NFI GROUP

Q4 and Fiscal 2019 Results

MARCH 12, 2020

CAUTIONARY STATEMENT

Certain statements in this presentation are “forward looking statements”, which reflect the expectations of management regarding the Company's future growth, results of operations, performance and business prospects and opportunities. These forward-looking statements are made as of the date of this presentation and NFI assumes no obligation to update or revise them to reflect new events or circumstances, except as required by applicable securities laws. See the Appendix to this presentation for more details about the forward looking statements.

In addition, certain financial measures used in this presentation are not recognized earnings measures and do not have standardized meanings prescribed by International Financial Reporting Standards (“IFRS”). Therefore, they may not be comparable to similar measures presented by other issuers. See the Appendix to this presentation and the Company’s related Management Discussion & Analysis (“MD&A”) for more information and detailed reconciliation to the applicable IFRS measures.

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

FINANCIAL PERFORMANCE – IFRS 16 IMPACT

Effective December 31, 2018, the Company adopted IFRS 16, the accounting standard which specifies how to recognize, present and disclose leases. This standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all major leases. On transition, the Company has elected to use the following practical expedients and policies:

- To utilize the modified retrospective approach to adopting the standard, accordingly comparative information for 2018 has not been restated
- To utilize the definition of a lease under International Accounting Standard 17 to identify contracts that are, or contain, leases
- To exclude the recognition of the right-of-use asset and lease liability for leases with a term of twelve months or less
- To exclude the recognition of the right-of-use asset and lease liability for leases and of low-value assets
- To value the right-of-use asset as equal to the lease liability, adjusting for related amounts prepaid or accrued

The impact of the adoption of IFRS 16 primarily impacts NFI's Gross Margin, Adjusted EBITDA, net earnings and Adjusted Net Earnings, and the associated per common share ("Share") amounts and several balance sheet accounts as reported in the Financial Statements and MD&A. Summary details are provided in the table (detailed segment information is provided within the MD&A).

Impact of IFRS 16 Transition (in millions except EPS)	Q4 2019	Q4 2019 (excluding IFRS 16)	Q4 2018	FY 2019	FY 2019 (excluding IFRS 16)	FY 2018
IFRS Measures						
Gross Margin	$138.0	$139.0	$118.3	$413.5	$415.5	$454.2
Net earnings	$34.1	$35.8	$42.8	$57.7	$62.0	$160.0
Net earnings per Share	$0.55	$0.57	$0.69	$0.93	$1.00	$2.56
Non-IFRS Measures						
Adjusted EBITDA	$103.9	$100.0	$79.9	$322.2	$308.0	$315.4
Adjusted Net Earnings	$30.9	$32.5	$44.8	$101.7	$106.0	$167.6
Adjusted Net earnings per Share	$0.49	$0.52	$0.72	$1.65	$1.71	$2.69

IFRS 16 Transition Impacted Several Financial Metrics and Year-over-Year Comparatives

EXECUTIVE SUMMARY

RECORD QUARTERLY PERFORMANCE

- **Record 1,845 EUs delivered in 2019 Q4**
- Record 2019 Q4 revenue of $918M
- 2019 Q4 Adjusted EBITDA of $104M
- 2019 Q4 Free Cash Flow of $49M

OPERATIONS STABILIZED

- **WIP lowered to $263M at end of 2019 Q4**
- **Total Leverage Ratio lowered to 3.24x**
- **KMG parts fabrication facility stabilized** and delivering parts. Shifts to profitability in 2020

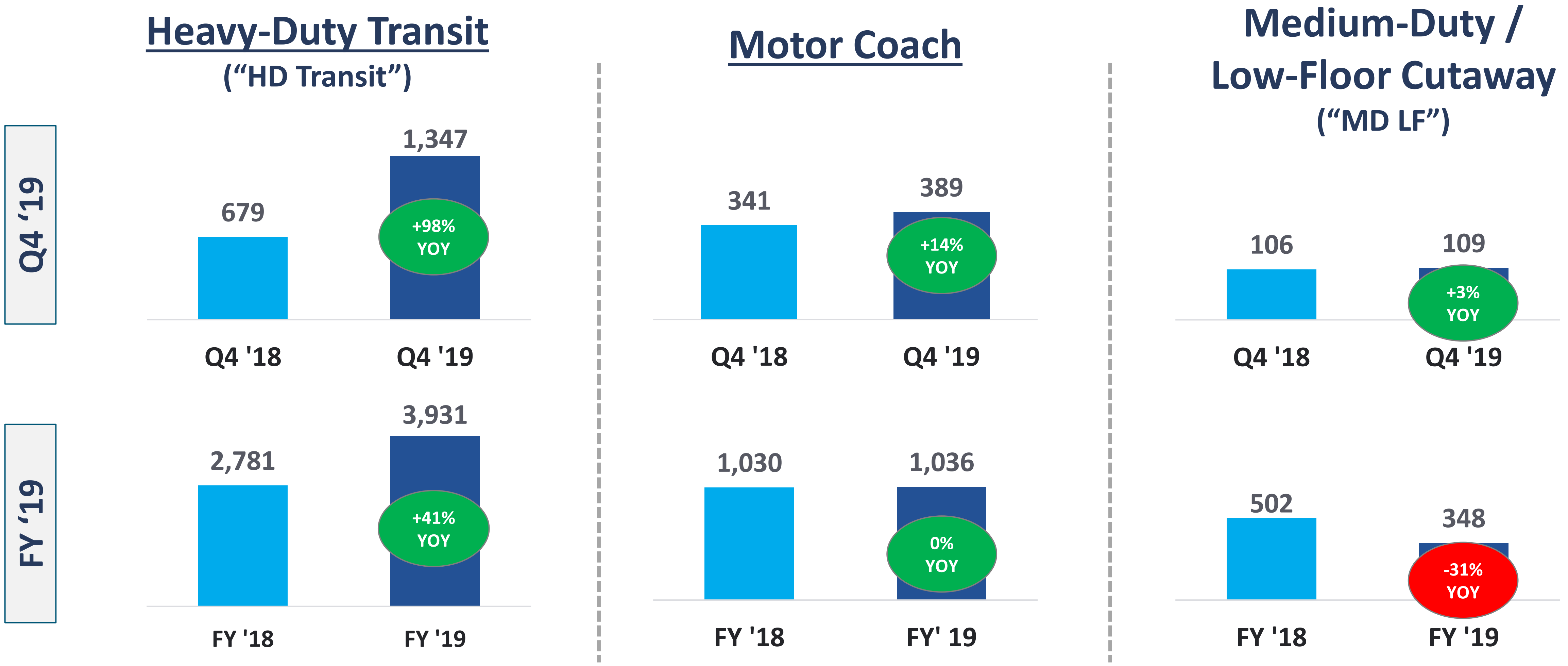
POSITIVE OUTLOOK FOR 2020*

- Mid-teens revenue growth expected
- **Adjusted EBITDA range of $320 million to $350 million** (does not reflect any potential impact from COVID-19)
- Planned Capex between $45M to $55M
- Free Cash Flow conversion expected at 45% - 50% of Adjusted EBITDA
- **Q1 slightly down**, with growth in Q2, Q3 and Q4. **Q4 strongest period**

Strong 2019 Q4, excess WIP reduced and Projecting Positive Momentum in 2020

** The guidance ranges provided are for selected Fiscal 2020 consolidated financial metrics. These ranges take into consideration our current outlook and our Fiscal 2019 results and are based on assumptions detailed on page 14. The purpose of the financial guidance is to assist investors, shareholders and others in understanding certain financial metrics relating to expected Fiscal 2020 financial results for evaluating the performance of our business. The information may not be appropriate for other purposes. Information about our guidance, including the various assumptions underlying it, is forward looking and should be read in conjunction with the section "Forward-looking Statements" in the Appendix and the related disclosure in the MD&A and information about various economic competitive and regulatory assumptions, factors and risks that may cause actual future financial and operating results to differ from management's current expectations. Note that potential impact of COVID-19 (also known as Coronavirus) is not included in guidance ranges provided above. COVID-19 has not had a material impact on NFI's operations as of March 12, 2020.*

RECORD DELIVERIES IN 2019(1)



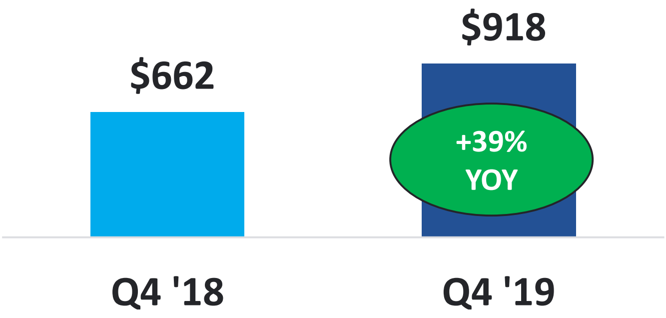
(1) All deliveries reported as equivalent units or EUs (see definition in the appendix on page 20)

Record Full Year Transit Deliveries With Solid Coach and Medium-Duty/Low-Floor Cutaway Performance in the Fourth Quarter of 2019

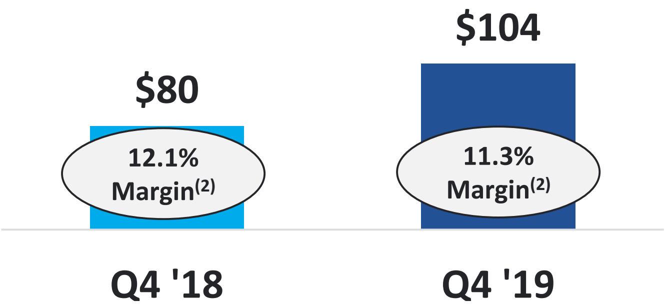
FINANCIAL PERFORMANCE

Q4 ’19(1)

Revenue ($M)

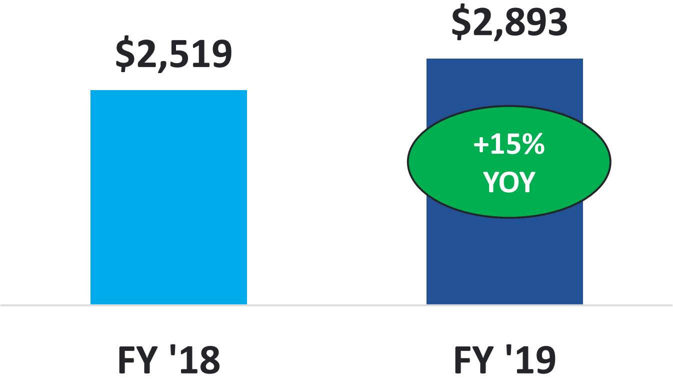


EBITDA ($M)

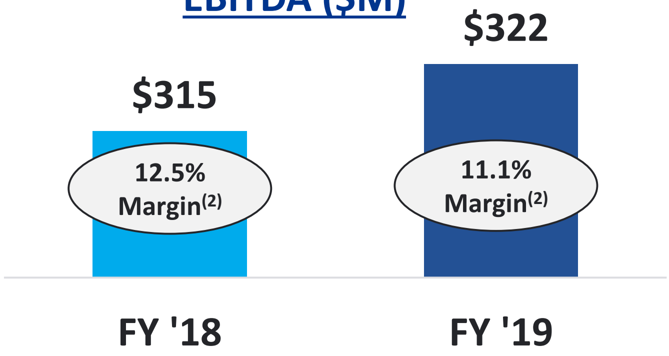


FY ’19(1)

Revenue ($M)



EBITDA ($M)



Highlights

Revenue

- Growth driven by ADL acquisition
- Lower deliveries in legacy Heavy-Duty Transit, Motor Coach and Medium-Duty / Low-Floor Cutaway product lines impacted by KMG challenges and new model learning curves
- Legacy Aftermarket volumes down due to lower public activity

Adjusted EBITDA

- Growth driven by ADL acquisition
- Negative productivity impact from KMG challenges and associated impact on New Flyer production plus new model learning curve

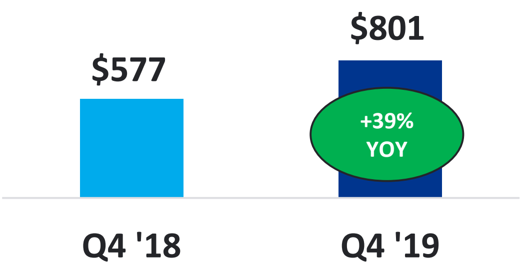
(1) Fiscal 2019 figures are not adjusted for impact of IFRS 16 – see slide 4 for details
(2) Adjusted EBITDA margin calculated as Adjusted EBITDA divided by revenue

Benefit of May 28th ADL Acquisition was Offset by Production and Supply Challenges

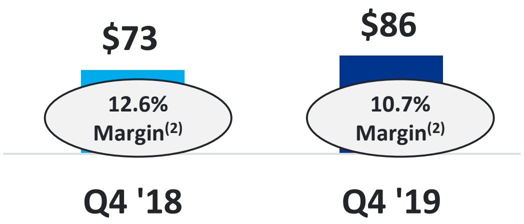
MANUFACTURING SEGMENT

Q4 '19(1)

Revenue ($M)

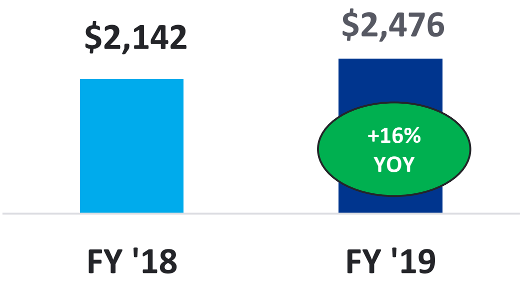


Adj. EBITDA ($M)

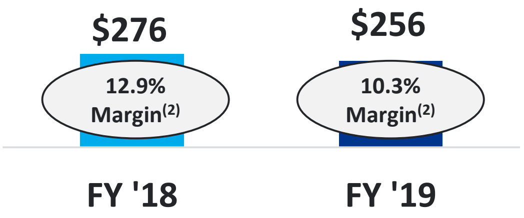


FY '19(1)

Revenue ($M)



Adj. EBITDA ($M)



(1) Fiscal 2019 figures are not adjusted for impact of IFRS 16 – see slide 4 for details
(2) Adjusted EBITDA margin calculated as Adjusted EBITDA divided by revenue

Highlights

Quarter 4:

- Increase in Q4 EBITDA from higher quarterly deliveries from all product lines and the addition of ADL
- Q4 Canada and U.S. total active and full Bid Universe continued to show strength:
  - Active bids up by 1,963 EUs vs. 2018 Q4 (72% increase)
  - Total Bid Universe up 4,223 EUs (18% increase)

Full Year:

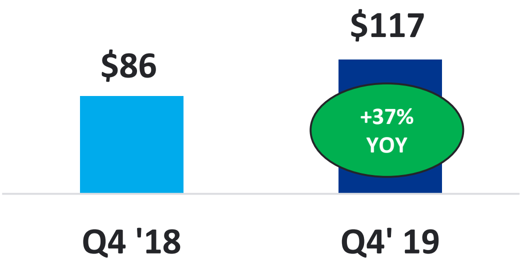
- Full year EBITDA increases from ADL and higher heavy-duty transit vehicles deliveries offset by impact from:
  - Learning curve from new model launches at New Flyer and MCI
  - KMG ramp-up, loss position and negative impact on New Flyer manufacturing operations,
  - product mix, and margin pressure within coach
  - lower cutaway and medium-duty deliveries
- Total backlog of 10,742 EUs (4,224 EU firm, 6,518 EU option) valued at $5.2 billion

Learning Curve and KMG Impact on Manufacturing plus Competitive Coach Environment Impacted 2019

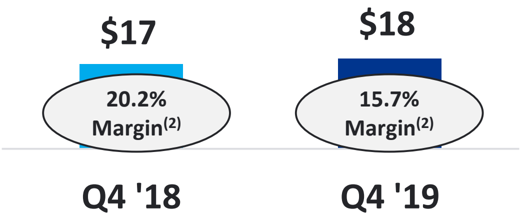
AFTERMARKET SEGMENT

Q4 ’19(1)

Revenue ($M)

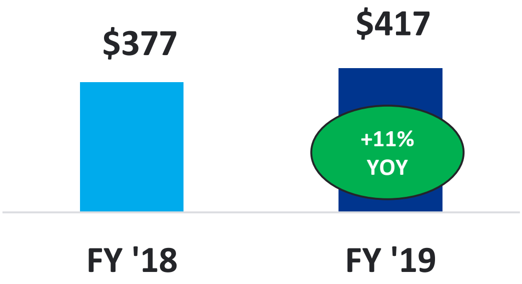


Adj. EBITDA ($M)

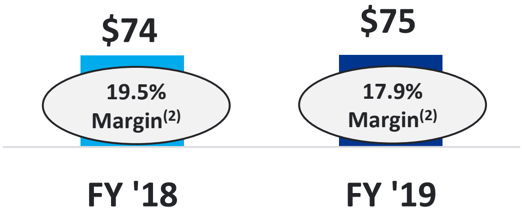


FY ’19(1)

Revenue ($M)



Adj. EBITDA ($M)



(1) Fiscal 2019 figures are not adjusted for impact of IFRS 16 – see slide 4 for details
(2) Adjusted EBITDA margin calculated as Adjusted EBITDA divided by revenue

Highlights

Quarter 4:

- Increase in Q4 aftermarket Adjusted EBITDA of $1.1M or 6% driven by volume increases from ADL and improved margins from product mix offset by added SG&A costs from ADL

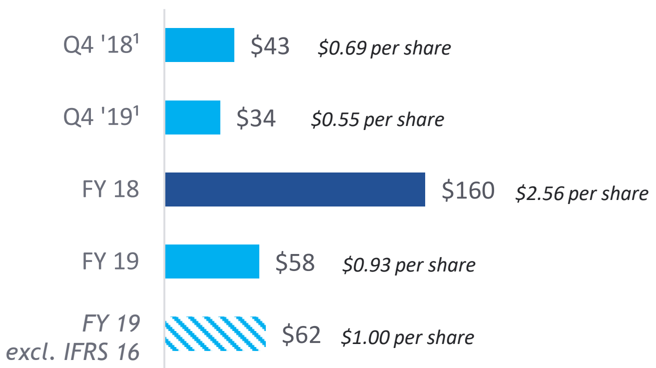
Full Year:

- Full year Adjusted EBITDA driven by volume increases from ADL offset by increased SG&A costs from addition of ADL

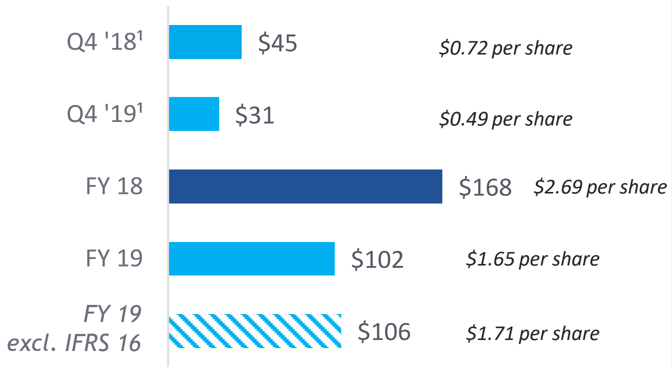
ADL Driving Aftermarket EBITDA Gains, with Margin Profile Change From addition of ADL SG&A

NET EARNINGS AND ADJUSTED NET EARNINGS

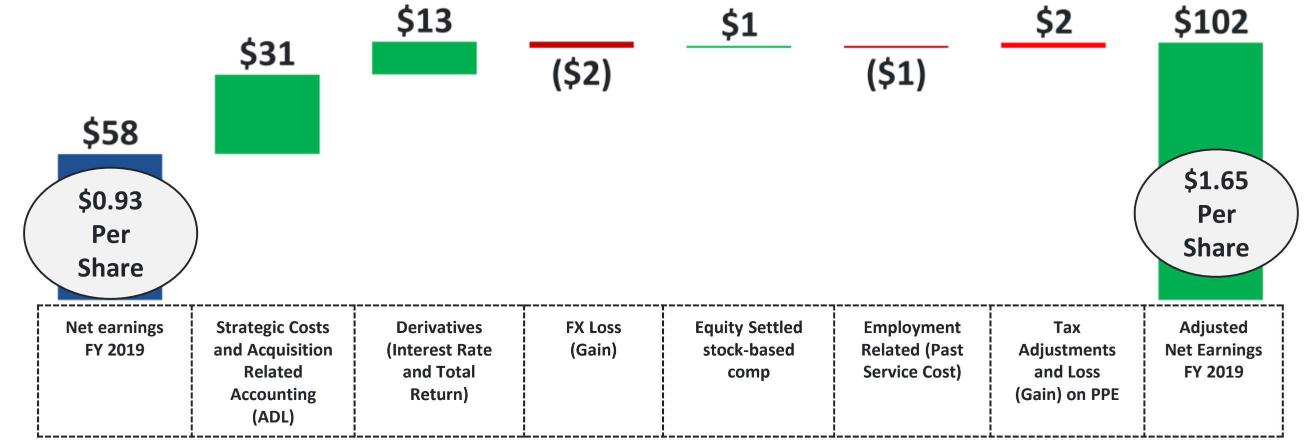
Net Earnings ($M)



Adjusted Net Earnings ($M)



Net Earnings to Adjusted Net Earnings Reconciliation(1)



(1) Fiscal 2019 figures are not adjusted for impact of IFRS 16 – see slide 4 for details. Detailed quarterly reconciliations for Fiscal 2019 and Fiscal 2018 provided in the Appendix

Quarter 4:

- Net earnings decrease driven by adjustments for ADL purchase accounting, higher interest and income taxes
- Adjusted net earnings decrease driven by the items noted above for net earnings as well interest rate swap gains

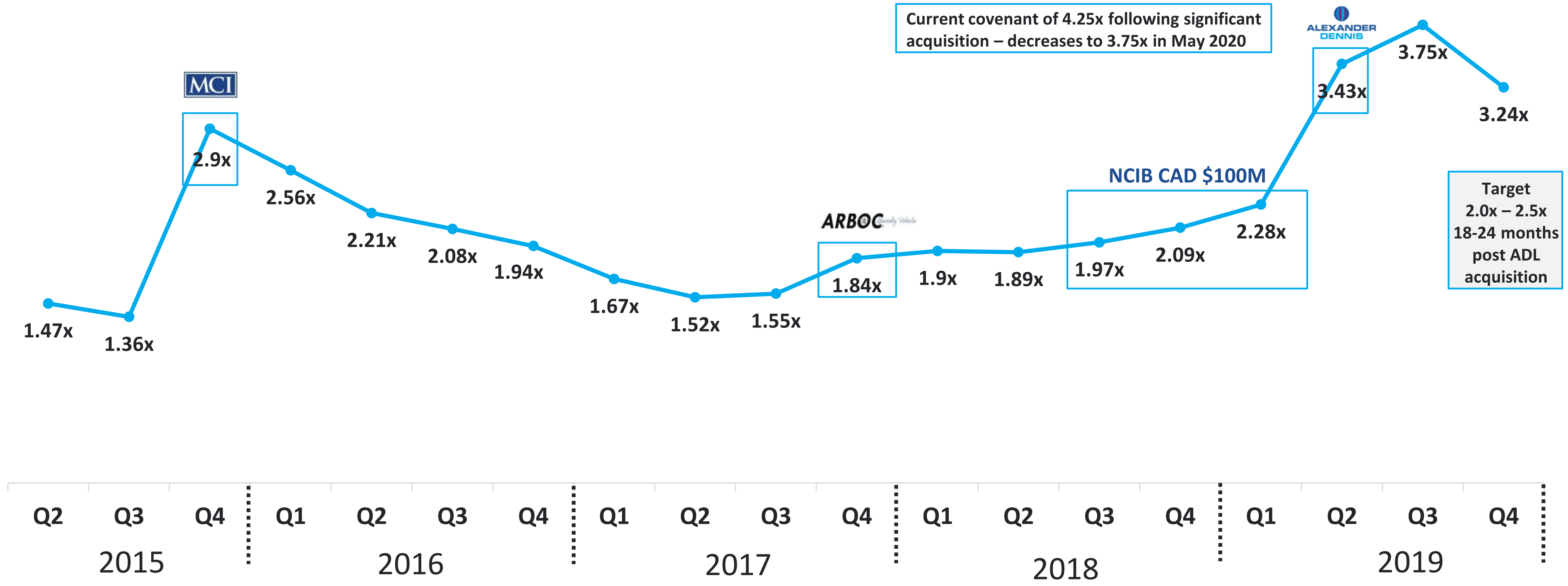
Full Year:

- Net earnings decreased due to the same items that impacted Adjusted EBITDA, plus ADL acquisition costs, adjustments for purchase accounting, interest on long-term debt, and fair value adjustments on foreign exchange and interest contracts
- Adjusted net earnings decreased due to the items noted above in net earnings, offset by adjustments related to costs and fair value adjustments associated with the purchase of ADL
- Detailed net earnings to Adjusted Net Earnings reconciliations in the Appendix

Net Earnings Significantly Impacted by One-Time Strategic Corporate Costs and Accounting Adjustments related to ADL Plus Unrealized Interest Rate Swaps

BALANCE SHEET

Total Leverage

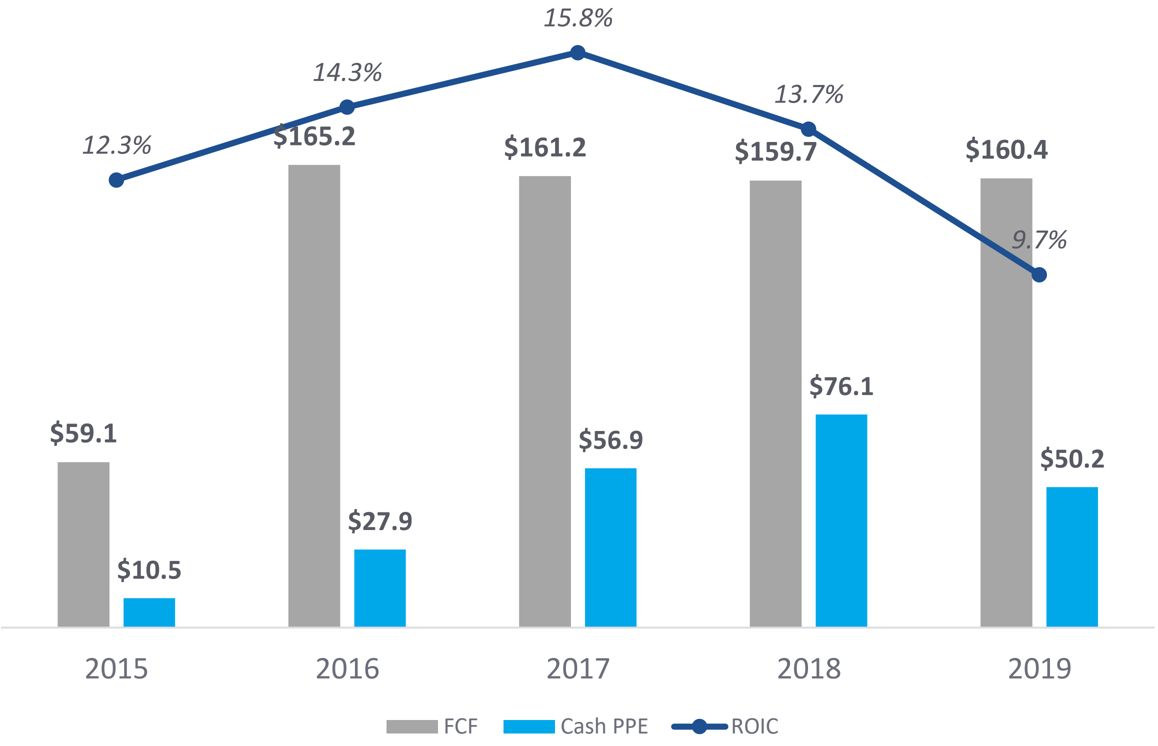


2019 Year-End Total Leverage of 3.24x, Significant Improvement from Q3-19 Peak

CASH FLOW

CASH FLOW ($MM)	2018	2019
Adjusted EBITDA	$315.4	$322.2
Interest Expense	($23.5)	($50.5)
Current Income Tax	($56.3)	($61.3)
Cash Capital Expenditures plus Lease	($76.1)	($50.2)
Proceeds from disposition of property	$0.2	$0.2
Other	-	-
Free Cash Flow (USD)	**$159.7**	**$160.4**
FX Rate	1.3183	1.3180
Free Cash Flow (CAD)	**$210.5**	**$211.4**
Dividends (CAD)	$90.3	$105.5
Payout Ratio	**43%**	**50%**

Free Cash Flow, Cash Capex and ROIC

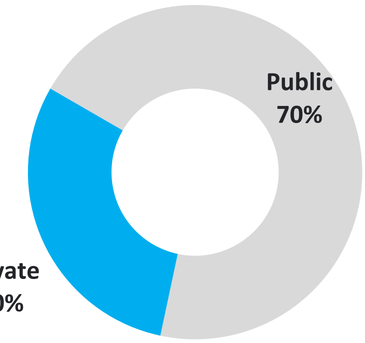


Strong FCF Conversion Expected to Continue with Lower Capital Expenditures in 2020

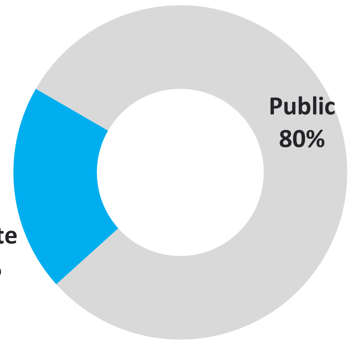
BALANCED REVENUE PORTFOLIO

By Customer[2]

POST-ADL Fiscal 2019 Pro-Forma[1]

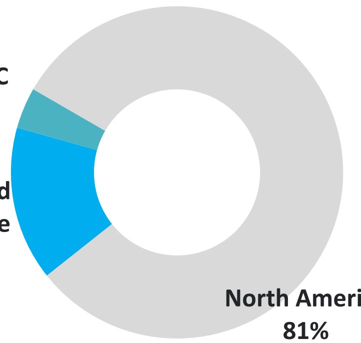


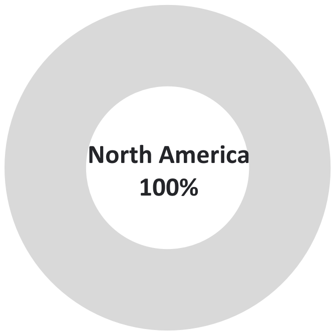
PRE-ADL Fiscal 2018



Less volatile public transit agencies remain primary customers, with diversity from private operators

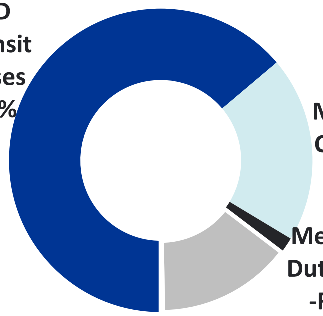
By Geography

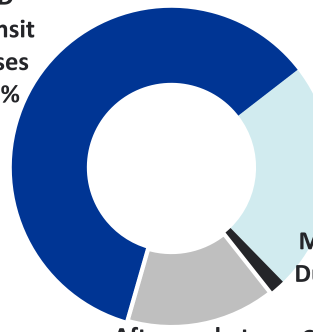




While attractive North American market is still largest segment, NFI is no longer solely reliant on one region

By Product Category





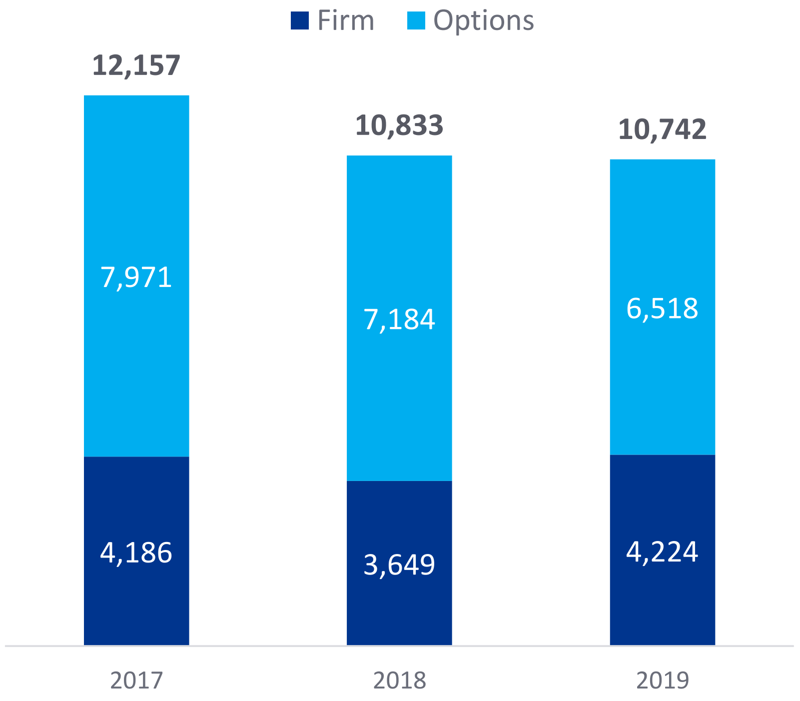
Diversified revenue streams across multiple product lines with larger Heavy-Duty Transit

(1) *Post-ADL is calculated on a pro-forma basis to include ADL's revenue for the period December 31, 2018 to December 30, 2019. NFI acquired ADL on May 28, 2019. See MD&A for pro-forma ADL information*
(2) *Public customers are defined as public transit agencies and other government associated organizations*

As we enter 2020, NFI has a More Balanced Portfolio with the Acquisition of ADL

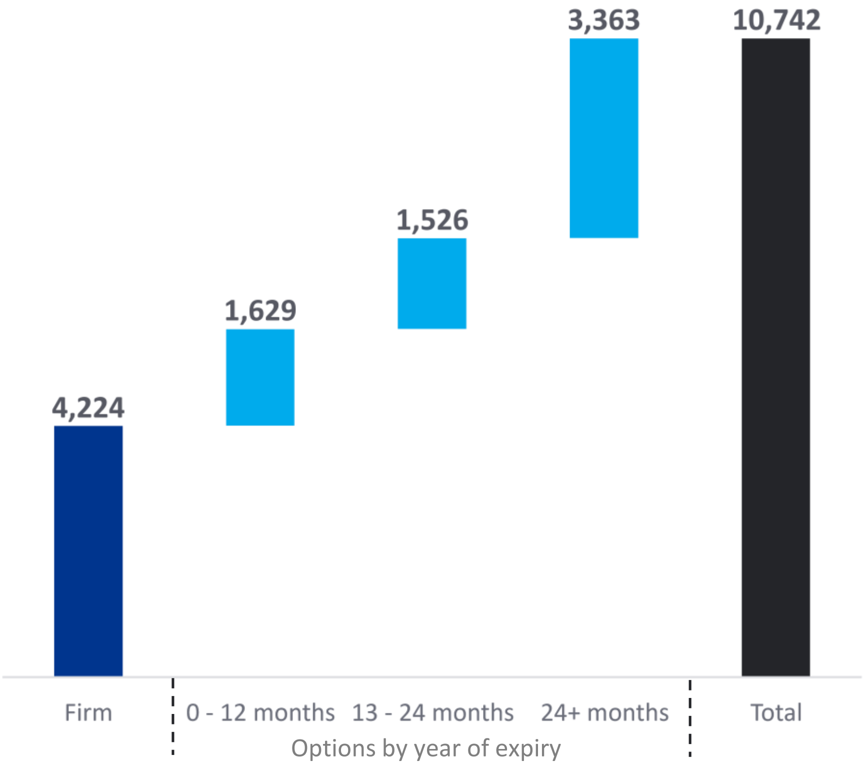
SOLID BACKLOG (EUS)[1]

BACKLOG – FIRM AND OPTION



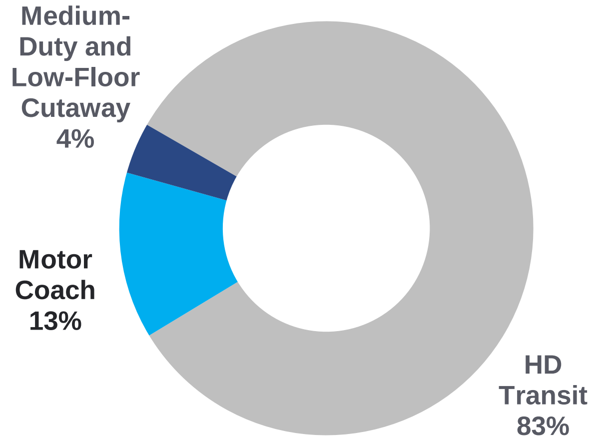
(1) ADL backlog added in Q2 2019. ADL backlog not included in historic 2017 and 2018 figures

BACKLOG – TIMING



Firm orders typically delivered within 12-18 months
Option conversion five year historic average is 75.8%

BACKLOG – BY PRODUCT



(2) Options for ARBOC vehicles are held by dealers, rather than the operator, and are not included as an option in the NFI backlog.

Backlog Provides Visibility and Differentiation From Competitors

FY 2020 GUIDANCE

Financial Guidance Full Year 2020[1]	
Adjusted EBITDA	$320 million - $350 million
Cash Capital Expenditures	$45 million - $55 million
Effective Tax Rate ("ETR")	31% - 33%
Free Cash Flow Conversion	45% - 50%
Seasonality	Q1 slightly down, growth in Q2, Q3 and Q4

(1) See footnote on Page 3

ADJUSTED EBITDA

- Impact of COVID-19 - given that it is nearly impossible to forecast the potential financial impact on NFI, the Company has not included any adjustment related to it in the 2020 guidance or other information contained therein
- Expectations are based on management's expectations of mid-teen revenue percentage growth, assisted by a full year of ADL operations plus the Company's existing vehicle backlog and anticipated new orders, as well as margin improvement as NFI's KMG parts fabrication facility shifts from a loss position to profitability with operations no longer delaying new vehicle production
- The lower end of the Adjusted EBITDA range is based on scenarios where production is negatively impacted by new model learning curves, weather delays and supply disruption

CASH CAPEX

- Expectations based primarily on expenditures for maintenance projects with some growth spending. Fiscal 2020 follows periods of increased investment from 2017 to 2019, which were primarily driven by growth projects

ADJUSTED ETR

- Range for Fiscal 2020 is based on NFI's corporate structure and operating jurisdictions, plus existing and proposed tax legislation. It excludes the impact of purchase accounting adjustments related to the acquisition of ADL and other one-time items which may increase the expected ETR. Looking forward, management expects the ETR to decline as global activities are reflected in the Company's financial results and it executes on projects to lower its tax exposure

FCF CONVERSION

- FCF conversion is based on the Company's Adjusted EBITDA expectations, historic FCF conversion, projected cash capital expenditures and cash interest and tax expectations

New Approach Provides More Clarity on Expectations

NFI GROUP SUMMARY

- **Strong finish to 2019** – WIP under control and record deliveries achieved
- **ADL continues to meet expectations** with potential upside in 2020
- **KMG stabilized** – expected to be profitable in 2020 with future upside to run-rate
- **Seasonality is now more pronounced**, Q2 and Q4 strongest periods. **Q1 weakest**
- **Decreased leverage from 3.75x to 3.24x at end of 2019**, anticipate significant improvement during 2020
- **Focused on top-line growth from increased deliveries**, full-year of ADL and aftermarket segment growth plus focus on working capital management to return to historic levels

Majority of Issues Behind Us … Poised for Solid 2020

APPENDIX

APPENDIX - FINANCIAL HIGHLIGHTS

$ MM (except EU and EPS)	Fourth Quarter			Full Year		
	2019	2018	Change	2019	2018	Change
Deliveries (EUs)	**1,845**	1,126	*64%*	**5,315**	4,313	*23%*
Revenue	**917.7**	662.0	*37%*	**2,893**	2,519	*15%*
Gross Profit	**138.0**	118.3	*17%*	**413.5**	454.2	*9%*
Gross Margin %	***15.0%***	*17.9%*	*290bps*	***14.3%***	*18.0%*	*370bps*
Adjusted EBITDA	**103.9**	79.9	*30%*	**322.2**	$315.4	*2%*
Adjusted EBITDA Margin %	***11.3%***	*12.1%*	*80bps*	***11.1%***	*12.5%*	*140bps*
Earnings from operations	**70.0**	60.6	*16%*	**173.1**	237.9	*27%*
Net earnings	**34.1**	42.8	*20%*	**57.7**	159.9	*64%*
Net earnings per share	**0.55**	0.69	*20%*	**0.93**	2.56	*64%*
Adjusted Net Earnings	30.9	44.8	*31%*	101.7	167.6	*39%*
Adjusted Net Earnings per Share	0.49	0.72	*32%*	1.65	2.69	*39%*
Orders – Firm (EUs)	1,159	857	*35%*	3,018	2,014	*50%*
Orders – Options (EUs)	**209**	74	*182%*	**559**	1,750	*68%*
Total Backlog	**10,742**	10,833	*0.8%*	**10,742**	10,833	*0.8%*

(1) Fiscal 2019 figures are not adjusted for impact of IFRS 16 – see slide 4 for details

Strong Fourth Quarter with Growth in Orders, Deliveries, Revenue, Adjusted EBITDA and Orders

APPENDIX - KEY DEFINITIONS

- **Adjusted EBITDA:** Earnings before interest, income taxes, depreciation and amortization after adjusting for the effects of certain non-recurring and/or non-operations related items that do not reflect the current ongoing cash operations of the Company. These adjustments include gains or losses on disposal of property, plant and equipment, fair value adjustment for total return swap, unrealized foreign exchange losses or gains on non-current monetary items and forward foreign exchange contracts, costs associated with assessing strategic and corporate initiatives, past service costs and other pension costs, non-recurring restructuring costs, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, proportion of the total return swap realized, equity settled stock-based compensation, recovery of currency transactions, prior year sales tax provision, and release of provision related to purchase accounting
- **Free Cash Flow:** Defined as 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, past service costs, costs associated with assessing strategic and corporate initiatives, defined benefit expense, cash capital expenditures, proportion of the total return swap realized, proceeds on disposition of property, plant and equipment, gain received on total return swap settlement, fair value adjustment to acquired subsidiary company's inventory and deferred revenue and principal payments on capital leases.
- **ROIC:** Defined as net operating profit after taxes (calculated as Adjusted EBITDA less depreciation of plant and equipment and income taxes at the expected effective tax rate) divided by average invested capital for the last twelve-month period (calculated as to shareholders' equity plus long-term debt, obligations under finance leases, other long-term liabilities, convertible debentures and derivative financial instrument liabilities less cash).
- **Adjusted Net Earnings:** Defined as net earnings after adjusting for the after tax effects of certain non-recurring and/or non-operational related items that do not reflect the current ongoing cash operations of the Company including: fair value adjustments of total return swap, unrealized foreign exchange loss or gain, unrealized gain or loss on the interest rate swap, portion of the total return swap realized, costs associated with assessing strategic and corporate initiatives, non-recurring costs or recoveries relating to business acquisition, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, equity settled stock-based compensation, gain or loss on disposal of property, plant and equipment, gain on bargain purchase option, past service costs, recovery on currency transactions, prior year sales tax provision, gain on release of provision related to purchase accounting.
- **Adjusted Net Earnings per Share:** Defined as Adjusted Net Earnings divided by the average number of Shares outstanding.
- **Equivalent Unit (EU):** One equivalent unit (or "EU") represents one production slot, being one 30-foot, 35-foot, 40-foot, 45-foot heavy-duty transit bus, one double deck bus, one medium-duty bus, one cutaway bus or one motor coach, whereas one articulated transit bus represents two equivalent units. An articulated transit bus is an extra-long transit bus (approximately 60-feet in length), composed of two passenger compartments connected by a joint mechanism. The joint mechanism allows the vehicle to bend when the bus turns a corner, yet have a continuous interior.

APPENDIX - NON-IFRS RECONCILIATION (2019)

Reconciliation of IFRS to non-IFRS
Year Ending December 29, 2019

In '000	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net Sales	**$ 566,995**	**$ 683,353**	**$ 725,347**	**$ 917,741**	**$ 2,893,436**
Net Earnings	**$ 16,149**	**$ 8,507**	**$ (1,085)**	**$ 34,127**	**$ 57,698**
% of net sales	2.8%	1.2%	-0.1%	3.7%	2.0%
Adjustments, Gross:					
Restructuring and Other Corporate Initiatives	$ 5	$ 13,338	$ 342	$ (251)	$ 13,434
Acquisition related costs	$ -	$ 8,690	$ 20,158	$ 2,156	$ 31,004
Derivative related	$ 9,447	$ 12,263	$ 5,047	$ (4,454)	$ 22,303
Foreign exchange loss/gain	$ (935)	$ (6,645)	$ 4,993	$ (1,640)	$ (4,227)
Equity settled stock-based compensation	$ 419	$ 558	$ 152	$ 437	$ 1,566
Asset related	$ (20)	$ 15	$ (93)	$ 52	$ (46)
Employment related (past service costs)	$ -	$ -	$ (1,671)	$ 70	$ (1,601)
Tax adjustments	$ -	$ 3,794	$ -	$ 300	$ 4,094
Net Earnings - Adjusted	**$ 25,065**	**$ 40,520**	**$ 27,843**	**$ 30,797**	**$ 124,225**
% of net sales	4.4%	5.9%	3.8%	3.4%	4.3%
Adjustments:					
Income taxes	$ 7,655	$ 5,869	$ 2,355	$ 26,118	$ 41,997
Finance costs	$ 8,601	$ 12,334	$ 14,615	$ 15,826	$ 51,376
Amortization	$ 18,981	$ 22,399	$ 32,055	$ 31,134	$ 104,569
Adjusted EBITDA	**$ 60,302**	**$ 81,122**	**$ 76,868**	**$ 103,875**	**$ 322,167**
% of net sales	10.6%	11.9%	10.6%	11.3%	11.1%

APPENDIX - NON-IFRS RECONCILIATION (2018)

Reconciliation of IFRS to non-IFRS
Year Ending December 30, 2018

In '000	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net Sales	**$ 578,634**	**$ 673,025**	**$ 605,342**	**$ 662,020**	**$ 2,519,021**
Net Earnings	**$ 30,356**	**$ 49,740**	**$ 37,031**	**$ 42,815**	**$ 159,942**
% of net sales	5.2%	7.4%	6.1%	6.5%	6.3%
Adjustments, Gross:					
Restructuring and Other Corporate Initiatives	$ 46	$ 91	$ -	$ -	$ 137
Acquisition related costs	$ 266	$ -	$ -	$ (2,138)	$ (1,872)
Derivative related	$ (3,162)	$ 1,078	$ 810	$ 3,513	$ 2,239
Foreign exchange loss/gain	$ 3,121	$ (402)	$ (2,649)	$ 1,311	$ 1,381
Equity settled stock-based compensation	$ 469	$ 427	$ 479	$ 34	$ 1,409
Asset related	$ (14)	$ 45	$ 244	$ (8)	$ 267
Employment related (past service costs)	$ 5,810	$ 672	$ -	$ -	$ 6,482
Tax adjustments	$ -	$ -	$ -	$ -	$ -
Net Earnings - Adjusted	**$ 36,892**	**$ 51,651**	**$ 35,915**	**$ 45,527**	**$ 169,985**
% of net sales	6.4%	7.7%	5.9%	6.9%	6.7%
Adjustments:					
Income taxes	$ 14,540	$ 16,333	$ 11,905	$ 7,933	$ 50,711
Finance costs	$ 5,741	$ 6,411	$ 6,319	$ 8,390	$ 26,861
Amortization	$ 16,668	$ 17,005	$ 16,106	$ 18,017	$ 67,796
Adjusted EBITDA	**$ 73,841**	**$ 91,400**	**$ 70,245**	**$ 79,867**	**$ 315,353**
% of net sales	12.8%	13.6%	11.6%	12.1%	12.5%

APPENDIX - FORWARD LOOKING STATEMENTS

Certain statements in this presentation are "forward looking statements", which reflect the expectations of management regarding the Company's future growth, results of operations, performance and business prospects and opportunities. The words "believes", "anticipates", "plans", "expects", "intends", "projects", "forecasts", "estimates" and similar expressions are intended to identify forward looking statements. These forward-looking statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this press release. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not or the times at or by which such performance or results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements. Such differences may be caused by factors which include, but are not limited to, funding may not continue to be available to the Company's customers at current levels or at all; the Company's business is affected by economic factors and adverse developments in economic conditions which could have an adverse effect on the demand for the Company's products and the results of its operations (including the effect of demand for the Company's products and services as a result of the impact of the COVID-19 virus on customers); currency fluctuations could adversely affect the Company's financial results or competitive position; interest rates could change substantially, materially impacting the Company's revenue and profitability; an active, liquid trading market for the Shares may cease to exist, which may limit the ability of shareholders to trade Shares; the market price for the Shares may be volatile; if securities or industry analysts do not publish research or reports about the Company or if their reports are inaccurate or unfavorable to the Company or its business, or if they adversely change their recommendations regarding the Shares or if the Company's results of operations do not meet their expectations, the Share price and trading volume could decline. In addition, other risk factors may include entrance of new competitors; failure of the ratification of the United States-Mexico-Canada Agreement (USMCA) could be materially adverse to NFI; current requirements under "Buy America" regulations may change and/or become more onerous or suppliers' "Buy America" content may change; changes resulting from a hard exit of United Kingdom (UK) from the European Union (commonly referred to as "Brexit") and/or changes to the US Federal Funding mechanism (FAST Act) or Trade Policies may result in supply chain disruption and a potential downturn in the UK and US economies that may suppress demand; failure of the Company to comply with the disadvantaged business enterprise ("DBE") program requirements or the failure to have its DBE goals approved by the FTA; absence of fixed term customer contracts; exercise of options and customer suspension or termination for convenience; United States content bidding preference rules may create a competitive disadvantage; local content bidding preferences in the United States may create a competitive disadvantage; requirements under Canadian content policies may change and/or become more onerous; operational risk, dependence on limited sources or unique sources of supply (including the risk of supply disruption due to suppliers affected by the COVID-19 virus); dependence on supply of engines that comply with emission regulations; a disruption, termination or alteration of the supply of vehicle chassis or other critical components from third-party suppliers could materially adversely affect the sales of certain of the Company's products; the Company's profitability can be adversely affected by increases in raw material and component costs as well as the imposition of tariffs and surtaxes on material imports; the Company may incur material losses and costs as a result of product warranty costs, recalls and remediation of buses; production delays may result in liquidated damages under the Company's contracts with its customers; catastrophic events may lead to production curtailments or shutdowns; the Company may not be able to successfully renegotiate collective bargaining agreements when they expire and may be adversely affected by labour disruptions and shortages of labour; the Company's operations are subject to risks and hazards that may result in monetary losses and liabilities not covered by insurance or which exceed its insurance coverage; the Company may be adversely affected by rising insurance costs; the Company may not be able to maintain performance bonds or letters of credit required by its contracts or obtain performance bonds and letters of credit required for new contracts; the Company is subject to litigation in the ordinary course of business and may incur material losses and costs as a result of product liability claims; the Company may have difficulty selling pre-owned coaches and realizing expected resale values; the Company may incur costs in connection with provincial, state or federal regulations relating to axle weight restrictions and vehicle lengths; the Company may be subject to claims and liabilities under environmental, health and safety laws; dependence on management information systems and cyber security risks; the Company's ability to execute its strategy and conduct operations is dependent upon its ability to attract, train and retain qualified personnel, including its ability to retain and attract executives, senior management and key employees; the Company may be exposed to liabilities under applicable anti-corruption laws and any determination that it violated these laws could have a material adverse effect on its business; the Company's risk management policies and procedures may not be fully effective in achieving their intended purposes; internal controls over financial reporting, disclosure controls and procedures; ability to successfully execute strategic plans and maintain profitability; development of competitive or disruptive products, services or technology; development and testing of new products; acquisition risk; third-party distribution/dealer agreements; availability to the Company of future financing; the Company may not be able to generate the necessary amount of cash to service its existing debt, which may require the Company to refinance its debt; the Company's substantial consolidated indebtedness could negatively impact the business; the restrictive covenants in the Company's credit facilities could impact the Company's business and affect its ability to pursue its business strategies; payment of dividends is not guaranteed; a significant amount of the Company's cash is distributed, which may restrict potential growth; NFI is dependent on its subsidiaries for all cash available for distributions; future sales or the possibility of future sales of a substantial number of Shares may impact the price of the Shares and could result in dilution; if the Company is required to write down goodwill or other intangible assets, its financial condition and operating results would be negatively affected; income tax risk, investment eligibility and Canadian Federal Income Tax risks; the effect of comprehensive U.S. tax reform legislation on the NF Holdings and its U.S. subsidiaries (the "NF Group"), whether adverse or favorable, is uncertain; certain U.S. tax rules may limit the ability of NF Group to deduct interest expense for U.S. federal income tax purposes and may increase the NF Group's tax liability; certain financing transactions could be characterized as "hybrid transactions" for U.S. tax purposes, which could increase the NF Group's tax liability. NFI cautions that this list of factors is not exhaustive. These factors and other risks and uncertainties are discussed in NFI's press releases, Annual Information Form and materials filed with the Canadian securities regulatory authorities which are available on SEDAR at www.sedar.com.

Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, investors cannot be assured that actual results will be consistent with these forward-looking statements, and the differences may be material. These forward-looking statements are made as of the date of this press release and NFI assumes no obligation to update or revise them to reflect new events or circumstances, except as required by applicable securities laws.