0	-2	-4	-2

## One-off costs

No significant one-off costs have been incurred during the first quarter. In the first quarter of last year, one-off costs of SEK 2 million were incurred due to the extraordinary winter conditions in Finland.

## Financial position

Available cash and cash equivalents at the end of the financial year amounted to SEK 90 million (336). In addition, the Group had funds in escrow of SEK 147 million (105), primarily as security for submitted tenders and executed traffic contracts. The Group has an SEK 300 million invoice discounting facility with a finance company, of which SEK 44 million was utilized as per May 31, 2012. A new bank facility of SEK 50 million has been implemented, with first draw-down made on June 1, 2012.

Shareholders' equity for the Group amounted to SEK -55 million (169). The equity ratio was negative at the end of the financial year, compared with 3.3% last year.

## Investments

The Group's cash investments during the first quarter relate to the purchase of other non-current assets and the purchase of buses including accessories in the amount of SEK 8 million (14). Through its subsidiary, Nobina Fleet AB, the Group signed financial leasing agreements during the first quarter amounting to SEK 339 million (102) in acquisition value. The Group's financial leasing agreements have been classified as non-current assets in the balance sheet and the leasing obligations are reported as a liability in the balance sheet. Depreciation/amortization and interest expenses are reported in the income statement.

During the first quarter, the Group sold buses for SEK 1 million (96). The sale entailed a capital loss of SEK 1 million (3).

## Cash flow

First quarter cash flow from the operations amounted to SEK 124 million (147) before net investments and SEK -17 million (110) after net investments.

## Taxes

The Group has large historical accumulated loss carry-forwards, which have not been capitalized as a deferred tax receivable; otherwise, see the reference to the annual report for 2011/2012.

## Personnel

During the period there were on average 6,824 (7,152) employees. In all countries in which the Nobina Group operates, collective agreements are applied in accordance with agreements with the trade unions representing employees within the industry in which the relevant company operates. There are well-established practices and traditions as to the manner in which work times, compensation conditions, information and cooperation are negotiated and applied between employee representatives and the Company.

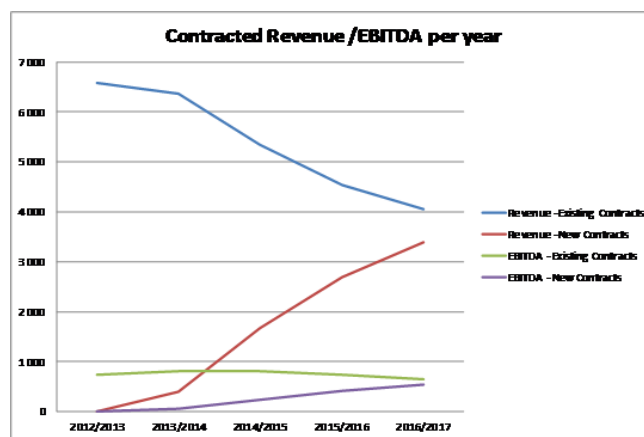
## Financial targets

As part of its management planning cycle Nobina is producing a five year outlook once a year. Based on the five year outlook produced in March 2012 Nobina have defined the following financial targets:

	Short term (1 years)	Medium term (3 years)	Long term (> 5 years)
1. Revenue growth rate	0,0%	3,1%	3,0%
2. EBITDAR margin	13,2%	14,7%	15,7%
3. EBITDA margin	10,4%	13,2%	15,0%
4. EBIT margin	3,6%	5,9%	7,4%
5. Annual Capex requirement	1 347	811	572
6. Net debt / EBITDA	6,1x	4,7x	3,6x

	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
7. No. of contracts being operated per year *) *) incl school contracts	124	121	134	117	119
8. Target Return on Capital Employed	15%				



## Significant events during the quarter

- In light of the ongoing refinancing of the company's Senior Notes, Standard & Poor's has downgraded the long-term credit rating for the Nobina Group and Nobina Europe Holding AB, from B- to CCC+.
- Financial targets defined for one to five years horizon.

## Significant events since the end of the quarter

- Nobina Europe AB intends to conclude negotiations on replacement financing of its Senior Notes of EUR 85 million prior to the maturity date August 1, 2012.
- Nobina has won Skånetrafiken's contract for city traffic in Helsingborg. In total, this involves approximately 80 buses and the contract is worth almost SEK 200 million per year, depending on the incentive element in the agreement, which is based on increased travel and quality. It will be necessary to acquire a small number of buses, but most will be leased from Skånetrafiken.
- AFA Försäkring has decided to reduce refunded premiums in respect of contractual group health insurance (Avtalsgruppsjukförsäkring, AGS) and contractual group health insurance (AGS-KL) as well as premium release insurance (Avgiftsbefrielseförsäkring) in respect of the years 2007 and 2008. According to preliminary calculations, SEK 25 million will be refunded.

## Parent company

The parent company has 62 (49) employees who are engaged in overall Group management, financial administration, IT, HR and wage functions, control and analysis. The parent company's sales, which consist exclusively of internal invoicing of services, amounted during the period to SEK 39 million (36). The parent company's earnings before tax were SEK 15 million (12) and cash and cash equivalents at the end of the period were SEK 123 million (106), of which SEK 57 million (31) were funds in escrow. Investments in intangible and

tangible non-current assets amounted to SEK 1 million (0). Shareholders' equity for the parent company amounted to SEK 2,322 million (2,319).

## Transactions with closely related parties

No significant transactions have taken place with closely related parties during the period.

## Seasonal variations

Sales and earnings trends differ per quarter for the regional and interregional operations. For the regional operations, the third quarter is the strongest due to the high timetable production due to a large number of weekdays and a high level of social activity, while the second quarter is weakest due to low timetable production during the holiday period. The trend for interregional operations differs, with the second quarter being strongest due to a high number of passengers during the holiday period, while the third quarter is weakest due to a small number of holidays, resulting in fewer passengers. The breakdown of sales and earnings per quarter for regional and interregional traffic last year is shown in the key ratio table on page 17.

## Risks and uncertainty factors

The Nobina Group is exposed to interest rate risks in relation to the Company's financial and operational leasing. Leasing fees are based primarily on variable market interest rates. Part of the interest rate risk is compensated by revenue indexation in traffic contracts.

The Group bears a refinancing risk since existing Senior Notes of EUR 85 million mature on August 1, 2012. The risk is offset by the fact that the current Senior Notes are primarily held by the shareholders of the Group's parent company, Nobina AB. The refinancing process is underway with the aim of reaching an agreement within the framework of this time period.

The Nobina Group is exposed to exchange rate fluctuations on the Senior Notes. With the current outstanding loan amount, a ten percent depreciation of the Swedish krona results in a risk of a debt increase of approximately SEK 85 million and leads to an increased annual interest cost of approximately SEK 8 million. The Group's finance policy states that currency risks may be hedged through currency derivatives. During the quarter, the Group had no currency hedging with respect to currency exposure on the Senior Notes.

The Group is exposed to price changes in its purchases of diesel. The commodity price accounts for almost one half of the total diesel price, with the remainder comprising taxes, transportation and processing. Within *Regional traffic*, through revenue indices in traffic contracts the Group obtains compensation for changes in the diesel price accounting for approximately 78 percent of consumption. The decrease compared with last year is due to the fact that a couple of contracts in Sweden were temporarily without indexation during 2011/2012. This has been compensated for through the entire diesel consumption in respect of those contracts being hedged with diesel derivatives (caps), as well as the non-indexed part of diesel costs in general. There is no indexation of revenues within *Interregional traffic*. Increased fuel prices are, instead, compensated for through increased ticket prices if market conditions so allow. Calculated on the portion of the Group's diesel consumption which is not covered by indexation, a 10 percent increase in the commodity price means an increase of approximately SEK 10 million in the Group's fuel costs per financial year. During the financial year, the Nobina Group has hedged the non-indexed part of diesel costs in the form of commodity options, and as per May 31, 2012 had no outstanding diesel derivatives.

For more information regarding risks and uncertainty factors, see the corresponding section in Nobina's annual report 2011/2012.

## Accounting principles

Nobina applies International Financial Reporting Standards (IFRS) as adopted by the EU and applying RFR 1 "Complementary accounting rules for groups". There are no new IFRS standards or IFRIC statements adopted by the EU which will be applicable to Nobina or which will have a significant impact on the Group's earnings or financial position during 2012/13. In other respects, Nobina applies the same accounting principles and calculation methods as in the annual report for 2010/2011 (see under "Company information and accounting principles"), except where stated below.

The financial statements of the parent company, Nobina AB, have been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2, Reporting for legal entities, and statements issued by the Swedish Financial Reporting Board. This interim report has been prepared in accordance with IAS 34 and the Swedish Accounting Standards Board's General Guidelines regarding voluntary interim reporting (BFNAR 2007:1.

## Other

This is an in-house English translation. This report is also available on [www.nobina.com](http://www.nobina.com).

## Telephone conference

Nobina will present the interim report and reply to questions during a telephone conference on Wednesday, June 27, at 10.00 am CET. The presentation will be available on the website in connection with the telephone conference.

Telephone numbers for participants:

Sweden: +46 (0)8 5052 0110

UK: +44 (0) 20 7162 0077

Germany: +49 (0) 30726167224

For telephone numbers from other countries, please see the website or contact Nobina.

## Assurance

The CEO hereby provides an assurance that the report for the first quarter provides a true and fair view of the operations, financial position and earnings of the Company and the Group and describes the significant risks and uncertainty factors facing the Company and companies in the Group.

Stockholm, June 26, 2012

Ragnar Norbäck  
President and CEO

## Future reports

Interim report for the second quarter 2012/2013	September 25, 2012
Interim report for the third quarter 2012/2013	December 21, 2012
Results 2012/2013	April 26, 2013

## Contacts

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***This report has not been audited by Nobina's auditors.***

*The Nobina group is the largest company in the Nordic region within the area of public transport by bus. The operations include contractual regional traffic in Sweden, Norway, Finland and Denmark as well as inter-regional traffic through the subsidiary Swebus. The Nobina Group has revenues in excess of SEK 7 billion, operates 3,500 buses and, with approximately 260 million passenger journeys per year, is one of the larger passenger transport companies in northern Europe. More information is available on [www.nobina.com](http://www.nobina.com)*



## Consolidated income statement in brief

SEK millions, unless otherwise stated	Quarter		Full year
	Mar - May 12	Mar - May 11	Mar 11 - Feb 12
<b>Net sales</b>	<b>1,838</b>	<b>1,814</b>	<b>7,050</b>
<b>OPERATING EXPENSES</b>			
Fuel, tires and other consumables	-439	-442	-1,724
Other external expenses	-296	-306	-1,262
Personnel expenses	-931	-911	-3,528
Capital gain/loss on sale of fixed assets	-1	-3	-10
Depreciation/write-down of tangible fixed assets	-106	-92	-489
<b>OPERATING PROFIT</b>	<b>65</b>	<b>60</b>	<b>37</b>
Financial revenues	0	3	4
Financial expenses, Note 2	-77	-75	-271
<b>FINANCE NET</b>	<b>-77</b>	<b>-72</b>	<b>-267</b>
<b>EARNINGS BEFORE TAX</b>	<b>-12</b>	<b>-12</b>	<b>-230</b>
Tax	-	-	-
<b>NET EARNINGS FOR THE PERIOD</b>	<b>-12</b>	<b>-12</b>	<b>-230</b>
Earnings for the period attributable to the parent company's shareholders	-12	-12	-230
Earnings per share before dilution (SEK )	-0.49	-0.47	-9.23
Earnings per share after dilution (SEK)	-0.49	-0.47	-9.23
Average number of shares before dilution (thousands)	24,928	24,928	24,928
Average number of shares after dilution (thousands)	24,928	24,928	24,928

## Consolidated statement of comprehensive income

SEK millions	Quarter		Full year
	Mar - May 12	Mar - May 11	Mar 11 - Feb 12
<b>Net earnings for the period</b>	<b>-12</b>	<b>-12</b>	<b>-230</b>
<b>Other comprehensive income</b>			
Exchange rate differences on foreign operators	0	3	9
Other comprehensive income for the period, net after tax	0	3	9
<b>Total comprehensive income for the period</b>	<b>-12</b>	<b>-9</b>	<b>-221</b>
<b>Comprehensive income for the period attributable to the parent company's owners</b>	<b>-12</b>	<b>-9</b>	<b>-221</b>

## Consolidated balance sheet in summary

SEK millions	Quarter		Full year
	May 31, 2012	May 31, 2011	Feb 29, 2012
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	599	675	598
Other intangible fixed assets	12	5	14
Improvement expenditures on third-party property	8	8	9
Equipment, tools, fixtures and fittings	61	43	64
Vehicles	3,764	3,121	3,506
Non-current receivables	1	1	1
Deferred tax receivables	7	7	7
Pension assets	14	-	14
<b>Total non-current assets</b>	<b>4,466</b>	<b>3,860</b>	<b>4,213</b>
<b>Current assets</b>			
Inventory	54	52	52
Accounts receivable	433	334	476
Other current receivables	85	27	61
Prepaid expenses and accrued revenue	286	428	208
Funds in escrow	147	105	153
Cash and cash equivalents	90	336	107
<b>Total current assets</b>	<b>1,095</b>	<b>1,282</b>	<b>1,057</b>
<b>TOTAL ASSETS</b>	<b>5,561</b>	<b>5,142</b>	<b>5,270</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>-55</b>	<b>169</b>	<b>-43</b>
<b>Non-current liabilities</b>			
Borrowing, Note 2	2,756	3,157	2,502
Provisions for pensions and similar obligations	26	16	27
Other provisions	58	76	61
<b>Total non-current liabilities</b>	<b>2,840</b>	<b>3,249</b>	<b>2,590</b>
<b>Current liabilities</b>			
Accounts payable	422	357	425
Borrowing, Note 2	1,404	430	1,420
Other current liabilities	155	117	145
Accrued expenses and deferred income	795	820	733
<b>Total current liabilities</b>	<b>2,776</b>	<b>1,724</b>	<b>2,723</b>
<b>Total liabilities</b>	<b>5,616</b>	<b>4,973</b>	<b>5,313</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,561</b>	<b>5,142</b>	<b>5,270</b>

## Consolidated statement of changes in equity

SEK millions	Share capital	Other contributed capital	Translation differences	Losses carried forward	Total equity
<b>Opening equity per March 1, 2011</b>	<b>224</b>	<b>2,271</b>	<b>26</b>	<b>-2,343</b>	<b>178</b>
Comprehensive income	-	-	3	-12	-9
<b>Closing equity per May 31, 2011</b>	<b>224</b>	<b>2,271</b>	<b>29</b>	<b>-2,355</b>	<b>169</b>
<b>Opening equity per March 1, 2012</b>	<b>224</b>	<b>2,271</b>	<b>35</b>	<b>-2,573</b>	<b>-43</b>
Comprehensive income	-	-	-	-12	-12
<b>Closing equity per May 31, 2012</b>	<b>224</b>	<b>2,271</b>	<b>35</b>	<b>-2,585</b>	<b>-55</b>

*There are no controlling interests.*

## Consolidated cash flow statement

SEK millions	Quarter		Full year
	Mar - May 12	Mar - May 11	Mar 11 - Feb 12
<b>Cash flow from operations</b>			
Earnings after financial items	-12	-12	-230
<i>Adjustments for items not included in cash flow</i>	178	165	743
<b>Cash flow from operations before changes in working capital</b>	<b>166</b>	<b>153</b>	<b>513</b>
<b>Cash flow from changes in working capital</b>			
Changes in inventory	-2	-4	-3
Change in operating receivables	-56	74	124
Change in operating liabilities	16	-79	-12
<b>Total change in working capital</b>	<b>-42</b>	<b>-9</b>	<b>109</b>
Received interest income	-	3	4
Tax paid	-	-	-
<b>Cash flow from operations</b>	<b>124</b>	<b>147</b>	<b>626</b>
<b>Cash flow from investing activities</b>			
Change in funds in escrow	7	5	-41
Investments in land, vehicles, equipment tools fixtures and fittings, excl. financial leases	-8	-14	-115
Sales of buildings and land, vehicles, equipment tools fixtures and fittings	1	96	114
<b>Cash flow from investing activities</b>	<b>-</b>	<b>87</b>	<b>-42</b>
<b>Cash flow from financing activities</b>			
Repayment of principal, financial leasing liabilities	-97	-81	-346
Repayment of principal, loans	-	-	-110
Paid interest	-44	-43	-248
<b>Cash flow from financing activities</b>	<b>-141</b>	<b>-124</b>	<b>-704</b>
<b>Cash flow for the period</b>	<b>-17</b>	<b>110</b>	<b>-120</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>107</b>	<b>225</b>	<b>225</b>
Cash flow for the period	-17	110	-120
Translation difference	-	1	2
<b>Cash and cash equivalents at end of period</b>	<b>90</b>	<b>336</b>	<b>107</b>

## Parent company's income statement in brief

SEK millions	Quarter		Full year
	Mar - May 12	Mar - May 11	Mar 11 - Feb 12
Net sales	39	36	151
<b>OPERATING EXPENSES</b>			
Other external expenses	-20	-18	-139
Personnel expenses	-13	-15	-63
Depreciation/impairment of intangible and tangible non-current assets	-4	-2	-13
<b>OPERATING PROFIT</b>	<b>2</b>	<b>1</b>	<b>-64</b>
Earnings from participations in Group companies	-	-	21
Financial income	14	11	44
Financial expenses	-1	-	-1
<b>NET FINANCIAL ITEMS</b>	<b>13</b>	<b>11</b>	<b>64</b>
<b>EARNINGS BEFORE TAX</b>	<b>15</b>	<b>12</b>	<b>0</b>
Tax	-	-	-
<b>NET EARNINGS FOR THE PERIOD</b>	<b>15</b>	<b>12</b>	<b>0</b>

## Report of the parent company's comprehensive income

SEK millions	Quarter		Full year
	Mar - May 12	Mar - May 11	Mar 11 – Feb 12
<b>Net earnings for the period</b>	<b>15</b>	<b>12</b>	<b>0</b>
<b>Other comprehensive income</b>			
Other comprehensive income for the period, net after tax	-	-	-
<b>Total comprehensive income for the period</b>	<b>15</b>	<b>12</b>	<b>-</b>
<b>Net earnings for the period</b>	<b>15</b>	<b>12</b>	<b>0</b>

## Parent company's balance sheet in brief

MSEK	Quarter		Full year
	May 31, 2012	May 31, 2011	29 Feb, 2012
<b>ASSETS</b>			
<b>Non-current assets</b>			
Participations in Group companies	12	5	13
Other intangible assets	28	11	30
Equipment, tools, fixtures and fittings	1,772	1,772	1,772
Receivables from Group companies	403	335	400
<b>Total financial assets</b>	<b>2,215</b>	<b>2,123</b>	<b>2,215</b>
<b>Current assets</b>			
Receivables from Group companies	97	55	85
Other current receivables	11	10	6
Prepaid expenses and accrued revenue	9	51	9
Funds in escrow	57	31	56
Cash and cash equivalents	66	75	65
<b>Total current assets</b>	<b>240</b>	<b>222</b>	<b>221</b>
<b>TOTAL ASSETS</b>	<b>2,455</b>	<b>2,345</b>	<b>2,436</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>2,322</b>	<b>2,319</b>	<b>2,307</b>
<b>Non-current liabilities</b>			
Pension provisions	3	2	2
<b>Total non-current liabilities</b>	<b>3</b>	<b>2</b>	<b>2</b>
<b>Current liabilities</b>			
Accounts payable	14	12	22
Liabilities to Group companies	100	-	86
Other current liabilities	3	2	1
Accrued expenses and deferred revenue	13	10	18
<b>Total current liabilities</b>	<b>130</b>	<b>24</b>	<b>127</b>
<b>Total liabilities</b>	<b>133</b>	<b>26</b>	<b>129</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,455</b>	<b>2,345</b>	<b>2,436</b>

## Parent company's change in equity

SEK millions	Share capital	Statutory reserve	Share premium reserve	Retained earnings	Earnings for the period	Total equity
<b>Opening equity per March 1, 2011</b>	<b>224</b>	<b>-</b>	<b>612</b>	<b>1,406</b>	<b>65</b>	<b>2,307</b>
Reversal of previous year's earnings	-	-	-	65	-65	-
Earnings for the period	-	-	-	-	12	12
<b>Closing equity per May 31, 2011</b>	<b>224</b>	<b>-</b>	<b>612</b>	<b>1,471</b>	<b>12</b>	<b>2,319</b>
<b>Opening equity per March 1, 2012</b>	<b>224</b>	<b>-</b>	<b>612</b>	<b>1,471</b>	<b>0</b>	<b>2,307</b>
Reversal of previous year's earnings	-	-	-	-	-	-
Earnings for the period	-	-	-	-	15	15
<b>Closing equity per May 31, 2012</b>	<b>224</b>	<b>-</b>	<b>612</b>	<b>1,471</b>	<b>15</b>	<b>2,322</b>

## Note 1. Segment reporting

SEK millions, unless otherwise stated	Quarter		Full year
	Mar - May 12	Mar - May 11	Mar 11 – Feb 12
<b>Revenues per business area</b>			
<i>Nobina Sweden</i>	1,231	1,275	4,905
<i>Nobina Denmark</i>	86	78	325
<i>Nobina Norway</i>	237	177	718
<i>Nobina Finland</i>	202	206	775
<i>Elimination of sales to interregional traffic</i>	-8	-12	-43
<b>Total regional traffic</b>	<b>1,748</b>	<b>1,724</b>	<b>6,680</b>
<i>Swebus</i>	90	90	370
<i>Elimination of sales to regional traffic</i>	-	-	-
<b>Total interregional traffic</b>	<b>90</b>	<b>90</b>	<b>370</b>
<b>Total revenues</b>	<b>1,838</b>	<b>1,814</b>	<b>7,050</b>

SEK millions, unless otherwise stated	Quarter		Full year
	Mar - May 12	Mar - May 11	Mar 11 – Feb 12
<b>Operating profit per business area</b>			
<i>Nobina Sweden</i>	85	78	295
<i>Nobina Denmark</i>	-5	-12	-33
<i>Nobina Norway</i>	-9	-1	-128
<i>Nobina Finland</i>	2	6	12
<b>Total regional traffic</b>	<b>73</b>	<b>71</b>	<b>146</b>
<i>Swebus</i>	0	-2	-4
<b>Total interregional traffic</b>	<b>73</b>	<b>-2</b>	<b>-4</b>
<i>Central functions and other items</i>	-8	-9	-105
<b>Total operating profit</b>	<b>65</b>	<b>60</b>	<b>37</b>

## Note 2. Financing

SEK millions, unless otherwise stated	Quarter		Full year
	Mar - May 12	Mar - May 11	Mar 11 – Feb 12
<b>Operational leasing, Buses</b>			
Nominal value of future payments - Buses	606	860	674
Present value of future payments - Buses	549	771	606
Number of operationally leased buses	1,200	1,463	1,225
Reported operational leasing expense	57	70	246
<b>Interest-bearing non-current liabilities</b>			
Senior Notes	761	838	743
Financial leasing liability	3,401	2,760	3,147
Factoring	-	-	36
Capitalized financing fees	-2	-11	-4
<b>Total</b>	<b>4,160</b>	<b>3,587</b>	<b>3,922</b>
Less current part	-1,404	-430	-1,420
<b>Total non-current liabilities</b>	<b>2,756</b>	<b>3,157</b>	<b>2,502</b>
<b>Interest expenses and similar profit/loss items</b>			
Interest expenses, financial leasing	-40	-34	-148
Interest expenses, Senior Notes	-26	-30	-107
Other financial expenses	-2	-6	-20
Realized and non-realized exchange rate profits	-9	-5	4
<b>Total</b>	<b>-77</b>	<b>-75</b>	<b>-271</b>

Earnings per share	Quarter		Full year
	Mar - May 12	Mar - May 11	Mar 11 – Feb 12
Average number of ordinary shares during the period	24,928	24,928	24,928
Reported earnings	-12	-12	-230
Adjusted earnings	-12	-12	-230
<b>Earnings per share</b>	<b>-0.49</b>	<b>-0.47</b>	<b>-9.23</b>

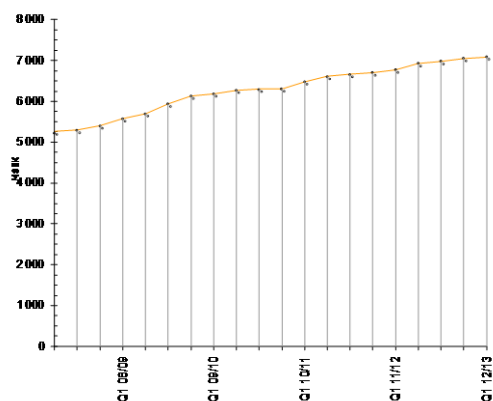


## Key ratio information

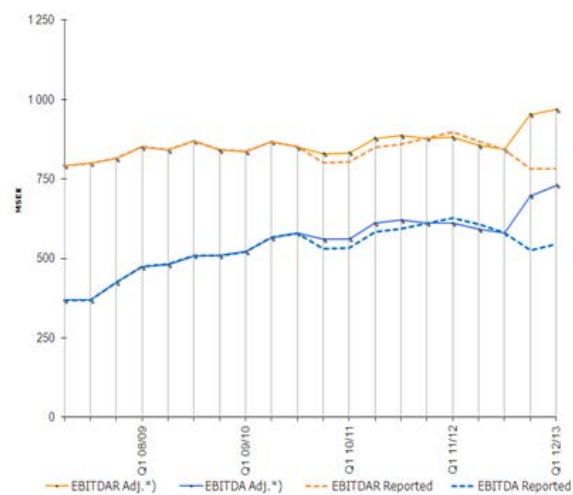
### Key ratios, most recent eight quarters

Key ratios, the Group in SEK millions, unless otherwise	2010/2011			2011/2012				2012/13
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Sales								
Regional traffic	1,469	1,634	1,578	1,724	1,621	1,667	1,668	1,748
Interregional traffic	128	96	93	90	118	83	79	90
Operating profit								
Regional traffic	65	104	2	71	62	83	-70	73
Interregional traffic	27	4	-2	-2	15	-6	-11	0
Earnings after financial items	32	52	-39	-12	-18	-12	-188	-12
Earnings after tax	32	52	-39	-12	-18	-12	-188	-12
Cash flow	-211	125	-50	110	-216	36	-50	-17
Cash and cash equivalents	160	280	225	336	233	159	107	90
Equity ratio, %	3.5	4.3	3.4	3.3	3.1	2.9	Neg	Neg
Equity	174	217	178	169	158	145	-43	-55
Equity/ordinary share, SEK	6.98	8.7	7.14	6.78	6.34	5.83	Neg	Neg
Number of buses	3,627	3,659	3,618	3,599	3,488	3,339	3,437	3,505
Estimated full-time positions	6,506	6,485	7,714	7,152	6,744	6,731	7,008	6,824

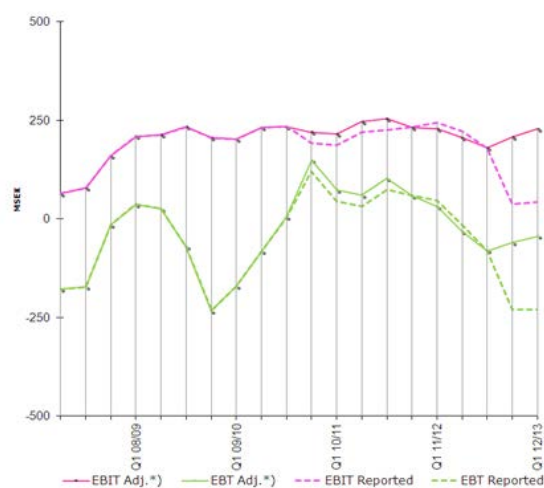
### Revenues, rolling twelve months, five years



### Operating profit, rolling 12 months, five years<sup>1</sup>

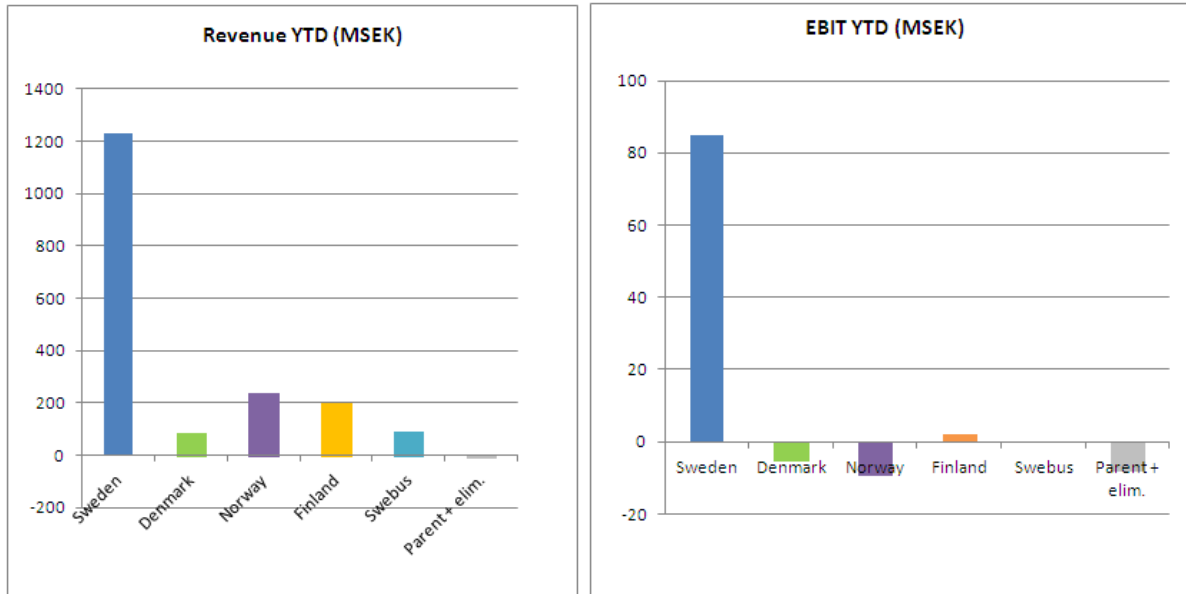


### Earnings, rolling 12 months, five years<sup>1</sup>

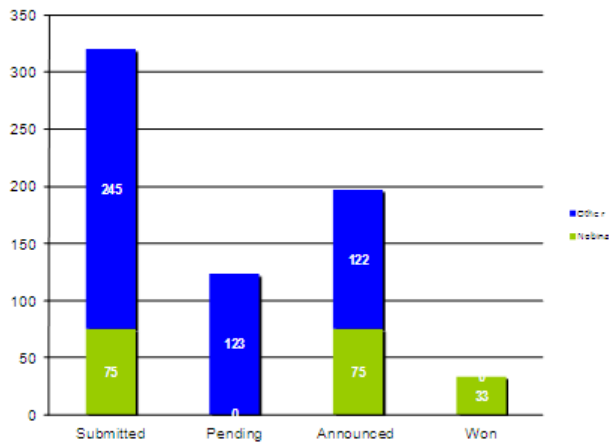


<sup>1</sup> Excluding one-off effects in Q4 09/10, Q1 11/12 and Q4 11/12

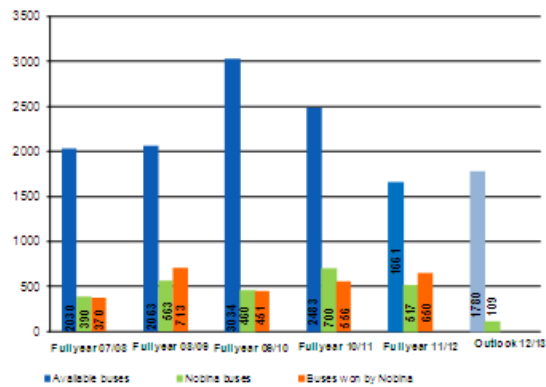
### Breakdown of revenues and earnings by segment, quarter 1, 2012/13



### Tender results, number of buses, quarter 1, 2012/13



### Historical tender results and tender forecast 2012/13



## Planned, newly started traffic, coming 12 months

Contract outcome per country, coming 12 months	Planned, newly started traffic, March 2012 - February 2013					
	PTA	Contract type	Number of years	Traffic start	Number of buses	Value (SEK millions)
Sweden	Upplands Lokaltrafik	Regional traffic	10	June 2012	163	4,917
	Skånetrafiken	Regional traffic	8	October 2012	13	260
	Skånetrafiken	Regional traffic	8	October 2012	32	640
	Skånetrafiken	Regional traffic	4	October 2012	17	160
	Västtrafik	Regional traffic	8	December 2012	27	420
	Västtrafik	Regional traffic	8	December 2012	46	839
Finland	HSL	City traffic	7	August 2012	107	1,627
Norway	Ruter	City traffic	7	October 2012	78	1,749
Denmark	Movia	City traffic	6	December 2011	10	163
Total regional traffic					493	10,775

## Definitions

### CLIENT

An organization which, on behalf of a public authority, is responsible for the organizing the procurement of public transport in a certain area, normally a county. Awards traffic contracts following evaluation of submitted tenders.

### CONCESSION

Traffic contract granted to a certain operator by an authority/PTA without a tender procedure. Cannot take place since deregulation of the public transport market.

### CUSTOMERS

Passengers, i.e. persons who use our services irrespective of whether they pay for the service personally or via a PTA.

### EBT

Earnings before tax.

### EBIT

Earnings before interest and tax.

### EBITDA

Earnings before interest, tax, depreciation and amortization.

### EBITDAR

Earnings before interest, tax, depreciation, amortization and rent

### EURO 1-EURO 5, EEV

Different generations of emission classes for diesel motors.

### EXPRESS BUS

Fixed line long distance road traffic which crosses at least one county boundary. Affected PTAs have a right of objection in conjunction with the granting of permits. An independent operator's revenues derive exclusively from the passengers.

### GROSS AGREEMENT

Traffic contract in which the client compensates the operator only for the number of kilometers or hours driven. Ticket revenues inure to the client.

### INCENTIVE AGREEMENT

Traffic contract in which the client compensates the operator with partially variable compensation. Based on mutual trust and is aimed at achieving an improved result through improved quality and efficiency. Compensation to the operator increases if the number of passengers increases.

### INDEXATION

Recalculation of compensation for a new period of fixed compensation per kilometer or hour in a traffic contract. Covers fixed compensation per kilometer or hour and takes place based on co-weighted indices for inflation within cost categories that are material for the operations.

### NET AGREEMENT

Traffic contract in which the client compensates the operator primarily through ticket revenues.

### TRAFFIC CONTRACT (CONTRACT, CONTRACTING)

An undertaking to provide a certain service at a price agreed upon in advance between the client and contractor. At Nobina, an agreement with a PTA, normally to provide public transport during 5-8 years in exchange for a fixed price with agreed indexing terms.