NEW FLYER ANNOUNCES INCLUSION IN S&P/TSX COMPOSITE INDEX AND THE S&P/TSX COMPOSITE DIVIDEND INDEX AND DECLARES DECEMBER DIVIDEND

Winnipeg, Manitoba, Canada - December 15, 2015: (TSX: NFI) (TSX: NFI.DB.U) New Flyer Industries Inc. ("New Flyer" or the "Company"), the leading manufacturer of heavy-duty transit buses in the United States and Canada, announced today that the Company will be added to the S&P/TSX Composite Index (the "Composite Index"), effective after the close of markets on December 18, 2015. The Company is also being added to the S&P/TSX Composite Dividend Index at the same time.

The Composite Index is the headline index in Canada and serves as an indicator of broad market activity in Canadian equity markets. It includes the largest and most liquid companies on the Toronto Stock Exchange, as measured by market capitalization and trading volume. Inclusion in the Index can potentially broaden participation in a company's investor base by enabling investment from index funds and similar investment vehicles.

"Being added to the S&P/TSX Composite Index is a milestone in New Flyer's journey as a public company and one that recognizes the substantial efforts and successes of our employees in continuing to build a great company since the initial public offering in 2005," said The Honourable Brian Tobin, the chairperson of the board of directors for New Flyer. "The board and management believes the inclusion of New Flyer on the Composite Index should increase the Company's exposure to a broader range of potential investors and may provide better trading liquidity of the Company's stock for shareholders."

The Company today also declared a dividend on New Flyer's common shares (the "Shares") in the amount of C$0.05167 per Share to holders of record at the close of business on December 31, 2015. The dividend will be payable on January 15, 2016. New Flyer has paid dividends to shareholders for 122 consecutive months since the Company's initial public offering in August 2005.

The dividends on the Shares are designated as "eligible dividends" for purposes of the enhanced dividend tax credit rules contained in the *Income Tax Act* (Canada) and any corresponding provincial and territorial tax legislation.

About New Flyer

New Flyer is the leading manufacturer of heavy-duty transit buses in the United States and Canada. The Company is the industry technology leader and offers the broadest product line including drive systems powered by: clean diesel, natural gas, electric trolley, diesel-electric hybrid and now, all-electric buses. All buses are supported by an industry-leading comprehensive warranty and support program, and service network. New Flyer also operates the transit industry's most sophisticated aftermarket parts organization, sourcing parts from hundreds of different suppliers and providing support for all types of heavy-duty transit buses.

The New Flyer group of companies employ over 3,300 team members with manufacturing, fabrication, parts distribution and service centers in both Canada and the United States. Further information is available on New Flyer's web site at www.newflyer.com.

On November 10, 2015 New Flyer announced that it has entered into a definitive agreement to acquire North America's leading motor coach manufacturer and parts and service supplier Motor Coach Industries International, Inc. ("MCI"). The completion of the transaction is subject to customary closing conditions, including U.S. antitrust and Canadian Competition Act approvals, and is expected to close by the end of 2015.

The common shares and convertible unsecured subordinated debentures of the Company are traded on the Toronto Stock Exchange under the symbols NFI and NFI.DB.U, respectively.

Forward-Looking Statements

This press release may contain forward-looking statements relating to expected future events and financial and operating results of the Company that involve risks and uncertainties. The words “believes”, “anticipates”, “plans”, “expects”, “intends”, “projects”, “forecasts”, “estimates” and similar expressions are intended to identify forward looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including market and general economic conditions, the TSX's plans and timing for the addition of the Company to the Composite Index and the S&P/TSX Composite Dividend Index, the statements as to the potential broadening of the Company's investor base and better trading liquidity, the covenants contained in the Company's senior credit facility could impact the ability of the Company to fund dividends, risks related to the satisfaction of the relevant closing conditions for and the completion of the purchase of MCI, the completion of the new credit facilities being entered into in connection with the purchase of MCI and the timing thereof, the availability of funds from the new credit facilities for the funding of the purchase price for and related expenses related to the purchase of MCI and the other risks and uncertainties detailed in the disclosure documents filed with the Canadian securities regulatory authorities and available on SEDAR at www.sedar.com. Due to the potential impact of these factors, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

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