

Profit before tax (EBT) increased by 17.9% in Q3

THE THIRD QUARTER

- Best ever third-quarter earnings and net sales.
- Net sales increased by 12.1 per cent, to SEK 2,179 million (1,943).
- Operating profit was SEK 161 million (160).
- Profit before tax (EBT) increased by 17.9 per cent, to SEK 125 million (106).
- Earnings per share amounted to SEK 1.1 (1.2).
- Cash flow from operations before changes in working capital was SEK 328 million (308).

NINE-MONTH PERIOD, 1 MARCH – 30 NOVEMBER 2015

- Record net sales and earnings for the nine-month period, before IPO costs.
- Net sales increased by 9.1 per cent, to SEK 6,156 million (5,644).
- Adjusted operating profit increased by 22.4 per cent, to SEK 404 million (330) before IPO costs of SEK 204 million¹⁾. After IPO costs, operating profit was SEK 200 million (330).
- Adjusted profit before tax (EBT) was SEK 279 million (151) before IPO costs and a bond redemption of SEK 297 million¹⁾.
- Earnings per share were SEK –0.0 (1.7).
- Adjusted cash flow²⁾ from operations before changes in working capital was SEK 851 million (734).
- The fourth quarter is expected to be yet another solid quarter in terms of sales and earnings.

IMPORTANT EVENTS IN THE THIRD QUARTER

- Nobina won tenders conducted by Storstockholms Lokaltrafik (SL) worth in excess of SEK 4 billion over the contract periods.
- Nobina won a traffic contract in Norrköping worth almost SEK 400 million.
- During the third quarter, members of the nomination committee were appointed pending Nobina's 2016 annual general meeting. The annual general meeting will be held in Stockholm on 31 May 2016.

IMPORTANT EVENTS SINCE THE END OF THE PERIOD

- Nobina won a traffic contract in Helsinki worth almost SEK 1.4 billion over the contract period.
- In December, Nobina started traffic under a traffic contract in Värmland containing 254 buses.

CEO'S COMMENTS

Once again, Nobina is reporting its best-ever quarter in terms of sales and earnings. Nobina's net sales during the third quarter of the year increased by 12.1 per cent, to SEK 2,179 million. Profit before tax increased by 17.9 per cent, to SEK 125 million.

During the quarter, Nobina won several contracts to provide transport services on behalf of SL, (AB Storstockholms Lokaltrafik) and Östgötatrafiken. The transport services on behalf of SL are divided into two contracts: Järfälla and Upplands Bro, as well as Södertälje and Nykvarn. The contracts are estimated to be worth more than SEK 4 billion over the contract periods. The service on behalf of Östgötatrafiken involves regional transport in Norrköping, valued at almost SEK 400 million over six years. We are pleased with, and proud of, our contract wins in the third quarter in which quality criteria have played an important role in the tender process. Nobina's attainment of the highest points in these categories is testimony to the fact that our business processes function well.

We now have a number of quarters behind us with record sales and earnings and we expect the fourth quarter to be yet another solid quarter.

Nobina is on the right path for delivering long-term, sustainable profitability in accordance with our financial targets. I look forward to paying out our first dividend in line with our communicated dividend policy.

Ragnar Norbäck,
President and CEO

KEY RATIOS

(SEK million, unless otherwise stated)	Quarter		Period		Full year	Rolling 12 months
	Sep–Nov 15	Sep–Nov 14	Mar–Nov 15	Mar–Nov 14	Mar 14–Feb 15	Dec 14–Nov 15
Net sales	2,179	1,943	6,156	5,644	7,549	8,061
Operating profit (EBIT)	161	160	200	330	371	241
Earnings before tax (EBT)	125	106	–18	151	141	–28
Cash flow for the period	117	174	–12	–46	141	175
Operating profit (EBIT), adjusted ¹⁾	161	160	404	330	371	445
Earnings before tax (EBT), adj. ¹⁾	125	106	279	151	141	269
Cash flow, adjusted ²⁾	117	174	20	–46	141	207
	30 Nov 15	30 Nov 14	30 Nov 15	30 Nov 14	28 Feb 15	28 Feb 14
Cash and cash equivalents	436	265	436	265	453	309
Shareholders' equity	1,091	328	1,091	328	310	224
Net debt/EBITDA	4.69	4.33	4.69	4.33	4.19	4.49
Equity ratio,%	15.1	5.2	15.1	5.2	4.7	3.8

1) Operating profit in the nine-month period is adjusted for non-recurring items of SEK –204 million. Profit before tax has also been adjusted by SEK –93 million in net financial items with respect to early redemption of bonds. See also page 6.

2) Adjustment for non-recurring items relating to the IPO for the nine-month period, is SEK –204 million in cash flow from operations before changes in working capital and SEK –32 million in the cash flow.

A complete key ratio table is presented on page 19.

NOBINA IN BRIEF

Nobina is the largest and most experienced public transport company in the Nordic region. Our expertise in identifying tender opportunities, our tender work and active management of public traffic contracts, combined with long-term quality delivery, makes us the industry leader in terms of profitability, development and initiatives for a healthier industry.

Nobina ensures that more than one million people daily arrive at work, their school or other activities by delivering contracted public transport on behalf of society in Sweden, Norway, Finland

and Denmark. In addition, Nobina offers interregional transport on the Swedish market through Swebus.

Nobina makes travel easier and friendlier for more than one million people each day. Our success creates a better society in the form of increased mobility, reduced carbon footprint and reduced societal costs.

More information is available on www.nobina.com.

THE MARKET

In the Nordic region, public transport has a key role to play in sustainable societal development and there is stable, long-term growth in demand for public transport. Similar conditions prevail in all the Nordic markets. A common feature in all countries is that clients in the form of regional public transport authorities are tasked with organising public transport solutions for their immediate areas. Costs for tendered regional public transport are financed in part by municipalities and county councils, and in part from ticket revenues, while there is free competition and pricing without public subsidies on the market for long distance bus transport.

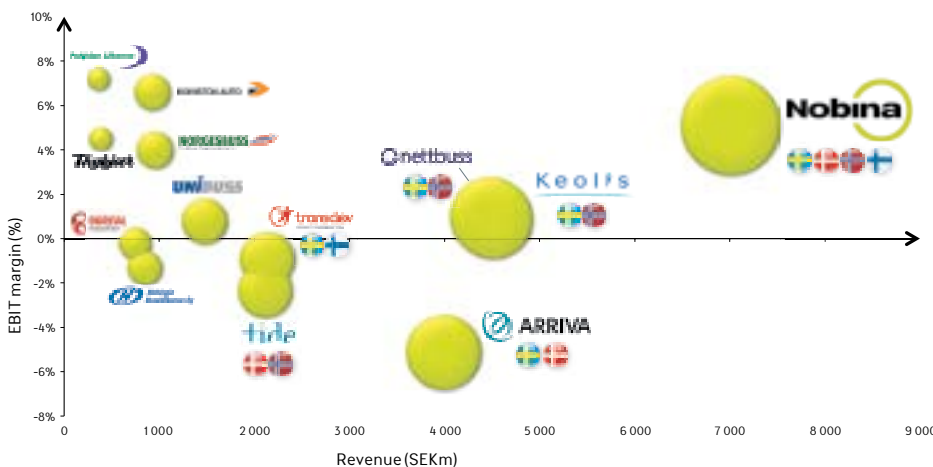
The Nordic market is gradually maturing and improving in several areas: increased environmental awareness, a balance between pricing and quality in stipulated requirements, as well as increased interest in incentive contracts in which payment depends on the number of passengers boarding the bus, instead of traditional production contracts with fixed compensation models. At the same time, the clients vary in terms of experience and knowledge in tender processes. An ever increasing percentage of transport is currently being contracted in accordance with

the EU's Traffic Regulation, which increases Nobina's market. For example, on parts of the Finnish and Norwegian markets transport services were not previously tendered out to the same extent as in other Nordic countries. The tender model has long been well-established in Sweden and Denmark and is becoming increasingly common in Norway and Finland.

Nobina's position in the market

Nobina is a well-established part of the Nordic public transport infrastructure. In Sweden, our leading market position is characterised by a high level of efficiency and successful work in administering our transport areas and improving the contract portfolio. In Finland, as a market leader in Helsinki we are well-positioned to increase our market shares in an expanding market. Nobina is a challenger on the Norwegian and Danish markets, at the same time as these markets too are growing in terms of volume and number of tendered contracts. As the largest and most experienced public transport company in the Nordic region, conditions are favourable for profitable growth.

THE NORDIC PUBLIC TRANSPORT MARKET FOR BUS TRAVEL



Nobina is the only public transport company with operations in all four Nordic countries, thereby placing it a unique position with access to tender volumes in all countries as well as economies of scale in both the operations and bus fleet. Other operators are active only in one or two countries.

The size of the bubbles in the graphic to the left shows the Nordic market share for public transport by bus in accordance with most recently reported sales; EBIT margin includes other activities in addition to public transport by bus.

Source: Market study carried out by a leading strategy consulting firm on behalf of Nobina, March 2015, with figures from the most recently available closing accounts.

NOBINA'S FINANCIAL DEVELOPMENT

The third quarter (1 September–30 November 2015) and the nine-month period (1 March–30 November 2015)

Net sales

Third quarter

Nobina's net sales for the third quarter amounted to SEK 2,179 million (1,943), representing an increase of 12.1 per cent compared with the corresponding period of last year, mainly attributable to Nobina Sweden, Nobina Finland and Nobina Denmark. Sales were positively affected by newly-started contracts, increased revenues in existing contracts as well as indexation of revenues.

Nine-month period

Nobina's net sales amounted to SEK 6,156 million (5,644), representing an increase of 9.1 per cent compared with the corresponding period of last year and including increased revenues in existing contracts, new contracts and extra transport.

Earnings

Third quarter

Operating profit amounted to SEK 161 million (160) and was affected negatively by a younger contract portfolio, and positively by continued improvements in existing contracts.

Profit before tax increased by 17.9 per cent, to SEK 125 million (106), primarily due to an improvement of SEK 18 million in net financial items, to SEK –36 million (–54). The positive trend in net financial items is a result of lower interest expenses due to the bond redemption in August 2015 as well as lower interest rates on leasing and loans.

Nine-month period

The adjusted operating profit before IPO costs was SEK 404 million (330). Operating profit in the first and second quarter was negatively affected by transaction costs and costs for the incentives programme in connection with the IPO totalling SEK 204 million. Operating profit for the period (EBIT), including IPO costs, amounted to SEK 200 million (330). Adjusted net financial items amounted to SEK –125 million (–179), while net financial items after IPO costs amounted to SEK –218 million (–179).

Adjusted profit before tax was SEK 279 million (151) and, after IPO costs, there was a pre-tax loss of SEK –18 million (151).

For further information regarding costs in connection with the IPO, see page 10.

Tax

As a consequence of historical tax deductible losses, Nobina is not subject to any tax payments that affect cash flow. Nobina's income tax in the income statement comprises a change to a calculated deferred tax asset amounting to SEK –25 million (–29) during the third quarter.

Nobina's income tax charge was SEK 14 million (–46) for the nine-month period and the effective tax rate was n/a per cent (–30.5).

Financial position

Cash and cash equivalents at the end of the quarter amounted to SEK 436 million (265). In addition, Nobina had restricted funds of SEK 101 million (147), mainly constituting security for leasing agreements, security for guarantees in respect of executed traffic contracts and tax accounts in Norway. Nobina has an available bank credit facility of SEK 132 million (SEK 50 million), of which SEK 0 was drawn on 30 November 2015.

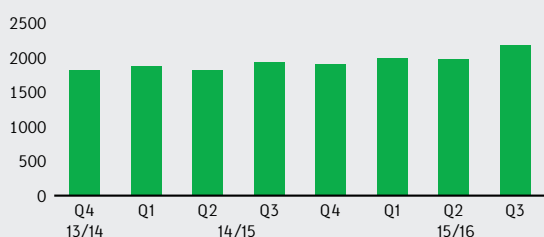
Nobina's interest-bearing liabilities amounted to SEK 4,490 million (4,261), largely comprising financial leasing liabilities of SEK 4,199 million (3,704) and other external liabilities of SEK 250 million (533). Leasing liabilities are booked as financial leasing and are thus visible in the balance sheet. Nobina's entire indebtedness derives from investments in buses and equipment used in the business operations. The earlier bond loan were redeemed in full in August 2015.

The net debt was SEK 3,953 million (3,849).

Shareholders' equity amounted to SEK 1,091 million (328). The equity/assets ratio at the end of the quarter was 15.1 per cent, compared with 5.2 per cent on the same date last year.

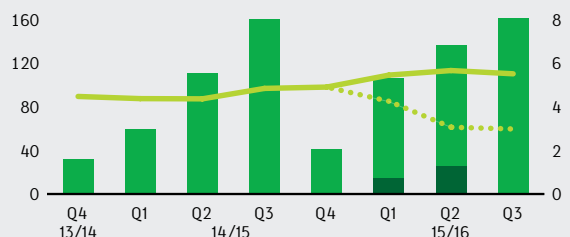
Nobina's capital structure has been strengthened following the IPO and bond redemption. This has, among other things, contributed to a sharp increase in access to financing independent of suppliers. The advantages include lower financing margins and also enhanced negotiating possibilities in conjunction with bus purchases.

NET SALES



■ Net sales, SEK million

OPERATING PROFIT AND MARGIN



■ Operating profit¹⁾, SEK million

■ Operating profit, after IPO-costs SEK million

— Operating margin¹⁾, rolling 12 month values, %

--- Operating margin, after IPO-costs rolling 12 month values, %

¹⁾ Adjusted for non-recurring items of SEK 204 million in the operating profit, of which SEK 32 million related to the IPO and SEK 172 million to the incentive programme.

Investments, depreciation and write-downs

Third quarter

Bus investments in the third quarter were SEK -291 million (-137), and other investments were SEK -12 million (-11). Through its subsidiary Nobina Fleet AB, Nobina signed financial leasing agreements amounting to SEK 277 million (56). Nobina's cash investments for purchases of buses including accessories as well as purchases of other non-current assets amounted to SEK -26 million (-92), of which SEK 0 million (81) was financed through loans. Nobina disposed of buses and other non-current assets for SEK 10 million (SEK 5 million). The disposal entailed a capital loss of SEK -13 million (-12).

The nine-month period

Bus investments were SEK -1,151 million (-599) and other investments were SEK -52 million (-80). Leasing financing amounted to SEK 1,026 million (518). Nobina's cash investments for purchases of buses including accessories as well as purchases of other non-current assets amounted to SEK -177 million (-161), of which SEK 108 million (81) was financed through loans. Nobina disposed of buses and other non-current assets for SEK 24 million (33) and accounted for a capital loss of SEK -14 million (-23) on actual and planned disposals.

Nobina's financial leasing agreements are classified as non-current assets, while leasing obligations are reported as a liability in the balance sheet. Depreciation and interest expenses on leasing agreements are reported in the income statement.

Investments (SEK millions)	Sep–Nov 15	Sep–Nov 14	Mar–Nov 15	Mar–Nov 14	Mar 14–Feb 15
Investments in new buses	-291	-137	-1,151	-599	-980
Other investments	-12	-11	-52	-80	-60
Sum total investments	-303	-148	-1,203	-679	-1,040
Leasing-financed	277	56	1,026	518	745
Total investments	-26	-92	-177	-161	-295
Of which loan-financed investments	-	81	108	81	168
Total cash investments	-26	-11	-69	-80	-127

Goodwill and shares in subsidiaries

The value of shares in subsidiaries were tested at the end of the third quarter. No need for impairment write-down was established. Goodwill and value of shares in subsidiaries will be reviewed in the fourth quarter.

Cash flow

Third quarter

Cash flow from operations before changes in working capital for the third quarter was SEK 328 million (308). Working capital developed negatively by SEK -10 million (51).

Cash flow from investing activities amounted to SEK 2 million (-72) and was affected by SEK 18 million (15) release of restricted cash, and by investments in buses and equipment amounting to SEK -26 million (-92).

Cash flow from financing activities was SEK -204 million (-111). The third quarter of the preceding year included new borrowing of SEK 81 million which was used to finance bus acquisitions. No such borrowing occurred the third quarter of this year.

Total cash flow for the third quarter was SEK 117 million (174).

The nine-month period

Cash flow from operations before changes in working capital for the nine-month period was SEK 647 million (734). The effect from IPO-related transaction costs was SEK -32 million and the effect from costs for the incentive programmes was SEK -172 million. Adjusted for IPO items, cash flow from operations before changes in working capital was SEK 851 million.

Working capital developed negatively by SEK -188 million (-148) due to seasonal variations and variations in accrued costs and deferred income.

Cash flow from investing activities was SEK -140 million (-119).

Cash flow from financing activities was SEK -333 million (-516). Cash flow in the first and second quarters was affected by the following items relating to the IPO: new issue of shares (SEK 850 million), capital acquisition costs relating to the IPO (SEK -49 million), bond redemption (SEK -550 million), and costs for early redemption of bonds (SEK -79 million).

Cash flow for the nine-month period was SEK -12 million (-46). Adjusted cash flow, excluding IPO-related items and the bond redemption, amounted to SEK 20 million (-46).

Non-recurring items in cash flow for the period (SEK millions)	Sep–Nov 15	Mar–Nov 15
IPO-related transaction costs	-	-32
Incentive programmes	-	-172
Total non-recurring items in cash flow from operations		-204
New issue	-	850
Capital acquisition costs	-	-49
Bond redemption	-	-550
Early bond redemption premium	-	-79
Total non-recurring items from financing activities		172
Total non-recurring items in cash flow for the period	-	-32

Bridge for net sales and earnings

The bridge below shows the most important explanatory items regarding accumulated results from the previous to the present year, relating to net sales, operating profit and profit before tax.

Price and volume show the effects of changes in existing contracts as regards prices for performed transport as well as changed transport volumes. This explanatory item includes all contracts operated by Nobina during both the preceding and the current period.

Contract migration shows the effects of changes in the contract portfolio. A started contract means increased sales, but often an initial adverse effect on earnings due to start-up costs and lower initial efficiency. A terminated contract results in reduced sales and loss of the contract's contribution to earnings.

Indexation shows the effect of indexation on net sales compared with underlying cost inflation in existing contracts. This item can include effects of subsequent adjustment of indexation revenues by Nobina as well as adjustment at different intervals depending on the contract.

Operational efficiency shows the effect on earnings of efficiency measures regarding personnel costs, maintenance, damage, etc.

Other includes the effect on earnings of disposal of buses, property expenses, marketing and sales expenses as well as other administrative expenses.

IPO includes IPO transaction costs and incentive programme costs, as well as other costs associated with the IPO in June 2015.

Net financial items include effects on earnings of interest rates, exchange rates and other financial items

Bridge for nine-month period

Explanatory items for net sales and operating profit as well as profit before tax (SEK million)

	Net sales	Operating profit	Profit before tax	Commentary on results
Period Mar–Nov 2014	5,644	330	151	
Price and volume	694	97	97	Positive effect on volume and prices, with effect mainly from Nobina Sweden but also positive effect in Nobina Finland.
Contract migration	-213	-47	-47	Contract changes had a negative effect on net sales in the nine-month period. The full impact of contract starts implemented this year has not yet been felt. Operating profit and profit before tax were negatively affected by start-up costs.
Indexation	31	19	19	Positive indexation effects on net sales which also have an impact on operating profit and profit before tax. This effect derives primarily from Nobina Sweden.
Operational efficiency		13	13	Positive effect of improved efficiency in Nobina Finland and Nobina Norway.
Other		-8	-8	Other items derive primarily from Nobina Sweden.
IPO		-204	-297	Costs for IPO and incentive programme. This item includes bond redemption in profit for the year before tax.
Net financial items			54	Net financial items for preceding year include SEK 25 million for write-off of capitalised financing costs. In the current year, interest expenses are lower due to leasing and bond redemption.
Period Mar–Nov 2015	6,156	200	-18	

INTERIM REPORT 1 SEPTEMBER–30 NOVEMBER 2015

	Quarter		Period		Full year	Rolling 12 months
	Sep–Nov 15	Sep–Nov 14	Mar–Nov 15	Mar–Nov 14	Mar 14–Feb 15	Dec 14–Nov 15
Net sales (SEK million)						
Net sales per segment						
Nobina Sweden	1,493	1,343	4,186	3,845	5,138	5,479
Nobina Denmark	129	95	385	276	395	504
Nobina Norway	240	238	696	722	943	917
Nobina Finland	259	210	692	597	812	907
Elimination of sales to interregional traffic	-9	-6	-32	-18	-22	-36
Total regional traffic	2,112	1,880	5,927	5,442	7,266	7,771
Swebus	66	64	221	223	284	282
Elimination of sales to regional traffic	-	-1	-	-1	-1	0
Total interregional traffic	66	63	221	222	283	282
Central functions and other items	1	-	8	-	-	8
Total net sales	2,179	1,943	6,156	5,644	7,549	8,061

	Quarter		Period		Full year	Rolling 12 months
	Sep–Nov 15	Sep–Nov 14	Mar–Nov 15	Mar–Nov 14	Mar 14–Feb 15	Dec 14–Nov 15
Profit, adjusted for non-recurring items ¹⁾ (SEK million)						
Operating profit per segment						
Nobina Sweden	137	155	346	328	373	391
Nobina Denmark	5	-2	4	-7	-15	-4
Nobina Norway	11	0	20	-7	-2	25
Nobina Finland	25	15	46	35	47	58
Total regional traffic	178	168	416	349	403	470
Swebus	0	-1	10	11	9	8
Total interregional traffic	0	-1	10	11	9	8
Central functions and other items	-17	-7	-22	-30	-41	-33
Total operating profit	161	160	404	330	371	445
Net financial expense	-36	-54	-125	-179	-230	-176
Profit before tax	125	106	279	151	141	269

1) Non-recurring items (SEK million)	Sep–Nov 15	Mar–Nov 15
Transaction costs in connection with IPO	-	-32
Incentive programme	-	-172
Total non-recurring items in operating profit for the period	-	-204
Financial items	-	-93
Non-recurring items for the period in profit before tax for the period	-	-297

During the nine-month period, non-recurring items in profit before tax amounted to SEK -297. IPO-related transaction costs of SEK -32 million and costs of SEK -172 million relating to the incentive programmes are reported within central functions. Costs of SEK -79 million relating to early redemption of bonds and financial expenses of SEK -14 million which are allocated over a period of time are reported within net financial items for the period.

	Quarter		Period		Full year
	Sep–Nov 15	Sep–Nov 14	Mar–Nov 15	Mar–Nov 14	Mar 14–Feb 15
Profit (SEK million)					
Operating profit per segment					
Nobina Sweden	137	155	346	328	373
Nobina Denmark	5	-2	4	-7	-15
Nobina Norway	11	0	20	-7	-2
Nobina Finland	25	15	46	35	47
Total regional traffic	178	168	416	349	403
Swebus	0	-1	10	11	9
Total interregional traffic	0	-1	10	11	9
Central functions and other items	-17	-7	-226	-30	-41
Total operating profit	161	160	200	330	371
Net financial expense	-36	-54	-218	-179	-230
Profit before tax	125	106	-18	151	141
Tax	-25	-29	14	-46	-47
PROFIT FOR THE PERIOD	100	77	-4	105	94

SEGMENTS

Nobina's third quarter developed positively with generally sound performance in our transport areas and in our contracts. Earnings for the third quarter are affected in part by three major traffic starts for the year in Södertörn, Helsinki and Follo; these are proceeding according to plan but at the same time mean relatively low earnings and efficiency levels in the early stage of the contract periods. During the quarter, Nobina won three important contracts in Sweden relating to bus traffic for Storstockholms Lokaltrafik (SL) and Östgötatrafiken.

Sweden

Nobina Sweden's revenues increased by 11.2 per cent during the third quarter compared with the corresponding period of last year, primarily due to increased volumes from new contracts. Operating profit was affected by contract migration and initial investments according to plan in the new contract in Södertörn.

In November, Nobina won tenders carried out by Storstockholms Lokaltrafik (SL) for bus traffic in Järfälla and Upplands Bro, as well as Södertälje and Nykvarn. Traffic start is scheduled for August 2016. The contracts are estimated at more than SEK 450 million annually, over eight and ten years respectively.

During the quarter, Nobina also won Östgötatrafiken's tender for the provision of bus transport in Norrköping worth almost SEK 400 million over the six-year period. Nobina is still awaiting the outcome in the appeal court regarding Nobina's previous contract win for public transport in Borås (50 buses).

During the quarter, Nobina made preparations for traffic start in December regarding regional transport and school transport in Värmland.

Swebus

Swebus operates interregional transport and accounts for 3.0 per cent of Nobina's net sales. Net sales for the third quarter were positively affected by lower price volatility on the market. This also had a positive effect on operating profit. During the quarter,

Swebus signed a cooperation agreement with MTR covering ticket sales and train-replacement buses.

Denmark

Volumes in the Danish operations continued to develop positively during the third quarter as a consequence of the new traffic contract in Copenhagen that started during the fourth quarter of last year. Earnings developed positively compared with the corresponding quarter of last year, in part due to the fact that the third quarter of 2014 included a poorly performing contract in Copenhagen that expired in December 2014. All of Nobina Denmark's existing contracts are meeting our expectations.

Norway

Nobina Norway reports a result for the third quarter showing sound contract development. Operating profit for the quarter was SEK 11 million higher than in the corresponding period of last year. Nobina Norway's profit includes the positive effect of bonus incentive revenues from contracts in Oslo. We continue to work hard on the challenging Tromsø contract.

Finland

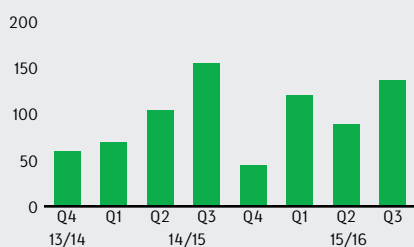
Nobina Finland demonstrates strong growth in net sales and operating profit for the third quarter compared with the corresponding period of last year. The newly-started contract for city transport in the Helsinki Vantaa area that began in the second quarter is performing well. During the third quarter, Nobina received a bonus in respect of good climate and environmental performance.

In December, HSL announced that Nobina had been awarded a contract involving 94 buses and valued at SEK 1.4 billion over seven years.

During the period, the competitor Helb (previously owned by the City of Helsinki) was sold to the privately owned company Koiviston Auto. Thus, in the future Helb will be competing as a privately-owned player.

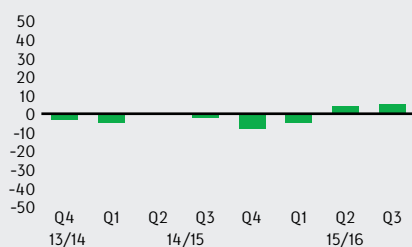
OPERATING PROFIT (EBIT) BY SEGMENT, ADJUSTED FOR NON-RECURRING ITEMS (SEE TABLE ON PAGE 6)

SWEDEN



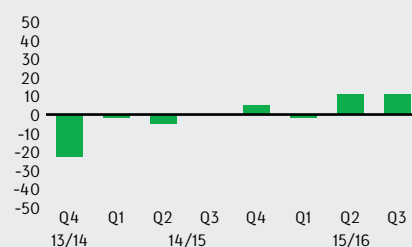
■ EBIT, SEK million

DENMARK



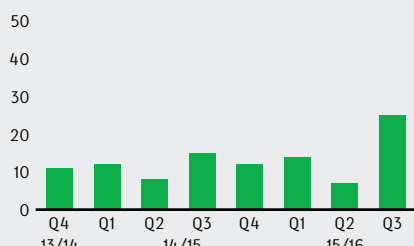
■ EBIT, SEK million

NORWAY



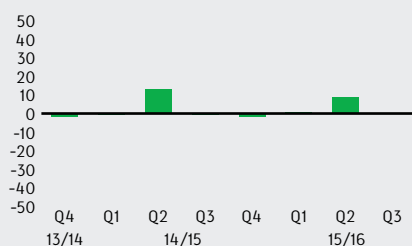
■ EBIT, SEK million

FINLAND



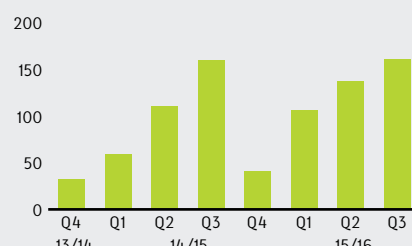
■ EBIT, SEK million

SWEBUS



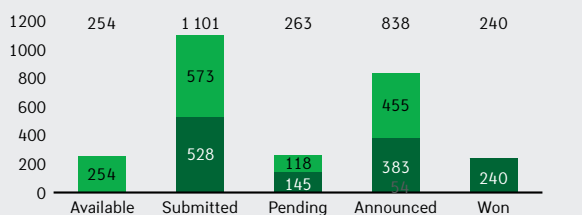
■ EBIT, SEK million

NOBINA



■ EBIT, SEK million

TENDERS (NUMBER OF BUSES)



■ Other
■ Nobina

Definitions:

Available – Available tenders this year

Submitted – Nobina's submitted tenders

Pending – Submitted less announced

Announced – Submitted tenders, results are announced

Won – Nobina's wins out of announced tenders

Tender results, so far this year

The table shows the results of the tender processes in which Nobina has participated.

- Nobina submitted tenders in respect of 1,101 buses, of which award decisions were made in respect of 838 buses during the nine-month period.
- Nobina won contracts for 240 buses during the nine-month period.
- Nobina submitted tenders for 598 buses which were won by other parties during the first half of the year

Tender results during the period (number of buses)

Mar–Nov 2015	Announced	Won	Not won
Sweden	603	240	363
Norway	190	0	190
Finland	0	0	0
Denmark	45	0	45
Total	838	240	598

Traffic changes during the period (number of buses)

Mar–Nov 2015	Started	Ended
Sweden	285	118
Norway	76	48
Finland	92	33
Denmark	0	0
Total	453	199

Traffic starts and terminations during the 12 months December 2015–November 2016

During the coming 12-month period, Nobina will start traffic involving 460 buses. Of these, 313 buses are expected to be newly acquired. During the same period, Nobina will terminate traffic involving 557 buses.

Traffic starts

PTA	No. of years	Traffic starts	No. of buses	New buses
Värmlandstrafik	10	December 2015	105	29
Värmlandstrafik	10	December 2015	149	142
Skånetrafiken	7	December 2015	4	0
HSL, Finland	7	January 2016	7	0
HSL, Finland	3	January 2016	3	3
Östgötatrafiken	6	June 2016	27	0
SL	10	August 2016	79	45
SL	8	August 2016	79	87
Värmlandstrafik	9	August 2016	7	7
Total			460	313

Expiring contracts

PTA	Traffic ends	No. of buses
Värmlandstrafik	December 2015	99
Skånetrafiken	December 2015	7
LT Västerbotten	December 2015	2
LT Västerbotten	June 2016	53
Östgötatrafiken	June 2016	34
Västtrafik	June 2016	9
Värmlandstrafik	July 2016	3
SL	August 2016	158
HSL, Finland	August 2016	140
Skånetrafiken	September 2016	52
Total		557

WEIGHTED AVERAGE CONTRACT LENGTH, YEARS: 7.9

Contract length taking into account the number of buses.

The average non-weighted contract length was 7.5 years (7.4).

WEIGHTED AVERAGE CONTRACT AGE, YEARS: 4.0

Contract age taking into account the number of buses.

The average non-weighted contract age was 4.2 years (4.4).

AVERAGE AGE OF BUS FLEET, YEARS: 5.6 (6.0)

Contract changes, so far this year

The table shows the change in the number of buses in traffic as a consequence of started and terminated contracts.

- Nobina started contracts for 453 buses during the period.
- Nobina terminated contracts for 199 buses during the period.

THE NOBINA SHARE

The Nobina share (ticker: NOBINA) is listed on Nasdaq Stockholm in the Mid Cap segment and the industry sector. As of 30 November there were in total 88,355,682 shares in Nobina, each carrying one vote. Nobina holds no shares in treasury.

Key ratios

Nobina	Quarter		Period		Full year
	Sep–Nov 15	Sep–Nov 14	Mar–Nov 15	Mar–Nov 14	Mar 14–Feb 15
Earnings per share (SEK)	1.14	1.20	-0.05	1.70	1.50
Equity per share (SEK)	12.34	5.18	12.34	5.18	4.9
Number of outstanding shares at end of reporting period ¹⁾	88.355.682	63.323.412	88.355.682	63.323.412	63.323.412
Average number of shares (thousands)	88.356	63.323	78.014	63.294	63.301

1) 1:10 reverse split of Nobina's shares in accordance with resolution adopted by the general meeting on 27 May 2015. Earnings per share have been adjusted for comparability.

OTHER INFORMATION

Personnel

Nobina had on average 8,503 (7,773) employees during the nine-month period. Nobina applies collective agreements and has well-established principles and traditions as to the manner in which work times, remuneration conditions, information and cooperation are negotiated.

The Parent Company

The Parent Company has 9 (9) employees who participate in the overall management of the Nobina Group, including financial analysis, follow-up and financing.

The Parent Company's net sales, which consist exclusively of internal services, amounted during the third quarter to SEK 10 million (11). There was a pre-tax loss for the third quarter of SEK -15 million (6).

Net sales for the nine-month period amounted to SEK 30 million (37), with a pre-tax loss of SEK -271 million (22). The pre-tax loss for the nine-month period was influenced by IPO-related transaction costs of SEK 32 million and incentive programme costs of SEK 172 million, in total SEK 204 million, all of which were incurred during the first and second quarters.

Cash and cash equivalents and restricted funds amounted to SEK 25 million (42) at the end of the period. Investments in intangible and tangible non-current assets amounted to SEK 0 million (0) for the quarter and the nine-month period. On 30 November 2015, the Parent Company's shareholders' equity amounted to SEK 3,244 million (2,627). The equity/assets ratio was 83.2 (98.6) per cent.

Transactions with closely related parties

No transactions with closely related parties took place during the quarter.

Seasonal variations

Sales, earnings and cash flow trends vary between quarters and differ as regards the regional and interregional transport operations. For the regional operations, the third quarter is the strongest due to a higher transport volume, a larger number of weekdays, and a high level of travel activity in society, while the second and fourth quarters are weaker due to lower transport volumes during the holiday period and higher costs during the winter.

As regards interregional operations, the trend is different inasmuch as the second quarter is the strongest due to a higher number of passengers during the holiday period, while the third quarter is weakest. The breakdown of sales and earnings per quarter for regional and interregional transport is shown in the key ratios tables on page 19.

Risks and uncertainty factors

Nobina is exposed to interest rate risks in relation to the Company's financial and operational leasing agreements. Leasing fees are based primarily on variable market interest rates. The interest rate risk is largely offset by revenue indexation in traffic contracts. During the quarter, Nobina had no interest rate hedging.

Nobina no longer bears any refinancing risk in respect of bonds, since the corporate bonds of SEK 550 million were redeemed in their entirety on 11 August 2015.

Nobina is exposed to currency risks in conjunction with translation of the balance sheets and income statements of subsidiaries. Nobina also has indirect exposure to USD/SEK since diesel is purchased in USD on the international commodities markets. Nobina's finance policy provides that currency risks may be hedged through currency derivatives. Nobina had no currency hedging during the quarter.

Nobina 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 transport, compensation for changes in the diesel price is obtained through revenue indexation in traffic contracts. The index baskets in the traffic contracts are relatively well matched against the cost breakdown, but compensation takes place with a time lag of one to six months, which results in a negative impact on earnings during a period of increasing prices. An imbalance may also arise between costs incurred in a contract and index-based compensation if the index fails to reflect the actual cost structure. This may, for example, occur if an index is based on the price of diesel, while the contract in question requires buses to be run on biogas. This risk is mitigated through careful risk assessment in conjunction with the tender process.

There is no indexation of revenues within interregional transport. Increased fuel prices are compensated for through increased ticket prices, if market conditions so allow. On 30 November 2015, Nobina had no outstanding diesel derivatives.

Nobina may be affected by the results of appeals of tender awards. However, the impact is limited since no vehicles are ordered, and no other investments made, before the traffic contract is signed.

For more information concerning risks and uncertainty factors, see the corresponding section in Nobina AB's annual report for 2014/2015.

Disputes

Nobina has no pending disputes. The previous dispute with Troms fylkestrafikk has been resolved through a settlement.

Bonds, financing and valuation

Nobina has an available bank credit facility of SEK 132 million, which was non-utilised as of 30 November 2015.

Nobina Europe's former bond with a nominal value of SEK 550 million was redeemed in its entirety on 11 August 2015. For information regarding repayment of the bonds, see IPO below.

The methods and assumptions used by Nobina when calculating fair value of the financial instruments are described in Note 29 of 2014/2015 annual report. Further information regarding the accounting principles for financial instruments is provided in Note 28 of the 2014/2015 annual report. No transfers have taken place between the value levels during the period.

IPO

Nobina was listed on Nasdaq Stockholm with the first day of trading on 18 June 2015. The final price was set at SEK 34 per share.

The offering covered in total 54,899,606 shares. Of these, 29,899,606 were existing shares offered by Sothic Capital, BlueMountain, Invesco, Anchorage, BlueCrest, Kite Lake, Magnolia, Gladwyne and Ironshield. In addition, 25,000,000 new shares were issued, which raised SEK 850 million gross in funds for Nobina. The surplus allotment option issued by Sothic Capital, Anchorage and Invesco to Carnegie, Danske Bank and Pareto Securities, to acquire up to 6,587,952 additional existing shares in Nobina, was not exercised. The new number of shares outstanding in Nobina after the IPO amounts to 88,355,682, resulting in a market capitalisation for Nobina of SEK 3,004 million at the time of the IPO.

IPO costs which affected earnings are reported in the table entitled Non-recurring items on page 6.

Capital acquisition costs for the IPO which were netted against issue proceeds in the second quarter amounted to SEK 49 million.

The IPO's effect on cash flow is shown in the table on page 4.

The bonds

As a consequence of the implementation of the IPO, Nobina used SEK 629 million of the net proceeds from the new issue in the IPO to repay the bonds in their entirety by exercising Nobina Europe's right, according to the terms, to exercise early redemption of the bonds. The bonds were redeemed in a nominal amount of SEK 550 million, plus SEK 22 million in early redemption premium, SEK 11 million in accrued interest from the preceding interest payment date of 13 May 2015 up to and including the repayment date of 11 August 2015, as well as SEK 55 million corresponding to outstanding interest payments up to and including 14 November 2016. This entailed a payment from Nobina totalling SEK 88 million and a reduction in Nobina's debt by SEK 550 million.

Incentive programmes

During the second quarter, payment was disbursed under Nobina's two incentive programmes covering ten senior executives

(including the CEO) as well as five directors (excluding the CEO), after which the incentive programmes were ended. The total cost for both programmes was SEK 172 million (including salary, social security contributions and taxes), whereupon the senior executives received a total amount of SEK 123 million (excluding social security contributions and taxes) and the directors received a total amount of SEK 11 million (excluding social security contributions and taxes).

In connection with the IPO, the amount was distributed to the participants in both programmes, and was thereafter reinvested corresponding to 75 per cent of the disbursed amount (net after tax) by acquiring Nobina shares at the introduction price. The senior executives and directors acquired in total 1,341,277 shares, which increased their share ownership in Nobina from 1.1 per cent to 2.4 per cent. The acquired shares are subject to so-called lock-up agreement undertakings.

In addition, director John Alkins acquired a further 20,588 shares for a total amount of SEK 0.7 million. These shares are also subject to a lock-up undertaking.

Outlook

The fourth quarter is expected to be yet another solid quarter in terms of sales and earnings.

Financial targets

Nobina's board of directors has adopted the following financial targets:

- Net sales growth: Nobina's target is to grow net sales at a rate faster than the market.
- EBT¹⁾-margin: Nobina's target on an annual basis is to achieve an EBT margin in excess of 4.5% in the medium term.
- Indebtedness target: Under normal circumstances, Nobina intends to maintain a net leverage ratio within 3.0x to 4.0x EBITDA²⁾.

Dividend policy

Under normal circumstances³⁾ Nobina expects to distribute annually more than 75 per cent of EBT. For the current financial year ending 29 February 2016 Nobina expects to distribute at least 75 per cent of adjusted EBT⁴⁾.

Nobina's nomination committee

In accordance with a resolution adopted at the annual general meeting, Nobina shall have a nomination committee comprising one representative for each of the three largest shareholders in terms of votes who wish to participate in the nomination committee, in addition to the chairman of the board.

The members of the nomination committee have now been appointed based on the ownership structure on 30 September 2015, and the committee comprises Ralph Herrgott (Sothic Capital), Nuno Caetano (Invesco), Tomas Ehlin (Fourth Swedish National Pension Fund) and board chairman Jan Sjöqvist.

The nomination committee shall prepare and submit proposals to the 2016 annual general meeting regarding a chairman of the meeting, directors, board chairman, directors' fees and any compensation for committee work, auditors and auditor's fees. In

1) EBT defined as earnings before tax.

2) Earnings for the period before net financial items, taxes, amortisation/depreciation and write-downs of tangible and intangible non-current assets and capital gains/losses upon sales of non-current assets. EBITDA past 12 months. Indebtedness can temporarily exceed this range upon the start-up of new major contracts.

3) Taking into account Nobina's cash flows, capital expenditure requirements and general operational circumstances

4) EBT for the financial year ending 29 February 2016 will be adjusted for costs attributable to the IPO and for all costs which have been reported in relation to interest on, and early repayment of, the outstanding bonds.

addition, the nomination committee shall prepare and submit to the annual general meeting proposals regarding principles for the composition of the nomination committee.

The annual general meeting will be held in Stockholm on 31 May 2016.

Significant events

- Nobina won traffic contracts in Stockholm, entailing renewed confidence as regards transport in Järfälla and Upplands Bro as well as Södertälje and Nykvarn, and covering 160 buses and revenues of almost SEK 4 billion over the eight-year and ten-year contract periods respectively.
- Nobina was awarded a traffic contract in Norrköping, entailing renewed confidence as regards regional transport involving 27 buses and revenues of almost SEK 400 million over the six-year period.

Events since the end of the period

- Nobina won a traffic contract in Helsinki, entailing renewed confidence as regards city transport and regional transport and involving 94 buses and revenues of almost SEK 1.4 billion over the seven-year period.
- In December, Nobina is implementing traffic start under a contract for transport in Värmland involving 254 buses.

Accounting principles

Nobina applies International Financial Reporting Standards (IFRS) as adopted by the EU and applies RFR 1 “Supplementary accounting rules for groups”. There are no new IFRS assumptions or IFRIC statements adopted by the EU which will be applicable to Nobina or have a significant effect on Nobina’s earnings and financial position during 2015/2016. In other respects, Nobina applies the same accounting principles and calculation methods as in the annual report for 2014/2015. See “Note 1 Company information and accounting principles”, except as 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, as well as opinions issued by the Swedish Financial Reporting Board. This interim report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act.

Assurance

The CEO hereby provides an assurance that the interim report provides a true and fair view of the operations, financial position and revenues of the Company and the Group and describes the significant risks and uncertainty factors facing the Company and companies within the Group.

Stockholm, 22 December 2015

Ragnar Norbäck
President and CEO

Financial calendar

Year-end report 2015/2016	27 April 2016
Annual General Meeting 2015/2016	31 May 2016
Interim report 1 March–31 May 2016	30 June 2016
Interim report 1 June–31 August 2016	28 September 2016

Telephone conference

Nobina will present the interim report and answer questions during a telephone conference at 10.00 CET on Tuesday, 22 December 2015. The presentation will be available on the website in connection with the telephone conference. Telephone number and web link for participants are available on the website, www.nobina.com.

Contact persons

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Please note that this is an inhouse translation of the Swedish report, which is available on www.nobina.com

THE NOBINA GROUP'S CONSOLIDATED INCOME STATEMENT IN BRIEF

SEK million, unless otherwise stated	Quarter		Period		Full year
	Sep–Nov 15	Sep–Nov 14	Mar–Nov 15	Mar–Nov 14	Mar 14–Feb 15
Net sales	2,179	1,943	6,156	5,644	7,549
Operating expenses					
Fuel, tyres and other consumables	–453	–424	–1,265	–1,233	–1,655
Other external expenses	–270	–261	–840	–825	–1,091
Personnel costs	–1,126	–957	–3,399	–2,854	–3,881
Capital losses from disposal on non-current assets	–13	–12	–14	–23	–35
Depreciation/amortization of intangible and tangible non-current assets	–156	–129	–438	–379	–516
Operating profit	161	160	200	330	371
Profit from net financial items					
Financial income	1	1	2	6	8
Financial expenses, Note 1	–37	–55	–220	–185	–238
Net financial items	–36	–54	–218	–179	–230
Profit/loss before tax	125	106	–18	151	141
Income tax	–25	–29	14	–46	–47
PROFIT/LOSS FOR THE PERIOD	100	77	–4	105	94
Profit/loss for the period attributable to the Parent Company shareholders	100	77	–4	105	94
Earnings per share before dilution (SEK)	1.1	1.2	–0.0	1.7	1.5
Earnings per share after dilution (SEK)	1.1	1.2	–0.0	1.7	1.5
Average number of shares before dilution (thousands)	88,356	63,323	78,014	63,294	63,301
Average number shares after dilution (thousands)	88,356	63,323	78,014	63,294	63,301
Number of outstanding shares at end of period ¹⁾	88,355,682	63,323,413	88,355,682	63,323,413	63,323,413

1) Aggregation of company share, reverse split 1:10, as decided at the general meeting of 27 May. Earnings per share and number of shares have been adjusted for comparability.

The NOBINA GROUP'S CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Quarter		Period		Full year
	Sep–Nov 15	Sep–Nov 14	Mar–Nov 15	Mar–Nov 14	Mar 14–Feb 15
Profit/loss for the period	100	77	–4	105	94
Other comprehensive income					
Items not to be reclassified to profit or loss for the period					
Revaluation of defined-benefit pension plan	1	0	3	0	–19
Tax on items that will not be reclassified to profit or loss for the period	–	0	–	0	4
Items that can later be reclassified to profit or loss for the period					
Exchange-rate differences in foreign operations	–8	–7	–20	–2	6
Other comprehensive income for the period, net after tax	–7	–7	–17	–2	–9
Comprehensive income for the period	–7	70	–17	103	85
COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	–93	70	–21	103	85

THE NOBINA GROUP'S CONSOLIDATED BALANCE SHEET IN BRIEF

SEK million	Full year		
	30 Nov 2015	30 Nov 2014	28 Feb 2015
ASSETS			
Non-current assets			
Goodwill	576	584	588
Other intangible assets	12	17	16
Costs for improvement on third-party property	32	20	21
Equipment, tools, fixtures and fittings	77	137	61
Vehicles	4,976	4,075	4,354
Deferred tax assets	119	83	88
Assets for pensions commitments	12	5	–
Total non-current assets	5,804	4,921	5,128
Current assets			
Inventories	49	45	49
Trade receivables	554	519	519
Other current receivables	35	84	76
Deferred expenses and accrued income	239	282	236
Restricted bank accounts	101	147	115
Cash and cash equivalents	436	265	453
Total current assets	1,414	1,342	1,448
TOTAL ASSETS	7,218	6,263	6,576
EQUITY AND LIABILITIES			
Equity attributable to Parent Company Shareholders	1,091	328	310
Non-current liabilities			
Borrowing, Note 1	3,839	3,672	3,765
Deferred tax liabilities	99	79	82
Provision for pensions and similar commitments	41	24	36
Other provisions	41	41	39
Total non-current liabilities	4,020	3,816	3,922
Current liabilities			
Accounts payable	384	441	476
Borrowing, Note 1	610	565	634
Other current liabilities	169	64	174
Accrued expenses and deferred income	944	1,049	1,060
Total current liabilities	2,107	2,119	2,344
Total liabilities	6,127	5,935	6,266
TOTAL EQUITY AND LIABILITIES	7,218	6,263	6,576

THE NOBINA GROUP'S CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN BRIEF

<i>SEK million</i>	<i>Share capital</i>	<i>Other contributed capital</i>	<i>Translation differences</i>	<i>Losses brought forward</i>	<i>Total equity attributable to Parent Company shareholders</i>
Opening equity per 1 March 2014	228	2,488	22	-2,514	224
Profit of the period	–	–	–	105	105
Other comprehensive income	–	–	-2	–	-2
Transactions with owners					
New issue of shares to senior executives	–	1	–	–	1
Closing equity per 30 November 2014	228	2,489	20	-2,409	328
Loss of the period	–	–	–	-26	-26
Other comprehensive income	–	–	8	–	8
Transactions with owners					
New issue of shares to senior executives	–	–	–	–	–
Closing equity per 28 February 2015	228	2,489	28	-2,435	310
Opening equity per 1 March 2015	228	2,489	28	-2,435	310
Loss for the period	–	–	–	-4	-4
Other comprehensive income	–	–	-20	3	-17
Transactions with owners					
New issue of shares to senior executives	–	1	–	–	1
New issue of shares	90	760	–	–	850
Capital acquisition costs	–	-49	–	–	-49
Closing equity per 30 November 2015	318	3,201	8	-2,436	1,091

There are no non-controlling interests.

THE NOBINA GROUP'S CONSOLIDATED CASH FLOW STATEMENT IN BRIEF

SEK million	Quarter		Period		Full year
	Sep–Nov 15	Sep–Nov 14	Mar–Nov 15	Mar–Nov 14	Mar 14–Feb 15
Cash flow from operations					
Profit/loss after financial items	125	106	-18	151	141
Adjustment for non-cash items	203	202	665	583	761
Cash flow from operations before changes in working capital	328	308	647	734	902
Cash flow from changes in working capital					
Change in inventories	1	-2	0	8	4
Changes in operating receivables	-5	-47	-12	-192	-142
Changes in operating liabilities	-6	100	-176	36	197
Total change in working capital	-10	51	-188	-148	59
Received interest income	1	-2	2	3	4
Tax paid	-	-	-	-	-1
Cash flow from operations	319	357	461	589	964
Cash flow from investing activities					
Change in restricted bank accounts	18	15	13	9	41
Investments in intangible and tangible non-current assets excluding financial leasing	-26	-92	-177	-161	-295
Divestment of intangible and tangible non-current assets	10	5	24	33	41
Cash flow from investing activities	2	-72	-140	-119	-213
Cash flow from financing activities					
Repayment by instalment of financial leasing liability	-161	-139	-459	-404	-546
Repayment by instalment of bond loan and other external loans	-7	-	-569	-483	-485
Payment of newly issued shares	-	-	850	-	-
New issue of shares to senior executive	-	-	1	1	1
New borrowing, including payment with old bonds	-	-	-	483	483
New borrowing, other external loans	-	81	108	81	168
Borrowing expenses, paid	-	-	-	-18	-18
Capital acquisition costs	-	-	-49	-	-
Interest paid	-36	-53	-215	-176	-213
Cash flow from financing activities	-204	-111	-333	-516	-610
Cash flow for the period	117	174	-12	-46	141
Cash and cash equivalents at the beginning of period	323	92	453	309	309
Cash flow for the period	117	174	-12	-46	141
Exchange rate difference	-4	-1	-5	2	3
Cash and cash equivalents at the end of period	436	265	436	265	453

THE PARENT COMPANY'S INCOME STATEMENT IN BRIEF

SEK million	Quarter		Period		Full year
	Sep–Nov 15	Sep–Nov 14	Mar–Nov 15	Mar–Nov 14	Mar 14–Feb 15
Net sales	10	11	30	37	49
Operating expenses					
Other external expenses	–7	–3	–141	–13	–20
Personnel costs	–8	–8	–112	–27	–37
Depreciation/amortization of intangible and tangible non-current assets	–	–	–	–	–
Operating loss/profit	–5	0	–223	–3	–8
Profit from participations in Group companies	–	–	–	–	41
Financial income	2	8	10	26	37
Financial expenses	–12	–2	–58	–1	–2
Net financial items	–10	6	–48	25	76
Loss/profit before tax	–15	6	–271	22	68
Income tax	–	–	–	–	40
LOSS/PROFIT FOR THE PERIOD	–15	6	–271	22	108

Other comprehensive income is not reported since there are no items relating to other comprehensive income.

THE PARENT COMPANY'S BALANCE SHEET IN BRIEF

<i>SEK million</i>	<i>Full year</i>		
	<i>30 Nov 2015</i>	<i>30 Nov 2014</i>	<i>28 Feb 2015</i>
ASSETS			
Non-current assets			
Participations in Group companies	3,695	1,974	3,695
Deferred tax assets	40	–	40
Receivables from Group companies	87	460	114
Total non-current assets	3,822	2,434	3,849
Current assets			
Receivables from Group companies	51	179	226
Other current assets	1	9	–
Deferred expenses and accrued income	1	–	8
Restricted bank accounts	25	42	25
Cash and cash equivalents	–	–	–
Total current assets	78	230	259
TOTAL ASSETS	3,900	2,664	4,108
Equity and liabilities			
Equity attributable to Parent Company shareholders	3,244	2,627	2,713
Non-current liabilities			
Liabilities to Group companies	621	–	1,362
Provision for pensions and similar commitments	7	7	7
Total non-current liabilities	628	7	1,369
Current liabilities			
Accounts payable	3	6	5
Liabilities to Group companies	15	16	10
Other current liabilities	1	1	2
Accrued expenses and deferred income	9	7	9
Total current liabilities	28	30	26
Total liabilities	656	37	1,395
TOTAL EQUITY AND LIABILITIES	3,900	2,664	4,108

THE PARENT COMPANY'S CHANGES IN EQUITY IN BRIEF

<i>SEK million</i>	<i>Share capital</i>	<i>Statutory reserve</i>	<i>Share premium reserve</i>	<i>Retained earnings</i>	<i>Loss/profit for the period</i>	<i>Total equity</i>
Opening equity per 1 March 2014	228	1	612	1,711	52	2,604
Transfer of preceding year's profit/loss	–	–	–	52	–52	–
Profit for the period	–	–	–	–	22	22
Transactions with owners						
New issue of shares to senior executives	–	–	1	–	–	1
Closing equity per 30 November 2015	228	1	613	1,763	22	2,627
Profit for the period	–	–	–	–	86	86
Transactions with owners						
New issue of shares to senior executives	–	–	–	–	–	–
Closing equity per 28 February 2015	228	1	613	1,763	108	2,713
Opening equity per 1 March 2015	228	1	613	1,763	108	2,713
Transfer of preceding year's profit/loss	–	–	–	108	–108	–
Loss for the period	–	–	–	–	–271	–271
Transactions with owners						
New issue of shares to senior executives	–	–	1	–	–	1
New issue of shares	90	–	760	–	–	850
Capital acquisition costs	–	–	–49	–	–	–49
Closing equity per 30 November 2015	318	1	1,325	1,871	–271	3,244

Other comprehensive income is not reported since there are no items relating to other comprehensive income.

NOTE 1. FINANCING

SEK million, unless otherwise stated	Quarter		Period		Full year
	Sep–Nov 15	Sep–Nov 14	Mar–Nov 15	Mar–Nov 14	Mar 14–Feb 15
Operational leasing agreements, buses					
Nominal value of future minimum leasing fees, buses	–	–	177	366	285
Present value of future minimum leasing fees, buses	–	–	170	339	268
Number of operationally leased buses	–	–	426	581	480
Operational leasing fees for the period	13	22	43	86	97
Borrowing – bond loan and other liabilities					
Bond loan and other loans	250	550	250	550	716
Financial leasing liabilities	4,199	3,704	4,199	3,704	3,699
Distribution over time of financial costs	–	–17	–	–17	–16
Total	4,449	4,237	4,449	4,237	4,399
Of which short-term repayment part of the Group's borrowing	610	565	610	565	634
Of which long-term repayment part of borrowing	3,839	3,672	3,839	3,672	3,765
Sum, total liabilities	4,449	4,237	4,449	4,237	4,399
Interest expenses and similar profit/loss items					
Interest expenses, financial leasing	–32	–35	–96	–109	–144
Interest expenses, bond loan and other external loans	–2	–13	–121	–73	–89
Other financial expenses	–2	–2	–4	–5	–6
Realised and non-realised exchange rate gains and losses, net	–1	–5	1	2	1
Total	–37	–55	–220	–185	–238

KEY RATIOS INFORMATION

Key ratios information, the past five quarters

Key ratios, Nobina in SEK million, unless otherwise stated	2014/2015		2015/2016					
	Q3	Q4	Q1	Q1 adjusted ¹⁾	Q2	Q2 adjusted ¹⁾	Q3	Q3 adjusted ¹⁾
Net sales for the period								
Regional traffic	1,880	1,884	1,927	–	1,888	–	2,112	–
Interregional traffic	63	61	68	–	87	–	66	–
Operating profit/loss for the period								
Regional traffic	168	54	112	–	126	–	178	–
Interregional traffic	–1	–2	–3	–	13	–	0	–
Profit/loss before tax for the period	106	–10	–31	61	–112	137	125	–
Profit/loss for the period	77	–11	–33	59	–71	93	100	–
Cash flow for the period	174	187	–38	–19	–91	–78	117	–
Cash and cash equivalents	265	453	413	–	443	–	436	–
Equity ratio, %	5.2	4.7	4.3	–	14.1	–	15.1	–
EBITDA ²⁾	301	190	149	241	173	285	330	–
EBITDA margin, %	15.5	9.8	7.5	12.1	8.7	14.4	15.1	–
EBITDAR ²⁾	323	201	165	257	187	299	343	–
EBITDAR margin, %	16.6	10.3	8.3	12.9	9.4	15.1	15.7	–
Equity	328	310	274	–	998	–	1,091	–
Equity/ordinary shares, SEK	5.2	4.9	4.3	–	11.29	–	12.34	–
Number of buses	3,327	3,327	3,323	–	3,623	–	3,686	–
Estimated full-time employees	7,773	7,603	8,054	–	8,488	–	8,503	–

1) Adjusted for non-recurring items of SEK 204 million in operating profit, which are related to the IPO (SEK 52 million) and incentive programme (SEK 172 million), as well as SEK 93 million under financial items related to bond loan redemption.

2) The difference between EBITDAR and EBITDA comprises costs for operational leasing and will reduce in scope over time since Nobina's strategy is to finance buses through financial leasing.

GLOSSARY

Airport transfers – Trips that enable connections to and from airports.

Bid – A traffic company's offer in a tendering process.

Change prices – How much compensation changes per bus hour or kilometres within the framework of the free volume in a contract.

City transport – Transport in a densely populated area.

Client – Nobina's client being the contractual counterpart for tendered traffic contracts, also called a PTA.

Concession – Allocated right to uphold a monopoly in a geographic area and which comprises all rights to provide public transport. In Sweden, since the public transport authority reform in the 1980s, the state allocates concessions to clients (municipalities and county councils), which in turn provide public transport services through contracts with traffic companies. These contracts are tendered in accordance with the Swedish Public Tendering Act.

Concessions contract – A form of contract between a traffic company and a client (municipality/county council) that was typical prior to the public transport authority reform and which, in parts, continues for a transitional period. Under these contracts, the traffic company undertakes all aspects of the transport assignment, including the sale of services to passengers.

EURO 1–EURO 6, EEV – Various generations of emission classes for diesel engines.

Express route – A longer route on main roads that provides faster transport through several counties without several stops.

Free volume – The client's (PTA's) right to change the production volume within the framework of the contract.

Incentive contract – Normally a production contract that contains, to a larger or smaller degree, a compensation component that is variable and depends on the number of passengers.

Interregional transport – Nobina's segment for transport services conducted completely on its own merits without restrictions or subsidies from authorities.

Indexation – Adjustment of the contract-based remuneration in accordance with a basket of weighted and predetermined indexes intended to represent important cost elements for the traffic companies, such as salaries, fuel and maintenance, and which occurs at predetermined intervals.

DEFINITIONS

Average number of employees – The number of hours paid divided by normal working hours for a full-time employee.

Degree of utilization – Number of sold passenger kilometres divided by driven kilometres.

Earnings per share – Profit for the year adjusted for dividends on preference shares divided by the average weighted number of ordinary shares.

Earnings per share after full dilution – Profit for the year adjusted for dividends of preference shares and potential ordinary shares divided by the average number of ordinary shares.

EBIT – Operating profit before net financial items and taxes.

EBITDA – Operating profit before net financial items, tax, depreciation, amortization, earnings from sale of fixed assets.

EBITDA-margin – EBITDA in relation to net sales.

EBITDAR – Operating profit before net financial items, tax, depreciation, amortization, earnings from sale of fixed assets and operating leasing expenses for buses.

Local transport – Transport in connection with densely populated areas.

Production contract – A contract in which the traffic company's revenues comprise fixed remuneration for production costs based on a predetermined production, with route network, timetable and a number of other requirements as the base. Compensation is based on the number of hours, kilometres, buses or a combination of these.

Public transport – Transport services provided for the public in which people travel together.

Public Transport Authority (PTA) – A municipality or county council allocated concessions by the government to provide public transport through public tendering of services from traffic companies.

Public transport authority reform – In conjunction with the public transport authority reform in the 1980s, the government took over the right to allocate concessions from the municipalities and county councils. Previously, municipalities and county councils allocated concessions to traffic companies; today, the state allocates concessions to municipalities and county councils (clients), which in turn sign contracts with traffic companies for the provision of public transport services. These contracts are tendered in accordance with the Public Tendering Act.

Regional traffic – Nobina's segment for transport services tendered from a public client.

Regional transport – Transport outside and between built-up areas in a county.

Seat kilometres – Measure of the service provided. The number of seats in a bus multiplied by the bus's driving distance in kilometres.

Subcontractor – A party assigned by the traffic company to assist in the provision of transport services.

Traffic company – A company that provides transport services in accordance with a given contract with a client.

Traffic contract – A publicly tendered contract for the provision of transport services between a traffic company and a client. The duration of the contract is typically five to ten years, with the option of extending for an additional one or two years. It is based on either a production or an incentive contract.

Traffic planning – Planning of use of resources (vehicle and driver) to conduct transport services in the most efficient manner possible in accordance with the traffic assignment.

EBITDAR-margin – EBITDAR in relation to net sales.

EBT – Income before tax.

Equity/assets ratio – Shareholders' equity as a percentage of total assets at the end of the fiscal year.

Net debt/EBITDA – interest-bearing liabilities (external loans, pension liabilities and buses financed through financial leasing) deduction with cash and cash equivalents and restricted bank accounts in relation to average of four quarters of EBITDA.

Net investments – Acquisition cost of investments in fixed assets less sales value of divested fixed assets.

Reallocation Rate – Buses allocated to a new contract during the year/Total number of buses.

Renewal Rate – All won tenders/All own announced tenders.

Retention Rate – Defended tenders/Own announced tenders

Yield – Revenue per driven kilometre.

THIS IS NOBINA

Our role is to:

HELP MAKE SOCIETY MORE MOBILE

Our offering to customers:

SIMPLIFY EVERYDAY TRAVEL

We deliver that by:

BEING FRIENDLY, CREATING SIMPLE SOLUTIONS, BEING AFFORDABLE

We succeed, by living up to our values:

OUR CUSTOMERS' NEEDS IS OUR REASON FOR BEING

We treat our customers with kindness and respect and are sensitive to their needs. We keep our promises, develop priceworthy solutions and simplify for our customers.

IN ALL WE DO, WE STRIVE TO DEVELOP

We achieve our goals and deliver results. We are efficient with resources and the quality we promise is always our minimum standard. Being goal-oriented and having systematic follow-up is vital for constantly improving our services as well as our company.

WE RESPECT EACH OTHER

Everyone is of equal importance, and is treated with kindness and respect. Together we create a secure and creative work environment that stimulates initiatives and suggestions for improvements. We take action against any lack of respect towards our customers, towards each other and towards the company.

WE FOSTER SOLID LEADERSHIP

Our demands and expectations on our leaders and co-workers are well defined. We always prioritise the interests of our customers and of the company before our own. Everyone receives feedback on their performance and we show our appreciation for their achievements. We always honour confidentiality.

WE CARE

We take an active responsibility for the environment and for our society. We encourage personal health and development. We act according to laws and regulations. We are engaged and we care for each other, for our customers and for the world around us.

We do all of that because we have a vision:

EVERYBODY WANTS TO TRAVEL WITH US