

NOBINA EUROPE INTERIM REPORT 1 JUNE–31 AUGUST 2014

SUMMARY OF THE SECOND QUARTER

- Net sales were **SEK 1,824 million** (1,727), which was an increase of **5.6 per cent**.
- The operating profit was **SEK 55 million** (41).
- Earnings after tax were **SEK 63 million** (39) and earnings per share were **SEK 389.49** (241.92).
- Cash flow from operating activities was **SEK -48 million** (48).
- Investments, which mainly referred to the acquisition of buses and accessories, totalled **SEK 20 million** (19).

SIGNIFICANT EVENTS

- During the period Nobina Europe 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 Europe has by that secured a significant scale of business in Oslo.

CEO'S COMMENTS

“Nobina Europe’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 Europe 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 Europe’s leading position.”

Ragnar Norbäck,
President and CEO

KEY RATIOS

Group (SEK million, unless otherwise stated)

	Quarter		Period		Full year
	Jun–Aug 14	Jun–Aug 13	Mar–Aug 14	Mar–Aug 13	Mar 13–Feb 14
Sales	1,824	1,727	3,716	3,579	7,300
Operating profit	55	41	52	36	80
Earnings after financial net	65	39	43	50	144
Earnings after tax	63	39	40	50	102
Net cash flow	-106	21	-218	37	214
Cash and cash equivalents	-	-	92	132	308
Equity ratio, %	-	-	18.1	15.3	15.2
Shareholders' equity	-	-	505	420	459
Number of buses	-	-	3,365	3,406	3,359
Estimated full time positions	-	-	7,672	6,992	7,464

NOBINA EUROPE IN BRIEF

Nobina Europe 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 Europe 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 Europe is the leading operator in the Nordic market. Further information is available at www.nobina.com.

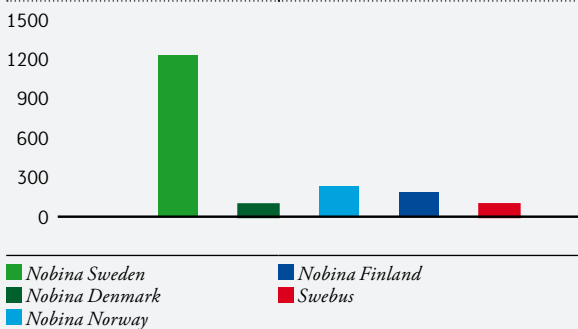
MARKET OVERVIEW

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.

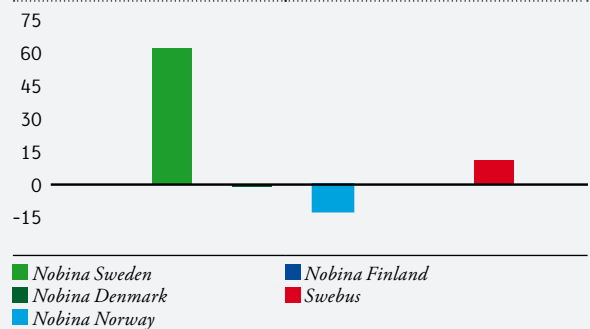
Traffic authorities – politically governed, publically-owned clients – are responsible for the provision of transport services in their respective regions. The regional traffic includes regional public transport, city traffic and school bus traffic. The model for procurement is well established in Sweden 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 1,824 million (1,727) 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 55 million (41), of which SEK 49 million (41) refers to regional transport and SEK 11 million (9) 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 65 million (39).

Tax

Deferred tax declined by SEK -2 million (-) 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 73 million (93), 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 505 million (420) and the equity/assets ratio was 18.1 per cent at the end of the period, up from 15.3 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.

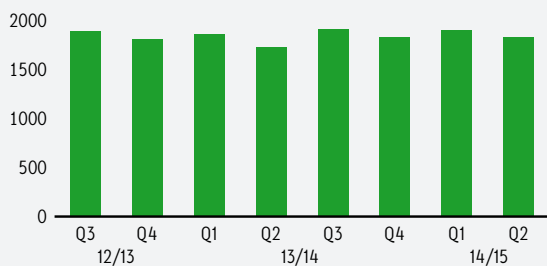
Investments

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 20 million (19). The Group, through Nobina Fleet AB, has entered into groupinternal operational leasing agreements totalling SEK 410 million (29) in acquisition value. During the period the Nobina Europe Group sold buses and other non-current assets worth SEK 8 million (1). The sales resulted in a net capital loss of SEK -2 million (-).

Cash flow

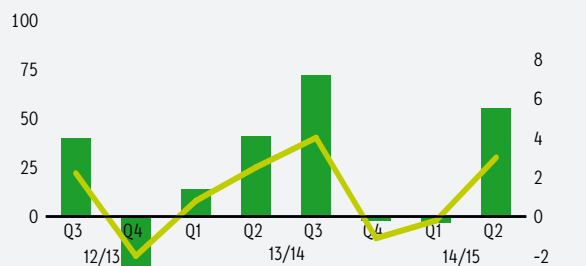
Cash flow from operating activities were SEK -48 million (48) before investing and financing activities, and SEK -106 million (21) after investing and financing activities. Out of total restricted cash, SEK 444 million was used for the redemption of Nobina Europe's old bond loan. Working capital was negative, SEK -116 million (26), related to a negative working capital effect from contract migration and a major customer payment made after the end of the quarter.

REVENUES



■ Revenues, SEK million

OPERATING PROFIT AND MARGIN



■ Operating profit, SEK million

— Operating margin, %

NOBINA EUROPE INTERIM REPORT JUNE–AUGUST 2014

Revenues (SEK million)	Quarter		Period		Full year
	Jun–Aug 14	Jun–Aug 13	Mar–Aug 14	Mar–Aug 13	Mar 13–Feb 14
Revenues per segment					
Nobina Sweden	1,227	1,118	2,502	2,346	4,858
Nobina Denmark	91	84	181	167	346
Nobina Norway	230	240	491	497	995
Nobina Finland	186	193	387	402	802
Elimination of sales to interregional traffic	-6	-7	-12	-15	-40
Total regional traffic	1,728	1,628	3,549	3,397	6,961
Swebus	92	96	159	176	316
Elimination of sales to regional traffic	-	-	-	-	-
Total interregional traffic	92	96	159	176	316
Central functions	4	3	8	6	23
Total revenues	1,824	1,727	3,716	3,579	7,300

Operating profit (SEK million)	Quarter		Period		Full year
	Jun–Aug 14	Jun–Aug 13	Mar–Aug 14	Mar–Aug 13	Mar 13–Feb 14
Operating profit per segment					
Nobina Sweden	62	44	86	80	165
Nobina Denmark	-1	-4	-7	-12	-19
Nobina Norway	-12	-3	-27	-21	-55
Nobina Finland	-	4	4	8	22
Total regional traffic	49	41	56	55	113
Swebus	11	9	9	-1	0
Total interregional traffic	11	9	9	-1	0
Central functions and other items	-5	-9	-13	-18	-33
Total operating profit	55	41	52	36	80

Explanation items for revenue and earnings growth (SEK million)	Revenues and earnings		
	Revenues	EBIT	EBT
Period			
Mar–Aug 2013	3,564	36	50
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	18	2	2
Financial net			-23
Period			
Mar–Aug 2014	3,716	52	43

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 1,824 million (1,727), which was an increase of 5.6 per cent. The operating profit for the period increased to SEK 55 million (41).

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 11 million (9).

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

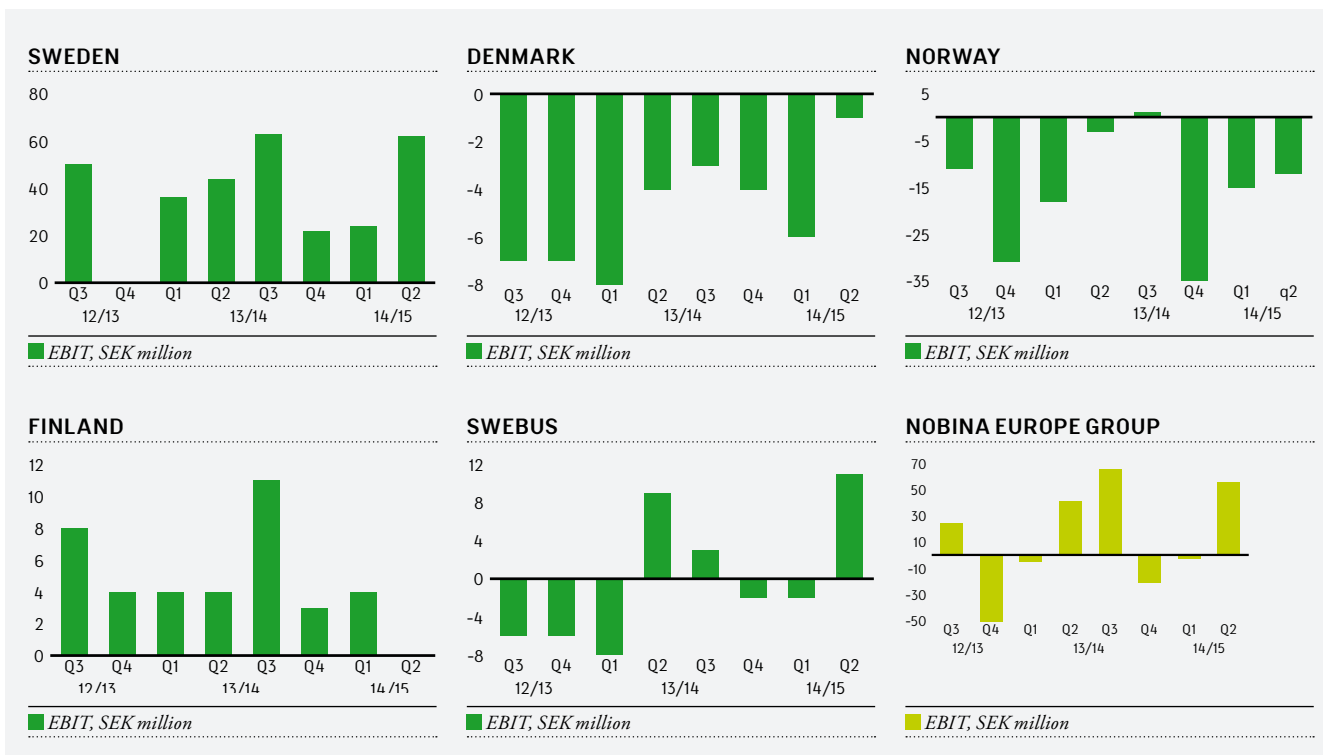
In Norway Nobina was awarded East Oslo’s tender for traffic operator services in June. The contract begins in June 2015.

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.

Nobina Norway reported a negative earnings trend in spite of achieving improved operational control and efficiency of operations in all traffic 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.



Tender results, ytd

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

Contract migration, ytd

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

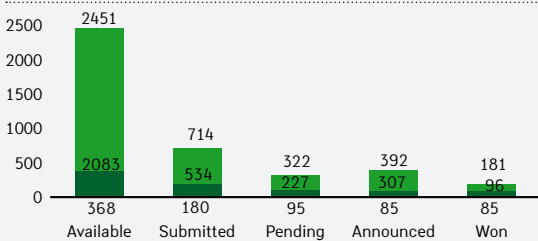
Contract migration coming 12 months, September 2014–August 2015

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
Finland	LT Örebro	August 2015	21
	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



■ Others
■ Nobina

**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 Europe Group was 7,672 (6,992). The Nobina Europe Group has concluded collective agreements with trade unions in all countries in which the company operates. Nobina Europe has well established principles and traditions for negotiations on working hours, terms of remuneration, information and collaboration.

Parent company

The parent company has 117 (55) employees, who perform central Group management and joint administration. Compared with the second quarter of 2013, Nobina AB has transferred some central functions to Nobina Europe AB. The parent company's sales, which refer wholly to internal billing services, totalled SEK 50 million (12) during the period. The parent company posted a profit before tax of SEK 9 million (9) and cash and cash equivalents at the end of the period amounted to SEK 93 million (42), of which SEK 45 million (21) referred to funds in blocked bank accounts. Investments in intangible assets and property, plant and equipment were SEK 2 million (1). Equity in the parent company was SEK 301 million (219) and the equity/assets ratio 12.2 (8.8) per cent.

Related-party transactions

No significant transactions with related parties took place during the period.

Seasonal variations

Sales and earnings performance in Nobina's regional and inter-regional 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.

Risks and uncertainties

The Nobina Europe Group is exposed to interest rate risk through the company's 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 Europe 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 Europe 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 Europe's annual report for 2013/2014.

Disputes

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

Refinancing of bonds

As part of a refinancing arrangement, the Nobina Europe 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 Europe 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 Europe or that will have a material impact on the Group's results and financial position in 2014/2015. In other respects Nobina Europe 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 Europe 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 Europe's auditors.

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

Teleconference

Nobina Europe 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

<i>SEK million, unless otherwise stated</i>	Quarter		Period		Fyll year
	<i>Jun–Aug 14</i>	<i>Jun–Aug 13</i>	<i>Mar–Aug 14</i>	<i>Mar–Aug 13</i>	<i>Mar 13–Feb 14</i>
Net sales	1,824	1,727	3,716	3,579	7,300
OPERATING EXPENSES					
Fuel, tires and other consumables	-382	-368	-809	-783	-1,642
Other external expenses	-470	-474	-954	-976	-1,930
Personnel expenses	-904	-832	-1,878	-1,759	-3,602
Capital losses from the disposal of non-current assets	-2	-1	-2	-2	-3
Depreciation/amortization and impairment of PPE and intangible assets	-11	-11	-21	-23	-43
OPERATING PROFIT	55	41	52	36	80
PROFIT FROM NET FINANCIAL ITEMS					
Profit/Loss from associated companies	-	-	-	-	7
Financial income	28	40	59	93	196
Financial expenses, Note 2	-18	-42	-68	-79	-139
NET FINANCIAL ITEMS	10	-2	-9	14	64
EARNINGS BEFORE TAX	65	39	43	50	144
Tax	-2	-	-3	-	-42
NET EARNINGS FOR THE PERIOD	63	39	40	50	102
Earnings for the period attributable to the parent company's shareholders	63	39	40	50	102
Earnings per share before dilution (SEK)	389.49	241.92	247.67	311.93	639.20
Earnings per share after dilution (SEK)	389.49	241.92	247.67	311.93	639.20
Average number of shares before and after dilution	160,000	160,000	160,000	160,000	160,000

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>SEK million</i>	Quarter		Period		Fyll year
	<i>Jun–Aug 14</i>	<i>Jun–Aug 13</i>	<i>Mar–Aug 14</i>	<i>Mar–Aug 13</i>	<i>Mar 13–Feb 14</i>
Net earnings for the period	63	39	40	50	102
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	6	-6	-8
Other comprehensive income for the period, net after tax	-	-6	6	-6	-19
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	63	33	46	44	83

CONSOLIDATED BALANCE SHEET IN SUMMARY

SEK million	Quarter		Fyll year
	Aug 31, 2014	Aug 31, 2013	Feb 28, 2014
ASSETS			
Non-current assets			
Goodwill	134	128	128
Other intangible assets	19	1	1
Improvement expenditures on third-party property	21	18	16
Equipment, tools, fixtures and fittings	53	31	28
Vehicles	38	70	54
Non-current receivables from Group company	1,380	1,261	1,421
Deferred tax assets	65	109	66
Pension assets	5	13	5
Total non-current assets	1,715	1,631	1,719
Current assets			
Inventories	42	46	53
Trade receivables	545	340	369
Receivables from Group company	60	245	200
Other current receivables	67	62	71
Deferred expenses and accrued income	197	190	224
Restricted bank accounts	73	93	83
Cash and cash equivalents	92	132	308
Total current assets	1,076	1,108	1,308
TOTAL ASSETS	2,791	2,739	3,027
EQUITY AND LIABILITIES			
Equity	505	420	459
Non-current liabilities			
Borrowings, Note 2	532	521	525
Non-current liabilities to Group companies	121	339	339
Deferred tax liabilities	1	-	1
Provisions for pensions and similar obligations	17	24	23
Other provisions	38	50	38
Total non-current liabilities	709	934	926
Current liabilities			
Accounts payable	301	299	374
Liabilities to Group companies	223	187	232
Other current liabilities	159	136	149
Accrued expenses and deferred income	894	763	887
Total current liabilities	1,577	1,385	1,642
Total liabilities	2,286	2,319	2,568
TOTAL EQUITY AND LIABILITIES	2,791	2,739	3,027

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>SEK million</i>	<i>Share capital</i>	<i>Other contributed capital</i>	<i>Translation differences</i>	<i>Losses carried forward</i>	<i>Total equity</i>
Opening equity per March 1, 2013	16	-	26	334	376
Comprehensive income	-	-	-6	50	44
Closing equity per August 31, 2013	16	-	20	384	420
Opening equity per March 1, 2014	16	-	18	425	459
Comprehensive income	-	-	6	40	46
Closing equity per August 31, 2014	16	-	24	465	505

No non-controlling interests exist.

CONSOLIDATED CASH FLOW STATEMENT

SEK million	Quarter		Period		Fyll year
	Jun–Aug 14	Jun–Aug 13	Mar–Aug 14	Mar–Aug 13	Mar 13–Feb 14
Cash flow from operations					
Earnings after financial items	65	39	43	50	144
Adjustments for items not included in cash flow	2	-15	28	16	-32
Cash flow from operations before changes in working capital	67	24	71	66	112
Cash flow from changes in working capital					
Change in inventories	5	1	11	-2	-9
Change in operating receivables	-251	152	-138	79	-23
Change in operating liabilities	130	-127	-49	-52	64
Total change in working capital	-116	26	-176	25	32
Received interest income	1	-2	5	1	14
Tax paid	-	-	-	-	-
Cash flow from operations	-48	48	-100	92	158
Cash flow from investing activities					
Change in restricted bank accounts	460	-9	12	5	14
Investments in land, vehicles, equipment tools fixtures and fittings	-20	-19	-63	-24	-26
Sales of buildings and land, vehicles, equipment tools fixtures and fittings	8	1	8	1	4
Cash flow from investing activities	448	-27	-43	-18	-8
Cash flow from financing activities					
Redemption of bonds	-483	-	-483	-	-
Shareholder contribution/Group contribution received	-	-	8	-	2
Raised/repaid loans from Group companies	25	-	29	-	138
New borrowing including payment with old bonds (MSEK 67)	-	-	483	-	-
Borrowing expenses	-3	-	-18	-	-
Interest paid	-45	-	-94	-37	-76
Cash flow from financing activities	-506	-	-75	-37	64
Cash flow for the period	-106	21	-218	37	214
Cash and cash equivalents at beginning of period	198	111	308	95	95
Cash flow for the period	-106	21	-218	37	214
Translation difference	-	-	2	-	-1
Cash and cash equivalents at end of period	92	132	92	132	308

PARENT COMPANY'S INCOME STATEMENT IN BRIEF

<i>SEK million</i>	Quarter		Period		Fyll year
	<i>Jun–Aug 14</i>	<i>Jun–Aug 13</i>	<i>Mar–Aug 14</i>	<i>Mar–Aug 13</i>	<i>Mar 13–Feb 14</i>
Other operating income	50	12	100	24	48
OPERATING EXPENSES					
Other external expenses	-21	-5	-43	-11	-24
Personnel expenses	-22	-6	-46	-13	-26
Depreciation/amortization and impairment of PPE and intangible assets	-3	-	-5	-	-1
OPERATING PROFIT	4	1	6	0	-3
Earnings from participations in Group companies	-	-	-	-	33
Capital gains on the sale of participations in subsidiaries	-	-	20	-	-
Financial income	23	48	53	104	219
Financial expenses	-18	-40	-69	-74	-147
NET FINANCIAL ITEMS	5	8	4	30	105
EARNINGS BEFORE TAX	9	9	10	30	102
Tax	-	-	-	-	-
NET EARNINGS FOR THE PERIOD	9	9	10	30	102

REPORT OF THE PARENT COMPANY'S COMPREHENSIVE INCOME

<i>SEK million</i>	Quarter		Period		Fyll year
	<i>Jun–Aug 14</i>	<i>Jun–Aug 13</i>	<i>Mar–Aug 14</i>	<i>Mar–Aug 13</i>	<i>Mar 13–Feb 14</i>
Net earnings for the period	9	9	10	30	102
Other comprehensive income					
Remeasurements of defined benefits pension plan	-	-	-	-	-
Other comprehensive income for the period, net after tax	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	9	9	10	30	102

PARENT COMPANY'S BALANCE SHEET IN BRIEF

SEK million	Quarter		Fyll year
	Aug 31, 2014	Aug 31, 2013	Feb 28, 2014
ASSETS			
Non-current assets			
Other intangible assets	18	-	-
Improvement expenditure on third-party property	1	-	1
Equipment, tools, fixtures and fittings	4	2	1
Participations in Group companies	714	711	726
Receivables from Group companies	1,413	1,397	1,426
Total financial assets	2,150	2,110	2,154
Current assets			
Receivables from Group companies	209	335	438
Other current receivables	-	-	3
Prepaid expenses and accrued revenue	7	3	-
Restricted accounts	45	21	45
Cash and cash equivalents	48	21	233
Total current assets	309	380	719
TOTAL ASSETS	2,459	2,490	2,873
EQUITY AND LIABILITIES			
Equity			
	301	219	291
Non-current liabilities			
Borrowing	532	551	525
Liabilities to Group companies	1,057	1,387	1,280
Pension provisions	20	21	21
Total non-current liabilities	1,609	1,959	1,826
Current liabilities			
Accounts payable	10	5	4
Liabilities to Group companies	510	281	725
Other current liabilities	3	21	1
Accrued expenses and deferred revenue	26	5	26
Total current liabilities	549	312	756
Total liabilities	21,58	2,271	2,582
TOTAL EQUITY AND LIABILITIES	2,459	2,490	2,873

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	16	56	-	255	-138	189
Reversal of previous year's earnings	-	-	-	-138	138	-
Earnings for the period	-	-	-	-	30	30
Closing equity per August 31, 2013	16	56	-	117	30	219
Opening equity per March 1, 2014	16	56	-	117	102	291
Reversal of previous year's earnings	-	-	-	102	-102	-
Earnings for the period	-	-	-	-	10	10
Closing equity per August 31, 2014	16	56	-	219	10	301

CASH FLOW STATEMENT, PARENT COMPANY

SEK million	Quarter		Period		Fyll year
	Jun–Aug 14	Jun–Aug 13	Mar–Aug 14	Mar–Aug 13	Mar 13–Feb 14
Cash flow from operations					
Earnings after financial items	9	9	10	30	102
Adjustments for items not included in cash flow	-3	-8	-	-31	-106
Cash flow from operations before changes in working capital	6	1	10	-1	-4
Cash flow from changes in working capital					
Change in operating receivables	7	-13	1	13	59
Change in operating liabilities	-	-63	-5	-24	-134
Total change in working capital	7	-76	-4	-11	-75
Received interest income	-	10	2	10	8
Tax paid	-	-	-	-	-
Cash flow from operations	13	-65	8	-2	-71
Cash flow from investing activities					
Sales of shares in subsidiaries	-	-	32	-	-
Change in restricted bank accounts	468	-21	-	-21	-45
Investments in land, vehicles, equipment tools fixtures and fittings	-2	-1	-27	-1	-
Sales of buildings and land, vehicles, equipment tools fixtures and fittings	-	-	-	-	-
Cash flow from investing activities	466	-22	5	-22	-45
Cash flow from financing activities					
Redemption of bonds	-483	-	-483	-	-
Shareholder contribution/Group contribution received	61	-	61	-	-14
Raised/repaid loans from Group companies	-70	89	-152	76	446
New borrowing including payment with old bonds (MSEK 67)	-	-	483	-	-
Borrowing expenses	-3	-	-18	-	-
Interest paid	-60	-	-89	-31	-83
Cash flow from financing activities	-555	89	-198	45	349
Cash flow for the period	-76	2	-185	21	233
Cash and cash equivalents at beginning of period	124	19	233	0	0
Cash flow for the period	-76	2	-185	21	233
Translation difference	-	-	-	-	-
Cash and cash equivalents at end of period	48	21	48	21	233

NOTE 1. SEGMENT REPORTING

<i>SEK million, unless otherwise stated</i>	Quarter		Period		Fyll year
	<i>Jun–Aug 14</i>	<i>Jun–Aug 13</i>	<i>Mar–Aug 14</i>	<i>Mar–Aug 13</i>	<i>Mar 13–Feb 14</i>
Revenue per business area					
Nobina Sweden	1,227	1,118	2,502	2,346	4,858
Nobina Denmark	91	84	181	167	346
Nobina Norway	230	240	491	497	995
Nobina Finland	186	193	387	402	802
Elimination of sales to interregional traffic	-6	-7	-12	-15	-40
Total regional traffic	1,728	1,628	3,549	3,397	6,961
Swebus	92	96	159	176	316
Elimination of sales to regional traffic	-	-	-	-	-
Total interregional traffic	92	96	159	176	316
Central functions	4	3	8	6	23
Total revenues	1,824	1,727	3,716	3,579	7,300

<i>SEK million, unless otherwise stated</i>	Quarter		Period		Fyll year
	<i>Jun–Aug 14</i>	<i>Jun–Aug 13</i>	<i>Mar–Aug 14</i>	<i>Mar–Aug 13</i>	<i>Mar 13–Feb 14</i>
Operating profit per business area					
Nobina Sweden	62	44	86	80	165
Nobina Denmark	-1	-4	-7	-12	-19
Nobina Norway	-12	-3	-27	-21	-55
Nobina Finland	-	4	4	8	22
Total regional traffic	49	41	56	55	113
Swebus	11	9	9	-1	0
Total interregional traffic	11	9	9	-1	0
Central functions and other items	-5	-9	-13	-18	-33
Total operating profit	55	41	52	36	80

NOTE 2. FINANCING

<i>SEK million, unless otherwise stated</i>	<i>Quarter</i>		<i>Period</i>		<i>Fyll year</i>
	<i>Jun–Aug 14</i>	<i>Jun–Aug 13</i>	<i>Mar–Aug 14</i>	<i>Mar–Aug 13</i>	<i>Mar 13–Feb 14</i>
Operational leasing, Buses					
Nominal value of future payments - Buses	-	-	4,634	4,631	4,330
Present value of future payments - Buses	-	-	4,097	4,035	3,812
Number of operationally leased buses	-	-	3,365	3,448	2,983
Reported operational leasing expense	201	216	419	442	861
Interest-bearing non-current liabilities					
Bond loan	-	-	550	551	552
Liabilities to Group Companies	-	-	344	339	571
Capitalized financing fees	-	-	-18	-30	-27
Total	-	-	876	860	1,096
Less current part	-	-	-223	-	-232
Total non-current liabilities	-	-	653	860	864
Interest expenses and similar profit/loss items					
Interest expenses on loans to Group companies	-2	-15	-7	-29	-48
Interest expenses, bond loan	-16	-18	-60	-35	-69
Other financial expenses	-	-4	-2	-7	-12
Realized and non-realized exchange rate profits	-	-5	1	-8	-10
Total	-18	-42	-68	-79	-139

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