



NEW FLYER

BOSTON AWARDED NEW FLYER A CONTRACT FOR UP TO 90 XCELSIOR® BUSES

Winnipeg, Manitoba, Canada – February 16, 2016: (TSX: NFI) (TSX: NFI.DB.U) New Flyer of America Inc., a subsidiary of New Flyer Industries Inc. (“New Flyer” or the “Company”), the leading manufacturer of heavy-duty transit buses and motor coaches in the United States and Canada, announced that the Massachusetts Bay Transport Authority (“MBTA”) awarded New Flyer a contract for up to 90 (180 equivalent units or “EUs”) heavy-duty 60-foot Xcelsior® diesel electric hybrid buses.

The contract includes a firm order for 44 XDE60 Xcelsior buses (88 EUs) and is valued at approximately \$50 million with options for up to an additional 46 XDE60 (92 EUs) valued at approximately \$71 million.

MBTA provided New Flyer with purchase documentation in the fourth fiscal quarter of 2015 and as a result this award was included in the New Flyer Orders and Backlog press release issued on January 13, 2016, but had not yet been press released pending its approval.

Currently the MBTA operates over 1,000 buses, 709 of which were built by New Flyer or its subsidiary NABI.

MBTA provides service to over 4.8 million people in 176 cities and towns across a 3,249 square mile radius, making it the 5th largest mass transit system in the United States. To ensure quality service for its 1.27 million annual passenger trips, MBTA maintains 174 bus routes, three rapid transit lines and four trackless trolley lines.

NOTE: All dollar amounts are stated in U.S. currency.

About New Flyer

The Company employs approximately 5,000 team members and is the largest transit bus, motor coach manufacturer and parts distributor in North America. With fabrication, manufacturing, distribution and service centers in Canada and the United States.

Through its Canadian and U.S. subsidiaries, New Flyer Industries Canada ULC and New Flyer of America Inc., the Company is North America’s heavy-duty transit bus leader and offers the broadest transit bus product line (Xcelsior® and MiDi® models), incorporating the broadest range of drive systems available, including: clean diesel, natural gas, diesel-electric hybrid, electric-trolley and now battery-electric. New Flyer actively supports over 42,000 heavy-duty transit buses (New Flyer, NABI and Orion) currently in service.

Through its Canadian and U.S. subsidiaries, Motor Coach Industries Limited and Motor Coach Industries, Inc., the Company is North America’s leader in motor coaches, offering the MCI J4500, which is the industry’s best-selling intercity coach for 11 consecutive years, and the MCI D-Series, the industry’s best-selling coach line in North American motor coach history. MCI is

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also the exclusive distributor of Setra S417 and S407 in the United States and Canada. MCI actively supports over 28,000 motor coaches currently in service and offers 24-hour roadside assistance 365 days a year.

The Company also operates North America's most sophisticated aftermarket parts organization providing support for all types of transit buses and motor coaches. All buses and coaches are supported by an industry-leading comprehensive warranty, service and support network.

Further information is available on the Company's websites at www.newflyer.com and www.mcicoach.com. 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. 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. 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 and economic conditions of and funding availability for customers to purchase buses and to purchase parts or services, customers may not exercise options to purchase additional buses, the ability of customers to terminate contracts for convenience and the other risks and uncertainties discussed in the materials 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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