



NEW FLYER

New Flyer Industries
TSX: NFI TSX: NFI.DB.U

North America's #1 Transit Bus Manufacturer and Parts Supplier

Built to
RELY ON.



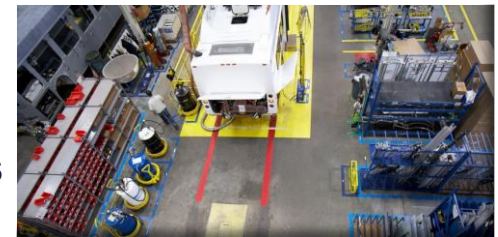
Forward Looking Statements: May contain forward-looking statements relating to New Flyer Industries Inc. and related companies or to the environment in which they operate, which are based on their operations, estimates, forecasts and projections. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict, or are beyond New Flyer's control. A number of important factors could cause actual outcomes and results to differ materially from those expressed in these forward-looking statements. These factors include those set forth in New Flyer's Annual Information Form which is available on SEDAR at www.sedar.com. New Flyer assumes no obligation to update or revise any forward-looking statements to reflect new events or circumstances, except as required by applicable securities laws. All figures are in U.S. dollars unless otherwise noted.

Non-GAAP Measures: For the definition and explanation of EBITDA, ADJUSTED EBITDA and FREE CASH FLOW please refer to Appendix A.



#1 Transit Bus Manufacturer and Parts Supplier in Canada/US

- Founded in 1930, New Flyer designs and manufactures heavy-duty transit buses on a monocoque chassis in lengths ranging from 35' to and 60'. Recently introduced the MiDi® a medium-sized shuttle and transit bus in lengths of 30' and 35' for both private and public operators.
- Drive systems powered by: clean diesel, natural gas, electric trolley, diesel-electric hybrid and battery electric.
- Manufacture approx 2,500 equivalent units (EUs) per year and on average, customers are approx 15% in Canada and 85% in the US.
- All buses are supported by an industry-leading comprehensive warranty, support and service network including: regional product support managers, regional service centers and regional Parts Distribution centers, field training, eLearning, technical publications and New Flyer Connect real-time bus monitoring capability.
- Public company with common shares (NFI) and convertible unsecured subordinated debentures (NFI.DB.U) traded on the Toronto Stock Exchange.



The market leader in Volume, Technology, Innovation and Support



NFI Investment Highlights

Leading Heavy Duty Transit Bus Manufacturer and Parts Supplier in North America

- Leading market share: installed fleet (approx 40%), annual bus deliveries (approx 50%) and aftermarket parts (approx 34%). Innovation leader with broadest propulsion offering (diesel, hybrid, natural gas, electric trolley, and all-electric)
- Experienced executive team with a track record and significant OpEx and LEAN experience

Predictable cash flow business model, conservative financing structure.

- Total Leverage reduced from 3.5X in 2010 to 1.7X in 2014 (not including Convertible Debentures).
- Common Share generally viewed as a balance of income and growth opportunity (annual dividend C\$0.585/share). Distributions paid for 108 consecutive months since IPO.

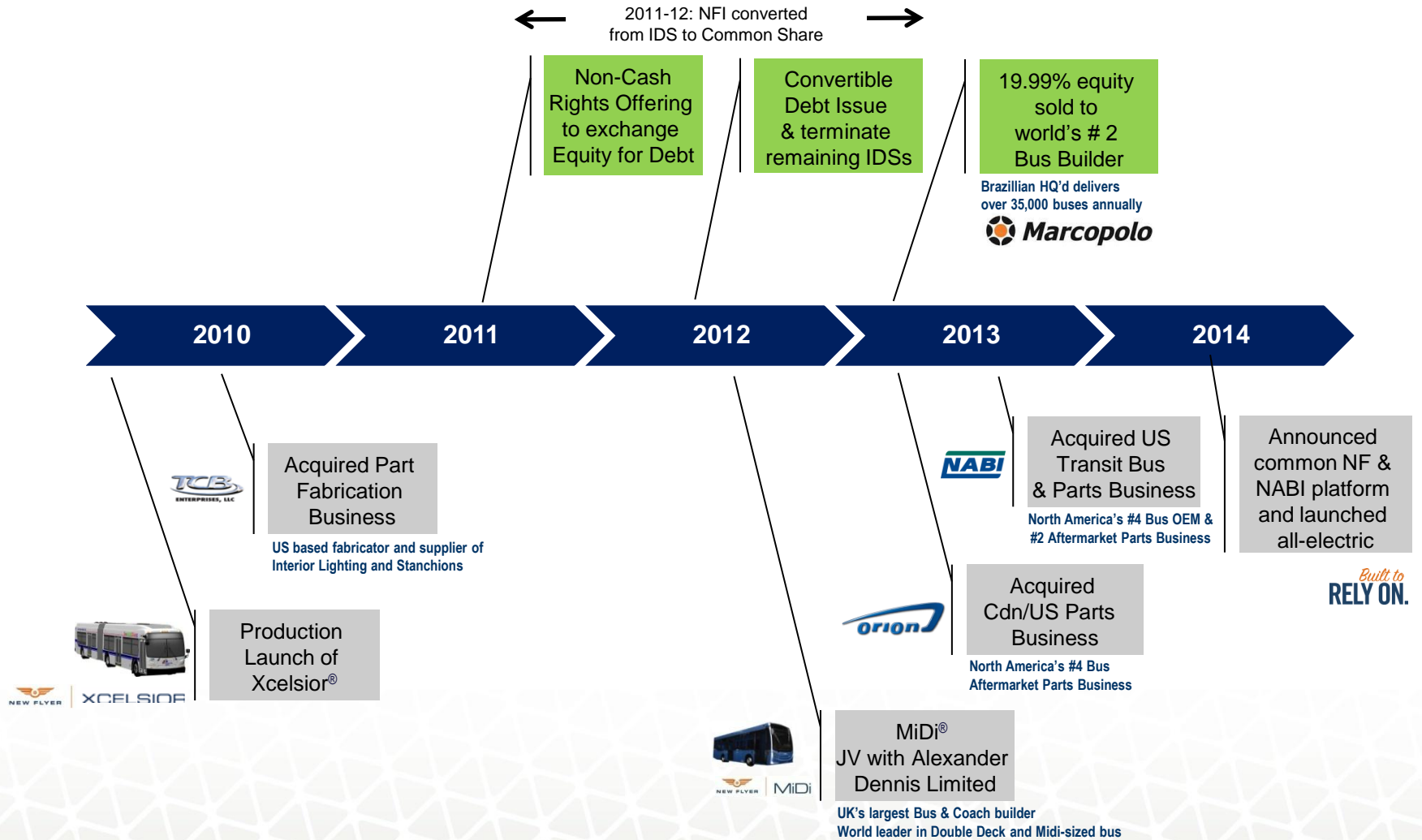
Business Sustainability with Growth Prospects

- Transit is an essential service generating repeat business in replacement industry. Aging US fleet in a recovering economy. Currently experiencing high bid activity (at Q3-14: Active bids >6,250 EUs, Total Bid Universe > 21,700 EUs).
- At Q3-14, total NFI backlog 6,239 EUs (\$3.1B). NFI LTM Book-to-Bill Ratio over >100% for 6 of last 7 quarters.
- JV with UK's largest bus builder (Alexander Dennis) introduced MiDi® in 2014 (a medium-sized low floor bus for Can/US).
- World's 2nd largest bus builder Marcopolo S.A. made 19.99% equity investment in NFI in 2013 with an operational MOU.
- Acquisitions in 2013 (Orion Parts and NABI) have added complementary customers and enhanced customer support.
- Rationalizing NF/NABI bus platforms to provide synergy potential and enhance competitiveness.



Strategically executed transformation

Has positioned NFI for Stability, Diversification and Growth



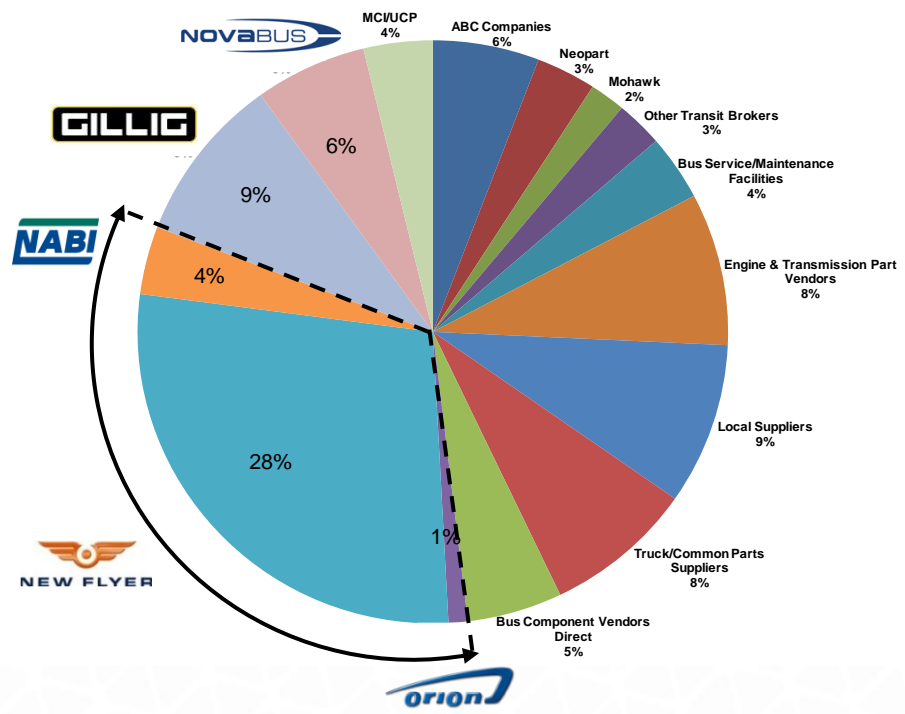
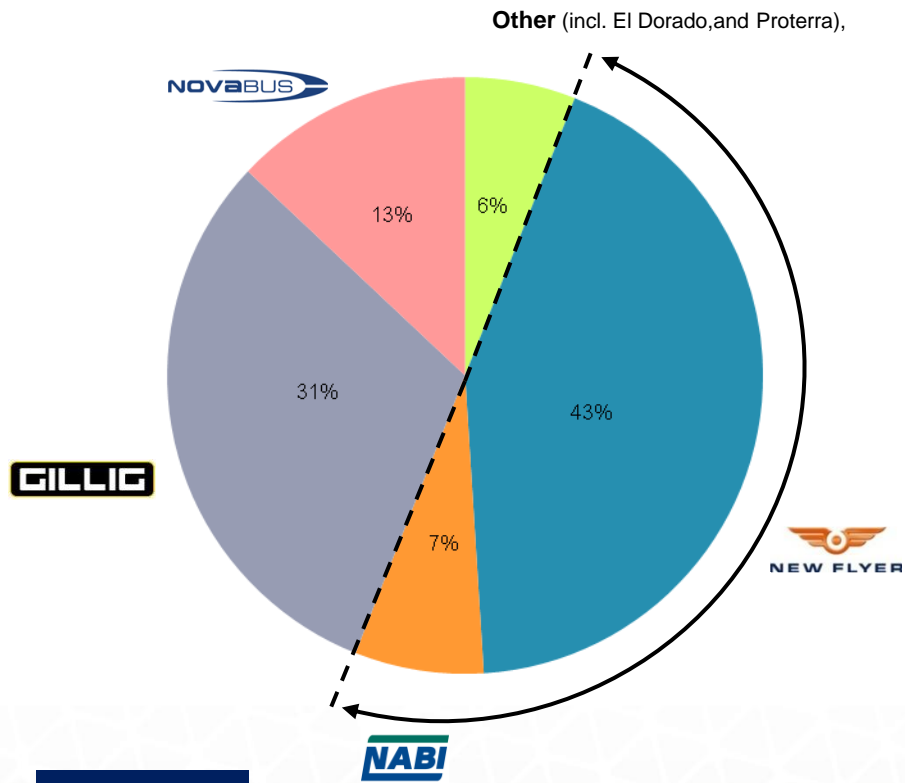
2005: NFI launched IPO on the TSX as an Income Deposit Security (IDS)



Leading Market Share for both Transit Bus & Parts

Heavy-Duty Transit Bus Share based on EUs delivered in 2013

Aftermarket Parts Share based on estimated parts sales in 2013



NF BUS Pro Forma Share ~50%

NF PARTS Pro Forma Share ~34%

Note: NABI and Orion market shares reflect share prior to NF acquisition in 2013.
Source: 2013 New Flyer Database & Management Estimates

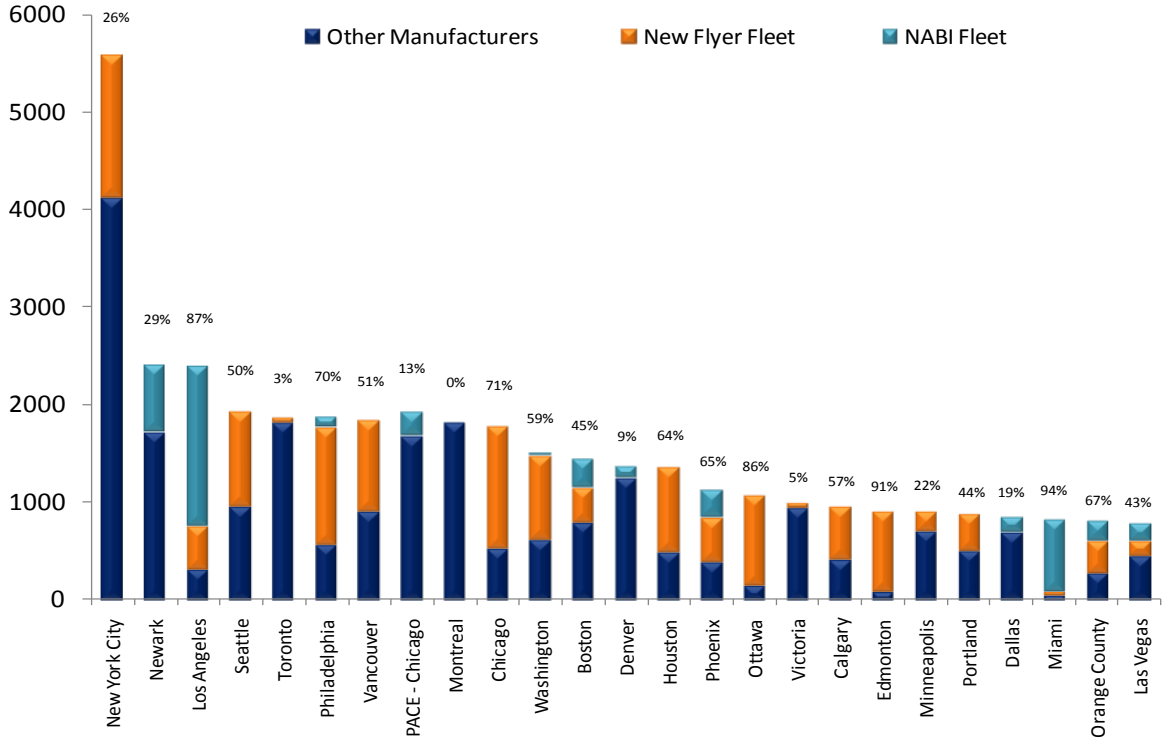
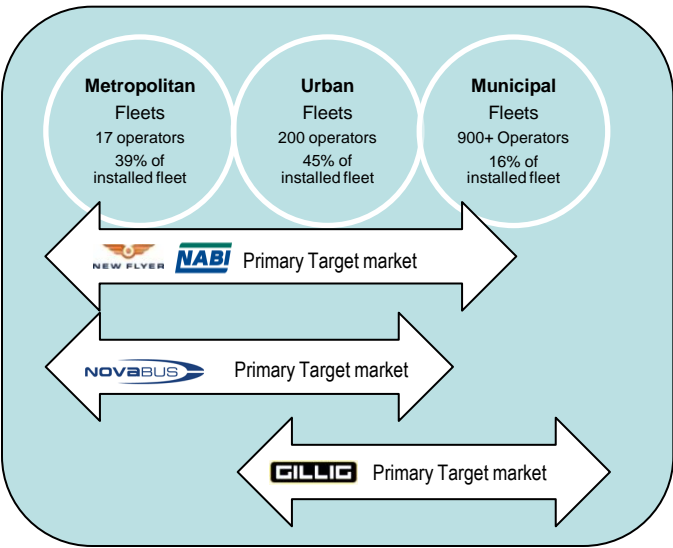


North American Transit Bus fleet estimated at 85,000 buses

NF, NABI & Orion buses are approx 40% of the installed fleet

Market Segments and primary targets

24 of NA's 25 largest Transit Agencies operate NF and/or NABI buses



New entrants focusing on electric buses::



Source: 2013 New Flyer Database & Management Estimates

Complimentary NF and NABI customer base



New Flyer Bus and Aftermarket Locations

Over 3,300 team members. Approx 1,300 covered by CBA

UNIFOR Winnipeg CBA expires Mar 15/15

CWA Crookston CBA expires Dec 31/15
St Cloud CBA expires Mar 31/17

Winnipeg Site rationalized from 5 to 2 buildings

NEW FLYER
Winnipeg, MB
Parts Fabrication
Bus Assembly

NEW FLYER
Winnipeg, MB
New Product Development
Parts Distribution Center

NEW FLYER
Fresno, CA
Parts Distribution Center

Combined in Q1-14

NEW FLYER
Los Angeles, CA
Service Center

NABI

Mrii Loma, CA
Service Center

NEW FLYER
Crookston, MN
Bus Assembly

NEW FLYER
St Cloud, MN
Bus Assembly

NEW FLYER
Elkhart, IN
TCB Parts Fabrication

NABI
Anniston, AL
Bus Assembly

NEW FLYER
Brampton, ON
Parts Distribution Center

NEW FLYER
Ann Arbor, ON
Service Center

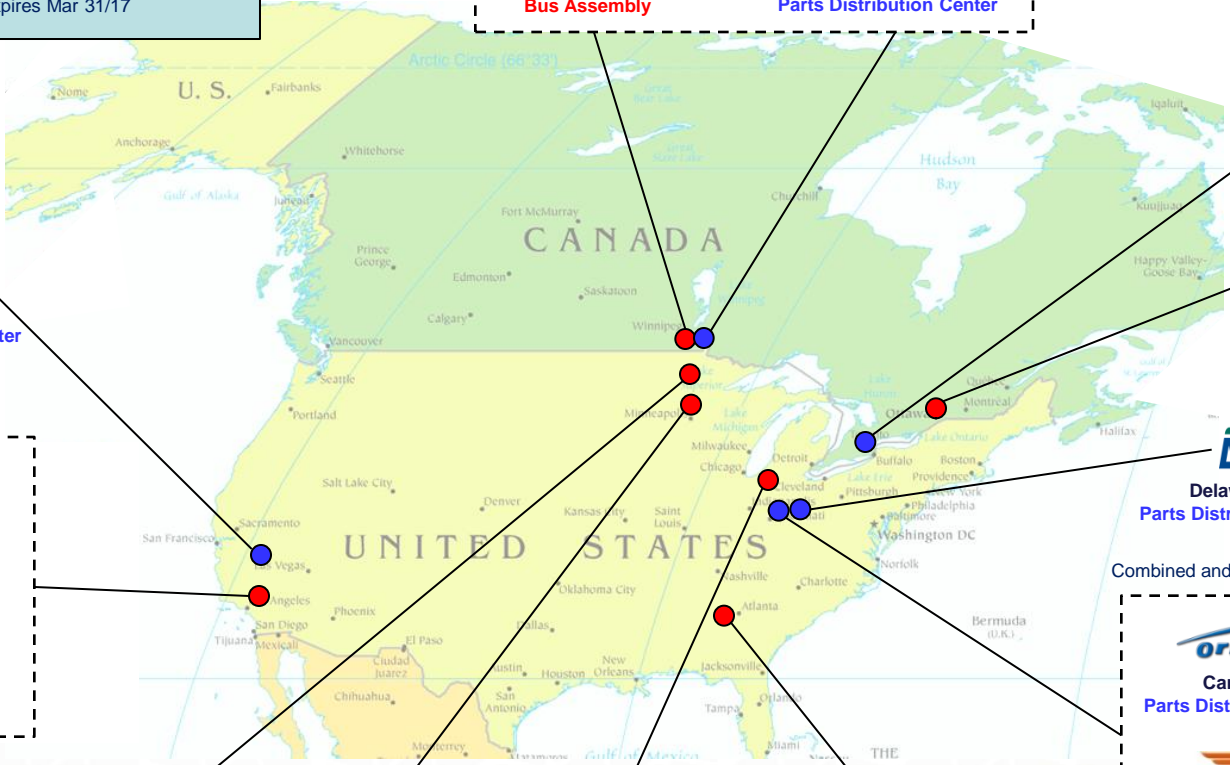
NABI
Delaware, OH
Parts Distribution Center

Combined and relocated in Q3-13

Orion

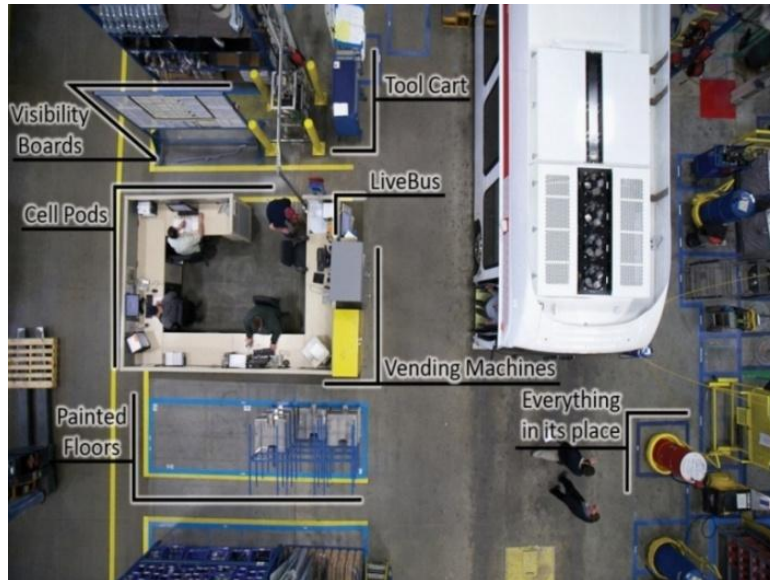
NEW FLYER
Canton, OH
Parts Distribution Center

NEW FLYER
Hebron, KY
Parts Distribution Center



- Bus Operations
- Aftermarket

Significant improvement in Operations & Performance



Key Operational Improvements since 2010:

- Build in Station (by task) improved from 87% to 95%
- Average Labour Efficiency increased from 71% to 89%
- Days in Customer Acceptance reduced from 21 to 16 days

Focused investment on both cultural and physical change



Leadership in Technology & Propulsion Options

Natural Gas



NF CNG Propulsion
First delivered in 1994

Fuel Cells



NF Hydrogen FC Fleet
Delivered fleet to BC Transit
Jan 2010

All-Electric



NF eBus
Maiden Voyage:
Apr 20-12, 1:05 pm

- New Flyer all-electric Xcelsior®**
- Pilot testing complete and in service.
 - 2 Chicago electric buses delivered in Q2-14
 - 4 buses enter Winnipeg Transit service in Q3-14
 - 60' Battery bus with Fuel Cell in development

e-Accessories



NF eAccessory Bus
Delivered to MN Metro
July 2012

Hybrid



NF Hybrid Bus
First delivered in 2000

Trolley



NF eTrolley Bus
First delivered in 1993



Focused on standardizing to New Flyer's optimized and robust Xcelsior® platform



Market Leader in Service and Aftermarket Parts

5 Parts Distribution Centers with over 700K Part Numbers

RO/Issue Log

The master document between NF and mARTA. Tracks open issues and completion dates of fleet issues by VIN.

Instruction to Service

Specific work instruction created for individual fleet campaigns for technicians. Created by Tech Svcs team. Gives very detailed steps (such as torque values, steps, etc.).

iWarranty

MARTA has their own personal login to be able to enter and track claims 24/7 via NF's internet based warranty claims system.

Technical Services Information Bulletin

Quick notification to all customers for recommended maintenance, diagnosis or repair. All TSIBs are created by Tech Svcs and are available on NF's website.

New Flyer Supply Chain Solutions

- Auto-replenishment programs
- Consignment programs
- Electronic Data Exchange
- Kanban / 2 Bin Systems
- Dedicated stock
- Maintenance Kits/Systems
- On-site stockroom management
- Inventory planning services
- Vending Machines
- Volume Rebate Programs



Pro Forma In-Service Transit Bus Fleet (EUs)

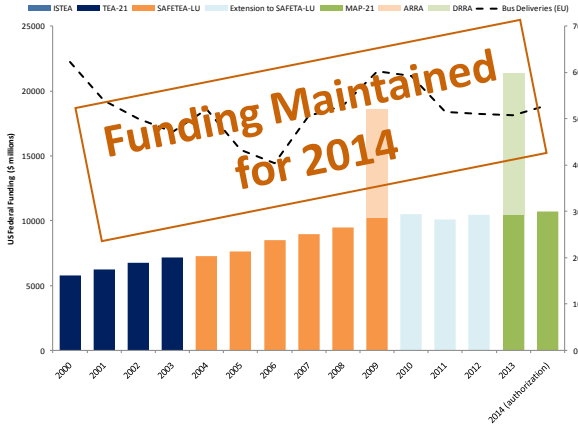


Source: New Flyer Database & Management Estimates



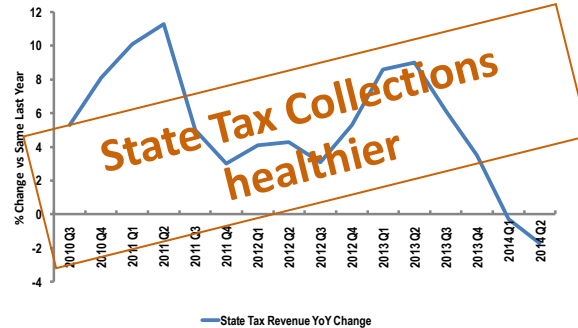
Market Economic Fundamentals Stabilizing

US Fed Funding vs Industry Deliveries



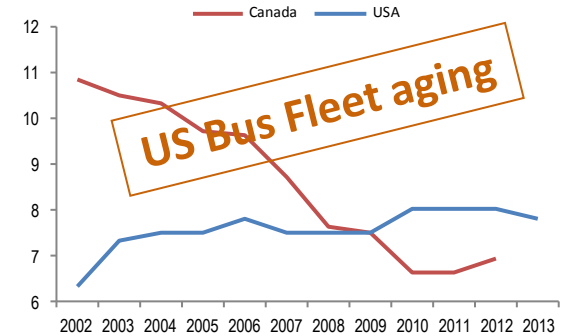
Source: <http://www.fta.dot.gov> & management estimates

US Qtrly State Tax [YOY % Chg]



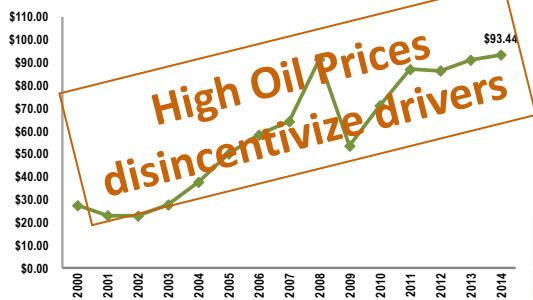
Source: The Nelson A. Rockefeller Institute State Revenue Reports

Average Age of Bus [Yrs]



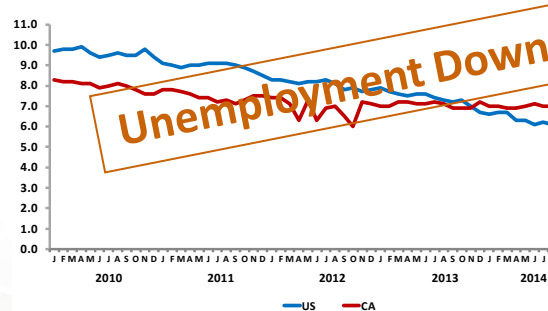
Source: CUTA, APTA
<http://www.apta.com/resources/statistics/Documents/FactBook/2013-Fact-Book-Appendix-A.pdf>

Annual Avg Crude Oil Price - [US\$]



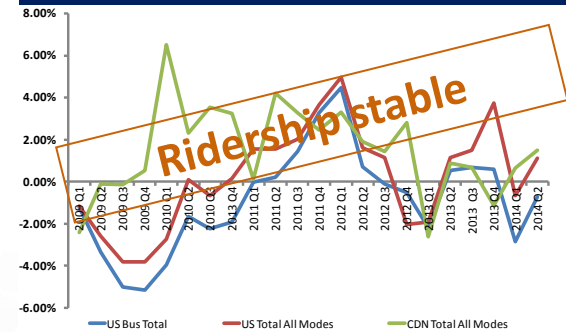
Source: http://inflationdata.com/inflation/inflation_rate/historical_oil_prices_table.asp

Monthly Unemployment Rate



Source: US Bureau of Labor Statistics (US) ; Stats Canada (CAD)

Qtrly Transit Ridership % Chg YOY

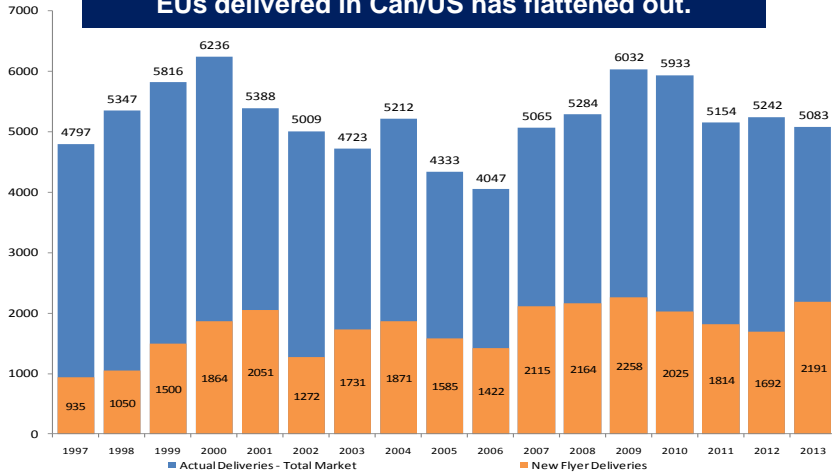


Source: <http://www.apta.com/resources/statistics/Pages/ridershipreport.aspx>

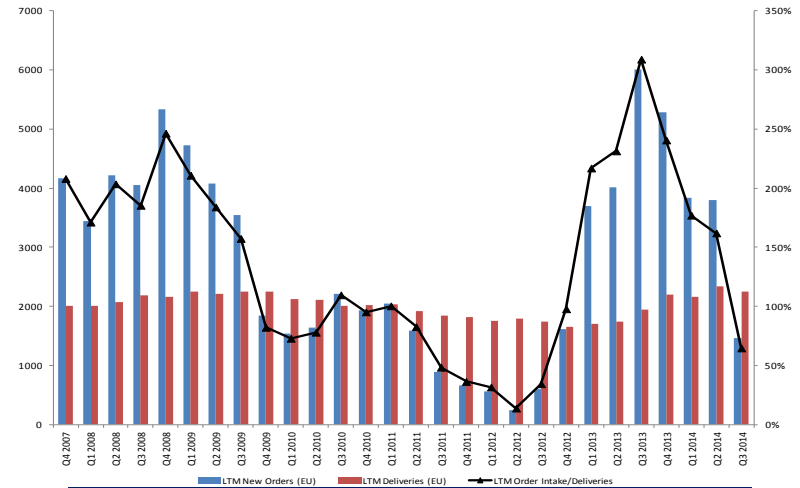


Strong Bid Universe and Active Opportunities, however few Industry Awards in Q3-14

EUs delivered in Can/US has flattened out.

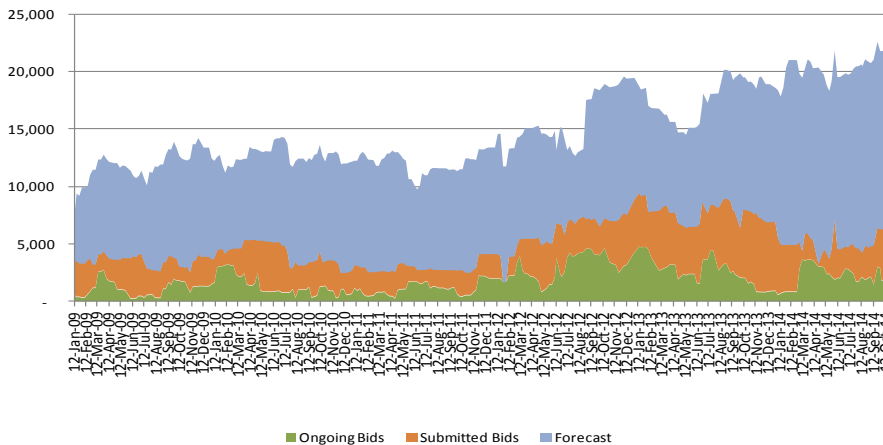


NFI Book-to-Bill ratio healthy However low levels of new awards during Q3-14.

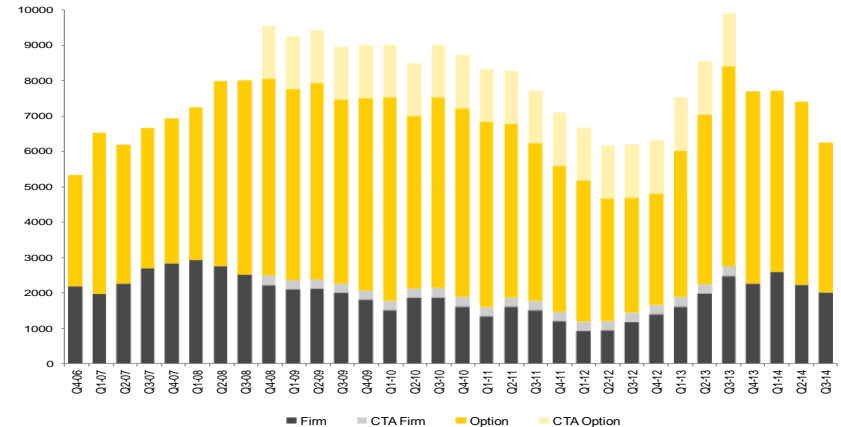


Bid Universe and Active Opportunities growing.

Heavy Duty Bid Universe



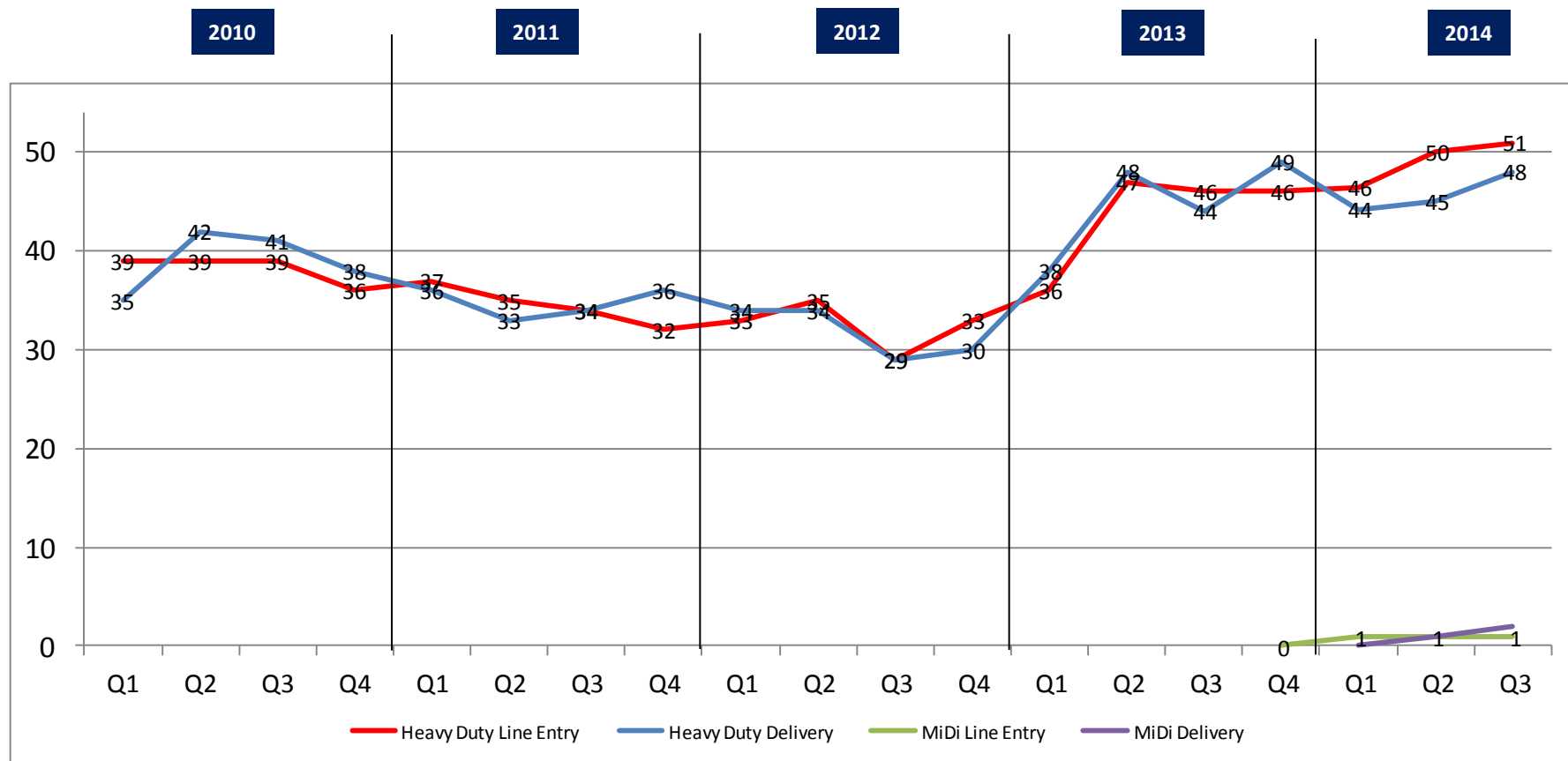
NF option backlog consumed as prior contracts complete and new procurements issued.



Note: CTA deferred order was removed in Dec 2013 following 5 years of inaction.



Average weekly Line Entry & Delivery Rates (EUs)



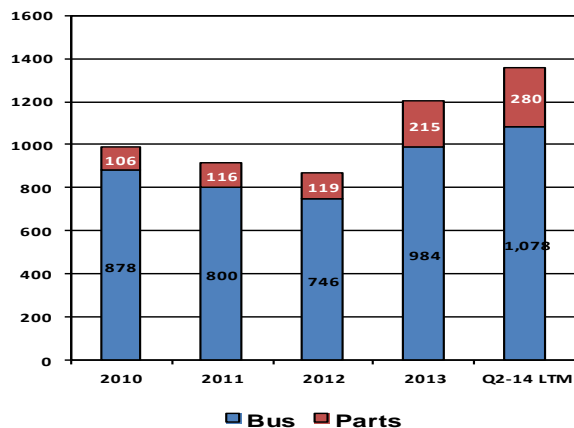
Includes activity from NABI Bus LLC following acquisition by New Flyer in June 2013. New Flyer MiDi® commenced production in Jan 2014.

**While it fluctuates with mix, 2014 Line Entry rate (average EUs per production week):
Heavy-Duty = 50, MiDi® = 1.25**

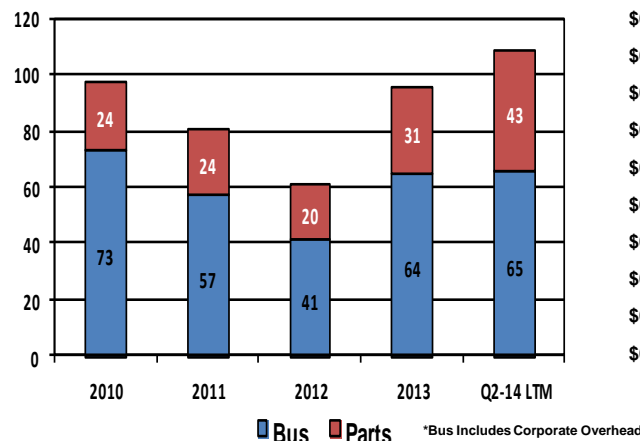


NFI Financial Performance

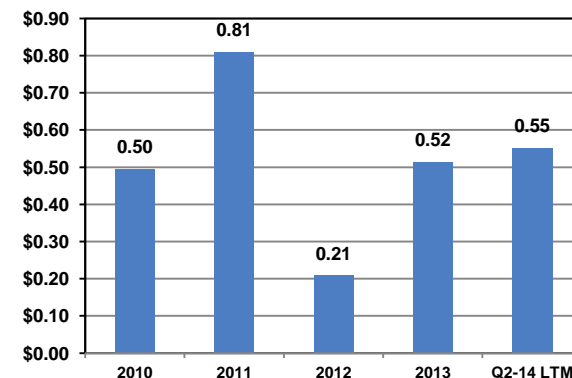
Sales (\$M US)



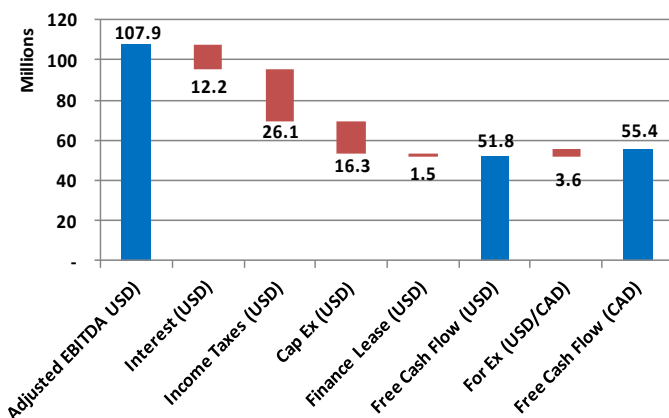
Adj EBITDA (\$M US)



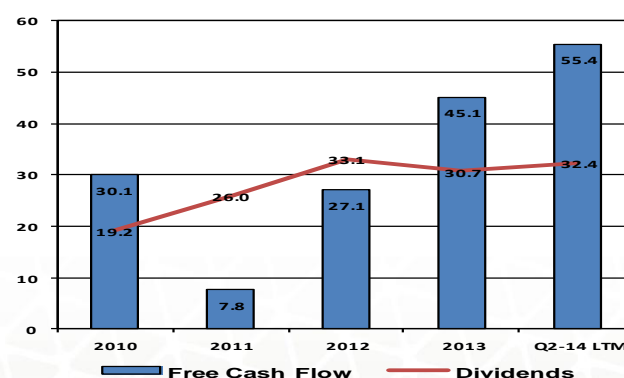
Earnings/Share (\$US)



LTM Adj EBITDA to Free Cash Flow (\$M)



Free Cash Flow and Dividends (\$M C)

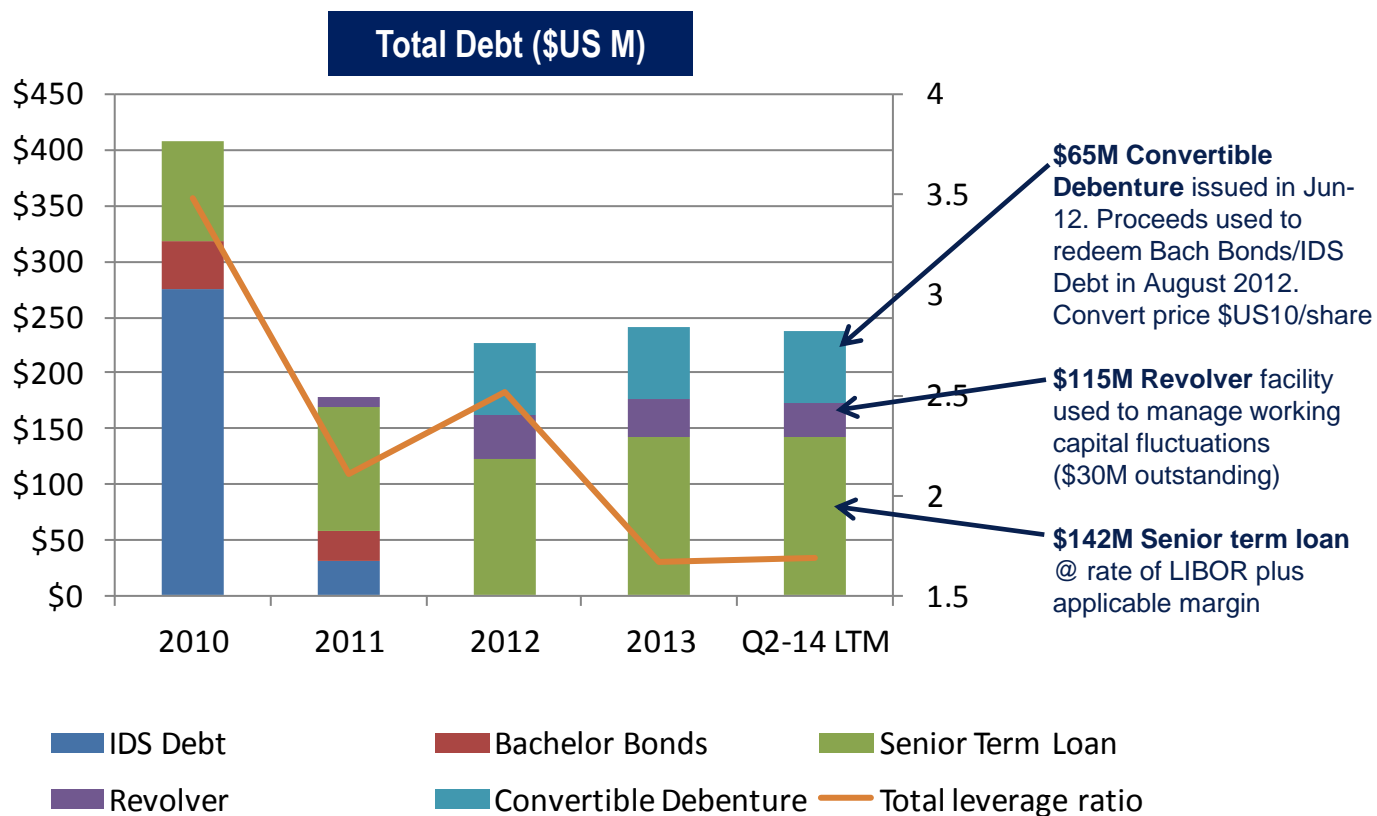


In 2011, NFI completed a noncash rights offering to facilitate conversion from an IDS to a traditional common share structure. Shareholders exercised approximately 89% of the Rights issued by tendering approximately C\$242.3M principal amount of Subordinated Notes in exchange for approximately 39 million common shares. In 2013, Marcopolo S.A. acquired approximately 11 million newly issued common shares, representing a 19.99% stake in NFI.



Transformed from IDS to Common Share structure

Reduced Leverage and Interest Costs. Compliant with all covenants



Interest on Bach Bonds/IDS Debt = 14% vs Converts = 6.25%

Total Leverage Ratio does not include Convertible Debenture as debt. Senior secured credit facility is in place until April 24, 2017.



New Flyer Share Performance

NFI (Common Share)



NFI.DB.U (Convertible)

NFI added to TSX Small Cap Index in 2013



55.5M Common Shares outstanding.
Annual dividend C\$0.585/share paid monthly (Yield approx 4.8%)
Distributions paid for 108 consecutive months (since IPO)

Significant NFI Shareholders (as at July 31-14)

- Marcopolo S.A. approx 19.99% (Brazil)
- Franklin Resources approx 12.86% (Canada)
- Coliseum Capital Management, LLC approx 10.90% (USA)
- Mawer Investment Management Limited approx 9.82% (Canada)
- NFI Board and Management approx 2.03% (Canada and USA)



Conversion price \$10.00 US
Convertibles outstanding approx. \$65M @ Face Value
Coupon 6.25%. Yield at approx 4.7%

To date 35,700 shares have converted to Common

On and after June 30, 2015 and prior to maturity, the Debentures may be redeemed in whole or in part at the Company's option, at a price equal to their principal amount plus accrued and unpaid interest, provided that the volume weighted average trading price of the Shares on the TSX for the 20 consecutive trading days preceding the date on which the notice of redemption is given is not less than 125% of the conversion price.



DEFINITIONS OF EBITDA, ADJUSTED EBITDA AND FREE CASH FLOW

References to “EBITDA” are to earnings before interest, income taxes, depreciation and amortization, and unrealized foreign exchange losses or gains on non-current monetary items. References to “Adjusted EBITDA” are to EBITDA after adjusting for: the effects of certain non-recurring and/or non-operations related items that have impacted the business and are not expected to recur, including non-recurring transitional costs relating to business acquisitions, product rationalization costs, impairment loss on equipment and intangible assets, realized investment tax credits (“ITCs”), stock-based compensation and costs associated with assessing strategic and corporate initiatives.

Management believes EBITDA, Adjusted EBITDA and Free Cash Flow (as defined below) are useful measures in evaluating the performance of the Company. “Free Cash Flow” means net cash generated by operating activities adjusted for changes in non-cash working capital items, interest paid, interest expense, income taxes paid, current income tax expense, effect of foreign currency rate on cash, defined benefit funding, non-recurring transitional costs relating to business acquisitions, costs associated with assessing strategic and corporate initiatives, product rationalization costs, defined benefit expense, cash capital expenditures and principal payments on capital leases. However, EBITDA, Adjusted EBITDA and Free Cash Flow are not recognized earnings measures and do not have standardized meanings prescribed by IFRS. Readers of this presentation are cautioned that EBITDA, Adjusted EBITDA and Free Cash Flow should not be construed as an alternative to net earnings or loss determined in accordance with IFRS as an indicator of New Flyer's performance or to cash flows from operating, investing and financing activities as a measure of liquidity and cash flows. A reconciliation of net earnings and cash flow to EBITDA and Adjusted EBITDA, based on the Financial Statements, has been presented In Management's Discussion and Analysis of Financial Condition under the heading “Reconciliation of Net Earnings to EBITDA and Adjusted EBITDA” and “Reconciliation of Cash Flow to EBITDA and Adjusted EBITDA”, respectively. A reconciliation of Free Cash Flow to cash flows from operations is provided under the heading “Summary of Free Cash Flow”.

New Flyer's method of calculating EBITDA, Adjusted EBITDA and Free Cash Flow may differ materially from the methods used by other issuers and, accordingly, may not be comparable to similarly titled measures used by other issuers. Dividends paid from Free Cash Flow are not assured, and the actual amount of dividends received by holders of Shares will depend on, among other things, the Company's financial performance, debt covenants and obligations, working capital requirements and future capital requirements, all of which are susceptible to a number of risks, as described in New Flyer's public filings available on SEDAR at www.sedar.com.