NEW FLYER OF AMERICA

New Flyer Advances Second Year Production of Diesel-Electric Hybrids for SEPTA

St. Cloud, Minnesota, USA – August 14, 2017: (TSX: NFI) New Flyer of America Inc. (“New Flyer”), the U.S. subsidiary of New Flyer Industries Inc. (the “Company”), the largest transit bus and motor coach manufacturer and parts distributor in North America, today announced it is advancing production of 105 Xcelsior® diesel-electric hybrid, forty-foot heavy-duty transit buses for the Southeastern Pennsylvania Transportation Authority (SEPTA). It is the second installment of a five-year contract for 525 hybrid buses approved by SEPTA in May 2016.

The buses will be deployed in the City of Philadelphia and surrounding suburbs of Delaware, Montgomery, Bucks, and Chester, supporting four million people living in and around southeastern Pennsylvania. The diesel-electric Xcelsiors will help deliver on SEPTA’s strategic focus on environmental sustainability and tightened emissions controls.

SEPTA General Manager Jeffrey Knueppel noted that while over half of SEPTA’s current bus fleet are diesel-electric hybrids, at the conclusion of the five-year contract, hybrids will comprise 95% of its bus fleet. "Public transportation is an environmentally friendly way to get around, and it's only getting greener with more hybrid buses on the road," Knueppel said. "SEPTA is proud to be an industry leader in providing cleaner, more fuel efficient travel by increasing hybrid buses in its fleet."

“We are proud to deliver electric hybrids to the City of Philadelphia and the region,” stated Wayne Joseph, President of New Flyer of America. “As SEPTA continues to deliver on innovation, intregration, and renewal through 2019, we will be there to support its goals of lower emissions, realiable transportation, and greater environmental sustainability.”

SEPTA is one of only two U.S. transit authorities that operates all five major types of terrestrial transit vehicles: regional (commuter) rail trains, heavy rapid transit (subway/elevated) trains, light rail vehicles (trolleys), trolley buses, and motor buses.

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 across America. It employs over 5,400 team members.

The Company is North America's heavy-duty transit bus leader and offers the broadest transit bus product line under the brand Xcelsior®, incorporating the broadest range of drive systems available, including: clean diesel, natural gas, diesel-electric hybrid, trolley-electric, and battery-electric. New Flyer actively supports over 44,000 heavy-duty transit buses (New Flyer, NABI, and Orion) currently in service, of which 6,400 are powered by electric and battery propulsion.

The Company is also North America's motor coach market leader offering the Motor Coach Industries (MCI) J-Series, the industry's best-selling intercity coach for 11 consecutive years, and the MCI D-Series, the industry's best-selling motor coach line in North American history. MCI is also the exclusive distributor of Daimler's Setra S 417 and S 407 motor coaches in the United States and Canada. MCI actively supports over 28,000 coaches currently in service.

The Company 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 of the Company are traded on the Toronto Stock Exchange under the symbol NFI.

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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