

NOBINA PROPOSES A DIVIDEND OF SEK 2.60, EQUAL TO A DIVIDEND YIELD OF 7.3 PER CENT

FOURTH QUARTER

- Net sales of SEK 2,161 million (1,905), an increase of 13.4 per cent.
- Operating profit amounted to SEK 58 million (41).
- Profit after tax of SEK 8 million (–11), and earnings per share of SEK 0.09 (–0.20).
- The cash flow from operations was SEK 389 million (375).

THE FINANCIAL YEAR 1 MARCH 2015–29 FEBRUARY 2016

- Record net sales and profit before IPO costs.
- Net sales rose by 10.2 per cent, to SEK 8,317 million (7,549).
- Adjusted operating profit increased by 24.5 per cent to SEK 462 million (371) before IPO costs of SEK 204 million. Operating profit was SEK 258 million (371) after IPO costs.
- Adjusted profit before tax, EBT, amounted to SEK 299 million (141) before IPO costs and bond redemption costs of SEK 297 million.
- Earnings per share of SEK 0.04 (1.50).
- The cash flow from operations was affected by non-recurring items of SEK –204 million²⁾ and amounted to SEK 850 million (964).

IMPORTANT EVENTS IN THE FOURTH QUARTER

- In December, Nobina won traffic contracts in Helsinki involving a total of 94 buses and worth almost SEK 1.4 billion over the contract period.
- In February, Nobina won a contract involving a further 13 buses in Helsinki.
- During the fourth quarter, Nobina established the innovation company, Nobina Technology AB.

IMPORTANT EVENTS SINCE THE END OF THE PERIOD

- The final instance decided the previously appealed contract awarded regarding traffic in Borås in favour of the PTA Västtrafik. As a consequence, Västtrafik can award the traffic to Nobina and in April 2017 Nobina will start traffic in Borås with at least 50 buses.

CEO'S COMMENTS

Nobina presents all-time high figures for the year as a whole, which is well in line with our expectations and financial targets. Net sales increased by 10.2 per cent and, despite major traffic starts in the past year, we have significantly improved our underlying¹⁾ margin before tax to 3.6 per cent (1.9). Underlying¹⁾ profit before tax amounted to SEK 299 million (141).

Nobina is approaching the end of its first year as a listed company and we are extremely pleased with the positive reception we received in conjunction with our IPO on NASDAQ Stockholm. 2015/2016 has been an eventful year in several ways: contract wins in Sweden and Finland were a pleasing feature, at the same time as major traffic starts were carried out in, among other cities, Stockholm, Oslo and Helsinki. More than 600 buses were delivered during the year and traffic starts took place in our new contracts. Thanks to our continuous work on vehicle optimisation, Nobina's fleet continues to be in extremely good condition. The establishment of the innovation company, Nobina Technology, is yet another of the important events during the year which, in the long term, will strengthen our market offering.

The board has proposed to the annual general meeting a dividend for 2015/2016 of SEK 2.60 per share, which is in line with our communicated dividend policy.

Finally, I wish to thank our committed employees for their endeavours during the year which have resulted in Nobina's customer satisfaction rating reaching record high levels within several of our transport areas.

I would also like to take the opportunity to welcome close to 7,000 new shareholders to Nobina.

Ragnar Norbäck,
President and CEO

(SEK million, unless otherwise stated)	Quarter		Full year	
	Dec 15–Feb 16	Dec 14–Feb 15	Mar 15–Feb 16	Mar 14–Feb 15
Net sales	2,161	1,905	8,317	7,549
Operating profit (EBIT)	58	41	258	371
Profit/Loss before tax (EBT)	20	–10	2	141
Cash flow for the period	246	187	234	141
Operating profit (EBIT), adjusted ¹⁾	58	41	462	371
Profit/Loss before tax (EBT), adjusted ¹⁾	20	–10	299	141
Cash flow, adjusted ¹⁾	246	187	266	141
		29 Feb 16	28 Feb 15	
Cash and cash equivalents		683	453	
Equity		1,110	310	
Net debt/EBITDA, adjusted ¹⁾		3.71	4.19	
Equity ratio, %		14.5	4.7	

1) Adjusted for IPO costs (see page 6).

2) Adjusted for cash flow relating to the IPO (see page 4).

NOBINA IN BRIEF

Nobina is the largest and most experienced public transport company in the Nordic region. Our expertise in identifying tender opportunities, our tender work and active management of public traffic contracts, combined with long-term quality delivery, makes us the industry leader in terms of profitability, development and initiatives for a healthier industry.

Nobina ensures that more than one million people daily arrive at work, their school or other activities by delivering contracted public transport on behalf of society in Sweden, Norway, Finland

and Denmark. In addition, Nobina offers interregional transport on the Swedish market through Swebus.

Nobina makes travel easier and friendlier for more than one million people each day. Our success creates a better society in the form of increased mobility, reduced carbon footprint and reduced societal costs.

More information is available on www.nobina.com.

THE MARKET

In the Nordic region, public transport has a key role to play in sustainable societal development and there is stable, long-term growth in demand for public transport. Similar conditions prevail in all the Nordic markets. A common feature in all countries is that clients in the form of regional public transport authorities are tasked with organising public transport solutions for their immediate areas. Costs for tendered regional public transport are financed in part by municipalities and county councils, and in part from ticket revenues, while there is free competition and pricing without public subsidies on the market for long distance bus transport.

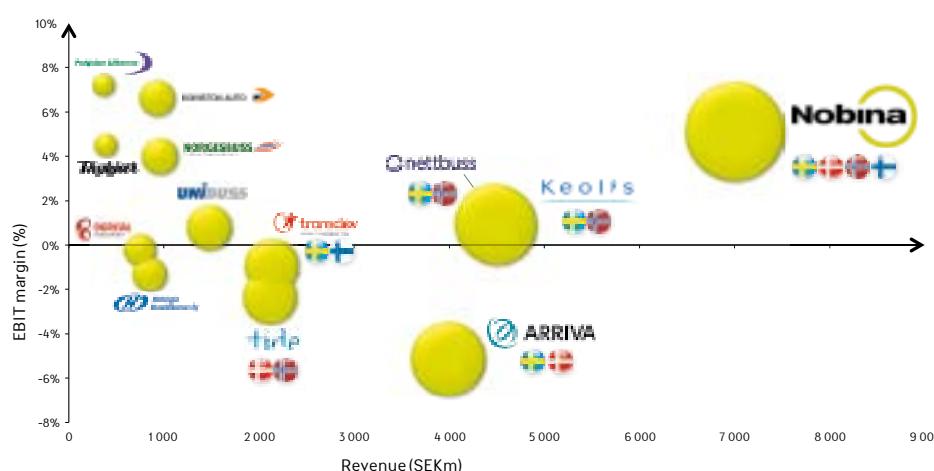
The Nordic market is gradually maturing and improving in several areas: increased environmental awareness, a balance between pricing and quality in stipulated requirements, as well as increased interest in incentive contracts in which payment depends on the number of passengers boarding the bus, instead of traditional production contracts with fixed compensation models. At the same time, the clients vary in terms of experience and knowledge in tender processes. An ever increasing percentage of transport is currently being contracted in accordance with

the EU's Traffic Regulation, which increases Nobina's market. For example, on parts of the Finnish and Norwegian markets transport services were not previously tendered out to the same extent as in other Nordic countries. The tender model has long been well-established in Sweden and Denmark and is becoming increasingly common in Norway and Finland.

Nobina's position in the market

Nobina is a well-established part of the Nordic public transport infrastructure. In Sweden, our leading market position is characterised by a high level of efficiency and successful work in administering our transport areas and improving the contract portfolio. In Finland, as a market leader in Helsinki we are well-positioned to increase our market shares in an expanding market. Nobina is a challenger on the Norwegian and Danish markets, at the same time as these markets too are growing in terms of volume and number of tendered contracts. As the largest and most experienced public transport company in the Nordic region, conditions are favourable for profitable growth.

THE NORDIC PUBLIC TRANSPORT MARKET FOR BUS TRAVEL



Nobina is the only public transport company with operations in all four Nordic countries, thereby placing it a unique position with access to tender volumes in all countries as well as economies of scale in both the operations and bus fleet. Other operators are active only in one or two countries.

The size of the bubbles in the graphic to the left shows the Nordic market share for public transport by bus; EBIT margin includes other activities in addition to public transport by bus.

Source: Market study carried out by a leading strategy consulting firm on behalf of Nobina, March 2015, with figures from the most recently available closing accounts.

NOBINA'S FINANCIAL DEVELOPMENT

The fourth quarter (1 December 2015–29 February 2016) and the full year (1 March 2015–29 February 2016)

Net sales

Fourth quarter

Nobina's net sales amounted to SEK 2,161 million (1,905), representing an increase of 13.4 per cent compared with the corresponding period last year. The increase was primarily due to Nobina Sweden and Nobina Finland. Sales were positively affected by newly started contracts, increased revenues in existing contracts, received performance bonuses, as well as revenue indexation.

Full year

Nobina's net sales amounted to SEK 8,317 million (7,549), an increase of 10.2 per cent compared with last year and include increased revenues in existing contracts, revenue increases through new contracts and extra traffic, among other things train replacement traffic.

Earnings

Fourth quarter

Operating profit amounted to SEK 58 million (41), an increase of 41.5 per cent, and was negatively affected by a younger contract portfolio as well as being positively affected by continued improvements in existing contracts. Certain extraordinary winter costs were incurred during the period amounting to approximately SEK 9 million.

Profit before tax increased to SEK 20 million (–10), in part due to improved net financial items of SEK –38 million (–51). The positive net financial items is a result of lower interest expenses due to repayment of the outstanding bond loan in August 2015, as well as lower leasing and loan interest rates.

Full year

Adjusted operating profit increased by 24.5 per cent and amounted to SEK 462 million (371), excluding costs relating to the IPO in June 2015. Operating profit in the first and second quarters was affected by transaction costs and costs for the incentive programmes in connection with the IPO totalling SEK 204 million. Operating profit for the period (EBIT), including IPO costs, amounted to SEK 258 million (371). Adjusted net financial items excluding IPO costs amounted to SEK –163 million (–230), while net financial items including IPO costs amounted to SEK –256 million (–230).

Adjusted profit before tax was SEK 299 million (141), excluding IPO costs, while profit before tax including IPO costs amounted

to SEK 2 million (141). For further information regarding non-recurring items in connection with the IPO, see page 6.

Income tax

As a consequence of loss carryforwards, Nobina is not subject to any tax payments that affect cash flow. Nobina's income tax in the income statement comprises changes in estimated deferred tax and was SEK –12 million (–1) during the fourth quarter.

Nobina's income tax for the financial year amounted to SEK 2 million (–47) and the effective tax rate was n/a percent (–33.3).

Financial position

Cash and cash equivalents amounted to SEK 683 million (453) at the end of the financial year. In addition, Nobina had restricted bank accounts of SEK 24 million (115), which mainly constituted security for leasing agreements. During the year, SEK 90 million was released from restricted bank accounts as a consequence of Nobina's improved capital structure following the IPO in June 2015. On 29 February 2016, Nobina had available bank credit facilities of SEK 136 million (132), of which SEK 136 million (132) was unutilized.

Nobina's interest-bearing net debt amounted to SEK 4,729 million (4,435), primarily broken down into financial leasing liabilities of SEK 4,451 million (3,699) and other external liabilities of SEK 242 million (700). Leasing liabilities are booked as financial leasing and are thus visible in the balance sheet. Nobina's entire indebtedness relates to financing investments in buses and equipment used in the business operations. The earlier bond loan was repaid in its entirety in August 2015.

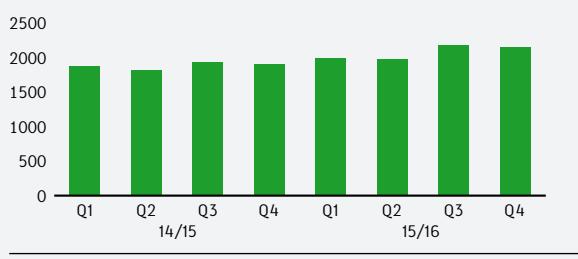
Net debt amounted to SEK 4,022 million (3,867).

Net debt/EBITDA for the year, excluding IPO costs, was 3.71, while net debt/EBITDA including IPO costs was 4.58 (4.19).

Equity amounted to SEK 1,110 million (310). The equity/assets ratio at the end of the year was 14.5 per cent (4.7). Adjusted for accounting effects of financial leasing, the equity/assets ratio was 23.4 per cent before payout of dividends.

Nobina's capital structure has strengthened following the IPO and repayment of the outstanding bond loan. Among other things, this has contributed to a sharp increase in access to financing of bus investments independently of suppliers. The advantages include lower financing margins and also greater negotiating possibilities in conjunction with bus purchases.

NET SALES



OPERATING PROFIT AND MARGIN



1) Adjusted for non-recurring items of SEK 204 million in the operating profit for the first and second quarters (see page 6).

Investments and divestments

Fourth quarter

Investments in buses in the fourth quarter amounted to SEK –468 million (–381) and other investments amounted to SEK 0 million (20). Nobina has signed financial leasing agreements amounting to SEK 452 million (227). Loan financing of investments amounted to SEK 1 million (87). Nobina's cash investments for the purchase of buses, accessories and other non-current assets amounted to SEK –15 million (–47). Nobina sold buses and other non-current assets for SEK 11 million (8), resulting in a capital loss of SEK –1 million (–12).

Full year

Investments in buses amounted to SEK –1,619 million (–980) and other investments amounted to SEK –52 million (–60). Financial leasing agreements amounted to SEK 1,478 million (745) and loan financing amounted to SEK 109 million (168). Cash investments in buses and other non-current assets amounted to SEK –84 million (–127). Nobina sold buses and other non-current assets for SEK 35 million (41), resulting in a capital loss of SEK –15 million (–35) in respect of actual and imminent disposals.

Nobina's financial leasing agreements are classified as non-current assets, while leasing obligations are reported as a liability in the balance sheet. Depreciation and interest expenses on leasing agreements are reported in the income statement.

Investments (SEK millions)	Dec 15–Feb 16	Dec 14–Feb 15	Mar 15–Feb 16	Mar 14–Feb 15
Investments in new buses	–466	–381	–1,617	–980
Other investments	–2	20	–54	–60
Sum total investments	–468	–361	–1,671	–1,040
Leasing-financed investments	452	227	1,478	745
Total investments	–16	–134	–193	–295
Of which loan-financed investments	1	87	109	168
Total cash investments	–15	–47	–84	–127

Goodwill and shares in subsidiaries

The value of shares in subsidiaries and goodwill was tested during the fourth quarter and gave rise to no need for impairment write down. Management considers that, based on internal business forecasts for five years, the use value provides a correct impression of the value of Nobina as well as a more long-term valuation, compared with current market capitalisation. Management makes the assessment that conceivable changes in the three variables – forecast profit margins, sales growth and the discount rate – do not have such large effects that the recovery value is reduced to a value which is below the reported value of shares in subsidiaries and/or goodwill.

Working capital developed negatively by SEK –18 million (59), among other things due to seasonal variations as well as fluctuations in accrued expenses and deferred income. Cash flow from investing activities amounted to SEK –68 million (–213).

Cash flow from financing activities was SEK –548 million (–610) and, during the first and second quarters, was affected by the following items related to the IPO: new issue of shares (850 million), capital acquisition costs for the IPO (SEK 49 million), repayment of bond loan (SEK –550 million), and costs for early redemption of the bond loan (SEK –79 million).

Cash flow for the financial year was SEK 234 million (141). Adjusted cash flow (excluding items connected to the IPO and redemption of the bond loan) amounted to SEK 266 million (141).

Non-recurring items in cash flow for the period (SEK millions)	Dec 15–Feb 16	Mar 15–Feb 16
IPO-related transaction costs	–	–32
Incentive programmes	–	–172
Total non-recurring items in cash flow from operations		–204
New issue	–	850
Capital acquisition costs	–	–49
Bond redemption	–	–550
Early bond redemption premium	–	–79
Total non-recurring items from financing activities		172
Total non-recurring items in cash flow for the period		–32

Cash flow

Fourth quarter

Cash flow from operations before changes in working capital amounted to SEK 219 million (168).

Working capital developed positively by SEK 170 million (207).

Cash flow from investing activities amounted to SEK 72 million (–94) and was affected by the release of funds amounting to SEK 77 million (32) from restricted bank accounts as well as investments in buses and equipment amounting to SEK –16 million (–134), which were financed with loans amounting to SEK 1 million (87).

Cash flow from financing activities was SEK –215 million (–94). The fourth quarter of last year includes new borrowing of SEK 87 million, which was used to acquire buses.

Total cash flow for the quarter was SEK 246 million (187).

Full year

Cash flow from operations for the full year before changes in working capital amounted to SEK 866 million (902). Transactions related to the IPO had a net effect of SEK –32 million. Adjusted for net transactions related to the IPO, cash flow from operations before changes in working capital was SEK 1,070 million.

Bridge for net sales and profit

The bridge below shows the important explanatory items for accumulated outcome from the preceding year to the present year, relating to net sales, operating profit and profit before tax.

Price and volume shows the effects of changes in existing traffic contracts which relate to prices for performed traffic as well as changed traffic volumes. This explanatory item includes all traffic contracts that Nobina has operated during both the preceding and the current period.

Contract migration shows the effects of changes in the contract portfolio. A started traffic contract results in increased sales, but initially often has a negative effect on profit due to start-up costs and lower initial efficiency. A concluded traffic contract results in reduced sales and loss of the contract's contribution to profit.

Indexation shows the effect of indexation on net sales in relation to underlying cost inflation as regards wages, fuel, consumables, etc. in existing contracts. This item can also include the effects of indexation revenues being adjusted in arrears and with different delay intervals depending on the traffic contract involved.

Operational efficiency shows the effect on profit of operational efficiency developments in the form of personnel expenses, maintenance, damage, etc.

Other includes the effect on profit of sales of buses, real estate expenses, marketing and sales expenses, as well as other administrative expenses.

Non-recurring items includes items of an extraordinary nature which are unusual for the period or are non-recurring.

Net financial items include the effect on profit of interest rates, currency rates as well as other financial items.

Bridge for the financial year

Explanatory items regarding net sales, operating profit and profit before tax

Period (SEK million)	Operating Net sales profit before tax Profit			Commentary on results
	7,549	371	141	
March 2014–Feb 2015				
Price and volume	187	136	136	Positive volume and price effect, with main effect derived from Sweden but also positive effect in Finland.
Contract migration	555	−53	−53	Contract changes affected net sales positively thanks to major contract starts during the year. Earnings were negatively affected by start-up costs. The full impact of the contract starts during the year has not yet been felt on sales or earnings.
Indexation	26	12	12	Positive indexation effects on net sales, which also impact on operating profit and profit before tax. This effect is derived mainly from Sweden and Norway.
Operational efficiency	0	−2	−2	Improved efficiency in Norway, offset by maintenance initiatives in, primarily, Sweden.
Other	0	−2	−2	Other items include increased administrative expenses as a consequence of the IPO.
Non-recurring items	0	−204	−297	Non-recurring costs for the IPO and incentive programmes in operating profit and, in addition, redemption of the bond loan in profit for the year before tax ¹⁾ .
Net financial items	0	0	67	Net financial items last year included SEK 25 million in write-down of capitalised financing expenses. Interest expenses in the current year are lower due to lower leasing interest payments and repayment of the bond loan.
Period March 2015–Feb 2016	8,317	258	2	

1) Adjusted for IPO costs (see page 6).

Ageing structure

WEIGHTED AVERAGE CONTRACT LENGTH, YEARS: 7.5

Contract length taking into account of number of buses.
The average non-weighted contract length is 7.8 years (7.5).

The age of the contracts and the bus fleet are important parameters to evaluate current and future profitability of the Nobina group.

The contract length varies between the countries and averaged 7.5 years. The average contract age (weighted by number of buses) was 3.6 years, i.e. a quite a young contract portfolio, which reflects the major traffic starts during the year.

WEIGHTED AGE OF CONTRACT PORTFOLIO, YEARS: 3.6
Contract ages taking into account number of buses.
The average non-weighted contract age is 3.3 years (4.5).

Nobina's bus fleet has never been younger, and on 29 February 2016, the average age was 5.5 years (5.8). This was a consequence of the major traffic starts during the year. In conjunction with new contracts, PTAs normally require a relatively large number of new buses, which reduces the average age of the bus fleet and burdens the balance sheet.

SEGMENTS

Net sales (SEK million)	Quarter		Full year	
	Dec 15–Feb 16	Dec 14–Feb 15	Mar 15–Feb 16	Mar 14–Feb 15
Net sales per segment				
Nobina Sweden	1,489	1,293	5,675	5,138
Nobina Denmark	126	119	511	395
Nobina Norway	229	221	925	943
Nobina Finland	260	215	952	812
Elimination of sales to interregional traffic	-7	-4	-39	-22
Total regional traffic	2,097	1,844	8,024	7,266
Swebus	62	61	283	284
Elimination of sales to regional traffic	0	0	0	-1
Total interregional traffic	62	61	283	283
Central functions and other items	2	0	10	0
Total net sales	2,161	1,905	8,317	7,549

Profit, adjusted for non-recurring items ¹⁾ (SEK million)	Quarter		Full year	
	Dec 15–Feb 16	Dec 14–Feb 15	Mar 15–Feb 16	Mar 14–Feb 15
Operating profit per segment				
Nobina Sweden	46	45	392	373
Nobina Denmark	4	-8	8	-15
Nobina Norway	0	5	20	-2
Nobina Finland	23	12	69	47
Total regional traffic	73	54	489	403
Swebus	-3	-2	7	9
Total interregional traffic	-3	-2	7	9
Central functions and other items	-12	-11	-34	-41
Total operating profit (adjusted)	58	41	462	371
Net financial expense	-38	-51	-163	-230
Profit before tax (adjusted)	20	-10	299	141

1) Non-recurring items (SEK million)	dec 15–feb 16	mars 15–feb 16	For the full year, non-recurring items in profit before tax amounted to SEK -297 million. Transaction costs in connection with the IPO amounted to SEK -32 million and costs for the incentive programmes were SEK -172 million. Costs for early redemption of the corporate bond (SEK -79 million) and reversal of capitalized financing costs (SEK -14 million) are reported within net financial items for the period.
Transaction costs in connection with IPO	-	-32	
Incentive programme	-	-172	
Total non-recurring items in operating profit for the period	-	-204	
Financial items	-	-93	
Non-recurring items for the period in profit before tax for the period	-	-297	

Profit (SEK million)	Quarter		Full year	
	Dec 15–Feb 16	Dec 14–Feb 15	Mar 15–Feb 16	Mar 14–Feb 15
Operating profit per segment				
Nobina Sweden	46	45	392	373
Nobina Denmark	4	-8	8	-15
Nobina Norway	0	5	20	-2
Nobina Finland	23	12	69	47
Total regional traffic	73	54	489	403
Swebus	-3	-2	7	9
Total interregional traffic	-3	-2	7	9
Central functions and other items	-12	-11	-238	-41
Total operating profit	58	41	258	371
Net financial expense	-38	-51	-256	-230
Profit before tax	20	-10	2	141
Tax	-12	-1	2	-47
PROFIT FOR THE PERIOD	8	-11	4	94

Nobina's fourth quarter developed positively with generally sound growth in transport areas and contracts. Earnings for the quarter were affected to a large extent by contract migration through major traffic starts, which according to plan involve relatively low earnings and efficiency levels in the early stage of the life of the contracts, at the same time as mature, high-performance contracts expired and were concluded.

Sweden

Nobina Sweden's net sales increased by 15.2 per cent in the fourth quarter compared with the corresponding period of last year, among other things due to incentive revenues, bonuses for travel growth, as well as increased volumes from existing contracts. Operating profit increased somewhat compared with the fourth quarter of last year, but was held back by temporary negative effects from contract migration related, among other things, to the new Södertörn contract in Stockholm and the conclusion of a number of expired contracts. In Södertörn, work on traffic changes began in accordance with the contract terms.

A final decision has been issued regarding the appealed contract award decision in Borås and, accordingly, Nobina will start traffic with at least 50 buses in Borås for Västtrafik in April 2017. Furthermore, the court decision means that quality criteria are accepted as relevant evaluation parameters in tenders.

During the quarter, Nobina carried out a successful start of regional transport and school transport in Värmland.

Denmark

Nobina Denmark's net sales and operating profit developed positively during the fourth quarter as a consequence of the traffic contract in Copenhagen which began in December 2014 and replaced an earlier, non-profitable contract that expired. Consequently, the operating profit/loss in Denmark turned positive for both the quarter and the full year. All of Denmark's existing contracts are developing well in relation to targets, at the same time as the business is being run with a high level of efficiency.

Norway

Nobina Norway's net sales increased somewhat during the quarter. The quarter's underlying operating profit improved thanks to efficiency improvements and the receipt of quality bonuses. During the final quarter of last year, a non-recurring income of NOK 14 million was received upon the conclusion of a dispute with a PTA, and therefore this year's break-even position is a considerable improvement on last year's underlying performance. The Oslo Vest contract is developing well, at the same time as certain successes have been achieved with respect to the Tromsö contract.

Finland

Nobina Finland demonstrates solid growth. Net sales and operating profit rose during the fourth quarter thanks, among other things, to performance-based bonuses, improvements in old contracts and well-functioning newly started contracts. Certain extraordinary winter costs incurred during the fourth quarter were offset by one-off items from, among other things, pension repayments.

In December, a contract award was announced by HSL, with Nobina winning a contract involving 94 buses and worth SEK 1.4 billion over a seven-year period, while in February Nobina won a contract involving 13 buses, worth approximately SEK 120 million over three years.

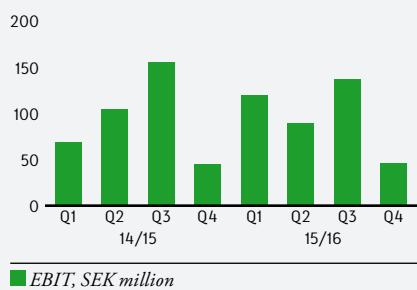
The City of Helsinki's sale of Helb to the privately-owned competitor, Koiviston Auto was finalized during the quarter. Thus, in future Helb will compete as a privately owned operator.

Swebus

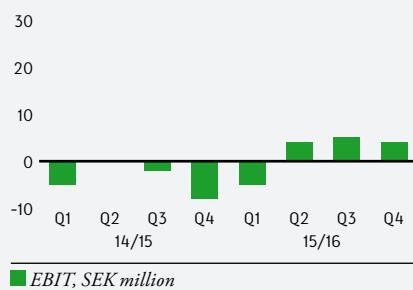
Swebus' net sales and operating profit largely corresponded to the fourth quarter of last year. Competition continues to be fierce. Travel growth in the express bus segment remains weak, but a degree of price increase has taken place. Thanks to a reduced offering combined with cost efficiency measures, profit could be maintained. Bus travel over the Öresund Bridge increased somewhat due to the inflow of refugees, but this has had a marginal effect.

OPERATING PROFIT (EBIT) BY SEGMENT, ADJUSTED FOR NON-RECURRING ITEMS (SEE TABLE ON PAGE 6)

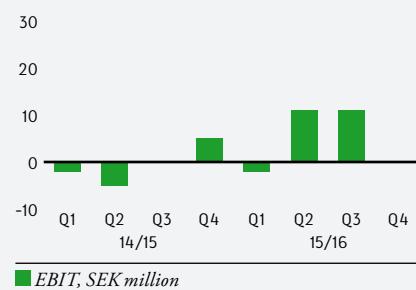
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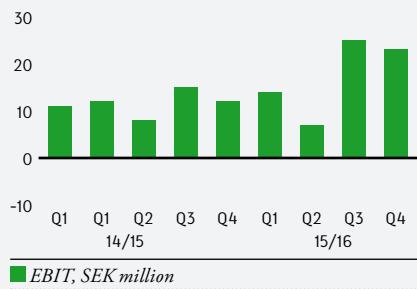
DENMARK



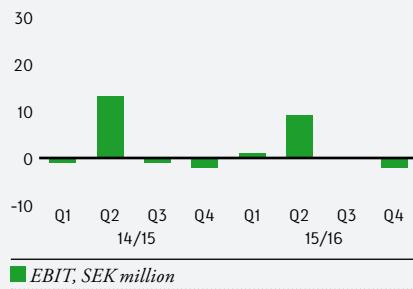
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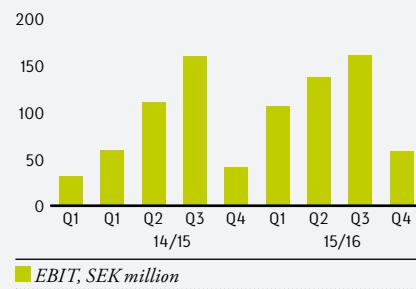
FINLAND



SWEBUS

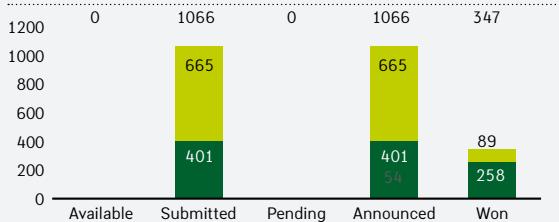


NOBINA



TENDERS AND TRAFFIC CHANGES

TENDERS (NUMBER OF BUSES)



■ Other

■ Nobina

Definitions:

Available – Available tenders this year

Submitted – Nobina's submitted tenders

Pending – Submitted less announced

Announced – Submitted tenders, results are announced

Won – Nobina's wins out of announced tenders

Tender results, full year

The table shows the results of the tender processes in which Nobina has participated. Nobina submitted tenders involving 1,066 buses and won contracts for 347 buses, i.e. 33 per cent of submitted tenders.

Tender results during the period (number of buses)

Mar 2015–Feb 2016	Announced	Won	Not won
Sweden	603	240	363
Norway	217	0	217
Finland	184	107	77
Denmark	62	0	62
Total	1,066	347	719

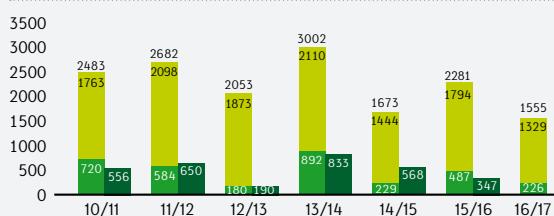
Contract changes, full year

The table shows the change in the number of buses in traffic as a consequence of started and concluded contracts. During the period, Nobina started contracts involving 721 buses and concluded contracts involving 307 buses.

Traffic changes during the period (number of buses)

Mar 2015–Feb 2016	Started	Ended
Sweden	543	226
Norway	76	48
Finland	102	33
Denmark	0	0
Total	721	307

TOTAL AVAILABLE TENDERS



■ No of buses, previously run by Nobina
 ■ No of buses, previously run by others
 ■ Buses won by Nobina

Figures represent number of buses in announced tenders for historical periods and tender outlook for 2016/2017

Traffic starts and terminations during the 12 months March 2016–February 2017

During the coming 12-month period, Nobina will start traffic involving 356 buses. Of these, 199 buses are expected to be newly acquired. During the same period, Nobina will terminate traffic involving 514 buses.

Traffic starts

PTA	No. of years	Traffic starts	No. of buses	New buses
Movia, Denmark	5	March 2016	8	9
Östgötatrafiken	6	June 2016	27	0
SL	10	August 2016	79	45
SL	8	August 2016	79	87
Värmlandstrafik	9	August 2016	7	8
HSL, Finland	7	August 2016	94	41
HSL, Finland	2	August 2016	13	2
Skånetrafiken	6	December 2016	49	7
Total			356	199

Expiring contracts

PTA	Traffic ends	No. of buses
LT Västerbotten	June 2016	54
Östgötatrafiken	June 2016	34
Västtrafik	June 2016	9
Värmlandstrafik	July 2016	3
SL	August 2016	158
HSL, Finland	August 2016	140
Skånetrafiken	September 2016	52
Skånetrafiken	December 2016	50
Stockholmståg	December 2016	8
Movia, Denmark	December 2016	6
Total		514

THE NOBINA SHARE

The Nobina share (ticker: NOBINA) is listed on Nasdaq Stockholm in the Mid Cap segment and the industry sector. As of 29 February 2016 there were in total 88,355,682 shares in Nobina, each carrying one vote. Nobina holds no shares in treasury.

Key ratios

Nobina	Quarter		Full year	
	Dec 15–Feb 16	Dec 14–Feb 15	Mar 15–Feb 16	Mar 14–Feb 15
Earnings per share (SEK)	0.09	–0.20	0.04	1.50
Equity per share (SEK)	12.6	4.9	12.6	4.9
Number of outstanding shares at end of reporting period ¹⁾	88,355,682	63,323,413	88,355,682	63,323,413
Average number of shares (thousands)	88,356	63,323	80,608	63,301

1) 1:10 reverse split of Nobina's shares in accordance with resolution adopted by the general meeting on 27 May 2015. Earnings per share have been adjusted for comparability.

OTHER INFORMATION

Personnel

Nobina had on average 8,461 (7,603) employees (FTE). The increase in number of employees was due to higher traffic production. Nobina applies collective agreements and has well-established principles and traditions as to the manner in which work times, remuneration conditions, information and cooperation are negotiated.

The Parent Company

The Parent Company has 10 (10) employees who participate in the overall management of the Nobina Group, including financial analysis, follow-up and financing.

The Parent Company's net sales, which consist exclusively of internal services, amounted during the fourth quarter to SEK 9 million (12). There was a pre-tax loss for the fourth quarter of SEK –356 million (47).

Net sales for the financial year amounted to SEK 39 million (49), with a pre-tax loss of SEK –627 million (68). The pre-tax loss for the year was affected by transaction costs of SEK 32 million in connection with the IPO, incentive programme costs of SEK 172 million (in total SEK 204 million), all of which were incurred in the first and second quarters. During the fourth quarter, Nobina AB internally took over all wholly-owned operational companies from the subsidiary Nobina Europe AB. The takeover has taken place at accounting values. With the takeover, Nobina AB has written down the book value of Nobina Sverige 2 AB, which previously owned the Nobina Europe group, as a consequence of the spin-off from Nobina Europe AB.

Cash and cash equivalents as well as restricted bank accounts amounted to SEK 0 million (25) at the end of the financial year. Investments in intangible and tangible non-current assets amounted to SEK 0 million (0) for the quarter and the full year. On 29 February 2016, the Parent Company's shareholders' equity was SEK 2,928 million (2,713). The equity/assets ratio was 71 (66) per cent.

Transactions with closely related parties

During the first quarter, 322,698 shares were issued to Nobina CEO Ragnar Norbäck following a resolution adopted at the annual general meeting.

During the second quarter, incentives were paid out and subscription for shares took place in connection with the IPO; see also Incentive Schemes on page 10.

Seasonal variations

Sales, earnings and cash flow trends vary between quarters and differ as regards the regional and interregional transport operations. For the regional operations, the third quarter is the strongest due to a higher transport volume, a larger number of weekdays, and a high level of travel activity in society, while the second and fourth quarters are weaker due to lower transport volumes during vacation and public holiday periods and higher costs during the winter.

As regards interregional operations, the trend is different inasmuch as the second quarter is the strongest due to a higher number of passengers during the vacation period. The breakdown of sales and earnings per quarter for regional and interregional transport is shown in the key ratios tables on page 19.

Risks and uncertainty factors

Nobina is exposed to interest rate risks due to the fact that the Company's financial and operational leasing agreements primarily carry variable interest. The interest rate risk is largely offset by revenue indexation in traffic contracts. During the quarter, Nobina had no interest rate hedging.

Nobina no longer bears any refinancing risk in respect of bonds since the corporate bonds of SEK 550 million were redeemed in their entirety on 11 August 2015.

Nobina is exposed to currency risks in conjunction with translation of the balance sheets and income statements of subsidiaries. Nobina also has indirect exposure to USD/SEK since diesel is purchased in USD on the international commodities markets. Nobina's finance policy provides that currency risks may be hedged through currency derivatives if needed. Nobina had no currency hedging during the quarter.

Nobina is exposed to changes in the price of fuel in its purchases of diesel. The commodity price accounts for less than one-half of the total diesel price, with the remainder comprising taxes, transportation and processing. Within regional transport, compensation for changes in the diesel price is obtained through revenue indexation in traffic contracts. The index baskets in the traffic contracts are relatively well matched against the cost breakdown, but compensation takes place with a time lag of one to six months, which results in a negative impact on earnings during a period of increasing prices. An imbalance may also arise between costs incurred in a contract and index-based compensation if the index fails to reflect the actual cost structure, for example if an index is based on the price of diesel, while the contract in question requires

buses to be run on biogas. This risk is mitigated through careful risk assessment in conjunction with the tender process. Most contracts have an index which is appropriate to the fuel usage. There is no indexation of revenues within interregional transport. Increased fuel prices must be compensated for through increased ticket prices, if market conditions so allow. On 29 February 2016, Nobina had no outstanding diesel derivatives.

Nobina may be affected by the results of appeals of tender awards. However, the impact is limited since no vehicles are ordered, and no other investments made, before the traffic contract is signed.

For more information concerning risks and uncertainty factors, see the corresponding section in Nobina AB's annual report for 2014/2015.

Disputes

Proceedings brought against HSL (the Helsinki PTA) concerning HSL's limitations of the award to Nobina of won contracts.

Bonds, financing and valuation

On 29 February 2016, Nobina had an available bank credit facility of SEK 136 million (132).

Nobina Europe's former bond loan with a nominal value of SEK 550 million was redeemed in its entirety on 11 August 2015. For information regarding repayment of the bonds, see IPO below.

The methods and assumptions used by Nobina when calculating fair value of the financial instruments are described in Note 29 of 2014/2015 annual report. Further information regarding the accounting principles for financial instruments is provided in Note 28 of the 2014/2015 annual report. No transfers have taken place between the value levels during the period.

IPO

Nobina was listed on Nasdaq Stockholm with the first day of trading being 18 June 2015. The introduction price was set at SEK 34 per share.

The offering covered in total 54,899,606 shares. Of these, 29,899,606 were existing shares offered by Sothic Capital, Blue-Mountain, Invesco, Anchorage, BlueCrest, Kite Lake, Magnolia, Gladwyne and Ironshield. In addition, 25,000,000 new shares were issued, which raised SEK 850 million gross in funds for Nobina. The surplus allotment option issued by Sothic Capital, Anchorage and Invesco to Carnegie, Danske Bank and Pareto Securities, to acquire up to 6,587,952 additional existing shares in Nobina, was not exercised. After the IPO, Nobina's outstanding share capital now comprises 88,355,682 shares, which resulted in a market capitalisation for Nobina of SEK 3,004 million in conjunction with the IPO.

IPO costs which affected earnings are reported in the table entitled Non-recurring items on page 6.

Capital acquisition costs for the IPO, which were booked directly against equity, amounted to SEK 49 million before tax.

The IPO's effect on cash flow is shown in the table on page 4.

The bonds

As a consequence of the implementation of the IPO, Nobina used SEK 629 million of the net proceeds from the new issue in the IPO to repay the bonds in their entirety by exercising Nobina Europe's

right, according to the terms, to exercise early redemption of the bonds. The bonds were redeemed in a nominal amount of SEK 550 million, plus SEK 22 million in early redemption premium, SEK 11 million in accrued interest from the preceding interest payment date of 13 May 2015 up to and including the repayment date of 11 August 2015, as well as SEK 55 million corresponding to outstanding interest payments up to and including 14 November 2016. This entailed a payment from Nobina totalling SEK 88 million and a reduction in Nobina's debt by SEK 550 million.

Incentive programmes

During the second quarter, payment was disbursed under Nobina's two incentive programmes covering ten senior executives (including the CEO) as well as five directors (excluding the CEO), after which the incentive programmes were ended. The total cost for both programmes was SEK 172 million (including salary, social security contributions and taxes), whereupon the senior executives received a total amount of SEK 123 million (excluding social security contributions and taxes) and the directors received a total amount of SEK 11 million (excluding social security contributions and taxes).

In connection with the IPO, the amount was distributed to the participants in both programmes, and was thereafter reinvested corresponding to 75 per cent of the disbursed amount (net after tax) by acquiring Nobina shares at the introduction price. The senior executives and directors acquired in total 1,341,277 shares, which increased their share ownership in Nobina from 1.1 per cent to 2.4 per cent. The acquired shares are subject to so-called lock-in agreement undertakings.

In addition, in connection with the IPO, director John Alkins acquired a further 20,588 shares for a total amount of SEK 0.7 million. These shares are also subject to a lock-up undertaking.

Financial targets

Nobina's board of directors has adopted the following financial targets for the business operations:

- Net sales growth: Nobina's target is to increase net sales at a pace outstripping the market.
- EBT¹⁾-margin: Nobina's target on an annual basis is to achieve an EBT margin in excess of 4.5 per cent in the medium-long term.
- Indebtedness target: Under normal circumstances, Nobina intends to maintain a net debt/equity ratio within 3.0x to 4.0x EBITDA²⁾.

Dividend policy

Under normal circumstances³⁾ Nobina expects to distribute annually in excess of 75 per cent of EBT⁴⁾.

Dividend proposed by the board of directors

The board of directors has proposed to the annual general meeting a dividend for 2015/2016 of SEK 2.60 per share, which is in line with the dividend policy. The proposed dividend corresponds to a dividend yield of 7.3 per cent based on the share price on the closing date 29 February 2016.

Nobina's nomination committee

In accordance with a resolution adopted at the annual general meeting, Nobina shall have a nomination committee comprising

1) EBT is defined as profit before tax.

2) Profit for the period before net financial items, taxes, amortisation, depreciation and impairment of tangible and intangible non-current assets and capital gain/loss on the sale of fixed assets. EBITDA for the most recent 12 months. Indebtedness can temporarily exceed this range in conjunction with the start-up of major new contracts.

3) Taking into consideration Nobina's cash flow, investment requirements and general business conditions.

4) EBT For the financial year ending 29 February 2016, adjusted for IPO costs and for all costs reported in relation to interest on, and early repayment of, the bonds.

one representative for each of the three largest shareholders in terms of votes who wish to participate in the nomination committee, in addition to the chairman of the board.

The members of the nomination committee have been appointed based on the ownership structure on 30 September 2015, and the committee comprises Ralph Herrgott (Sothic Capital), Nuno Caetano (Invesco), Tomas Ehlin (Fourth Swedish National Pension Fund) and board chairman Jan Sjöqvist.

The nomination committee shall prepare and submit proposals to the 2016 annual general meeting regarding a chairman of the meeting, directors, board chairman, directors' fees and any compensation for committee work, auditors and auditor's fees. In addition, the nomination committee shall prepare and submit to the annual general meeting proposals regarding principles for the composition of the nomination committee.

Annual general meeting

The annual general meeting will be held at the World Trade Center in Stockholm at 2pm on 31 May 2016. The annual report 2015/16 will be available on 10 May 2016 on www.nobina.com.

Important events in the fourth quarter

- In December, Nobina won a traffic contract in Helsinki involving 94 buses and worth almost SEK 1.4 billion over the seven-year contract period.
- In February, Nobina won a traffic contract in Helsinki involving 13 buses.
- During the fourth quarter, Nobina established the innovation company, Nobina Technology AB.

Important events after the quarter

- The final instance decided the previously appealed contract awarded regarding traffic in Borås in favour of the PTA Västratrafik. As a consequence, Västratrafik can award the traffic to Nobina and in April 2017 Nobina will start traffic in Borås with at least 50 buses.

Accounting principles

Nobina applies International Financial Reporting Standards (IFRS) as adopted by the EU and applies RFR 1 "Supplementary accounting rules for groups". Nobina applies the same accounting principles and calculation methods as in the annual report for 2014/2015. See "Note 1 Company information and accounting principles", except as stated below.

The financial statements of the Parent Company, Nobina AB, have been prepared in accordance with the Swedish Annual Accounts Act and recommendation RFR 2, Reporting for legal entities, as well as opinions issued by the Swedish Financial Reporting Board. This interim report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act.

Assurance

The CEO hereby provides an assurance that the interim report provides a true and fair view of the operations, financial position and earnings of the Company and the Group and describes the significant risks and uncertainty factors facing the Company and companies within the Group.

Stockholm, 26 April 2016

Ragnar Norbäck
President and CEO

Financial calendar

Annual report	10 May 2016
2015/2016 annual general meeting	31 May 2016
Capital markets day	1 June 2016
Interim report 1 March–31 May 2016	30 June 2016
Interim report 1 June–31 August 2016	28 September 2016
Interim report 1 September–30 November 2016	20 December 2016

Telephone conference

Nobina will present the interim report and answer questions during a telephone conference at 10.00 CET on Wednesday, 27 April 2016. The presentation will be available on the website in connection with the telephone conference. Telephone number and web link for participants are available on the website, www.nobina.com.

Contact persons

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Please note that this is an inhouse translation of the Swedish report, which is available on www.nobina.com

THE NOBINA GROUP'S CONSOLIDATED INCOME STATEMENT IN BRIEF

SEK million, unless otherwise stated	Quarter		Full year	
	Dec 15–Feb 16	Dec 14–Feb 15	Mar 15–Feb 16	Mar 14–Feb 15
Net sales	2,161	1,905	8,317	7,549
Operating expenses				
Fuel, tyres and other consumables	–439	–422	–1,704	–1,655
Other external expenses	–333	–266	–1,173	–1,091
Personnel costs	–1,162	–1,027	–4,561	–3,881
Capital losses from disposal on non-current assets	–1	–12	–15	–35
Depreciation/amortization and impairment of tangible and intangible non-current assets	–168	–137	–606	–516
Operating profit	58	41	258	371
Profit from net financial items				
Financial income	1	2	3	8
Financial expenses, Note 1	–39	–53	–259	–238
Net financial items	–38	–51	–256	–230
Profit/loss before tax	20	–10	2	141
Income tax	–12	–1	2	–47
PROFIT/LOSS FOR THE PERIOD	8	–11	4	94
Profit/loss for the period attributable to the Parent Company shareholders	8	–11	4	94
Earnings per share before dilution (SEK)	0.09	–0.20	0.04	1.50
Earnings per share after dilution (SEK)	0.09	–0.20	0.04	1.50
Average number of shares before dilution (thousands)	88,356	63,323	80,608	63,301
Average number shares after dilution (thousands)	88,356	63,323	80,608	63,301
Number of shares outstanding at end of period ¹⁾	88,355,682	63,323,413	88,355,682	63,323,413

1) Consolidation of company share, reverse split 1:10, as decided at the general meeting of 27 May.
Earnings per share and number of shares have been adjusted for comparability.

The NOBINA GROUP'S CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Quarter		Full year	
	Dec 15–Feb 16	Dec 14–Feb 15	Mar 15–Feb 16	Mar 14–Feb 15
Profit/loss for the period	8	–11	4	94
Other comprehensive income				
Items not to be reclassified to profit or loss for the period				
Revaluation of defined-benefit pension plan	3	–19	6	–19
Tax on items that will not be reclassified to profit or loss for the period	0	4	0	4
Items that can later be reclassified to profit or loss for the period				
Exchange-rate differences in foreign operations	–3	8	–23	6
Other comprehensive income for the period, net after tax	0	–7	–17	–9
Comprehensive income for the period	8	–18	–13	85
COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	8	–18	–13	85

THE NOBINA GROUP'S CONSOLIDATED BALANCE SHEET IN BRIEF

SEK million	29 Feb 2016	28 Feb 2015
ASSETS		
Non-current assets		
Goodwill	574	588
Other intangible assets	10	16
Cost for leasehold improvements	36	21
Equipment, tools, fixtures and fittings	67	61
Vehicles	5,238	4,354
Deferred tax assets	121	88
Plan assets	11	–
Other non-current receivables	1	–
Total non-current assets	6,058	5,128
Current assets		
Inventories	46	49
Trade receivables	535	519
Other current receivables	40	76
Deferred expenses and accrued income	272	236
Restricted bank accounts	24	115
Cash and cash equivalents	683	453
Total current assets	1,600	1,448
TOTAL ASSETS	7,658	6,576
EQUITY AND LIABILITIES		
Equity attributable to Parent Company Shareholders	1,110	310
Non-current liabilities		
Borrowing, Note 1	3,941	3,765
Deferred tax liabilities	102	82
Provision for pensions and similar commitments	36	36
Other provisions	37	39
Total non-current liabilities	4,116	3,922
Current liabilities		
Accounts payable	473	476
Borrowing, Note 1	752	634
Other current liabilities	222	174
Accrued expenses and deferred income	985	1,060
Total current liabilities	2,432	2,344
Total liabilities	6,548	6,266
TOTAL EQUITY AND LIABILITIES	7,658	6,576

THE NOBINA GROUP'S CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN BRIEF

SEK million	Share capital	Other contributed capital	Translation differences	Losses brought forward	Total equity attributable to Parent Company shareholders
Opening equity per 1 March 2014	228	2,488	22	-2,514	224
Profit/loss of the period	–	–	–	79	79
Other comprehensive income	–	–	6	–	6
Transactions with owners					
Payment of issued shares to senior executives	–	1	–	–	1
Closing equity per 28 February 2015	228	2,489	28	-2,435	310
Opening equity per 1 March 2015	228	2,489	28	-2,435	310
Profit/Loss for the period	–	–	–	4	4
Other comprehensive income	–	–	-23	6	-17
Transactions with owners					
Payment of issued shares to senior executives	–	1	–	–	1
Payment of newly issued shares	90	760	–	–	850
Capital acquisition costs (net after tax)	–	-38	–	–	-38
Closing equity per 29 February 2016	318	3,212,	5	-2,425	1,110

There are no non-controlling interests.

THE NOBINA GROUP'S CONSOLIDATED CASH FLOW STATEMENT IN BRIEF

SEK million	Quarter		Full year	
	Dec 15–Feb 16	Dec 14–Feb 15	Mar 15–Feb 16	Mar 14–Feb 15
Cash flow from operations				
Profit/loss after financial items	20	-10	2	141
Adjustment for non-cash items	199	178	864	761
Cash flow from operations before changes in working capital	219	168	866	902
Cash flow from changes in working capital				
Change in inventories	3	-4	3	4
Changes in operating receivables	-20	50	-32	-142
Changes in operating liabilities	187	161	11	197
Total change in working capital	170	207	-18	59
Received interest income	-	1	2	4
Tax paid	-	-1	-	-1
Cash flow from operations	389	375	850	964
Cash flow from investing activities				
Change in restricted bank accounts	77	32	90	41
Investments in PPE and intangible assets, excl.financial leases	-16	-134	-193	-295
Sales of PPE and intangible assets	11	8	35	41
Cash flow from investing activities	72	-94	-68	-213
Cash flow from financing activities				
Amortization of financial liability	-169	-142	-628	-546
Redemption of bonds and other external loans	-8	-2	-577	-485
Payment of newly issued shares	-	-	850	-
Issue of new shares to senior executives	-	-	1	1
New borrowing, including payment with old bonds	-	-	-	483
New borrowing, other external loans	1	87	109	168
Borrowing expenses, paid	-	-	-	-18
Capital acquisition costs	-	-	-49	-
Interest paid	-39	-37	-254	-213
Cash flow from financing activities	-215	-94	-548	-610
Cash flow for the period	246	187	234	141
Cash and cash equivalents at the beginning of period	436	265	453	309
Cash flow for the period	246	187	234	141
Exchange rate difference	1	1	-4	3
Cash and cash equivalents at the end of period	683	453	683	453

THE PARENT COMPANY'S INCOME STATEMENT IN BRIEF

SEK million	Quarter		Full year	
	Dec 15–Feb 16	Dec 14–Feb 15	Mar 15–Feb 16	Mar 14–Feb 15
Net sales	9	12	39	49
Operating expenses				
Other external expenses	–4	–7	–145	–20
Personnel costs	–8	–9	–120	–37
Depreciation/amortization and impairment of intangible and tangible non-current assets	–	–	–	–
Operating loss/profit	–3	–4	–226	–8
Profit from participations in Group companies	–344	41	–344	41
Financial income	2	11	12	37
Financial expenses	–11	–1	–69	–2
Net financial items	–353	51	–401	76
Loss/profit before tax	–356	47	–627	68
Income tax	29	40	29	40
LOSS/PROFIT FOR THE PERIOD	–327	87	–598	108

Other comprehensive income is not reported since there are no items relating to other comprehensive income.

THE PARENT COMPANY'S BALANCE SHEET IN BRIEF

SEK million	29 Feb 2016	28 Feb 2015
ASSETS		
Non-current assets		
Participations in Group companies	3,685	3,695
Deferred tax assets	80	40
Receivables from Group companies	87	114
Total non-current assets	3,852	3,849
Current assets		
Receivables from Group companies	292	226
Other current assets	2	–
Deferred expenses and accrued income	1	8
Restricted bank accounts	–	25
Cash and cash equivalents	–	–
Total current assets	295	259
TOTAL ASSETS	4,147	4,108
Equity and liabilities		
Equity attributable to Parent Company shareholders	2,928	2,713
Non-current liabilities		
Liabilities to Group companies	621	1,362
Provision for pensions and similar commitments	8	7
Total non-current liabilities	629	1,369
Current liabilities		
Accounts payable	4	5
Liabilities to Group companies	576	10
Other current liabilities	1	2
Accrued expenses and deferred income	9	9
Total current liabilities	590	26
Total liabilities	1,219	1,395
TOTAL EQUITY AND LIABILITIES	4,147	4,108

THE PARENT COMPANY'S CHANGES IN EQUITY IN BRIEF

SEK million	Share capital	Statutory reserve	Share premium reserve	Retained earnings	Loss/profit for the period	Total equity
Opening equity per 1 March 2014	228	1	612	1,712	51	2,604
Transfer of preceding year's profit/loss	–	–	–	51	–51	–
Profit for the period	–	–	–	–	108	108
Transactions with owners						
New issue of shares to senior executives	–	–	1	–	–	1
Closing equity per 28 February 2015	228	1	613	1,763	108	2,713
Opening equity per 1 March 2015	228	1	613	1,763	108	2,713
Transfer of preceding year's profit/loss	–	–	–	108	–108	–
Loss for the period	–	–	–	–	–598	–598
Transactions with owners						
New issue of shares to senior executives	–	–	1	–	–	1
New issue of shares	90	–	760	–	–	850
Capital acquisition costs (net after tax)	–	–	–38	–	–	–38
Closing equity per 29 February 2016	318	1	1,336	1,871	–598	2,928

Other comprehensive income is not reported since there are no items relating to other comprehensive income.

NOTE 1. FINANCING

SEK million, unless otherwise stated	Quarter		Full year	
	Dec 15–Feb 16	Dec 14–Feb 15	Mar 15–Feb 16	Mar 14–Feb 15
Operational leasing agreements, buses				
Nominal value of future minimum leasing fees, buses	–	–	184	285
Present value of future minimum leasing fees, buses	–	–	176	268
Number of operationally leased buses	–	–	399	480
Operational leasing fees for the period	15	11	58	97
Borrowing – bond loan and other liabilities				
Bond loan and other loans	–	–	242	716
Financial leasing liabilities	–	–	4,451	3,699
Distribution over time of financial costs	–	–	–	–16
Total	–	–	4,693	4,399
Of which short-term repayment part of the Group's borrowing	–	–	752	634
Of which long-term repayment part of borrowing	–	–	3,941	3,765
Sum, total liabilities	–	–	4,693	4,399
Interest expenses and similar profit/loss items				
Interest expenses, financial leasing	–35	–35	–131	–144
Interest expenses, bond loan and other external loans	–4	–16	–125	–89
Other financial expenses	–	–1	–4	–6
Realised and non-realised exchange rate gains and losses, net	–	–1	1	1
Total	–39	–53	–259	–238

KEY RATIOS INFORMATION

Key ratios information, the past five quarters

Key ratios, Nobina in SEK million, unless otherwise stated	Q4	2014/2015		2015/2016			
		Q1	Q1 justerat ¹⁾	Q2	Q2 justerat ¹⁾	Q3	Q4
Net sales for the period							
Regional traffic	1,884	1,927	–	1,888	–	2,112	2,097
Interregional traffic	61	68	–	87	–	66	62
Operating profit/loss for the period							
Regional traffic	54	112	–	126	–	178	73
Interregional traffic	–2	–3	–	13	–	0	–3
Profit/loss before tax for the period	–10	–31	61	–112	137	125	20
Profit/loss for the period	–11	–33	59	–71	93	100	8
Cash flow for the period	187	–38	–19	–91	–78	117	246
Cash and cash equivalents	453	413	–	443	–	436	683
Equity ratio, %	4.7	4.3	–	14.1	–	15.1	14.5
EBITDA ²⁾	190	149	241	173	285	330	227
EBITDA margin, %	9.8	7.5	12.1	8.7	14.4	15.1	10.5
EBITDAR ²⁾	201	165	257	187	299	343	242
EBITDAR margin, %	10.3	8.3	12.9	9.4	15.1	15.7	11.2
Equity	310	274	–	998	–	1,091	1,110
Equity/ordinary shares, SEK	4.9	4.3	–	11.29	–	12.34	12.50
Number of buses	3,327	3,323	–	3,623	–	3,686	3,702
Estimated full-time employees	7,603	8,054	–	8,488	–	8,503	8,461

1) Adjusted for non-recurring items of SEK 204 million in operating profit, which are related to the IPO (SEK 32 million) and incentive programme (SEK 172 million), as well as SEK 93 million under financial items related to bond loan redemption.

2) The difference between EBITDAR and EBITDA comprises costs for operational leasing and will reduce in scope over time since Nobina's strategy is to finance buses through financial leasing.

GLOSSARY

Airport transfers – Trips that enable connections to and from airports.

Bid – A traffic company's offer in a tendering process.

Change prices – How much compensation changes per bus hour or kilometres within the framework of the free volume in a contract.

City transport – Transport in a densely populated area.

Client – Nobina's client being the contractual counterpart for tendered traffic contracts, also called a PTA.

Concession – Allocated right to uphold a monopoly in a geographic area and which comprises all rights to provide public transport. In Sweden, since the public transport authority reform in the 1980s, the state allocates concessions to clients (municipalities and county councils), which in turn provide public transport services through contracts with traffic companies. These contracts are tendered in accordance with the Swedish Public Procurement Act.

Concessions contract – A form of contract between a traffic company and a client (municipality/county council) that was typical prior to the public transport authority reform and which, in parts, continues for a transitional period. Under these contracts, the traffic company undertakes all aspects of the transport assignment, including the sale of services to passengers.

Euro 1–Euro 6, EEV – Various generations of emission classes for diesel engines.

Express route – A longer route on main roads that provides faster transport through several counties without several stops.

Free volume – The client's (PTA's) right to change the production volume within the framework of the contract.

Incentive contract – Normally a production contract that contains, to a larger or smaller degree, a compensation component that is variable and depends on the number of passengers.

Interregional transport – Nobina's segment for transport services conducted completely on its own merits without restrictions or subsidies from authorities.

Indexation – Adjustment of the contract-based remuneration in accordance with a basket of weighted and predetermined indices intended to represent important cost elements for the traffic company, such as salaries, fuel and maintenance, and which occurs at predetermined intervals.

Local transport – Transport in connection with densely populated areas.

Production contract – A contract in which the traffic company's revenues comprise fixed remuneration for production costs based on a predetermined production, with route network, timetable and a number of other requirements as the base. Compensation is based on the number of hours, kilometres, buses or a combination of these.

Public transport – Transport services provided for the public in which people travel together.

Public Transport Authority (PTA) – A municipality or county council allocated concessions by the government to provide public transport through public tendering of services from traffic companies.

Public transport authority reform – In conjunction with the public transport authority reform in the 1980s, the government took over the right to allocate concessions from the municipalities and county councils. Previously, municipalities and county councils allocated concessions to traffic companies; today, the state allocates concessions to municipalities and county councils (clients), which in turn sign contracts with traffic companies for the provision of public transport services. These contracts are tendered in accordance with the Public Tendering Act.

Regional traffic – Nobina's segment for transport services tendered from a public client.

Regional transport – Transport outside and between built-up areas in a county.

Seat kilometres – Measure of the service provided. The number of seats in a bus multiplied by the bus's driving distance in kilometres.

Subcontractor – A party assigned by the traffic company to assist in the provision of transport services.

Traffic company – A company that provides transport services in accordance with a given contract with a client.

Traffic contract – A publicly tendered contract for the provision of transport services between a traffic company and a client. The duration of the contract is typically five to ten years, with the option of extending for an additional one or two years. It is based on either a production or an incentive contract.

Traffic planning – Planning of use of resources (vehicle and driver) to conduct transport services in the most efficient manner possible in accordance with the traffic assignment.

DEFINITIONS

Average number of FTEs – The number of hours paid divided by normal working hours for a full-time employee.

Degree of utilization – Number of sold passenger kilometres divided by driven kilometres.

Earnings per share – Profit for the year divided by the average weighted number of ordinary shares.

Earnings per share after full dilution – Profit for the year divided by the average number of ordinary shares.

EBIT – Operating profit before net financial items and taxes.

EBITDA – Operating profit before net financial items, tax, depreciation, amortization, earnings from sale of fixed assets.

EBITDA margin – EBITDA in relation to net sales.

EBITDAR – Operating profit before net financial items, tax, depreciation, amortization, earnings from sale of fixed assets and operating leasing expenses for buses.

EBITDAR margin – EBITDAR in relation to net sales.

EBT – Profit/loss before tax.

Equity/assets ratio – Equity as a percentage of total assets at the end of the fiscal year.

Net debt/EBITDA – Interest-bearing liabilities (external loans, pension liabilities and financial leasing liability) after deducting cash and cash equivalents and restricted bank accounts in relation to the rolling 12-month average EBITDA.

Net investments – Acquisition cost of investments in fixed assets less sales value of divested fixed assets.

Reallocation Rate – Buses allocated to a new contract during the year/Total number of buses.

Renewal Rate – All won tenders/All own announced tenders.

Retention Rate – Defended tenders/Own announced tenders

Yield – Revenue per driven kilometre.



THIS IS NOBINA

Our role is to:

HELP MAKE SOCIETY MORE MOBILE

Our offering to customers:

SIMPLIFY EVERYDAY TRAVEL

We deliver that by:

**BEING FRIENDLY, CREATING SIMPLE
SOLUTIONS, BEING AFFORDABLE**

We succeed, by living up to our values:

OUR CUSTOMERS' NEEDS IS OUR REASON FOR BEING

We treat our customers with kindness and respect and are sensitive to their needs. We keep our promises, develop priceworthy solutions and simplify for our customers.

IN ALL WE DO, WE STRIVE TO DEVELOP

We achieve our goals and deliver results. We are efficient with resources and the quality we promise is always our minimum standard. Being goal-oriented and having systematic follow-up is vital for constantly improving our services as well as our company.

WE RESPECT EACH OTHER

Everyone is of equal importance, and is treated with kindness and respect. Together we create a secure and creative work environment that stimulates initiatives and suggestions for improvements. We take action against any lack of respect towards our customers, towards each other and towards the company.

WE FOSTER SOLID LEADERSHIP

Our demands and expectations on our leaders and co-workers are well defined. We always prioritise the interests of our customers and of the company before our own. Everyone receives feedback on their performance and we show our appreciation for their achievements. We always honour confidentiality.

WE CARE

We take an active responsibility for the environment and for our society. We encourage personal health and development. We act according to laws and regulations. We are engaged and we care for each other, for our customers and for the world around us.

We do all of that because we have a vision:

**EVERYBODY WANTS TO
TRAVEL WITH US**