



NEW FLYER OF AMERICA

San Diego MTS and New Flyer Continue Long-Standing Partnership with Order for up to 50 CNG Buses

St. Cloud, Minnesota, USA – February 9, 2018: (TSX: NFI) New Flyer of America Inc. (“New Flyer”), the U.S. subsidiary of New Flyer Industries Inc. (“NFI Group”), the largest transit bus and motor coach manufacturer and parts distributor in North America, today announced that the San Diego Metropolitan System (MTS) has awarded New Flyer with a new contract for up to 50 Xcelsior® compressed natural gas (CNG) sixty-foot, heavy-duty transit buses.

MTS currently has 220 forty-foot CNG New Flyer buses and 70 sixty-foot CNG articulated New Flyer buses in operation. The 50 New Flyer buses will replace existing buses in the fleet over the next five years.

MTS plans to use 17 of the articulated buses currently in production for its new South Bay bus rapid transit service expected to open later this year. South Bay *Rapid* is a new \$128 million project that includes 12 stations along a 26-mile route from the U.S. – Mexico border to Downtown San Diego via eastern Chula Vista, connecting to employment and activity centers in Downtown San Diego and South County.

The contract includes 30 firm orders (60 equivalent units) with options to purchase an additional 20 compressed natural gas (CNG) sixty-foot, heavy-duty transit buses (40 equivalent units). The order will support MTS’ state-of-good-repair efforts, commitment to clean fuels for its bus fleet, and its growing BRT system called *Rapid*.

“As San Diego and its surrounding regions continue to invest in the development of a compact urban core, the need for efficient transportation will increase,” said Wayne Joseph, President, New Flyer of America. “MTS has recognized this and is proactively leading the evolution to sustainable public transit. We commend MTS on its industry leadership in low-emission transit, and are proud to again provide New Flyer buses to support a growing San Diego.”

The San Diego Metropolitan Transit System (MTS) provides public transportation for Central, South, Northeast and Southeast San Diego County in California, generating 88 million annual passenger trips with approximately 800 buses and 128 electric light rail vehicles in a service territory spanning 570 square miles.

The NFI Group has over 50 years of experience in manufacturing zero-emission buses (ZEBs).

About NFI Group

NFI Group and its subsidiaries comprise the largest bus and motor coach manufacturer and parts distributor in North America, with 32 fabrication, manufacturing, distribution, and service centers located across Canada and the United States and employing nearly 6,000 team members.

Built to **RELY ON.**

NFI Group provides a comprehensive suite of mass transportation solutions under several brands: New Flyer® (heavy-duty transit buses), ARBOC® (low-floor cutaway and medium-duty buses), MCI® (motor coaches), and NFI Parts™ (bus and coach parts, support, and service). NFI Group's vehicles incorporate the widest range of drive systems available ranging from clean diesel, natural gas, diesel-electric hybrid, trolley-electric, battery-electric, and fuel cell-electric.

- New Flyer is North America's heavy-duty transit bus leader and offers the most advanced product line under the Xcelsior® and Xcelsior CHARGE™ brands. New Flyer actively supports over 44,000 heavy-duty transit buses (New Flyer, NABI, and Orion) currently in service, of which 7,300 are powered by electric motors and battery propulsion and 1,600 are zero-emission.
- ARBOC is North America's low-floor, body-on-chassis ("cutaway") bus leader serving transit, paratransit, and shuttle applications. With more than 2,500 buses in service, ARBOC leads the low-floor cutaway bus market providing unsurpassed passenger accessibility and comfort over traditional high-floor cutaway vehicles. ARBOC also offers a medium-duty bus for transit and shuttle applications.
- Motor Coach Industries is North America's motor coach leader offering the J-Series, the industry's best-selling intercity coach for 11 consecutive years, and the D-Series, the industry's best-selling motor coach line in North American history. MCI actively supports over 28,000 coaches currently in service.
- NFI Parts is North America's most comprehensive parts organization, providing replacement parts, technical publications, training, service, and support for NFI Group's bus and motor coach product lines.

Further information is available at www.newflyer.com, www.arbocsv.com, and www.mcicoach.com. The common shares of NFI Group 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 NFI Group 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 NFI

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Group 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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