SEATTLE AWARDS NEW FLYER A CONTRACT FOR 222 XCELSIOR® TRANSIT BUSES

Winnipeg, Manitoba, Canada – February 8, 2017: (TSX: NFI) (TSX: NFI.DB.U) New Flyer of America Inc., a subsidiary of New Flyer Industries Inc. ("New Flyer" or the "Company"), the largest transit bus and motor coach manufacturer and parts distributor in North America, announced today that Seattle's King County Department of Transportation ("King County DOT") has awarded New Flyer with a contract for 222 60-foot articulated New Flyer Xcelsior® diesel-electric hybrid buses (or 444 equivalent units or "EUs").

King County DOT, officially the King County Department of Transportation Metro Transit Division or Metro for short, is the public transit authority of King County, Washington. It began operations on January 1, 1973, but traces its roots to Seattle Transit, founded in 1939, and Overlake Transit Service, founded in 1927. Metro is the eighth-largest transit bus agency in the United States, carrying an average of 395,000 passengers each weekday on some 215 routes.

The contract is valued at approximately $202 million and includes both two and three door 60-foot bus configurations that will add to King County's diesel-electric hybrid or trolley fleet. The buses will also replace some Seattle transit buses that have reached the end of their useful life.

Since 1999, New Flyer has delivered or has on order 1,400 transit buses for King County DOT. The majority of this new order are scheduled for delivery in the second half of 2017 with the remaining planned for delivery in 2018.

Note the 222 XDE60 buses were previously accounted for in New Flyer's fourth quarter orders and backlog press release announced on January 11, 2017.

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

About The Company

The Company 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 and employs approximately 5,000 team members.

> 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 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 suspend or 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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