Who is NFI?

**Bus Design & Manufacture**
- North America’s largest heavy-duty public transit bus manufacturer and the leader in Zero-Emission Bus (ZEB) transit
- North American market leader in motor coaches for both Public and Private operators
- U.K.’s largest bus and motor coach manufacturer with leading share in Hong Kong and New Zealand and a growing global presence.
- North America’s disruptive low-floor cutaway and medium-duty transit bus leader

**Part Fabrication**
- Captive fiberglass reinforced plastic fabricator for MCI, New Flyer and ADL
- Captive parts fabricator for New Flyer, ARBOC and NFI Parts. Plans to fabricate for MCI and ADL beyond 2020

**Parts and Service**
- North America’s largest bus and motor coach parts distributor
- UK’s leading bus parts distributor and aftermarket service support network
- Supports eMobility projects from start to finish
- North America’s first innovation lab dedicated to the exploration and advancement of bus and coach technology
Why Invest In NFI?

**Track Record**

- Trusted business partner with over 300 years of combined bus and motor coach design and manufacturing experience
- 5 year Q2 2019 LTM Revenue CAGR of 13.1% and Adj. EBITDA CAGR of 21.5%
- Peer Leading\(^{(1)}\) 11.6% Q2 2019 LTM Adj. EBITDA margin
- History of sustainable dividends: 13.3% annual growth in annual dividend in 2019 with 51% Q2 2019 LTM payout ratio
- Multi-year North American backlog\(^{(2)}\) of 9,997 EUs ($4.8B)
- Recently acquired ADL (2014 – 2018 revenue CAGR of 10.5%)
- Prudent capital management focused on investing in business operations, strategic acquisitions and **returning cash to shareholders** through Dividends and NCIB

**Our Differentiators**

- Market leading positions in US, Canada, UK, Hong Kong and New Zealand with strong portfolios in Singapore, Malaysia and Mexico
- Growing presence in Switzerland and Germany (gateway into continental Europe)
- ~80% of revenue driven by public (i.e. government funded) customers
- Vertically integrated North American fabrication processes
- Proven propulsion agnostic bus platforms: clean diesel, natural gas, hybrid and zero-emission (trolley, battery and fuel-cell)
- Track record of innovation: electric trolleys, low-floor transit buses, CNG propulsion, battery-electric, low-entry motor coach, Vehicle Innovation Center, Infrastructure Solutions, Double-Deck buses, etc.


\(^{(2)}\) Excludes ADL North American backlog

All figures are in U.S. dollars unless otherwise noted

See Appendix for Forward Looking Statements and Financial Terms, Definitions and Conditions
Proven Strategic Growth and Diversification

- Proven LEAN operations track record
- Demonstrated margin expansion
- Strategic part fabrication capability
- Accretive acquisitions
- Proven ability to integrate

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (SM)</th>
<th>Adj. EBITDA (SM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$984</td>
<td>$97</td>
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<tr>
<td>2011</td>
<td>$926</td>
<td>$80</td>
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<td>2012</td>
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<td>2014</td>
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<td>2015</td>
<td>$1,539</td>
<td>$151</td>
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<tr>
<td>2016</td>
<td>$2,274</td>
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<td>2017</td>
<td>$2,382</td>
<td>$318</td>
</tr>
<tr>
<td>2018</td>
<td>$2,519</td>
<td>$315</td>
</tr>
<tr>
<td>Q2 2019 LTM</td>
<td>$3,207</td>
<td>$328</td>
</tr>
</tbody>
</table>

1) See footnote on slide 3 and “Non-IFRS measures” under forward looking statements at the end of this presentation
2) Pro-forma combined business for the period July 2, 2018 to June 30, 2019 all ADL information related to the periods before the Acquisition Date are based on audited financial statements of ADL provided to NFI, which were prepared on the basis of UK GAAP. NFI has not independently verified such statements. ADL’s reported results above have been conformed to IFRS.
3) Only Q1 and Q2 2019 figures included within Q2 2019 LTM reflect the adoption of IFRS 16

Acquired US manufacturer of HD transit buses & parts distributor
Acquired Orion (transit bus parts business) from Daimler
Global bus body manufacturer equity investment in NFI
Acquired North America’s leading Coach manufacturer

KMG
Opened strategic Part Fabrication facility in KY

ARBOC
Acquired US OEM of low-floor cutaway and medium-duty buses

Acquired assets of US Fiberglass supplier

FRP Supplier

Acquired US part fabricator in 2010

NFI converted from IDS to Common Share

Acquired US Fiberglass supplier

Acquired US OEM of low-floor cutaway and medium-duty buses

Acquired UK market leader and global leader on Double Deckers

1) See footnote on slide 3 and “Non-IFRS measures” under forward looking statements at the end of this presentation
2) Pro-forma combined business for the period July 2, 2018 to June 30, 2019 all ADL information related to the periods before the Acquisition Date are based on audited financial statements of ADL provided to NFI, which were prepared on the basis of UK GAAP. NFI has not independently verified such statements. ADL’s reported results above have been conformed to IFRS.
3) Only Q1 and Q2 2019 figures included within Q2 2019 LTM reflect the adoption of IFRS 16
Diversified Revenue with Global Upside

~80% revenue from Public customers\(^{(1)}\) ~20% revenue from Private customers\(^{(1)}\)

Q2 2019 LTM Revenue by Segment

- Aftermarket $370M
- Manufacturing $2,148M

Q2 2019 LTM Revenue by Product

- Motor Coaches $530M
- Transit Buses $1,580M
- Medium Duty and Low-Floor Cutaway $38M

Q2 2019 LTM Revenue by Region\(^{(2)}\)

- US: 85%
- Canada: 13%
- UK and Europe: 2%
- APAC: >1%

\(^{(1)}\) ADL revenue only included for the period of May 28 to June 30, 2019. ADL tends to service private customers in the UK and Hong Kong markets, while servicing public customers in North America, Singapore and New Zealand. On a pro-forma basis including ADL pre-acquisition figures for the Q2 2019 LTM period the public private revenue split would be approx. 70% / 30%

\(^{(2)}\) ADL revenue only included for the period of May 28 to June 30, 2019
Deliveries (EUs) by Product Type

**Heavy Duty Transit Bus**

- 2016: 2,550
- 2017: 2,729
- 2018: 2,781
- 2019 Q2 LTM: 2,903
- 2019 Guidance: 4,095

**Motor Coach** (New Coach Only)

- 2016: 919
- 2017: 1,062
- 2018: 1,037
- 2019 Q2 LTM: 938
- 2019 Guidance: 1,140

**Medium Duty & Low-Floor Cutaway**

- 2016: 27
- 2017: 502
- 2018: 399
- 2019 Q2 LTM: 425
- 2019 Guidance: 399

1) 2016 to 2018 figures do not include ADL deliveries. ADL deliveries only included for the period of May 28 to June 30, 2019 within the Q2 2019 LTM figures. ADL delivered 2,533 vehicles on a UK GAAP basis in 2018.
NFI Target Market Sizes

Canada and U.S. Transit Market\(^{(1)}\)

Canada and U.S. Motor Coach Market\(^{(2)}\)

UK Bus and Coach Market\(^{(3)}\)

Other Markets

<table>
<thead>
<tr>
<th></th>
<th>Est. Annual Deliveries(^{(4)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada and U.S. Cutaway and Medium Duty</td>
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</tr>
<tr>
<td>South America</td>
<td>30,000</td>
</tr>
<tr>
<td>Europe (excl. UK)</td>
<td>30,000</td>
</tr>
<tr>
<td>Asia Pacific (excl. China)</td>
<td>25,000</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Source: Management Estimates and data reported to Metro Magazine
\(^{(2)}\) Source: American Bus Association reported data in combination with Management Estimates
\(^{(3)}\) Source: Society of Motor Manufacturers and Traders reported data. Some historical data may include mini-buses, a segment in which ADL does not participate
\(^{(4)}\) Source: Management Estimates
North American Backlog of Firm Orders and Options

Book-to-Bill (New Firm Orders plus Options Converted / Deliveries)\(^1\)

Total Backlog at 30 June 19 (Firm Orders and Options)\(^1\)
- 9,997 EU

Q2-19 LTM Book to Bill ratio\(^1\)
- 89%

Total Backlog EUs to Annual Production\(^1\)
- ~2.4x

(1) Data does not include ADL orders, deliveries, firm or option backlog, or option conversions
Heavy Duty Transit Bus

**CURRENT POSITION**

- Leadership positions in Canada, US, UK and Hong Kong
- Solid deliveries to Singapore, New Zealand, Mexico & Malaysia
- Delivered more ZEB Heavy-Duty transit buses than any other manufacturer in North America
- Backlog of 8,327 EUs (excluding ADL), delivered 2,903 EUs LTM Q2 2019
- Includes New Flyer’s Xcelsior and ADL’s Enviro200 (single-deck), Enviro400 (two axle DD) and Enviro500 (three axle DD)
- Competitors include: Volvo, Gillig, Proterra, BYD, Optare, Wright Bus, Scania and MAN

**OUTLOOK**

- North American procurements expected to continue at recent levels with increase in awards expected for the second half of 2019 based on active bid universe
- Singapore order secured to begin delivery in 2020 and targeting growth in continental Europe, New Zealand and Latin America. UK expected to be relatively flat in 2020
- BVG contract in Berlin for up to 430 vehicles begins to contribute in 2021
- Infrastructure Solutions Group assisting transit agencies with transition to battery-electric vehicles
- 2019 delivery guidance of 4,095 EUs
Motor Coach

CURRENT POSITION

• MCI holds market leadership position in Canada and the U.S.
• Plaxton brand well established in UK with additional sales in New Zealand
• New products: J3500, D45 CRT LE, Panorama double deck coach all in production
• Backlog of 1,400 EUs (excluding Plaxton)
• Delivered 938 EUs in the last twelve months
• Competitors include: Volvo, Van Hool, Daimler, Irizar and TEMSA

OUTLOOK

• Stable North American public market. Cyclical private market
• Focus on continuing to grow share in North America through customer adoption of new products
• Continued development of electric coach for U.S. and Canadian markets
• Penetrating burgeoning employee shuttle segment in U.S.
• Exploring product enhancements for UK vehicles and international growth opportunities
• Growth opportunities in New Zealand and Eastern Europe
• 2019 delivery guidance of 1,140 EUs

Global fleet of more than 50,000 vehicles in service

3 production facilities with over 500,000 sq. ft. of production space

2,000+ Team Members

2018 Market Share: North America ~45%, UK ~16%
Medium-Duty and Low Floor Cutaway

**CURRENT POSITION**

- ARBOC’s Spirit of Equess has been very well received with significant orders in the U.S. and Canada
- ARBOC’s low-floor cutaway vehicles are a disruptor in the traditionally high-floor centric industry
- Testing low-floor cutaway vehicles on Ford chassis to provide an alternative supplier from historic Ford relationship
- Backlog of 270 vehicles (not including additional options held by the dealers)
- Delivered 399 vehicles in the last twelve months
- Competitors include: Forest River, REV Group, Grande West

**OUTLOOK**

- Focus on continuing to grow Equess market in North America with targeted growth from transit agencies, airports, colleges and smaller municipalities
- Low-floor models focused on improving cost base to increase competitiveness with high-floor cutaway vehicles
- 2019 delivery guidance of 425 vehicles
- Delivery guidance includes 10% to 15% higher margin medium-duty vehicles

More than 8,000 vehicles in service

- Built at the 140,000 sq. ft. ARBOC facility in Indiana
- 130 Team Members
- 2018 Market Share: North America low-floor cutaway ~65%
Aftermarket

CURRENT
POSITION

• North America’s largest bus and coach parts distributor
• Direct access to over 250 bus and coach engineers, providing expert technical support as well as cost-effective and timely parts procurement
• Launched AD24 in the UK in 2018. The online platform offers full range of spare parts, training, manuals, service bulletins, customer forums and vehicle solutions training and technology
• Growth of value added services with 5 new Vendor Managed Inventory (VMI) programs secured and launched in 2018/19 with additional parts kitting programs developed

OUTLOOK

• Continuing to pursue value added services including VMI contracts, parts kitting opportunities and longer term contracts with large U.S. and Canadian public transit agencies
• VMIs secured in 2018 are expected to provide small benefits in 2019 and grow over time
• AD24 online platform international rollout beginning in 2019
• Expanding NFI Parts North American offering to include ARBOC and cutaways
• Exploring strategic opportunities to leverage NFI Parts and ADL Parts capabilities and buying power

Support a global fleet of more than 105,000 vehicles

Multi-National footprint with 19 Parts Distribution Facilities

800+ Team Members
NFI Positioned to Lead Technology Developments

Leader in ZEBs and Infrastructure
- Electric variants available for Xcelsior 45’ and 60’ Xcelsior products have completed FTA Altoona test program
- MCI eCoach in development and testing phase
- ADL offers Enviro200 and Enviro400 EV models with Enviro500 in development
- Industry leading 100kWh to 600kWh of electric capacity
- Range of up to 260 miles (418 km) on a single charge
- Infrastructure Solutions provides turn-key charging projects
- VIC is dedicated to exploration/advancement of bus technology

Advanced Driver Assistance Systems (ADAS)
- MCI has adopted Bendix Fusion Advanced Driver Assistance solutions
- New Flyer completing test collision-avoidance program with LA Metro
- New Flyer partnering with experienced autonomous technology partner (Robotic Research) developing Level 4 ADAS technology for buses
- In partnership with Stagecoach and Fusion Processing, ADL is developing its autonomous bus proposition in the UK

Telematics and Connected Vehicles
- New Flyer’s Connect 360™ is real-time smart analytics reporting platform to enhance battery-electric bus operation, intelligence, and efficiency
- ADL’s AD Connected system provides cloud based online fleet management and pre-emptive diagnostics
- MCI offers Cummins Connected and DD13 Virtual technician plus Saucon asset tracking and geo-fencing

Propulsion Agnostic on Proven Platforms
- Clean diesel
- Diesel-electric hybrid
- Compressed Natural Gas
- Electric (battery, trolley and fuel cell)
- ADL exploring hydrogen vehicle proposition
A Leader in Zero Emission Buses: Active Projects

6 EVs sold to New Zealand Operator
Financial Performance

Revenue by Segment
2014 – Q2 2019 LTM(1)

Adj. EBITDA $ and % Margin
2014 – Q2 2019 LTM(1)

1) Only Q1 and Q2 2019 figures included within Q2 2019 LTM reflect the adoption of IFRS 16
2) Management changed presentation of segmented reporting by separating unallocated costs and corporate SG&A from Manufacturing and Aftermarket as such the totals for Q2 2019 LTM will not tie. The total corporate costs for the period included in Adjusted EBITDA were $25.6 million.
Quarterly Performance: The Impact of Product Mix

Quarterly Revenue by Segment: 2014 – Q2 2019(1)

Quarterly EBITDA Margin by Segment: 2014 – Q2 2019(1)

(1) ADL results included for the period from May 28, 2019 to June 30, 2019.

(2) Only Q1 2019 and Q2 2019 reflect the adoption of IFRS 16.

(3) Unallocated costs and corporate SG&A were traditionally included within Manufacturing and Aftermarket segments Adjusted EBITDA, but were separated starting in Q2 2019 and will be presented on this basis going forward. Historic figures presented above include unallocated costs and corporate SG&A within the Manufacturing and Aftermarket segments.
Investing for the Future

Free Cash Flow, Cash CapEx and Return on Invested Capital (ROIC)

<table>
<thead>
<tr>
<th>Year</th>
<th>Free Cash Flow</th>
<th>Cash Capital Expenditures</th>
<th>ROIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$83.4</td>
<td></td>
<td>8.6%</td>
</tr>
<tr>
<td>2015</td>
<td>$59.1</td>
<td></td>
<td>12.3%</td>
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<tr>
<td>2016</td>
<td>$165.2</td>
<td></td>
<td>14.3%</td>
</tr>
<tr>
<td>2017</td>
<td>$161.2</td>
<td></td>
<td>15.8%</td>
</tr>
<tr>
<td>2018</td>
<td>$159.7</td>
<td></td>
<td>13.7%</td>
</tr>
<tr>
<td>Q2 2019 LTM</td>
<td>$145.0</td>
<td></td>
<td>11.2%</td>
</tr>
</tbody>
</table>

Capital Allocation 2012 to Q2 2019 LTM

- **Capital Expenditures** $252 USD
  - Maintenance capital, facility upgrades, LEAN implementation, IT harmonization, insourcing and parts fabrication

- **Acquisitions** $1,081 USD
  - 7 acquisitions including May 2019 purchases of Alexander Dennis Limited

- **Dividends** C$449
  - Dividends increased by 39.5% in May 2017, by 15.4% in May 2018 and 13.3% in March 2019. Now $1.70/share paid quarterly.

- **NCIB** C$97
  - NCIB launched in June 2018 and amended in January 2019 allowing for repurchase of up to 5,549,465 NFI shares. 2,385,276 shares purchased in since inception.

Q2 2019 LTM figures above reflect the adoption of IFRS 16, historical comparison periods do not.
## ADL Acquisition Rationale

### MARKET LEADERSHIP
- ADL is the #1 UK bus manufacturer and #1 global producer of double-decker buses with a well established international presence
  - Significant installed base in UK, Hong Kong, Canada, USA and New Zealand
- Growing North America business which augments NFI’s product breadth and customer reach
- Successful track record of accessing and growing in new markets globally
  - Recent success in Continental Europe (Switzerland and Germany) provides a platform for further expansion into Western Europe
  - Operating model in Mexico to be utilized to investigate additional growth
- ADL revenue split: Bus = 84% of total sales, Motor coach = 5%, and Parts/Service = 11%

### INTERNATIONAL DIVERSIFICATION
- Adds class leading, internationally proven line-up of single-deck and double-deck buses
- Sharing of best practices and the optimization of existing partnerships internationally
- Enhances NFI’s technical competencies on lightweight chassis / bodies
- UK’s market leading electric bus business with significant product know-how and first mover advantage

### PLATFORM FOR GROWTH
- ADL operates flexible assembly model (both internal and 3rd party) with extensive manufacturing and engineering talent
- Operates successfully in very competitive environments. Buses assembled in the UK primarily for the UK market, in the US and Canada for domestic markets and even more cost competitive in foreign markets with local sourcing and 3rd party assembly
- UK’s market leading electric bus business with significant product know-how and first mover advantage
- ADL operates flexible assembly model (both internal and 3rd party) with extensive manufacturing and engineering talent
- Operates successfully in very competitive environments. Buses assembled in the UK primarily for the UK market, in the US and Canada for domestic markets and even more cost competitive in foreign markets with local sourcing and 3rd party assembly
- UK’s market leading electric bus business with significant product know-how and first mover advantage

### ENHANCES NFI PRODUCT PORTFOLIO
- Accretive to earnings per share and free cash flow\(^{(1)}\) per share (before synergies)
- Rapid deleveraging to NFI’s target range of 2.0x to 2.5x Total Debt to Adjusted EBITDA is expected over the next 18 to 24 months\(^{(2)}\)
- Significant acquisition whilst maintaining NFI dividend policy
- Potential to capture revenue and cost synergies from the sharing of best practices and a combined market approach in North America

### COST EFFECTIVE PLATFORM
- Strong cultural alignment between NFI and ADL with longstanding relationships and mutual respect
  - Share similar cultures and values, especially towards quality, technology, innovation and customer experience
  - Clear alignment on management strategy, market outlook, and EV adoption expectations
- ADL commitment to sustainable mobility and completely aligned with NFI
- ADL management to remain in place and to drive performance and international growth

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\(^{(1)}\) See footnote on slide 3 and “Non-IFRS measures” under forward looking statements at the end of this presentation

\(^{(2)}\) See forward looking statements at the end of this presentation
Pro-forma Impact of ADL

ADL + NFI: Pro-forma Revenue Q1 2018 to Q2 2019

<table>
<thead>
<tr>
<th></th>
<th>Q1 18</th>
<th>Q2 18</th>
<th>Q3 18</th>
<th>Q4 18</th>
<th>Q1 19</th>
<th>Q2 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADL</td>
<td>$716.5</td>
<td>$915.6</td>
<td>$820.6</td>
<td>$858.5</td>
<td>$762.6</td>
<td>$766.2</td>
</tr>
<tr>
<td>NFI</td>
<td>$578.6</td>
<td>$673.0</td>
<td>$605.3</td>
<td>$662.0</td>
<td>$567.0</td>
<td>$633.5</td>
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<td>Total</td>
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<td>$242.6</td>
<td>$215.2</td>
<td>$196.4</td>
<td>$195.6</td>
<td>$132.7</td>
</tr>
</tbody>
</table>

ADL + NFI: Pro-forma Adjusted EBITDA Q1 2018 to Q2 2019

<table>
<thead>
<tr>
<th></th>
<th>Q1 18</th>
<th>Q2 18</th>
<th>Q3 18</th>
<th>Q4 18</th>
<th>Q1 19</th>
<th>Q2 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADL</td>
<td>$69.3</td>
<td>$107.1</td>
<td>$84.7</td>
<td>$90.7</td>
<td>$75.8</td>
<td>$76.6</td>
</tr>
<tr>
<td>NFI</td>
<td>$(4.6)</td>
<td>$15.7</td>
<td>$14.5</td>
<td>$10.9</td>
<td>$15.5</td>
<td>$(5.9)</td>
</tr>
<tr>
<td>Total</td>
<td>$73.8</td>
<td>$91.4</td>
<td>$70.2</td>
<td>$90.9</td>
<td>$60.3</td>
<td>$60.9</td>
</tr>
</tbody>
</table>

1) All ADL information related to the periods before the Acquisition Date are based on the audited financial statements of ADL provided to NFI, which were prepared on the basis of UK GAAP. NFI has not independently verified such statements. ADL’s previously reported results have been conformed to IFRS, as presented above.

2) All figures are in U.S. dollars. Adjusted EBITDA is not a recognized earnings measure and does not have standardized meaning prescribed under IFRS. Therefore it may not be comparable to similar measures presented by other issuers.
ADL Conversion from UK GAAP to IFRS

a) Reduction new product development costs previously capitalized and reclassification of costs related to demo buses from intangible assets to tangible assets.

b) Adjustment to reflect that goodwill is not amortizing under IFRS.

c) Recognition of right-of-use assets, lease liabilities and related interest and depreciation related to IFRS 16.

d) Change in revenue recognition timing from completion of vehicle production to customer delivery or pickup. Change impacted 98EUs

e) Change in revenue recognition from revenue recognized over time to revenue recognized at a point in time.

f) Change in accounting for derivatives in accordance with NFI policy. Financial instruments are no longer designated as accounting hedges.

ADL Q2 2019 Revenue Recognition policy change:

Under previously used UK GAAP, ADL would have recognized sales of 426 EUs in Q2 2019 however following conversion to IFRS ADL only recognized the sale of 393 EUs. At the end of the quarter there were 64 vehicles complete, signed off by customers at the factory, however still in transit. These included the following vehicles: UK = 7, APAC = 41, EMEA = 12, North America = 4
Strong Balance Sheet and Cash Flow Generation

Track Record of Balance Sheet Deleveraging

- ADL partially funded through new US$300 million Senior Secured Credit Facility
  - Currently being syndicated with an October 2023 maturity and has substantially the same terms as existing syndicated credit facility
- Remainder of purchase price funded with availability on existing NFI revolver

Pro Forma

- Pro forma total indebtedness to estimated combined Q2 2019 LTM Adjusted EBITDA\(^{(1)}\) of approximately 3.0x as at June 30, 2019
- Strong near-term cash flow generation supports rapid de-leveraging

Historical NFI Leverage Profile\(^{(1)(2)(3)}\)

Senior Debt/LTM Adj. EBITDA

<table>
<thead>
<tr>
<th>Q1 2016</th>
<th>Q2 2016</th>
<th>Q3 2016</th>
<th>Q4 2016</th>
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<td>2.7x</td>
<td>2.2x</td>
<td>2.0x</td>
<td>1.9x</td>
</tr>
</tbody>
</table>

<table>
<thead>
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<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
<th>Q4 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.7x</td>
<td>1.6x</td>
<td>1.6x</td>
<td>1.8x</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q1 2018</th>
<th>Q2 2018</th>
<th>Q3 2018</th>
<th>Q4 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.9x</td>
<td>1.9x</td>
<td>1.9x</td>
<td>2.0x</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q1 2019</th>
<th>Q2 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.6x</td>
<td>3.0x</td>
</tr>
</tbody>
</table>

Historical Annualized Dividend (C$)

- NFI has paid consistent and growing dividends every month/quarter since its IPO in 2005
- As a result of continued robust free cash flow generation NFI increased its annual dividend to $1.70 per share, effective March 2019
  - Represented a 13.3% increase from the previously announced annual dividend rate of $1.50
- Q2 2019 LTM Payout Ratio of 51.1%

### NFI Group

- MCI

\(^{(1)}\) Under NFI Senior Credit Agreement, Total Leverage Ratio did not include Convertible Debentures as debt.
\(^{(2)}\) Q1 and Q2 LTM calculation is based on adoption of IFRS 16 from the period of January 1, 2019 onwards
\(^{(3)}\) All ADL information related to the periods before the Acquisition Date are based on the audited financial statements of ADL provided to NFI, which were prepared on the basis of UK GAAP. NFI has not independently verified such statements. ADL’s previously reported results have been conform to IFRS, as presented above.
## Peer Leading EBITDA Margin, Dividend and FCF Yields

### Estimated EBITDA Margin % - 2019E and 2020E(1)

<table>
<thead>
<tr>
<th>Company</th>
<th>2019E EBITDA Margin</th>
<th>2020E EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>NFI Group</td>
<td>11.0%</td>
<td>11.1%</td>
</tr>
<tr>
<td>Oshkosh</td>
<td>10.8%</td>
<td>10.1%</td>
</tr>
<tr>
<td>REV Group</td>
<td>6.4%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Blue Bird</td>
<td>8.2%</td>
<td>9.4%</td>
</tr>
<tr>
<td>Spartan Motors</td>
<td>4.6%</td>
<td>5.7%</td>
</tr>
<tr>
<td>Winnebago</td>
<td>9.1%</td>
<td>9.6%</td>
</tr>
<tr>
<td>Thor Industries</td>
<td>6.6%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Navistar</td>
<td>7.9%</td>
<td>7.6%</td>
</tr>
</tbody>
</table>

### Dividend Yield(2)

<table>
<thead>
<tr>
<th>Company</th>
<th>2019E Dividend Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>NFI Group</td>
<td>6.7%</td>
</tr>
<tr>
<td>Oshkosh</td>
<td>1.6%</td>
</tr>
<tr>
<td>REV Group</td>
<td>1.7%</td>
</tr>
<tr>
<td>Blue Bird</td>
<td>0.8%</td>
</tr>
<tr>
<td>Spartan Motors</td>
<td>1.1%</td>
</tr>
<tr>
<td>Winnebago</td>
<td>2.7%</td>
</tr>
<tr>
<td>Thor Industries</td>
<td>12.4%</td>
</tr>
<tr>
<td>Navistar</td>
<td>15.2%</td>
</tr>
</tbody>
</table>

### Free Cash Flow Yield(3)

<table>
<thead>
<tr>
<th>Company</th>
<th>2019E FCF Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>NFI Group</td>
<td>12.4%</td>
</tr>
<tr>
<td>Oshkosh</td>
<td>8.6%</td>
</tr>
<tr>
<td>REV Group</td>
<td>7.9%</td>
</tr>
<tr>
<td>Blue Bird</td>
<td>5.0%</td>
</tr>
<tr>
<td>Winnebago</td>
<td>6.4%</td>
</tr>
<tr>
<td>Thor Industries</td>
<td>9.2%</td>
</tr>
<tr>
<td>Navistar</td>
<td>15.2%</td>
</tr>
</tbody>
</table>

---

(1) Information as of August 19, 2019 – sourced from Thomson Reuters and based on average EBITDA 2019E and 2020E analysts consensus estimates

(2) Dividend Yield as of August 19, 2019. Blue Bird and Navistar do not pay a dividend

(3) FCF Yield calculated as Analyst Consensus 2019E FCF divided by market cap
The World’s Leading Independent Bus Builder
Proud of our History, Excited About our Future

Execute our Plan

- GUIDING TO DELIVER 5,660 EU’S IN 2019 (4,313 EU’S IN 2018)
- LEVERAGE PUBLIC TRANSIT US STATE CONTRACTS
- RECOVER FROM KMG PART FABRICATION FACILITY LAUNCH CHALLENGES AND DELAY
- RECOVER FROM H1-19 PRODUCTION CHALLENGES AT NF AND MCI. REDUCE WIP TO NORMAL LEVELS BY END OF 2019
- PLAN AND PREPARE FOR VARIOUS POSSIBLE BREXIT SCENARIOS

Capitalize on Investments

- DRIVE MARGIN ENHANCEMENT FROM KMG FABRICATION
- ANNISTON EXPANSION POSITIVE CONTRIBUTION TO RESULTS
- REALIZE IT HARMONIZATION BENEFITS AT NFI PARTS AND SEEK ADDITIONAL FOOTPRINT SYNERGY
- FOCUS ON MEDIUM DUTY GROWTH, ELECTRIFICATION AND LOWER ARBOC COSTS WITH PROCESS IMPROVEMENTS
- COORDINATED NORTH AMERICAN APPROACH WITH ADL
- MAINTAIN ADL LEADERSHIP POSITIONS IN UK AND HK, GROW INTERNATIONALLY AND PREPARE FOR BERLIN DD

Prudent Capital and Cost Management

- FOCUS ON DELEVERAGING FOLLOWING TRANSFORMATIONAL ADL ACQUISITION. REACH 2.0X TO 2.5X NET DEBT TO EBITDA TARGET IN 18 – 24 MONTHS
- MAINTAIN SUSTAINABLE DIVIDEND RETURNED TO SHAREHOLDERS
- REVIEW COMPANY COST STRUCTURES AND LOWER FIXED COSTS
- DEFINE COORDINATED APPROACH WITH NEW FLYER AND ADL IN NORTH AMERICA TO ACHIEVE REVENUE UPSIDE, OPERATIONAL OPTIMIZATION AND COST SYNERGIES

Execute our Plan

- DELIVER THE BEST PERFORMING ELECTRIC (BATTERY AND FUEL-CELL) VEHICLES LEVERING EXPERIENCE AND EXPERTISE FROM ACROSS NFI COMPANIES
- CONTINUE TO ADVANCE ADAS AND AUTONOMOUS DRIVE AGENDA
- GROW EV LEADERSHIP POSITION IN UK AND EXPAND GEOGRAPHIC REACH
- SUPPORT CUSTOMER TRANSITION TO ELECTRIFICATION THROUGH NEW FLYER INFRASTRUCTURE SOLUTIONS

Drive Electrification and Technology Adoption

- FOCUS ON MEDIUM DUTY GROWTH, ELECTRIFICATION AND LOWER ARBOC COSTS WITH PROCESS IMPROVEMENTS
- COORDINATED NORTH AMERICAN APPROACH WITH ADL
- MAINTAIN ADL LEADERSHIP POSITIONS IN UK AND HK, GROW INTERNATIONALLY AND PREPARE FOR BERLIN DD

Drive Electrification and Technology Adoption

- DELIVER THE BEST PERFORMING ELECTRIC (BATTERY AND FUEL-CELL) VEHICLES LEVERING EXPERIENCE AND EXPERTISE FROM ACROSS NFI COMPANIES
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Prudent Capital and Cost Management

- DELIVER THE BEST PERFORMING ELECTRIC (BATTERY AND FUEL-CELL) VEHICLES LEVERING EXPERIENCE AND EXPERTISE FROM ACROSS NFI COMPANIES
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- SUPPORT CUSTOMER TRANSITION TO ELECTRIFICATION THROUGH NEW FLYER INFRASTRUCTURE SOLUTIONS
Certain statements in this document are forward-looking statements as defined in Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical fact included in this document, including without limitation statements concerning the Company's strategy, future operations, financial performance, condition, liquidity, prospects, plans, objectives, outlook, assumptions, future events, and estimates, are forward-looking statements. Forward-looking statements are not guarantees of future performance, and involve risk and uncertainty, and the actual results of operations, performance and events following completion of projects and programs may be materially different from those expressed or implied by such statements. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “project,” “predict,” “potential,” “should,” “will,” “would,” “may be” or similar expressions are intended to identify such forward-looking statements. No forward-looking statements are guarantees of future results, and you should not place undue reliance on these statements. Actual results could differ materially from those expressed in the forward-looking statements. In assessing forward-looking statements, you should consider various factors, including, without limitation, those described in our SEC filings. We assume no obligation to update any forward-looking statement as a result of new information or future events or circumstances. All forward looking statements contained in this document are as of the date of this document and we do not undertake to update any forward-looking statements after the date of this document to reflect events or circumstances occurring after the date of this document or to reflect the occurrence of unanticipated events. Forward-looking statements are based on a number of assumptions and estimates that involve significant risks and uncertainties, including, without limitation, our ability to achieve the objectives and milestones set out in our forward-looking statements, our ability to complete our development projects and the success of such projects, our ability to successfully implement our strategies and the assumptions upon which they are based, our ability to maintain or increase our market share and profitability, the impact of acquisitions and dispositions on our results of operations, our ability to attract, train and retain qualified personnel, the impact of our credit facilities and contractual restrictions on our ability to use working capital, the favorable resolution of disputes, claims and proceedings, our ability to maintain our tax position or to mitigate any adverse tax consequences of our business, our ability to remain in compliance with environmental, health and safety regulations, and the effects of current and future laws and regulations on our business, our ability to make acquisitions that enhance our operations and increase our market share, and the competitive environment in which we operate. There are a number of factors that could cause our actual results to differ materially from our forward-looking statements. As a result, you should not place undue reliance on any forward-looking statements, and we assume no obligation to update any forward-looking statement as a result of new information or future events or circumstances. You should also consider carefully the statements set forth under "Risk Factors" in this document and our annual and quarterly reports that we file with the Securities and Exchange Commission. We do not undertake to update any forward-looking statement as a result of new information or future events or circumstances.