



NOBINA AB

INVESTOR PRESENTATION, YEAR-END REPORT MARCH 2016 – FEBRUARY 2017

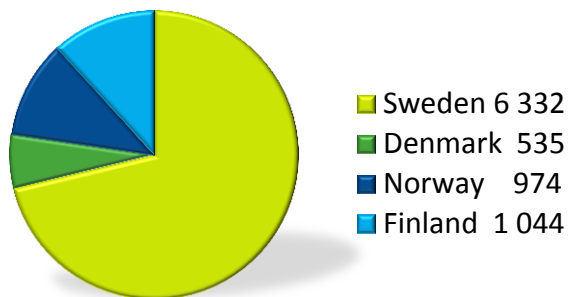


LARGEST PUBLIC TRANSPORT COMPANY IN THE NORDIC REGION

- 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.

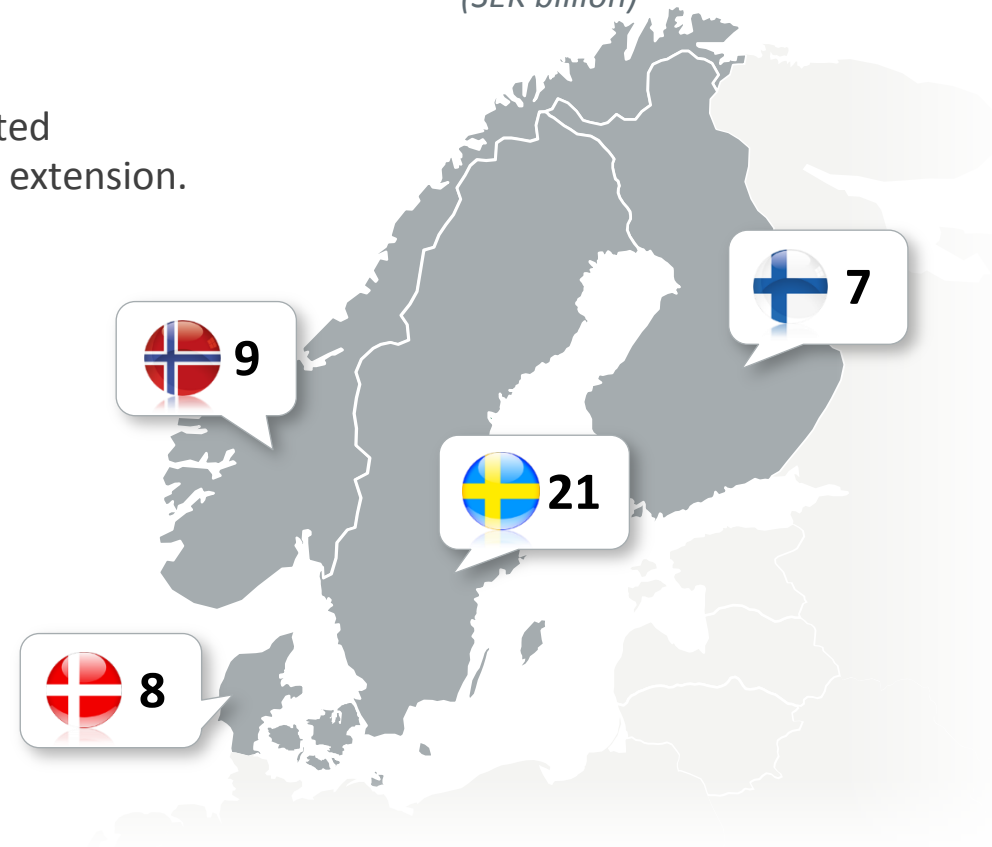
Nobina - Net sales per country

2016/17 (SEK billion)



Total market - Annual net sales per country

(SEK billion)



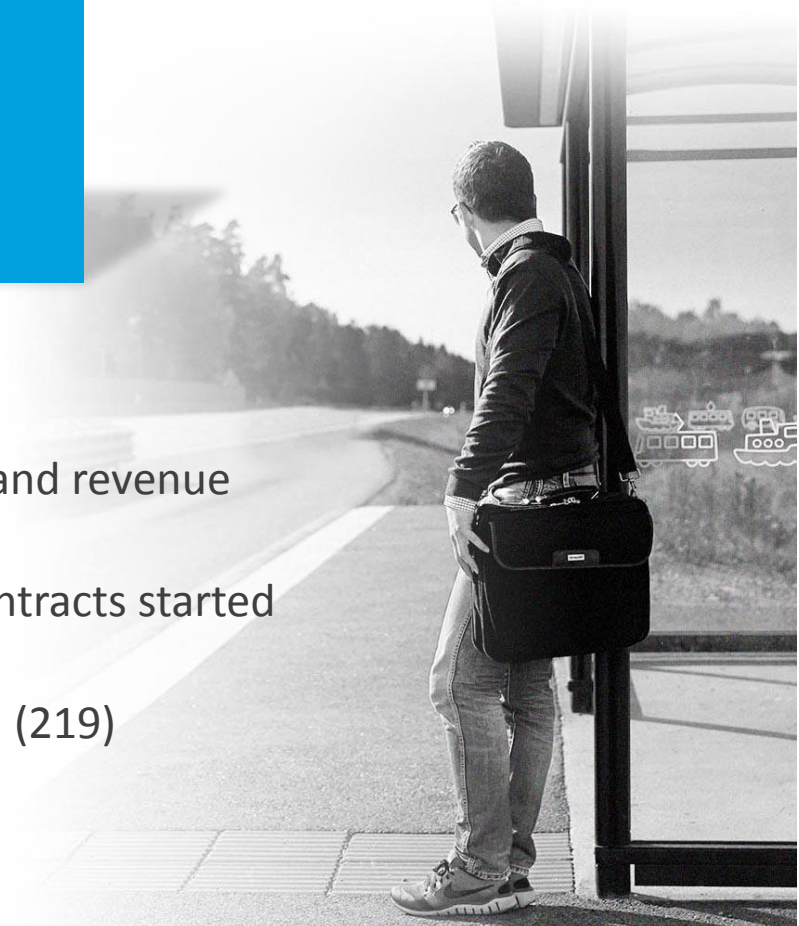
Source: Approximation based on Nobina's data

FINANCIAL OVERVIEW Q4

NET SALES SEK million 2,243 (2,161)	EBIT SEK million 63 (58)	EBT SEK million 31 (20)	CASH FLOW SEK million 101 (246)
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Q4 FINANCIAL HIGHLIGHTS

- Net sales grew 3.8% driven by passenger driven revenue, indexation of revenue and revenue from negotiations
- Continued strong EBT of SEK 31 million supported by positive development in contracts started during this and previous year
- Cash flow from operations before changes in working capital SEK was 232 million (219)
- Investments of SEK 108 million (468) in buses and other equipment



FINANCIAL OVERVIEW YTD

NET SALES SEK million 8,858 (8,317)	EBIT SEK million 494 (462) ¹⁾	EBT SEK million 355 (299) ¹⁾	CASH FLOW SEK million 114 (266) ¹⁾
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YTD FINANCIAL HIGHLIGHTS

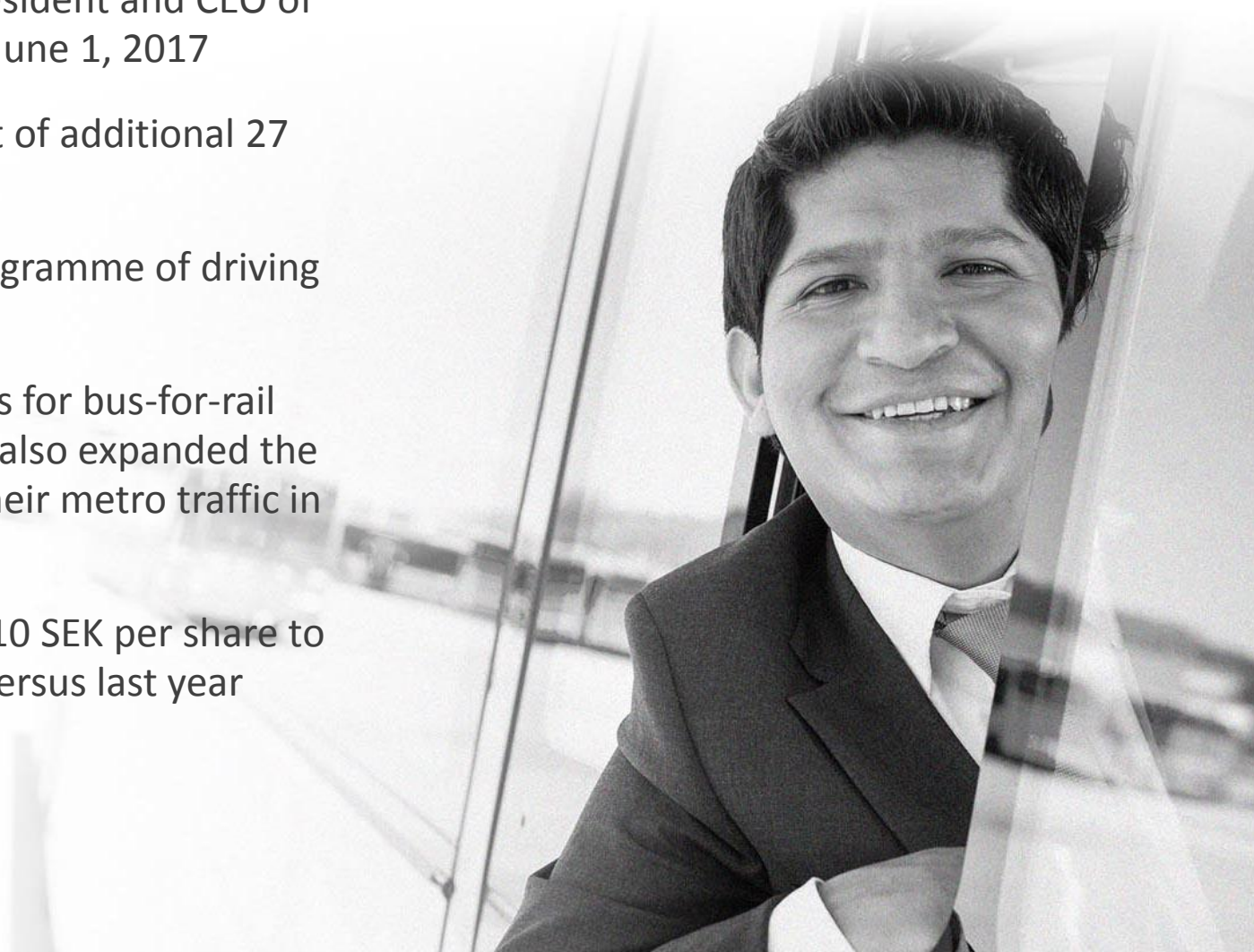
- Net sales growth of 6.5% from new and existing contracts as well as extra traffic
- Continued strong EBT accumulating to SEK 355 million
- Cash flow from operations before changes in working capital increased to SEK 1,179 million (1,070)
- Total cash flow amounting to SEK 114 million includes dividend payment of SEK 230 million
- Investments of SEK 844 million (1,671) in buses and other equipment

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



SIGNIFICANT EVENTS

- Magnus Rosén has been appointed as the new President and CEO of Nobina AB and will take up his new position as of June 1, 2017
- In December 2016 Nobina was awarded a contract of additional 27 buses in Helsinki
- Nobina is to participate in a two-year long test programme of driving electric articulated buses for the PTA Ruter in Oslo
- Tågkompaniet and Nobina have signed agreements for bus-for-rail services in six counties in Sweden and Nobina has also expanded the bus-for-rail agreement with MTR to also include their metro traffic in Stockholm
- Board of Directors have proposed a dividend of 3,10 SEK per share to be paid in June, 2017, an increase of 19 per cent versus last year



BUSINESS DEVELOPMENT

- Solid performance in Sweden and Finland
- Newly started contracts in Sweden performing well
- Volume increase in several contracts, mainly in Sweden and Finland
- Further improved customer satisfaction in customer surveys
- Successful fleet management resulted in lower residual value losses than last year



MARKET UPDATE

- Following traffic reduction in Copenhagen, Hillerød commune have provided funding to have their bus traffic re-started again
- Favorable development of contract terms among PTA's in the Norwegian market
- Growing interest for electric buses solutions among the PTA's affecting both in existing and new contracts
- 85% of Danish competitor U MOVE acquired by CUBE infrastructure fund who since before have a majority investment in Norwegian operator Boreal



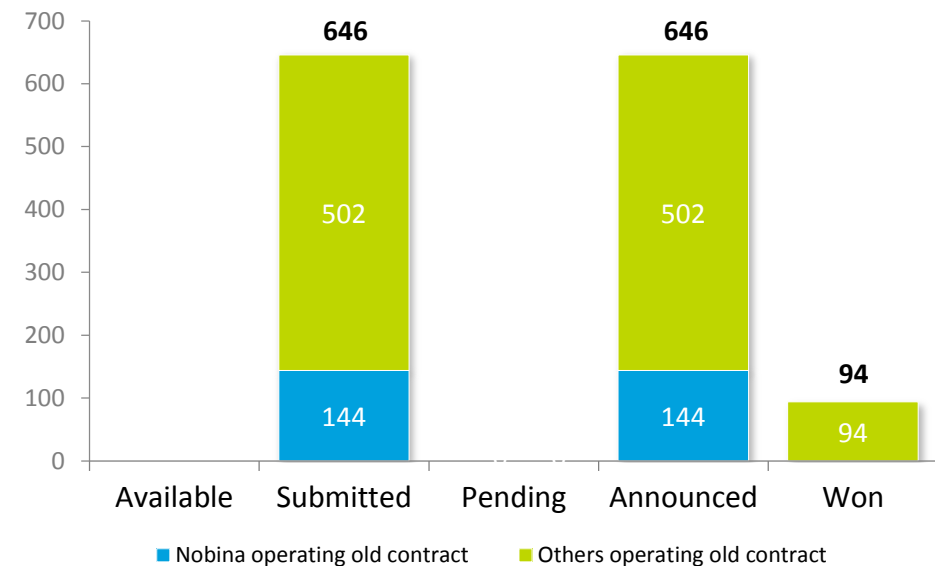
TENDER RESULTS – YTD

- Nobina submitted tenders for 646 buses
- Nobina won 94 buses, i.e. 15% of submitted tenders

March 2016 – February 2017	Tender results during the period (number of buses)	
	Announced	Won
Sweden	216	46
Norway	201	21
Finland	69	27
Denmark	160	0
Total	646	94

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 357 buses during the period
- Nobina ended contracts involving 505 buses during the period

March 2016 – February 2017	Traffic changes during the period (number of buses)	
	Started	Ended
Sweden	242	359
Norway	0	0
Finland	107	140
Denmark	8	6
Total	357	505

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

8.2
(7.5)

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

3.7
(3.6)

AVERAGE AGE OF BUS FLEET
(Last year)

5.6
(5.5)

CONTRACT MIGRATION, COMING 12M

Traffic starts March 2017 – February 2018

PTA	No. of years	Traffic start	No. of buses	New buses
Västtrafik, Sweden	8	Apr 2017	58	38
Ruter, Norway	3	Apr 2017	21	24
HSL, Finland	7	Aug 2017	8	7
HSL, Finland	2	Aug 2017	19	0
Skånetrafiken, Sweden	4	Dec 2017	42	12
Total			148	81

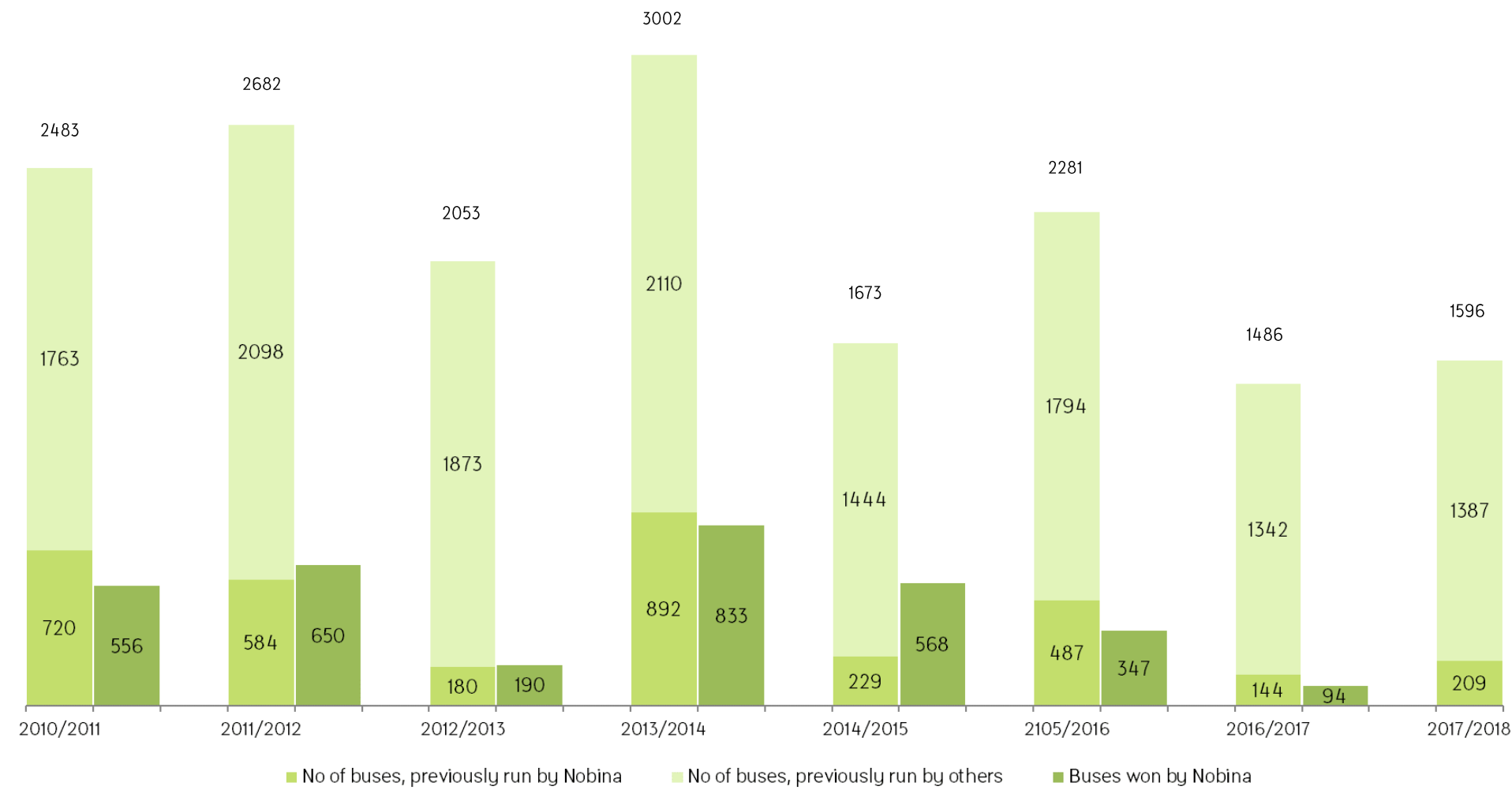
- Nobina will start new contracts involving a total of 148 in-service buses in the next 12 months

Expiring contracts March 2017 –February 2018

PTA	Traffic ending	No. of buses
Skyss, Norway	Jun 2017	44
HSL, Finland	Aug 2017	16
Kalmar LT, Sweden	Aug 2017	78
Total		138

- Nobina will end contracts involving a total of 138 in-service buses

TOTAL AVAILABLE TENDERS

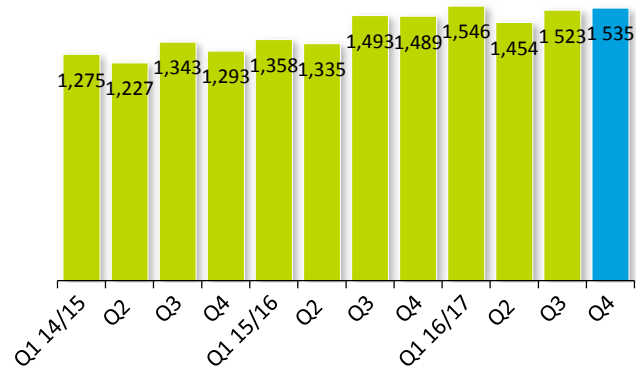


Figures represent number of buses in announced tenders for historical periods and tender outlook for 2017/18

SWEDEN AND DENMARK - REGIONAL TRAFFIC

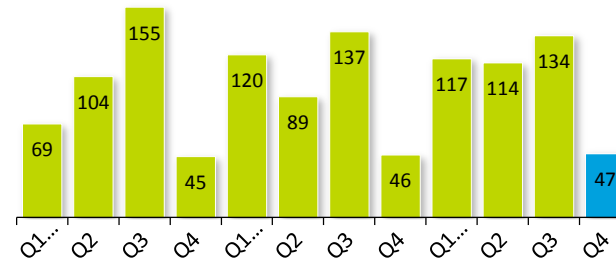
Sweden - Net sales

SEK million



Sweden - EBIT

SEK million

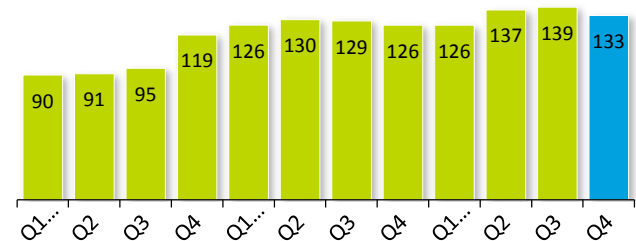


Q4 HIGHLIGHTS

- Net sales positively affected by contract starts offset partly by contract closures
- EBIT includes effects from new contracts with initially lower margins as well as positive effects from negotiations

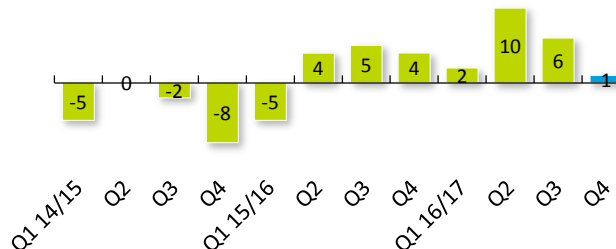
Denmark - Net sales

SEK million



Denmark - EBIT

SEK million



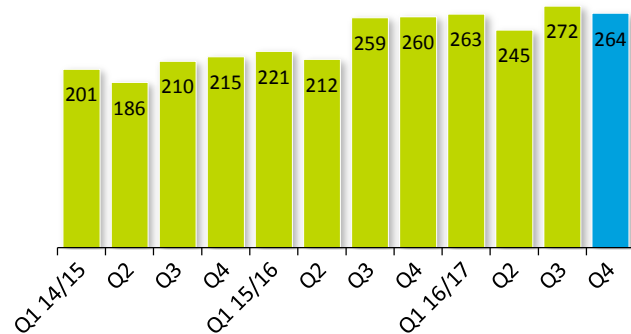
Q4 HIGHLIGHTS

- Net sales increased as a result of increased volumes in existing contracts
- EBIT in line with last year and includes cost from reconciliation of VAT set up implemented during the year
- Nobina's contract regarding bus traffic in Randers has been extended for two years

FINLAND AND NORWAY - REGIONAL TRAFFIC

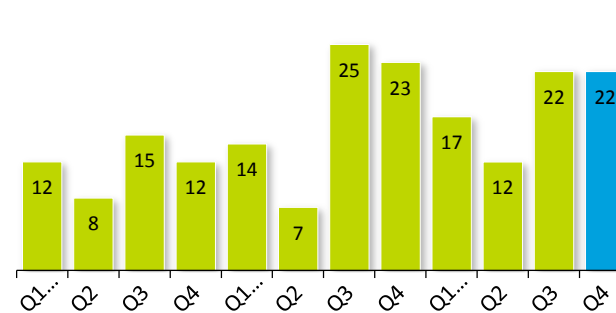
Finland - Net sales

SEK million



Finland - EBIT

SEK million

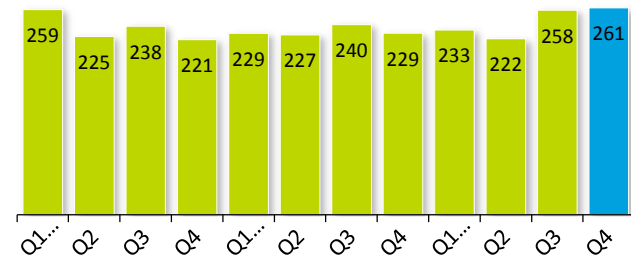


Q4 HIGHLIGHTS

- Net sales in line with fourth quarter of last year
- EBIT in line with last year
- Extra traffic due to metro delays in Helsinki

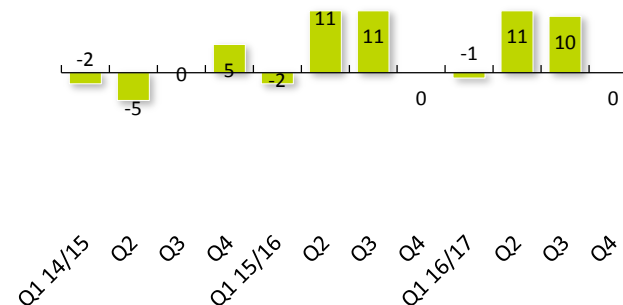
Norway - Net sales

SEK million



Norway - EBIT

SEK million



Q4 HIGHLIGHTS

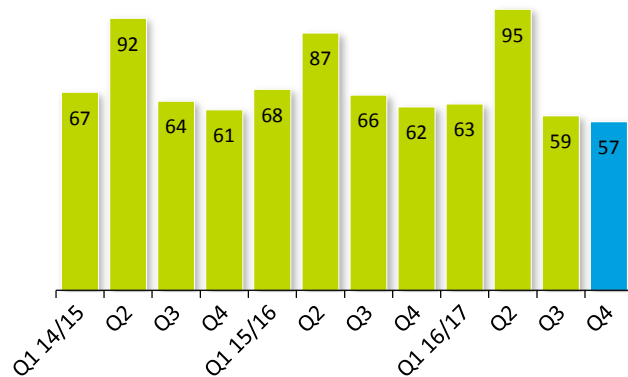
- Net sales increased compared to fourth quarter of last year from existing contracts
- EBIT in line with last year with good underlying performance in operations

SWEBUS



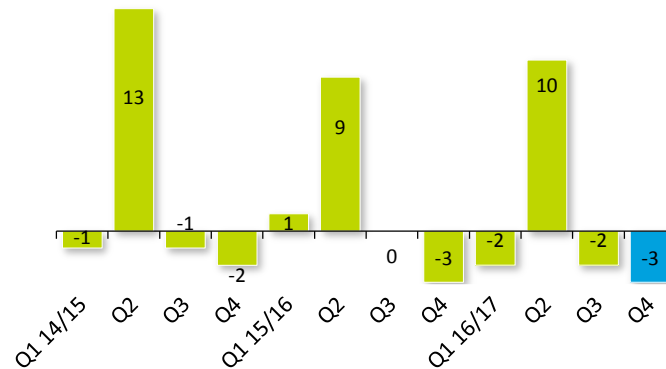
Swebus - Net sales

SEK million



Swebus - EBIT

SEK million



Q4 HIGHLIGHTS

- Net sales decreased compared to fourth quarter of last year due to lower express bus volumes
- EBIT in line with last year despite lower volumes driven by cost control

RESULTS (LAST YEAR ADJUSTED FOR IPO)

SEK million	Q4 16/17	Q4 15/16	Change	YTD 16/17	YTD adj 15/16	Change
Net sales	2,243	2,161	82	8,858	8,317	541
EBITDAR	235	242	-7	1,215	1,141	74
% of net sales	10,5%	11.2%		13,7%	13.7%	
EBITDA	220	227	-7	1,161	1,083	78
% of net sales	9,8%	10.5%		13,1%	13.0%	
EBIT	63	58	5	494	462	32
% of net sales	2,8%	2.7%		5,6%	5.6%	
Interest income	-	1	-1	1	3	-
Interest expenses	-34	-39	5	-143	-167	22
FX net	2	-	2	3	1	2
EBT	31	20	11	355	299	56
% of net sales	1.4%	0.9%		4.0%	3.5%	
Tax	236	-12	247	163	2	161
Earnings after tax	267	8	259	518	301	217

KEY POINTS

- Net sales growth based on passenger driven revenue, indexation of revenue and revenue from negotiations
- EBT margin increase to 1.4% for the quarter due to strong underlying development in contracts started during this and previous year
- Lower interest cost has additional favorable effect on EBT

REVENUE AND EARNINGS ANALYSES YTD

SEK million	Net sales	EBT
YTD Mar 2015 – Feb 2016	8,317	2
Price and volume	220	49
Contract migration	232	52
Indexation	89	38
Operational efficiency	-	-60
Other	-	-47
Non-recurring items	-	204
Financial net	-	117
YTD Mar 2016 – Feb 2017	8,858	355

KEY POINTS

- Effects of price and volume favorable both regarding net sales and EBT driven by increase in extra traffic, negotiations and additional volume from existing contracts
- Contract migration has a positive effect on net sales and EBT coming from new contracts started last year. Despite lower initial margins from contracts started in the period these contracts have had a positive EBT impact
- Positive revenue indexation for the period impacts net sales and favorable cost development further improving EBT, main effect in first two quarters but positive outcome also in quarter four
- Efficiency losses driven by lower personnel efficiency in Sweden and higher bus maintenance costs which includes costs related to supplier quality claims, higher technology content and higher fleet optimization
- Other includes IT development and cost for improved depot structure
- Last year included IPO costs of SEK 204 million
- Financial net impacted by lower interest costs after bond redemption and lower bus financing interest costs (improved terms and lower market rates). Last year included cost for bond redemption of SEK 93 million

CASH FLOW (LAST YEAR ADJUSTED FOR IPO)

SEK million	Q4 16/17	Q4 15/16	Change	YTD 16/17	YTD adj 15/16	Change
Cash flow from operations before changes in working capital	232	219	13	1 179	1 070	109
Changes in working capital	104	170	-66	54	-18	72
Interest received and tax payment	-	-	-	1	2	-1
Cash flow from operations after changes in working capital	336	389	-53	1 234	1 054	180
Cash flow from investing activities	-45	72	-117	-106	-68	-38
Cash flow from financing activities	-190	-215	25	-1 014	-720	-294
Cash flow for the period	101	246	-145	114	266	-152

KEY POINTS

- YTD last year adjusted for IPO-related items
- Strong cash flow from operations before working capital following result improvements
- Timing effect on payable due dates in Q4 and improved contract payment terms improves working capital compared to last year
- Investing activities YTD includes residual value purchase of buses balanced out by proceeds from bus divestments of SEK 160 million
- Cash flow from financing activities includes paid out dividend of SEK -230 million

INVESTMENTS (CAPEX)

SEK million	Q4 16/17	Q4 15/16	Change	YTD 16/17	YTD 15/16	Change
Investments in new buses	-98	-466	368	-811	-1 617	806
Other investments	-10	-2	-8	-33	-54	21
Total investments	-108	-468	360	-844	-1 671	827
Lease financing	61	452	-391	554	1 478	-924
Capex	-47	-16	-31	-290	-193	-97
Whereof: Loan financing of buses	14	1	13	64	109	-45
Whereof: Cash financing	-33	-15	-18	-226	-84	-142

KEY POINTS

- Investments in new buses primarily related to August traffic starts
- Out of total investments of SEK 844 million, SEK 554 million was lease financed, SEK 64 million loan financed and SEK 226 million cash financed

BALANCE SHEET

SEK million	2017-02-28	2016-02-29	Change
ASSETS			
Total non-current assets	6,201	6,058	143
Trade receivables and other current rec.	952	893	59
Restricted cash on bank accounts	-	24	-24
Cash and cash equivalents	804	683	121
Total current assets	1,756	1,600	156
TOTAL ASSETS	7,957	7,658	299
EQUITY AND LIABILITIES			
Shareholders' equity	1,421	1,110	311
Total non-current liabilities	4,058	4,116	-58
Total current liabilities	2,478	2,432	46
TOTAL LIABILITIES	7,957	7,658	299

KEY POINTS

- Balance sheet growth related to bus investments
- Strengthened cash position to SEK 804 million (683)
- Equity ratio increased to 17.9% (14.5%)
- Net debt was SEK 3,753 million (4,022)
- Net debt/EBITDA was 3.2x (4.6x)

SUMMARY

- Further improved net sales and EBT margin
- Board suggests increased dividend
- Good performance in contracts started during the last two fiscal years
- Nobina's bus-for-rail concept well received in the market



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TO TRAVEL WITH US**

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Our customers' needs is our reason for being

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We respect each other

We foster solid leadership

We care

