



Nobina AB Group

Investor Presentation
Q3

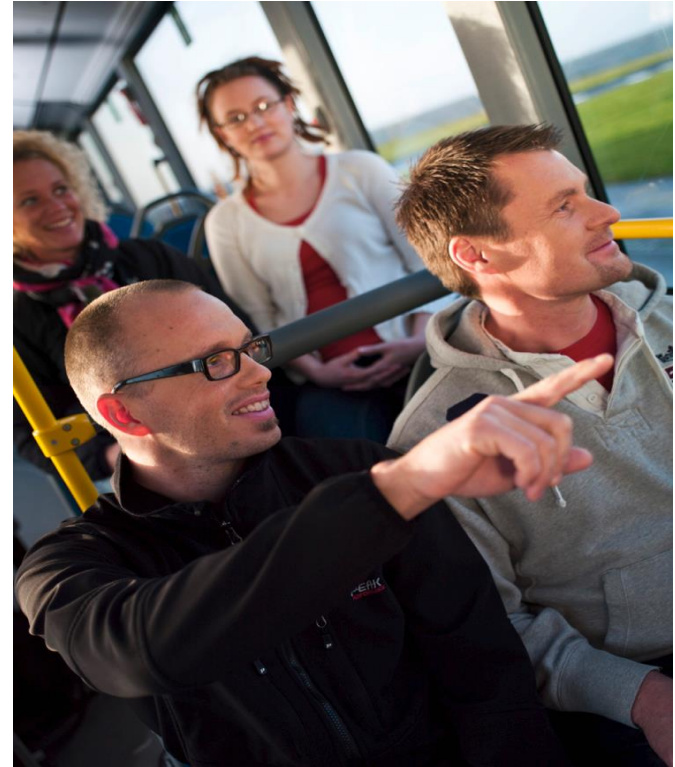
March – November 2013

This presentation includes statements regarding the current expectations of the company's future development, and such estimations are, by their nature, subject to risks and uncertainties. Examples of risks and uncertainties include economic conditions, product demand, competition, government regulation, financial resources, and certain types of litigation. Our financial statements and latest annual report provide a more detailed view of the financial position of the company, as well as of the risks and uncertainties inherent in its operations.

Please note that all amounts referred to in this presentation are based on IFRS accounting standards.

Key points

- Quarter and YTD EBIT, all-time high for the second quarter in a row
- High 9 month tender success ratio, 56 percent
- Preparations initiated for largest contract migration ever in 2014
- Active secondary trade in bonds and shares



Financial highlights, Q3

- Net sales amounted to SEK 1,889 million (1,875), which is an increase of 0.7 %.
- Operating profit was SEK 122 million (81).
- Earnings before tax were SEK 67 million (0).
- Earnings after tax amounted to SEK 54 million (72), and earnings per share were SEK 0.09 (0.48).
- Cash flow from the operations totalled SEK 180 million (289).
- Investments, for the purchase of buses and other equipment, amounted to SEK 45 million (464).



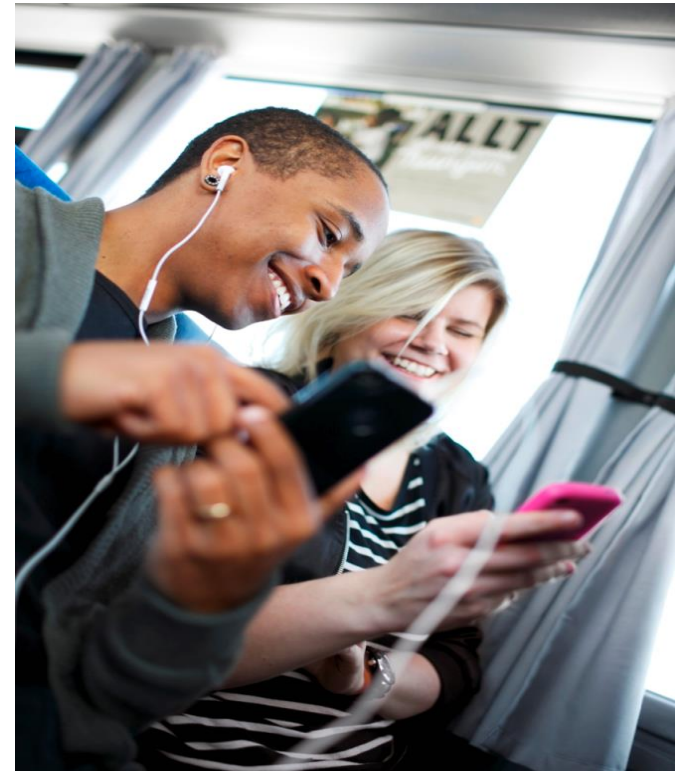
Financial highlights, YTD

- Net sales amounted to SEK 5,453 million (5,419), which is an increase of 0.6 %.
- Operating profit was SEK 294 million (229).
- Earnings before tax totalled SEK 111 million (43).
- Earnings after tax amounted to SEK 81 million (114), and earnings per share were SEK 0.13 (1.34).
- Cash flow from operations was SEK 550 million (693).
- Investments, for the purchase of buses and other equipment, amounted to SEK 99 million (1198).



Business highlights, Q3

- Tenders won in:
 - Skåne Landskrona and NorthWest
 - Värmland region
- Swebus interregional traffic is improving after re-designed network
- Keolis wins Stockholm City tender at >20% lower price level than Nobina's and Arriva's bids.
- Few bidders taking part in new Finnish city tenders



Market overview

- All decisions now taken to establish a joint Swedish organization for both business and employer issues regarding bus operators
- Contracts in Lahti, the fourth Finnish city to tender its public transport, were won by local operators at price > 10% lower than Nobina's bid.
- Political turbulence in Tromsö.
- Delayed deliveries of the new generation Euro 6 engine buses.
- We expect EU Commission to accept our view that HELB has received state aid and the case continues



Business Area: Regional Traffic

- Including our latest win in Värmland region and Skåne NW, Nobina has, to date, won/prolonged contracts for a total of 730 buses commencing in 2014 which limits the impact of the expiring contracts totalling ~770 buses in next FY.
- Keolis' appeal of our win in Skåne, Malmö, was rejected at the second court level, and Nobina has signed the contract. Pending court cases refer to Nobina wins in Borås, Värmland region and Skåne NW.
- Nobina won the appeal of the tender in Dalarna at first court level. Possible (profitable) prolongation is being discussed.
- Main pending tenders are Movia A11 in Copenhagen (~100 buses), and Värmland school (~140 midsize buses).
- Nobina launched a new website, nordicfuture.com, for the Swedish market to inspire news, debates and culture on public transport.
- Incentive income and customer satisfaction bonuses continue to support our results in all four markets.

Tender update – quarterly update

Nobina:

- **Submitted** tenders for 1,497 buses, with a total value of SEK 25,000 million.
- **Won** contract volume of 733 buses, with a total value of SEK 13,400 million.
- **Started** traffic for 180 buses and ended traffic for 190 buses.

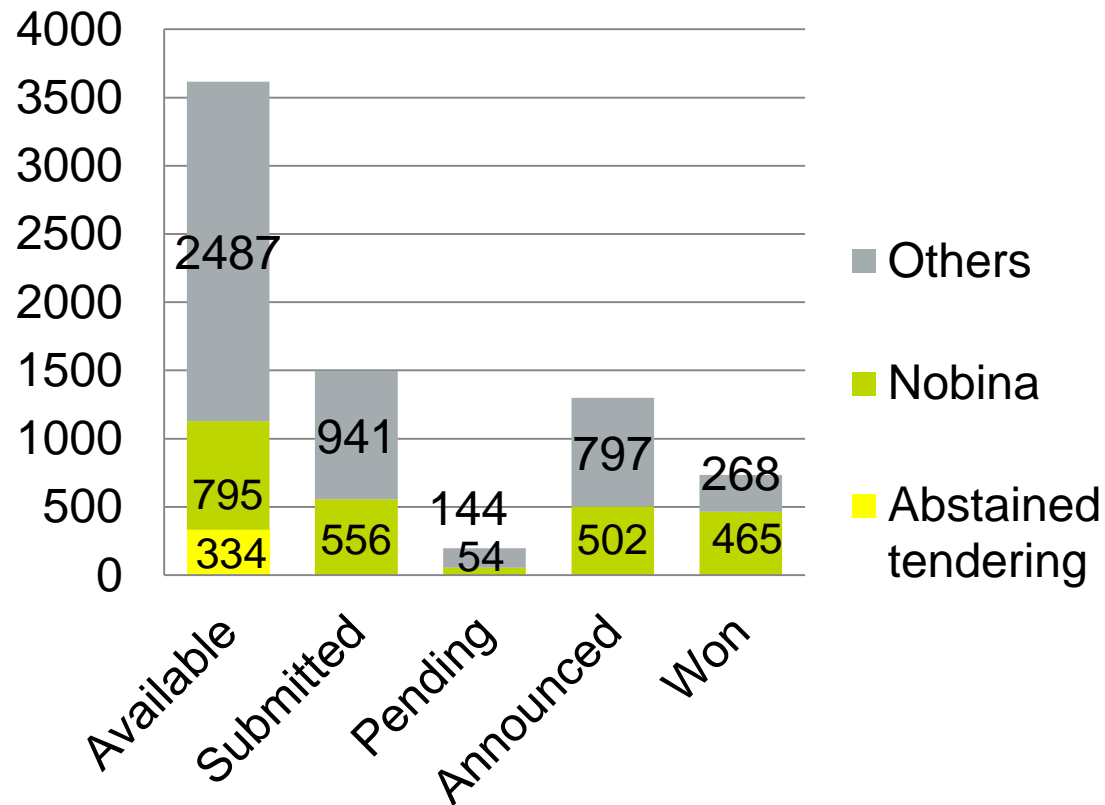
Tender update per country YTD (Number of buses)	Tenders during the period			Traffic changes during the period	
	Submitted	Won	Not won	Started	Ended
Sweden	1,068	664	404	115	102
Norway	42	0	42	0	0
Finland	209	69	84	65	88
Denmark	178	0	36	0	0
Total regional traffic	1,497	733	566	180	190



A tender-intense year

- Renewal ratio YTD 88%
→ target 100% (won/own announced)
- Success ratio YTD 56% (won/announced)
- Forthcoming tenders:
 - Copenhagen (140 buses)
 - Värmland school (140 buses)

9 month tender results



Contract update

- Nobina will start new contracts involving a total of 482 buses in Sweden and Finland in the forthcoming 12 months

Tender outcome per country	Traffic starts December 2013 – November 2014					
	PTA	Contract type	No. of years	Traffic start	No. of buses	Value (MSEK)
Sweden	LT Västernorrland	City/Regional	8	June 2014	76	758
	LT Västernorrland	City/Regional	8	June 2014	15	180
	Skånetrafiken	City	10	June 2014	96	2,328
	Skånetrafiken	City	5	June 2014	13	266
	Västtrafik	City	8	June 2014	185	4,400
	Västtrafik	City/Regional	8	August 2014	50	1,408
	Skånetrafiken	City	10	August 2014	16	455
Finland	HSL	City	6	January 2014	31	690
Sum Regional Traffic					482	10,485

Business Area: Inter-regional traffic

- Swebus has continued to change its network in order to increase capacity in high volume lines and reduce further in low volume lines, which is already positively impacting load factor and Q3 results.
- New, additional products are increasing the sale of non-core services.
- Rail capacity will increase substantially between Gothenburg and Malmö/Copenhagen from December.
- Different views among PTA:s in Sweden, whether commercial Express bus is a competitor or complementary service

Group results

MSEK	Q3			YTD		
	13/14	12/13	△	13/14	12/13	△
Net revenues	1 889	1 875	14	5 453	5 419	34
EBITDAR	281	252	29	786	739	47
% of revenues	14,9%	13,4%		14,4%	13,6%	
EBITDA	246	202	44	665	572	93
% of revenues	13,0%	10,8%		12,2%	10,6%	
EBIT	122	81	41	294	229	65
% of revenues	6,5%	4,3%		5,4%	4,2%	
Interest income	1	2	-1	4	3	1
Interest expenses	-57	-67	10	-180	-203	23
FX net *)	1	-16	17	-7	14	-21
Earnings before tax	67	0	67	111	43	68
Tax	-13	72	-85	-30	71	-101
Earnings after tax	54	72	-18	81	114	-33

*) of which FX P/L on Notes 0 -12 12 0 18 -18

- EBT was positive, SEK +67 million, +67 million above prior year in Q3 and SEK +111 million YTD, +68 million above prior year
- Last year, EBT was impacted by unrealized FX fluctuations; limited effects this year after the refinancing in SEK of the HYB.
- This resulted in an EAT of SEK 54 million (72) in Q3 and SEK 81 million (114) YTD.
- Last year EAT included positive deferred tax accruals of SEK 70 million.

Revenue and Earnings bridges

SEK million	Revenue	EBIT	EBT
YTD March 2012 – Nov 2012	5,419	229	43
Price & Volume	-60	29	29
Contract changes	41	-26	-26
Indexation	46	35	35
Operational efficiency	-	-13	-13
Non-recurring costs	-	0	0
Fleet financing and utilization	-	1	1
Other	8	39	39
Financial net	-	-	3
YTD March 2013 – Nov 2013	5,454	294	111

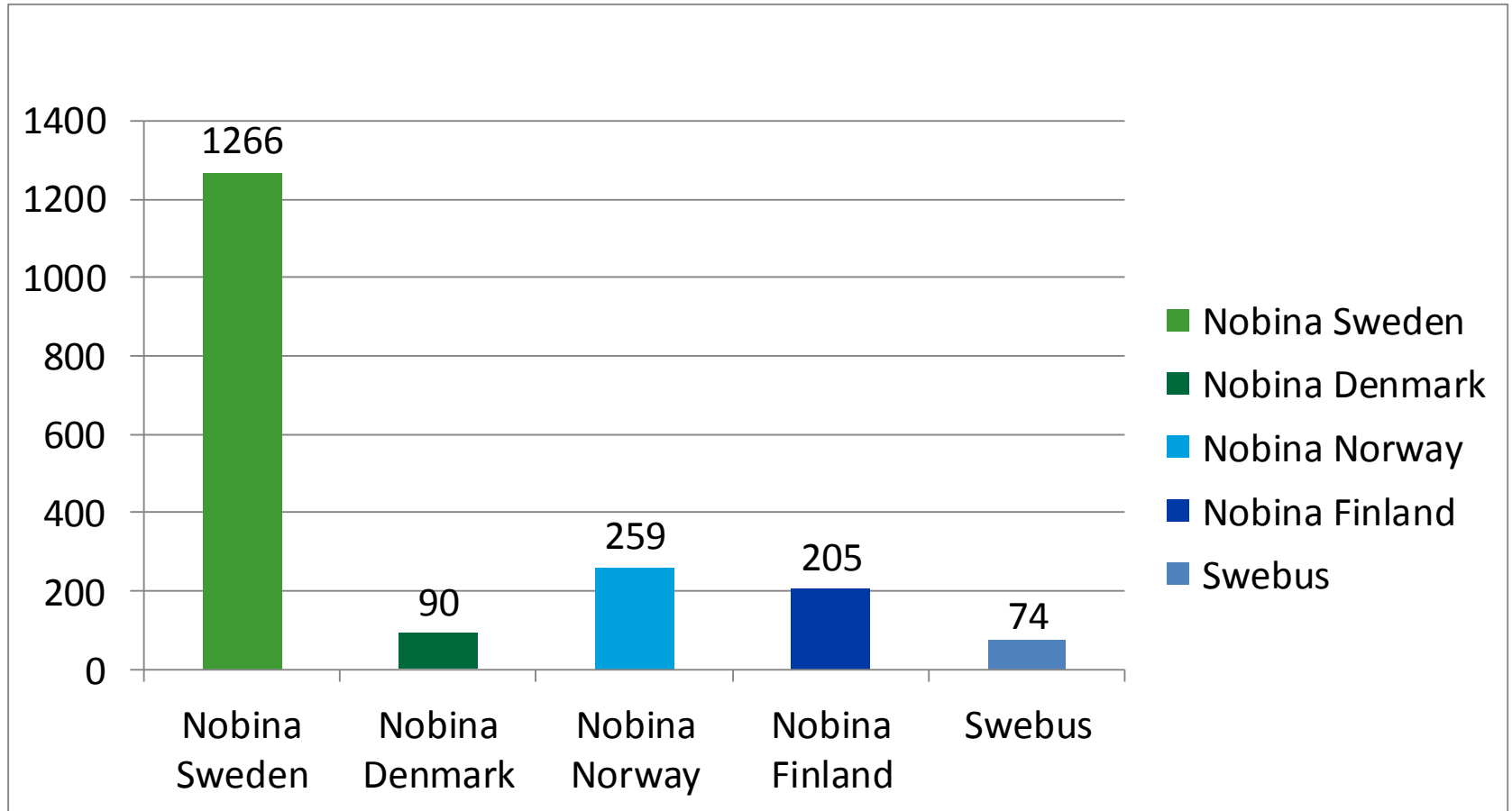
- YTD Revenue SEK 5,454 million (5,419)
 - Positive effect from the new contract in Oslo Vest and indexation
 - Negative price and volume effect from Swebus and bus for train
- YTD EBIT improved compared to prior year, while EBT is equal
 - Continued positive price and volume effects
 - Negative contract effect due to contract migration in second half of last year
 - Indexation positive from AKI (salaries)
 - Negative efficiency development due to maintenance and damages
 - Norway admin accounting change affecting efficiency negatively and Other positively
 - Other is positive due to new tyres agreement and lower costs for HQ and IT

Revenues per business segment

	Q3			YTD		
	13/14	12/13	△	13/14	12/13	△
MSEK						
Sweden	1 266	1 253	1%	3 605	3 625	-1%
Denmark	90	87	3%	257	254	1%
Norway	259	249	4%	755	689	10%
Finland	205	214	-4%	607	598	2%
Eliminations	-5	-7	-29%	-21	-25	-16%
Total Regional	1 815	1 796	1%	5 203	5 141	1%
Swebus	74	79	-6%	250	278	-10%
Eliminations	0	0	0%	0	0	0%
Total Interregional	74	79	-6%	250	278	-10%
Total revenue	1 889	1 875	1%	5 453	5 419	1%

- Regional revenue increased by SEK 19 million in Q3 and SEK 62 million YTD.
 - Sweden had marginally higher contract volumes in Q3, not fully compensating for Q1 and Q2 which were affected by the expired Bromma contract in Q2 last year.
 - Denmark has continued to show a flat development, no changes in the contract portfolio.
 - Norway increased due to a new contract, Oslo Vest which started in October last year.
 - Finland contract volumes slightly less than last year; YTD is, however, still higher.
- Interregional revenue decreased by SEK -5 million in Q3 and SEK -28 million YTD, due to fewer passengers than in the prior year and also due to price competition. Arlanda Airport shuttle ceased service at the end of August affecting Q3.

Third quarter revenues (SEK million) per business area

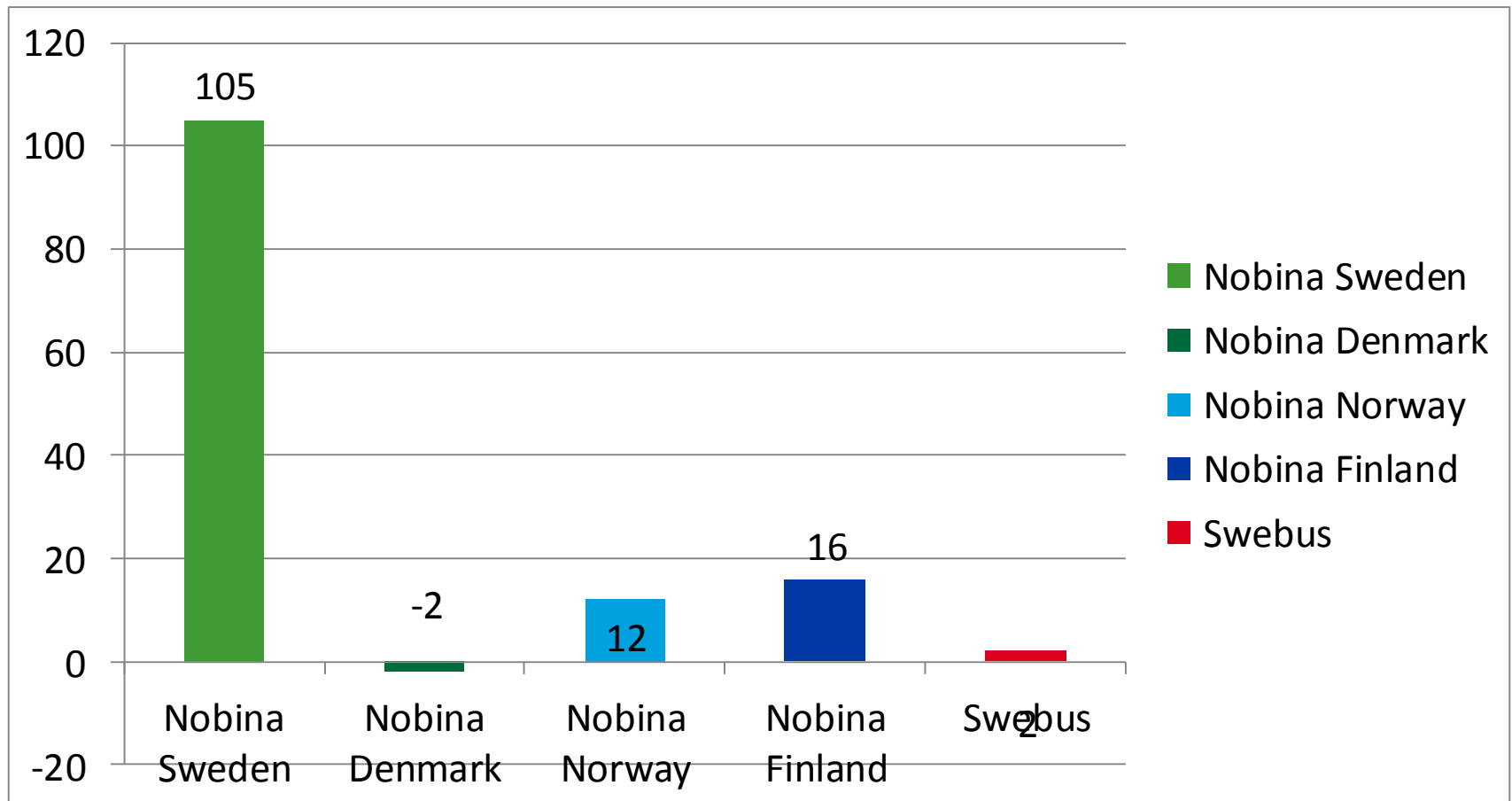


EBIT per business segment

MSEK	Q3			YTD		
	13/14	12/13	△	13/14	12/13	△
Sweden	105	94	11	268	260	8
Denmark	-2	-6	4	-11	-17	6
Norway	12	1	11	20	-12	32
Finland	16	12	4	34	21	13
Total Regional	131	101	30	311	252	59
Interregional	2	-4	6	5	9	-4
HQ and other	-11	-16	5	-22	-32	10
EBIT	122	81	41	294	229	65
Financial net	-55	-81	26	-183	-186	3
PBT	67	0	67	111	43	68

- Regional business was above last year's EBIT by SEK +30 million in Q2 and +59 YTD.
 - Sweden improved further in Q3, driven by positive indexation and stable contract migration.
 - Denmark negative EBIT was less than last year also in Q3 due to YTD including positive efficiency effects, higher maintenance and SEK 1 million bus write-offs due to an accident.
 - Norway Q3 was again significantly better than last year. Most contracts continued to improve in Q3, including Tromsö which is gaining further attention.
 - Strong operational performance after successful earlier start-ups leads to strong Q3 and YTD EBIT in Finland.
- Interregional EBIT positive in Q3 vs negative prior year. YTD EBIT positive. Negative passenger trend and price competition compensated by network cost savings and positive effect of Arlanda Air shuttle close down.
- HQ costs continue to be lower than last year.

Third quarter operating profit (SEK million) per business area



Cash flow

MSEK	Q3			YTD		
	13/14	12/13	△	13/14	12/13	△
Cash flow from operations before changes in working capital	249	193	56	670	559	111
Changes in working capital	-69	96	-165	-119	134	-253
Interest received and tax payments	3	1	2	3	3	0
Cash flow from operations after changes in working capital	183	290	-107	554	696	-142
Changes in cash deposits	18	4	14	20	-11	31
Net investments	-14	-29	15	-32	-96	64
Divestments	8	7	1	10	21	-11
Cash flow from investing activities	12	-18	30	-2	-86	84
Lease amortization	-116	-115	-1	-363	-317	-46
Interest paid	-76	-104	28	-195	-195	0
Other financing items	0	-33	33	0	-33	33
Cash flow from financing activities	-192	-252	60	-558	-545	-13
Cash flow for the period	3	20	-17	-6	65	-71
Available cash *)	131	171	-40	131	171	-40

*) Restricted cash of SEK 152 million (164) not included

- Cash flow was positive in Q3 reducing YTD negative cash flow.
- Significantly improved cash flow from operations before working capital, both in Q3 and YTD.
- Working capital negatively impacted for Q3 by MSEK 54 PTA Receivables paid after quarter end, and for YTD by MSEK 30 of PTA receivables paid in advance before start of year. Negative balance of Accounts payable.
- Positive investment activities in Q3 due to the divestment of used buses.
- Cash flow from financing activities in Q3 improved due to last year's refinancing activities.

CAPEX

MSEK	Q3			YTD		
	13/14	12/13	△	13/14	12/13	△
Investments in new buses	31	435	-404	67	1 102	-1 035
Other investments	14	29	-15	32	96	-64
Total Investments	45	464	-419	99	1 198	-1 099
Lease financing	-31	-435	404	-67	-1 102	1 035
Net Capex	14	29	-15	32	96	-64

- Total Capex of SEK 45 million (464) in Q3 and SEK 99 million (1 198) YTD
- Big decrease in bus investments, by SEK -404 million to SEK 31 million in Q3 and by SEK -1 035 million to SEK 67 million YTD due to very low level of start up of new contracts.
- Cash-financed miscellaneous Capex total was low in both Q3 and YTD, due to limited contract start up activities
- All new buses have been lease financed.

Nobina Europe AB Group

MSEK	Q3 13/14	12/13	△	YTD 13/14	12/13	△
Net revenues	1 899	1 888	11	5 478	5 461	17
Operating costs	-1 834	-1 864	30	-5 377	-5 412	35
EBIT	65	24	41	101	49	52
Finance net	14	-10	24	28	32	-4
Profit before tax	79	14	65	129	81	48
Split of finance net	13/14	12/13	△	13/14	12/13	△
Interest net	19	9	10	38	16	22
FX net *	-5	-19	14	-10	16	-26
Total	14	-10	24	28	32	-4
*of which FX P/L on Senior Notes	0	-12	12	0	18	-18

Everyone wants to travel with us

- We are here for our customers
- We strive for continuous development
- We respect each other
- We safeguard good leadership
- We care



Armégatan 38, 171 54 Solna, Sweden

Telephone: +46 8 4106 5000

Fax: +46 8 272303

www.nobina.com