



NOBINA AB

INVESTOR PRESENTATION, Q1, MARCH – MAY 2016

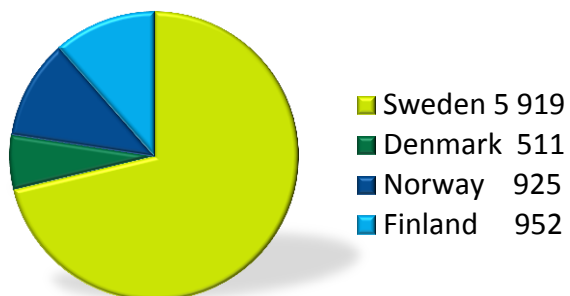


LARGEST PUBLIC TRANSPORT COMPANY IN THE NORDIC REGION

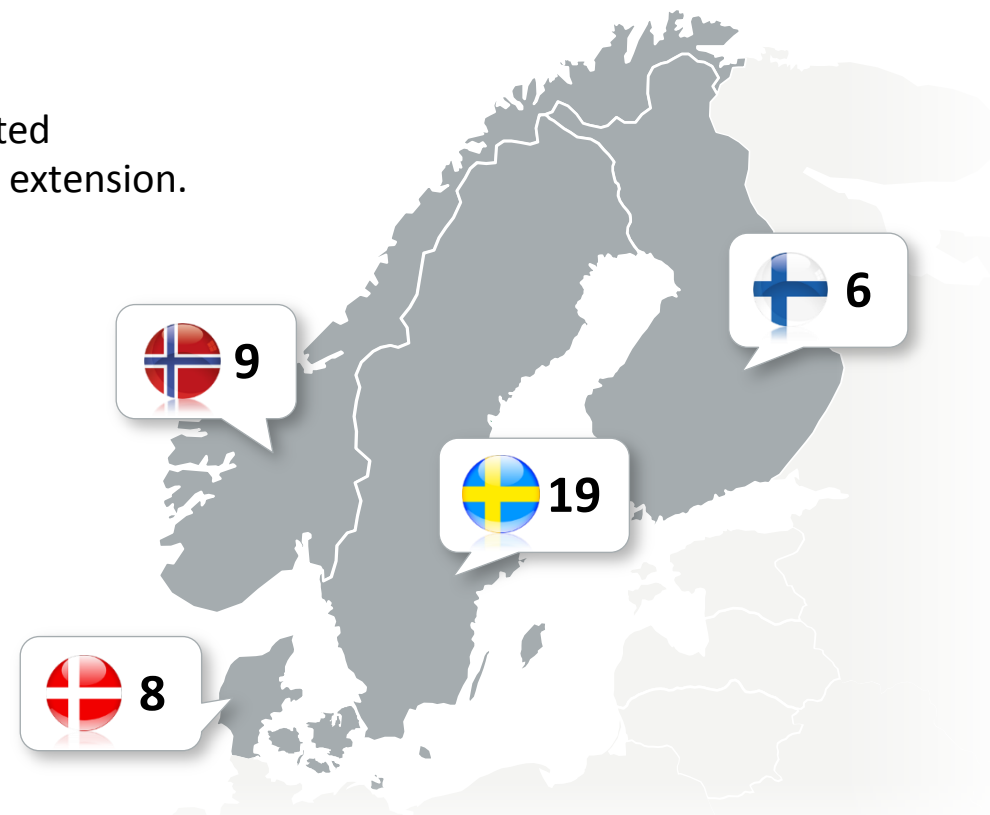
- Nobina's economies of scale, market expertise and outstanding bus fleet, combined with long-term delivery of quality, make Nobina the industry leader in terms of profitability.
- Stable operations and growing market. More than 95% of revenues supported by long term contracts, typically lasting 5-10 years with a potential 1-2 year extension.
- Nobina aims to grow profitability through active contract and portfolio management and to increase the value added by delivering benefits to passengers, clients and society.

Nobina - Net sales per country

2015/16 (SEK billion)



Total market - Annual net sales per country (SEK billion)



Source: Approximation based on Nobina's data

FINANCIAL OVERVIEW Q1

NET SALES SEK million 2,224 (1,995)	EBIT SEK million 121 (106) ¹⁾	EBT SEK million 86 (61) ¹⁾	CASH FLOW SEK million 32 (-19) ¹⁾
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Q1 FINANCIAL HIGHLIGHTS

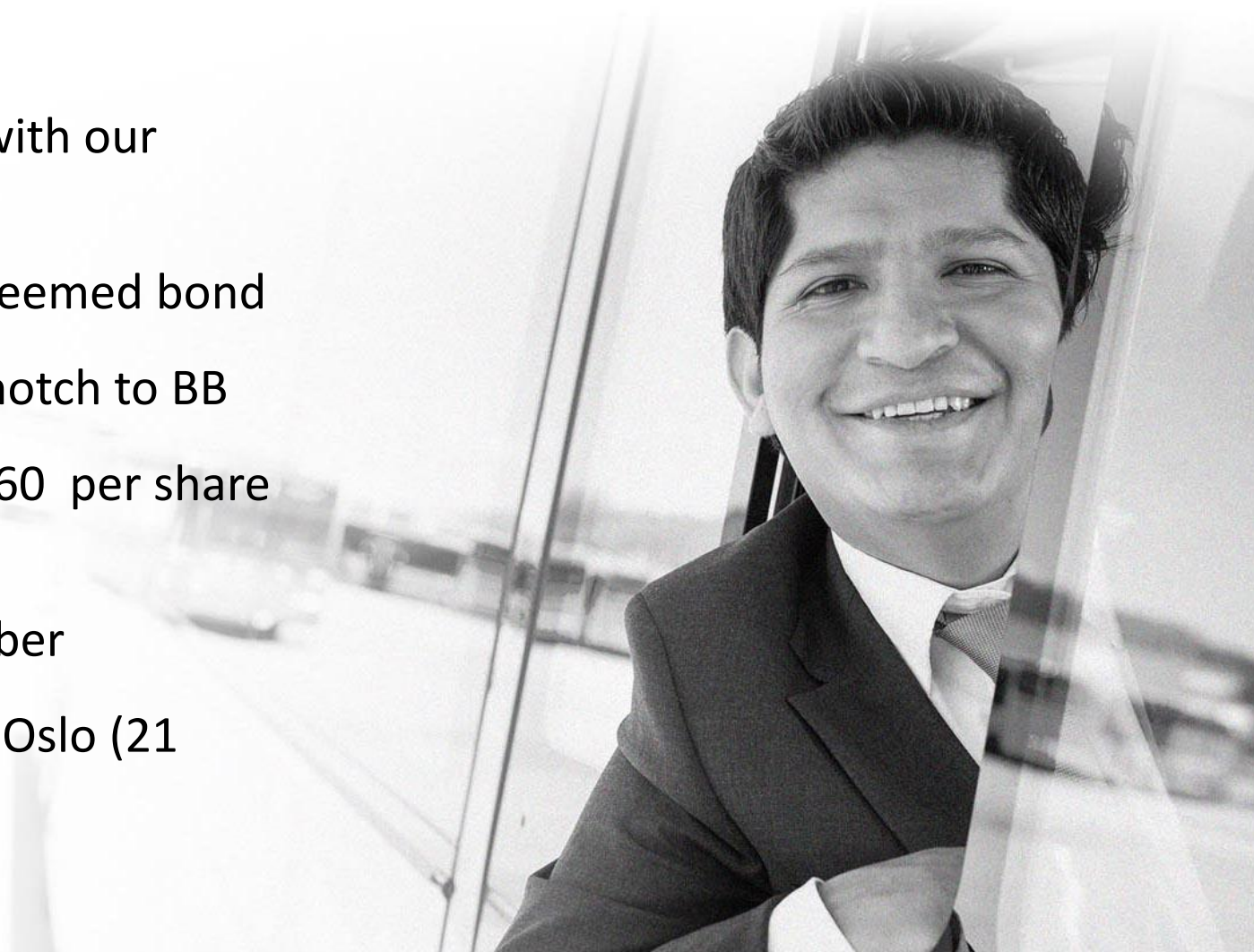
- Record high net sales, increase of 11.5% driven by new traffic contracts and revenue indexation.
- Strong EBT of SEK 86 million, all segments performing well.
- Cash flow from operations before changes in working capital increased to SEK 286 million (152).
- Investments of SEK 112 million (47) in buses and other equipment.

1) Last year adjusted for non-recurring items in connection with the IPO



SIGNIFICANT EVENTS

- Record-high net sales and results in line with our expectations and financial targets
- Reduced interest costs from previous redeemed bond
- Improved credit rating from S&P by one notch to BB
- AGM approved dividend proposal; SEK 2.60 per share dividend, which was paid out on June 8
- Axel Hjärne was elected new board member
- After the quarter, Nobina won tenders in Oslo (21 buses) and Skåne (45 buses)



BUSINESS DEVELOPMENT

- Sweden managing new contracts in Södertörn and Värmland in line with expectations and showing continued improved performance
- Copenhagen contract performance on plan and contributes to Denmark improvement
- New business areas in Swebus continue to show growth, partly offsetting decline in express bus services
- Nobina Technology secured external financing from Drive Sweden
- New customer applications in Nobina app launched during the quarter, including new ticket purchase function



MARKET UPDATE

- The construction of parts of the Helsinki metro is delayed, leading to upcoming demand for extra bus services
- Stockholm will host UITP's world congress for public transport in 2019, expected to attract around 2,000 delegates and 15,000 visitors
- National agreement in Finland for >90% of all employees has been signed between unions, employees and government. Bus drivers union and some other groups did not sign.



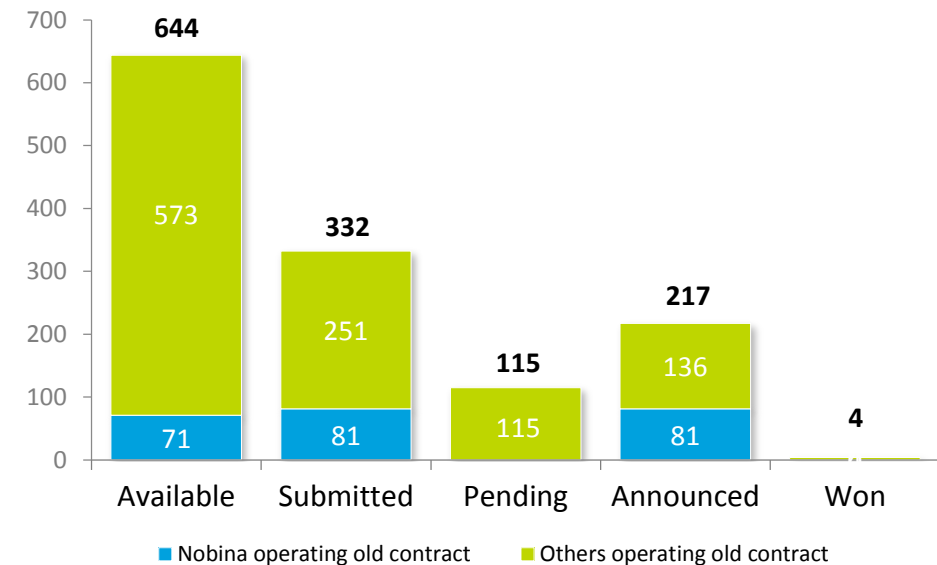
TENDER RESULTS – YTD

- Nobina submitted tenders for 217 buses
- Nobina won 4 buses, i.e. 5% of submitted tenders

March – May 2016	Tender results during the period (number of buses)	
	Announced	Won
Sweden	154	4
Norway	0	0
Finland	0	0
Denmark	63	0
Total	217	4

Tender update

Number of buses



Definitions:

Available – Remaining buses available in tenders this year

Submitted – Number of buses in tenders submitted by Nobina

Pending – Submitted less announced

Announced – Submitted tenders, results are announced

Won – Nobina's wins out of announced tenders

CONTRACT MIGRATION, YTD

- Nobina started contracts involving 8 buses during the period
- Nobina did not end any contracts during the period

March – May 2017	Traffic changes during the period (number of buses)	
	Started	Ended
Sweden	0	0
Norway	0	0
Finland	0	0
Denmark	8	0
Total	8	0

**AVERAGE WEIGHTED
CONTRACT LENGTH** (Last year)

8.1
(8.6)

**AVERAGE WEIGHTED
CONTRACT AGE** (Last year)

4.0
(4.8)

AVERAGE AGE OF BUS FLEET
(Last year)

5.7
(6.0)

CONTRACT MIGRATION, COMING 12M

Traffic starts June 2016 – May 2017

PTA	No. of years	Traffic start	No. of buses	New buses
Östgötatrafiken	6	Jun 2016	27	0
SL	10	Aug 2016	79	45
SL	8	Aug 2016	79	87
Värmlandstrafik	9	Aug 2016	7	8
HSL, Finland	7	Aug 2016	94	41
HSL, Finland	2	Aug 2016	13	2
Skånetrafiken	6	Dec 2016	48	7
LT Västernorrland	6	Dec 2016	4	0
Västtrafik	8	Apr 2017	58	38
Total			409	228

- Nobina will start new contracts involving a total of 409 in-service buses in the next 12 months

Expiring contracts June 2016 – May 2017

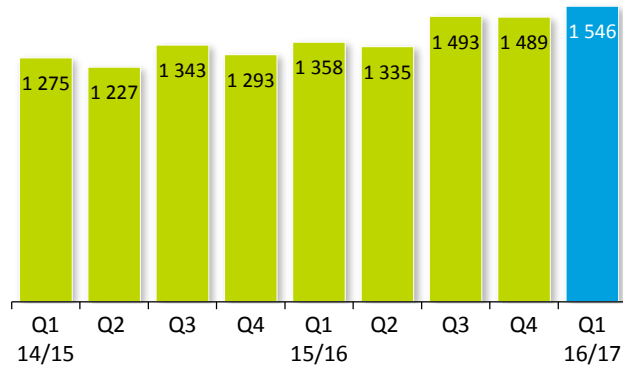
PTA	Traffic ending	No. of buses
LT Västerbotten	Jun 2016	53
Östgötatrafiken	Jun 2016	34
Västtrafik	Jun 2016	9
Värmlandstrafik	Jul 2016	3
SL	Aug 2016	158
HSL, Finland	Aug 2016	140
Skånetrafiken	Sep 2016	52
Skånetrafiken	Dec 2016	50
Stockholmståg	Dec 2016	8
Movia, Danmark	Dec 2016	7
Total		514

- Nobina will end contracts involving a total of 514 in-service buses

SWEDEN AND DENMARK - REGIONAL TRAFFIC

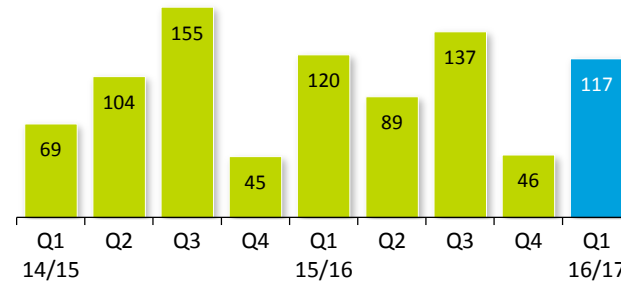
Sweden - Net sales

SEK million



Sweden - EBIT

SEK million

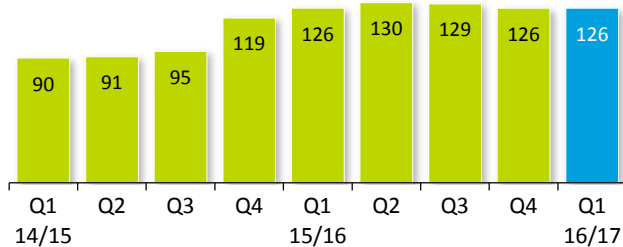


Q1 HIGHLIGHTS

- Net sales positively affected by incentive revenue and increased volumes from new contracts
- EBIT includes positive effects from contract migration, partly offset by less efficiency in bus maintenance

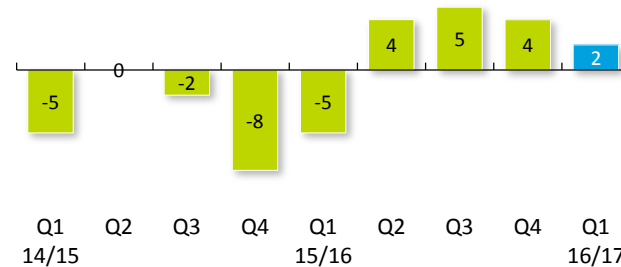
Denmark - Net sales

SEK million



Denmark - EBIT

SEK million



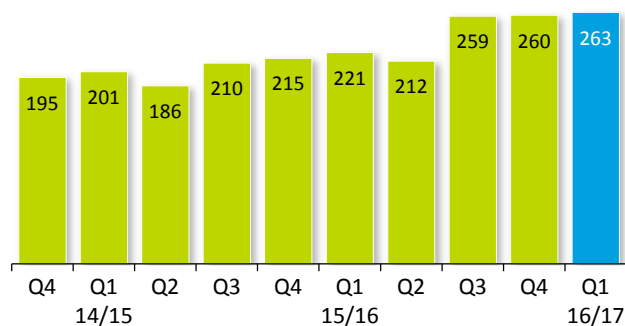
Q1 HIGHLIGHTS

- Net sales on same level as last year
- EBIT continues positive trend following strong performance in the Copenhagen contract as well as other contracts

FINLAND AND NORWAY - REGIONAL TRAFFIC

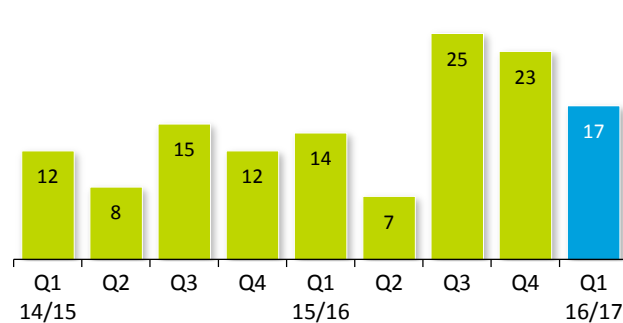
Finland - Net sales

SEK million



Finland - EBIT

SEK million

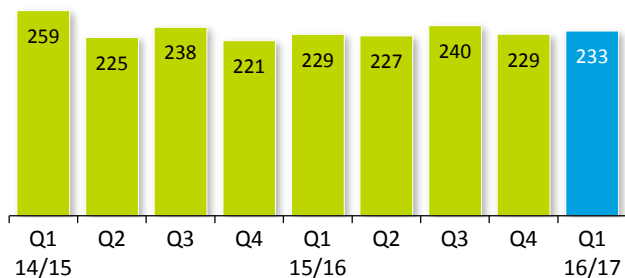


Q1 HIGHLIGHTS

- Growth from new contract starts and increased sales in existing contracts
- Favourable development of EBIT driven by improvements in existing contracts and well-performing new contracts

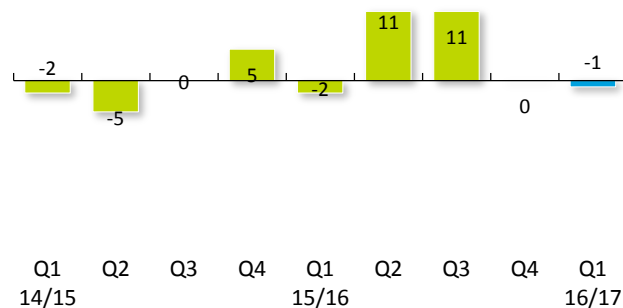
Norway - Net sales

SEK million



Norway - EBIT

SEK million



Q1 HIGHLIGHTS

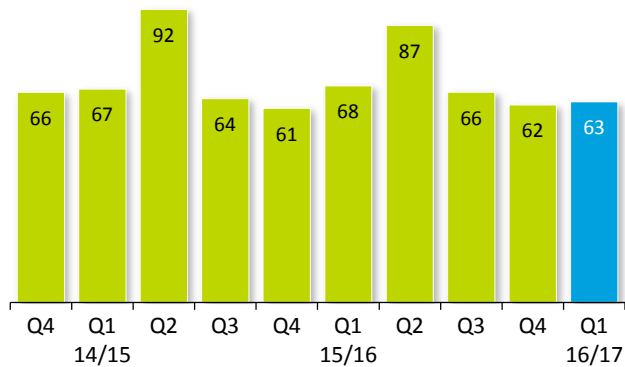
- Net sales on same level as last year
- EBIT includes favourable effects of performance improvements in several contracts, which is offset by negative index development

SWEBUS



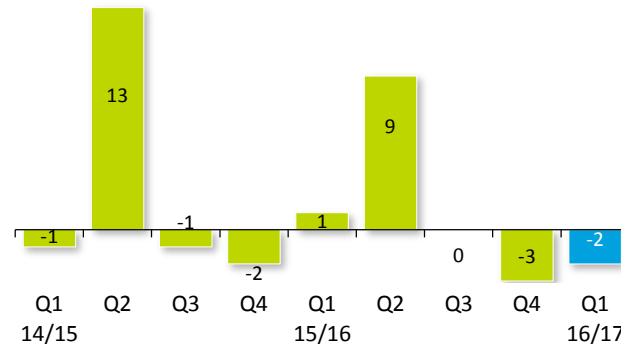
Swebus - Net sales

SEK million



Swebus - EBIT

SEK million



Q1 HIGHLIGHTS

- Net sales lower than last year due to low demand for express tickets, which is partly offset by favourable development in new focus areas
- EBIT is negatively affected by decline in express segment

RESULTS (LAST YEAR ADJUSTED FOR IPO)

SEK million	Q1 16/17	Q1 adj 15/16	Change	YTD 16/17	YTD adj 15/16	Change
Net sales	2 224	1 995	229	2 224	1 995	229
EBITDAR % of net sales	304 13.7%	257 12.9%	47	304 13.7%	257 12.9%	47
EBITDA % of net sales	293 13.2%	241 12.1%	52	293 13.2%	241 12.1%	52
EBIT % of net sales	121 5.4%	106 5.3%	15	121 5.4%	106 5.3%	15
Interest income	1	1	-	1	1	-
Interest expenses	-36	-47	11	-36	-47	11
FX net	0	1	-1	0	1	-1
EBT	86	61	25	86	61	25
Tax	-17	-2	-15	-17	-2	-15
Earnings after tax	69	59	10	69	59	10

KEY POINTS

- Net sales growth based on new contracts and indexation revenue
- EBT margin increase to 3.9% due to strong underlying development in new contracts as well as existing contracts
- Lower interest cost has favourable effect on EBT

IPO-RELATED COSTS

SEK million	Q1 16/17	Q1 15/16
EBT, adjusted	86	61
IPO-related transaction costs	-	-37
Incentive programme	-	-55
Transaction costs	-	-
Bond redemption	-	-
EBT	86	-31



RESULTS

SEK million	Q1 16/17	Q1 15/16	Change	YTD 16/17	YTD 15/16	Change
Net sales	2 224	1 995	229	2 224	1 995	229
EBITDAR % of net sales	304 13.7%	165 8.3%	139	304 13.7%	165 8.3%	139
EBITDA % of net sales	293 13.2%	149 7.5%	144	293 13.2%	149 7.5%	144
EBIT % of net sales	121 5.4%	14 0.7%	107	121 5.4%	14 0.7%	107
Interest income	1	1	-	1	1	-
Interest expenses	-36	-47	11	-36	-47	11
FX net	0	1	-1	0	1	-1
EBT	86	-31	117	86	-31	117
Tax	-17	-2	-15	-17	-2	-15
Earnings after tax	69	-33	102	69	-33	102

REVENUE AND EARNINGS BRIDGES YTD

SEK million	Net sales	EBT
YTD Mar – May 2015	1,995	-31
Price and volume	-2	3
Contract migration	219	18
Indexation	12	19
Operational efficiency		-15
Other		-10
Non-recurring items		92
Financial net		10
YTD Mar – May 2016	2,224	86

KEY POINTS

- Effects of price and volume are flat in the period
- Contract migration has positive effect on net sales and EBT coming from new contracts started last year
- Positive revenue indexation with impact on net sales and favourable cost development further improving EBT, impact coming mainly from Sweden
- Efficiency losses driven by higher maintenance costs in Sweden
- Other items include losses related to sale of buses
- Last year's first quarter included IPO costs of SEK 92 million
- Financial net impacted by lower interest costs after bond redemption and lower bus financing interest costs (improved terms and lower market rates)

CASH FLOW (LAST YEAR ADJUSTED FOR IPO)

SEK million	Q1 16/17	Q1 adj 15/16	Change	YTD 16/17	YTD adj 15/16	Change
Cash flow from operations before changes in working capital	286	166	120	286	166	120
Changes in working capital	-19	4	-23	-19	4	-23
Interest received and tax payment	1	0	1	1	0	1
Cash flow from operations after changes in working	268	170	98	268	170	98
Cash flow from investing activities	-67	-4	-63	-67	-4	-63
Cash flow from financing activities	-169	-185	16	-169	-185	16
Cash flow for the period	32	-19	51	32	-19	51

KEY POINTS

- Q1 last year adjusted for IPO-related items (as shown on slide 18).
- Changes in working capital seasonally weak in first quarter.
- Cash flow from investing activities includes SEK -96 million in bus and equipment investments, and SEK +23 million in released restricted cash.
- Cash flow from financing activities lower than last year thanks to redeemed bond reducing the quarter's interest costs by SEK 11 million and lower leasing interest payments.

IPO-RELATED CASH FLOW ITEMS

SEK million	Q1 16/17	Q1 15/16
Cash flow for the period, adjusted	32	-19
Transaction costs	-	-14
Incentive programme	-	-
<i>Items affecting cash flow from operations</i>	-	-14
New share issue	-	-
Costs of raising capital	-	-5
Bond repayment	-	-
Bond redemption fee	-	-
<i>Items affecting cash flow from financing activities</i>		-19
Cash flow for the period	32	-38



CASH FLOW

SEK million	Q1 16/17	Q1 15/16	Change	YTD 16/17	YTD 15/16	Change
Cash flow from operations before changes in working capital	286	152	134	286	152	134
Changes in working capital	-19	4	-23	-19	4	-23
Interest received and tax payment	1	0	1	1	0	1
Cash flow from operations after changes in working	268	156	112	268	156	112
Cash flow from investing activities	-67	-4	-63	-67	-4	-63
Cash flow from financing activities	-169	-190	21	-169	-190	21
Cash flow for the period	32	-38	70	32	-38	70

INVESTMENTS (CAPEX)

SEK million	Q1 16/17	Q4 15/16	Change	YTD 16/17	YTD 15/16	Change
Investments in new buses	-105	-39	-66	-105	-39	-66
Other investments	-7	-8	1	-7	-8	1
Total investments	-112	-47	-65	-112	-47	-65
Lease financing	16	31	-15	16	31	-15
Capex	-96	-16	-80	-96	-16	-80
Whereof: Loan financing of buses	50	18	32	50	18	32
Whereof: Cash financing	-46	2	-48	-46	2	-48

KEY POINTS

- Limited investments in the first quarter.
- Out of total investments of SEK 112 million, SEK 16 million were lease financed, SEK 50 million loan financed and SEK 46 million cash financed

BALANCE SHEET

SEK million	2016-05-31	2015-05-31	Change
ASSETS			
Total non-current assets	5 949	5 014	935
Trade receivables and other current rec.	873	931	-58
Restricted cash on bank accounts	1	106	-105
Cash and cash equivalents	715	413	302
Total current assets	1 589	1 450	139
TOTAL ASSETS	7 538	6 464	1 074
EQUITY AND LIABILITIES			
Shareholders' equity	1 180	274	906
Total non-current liabilities	3 971	3 269	702
Total current liabilities	2 387	2 921	-534
TOTAL LIABILITIES	7 538	6 464	1 074

KEY POINTS

- Balance sheet growth related to bus investments.
- Strengthened cash position to SEK 715 million (413), before payment of dividend SEK 230 million in June.
- Equity ratio increased to 15.7% (4.3%)
- Net debt was SEK 3,865 million (3,791)
- Net debt/EBITDA was 3.8x (4.3x), and net debt/EBITDA adjusted for IPO costs was 3.4x (3.9x)

SUMMARY

- Strong first quarter, with record net sales and earnings, in line with our expectations and financial targets
- First year as a listed company has passed, and Nobina has attained improved credibility, transparency and a stronger position
- AGM decided on dividend proposal of SEK 2.60 per share, which was paid on June 8th



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EVERYBODY WANTS TO TRAVEL WITH US

Our customers' needs is our reason for being
In all we do, we strive to develop
We respect each other
We foster solid leadership
We care

