



## New Flyer Announces First Quarter 2016 Orders and Backlog

**Winnipeg, Manitoba, Canada, April 15, 2016:** (TSX:NFI) (TSX:NFI.DB.U) New Flyer Industries Inc. (the “Company”), the leading manufacturer of heavy-duty transit buses, motor coaches and parts distribution in Canada and the United States, announced its order activity and backlog update for the first fiscal quarter ended April 3, 2016 (“Q1 2016”).

The order and delivery activity and backlog for Q1 2016 reported in this release includes activity for heavy-duty transit buses manufactured by the Company’s subsidiaries, New Flyer Industries Canada ULC and New Flyer of America Inc (together, “New Flyer”), and motor coaches manufactured by its subsidiaries, Motor Coach Industries Limited and Motor Coach Industries International, Inc (together, “MCI”).

The order and delivery activity and backlog as reported excludes pre-owned coaches and transit buses.

### Deliveries, Order Activity, and Option Expiry

The Company delivered 829 equivalent units (“EUs”) in Q1 2016, an increase of 257 EUs compared to 572 EUs in the first fiscal quarter ended March 29, 2015 (“Q1 2015”). Work-in-process (“WIP”) at April 3, 2016 was 499 EUs, an increase of 70 EUs from the previous quarter.

The Company’s new transit bus and coach orders (firm and options) in Q1 2016 totaled 1,059 EUs. Order activity in the period included:

- New firm orders for 898 EUs (valued at \$439.3 million)
- New option orders for 161 EUs (valued at \$93.9 million)
- Options for 582 EUs converted to firm orders (valued at \$329.2 million)

	<b>New Orders in Quarter (Firm and Option EUs)</b>	<b>LTM New Orders (Firm and Option EUs)</b>	<b>Option EUs Converted in Quarter</b>	<b>Option EUs Converted LTM</b>
<b>Q1 2015</b>	1,020	2,930	157	800
<b>Q2 2015</b>	531	2,985	546	1,225
<b>Q3 2015</b>	1,133	4,009	213	1,079
<b>Q4 2015</b>	1,245	3,929	423	1,339
<b>Q1 2016</b>	<b>1,059</b>	<b>3,968</b>	<b>582</b>	<b>1,764</b>

In addition, 793 EUs of new firm and option orders were pending from customers at the end of the period, where approval of the award to the Company had been made by the customer's board, council, or commission, as applicable, but purchase documentation had not yet been received by the Company and therefore not yet included in the backlog.

The last twelve months ("LTM") Book-to-Bill ratio (defined as new firm and option orders divided by deliveries) was 147% and has been greater than 100% for twelve of the last thirteen quarters, demonstrating overall growth in the Company's total backlog.

In Q1 2016, 176 option EUs expired, compared to 309 option EUs that expired in the fourth fiscal quarter of 2015 ("Q4 2015"). Remaining options in the current backlog will expire if not exercised, as follows:

Year of option expiry	2016	2017	2018	2019	2020	2021	Total Option EUs
Remaining Options (EUs)	655	436	1,290	1,389	1,527	1,308	<b>6,605</b>

### Total Backlog

At the end of Q1 2016, the Company's total backlog was 9,718 EUs (valued at \$5.03 billion) compared to 9,664 EUs (valued at \$4.95 billion) at the end Q4 2015 and 7,193 EUs (valued at \$3.57 billion) at the end of Q1 2015.

Total Backlog	Firm Orders (EUs)	Options (EUs)	Total (EUs)
Ending backlog at Q4 2015	<b>2,462</b>	<b>7,202</b>	<b>9,664</b>
New orders in Q1 2016	898	161	1,059
Options exercised in Q1 2016	582	(582)	-
Deliveries in Q1 2016	(829)	-	<b>(829)</b>
Cancelled/expired options in Q1 2016	-	(176)	(176)
<b>Ending Backlog at Q1 2016</b>	<b>3,113</b>	<b>6,605</b>	<b>9,718</b>

The Company's backlog consists of 30', 35', 40' and 60-foot heavy duty transit buses, and 45' motor coaches. Buses incorporating clean propulsion systems (such as natural gas, diesel-electric hybrid, electric-trolley, and battery-electric) represent approximately 51% of the total backlog.

## Market Demand

The Company's Bid Universe metric reports active competitions in Canada and the United States, and provides an overall indicator of expected heavy duty transit bus and motor coach market demand. It is a point-in-time snapshot of: (i) EUs in active competitions, defined as all requests for proposals received and in process of review plus bids submitted and awaiting customer action, and (ii) management's forecast of all expected EUs to be placed out for competition over the next five years.

Procurement of transit buses and coaches by the public sector is typically accomplished through formal multi-year contracts, while procurement of transit buses and coaches by the private sector is typically accomplished through transactional sales of small orders of vehicles. As a result, the Company is unable to develop longer range forecasts for private sector buses and coaches.

The total number of active EUs at the end of Q1 2016 was 7,286 EUs which is an increase of 81 EUs over the previous quarter, largely as a result of the consolidation of the New Flyer and MCI sales activity. The number of EUs in the total Bid Universe at the end of Q1 2015 was 22,918 EUs, which is an increase of 2,304 EUs over Q4 2015.

	Bids in Process (EUs)	Bids Submitted (EUs)	Total Active (EUs)	Forecasted New Procurements over the next 5 Years (EUs)	Total Bid Universe (EUs)
<b>Q1 2015*</b>	4,177	2,890	<b>7,067</b>	12,314	<b>19,381</b>
<b>Q2 2015*</b>	1,690	5,881	<b>7,571</b>	13,127	<b>20,698</b>
<b>Q3 2015*</b>	2,121	4,074	<b>6,195</b>	13,225	<b>19,420</b>
<b>Q4 2015*</b>	763	6,442	<b>7,205</b>	13,409	<b>20,614</b>
<b>Q1 2016</b>	<b>1,750</b>	<b>5,536</b>	<b>7,286</b>	<b>15,632</b>	<b>22,918</b>

\* New Flyer Bid Universe Only (excludes MCI)

Management continues to anticipate that bus procurement activity by public transit agencies throughout the U.S. and Canada should remain robust based on expected customer fleet replacement plans and active or anticipated procurements.

Management also anticipates stable private sector demand for motor coaches through 2016 given the stability of main market dynamics including the general economy, travel trends and credit markets.

The master production schedule combined with current backlog and orders anticipated to be awarded by customers under new procurements is now expected to enable the Company to continue to deliver approximately 3,450 EUs in fiscal 2016. Production rates will vary from quarter to quarter due to sales mix and award timing.

## Aftermarket

Gross orders received by the Company's aftermarket business in Q1 2016 increased 58% compared to Q4 2015, and increased 58% in Q1 2016 compared to the same quarter in 2015. The increase in year over year gross orders is primarily attributed to the acquisition of MCI.

Q1 2016 total shipments increased 50% compared to Q4 2015, and declined by 24% compared to the same quarter in 2015. The increase in total shipments year over year due to the acquisition of MCI was partially offset by the completion of the Chicago Transit Authority midlife upgrade program.

NOTE: All dollar amounts are stated in U.S. currency based on an exchange rate of U.S. \$1.00 = CAD \$ 1.30 to calculate the value of the Canadian contracts in this release.

## About the Company

The Company employs over 5,000 team members and is the largest transit bus and 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 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 comprehensive 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](http://www.newflyer.com) and [www.mcicoach.com](http://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](http://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.

For further information, please contact:  
Jon Koffman  
Investor Relations  
Tel: 204-224-6672