

Underlying profit increased by 23 per cent

THE SECOND QUARTER

- Record sales and earnings for a second quarter, before IPO-related costs. Extra traffic and successful traffic starts contributed positively.
- Net sales increased by 9.2 per cent to a record SEK 1,982 million (1,815).
- Adjusted operating profit increased by 23 per cent to SEK 137 million (111) before IPO costs of SEK 112 million ¹⁾. Operating profit was SEK 25 million (111) after IPO costs.
- Adjusted earnings before tax (EBT) increased by 52 per cent to SEK 93 million (61) before IPO costs and costs for bond loan redemption amounting to SEK 205 million ¹⁾.
- Earnings per share amounted to SEK –0.86 SEK (0.81).
- Adjusted cash flow from the operations was SEK –78 million (–107).

HALF-YEAR PERIOD 1 MARCH 2015 – 31 AUGUST 2015

- Record sales and earnings for the first six months, before IPO costs.
- Net sales increased by 7.5 per cent to SEK 3,977 million (3,701).
- Adjusted operating profit rose by 43 per cent to SEK 243 million (170) before IPO costs of SEK 204 million ¹⁾. Operating profit was SEK 39 million (170) after IPO costs.
- Adjusted earnings before tax (EBT) amounted to SEK 154 million (45) before IPO costs and costs for bond redemption amounting to SEK 297 million ¹⁾.
- Earnings per share amounted to SEK –1.43 (0.44).
- Adjusted cash flow from the operations was SEK –97 million (–220).

IMPORTANT EVENTS IN THE SECOND QUARTER

- Well implemented traffic starts in Södertörn Stockholm (Sweden), Follo (Norway) and Helsinki (Finland), totally involving more than 400 buses.
- Nobina AB was listed on Nasdaq Stockholm. All listing costs have now been charged and the result was in accordance with the prospectus.
- On 11 August 2015, Nobina redeemed all outstanding bond loans.

IMPORTANT EVENTS SINCE THE END OF THE PERIOD

- Nobina won a bus contract in Norrköping worth close to SEK 400 million over a six-year period.

CEO'S COMMENTS

Nobina reports record sales and earnings for a second quarter and first six months, before costs for the IPO. Revenues from extra traffic as well as lower than expected costs for the implementation of traffic starts contributed to the positive development.

The second quarter was characterised by the three successful traffic starts in Södertörn, Follo and Helsinki involving more than 400 buses. It is good to note that our careful preparations during the past year have resulted in all traffic starts going well.

On 11 August we redeemed our bond loan using part of the issue proceeds raised in connection with the IPO. This means a reduction of SEK 550 million in our debt and that our annual interest costs will be reduced by SEK 44 million. It also means that we have improved our equity ratio to 14.1 per cent from 4.2 per cent, which was also an important objective for us.

As the bond loan has been redeemed, there are no restrictions on implementing our stated dividend policy. I look forward to pay our first dividend in line with our communicated dividend target.

Ragnar Norbäck,
President and CEO

KEY RATIOS

Nobina (SEK million, unless otherwise stated)	Quarter		Period		Full year	Rolling 12 months
	Jun–Aug 15	Jun–Aug 14	Mar–Aug 15	Mar–Aug 14	Mar 14–Feb 15	Sep 14–Aug 15
Net sales	1,982	1,815	3,977	3,701	7,549	7,825
Operating profit (EBIT)	25	111	39	170	371	240
Earnings before tax (EBT)	–112	61	–143	45	141	–47
Cash flow for the period	–91	–107	–129	–220	141	232
Operating profit (EBIT), adjusted ¹⁾	137	111	243	170	371	444
Earnings before tax (EBT), adj. ¹⁾	93	61	154	45	141	250
Cash flow, adjusted ²⁾	–78	–107	–97	–220	141	264
	31 aug 15	31 aug 14	31 aug 15	31 aug 14	28 feb 15	28 feb 14
Cash and cash equivalents	323	92	323	92	453	309
Shareholders' equity	998	258	998	258	310	224
Net debt/EBITDA	4.89	4.83	4.89	4.83	4.19	4.49
Equity ratio,%	14.1	4.2	14.1	4.2	4.7	3.8

1) Operating profit is adjusted for non-recurring items in the second quarter in the amount of SEK 112 million and, for the half-year period, of SEK 204 million. Earnings before tax have also been adjusted by SEK 93 million in financial items, with respect to the early bond loan redemption (in the second quarter and first half of the year). (See page 6).

2) Adjusted for cash flows related to the IPO: SEK –13 million in the second quarter and SEK –32 million in the first half of the year.

A complete key ratio table is presented on page 19.

NOBINA IN BRIEF

Nobina is the largest and most experienced public transport operator in the Nordic region. Our expertise within identifying tender opportunities, tender work and active management of public traffic contracts, combined with long-term quality delivery, makes us 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 traffic 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 on 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 regional travel are financed in part by municipalities and in part from ticket revenues, while there is free competition and pricing on the market for long distance bus traffic.

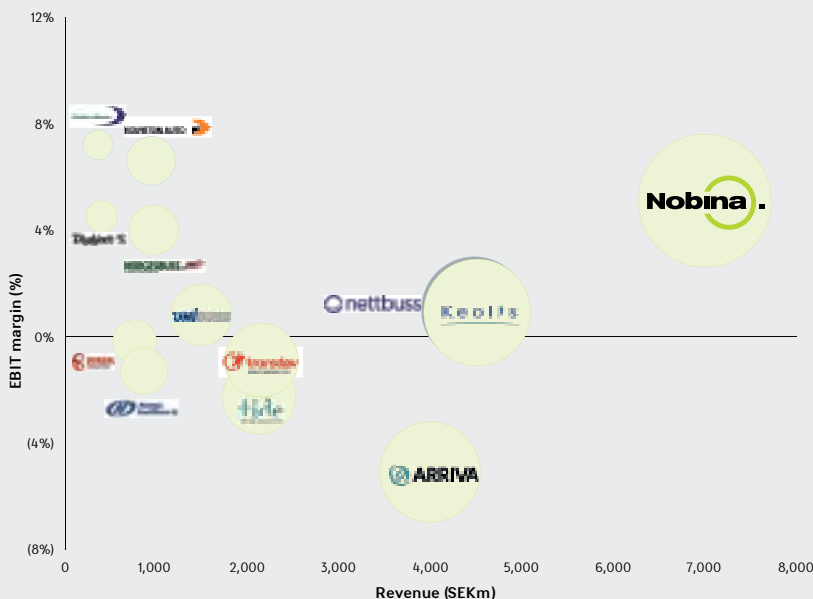
The Nordic market is gradually maturing and improving in several areas: increased environmental awareness, a balance between pricing and quality in the imposition of demands, as well as increased interest in incentive contracts instead of traditional production contracts with fixed compensation models. At the same time, the markets vary as regards experience and knowledge in procurement procedures. An ever increasing percentage of traffic is currently being contracted in accordance with the EU's

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

Nobina's position on 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 developing the contract portfolio. In Finland, as a market leader in Helsinki we are well-positioned to increase our market shares on 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 contracts. As the largest and most experienced traffic operator in the Nordic region, conditions are favourable for profitable growth.

THE NORDIC PUBLIC TRANSPORT MARKET FOR BUS TRAVEL



Nobina is the sole traffic operator with operations in all four Nordic countries, thereby creating a unique position with access to tender volumes in all countries as well as economies of scale in both the operations and the bus fleet. Other operators are active in only 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 second quarter (1 June–31 August 2015) and the first half of the year (1 March–31 August 2015)

Net sales

Nobina's net sales for the second quarter amounted to SEK 1,982 million (1,815), representing an increase of 9.2 per cent compared with the corresponding period of last year. Sales were positively affected by newly started contracts, extra traffic, increased revenues in existing contracts, as well as revenue indexation.

Nobina's net sales for the first half of the year amounted to SEK 3,977 million (3,701), representing an increase of 7.5 per cent compared with the corresponding period of last year.

Earnings

Adjusted operating profit for the second quarter amounted to SEK 137 million (111) before IPO costs. Operating profit has been affected by transaction costs and costs for the incentive programme in connection with the IPO amounting to SEK 112 million, which is in line with a previously communicated assessment. Operating profit for the second quarter (EBIT), including IPO costs, amounted to SEK 25 million (111). Operating profit was positively affected by improvements in existing contracts, extra traffic and lower than expected costs in connection with traffic starts. Compared with the same quarter of last year, operating profit was positively affected by the expiry of three loss-making contracts during the preceding financial year.

Adjusted operating profit for the first half of the year amounted to SEK 243 million (170) before IPO costs. Operating profit was affected by transaction costs and costs for the incentive programme in connection with the IPO totalling SEK 204 million, which is in line with a previously communicated assessment. Operating profit (EBIT) for the first half of the year, including IPO costs, amounted to SEK 39 million (170).

The adjusted financial net for the second quarter was SEK –44 million (–50). The financial net was negatively affected in the amount of SEK 93 million regarding previously capitalised financing costs for the bond loan and also premium for early redemption of the bond loan. After bond loan redemption costs, the financial net for the second quarter was SEK –137 million (–50).

The financial net for the first half of the year was SEK –182 million (–125), while the adjusted financial net for the first half of the year was SEK –89 million (–125).

Accordingly, earnings before tax for the second quarter

amounted to SEK –112 million (61) and, excluding items associated with the IPO, earnings before tax amounted to SEK 93 million (61) (adjusted earnings before tax).

Earnings before tax for the first half of the year amounted to SEK –143 million (45), while adjusted half-year earnings before tax amounted to SEK 154 million (45). Last year's earnings for the half-year period included a non-recurring item of SEK 25 million regarding the booking as costs of previously capitalised financing costs in respect of earlier bonds, in connection with re-financing.

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

Tax

Due to its historical losses, Nobina is not subject to any tax charge in this period. Nobina's tax calculation is caused by change of deferred tax assets and amounted to SEK 41 million (–10) during the second quarter.

Nobina's tax calculation for the first half of the year amounted to SEK 39 million (–17).

The effective tax rate was 27.9 per cent (38.0) for the first half of the year.

Financial position

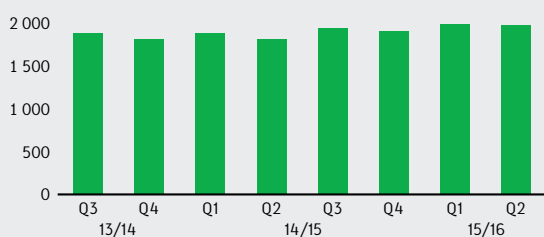
Cash and cash equivalents at the end of the quarter amounted to SEK 323 million (92). In addition, Nobina had funds in escrow of SEK 120 million (163), primarily constituting security for leasing agreements, guarantees in respect of executed traffic contracts, and tax accounts in Norway. The group has an available bank credit facility of SEK 132 million (SEK 50 million), of which SEK 0 (0) was drawn on 31 August 2015.

Nobina's interest-bearing liabilities amounted to SEK 4,415 million (4,291), whereof financial lease debt of SEK 4,115 million (3,735) and other external liabilities of SEK 300 million (556).

The net debt thus amounted to SEK 3,972 million (4,036).

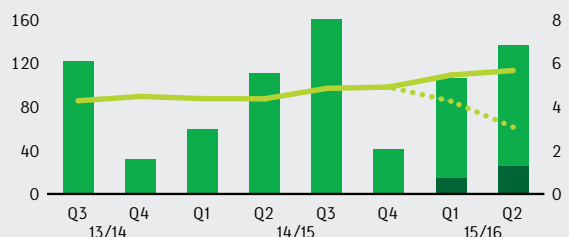
Shareholders' equity amounted to SEK 998 million (258). The equity ratio at the end of the quarter was 14.1 per cent, compared with 4.2 per cent on the same date last year.

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

Nobina's cash investments relate to the purchase of buses including equipment as well as the purchase of other non-current assets in the amount of SEK 135 million (40), financed through loans amounting to SEK 90 million (0). During the first half of the year, cash investments amounted to SEK 151 million (69), financed by loans amounting to SEK 108 million (0) for bus financing.

Through its subsidiary Nobina Fleet AB, in addition to loan-financed bus purchases Nobina has signed financial leasing agreements amounting to SEK 718 million (410) in acquisition cost during the second quarter, and SEK 749 million (462) during the

first half of the year. Nobina's financial leasing agreements have been classified as non-current assets and the leasing obligations are reported as a liability in the balance sheet. Depreciation and interest expenses are reported in the income statement.

During the second quarter, Nobina sold buses and other non-current assets for SEK 11 million (SEK 27 million). Corresponding figures for the first half of the year were SEK 14 million (28). The sale entails a capital loss of SEK –1 million (–7) during the second quarter. The capital loss for the first half of the year was SEK –1 million (–11).

Investments (SEK million)	Jun–Aug 15	Jun–Aug 14	Mar–Aug 15	Mar–Aug 14	Mar 14–Feb 15
Investments in new buses	821	410	860	462	980
Other investments	32	40	40	69	60
Total investments	853	450	900	531	1,040
Lease financed investments	–718	–410	–749	–462	–745
Total cash investments	135	40	151	69	295
Whereof loan financed investments	–90	–	–108	–	–168
Total net cash investments	–45	–40	–43	–69	–127

Goodwill and shares in subsidiaries

The value of the shares in subsidiaries has been tested during the end of the second quarter. No impairment has been identified. Goodwill and the value of shares in subsidiaries will also be reviewed in the fourth quarter.

Cash flow

Cash flow from the operations for the second quarter amounted to SEK –14 million (133) before capital expenditures and financing. Cash flow was affected by SEK –18 million in transaction costs for the IPO and SEK –172 million in costs relating to the incentive programme.

Cash flow from the operations for the first half of the year amounted to SEK 142 million (232) before capital expenditures and financing. For the first half of the year, the impact from transaction costs for the IPO was SEK –32 million and the impact from costs for the incentive programme was SEK –172 million.

Working capital developed negatively during the quarter in the amount of SEK –182 million (–109) and, for the first half of the year, in the amount of SEK –178 million (–199) due to volatility and delay in payment from a PTA until after the end of the quarter.

The cash flow from investing activities in the quarter amounted to SEK –138 million (431) and was affected by deposited funds in escrow in the amount of SEK –14 million (444) and investments in buses and equipment in the amount of SEK –135 million (–40), which was financed by loans amounting to SEK 90 million (0). Last year was affected by deposits on escrow fund accounts in connection with the bond financing. Cash flow from investing activities for the first half of the year was SEK –142 million (–47).

Cash flow from financing activities in the quarter was SEK 61 million (–671) and was affected by the new issue of share in the amount of SEK 850 million, IPO transaction costs in the amount of SEK –44 million, bond loan repayment in the amount of SEK –550 million, and an early bond loan redemption premium of SEK –79 million. Last year was affected by SEK 483 million in cash and equivalents in connection with the bond financing. Cash flow from the financing activities for the first half of the year was SEK –129 million (–405).

Non-recurring items in cash flow for the period (SEK million)	Jun–Aug 15	Mar–Aug 15
Transaction costs in connection with IPO	–18	–32
Incentive programme	–172	–172
New issue	850	850
Capital acquisition costs	–44	–49
Bond repayment	–550	–550
Bond loan early redemption premium	–79	–79
Total non-recurring items in cash flow for the period	–13	–32

Adjusted cash flow in the quarter amounted to SEK –78 million, and SEK –97 million for the first half of the year, excluding items connected with the IPO and bond loan redemption.

Explanatory items for net sales and operating profit as well as earnings before tax (SEK million)	<i>Net sales</i>	<i>Operating profit</i>	<i>Profit before tax</i>	<i>Definition</i>	<i>Result</i>
Period Mar–Aug 2014	3,701	170	45		
Price and volume	564	102	102	Price and volume shows the effect on sales and earnings of changes in existing contracts with respect to prices on performed traffic as well as changed traffic volumes.	Positive volume and price effect for all companies, with effect mainly from Nobina Sweden.
Contract migration	-304	-16	-16	Contract migration shows the effect on sales and earnings of changes in the contract portfolio in the form of terminated contracts and the start of new contracts.	Contract changes had a negative impact on net sales. The contract starts implemented this year have not yet had full impact. Operating profit and earnings before tax were negatively affected by start-up costs.
Indexation	16	2	2	Indexation shows the effect on sales and earnings with respect to compensation for underlying cost inflation in the operation of traffic in awarded contracts.	Positive indexation effects on net sales with a balanced effect on operating profit and earnings before tax.
Business efficiency	0	0	0	Business efficiency shows the effect on earnings of efficiency developments concerning personnel costs, maintenance, damage, etc.	
Other	0	-15	-15	'Other' includes effects on earnings of sales of buses, property costs, marketing and sales costs as well as other administrative expenses.	
IPO	0	-204	-297	Costs for IPO and incentive programme	Costs for IPO and incentive programme
Net financial items	-	-	36	Net financial items include effects on earnings of interest rates, currency rates and other financial items.	Net financial items include depreciation in respect of capitalised bond loan financing costs in both the preceding period and the year's period, as well as bond loan redemption costs in earnings for the year.
Period Mar–Aug 2015	3,977	39	-143		

NOBINA INTERIM REPORT 1 JUNE–31 AUGUST 2015

	Quarter		Period		Full year	Rolling 12 months
	Jun–Aug 15	Jun–Aug 14	Mar–Aug 15	Mar–Aug 14	Mar 14–Feb 15	Sep 14–Aug 15
Net sales (SEK million)						
Net sales per segment						
Nobina Sweden	1,335	1,227	2,693	2,502	5,138	5,329
Nobina Denmark	130	91	256	181	395	470
Nobina Norway	227	225	456	484	943	915
Nobina Finland	212	186	433	387	812	858
Elimination of sales to interregional traffic	-16	-6	-23	-12	-22	-33
Total regional traffic	1,888	1,723	3,815	3,542	7,266	7,539
Swebus	87	92	155	159	284	280
Elimination of sales to regional traffic	-	-	-	-	-1	-1
Total interregional traffic	87	92	155	159	283	279
Central functions and other items	7	-	7	-	-	7
Total net sales	1,982	1,815	3,977	3,701	7,549	7,825

	Quarter		Period		Full year	Rolling 12 months
	Jun–Aug 15	Jun–Aug 14	Mar–Aug 15	Mar–Aug 14	Mar 14–Feb 15	Sep 14–Aug 15
Profit, adjusted for non-recurring items ¹⁾ (SEK million)						
Operating profit per segment						
Nobina Sweden	89	104	209	173	373	409
Nobina Denmark	4	-	-1	-5	-15	-11
Nobina Norway	11	-5	9	-7	-2	14
Nobina Finland	7	8	21	20	47	48
Total regional traffic	111	107	238	181	403	460
Swebus	9	13	10	12	9	7
Total interregional traffic	9	13	10	12	9	7
Central functions and other items	17	-9	-5	-23	-41	-23
Total operating profit	137	111	243	170	371	444
Net financial expense	-44	-50	-89	-125	-230	-194
Profit before tax	93	61	154	45	141	250

1) Non-recurring items (SEK million)	Jun–Aug 15	Mar–Aug 15
Transaction costs in connection with IPO	5	-32
Incentive programme	-117	-172
Total non-recurring items in operating profit for the period	-112	-204
Financial items	-93	-93
Non-recurring items for the period in profit before tax for the period	-205	-297

Transaction costs in connection with the IPO have been reported during the second quarter within central functions and other items in the amount of SEK -172 million and have been adjusted in the quarter and the half year in accordance with the table for non-recurring items. **Costs for premature redemption of the Bonds** in the amount of SEK -79 million and financial expenses allocated over time of SEK -14 million are reported within financial items for the period. **The costs for the incentive programme** were reported during the first quarter of 2015 under the respective segment to which they belonged, and in the second quarter have been reversed to Nobina Sweden in the amount of SEK +6 million, Nobina Denmark SEK +3 million, Nobina Norway SEK +3 million, Nobina Finland SEK +3 million, and Swebus SEK +4 million.

	Quarter		Period		Full year
	Jun–Aug 15	Jun–Aug 14	Mar–Aug 15	Mar–Aug 14	Mar 14–Feb 15
Profit (SEK million)					
Nobina Sweden	95	104	209	173	373
Nobina Denmark	7	-	-1	-5	-15
Nobina Norway	14	-5	9	-7	-2
Nobina Finland	10	8	21	20	47
Total regional traffic	126	107	238	181	403
Swebus	13	13	10	12	9
Total interregional traffic	13	13	10	12	9
Central functions and other items	-114	-9	-209	-23	-41
Total operating profit	25	111	39	170	371
Net financial expense	-137	-50	-182	-125	-230
Profit before tax	-112	61	-143	45	141
Tax	41	-10	39	-17	-47
PROFIT FOR THE PERIOD	-71	51	-104	28	94

SEGMENT

Nobina's second quarter developed positively. The listing on Nasdaq Stockholm as well as important traffic starts were implemented successfully. The tender prospecting and tender work in the autumn is continuing according to plan. Earnings in the segments were positively affected by reversal of costs in connection with the IPO which were charged to the segments in the first quarter (see reporting on page 6). Segment earnings adjusted for non-recurring items, have not been affected by the reversal of IPO-costs, neither for the second quarter nor for the half year.

Sweden

Nobina Sweden's revenues continued to increase as a consequence of extra traffic, higher production volume and new contracts. During the period, the extensive traffic contract in Södertörn was started up successfully. Earnings for the second quarter include start-up costs for this contract and are somewhat below last year's level.

In June, Nobina Sweden won one of Skånetrafiken's tenders for public transport services. The contract, which extends over six years, covers 48 buses and entails revenues of approximately SEK 125 million per year. Nobina's quality grade of 4.74 out of 5.0 possible points was determinative.

Nobina Sweden also won a smaller contract during the quarter regarding school bus traffic in Värmland, totalling 7 buses.

We are still awaiting an appeal court decision regarding Nobina's previous contract win for public transport in Borås (50 buses).

Swebus

Swebus operates interregional traffic and accounts for 3.9 per cent of Nobina's net sales during the first half of the year. Over an extended period of time, Swebus has been exposed to intensive price competition, resulting in fewer passengers and thereby lower revenues. The efficiency improvements in the operations in the preceding financial year contributed to offsetting the negative effect on earnings. Swebus delivered a result for the second quarter which was somewhat weaker than last year, excluding reversal

of costs in connection with the IPO. Reduced passenger volumes during the Midsummer holiday were offset to a certain extent by increased demand during the late summer months.

Denmark

Nobina Denmark's volumes increased during the second quarter as a consequence of a newly started contract in Copenhagen during the fourth quarter of last year. The results for the quarter increased compared with the corresponding quarter of last year and demonstrate a positive trend in the basic operations, at the same time as earnings include costs during the start-up phase of the new contract. The Danish operations were positively affected by increased demand and extra traffic.

Norway

Nobina Norway reported a result for the second quarter which was significantly better than for the corresponding period of last year. Improved efficiency, among other things in the traffic contract in western Oslo, contributed to the earnings trend.

During the period, Nobina Norway carried out a successful start of traffic for the contract in the Follo area totalling 76 buses.

Nobina is continuing to engage in discussions on several levels with the public transport authority regarding the Tromsø contract in order to resolve problems identified in the contract.

Finland

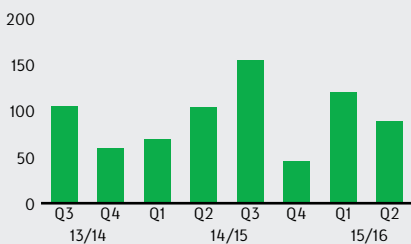
The Finnish operations demonstrate sound development in existing contracts, with increased sales and continued strong level as regards most key ratios during the second quarter.

Nobina Finland successfully started the contract for urban traffic in the Helsinki Vantaa area during the second quarter.

The receipt of a bonus in respect of good climate and environmental performance in the operations has also contributed to the results for the second quarter, which also include start-up costs for the started contract.

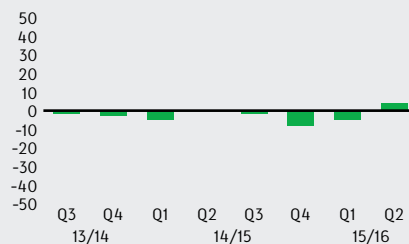
EBIT BY SEGMENT, ADJUSTED FOR NON-RECURRING ITEMS (SEE TABLE ON PAGE 6)

SWEDEN



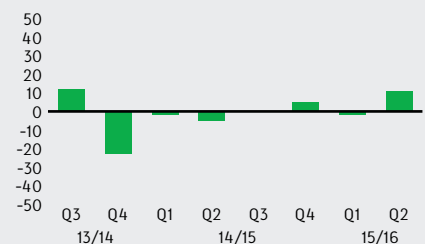
■ EBIT, MSEK

DENMARK



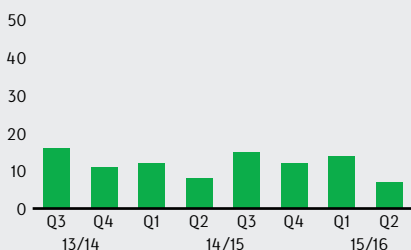
■ EBIT, MSEK

NORWAY



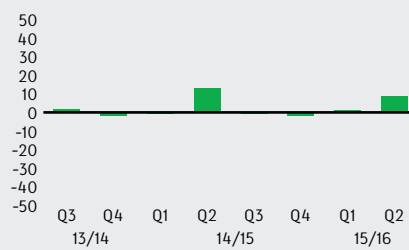
■ EBIT, MSEK

FINLAND



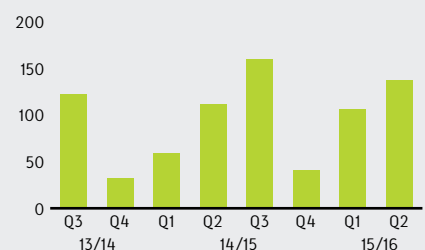
■ EBIT, MSEK

SWEBUS



■ EBIT, MSEK

NOBINA



■ EBIT, MSEK

Tender results, so far this year

The table shows the result of tender procedures in which Nobina has participated.

- Nobina submitted tenders in respect of 759 buses, whereof tender announcements for 472 buses have been communicated.
- Nobina won contracts for 55 buses during the first half of the year.
- Nobina submitted tenders for 417 buses which were won by other parties during the first half of the year.

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.

Mar–Aug 2015	Tender results during the period (number of buses)			Mar–Aug 2015	Traffic changes during the period (number of buses)	
	Announced	Won	Not won		Started	Ended
Sweden	322	55	267	Sweden	285	118
Norway	105	0	105	Norway	76	48
Finland	0	0	0	Finland	92	33
Denmark	45	0	45	Denmark	0	0
Total	472	55	417	Total	453	199

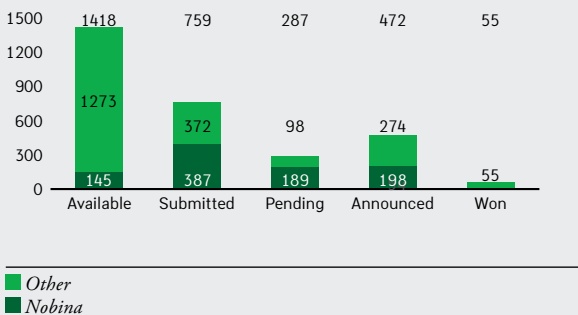
Traffic starts and terminations during the 12 months September 2015–August 2016

During the coming 12-month period, Nobina will start traffic involving 275 buses. Of these, 181 buses are expected to be newly acquired. During the same period, Nobina will terminate traffic involving 507 buses.

Traffic starts	PTA	No. of years	Traffic starts	No. of buses	New buses
Sweden	Värmlandstrafik	10	December 2015	105	29
	Värmlandstrafik	10	December 2015	149	142
	Skånetrafiken	7	December 2015	4	0
	Värmlandstrafik	9	August 2016	7	7
Finland	HSL	7	January 2016	7	0
	HSL	3	January 2016	3	3
Total				275	181

Expiring contracts	PTA	Traffic ends	No. of buses
Sweden	Värmlandstrafik	December 2015	99
	Skånetrafiken	December 2015	7
	LT Västerbotten	December 2015	2
	LT Västerbotten	June 2016	51
	Östgötatrafiken	June 2016	34
	Västtrafik	June 2016	9
	Värmlandstrafik	July 2016	3
Finland	SL	August 2016	162
Total			507

TENDERS (NUMBER OF BUSES)



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

WEIGHTED AVERAGE CONTRACT LENGTH, YEARS: 7.6

Contract length taking into account the number of buses.

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

WEIGHTED AVERAGE CONTRACT AGE, YEARS: 3.6

Contract age taking into account the number of buses.

The average non-weighted contract age was 3.9 years (4.1).

AVERAGE AGE OF BUS FLEET, YEARS: 5.7 (5.9)

THE NOBINA SHARE

The Nobina share (ticker: NOBINA) is listed on Nasdaq Stockholm in the Mid Cap segment and the industry sector. As of 31 August, there were in total 88,355,682 shares in the company, each carrying one vote. Nobina AB holds no shares in treasury.

Key ratios

Nobina	Quarter		Period		Full year
	Jun–Aug 15	Jun–Aug 14	Mar–Aug 15	Mar–Aug 14	Mar 14–Feb 15
Earnings per share (SEK)	-0.86	0.81	-1.43	0.44	1.50
Equity per share (SEK)	11.29	4.1	11.29	4.1	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)	82,409	63,299	72,883	63,279	63,301

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

OTHER INFORMATION

Personnel

Nobina had on average 8,488 (7,681) employees during the first half of the year. In all countries in which Nobina operates, collective agreements are applied in accordance with agreements with the trade unions. Nobina has well-established practices and traditions as to the manner in which work times, compensation conditions, information and cooperation are negotiated.

The Parent Company

The Parent Company had 9 (9) employees who participated in the overall management of the Nobina group, financial administration, controls and analyses. The Parent Company's sales, which consist exclusively of internal invoicing services, amounted during the quarter to SEK 10 million (12). The Parent Company's earnings before tax for the second quarter amounted to SEK -129 million (7). Operating profit for the second quarter was affected by costs of SEK -131 million in connection with the IPO. The Parent Company's earnings before tax for the first half of the year amounted to SEK -256 million (16).

Operating profit for the first half of the year was affected by transaction costs of SEK 32 million in connection with the IPO and incentive programme costs of SEK 172 million, in total SEK 204 million.

Cash and equivalents and funds in escrow amounted to SEK 28 million (67) at the end of the period. Investments in intangible and tangible fixed assets amounted to SEK 0 million (0) for the quarter and the half year. The Parent Company's shareholders' equity on 31 August 2015 amounted to SEK 3,259 million (2,621). The Parent Company's equity ratio was 80.6 (98.7) per cent.

Transactions with closely related parties

Other than the incentive programme and subscription for shares in connection with the IPO, no transactions with closely related parties took place during the second quarter.

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 a higher traffic volume, a larger number of weekdays, and a high level of travelling in society, while the second and fourth quarters are weakest due to lower traffic volume during the holiday period and higher costs during winter.

As regards interregional operations, the trend is different inasmuch as the second quarter is the strongest due to a higher num-

ber of passengers during the holiday period, while the third quarter is weakest due to a lower number of holidays, resulting in fewer passengers. The breakdown of sales and earnings per quarter for regional and interregional traffic 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, since the previous senior note of SEK 550 million was repaid in its 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 less than half of the total diesel price, with the remainder comprising taxes, transportation and processing. Within regional traffic, compensation is obtained for changes in the diesel price through revenue indexation in traffic contracts. The index baskets are relatively well matched against the cost breakdown, but compensation takes place with a time lag of 1 to 6 months, which results in a negative impact on earnings during a period of increasing prices. There may also be a mismatch between costs in a contract and compensation via index, e.g. if the index is diesel-based while the contract requires buses to run on biogas. There is no indexation of revenues within interregional traffic. Increased fuel prices are compensated for through increased ticket prices, if market conditions so allow. On 31 August 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 relevant section in Nobina AB's annual report for 2014/2015.

Disputes

During the preceding year, Nobina Norway pursued a claim against Troms fylkestrafikk regarding the Tromsø traffic contract. The dispute was adjudicated by the court in 2015, when the claim was dismissed. The decision has been appealed. The result of the ongoing dispute has no material effect on the Nobina Group's financial position and earnings.

Bonds, financing and valuation

Nobina has an available bank credit facility of SEK 132 million, which was non-utilised as of 31 August 2015.

Nobina Europe's former bond with a nominal value of SEK 550 million was repaid 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, Blue-Mountain, 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 in conjunction with 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 programme

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). 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 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-in agreement undertakings.

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

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, provided nothing unforeseen occurs Nobina expects to distribute at least 75 per cent of adjusted EBT⁴⁾.

Significant events

- Nobina was listed on Nasdaq Stockholm with the first day of trading being 18 June 2015.
- On 11 August 2015 Nobina redeemed all outstanding bond loans.

Events since the end of the period

- Nobina won a Traffic contract in Norrköping entailing a renewed vote of confidence as regards regional traffic and involving 27 buses and sales of close to SEK 400 million over the six-year period.

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

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.

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 and the Board hereby provide an assurance that the report for the first half of the year provides a true and fair view of the operations, financial position and earnings of the Company and Nobina group, and describes the significant risks and uncertainty factors facing the Company and companies within the group.

Stockholm, 30 September 2015

Jan Sjöqvist
Chairman of the Board

John Allkins
Board member

Birgitta Kantola
Board member

Graham Oldroyd
Board member

Gunnar Reitan
Board member

Ragnar Norbäck
CEO and Board member

Financial calendar

Interim report 1 September–30 November	22 Dec 2015
Unaudited figures 2015/2016	27 April 2016
Annual general meeting 2015/2016	31 May 2016
Interim report 1 March–31 May 2016	30 June 2016

Telephone conference

Nobina will present the interim report and answer questions during a telephone conference at 10.00 CET on Wednesday 30 September 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

For further information, please contact:

Ragnar Norbäck, President and CEO	+46 8-410 65 000
Per Skärgård, CFO	+46 8-410 65 056
Stina Thorman, acting Head of IR	+46 8-410 65 071
Ingrid Håkanson, IR-manager	+46 8-410 65 051

Nobina AB
Armégatan 38, 171 71 Solna, Sweden
www.nobina.com
Reg. no. 556576-4569

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

Report of Review of Interim Financial Information

Auditor’s Report on Review of Interim Financial Information Summary prepared in accordance with IAS 34 and Chapter 9 of the Swedish Accounts Act.

Introduction

We have reviewed the condensed interim financial information (interim report) of Nobina AB (publ) as of 31 August 2015 and the six-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 30 September 2015

PricewaterhouseCoopers AB

Michael Bengtsson
Authorized Public Accountant

THE NOBINA GROUP'S CONSOLIDATED INCOME STATEMENT IN BRIEF

SEK million, unless otherwise stated	Quarter		Period		Full year
	Jun–Aug 15	Jun–Aug 14	Mar–Aug 15	Mar–Aug 14	Mar 14–Feb 15
Net sales	1,982	1,815	3,977	3,701	7,549
Operating expenses					
Fuel, tyres and other consumables	-394	-382	-812	-809	-1,655
Other external expenses	-274	-277	-570	-564	-1,091
Personnel costs	-1,141	-915	-2,273	-1,897	-3,881
Capital losses from disposal on non-current assets	-1	-7	-1	-11	-35
Depreciation/amortization of intangible and tangible non-current assets	-147	-123	-282	-250	-516
Operating profit	25	111	39	170	371
Profit from net financial items					
Financial income	-	2	1	5	8
Financial expenses, Note 1	-137	-52	-183	-130	-238
Net financial items	-137	-50	-182	-125	-230
Profit/loss before tax	-112	61	-143	45	141
Income tax	41	-10	39	-17	-47
PROFIT/LOSS FOR THE PERIOD	-71	51	-104	28	94
Profit/loss for the period attributable to the Parent Company shareholders	-71	51	-104	28	94
Earnings per share before dilution (SEK)	-0.86	0.81	-1.43	0.44	1.5
Earnings per share after dilution (SEK)	-0.86	0.81	-1.43	0.44	1.5
Average number of shares before dilution (thousands)	82,409	63,299	72,883	63,279	63,301
Average number shares after dilution (thousands)	82,409	63,299	72,883	63,279	63,301
Number of outstanding shares at end of period ¹⁾	88,355,682	63,323,413	88,355,682	63,323,413	633,234,125

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
	Jun–Aug 15	Jun–Aug 14	Mar–Aug 15	Mar–Aug 14	Mar 14–Feb 15
Profit/loss for the period	-71	51	-104	28	94
Other comprehensive income					
Items not to be reclassified to profit or loss for the period					
Revaluation of defined-benefit pension plan	2	-	2	-	-19
Tax on items that will not be reclassified to profit or loss for the period	-	-	-	-	4
Items that can later be reclassified to profit or loss for the period					
Exchange-rate differences on foreign operations	-8	-	-12	5	6
Other comprehensive income for the period, net after tax	-6	-	-10	5	-9
Comprehensive income for the period	-77	51	-114	33	85
COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	-77	51	-114	33	85

THE NOBINA GROUP'S CONSOLIDATED BALANCE SHEET IN BRIEF

SEK million	Quarter		Full year
	31 Aug 2015	31 Aug 2014	28 Feb 2015
ASSETS			
Non-current assets			
Goodwill	578	591	588
Other intangible assets	13	21	16
Costs for improvement on third-party property	18	22	21
Equipment, tools, fixtures and fittings	87	53	61
Vehicles	4,895	4,185	4,354
Deferred tax assets	139	106	88
Assets for pensions commitments	6	5	–
Total non-current assets	5,736	4,983	5,128
Current assets			
Inventories	50	43	49
Trade receivables	587	556	519
Other current receivables	73	67	76
Deferred expenses and accrued income	168	206	236
Restricted bank accounts	120	163	115
Cash and cash equivalents	323	92	453
Total current assets	1,321	1,127	1,448
TOTAL ASSETS	7,057	6,110	6,576
EQUITY AND LIABILITIES			
Equity attributable to Parent Company Shareholders	998	258	310
Non-current liabilities			
Borrowing, Note 1	3,768	3,702	3,765
Deferred tax liabilities	94	74	82
Provision for pensions and similar commitments	37	24	36
Other provisions	37	38	39
Total non-current liabilities	3,936	3,838	3,922
Current liabilities			
Accounts payable	426	382	476
Borrowing, Note 1	610	565	634
Other current liabilities	163	162	174
Accrued expenses and deferred income	924	905	1,060
Total current liabilities	2,123	2,014	2,344
Total liabilities	6,059	5,852	6,266
TOTAL EQUITY AND LIABILITIES	7,057	6,110	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/loss of the period	–	–	–	28	28
Other comprehensive income	–	–	5	–	5
Transactions with owners					
Payment of issued shares to senior executives	–	1	–	–	1
Closing equity per 31 August 2014	228	2,489	27	-2,486	258
Profit/loss of the period	–	–	–	66	66
Other comprehensive income	–	–	1	-15	-14
Transactions with owners					
Payment of issued 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
Profit/loss for the period	–	–	–	-104	-104
Other comprehensive income	–	–	-12	2	-10
Transactions with owners					
Payment of issued shares to senior executives	–	1	–	–	1
Payment of newly issued shares	90	760	–	–	850
Capital acquisition costs	–	-49	–	–	-49
Closing equity per 31 August 2015	318	3,201	16	-2,537	998

There are no non-controlling interests.

THE NOBINA GROUP'S CONSOLIDATED CASH FLOW STATEMENT IN BRIEF

SEK million	Quarter		Period		Full year
	Jun–Aug 15	Jun–Aug 14	Mar–Aug 15	Mar–Aug 14	Mar 14–Feb 15
Cash flow from operations					
Profit/loss after financial items	-112	61	-143	45	141
Adjustment for non-cash items	279	179	462	381	761
Cash flow from operations before changes in working capital	167	240	319	426	902
Cash flow from changes in working capital					
Change in inventories	-3	4	-1	10	4
Changes in operating receivables	47	-26	-7	-145	-142
Changes in operating liabilities	-226	-87	-170	-64	197
Total change in working capital	-182	-109	-178	-199	59
Received interest income	1	2	1	5	4
Tax paid	-	-	-	-	-1
Cash flow from operations	-14	133	142	232	964
Cash flow from investing activities					
Change in restricted bank accounts	-14	444	-5	-6	41
Investments in intangible and tangible non-current assets excluding financial leasing	-135	-40	-151	-69	-295
Divestment of intangible and tangible non-current assets	11	27	14	28	41
Cash flow from investing activities	-138	431	-142	-47	-213
Cash flow from financing activities					
Repayment by instalment of financial leasing liability	-155	-136	-298	-265	-546
Repayment by instalment of bond loan and other external loans	-556	-483	-562	-483	-485
Payment of newly issued shares	850	-	850	-	-
New issue of shares to senior executive	-	1	1	1	1
New borrowing, including payment with old bonds	-	-	-	483	483
New borrowing, other external loans	90	-	108	-	168
Borrowing expenses, paid	-	-3	-	-18	-18
Capital acquisition costs	-44	-	-49	-	-
Interest paid	-124	-50	-179	-123	-213
Cash flow from financing activities	61	-671	-129	-405	-610
Cash flow for the period	-91	-107	-129	-220	141
Cash and cash equivalents at the beginning of period	413	198	453	309	309
Cash flow for the period	-91	-107	-129	-220	141
Exchange rate difference	1	1	-1	3	3
Cash and cash equivalents at the end of period	323	92	323	92	453

THE PARENT COMPANY'S INCOME STATEMENT IN BRIEF

SEK million	Quarter		Period		Full year
	Jun–Aug 15	Jun–Aug 14	Mar–Aug 15	Mar–Aug 14	Mar 14–Feb 15
Net sales	10	12	20	26	49
Operating expenses					
Other external expenses	–92	–4	–134	–10	–20
Personnel costs	–29	–11	–104	–19	–37
Capital losses from disposals of non-current assets	–	–	–	–	–
Depreciation/amortization of intangible and tangible non-current assets	–	–	–	–	–
Operating profit /loss	–111	–3	–218	–3	–8
Profit from participations in Group companies	–	–	–	–	41
Financial income	3	9	8	18	37
Financial expenses	–21	1	–46	1	–2
Net financial items	–18	10	–38	19	76
Profit/loss before tax	–129	7	–256	16	68
Income tax	–	–	–	–	40
PROFIT/LOSS FOR THE PERIOD	–129	7	–256	16	108

There are no items attributable to other comprehensive income, other comprehensive income not reported.

THE PARENT COMPANY'S BALANCE SHEET IN BRIEF

SEK million	Quarter		Full year
	31 Aug 2015	31 Aug 2014	28 Feb 2015
ASSETS			
Non-current assets			
Other intangible assets	–	2	–
Participations in Group companies	3,695	1,974	3,695
Deferred tax assets	40	–	40
Receivables from Group companies	87	436	114
Total non-current assets	3,822	2,412	3,849
Current assets			
Receivables from Group companies	189	170	226
Other current assets	–	1	–
Deferred expenses and accrued income	4	6	8
Restricted bank accounts	25	67	25
Cash and cash equivalents	3	–	–
Total current assets	221	244	259
TOTAL ASSETS	4,043	2,656	4,108
Equity and liabilities			
Equity attributable to Parent Company shareholders	3,259	2,621	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	11	4	5
Liabilities to Group companies	136	17	10
Other current liabilities	1	1	2
Accrued expenses and deferred income	8	6	9
Total current liabilities	156	28	26
Total liabilities	784	35	1,395
TOTAL EQUITY AND LIABILITIES	4,043	2,656	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>Profit/loss 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/loss for the period	–	–	–	–	16	16
Transactions with owners						
Payment of issued shares to senior executives	–	–	1	–	–	1
Closing equity per 31 August 2015	228	1	613	1,763	16	2,621
Profit/loss for the period	–	–	–	–	92	92
Transactions with owners						
Payment of issued 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	–
Profit/loss for the period	–	–	–	–	–256	–256
Transactions with owners						
Payments of issued shares to senior executives	–	–	1	–	–	1
Payment of newly issued shares	90	–	760	–	–	850
Capital acquisition costs	–	–	–49	–	–	–49
Closing equity per 31 August 2015	318	1	1,325	1,871	–256	3,259

There are no items attributable to other comprehensive income, other comprehensive income not reported.

NOTE 1. FINANCING

SEK million, unless otherwise stated	Quarter		Period		Full year
	Jun–Aug 15	Jun–Aug 14	Mar–Aug 15	Mar–Aug 14	Mar 14–Feb 15
Operational leasing agreements, buses					
Nominal value of future minimum leasing fees, buses	–	–	188	336	285
Present value of future minimum leasing fees, buses	–	–	180	312	268
Number of operationally leased buses	–	–	436	669	480
Operational leasing fees for the period	14	34	30	64	97
Borrowing – bond loan and other liabilities					
Bond loan and other loans	–	–	263	550	716
Financial leasing liabilities	–	–	4,115	3,735	3,699
Distribution over time of financial costs	–	–	–	–18	–16
Total	–	–	4,378	4,267	4,399
Of which short-term repayment part of the Group's borrowing	–	–	610	565	634
Of which long-term repayment part of borrowing	–	–	3,768	3,702	3,765
Sum, total liabilities	–	–	4,378	4,267	4,399
Interest expenses and similar profit/loss items					
Interest expenses, financial leasing	–33	–38	–64	–74	–144
Interest expenses, bond loan and other external loans	–105	–16	–119	–60	–89
Other financial expenses	–	–	–2	–3	–6
Realised and non-realised exchange rate gains and losses, net	1	2	2	7	1
Total	–137	–52	–183	–130	–238

KEY RATIOS INFORMATION

Key ratios information, the past five quarters

Key ratios, Nobina in SEK million, unless otherwise stated	2014/2015			2015/2016			
	Q2	Q3	Q4	Q1	Q1 adjusted ¹⁾	Q2	Q2 adjusted ¹⁾
Net sales for the period							
Regional traffic	1,723	1,880	1,884	1,927	–	1,888	–
Interregional traffic	92	63	61	68	–	87	–
Operating profit/loss for the period							
Regional traffic	107	168	54	112	127	126	111
Interregional traffic	13	–1	–2	–3	1	13	9
Profit/loss before tax for the period	61	106	–10	–31	61	25	137
Profit/loss for the period	51	77	–11	–33	59	–71	–
Cash flow for the period	–107	174	187	–38	–	–91	–78
Cash and cash equivalents	92	265	453	413	–	443	–
Equity ratio, %	4.2	5.2	4.7	4.3	–	14.1	–
EBITDA ²⁾	241	301	190	149	241	173	285
EBITDA margin, %	13.3	15.5	9.8	7.5	12.1	8.7	14.4
EBITDAR ²⁾	275	323	201	165	257	187	299
EBITDAR margin, %	15.2	16.6	10.3	8.3	12.9	9.4	15.1
Equity	258	328	310	274	–	998	–
Equity/ordinary shares, SEK	4.1	5.2	4.9	4.3	–	11.29	–
Number of buses	3,365	3,327	3,327	3,323	–	3,623	–
Estimated full-time positions	7,681	7,773	7,603	8,054	–	8,488	–

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.

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.

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.

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