Q1 Q2 Q3 Q4

Nobina.

NOBINA INTERIM REPORT 1 JUNE–31 AUGUST 2014

SUMMARY OF THE SECOND QUARTER

- Net sales were **SEK 1,815 million** (1,718), which was an increase of **5.6 per cent**.
- The operating profit was **SEK 111 million** (107).
- Earnings after tax were **SEK 51 million** (31) and earnings per share were **SEK 0.08** (0.05).
- Cash flow from operating activities was **SEK 240 million** (229).
- Investments, which mainly referred to the acquisition of buses, totalled **SEK 450 million** (18).

SIGNIFICANT EVENTS

- During the period Nobina successfully completed the migration of over 900 buses.
- In June Nobina Norway won East Oslo's tender for transport operator services. The contract begins in June 2015. Nobina has by that secured a significant scale of business in Oslo.

CEO'S COMMENTS

"Nobina's business situation was stable, in general, during the second quarter, while our intensive efforts to migrate from expiring contracts to the start up of new ones is progressing according to plan. Our quarterly result is slightly better than in the same period in the previous year, pointing to continued good profitability despite significant investments in contract adjustment activities. This shows that our careful preparations are paying off.

During the period we also secured the contract for East Oslo's bus transport services. This means that Nobina is now the third largest operator in the Norwegian capital, which of course is very good news. We are also awaiting the outcome of a number of appeals that will affect our contract volume. We are confident about our prospects in the market and enter the third quarter with a strong resolve to confirm Nobina's leading position."

Ragnar Norbäck,
President and CEO

KEY RATIOS

Group *(SEK million, unless otherwise stated)*	Quarter		Period		Full year	Rolling 12 m
	Jun–Aug 14	*Jun–Aug 13*	*Mar–Aug 14*	*Mar–Aug 13*	*Mar 13–Feb 14*	*Sep 13–Aug 14*
Sales	1,815	1,718	3,701	3,564	7,269	7,406
Operating profit	111	107	170	172	326	324
Earnings after financial net	61	41	45	44	87	88
Earnings after tax	51	31	28	27	56	57
Net cash flow	-107	18	-220	-9	173	-38
Cash and cash equivalents	-	-	92	132	309	
Equity ratio, %	-	-	4.2	3.6	3.8	
Shareholders' equity	-	-	258	207	224	
Number of buses	-	-	3,365	3,406	3,359	
Estimated full time positions	-	-	7,681	7,070	7,547	

NOBINA IN BRIEF

Nobina is the Nordic Region's largest operator within the sector of public transport by bus and offers reliable and environmentally-friendly traffic solutions which simplify daily travel. The operations include contract-based regional travel in Sweden, Norway, Finland and Denmark and inter-regional traffic under own management through Swebus. The Nobina Group reported slightly over SEK 7 billion in sales during the financial year 2013/2014. With approximately 280 million passenger journeys and a fleet of 3,400 buses, Nobina is the leading operator in the Nordic market. Further information is available at www.nobina.com.

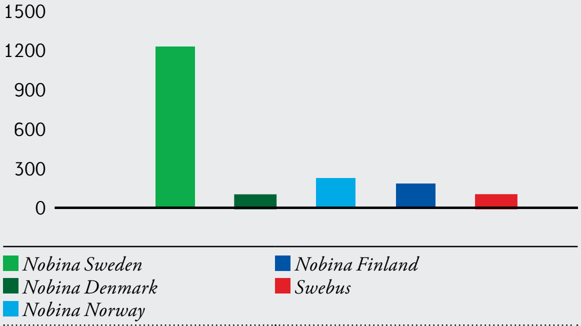
MARKET OVERVIEW

In the Nordic Region, public transport is central to sustainable societal development and there is a stable long-term growth in the demand for public transport. The market premises are similar in each of the Nordic countries. The price for regional trips is subsidised by the municipalities, while there is unrestricted competition and pricing in the market for long-distance bus traffic (Swebus). The main difference between the countries is the portion of regional public transport procured on a public tender basis.

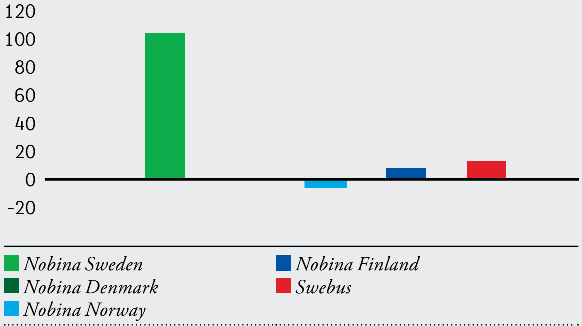
Traffic authorities – politically governed, publically-owned clients – are responsible for the provision of transport services in their respective regions. The regional traffic includes regional public transport, city traffic and school bus traffic. The model for procurement is well established in Sweden and Denmark and is gradually winning ground in Norway and Finland.

A number of the operators on the market are partly or fully publically-owned, implying other return requirements and premises for financing of the operations. Overall volume in Norway and Finland is increasing. In the more mature markets of Sweden and Denmark, the focus on quality is increasing, a development which facilitates more rational pricing.

SHARE OF NET SALES BY BUSINESS AREA (Q2 2014/2015), SEK MILLION



SHARE OF OPERATING PROFIT BY BUSINESS AREA (Q2 2014/2015), SEK MILLION



FINANCIAL PERFORMANCE

Second quarter (1 June–31 August 2014)

Sales

The Group generated sales of SEK 1,815 million (1,718) in the second quarter, representing an increase of 5.6 per cent on the same period in the previous year. Sales were boosted by growing revenues from existing contracts, the start-up of new contracts and indexing of revenues.

Earnings

Earnings in the second quarter remained stable. The operating profit was SEK 111 million (107), of which SEK 107 million (101) refers to regional transport and SEK 13 million (10) to interregional transport. Growing volumes had a positive impact on the operating profit.

Contract migration, from older to newer contracts, has reduced the average age of contracts over the past few years. A younger contract portfolio in turn requires extensive investment and will reduce the operating profit initially, as operating profits are significantly lower in the early stages of a contract compared with the latter stages. This is mitigated when loss making contracts expire, as in FY 2014/15.

Earnings before tax were up year-on-year, to SEK 51 million (31).

Tax

Deferred tax declined by SEK -10 million (-10) in the second quarter.

Financial position

Cash and cash equivalents were SEK 92 million (132) at the end of the period. In addition, the Group had restricted cash of SEK 163 million (173), which refers principally to collateral for guarantees for submitted tenders and concluded transport contracts. During the period old bonds were redeemed on 7 June, which reduced the amount of frozen assets. The Group has a SEK 100 million accounts receivable facility with a financial company, of which SEK 0 million had been drawn at the end of the period. A SEK 50 million bank credit facility is linked to Nobina's Group account, of which SEK 0 million had been drawn at 31 August 2014.

Equity was SEK 258 million (207) and the equity/assets ratio was 4.2 per cent at the end of the period, up from 3.6 per cent at the end of the second quarter of 2013.

In June the SEK 550 million bond issued by Nobina Europe in May was listed on NASDAQ OMX.

Investments

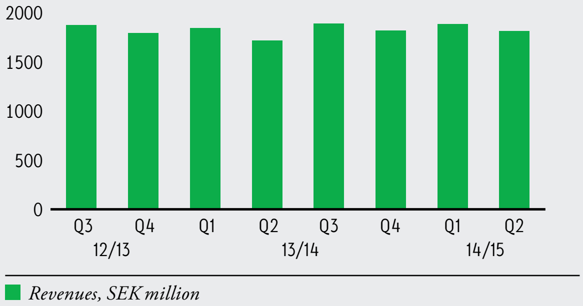
The Group's cash investments during the period refer to purchases of other non-current assets as well as the purchase of buses and related equipment for SEK 40 million (11). Through a subsidiary, Nobina Fleet AB, the Group has concluded finance leases covering a total cost of SEK 410 million (29). The Group's finance leases have been classified as non-current assets in the balance sheet and the lease obligations have been recognised as a liability in the balance sheet. Depreciation charges and interests expenses are recognised in the income statement.

During the period the Nobina Group sold buses and other non-current assets worth SEK 27 million (0). The sales resulted in a net capital loss of SEK 7 million (-2).

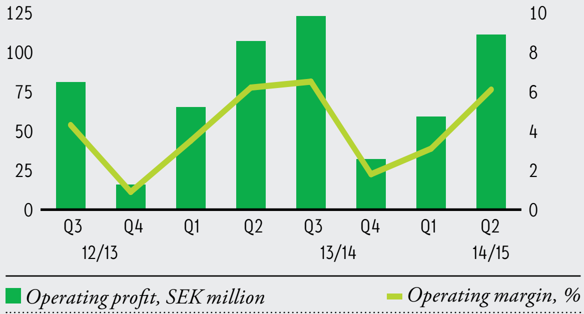
Cash flow

Cash flow from operating activities were SEK 133 million (209) before investing and financing activities, and SEK -107 million (18) after investing and financing activities. Out of total restricted cash, SEK 444 million was used for the redemption of Nobina Europe's old bond loan. Working capital was negative, SEK -109 million (-20), related to a negative working capital effect from contract migration and a major customer payment made after the end of the quarter.

REVENUES



OPERATING PROFIT AND MARGIN



	Quarter		Period		Full year	Rolling 12 m
Revenues (SEK million)	*Jun–Aug 14*	*Jun–Aug 13*	*Mar-Aug 14*	*Mar-Aug 13*	*Mar 13–Feb 14*	*Sep 13– Aug 14*
Revenues per segment						
Nobina Sweden	1,227	1,114	2,502	2,339	4,853	5,016
Nobina Denmark	91	84	181	167	346	360
Nobina Norway	225	240	484	496	995	983
Nobina Finland	186	193	387	402	802	787
Elimination of sales to interregional traffic	-6	-9	-12	-16	-43	-39
Total regional traffic	**1,723**	**1,622**	**3,542**	**3,388**	**6,953**	**7,107**
Swebus	92	96	159	176	316	299
Elimination of sales to regional traffic	-	-	-	-	-	0
Total interregional traffic	**92**	**96**	**159**	**176**	**316**	**299**
Total revenues	**1,815**	**1,718**	**3,701**	**3,564**	**7,269**	**7,406**

	Quarter		Period		Full year	Rolling 12 m
Operating profit (SEK million)	*Jun–Aug 14*	*Jun–Aug 13*	*Mar-Aug 14*	*Mar-Aug 13*	*Mar 13–Feb 14*	*Sep 13– Aug 14*
Operating profit per segment						
Nobina Sweden	104	85	173	163	328	319
Nobina Denmark	-	-2	-5	-9	-14	-12
Nobina Norway	-5	10	-7	8	-3	-3
Nobina Finland	8	8	20	18	45	47
Total regional traffic	**107**	**101**	**181**	**180**	**356**	**351**
Swebus	13	10	12	3	3	9
Total interregional traffic	**13**	**10**	**12**	**3**	**3**	**9**
Central functions and other items	-9	-4	-23	-11	-33	-40
Total operating profit	**111**	**107**	**170**	**172**	**326**	**320**

Explanation items for revenue and earnings growth (SEK milllion)	Revenues and earnings		
	Revenues	*EBIT*	*EBT*
Period Mar –Aug 2013	**3,564**	**172**	**44**
Price and volume	179	14	14
Contract changes	-71	13	13
Indexation	26	8	8
Business efficiency		-15	-15
One-off costs		0	0
Fleet finance and utilization		-6	-6
Other	3	-16	-16
Financial net			3
Period Mar –Aug 2014	**3,701**	**170**	**45**

Higher prices and volumes represent changes in executed traffic volumes, as well as changes in prices for such volumes and the effects of these changes on sales and earnings.

Contract changes illustrate the effect on sales and earnings of changes in the contract portfolio, in the form of the expiry of old contracts and the initiation of new contracts.

Indexation shows the effects of price adjustments on sales and earnings, in terms of compensation for the underlying cost inflation in the operation of traffic within the framework of tendered contracts.

Operating efficiency shows the effect on earnings of enhancements to efficiency regarding personnel costs, maintenance, repairs, etc.

Fleet finance and use shows the effect on earnings of changes in financing terms and efficiency in the use of vehicles.

Other, reflects the effects of certain other factors, such as investments in real estate and other investments in connection with traffic start-ups.

BUSINESS AREAS

Nobina's regional businesses saw a continued stable performance in the second quarter. Net sales were SEK 1,815 million (1,718), which was an increase of 5.6 per cent. The operating profit for the period increased to SEK 111 million (107).

During the period Nobina successfully completed the migration of over 900 buses.

Sweden

Nobina's previously awarded contract for regional transport services in Värmland has been subject to judicial review for nearly one year. In August the court once again issued a statement in Nobina's favour, paving the way for the commencement of services in December 2015. This decision, too, has been appealed by Nobina's competitors.

The decision to award Nobina the contract for school transport services in Värmland, announced in the first quarter, has also become subject to judicial review after appeals by competitors.

Heavy rain in southern Sweden resulted in damage to ten buses. The cost of repairs was close to SEK 3.5 million and has been charged to earnings for the three-month period.

In June MalmöExpressen went into operation. Fifteen 25 metre long "super-buses" started operating in central Malmö in the summer.

In the third quarter Nobina will begin work on centralising traffic control, traffic planning and staff planning for the whole of the Skåne region to Landskrona. The project will begin immediately and is expected to take about 12 months.

Nobina is waiting for a decision on the Stockholm region's extensive procurement of transport operator services for the E23 district.

Swebus provides interregional transport services, accounting for 4.2 per cent of the Nobina Group's operations. Swebus, which for some time has had low volumes and faced intense price competition, continued to perform well in the second quarter. The company's results and passenger volumes benefited from the termination of airport transfer services to Arlanda, and from problems affecting rail services during the period.

Net sales were SEK 92 million (96) and the company posted an operating profit of SEK 13 million (10).

Denmark

During the period preparations for the coming reorganisation of transport services in Copenhagen and North Zealand in the third quarter proceeded according to plan. Nobina's Danish business continued to perform well on the back of increased volumes and efficiency improvements.

Nobina is currently expecting a decision on the Odense region's procurement of transport operator services.

Norway

In Norway Nobina was awarded East Oslo's tender for traffic operator services in June. The contract begins in June 2015.

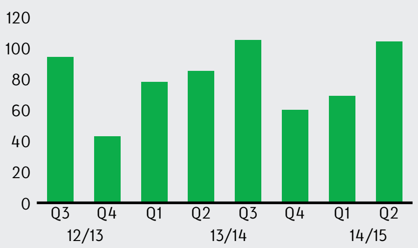
On 30 June Nobina left Vestfold, which has had a negative impact on earnings. Discussions are underway with the transport principal for the Tromsø contract in order to solve the identified problems.

However, Nobina Norway's overall results continued to improve, thanks to improved operational control and efficiencies in all transport contracts.

Finland

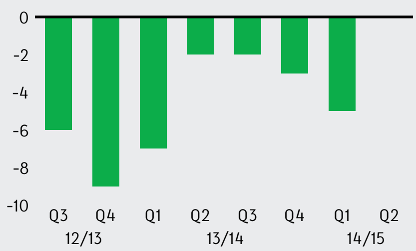
Nobina Finland performed in line with the second quarter in 2013. New contracts with lower costs for maintenance and damage offset the effects of lower volumes during the quarter.

SWEDEN



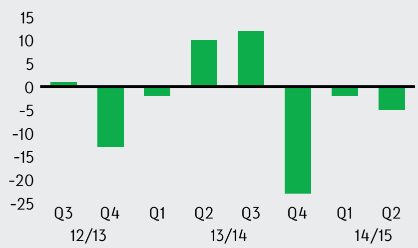
EBIT, SEK million

DENMARK



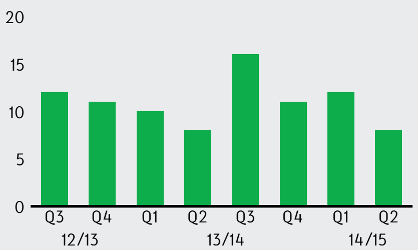
EBIT, SEK million

NORWAY



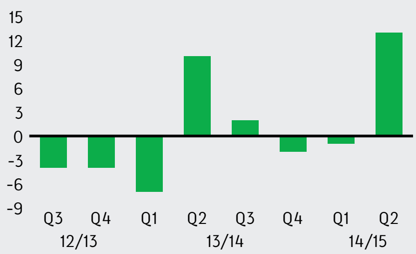
EBIT, SEK million

FINLAND



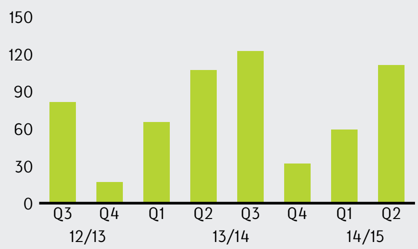
EBIT, SEK million

SWEBUS



EBIT, SEK million

NOBINA GROUP



EBIT, SEK million

Tender results, ytd

	Tender results during the period (number of buses)		
March–August 2014	*Announced*	*Won*	*Not won*
Sweden	213	105	108
Norway	160	76	84
Finland	19	0	19
Denmark	0	0	0
Total	**392**	**181**	**211**

Contract migration, ytd

	Traffic changes during the period (number of buses)	
March–August 2014	*Started*	*Ended*
Sweden	401	475
Norway	0	89
Finland	0	2
Denmark	0	0
Total	**401**	**566**

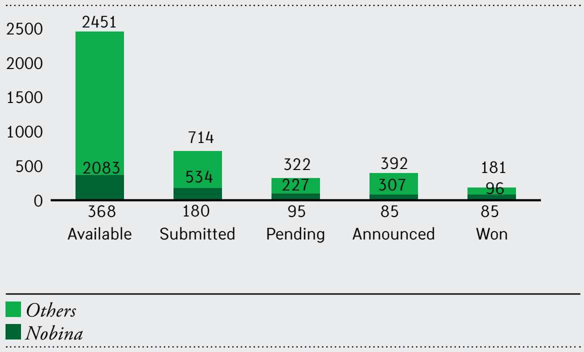
Contract migration coming 12 months, September 2014–August 2015

Traffic starts	*PTA*	*No. of years*	*Traffic starts*	*No. of buses*	*New buses*
Sweden	Skånetrafiken	8	December 2014	22	19
	Värmlandstrafiken*)	10	December 2014	149	
Finland	HSL	7	January 2015	20	15
Norway	Ruter	8	June 2015	71	70
	Ruter	5	June 2015	16	1
Denmark	Movia	6	December 2014	100	52
Total				**378**	

Expiring contracts	*PTA*	*Traffic ends*	*No. of buses*
Sweden	Värmlandstrafiken*)	December 2014	90
	Skånetrafiken	December 2014	29
	SL	June 2015	95
	LT Örebro	August 2015	21
Finland	HSL	August 2015	33
Norway	Ruter	June 2015	24
	Ruter	June 2015	23
Denmark	Movia	December 2014	59
Total			**374**

* Appeal process ongoing

TENDER UPDATE



CONTRACT LENGTH, AVERAGE NUMBER OF YEARS: 7.4

CONTRACT AGE, AVERAGE NUMBER OF YEARS: 4.1

AGE OF BUS FLEET, AVERAGE NUMBER OF YEARS: 5.9

OTHER INFORMATION

Employees

The average number of employees in the Nobina Group was 7,681 (7,070). The Nobina Group has concluded collective agreements with trade unions in all countries in which the company operates. Nobina has well established principles and traditions for negotiations on working hours, terms of remuneration, information and collaboration.

Parent company

The parent company has 9 (78) employees, who perform central Group management, financial administration, control and analysis duties. Compared with the second quarter of 2013, the parent company has transferred some central functions to the underlying company Nobina Europe AB. The parent company's sales, which refer wholly to internal billing services, totalled SEK 12 million (44) during the period. The parent company posted a profit before tax of SEK 7 million (17) and frozen assets at the end of the period stood at SEK 67 million (59). Investments in intangible assets and property, plant and equipment were SEK 0 million (0). Equity in the parent company was SEK 2,621 million (2,584) and the equity/assets ratio 99 (91) per cent.

Related-party transactions

No significant transactions with related parties took place during the period. 622,840 new shares were issued to Nobina's CEO, Ragnar Norbäck.

Seasonal variations

Sales and earnings performance in Nobina's regional and interregional operations vary from one quarter to another. For the regional operations the third quarter is the strongest period due to a higher transport volume, larger number of weekdays and higher level of travel in society while the second quarter is the weakest due to lower traffic volumes in the holiday season.

In the interregional business the pattern is somewhat different, with the second quarter being the strongest period due to a higher number of travellers during the holiday season while the third quarter is weakest due to a lower number of public holidays, leading to a smaller number of travellers. A breakdown of sales and earnings by quarter for Nobina's regional and interregional services in 2013 is shown in the key ratio table on page 16.

Risks and uncertainties

The Nobina Group is exposed to interest rate risk through the company's finance and operating leases. Lease payments are based chiefly on variable market interest rates. Nobina's interest rate risk is partly offset by revenue indexation clauses in the Group's transport agreements. The Group had no interest rate hedges during the period.

A refinancing risk exists when the existing SEK 550 million corporate bond matures in May 2019.

The Nobina Group is exposed to currency risk in connection with the translation of subsidiaries' balances sheets and income statements. The Group's financial policy states that currency risks may be hedged using currency derivatives. The Group had no currency hedges during the period.

The Group is exposed to price changes through its purchase of diesel. The raw material price accounts for just under half of the total diesel price, with taxes, transports and refining accounting for the remainder. In regional transport services the Group is compensated for changes in the diesel price through revenue indexation clauses in the transport agreements, which cover approximately 95 per cent of its consumption. In the Group's interregional services revenues are not regulated through indexation. Instead, higher fuel prices are offset through higher ticket prices if market conditions allow. For the Group the share covered by indexation is 92 per cent. Based on the share of the Group's diesel consumption that is not protected through indexation, a ten per cent increase in the price of the raw material would increase the Group's annual fuel costs by around SEK 4 million. At 31 August 2014 the Nobina Group had no outstanding diesel derivatives.

The company can be affected by the result of appeal processes relating to the outcome of tenders.

For more information concerning risks and uncertainties, see the relevant section in Nobina's annual report for 2013/2014.

Disputes

Nobina Norge AS has an outstanding dispute with Tromsö Fylkestrafikk concerning contract terms and conditions for the contract.

Refinancing of bonds

As part of a refinancing arrangement, the Nobina Group's old bonds, issued by Nobina Europe AB in 2012, were redeemed during the period. The new bonds, in the amount of SEK 550 million, were issued on 13 May and listed on NASDAQ OMX Stockholm in June. The bonds pay interest of 8.0 per cent and mature in May 2019. The refinancing has reduced the company's annual interest expense by SEK 16.5 million thanks to a lower interest rate.

Events after the end of the period

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Accounting principles

Nobina applies the International Financial Reporting Standards (IFRS), as adopted by the EU, as well as RFR 1 Supplementary Accounting Rules for Corporate Groups. There are no new EU-adopted IFRS assumptions or IFRIC interpretations that will be applicable to Nobina or that will have a material impact on the Group's results and financial position in 2014/2015. In other respects Nobina has applied the same accounting principles and calculation methods as in the annual report for 2013/2014. See "Information about the company and accounting principles", in addition to what is stated in the following.

The financial statements for the parent company, Nobina AB, have been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR2 Accounting for Legal Entities and statements from the Swedish Financial Reporting Board. This interim report has been prepared in accordance with IAS 34 and the General Recommendations on Voluntary Interim Reporting of the Swedish Accounting Standards Board (BFNAR 2007:1).

Declaration

The CEO hereby warrants that the interim report for the second quarter provides a true and fair picture of the company's and Group's operations, financial position and revenues, and describes significant risks and uncertainties facing the company and the companies in the Group.

Stockholm, 30 September 2014

Ragnar Norbäck
President and CEO

Review report

This report has not been subject to review by Nobina's auditors.

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

Teleconference

Nobina will present the interim report and answer questions at a teleconference to be held on Wednesday 1 October 2014 at 10 a.m. CET. The presentation will be available on the company's website in connection with the teleconference. The telephone number and web link for participants are provided on the website, www.nobina.com.

Financial calendar

Interim report for the third quarter, 1 September–30 November	23 Dec 2014
Year-end report for 2014/2015	24 April 2015

Contact persons

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CONSOLIDATED INCOME STATEMENT IN BRIEF

	Quarter		*Period*		*Fyll year*
SEK million, unless otherwise stated	*Jun–Aug 14*	*Jun–Aug 13*	*Mar–Aug 14*	*Mar–Aug 13*	*Mar 13–Feb 14*
Net sales	**1,815**	**1,718**	**3,701**	**3,564**	**7,269**
OPERATING EXPENSES					
Fuel, tires and other consumables	-382	-369	-809	-784	-1,644
Other external expenses	-277	-263	-564	-554	-1,101
Personnel expenses	-915	-852	-1,897	-1,799	-3,692
Capital losses from the disposal of non-current assets	-7	-2	-11	-8	-15
Depreciation/amortization and impairment of PPE and intangible assets	-123	-125	-250	-247	-491
OPERATING PROFIT	**111**	**107**	**170**	**172**	**326**
PROFIT FROM NET FINANCIAL ITEMS					
Financial income	2	2	5	3	9
Financial expenses, Note 2	-52	-68	-130	-131	-248
NET FINANCIAL ITEMS	**-50**	**-66**	**-125**	**-128**	**-239**
EARNINGS BEFORE TAX	**61**	**41**	**45**	**44**	**87**
Tax	-10	-10	-17	-17	-31
NET EARNINGS FOR THE PERIOD	**51**	**31**	**28**	**27**	**56**
Earnings for the period attributable to the parent company's shareholders	51	31	28	27	56
Earnings per share before dilution (SEK)	0.08	0.05	0.04	0.04	0.09
Earnings per share after dilution (SEK)	0.08	0.05	0.04	0.04	0.09
Average number of shares before dilution (thousands)	632,991	632,611	632,798	632,611	632,611
Average number of shares after dilution (thousands)	632,991	632,611	632,798	632,611	632,611

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Quarter		*Period*		*Fyll year*
SEK million	*Jun–Aug 14*	*Jun–Aug 13*	*Mar–Aug 14*	*Mar–Aug 13*	*Mar 13–Feb 14*
Net earnings for the period	**51**	**31**	**28**	**27**	**56**
Other comprehensive income					
Items which cannot be reclassified to profit or loss					
Remeasurements of defined benefits pension plan	-	-	-	-	-11
Tax on items which cannot be reclassified to profit or loss	-	-	-	-	-
Items which can be reclassified to profit or loss					
Exchange rate differences on foreign operators	-	-6	5	-7	-8
Other comprehensive income for the period, net after tax	**-**	**-6**	**5**	**-7**	**-19**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**51**	**25**	**33**	**20**	**37**

CONSOLIDATED BALANCE SHEET IN SUMMARY

	Quarter		*Fyll year*
SEK million	*Aug 31, 2014*	*Aug 31, 2013*	*Feb 28, 2014*
ASSETS			
Non-current assets			
Goodwill	591	585	585
Other intangible assets	21	18	19
Improvement expenditures on third-party property	22	22	17
Equipment, tools, fixtures and fittings	53	39	32
Vehicles	4,185	3,968	3,950
Deferred tax assets	106	116	113
Pension assets	5	12	5
Total non-current assets	**4,983**	**4,760**	**4,721**
Current assets			
Inventories	43	46	53
Trade receivables	556	343	375
Other current receivables	67	63	74
Deferred expenses and accrued income	206	208	235
Restricted bank accounts	163	173	156
Cash and cash equivalents	92	132	309
Total current assets	**1,127**	**965**	**1,202**
TOTAL ASSETS	**6,110**	**5,725**	**5,923**
EQUITY AND LIABILITIES			
Equity	**258**	**207**	**224**
Non-current liabilities			
Borrowings, Note 2	3,702	3,580	3,483
Deferred tax liabilities	74	55	65
Provisions for pensions and similar obligations	24	27	28
Other provisions	38	50	38
Total non-current liabilities	**3,838**	**3,712**	**3,614**
Current liabilities			
Accounts payable	382	382	470
Borrowings, Note 2	565	496	565
Other current liabilities	162	147	155
Accrued expenses and deferred income	905	781	895
Total current liabilities	**2,014**	**1,806**	**2,085**
Total liabilities	**5,852**	**5,518**	**5,699**
TOTAL EQUITY AND LIABILITIES	**6,110**	**5,725**	**5,923**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK million	*Share capital*	*Other contributed capital*	*Translation differences*	*Losses carried forward*	*Total equity*
Opening equity per March 1, 2013	**228**	**2,488**	**30**	**-2,559**	**187**
Comprehensive income	-	-	-7	27	20
Closing equity per August 31, 2013	**228**	**2,488**	**23**	**-2,532**	**207**
Opening equity per March 1, 2014	**228**	**2,488**	**22**	**-2,514**	**224**
Comprehensive income	-	-	5	28	33
Transactions with owners					
Issue of new shares to senior executives	1	-	-	-	1
Closing equity per August 31, 2014	**229**	**2,488**	**27**	**-2,486**	**258**

No non-controlling interests exist.

CONSOLIDATED CASH FLOW STATEMENT

	Quarter		*Period*		*Fyll year*
SEK million	*Jun–Aug 14*	*Jun–Aug 13*	*Mar–Aug 14*	*Mar–Aug 13*	*Mar 13–Feb 14*
Cash flow from operations					
Earnings after financial items	**61**	**41**	**45**	**44**	**87**
Adjustments for items not included in cash flow	179	188	381	377	730
Cash flow from operations before changes in working capital	**240**	**229**	**426**	**421**	**817**
Cash flow from changes in working capital					
Change in inventories	4	1	10	-2	-9
Change in operating receivables	-26	70	-145	67	3
Change in operating liabilities	-87	-91	-64	-115	84
Total change in working capital	**-109**	**-20**	**-199**	**-50**	**78**
Received interest income	2	1	5	1	4
Tax paid	-	-1	-	-1	-
Cash flow from operations	**133**	**209**	**232**	**371**	**899**
Cash flow from investing activities					
Change in restricted bank accounts	444	-10	-6	2	14
Investments in land, vehicles, equipment tools fixtures and fittings, excl. financial leases	-40	-11	-69	-18	-39
Sales of buildings and land, vehicles, equipment tools fixtures and fittings	27	-	28	2	14
Cash flow from investing activities	**431**	**-21**	**-47**	**-14**	**-11**
Cash flow from financing activities					
Amortization of financial liability	-136	-127	-265	-247	-486
Redemption of bonds	-483	-	-483	-	-
Issue of new shares to senior executives	1	-	1	-	-
New borrowing including payment with old bonds (MSEK 67)	-	-	483	-	-
Borrowing expenses	-3	-	-18	-	-
Interest paid	-50	-43	-123	-119	-229
Cash flow from financing activities	**-671**	**-170**	**-405**	**-366**	**-715**
Cash flow for the period	**-107**	**18**	**-220**	**-9**	**173**
Cash and cash equivalents at beginning of period	**198**	**111**	**309**	**137**	**137**
Cash flow for the period	-107	18	-220	-9	173
Translation difference	1	3	3	4	-1
Cash and cash equivalents at end of period	**92**	**132**	**92**	**132**	**309**

PARENT COMPANY'S INCOME STATEMENT IN BRIEF

	Quarter		*Period*		*Fyll year*
SEK million	*Jun–Aug 14*	*Jun–Aug 13*	*Mar–Aug 14*	*Mar–Aug 13*	*Mar 13–Feb 14*
Other operating income	12	44	26	92	183
OPERATING EXPENSES					
Other external expenses	-4	-15	-10	-37	-76
Personnel expenses	-11	-20	-19	-39	-91
Capital losses from the disposal of non-current assets	-	-	-	-	-2
Depreciation/amortization and impairment of PPE and intangible assets	0	-4	0	-8	-14
OPERATING PROFIT	**-3**	**5**	**-3**	**8**	**0**
Earnings from participations in Group companies	-	-	-	-	8
Financial income	9	13	18	34	61
Financial expenses	1	-1	1	-12	-17
NET FINANCIAL ITEMS	**10**	**12**	**19**	**22**	**52**
EARNINGS BEFORE TAX	**7**	**17**	**16**	**30**	**52**
Tax	-	-	-	-	-
NET EARNINGS FOR THE PERIOD	**7**	**17**	**16**	**30**	**52**

REPORT OF THE PARENT COMPANY'S COMPREHENSIVE INCOME

	Quarter		*Period*		*Fyll year*
SEK million	*Jun–Aug 14*	*Jun–Aug 13*	*Mar–Aug 14*	*Mar–Aug 13*	*Mar 13–Feb 14*
Net earnings for the period	**7**	**17**	**16**	**30**	**52**
Other comprehensive income					
Remeasurements of defined benefits pension plan	-	-	-	-	-1
Other comprehensive income for the period, net after tax	-	-	-	-	-1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**7**	**17**	**16**	**30**	**51**

PARENT COMPANY'S BALANCE SHEET IN BRIEF

	Quarter		*Fyll year*
SEK million	*Aug 31, 2014*	*Aug 31, 2013*	*Feb 28, 2014*
ASSETS			
Non-current assets			
Other intangible assets	2	17	18
Equipment, tools, fixtures and fittings	-	6	4
Participations in Group companies	1,974	1,974	1,974
Receivables from Group companies	436	444	434
Total financial assets	**2,412**	**2,441**	**2,430**
Current assets			
Receivables from Group companies	170	317	182
Other current receivables	1	2	-
Prepaid expenses and accrued revenue	6	8	12
Restricted accounts	67	59	52
Cash and cash equivalents	-	-	1
Total current assets	**244**	**386**	**247**
TOTAL ASSETS	**2,656**	**2,827**	**2,677**
EQUITY AND LIABILITIES			
Equity	**2,621**	**2,584**	**2,604**
Non-current liabilities			
Pension provisions	7	3	5
Total non-current liabilities	7	3	5
Current liabilities			
Accounts payable	4	9	16
Liabilities to Group companies	17	215	28
Other current liabilities	1	3	5
Accrued expenses and deferred revenue	6	13	19
Total current liabilities	**28**	**240**	**68**
Total liabilities	**35**	**243**	**73**
TOTAL EQUITY AND LIABILITIES	**2,656**	**2,827**	**2,677**

PARENT COMPANY'S CHANGE IN EQUITY

SEK million	*Share capital*	*Statutory reserve*	*Share premium reserve*	*Retained earnings*	*Earnings for the period*	*Total equity*
Opening equity per March 1, 2013	**228**	**1**	**612**	**1,648**	**64**	**2,553**
Reversal of previous year's earnings	-	-	-	64	-64	-
Earnings for the period	-	-	-	-	30	30
Closing equity per August 31, 2013	**228**	**1**	**612**	**1,713**	**30**	**2,584**
Opening equity per March 1, 2014	**228**	**1**	**612**	**1,711**	**52**	**2,604**
Reversal of previous year's earnings	-	-	-	52	-52	-
Earnings for the period	-	-	-	-	16	16
Transactions with owners						
Issue of new shares to senior executives	0	-	1	-	-	1
Closing equity per August 31, 2014	**228**	**1**	**613**	**1,763**	**16**	**2,621**

NOTE 1. SEGMENT REPORTING

SEK million, unless otherwise stated	Quarter Jun–Aug 14	Quarter Jun–Aug 13	Period Mar–Aug 14	Period Mar–Aug 13	Fyll year Mar 13–Feb 14
Revenue per business area					
Nobina Sweden	1,227	1,114	2,502	2,339	4,853
Nobina Denmark	91	84	181	167	346
Nobina Norway	225	240	484	496	995
Nobina Finland	186	193	387	402	802
Elimination of sales to interregional traffic	-6	-9	-12	-16	-43
Total regional traffic	**1,723**	**1,622**	**3,542**	**3,388**	**6,953**
Swebus	92	96	159	176	316
Elimination of sales to regional traffic	-	-	-	-	-
Total interregional traffic	**92**	**96**	**159**	**176**	**316**
Total revenues	**1,815**	**1,718**	**3,701**	**3,564**	**7,269**

SEK million, unless otherwise stated	Quarter Jun–Aug 14	Quarter Jun–Aug 13	Period Mar–Aug 14	Period Mar–Aug 13	Fyll year Mar 13–Feb 14
Operating profit per business area					
Nobina Sweden	104	85	173	163	328
Nobina Denmark	-	-2	-5	-9	-14
Nobina Norway	-5	10	-7	8	-3
Nobina Finland	8	8	20	18	45
Total regional traffic	**107**	**101**	**181**	**180**	**356**
Swebus	13	10	12	3	3
Total interregional traffic	**13**	**10**	**12**	**3**	**3**
Central functions and other items	**-9**	**-4**	**-23**	**-11**	**-33**
Total operating profit	**111**	**107**	**170**	**172**	**326**

NOTE 2. FINANCING

SEK million, unless otherwise stated	*Quarter* Jun–Aug 14	Jun–Aug 13	*Period* Mar–Aug 14	Mar–Aug 13	*Fyll year* Mar 13–Feb 14
Operational leasing, Buses					
Nominal value of future payments - Buses	-	-	336	370	267
Present value of future payments - Buses	-	-	312	344	250
Number of operationally leased buses	-	-	669	843	764
Reported operational leasing expense	34	36	64	78	141
Interest-bearing non-current liabilities					
Bond loan	-	-	550	551	552
Financial leasing liability	-	-	3,735	3,555	3,523
Capitalized financing fees	-	-	-18	-30	-27
Total	**-**	**-**	**4,267**	**4,076**	**4,048**
Less current part	-	-	-565	-496	-565
Total non-current liabilities	**-**	**-**	**3,702**	**3,580**	**3,483**
Interest expenses and similar profit/loss items					
Interest expenses, financial leasing	-38	-39	-74	-80	-155
Interest expenses, bond loan	-16	-18	-60	-35	-69
Other financial expenses	-	-5	-3	-8	-16
Realized and non-realized exchange rate profits	2	-6	7	-8	-8
Total	**-52**	**-68**	**-130**	**-131**	**-248**

Earnings per share	*Quarter* Jun–Aug 14	Jun–Aug 13	*Period* Mar–Aug 14	Mar–Aug 13	*Fyll year* Mar 13–Feb 14
Average number of ordinary shares during the period	632,991	632,611	632,798	632,611	632,611
Reported earnings	51	31	28	27	56
Adjusted earnings	-	-	-	-	-
Earnings per share	**0.08**	**0.05**	**0.04**	**0.04**	**0.09**

KEY RATIO INFORMATION

Key ratios, most recent eight quarters

***Key ratios,** the Group, in SEK million, unless otherwise stated*	*2012/13* Q3	Q4	*2013/14* Q1	Q2	Q3	Q4	*2014/15* Q1	Q2
Sales								
Regional traffic	1,796	1,716	1,766	1,622	1,815	1,750	1,819	1,723
Interregional traffic	79	77	80	96	74	60	67	92
Operating profit								
Regional traffic	101	32	79	101	131	45	74	107
Interregional traffic	-4	-4	-7	10	2	-2	-1	13
Earnings after financial items	0	-52	3	41	67	-24	-16	61
Earnings after tax	72	-54	-4	31	54	-25	-23	51
Cash flow	20	-32	-27	18	3	179	-113	-107
Cash and cash equivalents	171	137	111	132	131	309	198	92
Equity ratio, %	4.0	3.1	3.1	3.6	4.5	3.8	3.2	4.2
Equity	254	187	182	207	261	224	206	258
Equity/ordinary share, SEK	0.40	0.31	0.29	0.33	0.41	0.35	0.33	0.41
Number of buses	3,608	3,455	3,406	3,406	3,405	3,359	3,345	3,365
Estimated full-time positions	6,563	7,868	7,065	7,070	6,709	7,547	6,803	7,681

DEFINITIONS

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

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

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

EBT
Earnings before tax.

EBIT
Earnings before interest and tax.

EBITDA
Earnings before interest, tax, depreciation and amortization.

EBITDAR
Earnings before interest, tax, depreciation, amortization and rent.

EURO 1–EURO 6, EEV
Different generations of emission classes for diesel motors.

EXPRESS LINE
Long distance route on main roads, providing a faster travel route through several counties without a lot of stops. The revenues of the operator come solely from passengers.

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

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

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

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

TRAFFIC CONTRACT (CONTRACT, CONTRACTING)
An undertaking to provide a certain service at a price agreed upon in advance between the client and contractor. At Nobina, an agreement with a PTA, normally to provide public transport during 6–10 years in exchange for a fixed price with agreed indexing terms, sometimes also including a variable compensation.

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:

WE ARE AVAILABLE FOR OUR CUSTOMERS

We listen carefully to passenger needs and approach passengers with friendliness and respect. We keep our promises, develop value-for-money solutions and make life easier for our passengers.

WE CONTINUOUSLY PERSUE DEVELOPMENT

We achieve objectives and deliver results. We are resource efficient and meet or exceed assured quality. We work with managed objectives and systematic follow-up in order to continually improve the company and its services.

WE RESPECT EACH OTHER

We safeguard each other's equality and treat each other with friendliness and respect. Together we shape a secure and creative working climate that encourages initiative and suggestions for improvement. We oppose a lack of respect towards passengers, each other and the company.

WE FOSTER STRONG LEADERSHIP

We place clearly-defined demands on managers and employees. We put the passenger's and the company's interests before our own. We foster unrestricted cooperation. We provide feedback on work performed and pay due regard to achievements. We manage trust and confidentiality.

WE CARE

We take active responsibility for the environment and the community. We encourage health and personal development. We follow regulations and abide by the law. We are involved; we care for each other, our passengers and the world at large.

We do all of that because we have a vision:

EVERYBODY WANTS TO TRAVEL WITH US