NFI:TSX
INVESTOR PRESENTATION

May 2019

NEW FLYER

MCI MOTOR COACH INDUSTRIES

ARBOC Specialty Vehicles A NEW FLYER OF AMERICA COMPANY

nfi.parts

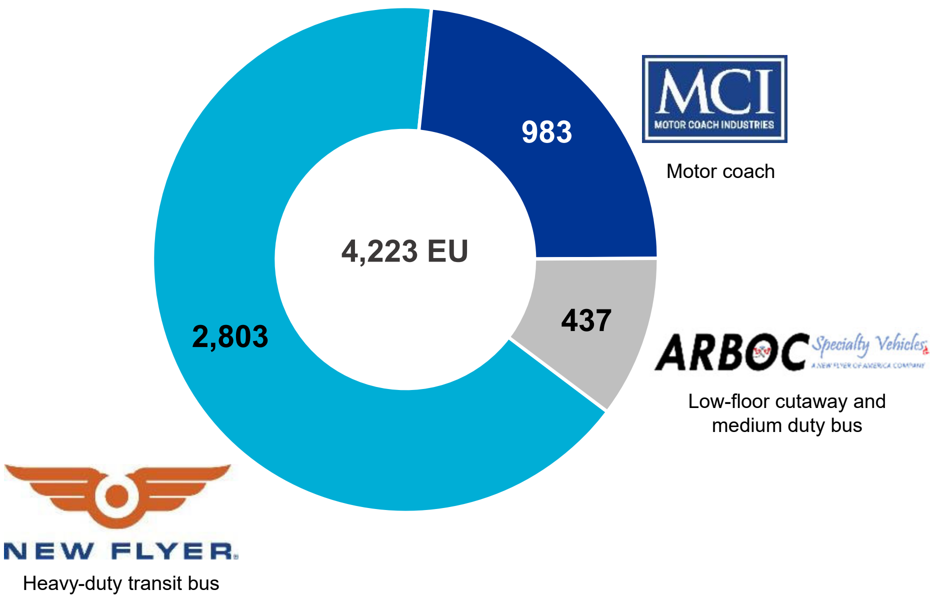
CARFAIR

New Flyer's Xcelsior H2
Fuel-Cell Electric Heavy-Duty bus

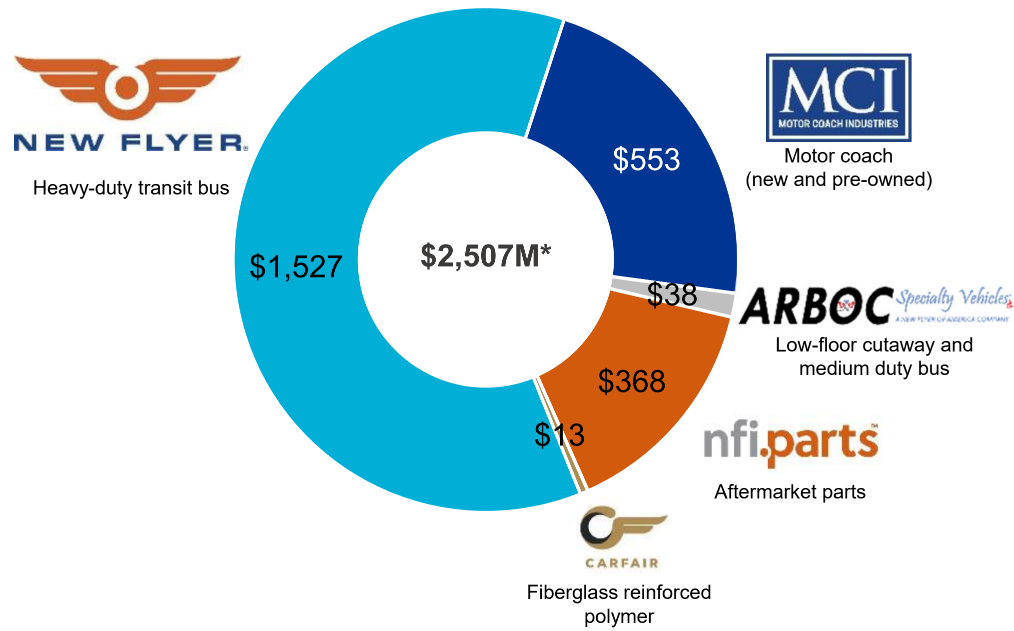
NFI Group

Leader in Transit Buses, Motor Coach & Aftermarket

Q1 2019 LTM Equivalent Units (EUs) Deliveries



Q1 2019 LTM Revenue by Product



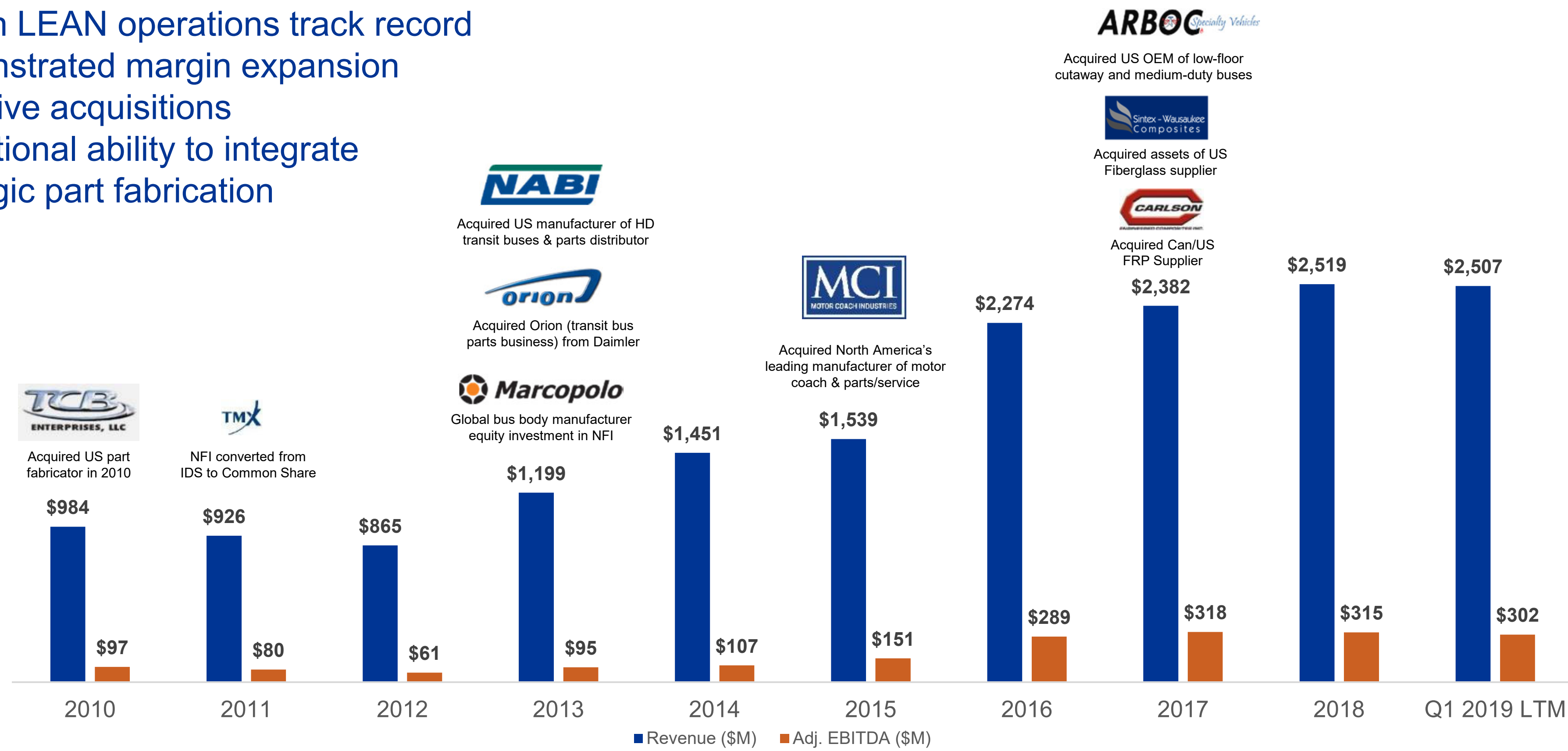
All figures are in U.S. dollars unless otherwise noted

See Appendix for Forward Looking Statements and Financial Terms, Definitions and Conditions

NFI Group

Strategically Built to RELY ON.®

- Proven LEAN operations track record
- Demonstrated margin expansion
- Accretive acquisitions
- Exceptional ability to integrate
- Strategic part fabrication



Only Q1 2019 figures included within Q1 2019 LTM reflect the adoption of IFRS 16

NFI Group

Why Invest In NFI?

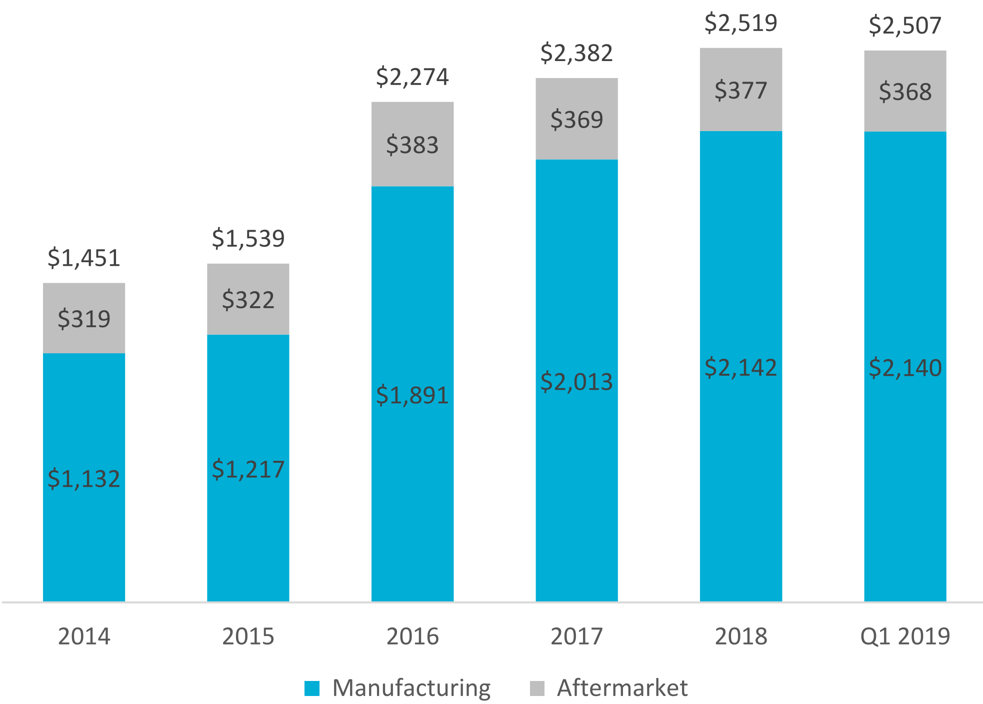
- North American leader in heavy-duty transit, motor coach, low-floor cutaway and aftermarket parts
- Trusted business partner for over 87 years delivering and standing behind reliable products. Focused on total cost of ownership
- Five year Q1 2019 LTM revenue compound annual growth rate of 14.4% driven by accretive acquisitions, organic growth and vertical integration
- Leading Adjusted EBITDA margin within its public company peer group[(1)]
- Peer leading dividend yield with history of growing dividends
- Vertically integrated fabrication processes (where NFI owns the drawings) to control Cost-Time-Quality
- Propulsion agnostic on proven common platforms: clean diesel, natural gas, hybrid and zero-emission (trolley, battery and fuel-cell)
- Solid backlog with multi-year visibility
- Track record of innovation – electric trolleys, low-floor transit buses, CNG propulsion, battery-electric, low-entry motor coach, Vehicle Innovation Center, Infrastructure Solutions

Providing leading solutions to move groups of people safely, efficiently, responsibly, and in style

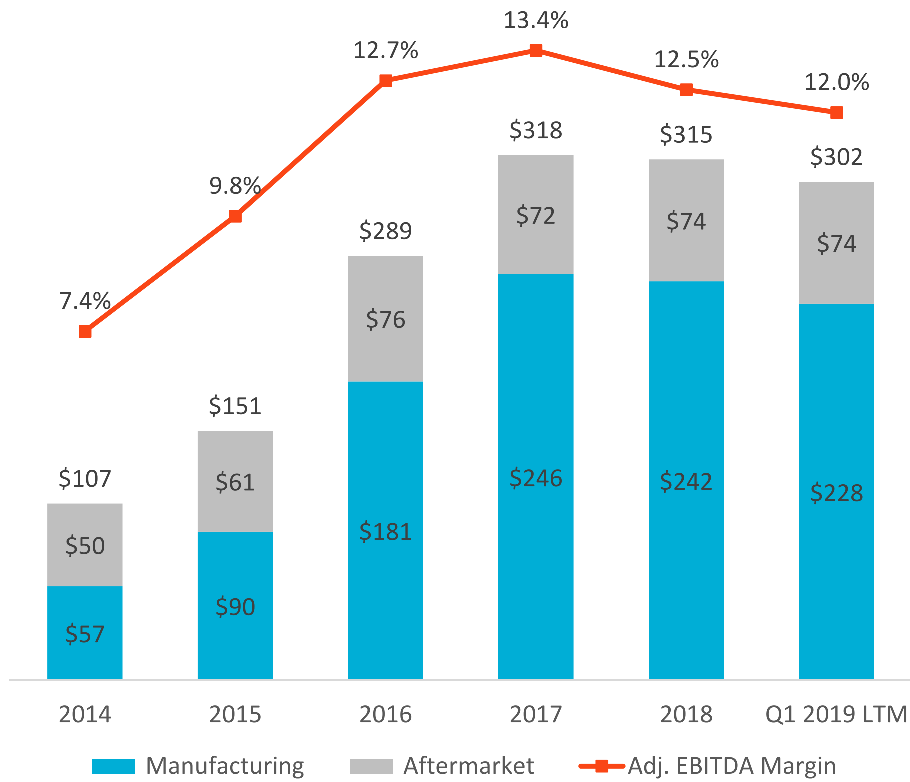
(1) Public company peer group includes: REV Group Inc., Spartan Motors Inc., Blue Bird Corporation, Grande West Transportation Group Inc., Oshkosh Corporation, Thor Industries Inc., Winnebago Industries Inc.

Financial Performance

Revenue by Segment 2014 – Q1 2019 LTM



Adjusted EBITDA and Adjusted EBITDA Margin by Segment 2014 – Q1 2019 LTM



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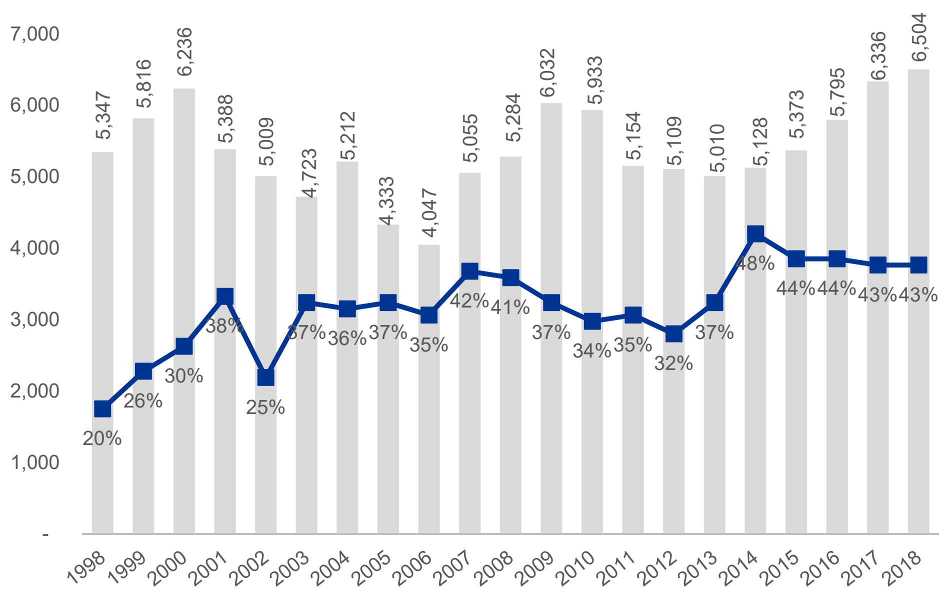
Heavy Duty Transit and Motor Coach Markets

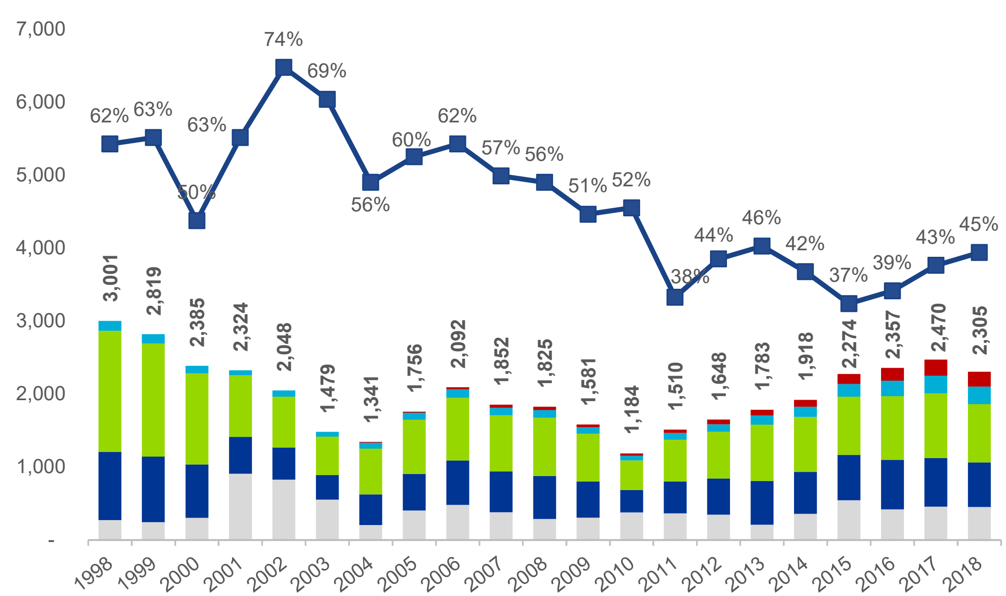
HD Transit Bus Market – EUs delivered and New Flyer Market Share*



Metropolitan	Urban	Municipal
20 operators 39%	200 operators 33%	900+operators 28%

New Flyer's Core Markets

Motor Coach Market – Units Delivered in Can/US and MCI Share*



Public Transit	Line Haul/Fixed Route	Tour & Charter	Limo	Employee Shuttle
19%	27%	41%	6%	3%

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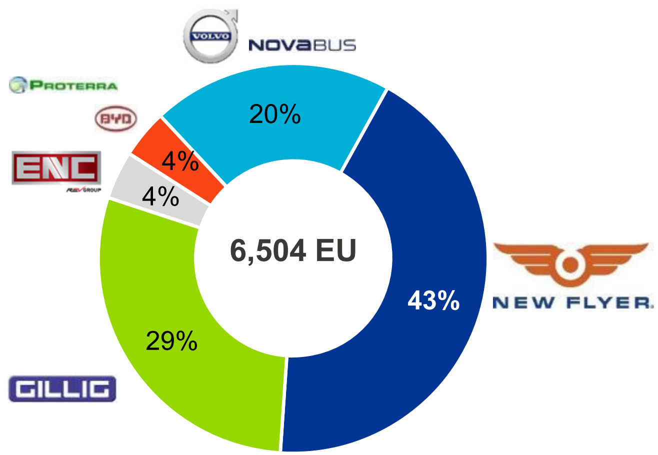
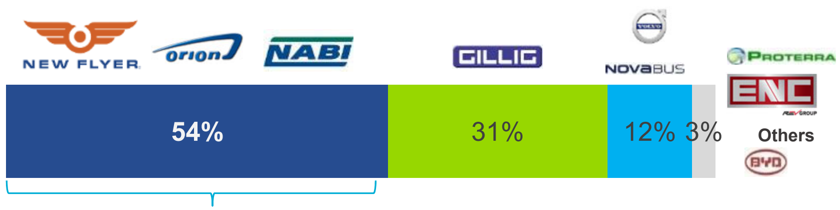
* Sourced from New Flyer databases and Management estimates
** Sourced from MCI database and Management estimates

North American Transit Leader

HD Transit Bus Market Share – 2018 Deliveries



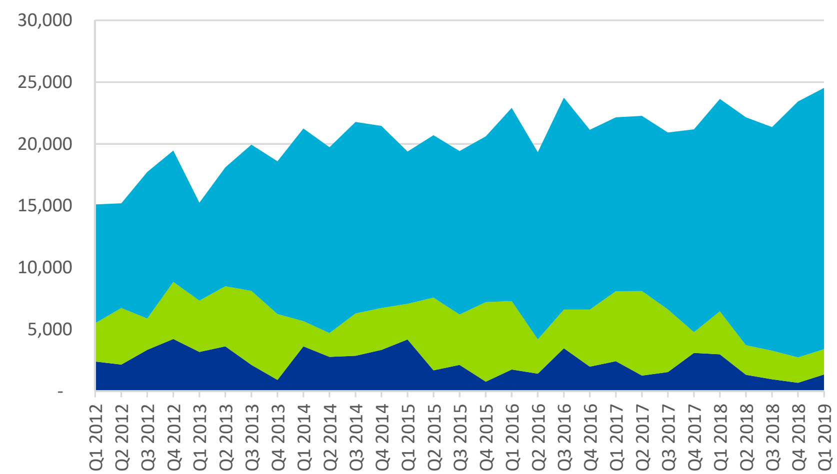
Estimated active North America Transit Bus Fleet*



Orion Parts and NABI acquired by NFI in 2013

80,000 BUSES IN SERVICE

Public Bid Universe & Active Opportunities (EUs)*



	Bids in Process	Bids Submitted	Operator Forecasted 5 year buy**
EUs	1,350	2,039	21,143

* Bid universe is primarily applicable to New Flyer, but MCI also sells to public transit agencies that would be included in totals above
** Management estimate of future expected industry procurement in the next five years based on discussions directly with individual U.S. and Canadian transit authorities

* Sourced from New Flyer database and Management estimates

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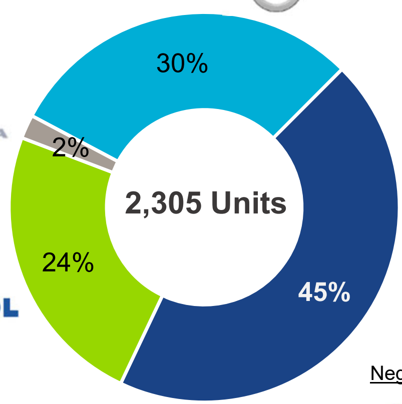
The Motor Coach Leader

Motor Coach Market Share – 2018 Deliveries

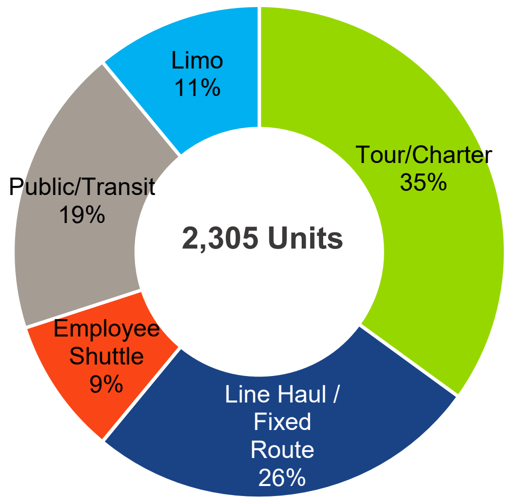


MCI Share increased by 2% in 2018

Negligible Deliveries to date

Spain US

Motor Coach 2018 Market Deliveries By Segment



Active North American Motor Coach Fleet

55,000 UNITS

* Source: MCI Database and Management estimates

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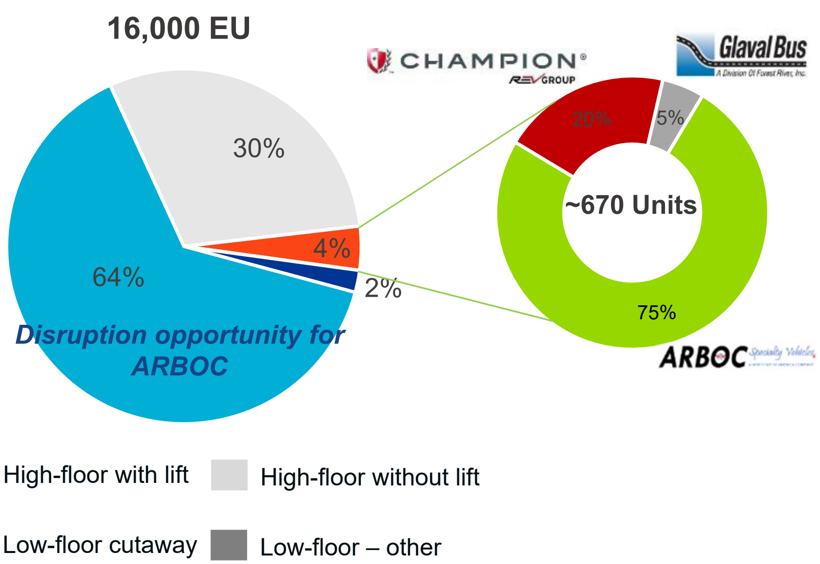
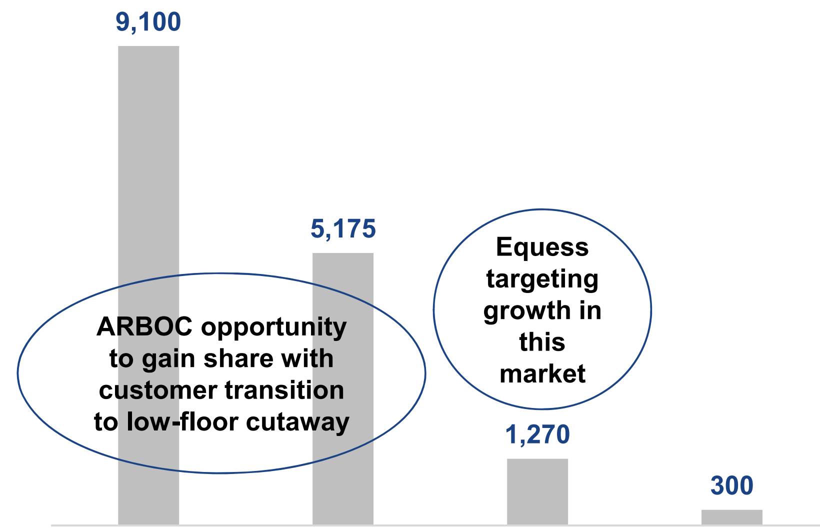
Innovator in Low-Floor Cutaway & Medium-Duty Buses

North American Cutaway Market (2018 ~16,000 units)*

Overall Cutaway Market | **Low-Floor Cutaway Market**



North American Cutaway, Medium-Duty and Trolley Annual Demand ~16,000 Units*



Vehicle Type	**Small Cutaway**	**Medium Cutaway**	**Medium Duty Transit**	**Trolley**
Bus Life	4 year	5 to 7 year	7 to 10 year	7 years
ARBOC Models	Spirit of Independence	Spirt of Freedom and Mobility	Spirt of Liberty and Equess	Spirit of America
Competition	Champion, StarCraft, Goshen, Ekhart Coach, Glaval		Vicinity, ADL, El Dorado	Hometown Trolley

NFI Group

* Source: ARBOC Management estimates

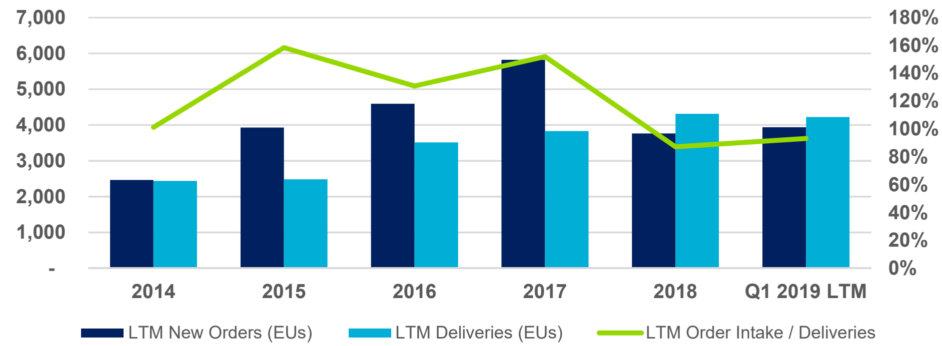
nfi.parts™ Industry's Most Comprehensive Parts Offering

- Largest parts and service provider in the industry, providing nearly $400 million in parts annually to major U.S. transit agencies
- Added value through unique offerings (Kits, Mid-life upgrade programs, Vendor Managed Inventory (VMI), KanBan, etc.)
- Secured six vendor managed inventory programs during 2018. Expected to provide positive benefit to NFI Parts business in 2019 and beyond. Continuing to pursue other opportunities across North America
- Expertise and direct access to over 250 bus and coach engineers, which is critical to cost-effective and timely parts procurement, quality and availability
- Website offering state of the art on-line sales and distribution features
- Best-in-class training and publications – MCI Academy accredited by the Automotive Service Excellence (ASE) & recipient of Grand National Excellence in Training Award from ASE Training Managers Council (ATMC)

NEW FLYER orion NABI MCI MOTOR COACH INDUSTRIES

Significant Backlog – Solid Foundation, Position of Strength

Book-to-Bill (new firm plus option orders divided by deliveries

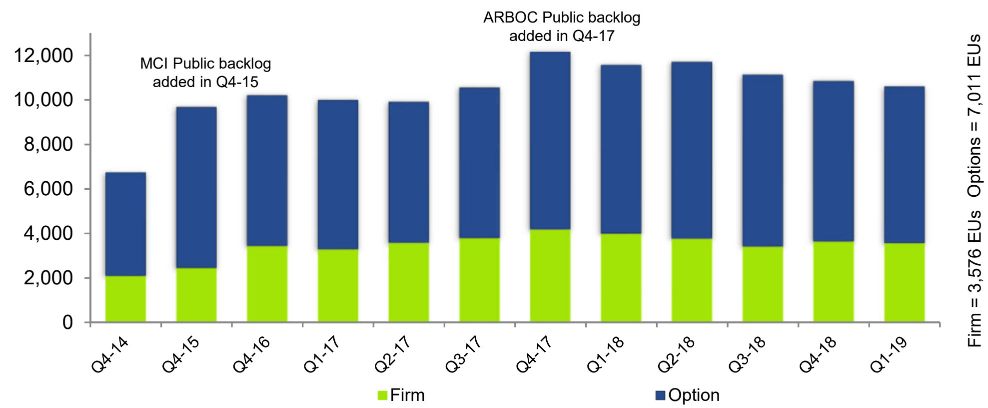


10,587 EU
Total Backlog at Mar. 31, 2019 (Firm Orders and Options)

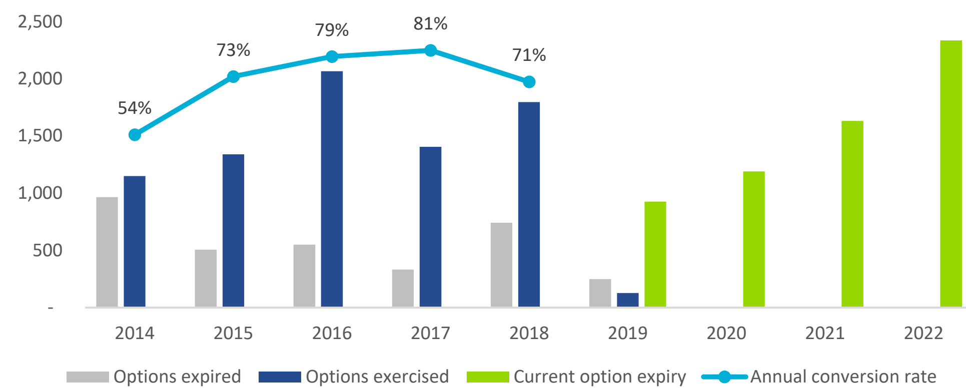
93%
Q1-19 LTM Book to Bill ratio

~2.5x
Total Backlog EUs to Annual Production

Total Backlog Firm and Option EUs



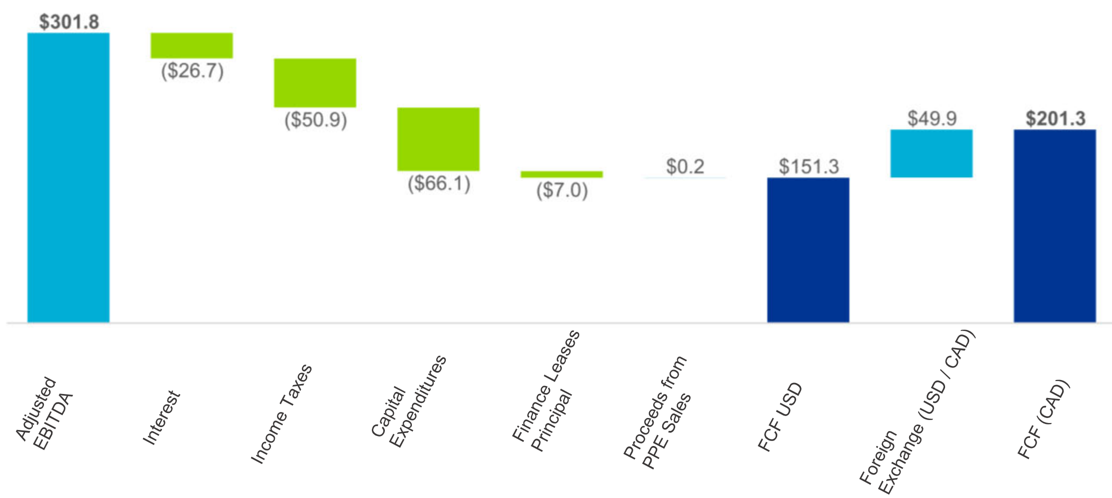
Option History, Conversion and Current Status (EUs)



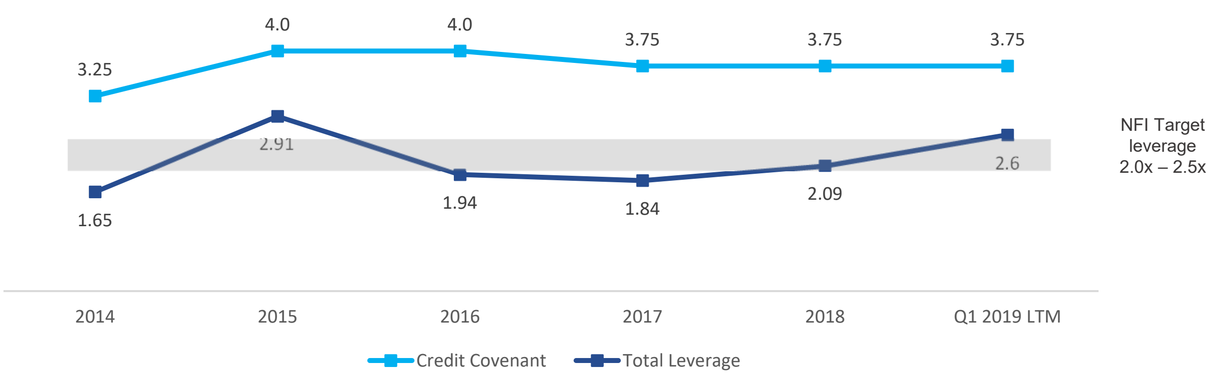
NFI Group

Strong Balance Sheet and Cash Flow Generation

Q1 2019 LTM Adjusted EBITDA to Free Cash Flow Reconciliation ($M)

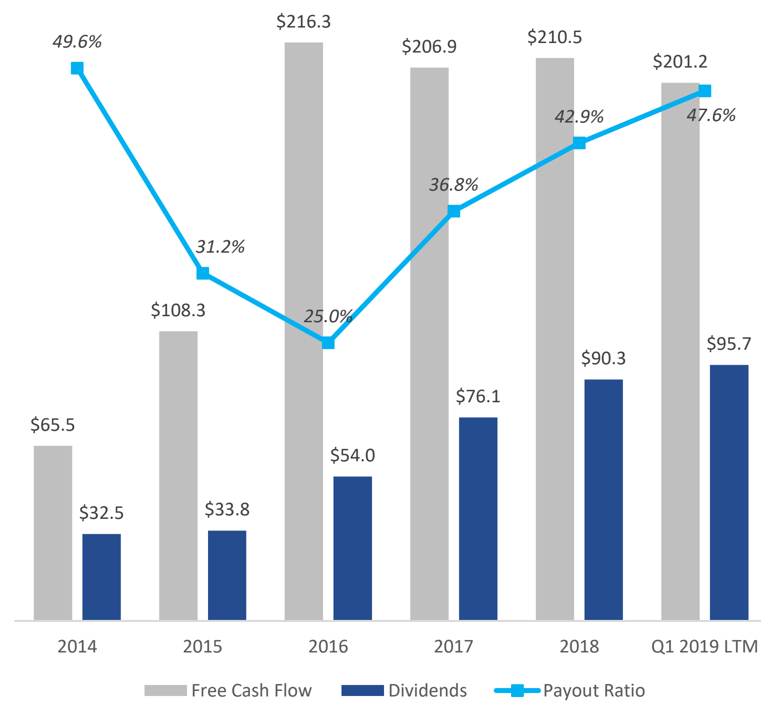


Total Leverage Ratio^ vs Credit Covenant



^Under NFI Senior Credit Agreement, Total Leverage Ratio did not include Convertible Debentures as debt.

Free Cash Flow and Dividends (C$M)



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NFI Group

Capital Allocation: 2012 to Q1 2019 LTM

Invest in current business and growth

Capital Expenditures $252 USD

Maintenance capital, facility upgrades, LEAN implementation, IT harmonization, insourcing and parts fabrication

Acquistions $676 USD

orion NABI MCI CARLSON Sintex-Wausaukee Composites ARBOC Specialty Vehicles

Return capital to Shareholders

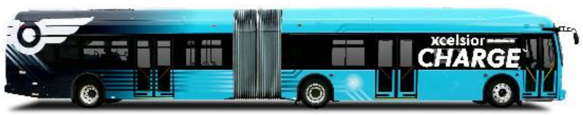
Dividends C$444

Dividends increased by 39.5% in May 2017, by 15.4% in May 2018 and 13.3% in March 2019. Now $1.70/share paid quarterly.

NCIB C$97

NCIB launched in June 2018 and amended in January 2019 allowing for repurchase of up to 5,549,465 NFI shares. 2,385,275 shares purchased in since inception.

Leader in Zero Emission Buses



VIC | VEHICLE INNOVATION CENTER

NEW FLYER®

INFRASTRUCTURE SOLUTIONS™

Battery-Electric
Fuel Cell Electric
Trolley Electric
Electric Coach (testing)

- Common Xcelsior Platform available in 35-foot, 40-foot and 60-foot lengths
- Industry leading range capability of 100kWh to 818kWh of electricity
- Range of up to 260 miles (418 km)
- Completed FTA Altoona test program

- Support mobility projects from start to finish,
- Focus on energy management optimization,
- Provide infrastructure planning and development
- Provide cohesive transition of bus fleets to zero-emission electric technology

NFI Group

Investing for Growth and Margin Improvement

NFI Group

Proud of our History, Excited About our Future

1. Execute on 2019 Annual Operating Plan focusing on customer satisfaction, market share & EBITDA performance
2. Invest in IT Harmonization (Oracle) at MCI
3. Continue investing in MCI recovery, new models and common line (D and J coach) production
4. Assist ARBOC with sourcing, fabrication, optimization and growth. Assess electrification
5. Complete commissioning of KMG part fabrication facility (Shepherdsville, KY)
6. Drive electrification and autonomous agenda for Bus and Coach
7. Continue facility rationalization.
   - Anniston expansion allows for insourcing and welding move from leased building
   - Announced TCB closure in Q1-19 (Elkhart, IN) to combine with Shepherdsville, KY
8. Generate strong free cash flow and return cash to shareholders through dividends and NCIB
9. Continue investigating further M&A to diversify and grow

NFI Group

Appendix

Forward Looking Statements

FORWARD LOOKING STATEMENTS

- Certain statements in this press release are “forward looking statements”, which reflect the expectations of management regarding the Company's future growth, results of operations, performance and business prospects and opportunities. The words “believes”, “anticipates”, “plans”, “expects”, “intends”, “projects”, “forecasts”, “estimates” and similar expressions are intended to identify forward looking statements. These forward-looking statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this release. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not or the times at or by which such performance or results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements. Such differences may be caused by factors which include, but are not limited to, funding may not continue to be available to the Company’s customers at current levels or at all, the Company’s business is affected by economic factors and adverse developments in economic conditions which could have an adverse effect on the demand for the Company’s products and the results of its operations, currency fluctuations could adversely affect the Company’s financial results or competitive position, interest rates could change substantially, materially impacting the Company’s revenue and profitability, an active, liquid trading market for the Shares may cease to exist, which may limit the ability of shareholders to trade Shares, the market price for the Shares may be volatile, if securities or industry analysts do not publish research or reports about the Company and its business, if they adversely change their recommendations regarding the Shares or if the Company’s results of operations do not meet their expectations, the Share price and trading volume could decline. In addition, if securities or industry analysts publish inaccurate or unfavorable research about the Company or its business, the Share price and trading volume of the Shares could decline, competition in the industry and entrance of new competitors, failure of the ratification of the Unites States-Mexico-Canada Agreement (USMCA) could be materially adverse to NFI, current requirements under “Buy America” regulations may change and/or become more onerous or suppliers’ “Buy America” content may change, failure of the Company to comply with the DBE program requirements or the failure to have its DBE goals approved by the FTA, absence of fixed term customer contracts, exercise of options and customer suspension or termination for convenience, united States content bidding preference rules may create a competitive disadvantage, local content bidding preferences in the United States may create a competitive disadvantage, requirements under Canadian content policies may change and/or become more onerous, operational risk, dependence on limited sources or unique sources of supply, dependence on supply of engines that comply with emission regulations, a disruption, termination or alteration of the supply of vehicle chassis or other critical components from third-party suppliers could materially adversely affect the sales of certain of the Company’s products, the Company’s profitability can be adversely affected by increases in raw material and component costs as well as the imposition of tariffs and surtaxes on material imports, the Company may incur material losses and costs as a result of product warranty costs, recalls and remediation of transit buses and motor coaches, production delays may result in liquidated damages under the Company’s contracts with its customers, catastrophic events may lead to production curtailments or shutdowns, the Company may not be able to successfully renegotiate collective bargaining agreements when they expire and may be adversely affected by labour disruptions and shortages of labour, the Company’s operations are subject to risks and hazards that may result in monetary losses and liabilities not covered by insurance or which exceed its insurance coverage, the Company may be adversely affected by rising insurance costs, the Company may not be able to maintain performance bonds or letters of credit required by its contracts or obtain performance bonds and letters of credit required for new contracts, the Company is subject to litigation in the ordinary course of business and may incur material losses and costs as a result of product liability claims, the Company may have difficulty selling pre-owned coaches and realizing expected resale values, the Company may incur costs in connection with provincial, state or federal regulations relating to axle weight restrictions and vehicle lengths, the Company may be subject to claims and liabilities under environmental, health and safety laws, dependence on management information systems and cyber security risks, the Company’s ability to execute its strategy and conduct operations is dependent upon its ability to attract, train and retain qualified personnel, including its ability to retain and attract executives, senior management and key employees, the Company may be exposed to liabilities under applicable anti-corruption laws and any determination that it violated these laws could have a material adverse effect on its business, the Company’s risk management policies and procedures may not be fully effective in achieving their intended purposes, internal controls over financial reporting, disclosure controls and procedures, ability to successfully execute strategic plans and maintain profitability, development of competitive or disruptive products, services or technology, development and testing of new products, acquisition risk, third-party distribution/dealer agreements, availability to the Company of future financing, the Company may not be able to generate the necessary amount of cash to service its existing debt, which may require the Company to refinance its debt, the Company’s substantial consolidated indebtedness could negatively impact the business, the restrictive covenants in the Credit Facility could impact the Company’s business and affect its ability to pursue its business strategies, payment of dividends is not guaranteed, a significant amount of the Company’s cash is distributed, which may restrict potential growth, NFI is dependent on its subsidiaries for all cash available for distributions, future sales or the possibility of future sales of a substantial number of Shares may impact the price of the Shares and could result in dilution, if the Company is required to write down goodwill or other intangible assets, its financial condition and operating results would be negatively affected, income tax risk, investment eligibility and Canadian Federal Income Tax risks, the effect of comprehensive U.S. tax reform legislation on the NF Group, whether adverse or favorable, is uncertain, certain U.S. tax rules may limit the ability of NF Holdings and its U.S. subsidiaries (the “NF Group”) to deduct interest expense for U.S. federal income tax purposes and may increase the NF Group’s tax liability, certain financing transactions could be characterized as “hybrid transactions” for U.S. tax purposes, which could increase the NF Group’s tax liability. NFI cautions that this list of factors is not exhaustive. These factors and other risks and uncertainties are discussed in NFI’s press releases, Annual Information Form and materials filed with the Canadian securities regulatory authorities which are available on SEDAR at www.sedar.com. lthough 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. These forward-looking statements are made as of the date of this press release and NFI assumes no obligation to update or revise them to reflect new events or circumstances, except as required by applicable securities laws.

FINANCIAL TERMS, DEFINITIONS AND CONDITIONS

- References to “Adjusted EBITDA” are to earnings before interest, income taxes, depreciation and amortization after adjusting for the effects of certain non-recurring and/or non-operations related items that do not reflect the current ongoing cash operations of the Company including: gains or losses on disposal of property, plant and equipment, unrealized foreign exchange losses or gains on non-current monetary items, fair value adjustment for total return swap, non-recurring transitional costs or recoveries relating to business acquisitions, equity settled stock-based compensation, gain on bargain purchase of subsidiary company, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, past service costs, costs associated with assessing strategic and corporate initiatives and proportion of the total return swap realized. “Free Cash Flow” means net cash generated by operating activities adjusted for changes in non-cash working capital items, interest paid, interest expense, income taxes paid, current income tax expense, effect of foreign currency rate on cash, defined benefit funding, non-recurring transitional costs relating to business acquisitions, past service costs, costs associated with assessing strategic and corporate initiatives, defined benefit expense, cash capital expenditures, proportion of the total return swap realized, proceeds on disposition of property, plant and equipment, gain received on total return swap settlement, fair value adjustment to acquired subsidiary company's inventory and deferred revenue and principal payments on capital leases. References to "ROIC" are to net operating profit after taxes (calculated as Adjusted EBITDA less depreciation of plant and equipment and income taxes at the expected effective tax rate) divided by average invested capital for the last twelve month period (calculated as to shareholders’ equity plus long-term debt, obligations under finance leases, other long-term liabilities, convertible debentures and derivative financial instrument liabilities less cash). References to "Adjusted Net Earnings" are to net earnings after adjusting for the after tax effects of certain non-recurring and/or non-operational related items that do not reflect the current ongoing cash operations of the Company including: gains or losses on disposal of property, plant and equipment, unrealized foreign exchange losses or gains on non-current monetary items, fair value adjustment for total return swap, non-recurring transitional costs or recoveries relating to business acquisitions, equity settled stock-based compensation, gain on bargain purchase of subsidiary company, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, past service costs, costs associated with assessing strategic and corporate initiatives and proportion of the total return swap realized. References to "Adjusted Earnings per Share" are to Adjusted Net Earnings divided by the average number of Shares outstanding.

- Management believes Adjusted EBITDA, ROIC, Free Cash Flow, Adjusted Net Earnings and Adjusted Earnings per Share are useful measures in evaluating the performance of the Company. However, Adjusted EBITDA, ROIC, Free Cash Flow, Adjusted Net Earnings and Adjusted Earnings per Share are not recognized earnings measures under IFRS and do not have standardized meanings prescribed by IFRS. Readers of this presentation are cautioned that ROIC, Adjusted Net Earnings and Adjusted EBITDA should not be construed as an alternative to net earnings or loss or cash flows from operating activities determined in accordance with IFRS as an indicator of NFI’s performance, and Free Cash Flow should not be construed as an alternative to cash flows from operating, investing and financing activities determined in accordance with IFRS as a measure of liquidity and cash flows. Reconciliations of net earnings and cash flows to Adjusted EBITDA, Free Cash Flow to cash flows from operations and net earnings to Adjusted Net Earnings are provided in the MD&A

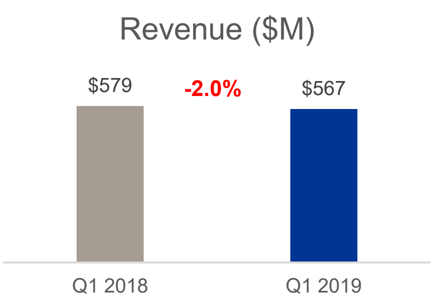
- NFI's method of calculating Adjusted EBITDA, ROIC, Free Cash Flow, Adjusted Net Earnings and Adjusted Earnings per Share may differ materially from the methods used by other issuers and, accordingly, may not be comparable to similarly titled measures used by other issuers. Dividends paid from Free Cash Flow are not assured, and the actual amount of dividends received by holders of Shares will depend on, among other things, the Company's financial performance, debt covenants and obligations, working capital requirements and future capital requirements, all of which are susceptible to a number of risks, as described in NFI’s public filings available on SEDAR at www.sedar.com.

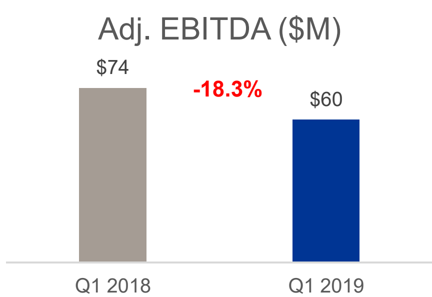
All figures are in U.S. dollars unless otherwise noted.

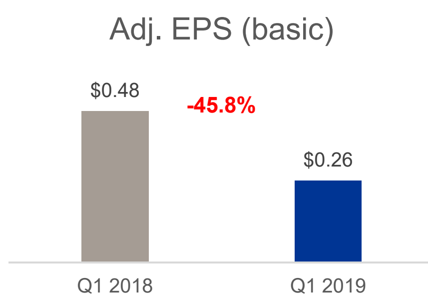
NFI’s 2018 Q4 and Fiscal 2018 Results

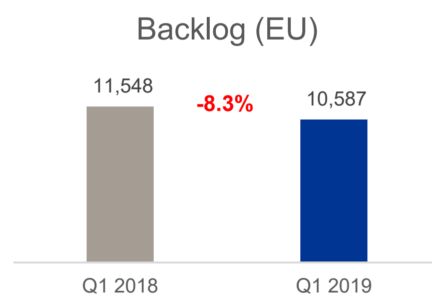
Quarterly Analysis:

- Revenue down 2% with growth in manufacturing from transit bus sales mix and higher volumes, offset by lower coach volumes, ARBOC chassis supply disruption and lower aftermarket volumes due to Daimler’s termination of MCI’s Setra Distribution Rights Agreement and softness in private motor coach
- Adjusted EBITDA down $13.5M, or 18%, primarily driven by lower coach and medium-duty and low-floor cutaway volumes and the impact of adverse weather on the coach and heavy-duty transit businesses. Unfavourable weather, learning curve from new products and lower aftermarket volumes also contributed to the decrease
- Net earnings decreased by $14.3M, or 47.0% primarily from the same items that impacted Adjusted EBITDA as well as higher interest expenses, partially offset by lower income tax expenses
- Adjusted Earnings per Share down by 54% primarily from the items impacting Net earnings
- Total backlog down 961 EUs driven by slower bid activity in the second half of 2018





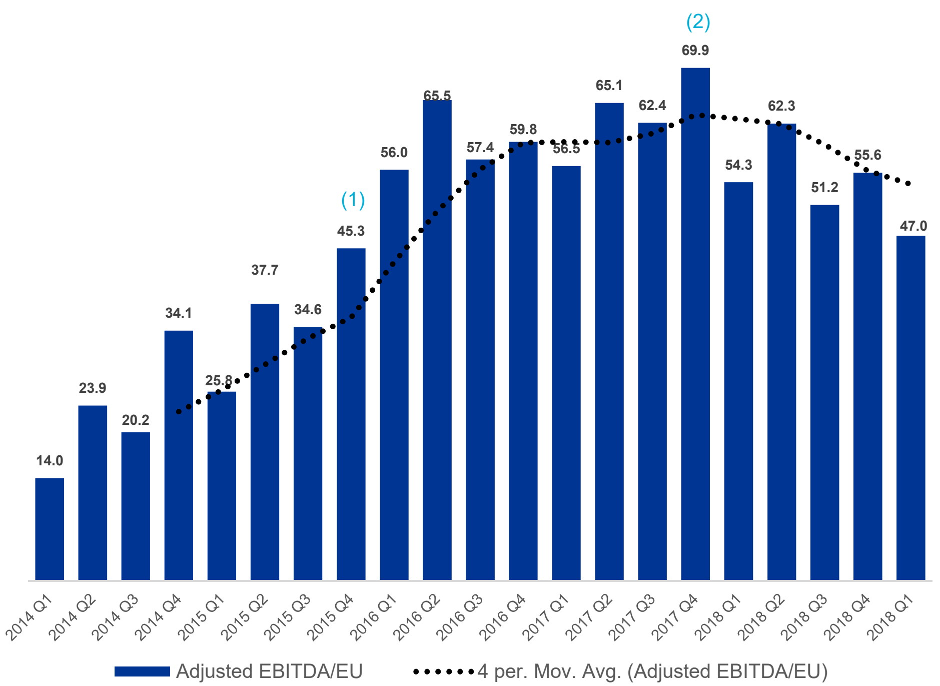




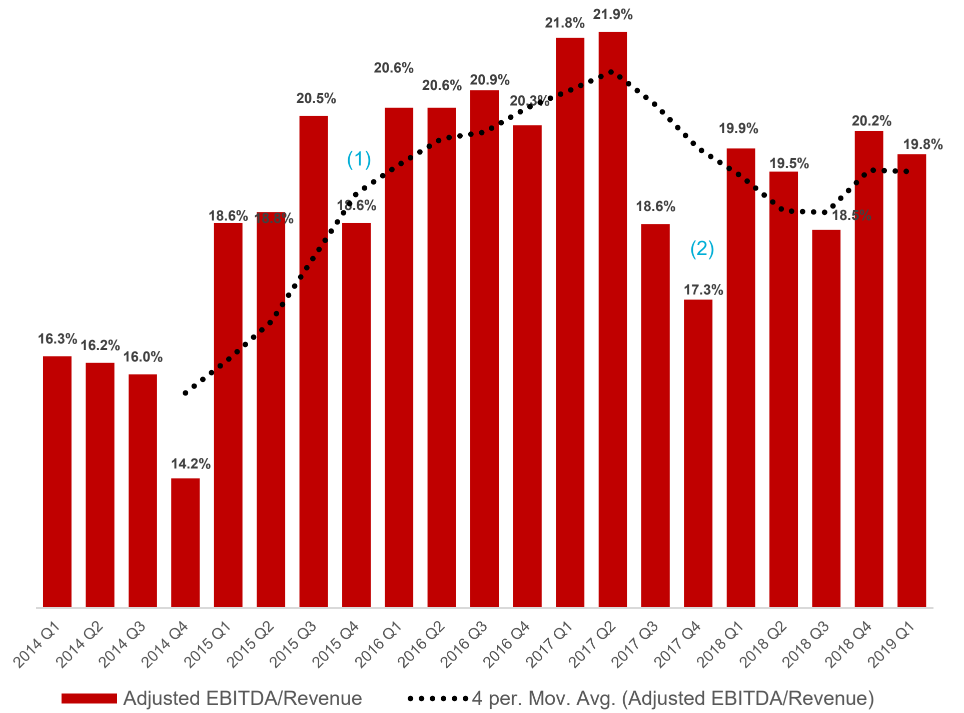
Q1 2019 results include the adoption of IFRS 16 while Q1 2018 comparative figures have not been restated for IFRS 16

Operating Performance Metrics

Adjusted EBITDA per new EU delivered ($000 US)



Aftermarket EBITDA Margin %

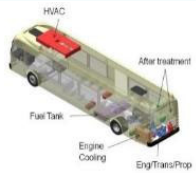
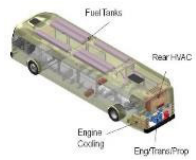
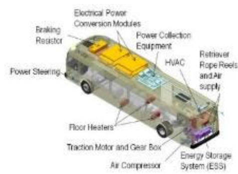
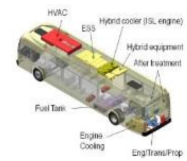
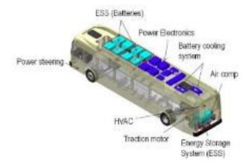


(1) MCI acquired in December 2015
(2) ARBOC acquired in December 2017

Q1 2019 results include the adoption of IFRS 16 while Q1 2018 comparative figures have not been restated for IFRS 16

NFI Group

Environmental Leadership with Propulsion Options

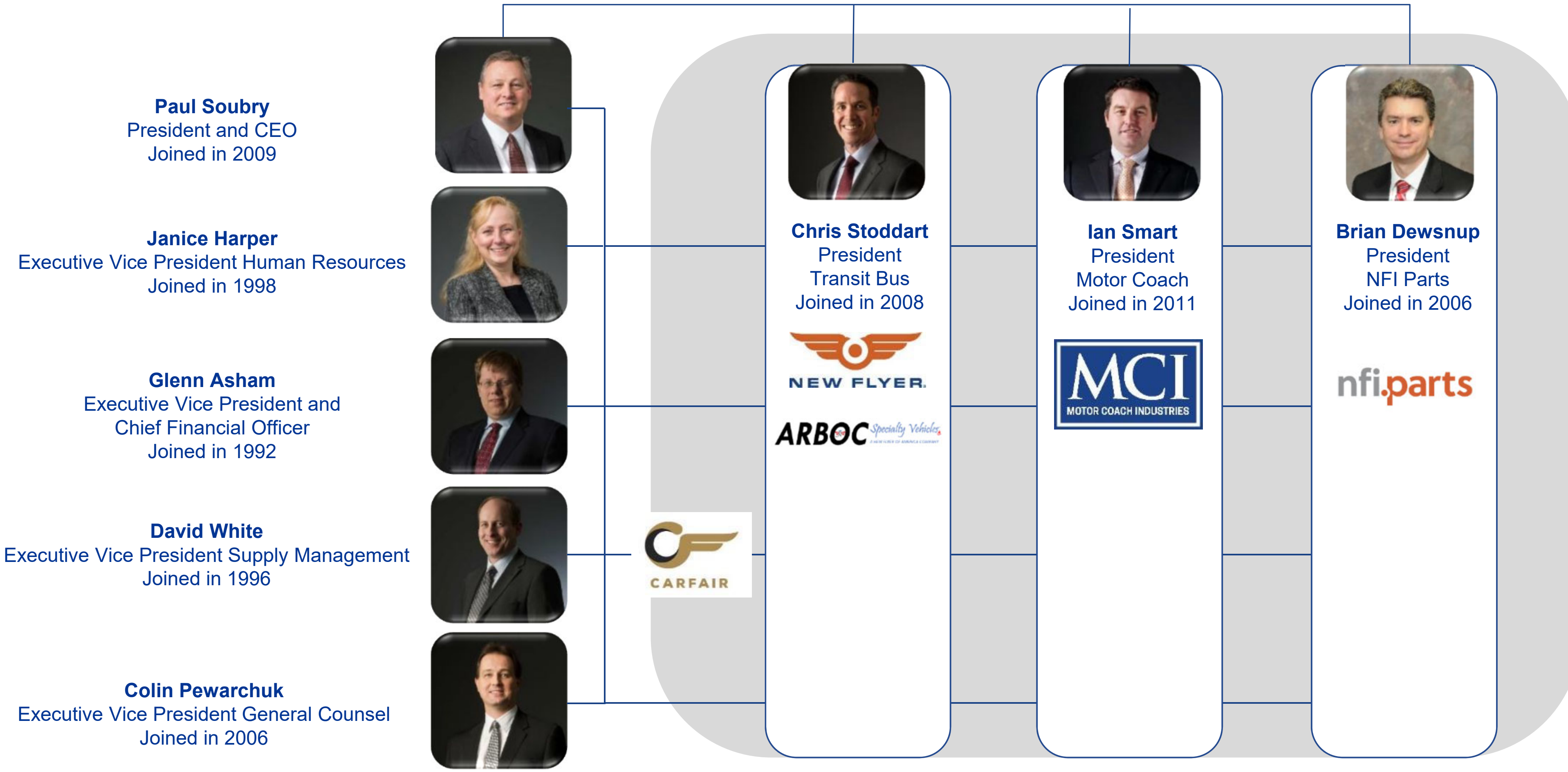
		Clean Diesel	Natural Gas	Electric Trolley	Hybrid Electric	Battery Electric/ Fuel Cell
						
NEW FLYER	**Xcelsior 35', 40', 60'**	✓	✓	✓	✓	✓
MCI	**D Model 40', 45'**	✓	✓		✓	
	J Model 45' with 35' launching Q1 2019	✓				NEW **MCI eCoach Currently Testing**
ARBOC	**Low- Floor Cutaway**	✓	✓			
	Medium Duty Transit/Shuttle	✓				

New Flyer Leadership in Zero Emissions Buses (ZEB)

- NF has delivered >6,900 transit buses powered by electric motors (including hybrids, trolleys, battery-electric and fuel cell-electric)
- Battery-electric J Model motor coach currently undergoing testing in U.S. markets

NFI Group

Group Leadership



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