

NOBINA AB – INTERIM REPORT MARCH 1 – AUGUST 31, 2012

SECOND QUARTER (JUNE 1 – AUGUST 31, 2012)

- Sales amounted to SEK 1,706 million (1,739), a reduction of 1.9% or SEK 33 million.
- Operating profit was SEK 83 million (67), an increase of SEK 16 million.
- Earnings for the quarter of SEK 54 million (-18). Earnings per share of SEK 2.16 (-0.74).
- Cash flow from the operations was SEK 282 million (78). Cash flow after net investments and financing activities amounted to SEK 62 million (-216).
- The Group's investments, primarily for the purchase of buses, amounted to SEK 387 MSEK (183), of which investments of SEK 328 million (158) were financed through leasing agreements and SEK 59 million (25) were financed in cash.

THE FIRST HALF YEAR (MARCH 1 – AUGUST 31, 2012)

- Sales amounted to SEK 3,544 million (3,553), a reduction of 0.3% or SEK 9 million.
- Operating profit was SEK 148 million (127), an increase of SEK 21 million.
- Earnings for the first half of the year of SEK 42 million (-30). Earnings per share of SEK 1.67 (-1.21).
- Cash flow from the operations was SEK 406 million (225). Cash flow after net investments and financing activities amounted to SEK 45 million (-106).
- The Group's investments, primarily for the purchase of buses, amounted to SEK 734 MSEK (299), of which investments of SEK 667 million (260) were financed through leasing agreements and SEK 67 million (39) were financed in cash.

SIGNIFICANT EVENTS DURING THE QUARTER

- AFA Försäkring decided to reduce premiums retroactively and repay totaling SEK 25 million in respect of Contractual Group Health Insurance (Avtalsgruppsjukförsäkring, AGS) and Contractual Group Health Insurance (AGS-KL) as well as Premium Waiver Insurance for the years 2007 and 2008.
- Nobina's note holders entered into an agreement with Nobina Europe AB regarding a temporary extension of the Senior Notes which matured on August 1. The agreement applies until October 31, 2012, with a deferred payment of interest and principal to the note holders.
- As a consequence of the extension of the Senior Notes, the rating agencies Standard and Poor's and Moody's downgraded Nobina. Both agencies will review the credit rating following the refinancing.
- Nobina won Skånetrafiken's contract for city traffic in Helsingborg, with traffic start in June 2013. The contract, which is worth almost SEK 200 million per year, covers approximately 80 buses, most of which will be leased from Skånetrafiken.

SIGNIFICANT EVENTS SINCE THE END OF THE QUARTER

- Almost 100% of the note holders intend to accept a proposal for the refinancing of Nobina Europe AB's Senior Notes of EUR 85 million, comprising that approximately 25% of the principal under the notes will be converted into shares corresponding to a 95% stake in Nobina AB and that the remaining part of the principal will be issued by Nobina Europe AB as a new five-year notes in Swedish kronor, which will be listed on the Swedish market.
- Philipp Engedal took up the position of CEO Nobina Norway in September.

CEO's comments

The operating profit for the first half of the year was Nobina's highest ever, primarily thanks to strong growth in the Swedish and Finnish operations. In June, we won a contract in Helsingborg and in August we implemented a major traffic start in Helsinki. The improvement work in Norway is proceeding according to plan and the historic return to Oslo through the traffic start of Oslo Vest awaits us in October. Swebus has also implemented a number of cost saving measures, among other things through new partnership agreements and more efficient timetables. The recommendations that have now been agreed upon for improved industry agreements in Sweden have been circulated for comments. Finally, the process for completing the refinancing of the Group's Senior Notes is underway.

Ragnar Norbäck, CEO

Key ratios

The Group (SEK millions, unless otherwise stated)	Quarter		Period		Full Year	Rolling 12 m*
	Jun-Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar 11-Feb 12	Sep 11-Aug 12
Sales	1,706	1,739	3,544	3,553	7,050	7,041
Operating profit	83	67	148	127	37	58
Earnings after finance net	55	-18	43	-30	-230	-157
Earnings after tax	54	-18	42	-30	-230	-158
Cash flow	62	-216	45	-106	-120	31
Cash and cash equivalents	150	124	150	124	107	-
Equity ratio, %	Neg	3,1	Neg	3,1	Neg	-
Shareholders' equity	-2	158	-2	158	-43	-
Number of buses	3,535	3,488	3,535	3,488	3,437	-
Estimated full time positions	6,530	6,744	6,530	6,744	7,008	-

Market development

Nobina is working to address the changes affecting the Company and other players on the market in connection with the new Public Transport Deregulation Act in Sweden, which entered into force in January 2012. The industry structure is being reviewed both organizationally and politically, which will change the way in which decisions are taken. Nobina is actively participating in various industry initiatives, within both regional and interregional traffic, and has high hopes of strengthening its position as a consequence of the new legislation. Among other things, Nobina is actively participating in the joint industry work on drafting improved and more balanced industry agreements between clients and traffic companies in Sweden. After several years of work, the agreed recommendations have now been circulated for comments up and down the country.

The EU is currently handling a number of matters regarding unlawful state aid to loss-making municipal public transport companies in Norway and Finland. This may be seen in light of the fact that all of Nobina's four international competitors reported increased losses in their Swedish operations in 2011. In the case of the Finnish transport company HELB, it is Nobina which has turned to the EU. In February 2012, the Finnish government responded to a letter from the EU Commission and Nobina answered an additional letter in the matter in July, which has led to a public debate on whether the Finnish government should acquire HELB.

Development of the business during the first half year

THE GROUP

The Group's sales for the first half of the year 2012/2013 amounted to SEK 3,544 million (3,553), a decrease of 0.3% or SEK 9 million compared with the corresponding period of last year. Of this amount, SEK 271 million related to a net reduction from new and ended contracts. The remainder relates to positive effects from indexation (SEK 51 million), and positive price and volume growth (SEK 255 million)

Operating profit for the first half of the year increased to SEK 148 million (127), of which SEK 46 million was attributable to increased efficiency, especially in the Swedish and Finnish operations. Earnings from regional traffic were up SEK 18 million during the same period, while interregional traffic reported unchanged earnings of SEK 13 million.

Explanation items for revenue and earnings growth (SEK millions)	Revenues and earnings	
	Revenues	EBIT
Period March 2011 - August 2011	3,553	127
Price and volume	255	-9
Contract changes	-271	-32
Indexation	51	29
Business efficiency	-	46
Fleet finance and use	-	2
Adjustment, Denmark	-	6
Other	-43	-21
Period March 2012 - August 2012	3,544	148

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

REGIONAL TRAFFIC BUSINESS AREA

During the first half of the year 2012/2013, Nobina submitted tenders for 453 buses with a total contract value of SEK 6,530 million, and won contracts for 112 buses with a contract value of SEK 1,645 million. The large procurements completed during the second quarter included Keoli's win in Gothenburg and HELB's win in Helsinki. At the same time, Nobina implemented a major traffic start involving more than 100 buses in Helsinki in August.

The Swedish operations delivered a strong result during the period. In the spring, Nobina started the regained and expanded traffic contract in Uppland and, during the second quarter, won a major contract in Helsingborg, Skåne, with traffic start in June 2013. The contract is based on a combination of fixed price and variable compensation (bonus), based on the number of boarding passengers. The incentive compensation is capped at 40% of the contract value. Skånetrafiken thereby has become Nobina's largest client with a total of 400 buses.

The Danish operations demonstrated improved earnings for the first half of the year thanks to strong focus on quality and efficiency work as well as focus on leadership development. As part of this work, Nobina opened its own workshop in Copenhagen in September.

The Norwegian operations have stabilized in the older contracts but are incurring high start-up costs in the new Tromsø contract. Focus continues to be placed on operational and financing improvements in the existing Norwegian contracts, on the newly started contract in Tromsø, as well as the impending traffic start in Oslo Vest during the autumn. Philipp Engedal took up the position of new CEO of the Norwegian operations in September.

Tender situation per country, H 1	Tenders during the period			Traffic during the period	
	Submitted	Won		Submitted	Won
Sweden	167	88	79	79	87
Norway	0	0	0	0	111
Finland	169	24	145	110	96
Denmark	117	0	117	0	4
Total regional traffic	453	112	341	189	298

INTERREGIONAL TRAFFIC BUSINESS AREA

Interregional traffic encountered significant challenges in the declining market of last year, but the trend stabilized during the first half of this year thanks to a more flexible cost structure in the form of new partnership agreements and more efficient timetables. At the same time, Swebus enjoyed a slight increase in volumes albeit with somewhat lower revenue per passenger due to shorter journeys and price pressure. The commenced measures are continuing going forward in order to further increase flexibility, broaden the offering, and attract more passengers.

Airport shuttle traffic recorded its highest volume and sales thus far and Swebus continued to gain market shares during the period. The airport shuttle traffic was recently approved by the Swedish Society for Nature Conservation's environmental marking "Bra miljöval". All Swebus journeys thereby meet the Swedish Society for Nature Conservation's exacting standards regarding, among other things, lower emission levels and a high load factor.

In the Cannes Lions international advertising competition in June, Swebus' campaign "Swebus Jackpot" won one silver and two bronze medals. In total, 34,000 competition contributions from 87 countries participated in the competition.

Trend interregional traffic (Swebus)	Quarter		Period		Full year	Rolling 12 m
	Jun-Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar-Feb 12	Sep 11-Aug 12
Number of passengers	593,280	626,460	1,092,814	1,113,861	2,109,023	2,091,060
Number of driven km	4,807,706	5,153,222	9,007,681	9,476,241	17,829,919	17,234,913
Load factor, %	50	51	46	47	48	46
Average revenues/km (SEK)	22.6	23.0	22.1	21.9	21.4	21.0
Average revenues/passenger (SEK)	184	194	176	187	182	173

Sales

SECOND QUARTER (JUNE 1 - AUGUST 31, 2012)

The Group's sales during the second quarter declined to SEK 1,706 million (1,739), a reduction of 1.9% compared with the corresponding quarter of last year.

Sales within the regional traffic business area were SEK 24 million lower during the second quarter compared with the corresponding period of last year, and amounted to SEK 1,597 million (1,621).

Second quarter sales within the interregional traffic business area were SEK 109 million, down SEK 9 million compared with the corresponding period of last year.

THE FIRST HALF YEAR (MARCH 1 - AUGUST 31, 2012)

The Group's sales during the first half of the year declined to SEK 3,544 million (3,553), a decrease of 0.3% compared with the corresponding period of last year.

Sales within the *regional traffic* business area were in line with the first half of last year, SEK 3,345 million (3,345).

Sales within the *interregional traffic* business area during the first half of the year were SEK 199 million (208), which was somewhat lower than last year.

Revenues (SEK millions)	Quarter		Period		Full year	Rolling 12 m
	Jun-Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar 11-Feb 12	Sep 11-Aug 12
Revenues per segment						
<i>Nobina Sweden</i>	1,141	1,199	2,372	2,474	4,905	4,803
<i>Nobina Denmark</i>	81	79	167	157	325	335
<i>Nobina Norway</i>	203	174	440	351	718	807
<i>Nobina Finland</i>	182	183	384	389	775	770
Elimination of sales to Interregional traffic	-10	-14	-18	-26	-43	-35
Total regional traffic	1,597	1,621	3,345	3,345	6,680	6,680
	109	118	199	208	370	361
Elimination of sales to regional traffic	-	-	-	-	-	-
Total interregional traffic	109	118	199	208	370	361
Total revenues	1,706	1,739	3,544	3,553	7,050	7,041

Earnings

SECOND QUARTER (JUNE 1 - AUGUST 31, 2012)

The Group's operating profit for the second quarter was SEK 83 million (67), of which SEK 78 million (62) relates to *regional traffic* and SEK 13 million (15) to *interregional traffic*.

Operating profit for *regional traffic* increased by SEK 16 million, primarily thanks to strong growth in the Swedish and Finnish operations.

The decrease in earnings of SEK 2 million in *interregional traffic* was due primarily to shorter journeys and price pressure.

FIRST HALF YEAR (MARCH 1 - AUGUST 31, 2012)

The Group's operating profit for the first half of the year amounted to SEK 148 million (127), of which SEK 151 million (133) related to *regional traffic* and SEK 13 million (13) to *interregional traffic*. The earnings for the first half of the year are the highest ever, despite the fact that last year's earnings included SEK 16 million in ethanol compensation from a client.

Operating profit for *regional traffic* increased by SEK 18 million. The weaker earnings, which were primarily due to the start-up in Tromsö in Norway and increased maintenance costs in Finland, were offset by the improved earnings in Sweden, with stabilized contract results despite extensive contract migration, and to improved operational efficiency in Denmark.

Operating profit for *interregional traffic* was unchanged compared with last year.

Operating profit (SEK millions)	Quarter		Period		Full year	Rolling 12 m
	Jun-Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar 11 – Feb 12	Sep 11 – Aug 12
Operating profit per						
<i>Nobina Sweden</i>	81	61	166	139	295	322
<i>Nobina Denmark</i>	-6	-5	-11	-17	-33	-27
<i>Nobina Norway</i>	-4	6	-13	5	-128	-146
<i>Nobina Finland</i>	7	0	9	6	12	15
Total regional traffic	78	62	151	133	146	164
	13	15	13	13	-4	-4
Total inter-regional traffic	13	15	13	13	-4	-4
<i>Central functions and other items</i>	-8	-10	-16	-19	-105	-102
Total operating profit	83	67	148	127	37	58

Operating profit (SEK millions)	Group					
	Jun-Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Full year 11/12 11/12	Rolling 12 m*
Net sales	1,706	1,739	3,544	3,553	7,050	7,041
Operating profit	83	67	148	127	37	58

Operating profit (SEK millions)	Regional traffic					
	Jun-Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Full year 11/12 11/12	Rolling 12 m*
Net sales	1,597	1,621	3,345	3,345	6,680	6,690
Operating profit	78	62	151	133	146	164

Operating profit (SEK millions)	Interregional traffic					
	Jun-Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Full year 11/12	Rolling 12 m*
Net sales	109	118	199	208	370	361
Operating profit	13	15	13	13	-4	-4

*Rolling 12 refers to rolling 12 months September 2011 - August 2012

One-off costs

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

Financial position

Available cash and cash equivalents at the end of the financial year amounted to SEK 150 million (124). In addition, the Group had funds in escrow of SEK 166 million (109), primarily as security for submitted tenders and executed traffic contracts. The Group has an SEK 300 million invoice discounting facility with a finance company, of which SEK 42 million was utilized as per August 31, 2012. A new bank credit facility of SEK 50 million was implemented with the first drawdown being on June 1, 2012, of which SEK 0.3 million was drawn as per August 31, 2012.

Shareholders' equity in the Group amounted to SEK -2 million (158). The equity ratio at the end of the period was negative, compared with 3.1% last year.

On August 1, 2012, a temporary extension was carried out of Nobina Europe's Senior Notes, with a new maturity date of October 31, 2012. Almost 100% of the note holders intend to accept a refinancing solution comprising:

- Approximately 25% of principal under the old Senior Notes is converted into shares issued by Nobina AB, corresponding to a 95% stake in Nobina AB
- The remaining part of the principal under the old Senior Notes is refinanced in a new note issued by Nobina Europe AB with the following indicative terms:
 - *Notes in Swedish kronor with a euro tranche which can be converted into Swedish kronor*
 - *Listed on OMX in Stockholm*
 - *Five year term to maturity with a put option for the holders after two years, conditional on a strong cash build-up in the Company*
 - *Annual coupon of 11%, payable in cash*
 - *Repayment possibility at par throughout the term of the notes*
- The above requires an extra general meeting in Nobina AB in order to issue the shares that the note holders will obtain, as well as handling of the management's incentive program.

Investments

The Group's cash investments during the first half of the year relate to the purchase of other non-current assets and the purchase of buses including accessories in the amount of SEK 67 million (39). Through its subsidiary, Nobina Fleet AB, the Group signed financial leasing agreements during the first half of the year amounting to SEK 667 million (260) in acquisition value. The Group's financial leasing agreements have been classified in the balance sheet as non-current assets and the leasing obligations are reported as a liability in the balance sheet. Depreciation/amortization and interest expenses are reported in the income statement.

During the first half of the year, the Group sold buses for SEK 14 million (102). The sale entailed a capital loss of SEK -5 million (-3).

Cash flow

Second quarter cash flow from the operations amounted to SEK 282 million (78) before net investments and SEK 214 million (57) after net investments.

Cash flow from the operations for the first half of the year amounted to SEK 406 million (225) before investments and SEK 338 million (291) after net investments.

Taxes

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

Personnel

During the period there were on average 6,530 (6,744) employees. In all countries in which the Nobina Group operates, collective agreements are applied in accordance with agreements with the trade unions representing employees within the industry in which the relevant company operates. There are well-established practices and traditions as to the manner in which work times, compensation conditions, information and cooperation are negotiated and applied between employee representatives and the Company.

Significant events during the quarter

- AFA Försäkring decided to reduce premiums retroactively and repay totaling SEK 25 million in respect of Contractual Group Health Insurance (Avtalsgruppsjukförsäkring, AGS) and Contractual Group Health Insurance (AGS-KL) as well as Premium Waiver Insurance for the years 2007 and 2008.
- Nobina's note holders entered into an agreement with Nobina Europe AB regarding a temporary extension of the Senior Notes which matured on August 1. The agreement applies until October 31, 2012, with a deferred payment of interest and principal to the note holders.
- As a consequence of the extension of the Senior Notes, the rating agencies Standard and Poor's and Moody's downgraded Nobina, in accordance with the rating agencies' credit rating models. Both agencies have stated that they will review Nobina's credit rating as soon as the refinancing is completed.

- Nobina won Skånetrafiken's contract for city traffic in Helsingborg, covering approx. 80 buses and 200 employees, and worth almost SEK 200 million per year. It will be necessary to acquire a small number of buses, but most of the buses will be leased from Skånetrafiken.

Significant events since the end of the quarter

- Almost 100% of the note holders intend to accept a proposal for the refinancing of Nobina Europe AB's Senior Notes of EUR 85 million, comprising that approximately 25% of the principal under the notes will be converted into shares corresponding to a 95% stake in Nobina AB and that the remaining part of the principal will be issued by Nobina Europe AB as a new five-year notes in Swedish kronor, which will be listed on the Swedish market.
- Philipp Engedal took up the position of CEO Nobina Norway in September.

Parent company

The parent company has 65 (48) employees who are engaged in overall Group management, financial administration, IT, HR and wage functions, control and analysis. The parent company's sales, which consist exclusively of internal invoicing of services, amounted during the period to SEK 78 million (72). The parent company's earnings before tax were SEK 25 million (22) and cash and cash equivalents at the end of the period were SEK 165 million (40), of which SEK 55 million (32) were funds in escrow. Investments in intangible and tangible non-current assets amounted to SEK 17 million (0). The parent company's equity amounted to SEK 2,332 million (2,329), and the solidity was 94 percent (99).

Transactions with closely related parties

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

Seasonal variations

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

Risks and uncertainty factors

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

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

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

The Group is exposed to price changes in its purchases of diesel. The commodity price accounts for almost one half of the total diesel price, with the remainder comprising taxes, transportation and processing. Within *Regional traffic*, through revenue indices in traffic contracts the Group obtains compensation for changes in the diesel price accounting for approximately 78% of consumption. The decrease compared with last year is due to the fact

that a couple of contracts in Sweden were temporarily without indexation during 2011/2012. This has been compensated for through the entire diesel consumption in respect of those contracts being hedged with diesel derivatives (caps), as well as the non-indexed part of diesel costs in general. There is no indexation of revenues within *Interregional traffic*. Increased fuel prices are, instead, compensated for through increased ticket prices if market conditions so allow. Calculated on the portion of the Group's diesel consumption which is not covered by indexation, a 10 percent increase in the commodity price means an increase of approximately SEK 10 million in the Group's fuel costs per financial year. The Nobina Group's finance policy states that diesel price risks may be hedged through derivatives. On August 31, 2012, the Group had no outstanding diesel derivatives.

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

Accounting principles

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

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

Other

This is an in-house translation of the Swedish interim report.

Telephone conference

Nobina will present the interim report and reply to questions during a **telephone conference on Wednesday, September 26, at 10.00 am CET**. The presentation will be available on the website in connection with the telephone conference.

Telephone numbers for participants:

Sweden: +46 (0)8 505 201 10

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

Assurance

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

Stockholm, September 25, 2012

Ragnar Norbäck
President and CEO

Future reports

Interim report for the third quarter 2012/2013
Results 2012/2013

December 21, 2012
April 26, 2013

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

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

Consolidated income statement in brief

SEK millions, unless otherwise stated	Quarter		Period		Full year
	Jun - Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar 11–Feb 12
Net sales	1,706	1,739	3,544	3,553	7,050
OPERATING EXPENSES					
Fuel, tires and other consumables	-393	-407	-832	-849	-1,724
Other external expenses	-286	-307	-582	-613	-1,262
Personnel expenses	-824	-856	-1 755	-1 767	-3,528
Capital gain/loss on sale of fixed assets	-4	-	-5	-3	-10
Depreciation/write-down of tangible fixed assets	-116	-102	-222	-194	-489
OPERATING PROFIT	83	67	148	127	37
Financial revenues	1	-1	1	2	4
Financial expenses, Note 2	-29	-84	-106	-159	-271
FINANCE NET	-28	-85	-105	-157	-267
EARNINGS BEFORE TAX	55	-18	43	-30	-230
Tax	-1	-	-1	-	-
NET EARNINGS FOR THE PERIOD	54	-18	42	-30	-230
Earnings for the period attributable to the parent company's shareholders	54	-18	42	-30	-230
Earnings per share before dilution (SEK)	2.16	-0.74	1.67	-1.21	-9.23
Earnings per share after dilution (SEK)	2.16	-0.74	1.67	-1.21	-9.23
Average number of shares before dilution (thousands)	24,928	24,928	24,928	24,928	24,928
Average number of shares after dilution (thousands)	24,928	24,928	24,928	24,928	24,928

Consolidated statement of comprehensive income

SEK millions	Quarter		Period		Full year
	Jun - Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar 11–Feb 12
Net earnings for the period	54	-18	42	-30	-230
Other comprehensive income					
Exchange rate differences on foreign operators	-4	7	-1	10	9
Other comprehensive income for the period, net after tax	-4	7	-1	10	9
Total comprehensive income for the period	50	-11	41	-20	-221
Comprehensive income for the period attributable to the parent company's owners	50	-11	41	-20	-221

Consolidated balance sheet in summary

SEK millions	Period		Full year
	Aug 31, 2012	Aug 31, 2011	Feb 29, 2012
ASSETS			
Non-current assets			
Goodwill	594	682	598
Other intangible fixed assets	20	6	14
Improvement expenditures on third-party property	7	7	9
Equipment, tools, fixtures and fittings	71	59	64
Vehicles	3,939	3,207	3,506
Non-current receivables	1	1	1
Deferred tax receivables	7	7	7
Pension assets	14	-	14
Total non-current assets	4,653	3,969	4,213
Current assets			
Inventory	46	56	52
Accounts receivable	311	352	476
Other current receivables	62	79	61
Prepaid expenses and accrued revenue	271	367	208
Funds in escrow	166	109	153
Cash and cash equivalents	150	124	107
Total current assets	1,006	1,087	1,057
TOTAL ASSETS	5,659	5,056	5,270
EQUITY AND LIABILITIES			
Equity	-2	158	-43
Non-current liabilities			
Borrowing, Note 2	3,120	2,512	2,502
Provisions for pensions and similar obligations	26	15	27
Other provisions	54	71	61
Total non-current liabilities	3,200	2,598	2,590
Current liabilities			
Accounts payable	398	377	425
Borrowing, Note 2	1,161	1,098	1,420
Other current liabilities	142	143	145
Accrued expenses and deferred income	760	682	733
Total current liabilities	2,461	2,300	2,723
Total liabilities	5,661	4,898	5,313
TOTAL EQUITY AND LIABILITIES	5,659	5,056	5,270

Consolidated statement of changes in equity

SEK millions	Share capital	Other contributed capital	Translation differences	Losses carried forward	Total equity
Opening equity per March 1, 2011	224	2,271	26	-2,343	178
Comprehensive income	-	-	10	-30	-20
Closing equity per August 31, 2011	224	2,271	36	-2,373	158
Opening equity per March 1, 2012	224	2,271	35	-2,573	-43
Comprehensive income	-	-	-1	42	41
Closing equity per August 31, 2012	224	2,271	34	-2,531	-2

There are no controlling interests.

Consolidated cash flow statement

SEK millions	Quarter		Period		Full year
	Jun - Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar 11–Feb 12
Cash flow from operations					
Earnings after financial items	55	-18	43	-30	-230
Adjustments for items not included in cash flow	145	189	323	354	743
Cash flow from operations before changes in working capital	200	171	366	324	513
Cash flow from changes in working capital					
Changes in inventory	8	-3	6	-7	-3
Change in operating receivables	157	-7	101	67	124
Change in operating liabilities	-85	-81	-69	-160	-12
Total change in working capital	80	-91	38	-100	109
Received interest income	2	-2	2	1	4
Tax paid	-	-	-	-	-
Cash flow from operations	282	78	406	225	626
Cash flow from investing activities					
Change in funds in escrow	-22	-2	-15	3	-41
Investments in land, vehicles, equipment tools fixtures and fittings, excl. financial leases	-59	-25	-67	-39	-115
Sales of buildings and land, vehicles, equipment tools fixtures and fittings	13	6	14	102	114
Cash flow from investing activities	-68	-21	-68	66	-42
Cash flow from financing activities					
Repayment of principal, financial leasing liabilities	-105	-85	-202	-166	-346
Repayment of principal, loans	-	-110	-	-110	-110
Paid interest	-47	-78	-91	-121	-248
Cash flow from financing activities	-152	-273	-293	-397	-704
Cash flow for the period	62	-216	45	-106	-120
Cash and cash equivalents at beginning of period	90	336	107	225	225
Cash flow for the period	62	-216	45	-106	-120
Translation difference	-2	4	-2	5	2
Cash and cash equivalents at end of period	150	124	150	124	107

Parent company's income statement in brief

SEK millions	Quarter		Period		Full year
	Jun - Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar 11–Feb 12
Net sales	39	36	78	72	151
OPERATING EXPENSES					
Other external expenses	-18	-20	-38	-38	-139
Personnel expenses	-17	-14	-30	-29	-63
Depreciation/impairment of intangible and tangible non-current assets	-4	-3	-8	-5	-13
OPERATING PROFIT	-	-1	2	-	-64
Earnings from participations in Group companies	-	-	-	-	21
Financial income	14	10	28	21	44
Financial expenses	-4	1	-5	1	-1
NET FINANCIAL ITEMS	10	11	23	22	64
EARNINGS BEFORE TAX	10	10	25	22	0
Tax	-	-	-	-	-
NET EARNINGS FOR THE PERIOD	10	10	25	22	0

Report of the parent company's comprehensive income

SEK millions	Quarter		Period		Full year
	Jun - Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar 11–Feb 12
Net earnings for the period	10	10	25	22	0
Other comprehensive income					
Other comprehensive income for the period, net after tax	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	10	10	25	22	0

Parent company's balance sheet in brief

SEK millions	Quarter		Full year
	Aug 31, 2012	Aug 31, 2011	Feb 29, 2012
ASSETS			
Non-current assets			
Participations in Group companies	19	6	13
Other intangible assets	33	13	30
Equipment, tools, fixtures and fittings	1,772	1,772	1,772
Receivables from Group companies	402	335	400
Total financial assets	2 226	2,126	2,215
Current assets			
Receivables from Group companies	73	121	85
Other current receivables	2	22	6
Prepaid expenses and accrued revenue	14	47	9
Funds in escrow	55	32	56
Cash and cash equivalents	110	8	65
Total current assets	254	230	221
TOTAL ASSETS	2,480	2,356	2,436
EQUITY AND LIABILITIES			
Equity	2,332	2,329	2,307
Non-current liabilities			
Pension provisions	3	2	2
Total non-current liabilities	3	2	2
Current liabilities			
Accounts payable	14	13	22
Liabilities to Group companies	115	1	86
Other current liabilities	3	1	1
Accrued expenses and deferred revenue	13	10	18
Total current liabilities	145	25	127
Total liabilities	148	27	129
TOTAL EQUITY AND LIABILITIES	2,480	2,356	2,436

Parent company's change in equity

SEK millions	Share capital	Statutory reserve	Share premium	Retained earnings	Earnings for the period	Total equity
Opening equity per March 1, 2011	224	-	612	1,406	65	2,307
Reversal of previous year's earnings	-	-	-	65	-65	-
Earnings for the period	-	-	-	-	22	22
Closing equity per Aug 31, 2011	224	-	612	1,471	22	2,329
Opening equity per March 1, 2012	224	-	612	1,471	0	2,307
Reversal of previous year's earnings	-	-	-	-	-	-
Earnings for the period	-	-	-	-	25	25
Closing equity per Aug 31, 2012	224	-	612	1,471	25	2,332

Note 1. Segment reporting

SEK millions, unless otherwise stated	Quarter		Period		Full year
	Jun - Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar 11–Feb 12
Revenues per business area					
<i>Nobina Sweden</i>	1,141	1,199	2,372	2,474	4,905
<i>Nobina Denmark</i>	81	79	167	157	325
<i>Nobina Norway</i>	203	174	440	351	718
<i>Nobina Finland</i>	182	183	384	389	775
<i>Elimination of sales to interregional traffic</i>	-10	-14	-18	-26	-43
Total regional traffic	1,597	1,621	3,345	3,345	6,680
<i>Swebus</i>	109	118	199	208	370
<i>Elimination of sales to regional traffic</i>	-	-	-	-	-
Total interregional traffic	109	118	199	208	370
Total revenues	1,706	1,739	3,544	3,553	7,050

SEK millions, unless otherwise stated	Quarter		Period		Full year
	Jun - Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar 11–Feb 12
Operating profit per business area					
<i>Nobina Sweden</i>	81	61	166	139	295
<i>Nobina Denmark</i>	-6	-5	-11	-17	-33
<i>Nobina Norway</i>	-4	6	-13	5	-128
<i>Nobina Finland</i>	7	0	9	6	12
Total regional traffic	78	62	151	133	146
<i>Swebus</i>	13	15	13	13	-4
Total interregional traffic	13	15	13	13	-4
<i>Central functions and other items</i>	-8	-10	-16	-19	-105
Total operating profit	83	67	148	127	37

Note 2. Financing

SEK millions, unless otherwise stated	Quarter		Period		Full year
	Jun - Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar 11–Feb 12
Operational leasing, Buses					
Nominal value of future payments - Buses	-	-	495	800	674
Present value of future payments - Buses	-	-	453	716	606
Number of operationally leased buses	-	-	1,100	1,376	1,225
Reported operational leasing expense	55	66	112	136	246
Interest-bearing non-current liabilities					
Senior Notes	-	-	711	762	743
Financial leasing liability	-	-	3,570	2,857	3,147
Factoring	-	-	-	-	36
Capitalized financing fees	-	-	-	-9	-4
Total	-	-	4,281	3,610	3,922
Less current part	-	-	-1,161	-1,098	-1,420
Total non-current liabilities	-	-	3,120	2,512	2,502
Interest expenses and similar profit/loss items					
Interest expenses, financial leasing	-42	-36	-82	-70	-148
Interest expenses, Senior Notes	-19	-28	-45	-58	-107
Other financial expenses	-7	-3	-9	-9	-20
Realized and non-realized exchange rate profits	39	-17	30	-22	4
Total	-29	-84	-106	-159	-271

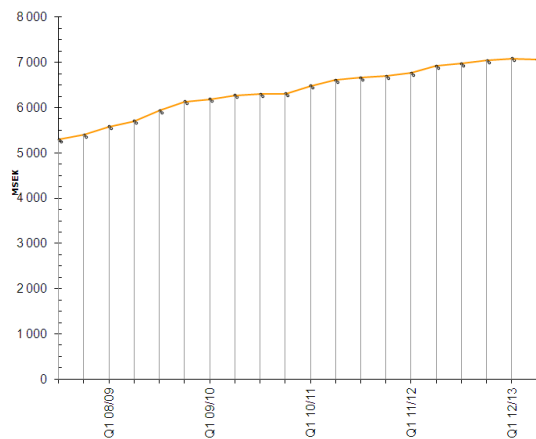
Earnings per share	Quarter		Period		Full year
	Jun - Aug 12	Jun-Aug 11	Mar-Aug 12	Mar-Aug 11	Mar 11–Feb 12
Average number of ordinary shares during the period	24,928	24,928	24,928	24,928	24,928
Reported earnings	54	-18	42	-30	-230
Adjusted earnings	54	-18	42	-30	-230
Earnings per share	2.16	-0.74	1.67	-1.21	-9.23

Key ratio information

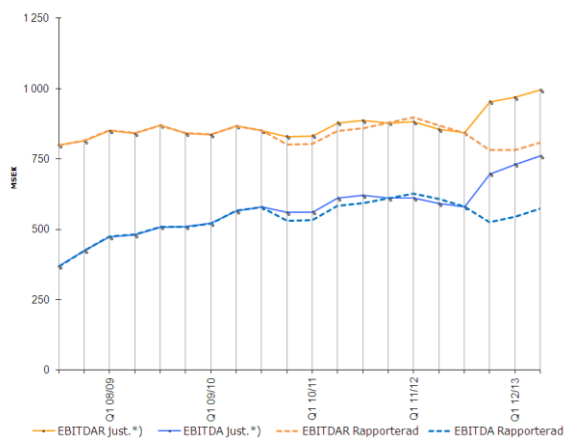
Key ratios, most recent eight quarters

Key ratios, the Group in SEK millions, unless otherwise	2010/2011		2011/2012				2012/13	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Sales								
Regional traffic	1,634	1,578	1,724	1,621	1,667	1,668	1,748	1,597
Interregional traffic	96	93	90	118	83	79	90	109
Operating profit								
Regional traffic	104	2	71	62	83	-70	73	78
Interregional traffic	4	-2	-2	15	-6	-11	0	13
Earnings after financial items	52	-39	-12	-18	-12	-188	-12	55
Earnings after tax	52	-39	-12	-18	-12	-188	-12	54
Cash flow	125	-50	110	-216	36	-50	-17	62
Cash and cash equivalents	280	225	336	233	159	107	90	150
Equity ratio, %	4.3	3.4	3.3	3.1	2.9	Neg	Neg	Neg
Equity	217	178	169	158	145	-43	-55	-2
Equity/ordinary share, SEK	8.7	7.14	6.78	6.34	5.83	Neg	Neg	Neg
Number of buses	3,659	3,618	3,599	3,488	3,339	3,437	3,505	3,535
Estimated full-time positions	6,485	7,714	7,152	6,744	6,731	7,008	6,824	6,530

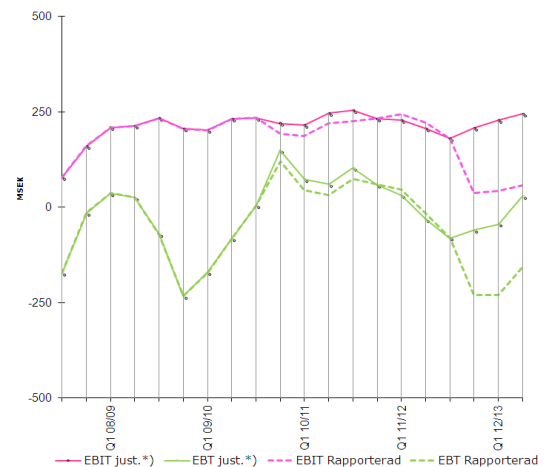
Revenues, rolling twelve months, five years



Operating profit, rolling 12 months, five years¹

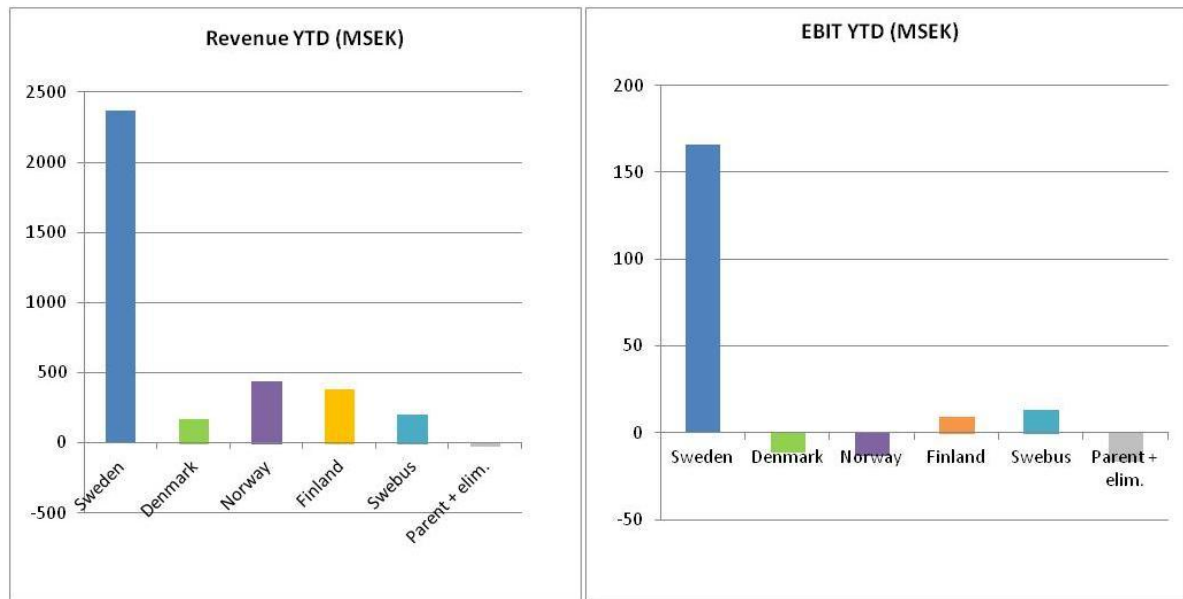


Earnings, rolling 12 months, five years¹

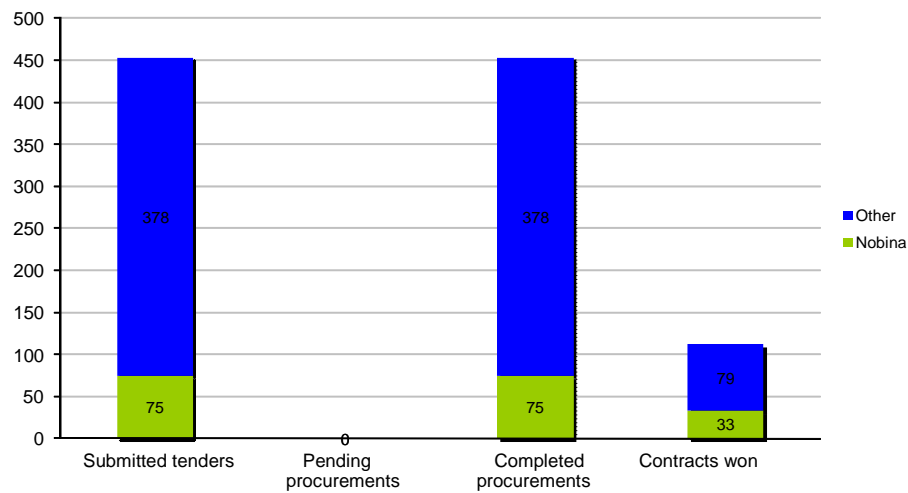


¹ Excluding one-off effects in Q4 09/10, Q1 11/12 and Q4 11/12

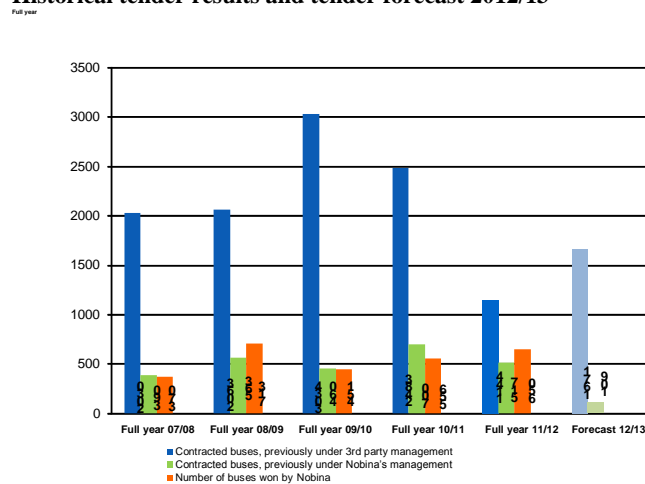
Breakdown of revenues and operating income by segment, six months, 2012/13



Tender results, number of buses, six months, 2012/13



Historical tender results and tender forecast 2012/13



Planned, newly started traffic, coming 12 months

Contract outcome per country, coming 12 months	Planned, newly started traffic, March 2012 - February 2013					
	PTA	Contract type	Number of years	Traffic start	Number of buses	Value (SEK millions)
Sweden	Skånetrafiken	Regional traffic	8	October 2012	13	260
	Skånetrafiken	Regional traffic	8	October 2012	32	640
	Skånetrafiken	Regional traffic	4	October 2012	17	160
	Västtrafik	Regional traffic	8	December 2012	27	420
	Västtrafik	Regional traffic	8	December 2012	46	839
	Västtrafik	Regional traffic	2.5	December 2012	9	95
	Skånetrafiken	Regional traffic	6	June 2013	79	1,150
Finland	HSL	City traffic	6	January 2013	24	400
Norway	Ruter	City traffic	7	October 2012	78	1,749
Denmark	Movia	City traffic	6	December 2011	10	163
Total regional traffic					335	5,876

Definitions

CLIENT

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

CONCESSION

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

CUSTOMERS

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

EBT

Earnings before tax.

EBIT

Earnings before interest and tax.

EBITDA

Earnings before interest, tax, depreciation and amortization.

EBITDAR

Earnings before interest, tax, depreciation, amortization and rent

EURO 1-EURO 5, EEV

Different generations of emission classes for diesel motors.

EXPRESS BUS

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

GROSS AGREEMENT

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

INCENTIVE AGREEMENT

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

INDEXATION

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

NET AGREEMENT

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

TRAFFIC CONTRACT (CONTRACT, CONTRACTING)

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