



**BLUE BIRD**<sup>®</sup>

*"A Leader in zero- and  
low-emission transportation"*

**BLUE BIRD CORPORATION  
(NASDAQ: BLBD)**

**Investor Presentation**

December 2024

# Important Disclaimers

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## Forward Looking Statements

This presentation includes forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to expectations for future financial performance, business strategies or expectations for our business. Specifically, forward-looking statements include statements regarding guidance, seasonality, product mix and gross profits and may include statements relating to:

- Inherent limitations of internal controls impacting financial statements
- Growth opportunities
- Future profitability
- Ability to expand market share
- Customer demand for certain products
- Economic conditions (including tariffs) that could affect fuel costs, commodity costs, industry size and financial conditions of our dealers and suppliers
- Labor or other constraints on the Company’s ability to maintain a competitive cost structure
- Volatility in the tax base and other funding sources that support the purchase of buses by our end customers
- Lower or higher than anticipated market acceptance for our products
- Other statements preceded by, followed by or that include the words “estimate,” “plan,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “seek,” “target” or similar expressions
- Future impacts from the novel coronavirus pandemic known as "COVID-19," and any other pandemics, public health crises, or epidemics, on capital markets, manufacturing and supply chain abilities, consumer and customer demand, school system operations, workplace conditions, and any other unexpected impacts

These forward-looking statements are based on information available as of the date of this presentation, and current expectations, forecasts and assumptions, and involve a number of judgments, risks and uncertainties. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. The factors described above, as well as risk factors described in reports filed with the SEC by Blue Bird Corporation (available at [www.sec.gov](http://www.sec.gov)), could cause our actual results to differ materially from estimates or expectations reflected in such forward-looking statements.



# Important Disclaimers

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## Non-GAAP Financial Measures

This presentation may include the following non-GAAP financial measures: “Adjusted EBITDA,” “Adjusted EBITDA Margin,” “Adjusted Net Income,” “Adjusted Diluted Earnings per Share,” “Free Cash Flow” and “Adjusted Free Cash Flow.”

Adjusted EBITDA is defined as net income or loss prior to discontinued operations income or loss, interest income, interest expense including the component of lease expense (which is presented as a single operating expense in selling, general and administrative expenses in our GAAP financial statements) that represents interest expense on lease liabilities, income taxes, depreciation and amortization including the component of lease expense (which is presented as a single operating expense in selling, general and administrative expenses in our GAAP financial statements) that represents amortization charges on right-to-use lease assets, and disposals, as adjusted to add back certain charges that we may record each year, such as stock-compensation expense, as well as non-recurring charges such as (i) significant product design changes; (ii) transaction related costs; (iii) discrete expenses related to major cost cutting initiatives; or (iv) costs directly attributed to the COVID-19 pandemic (3). We believe these expenses are not considered an indicator of ongoing company performance. We define Adjusted EBITDA margin as Adjusted EBITDA as a percentage of net sales.

Adjusted Net Income is net income or loss as adjusted to add back certain costs as mentioned above. Adjusted Diluted Earnings per Share represents Adjusted Net Income or loss available to common stockholders divided by diluted weighted average common shares outstanding (as if we had GAAP net income during the respective period). Adjusted Net Income and Adjusted Diluted Earnings per Share are calculated net of taxes.

Free cash flow represents net cash provided by/used in operating activities minus cash paid for fixed assets, Adjusted Free Cash Flow represents Free Cash Flow minus cash paid for (i) significant product design changes; (ii) transaction related costs; or (iii) discrete expenses related to major cost cutting initiatives.

There are limitations to using non-GAAP measures. Although Blue Bird believes that such measures may enhance an evaluation of Blue Bird’s operating performance and cash flows, (i) other companies in Blue Bird’s industry may define such measures differently than Blue Bird does and, as a result, they may not be comparable to similarly titled measures used by other companies in Blue Bird’s industry and (ii) such measures may exclude certain financial information that some may consider important in evaluating Blue Bird’s performance and cash flows.



# Agenda

Investment Highlights

School Bus Industry Overview

Company & Product Highlights

FY2025 Objectives

Growth Runway





# Investment Highlights

Countercyclical

Strong industry growth ahead with a backdrop of healthy funding and an aging school bus fleet

National Commitment

Beneficiary of \$5B US Government's commitment to the electrification of school buses

The Leader

Leading market position in alternative power and electric school buses

Expanding our TAM

Product portfolio further diversified through introduction of EV commercial chassis offering

Reducing Costs

Reducing structural costs through Lean Transformation

Profitable Growth

Pricing aligned to market economics and volatility



EBITDA margins of ~14% in 2024 and 15%+ in the longer-term

# School Bus Industry Overview

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# Industry Highlights

**School buses** are America's largest mass transit system

**500k+**

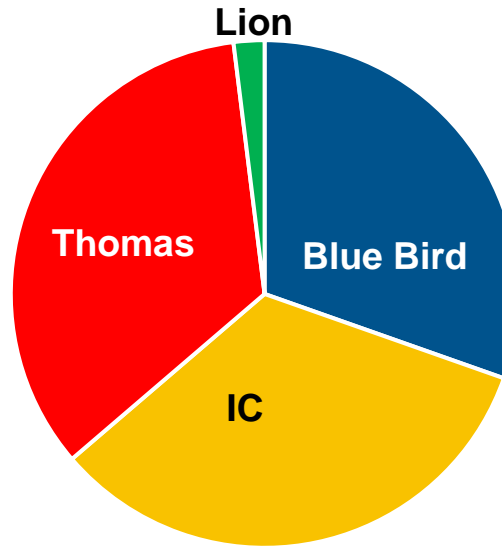
school buses in operation in the U.S. and Canada transporting

**26 MILLION KIDS**

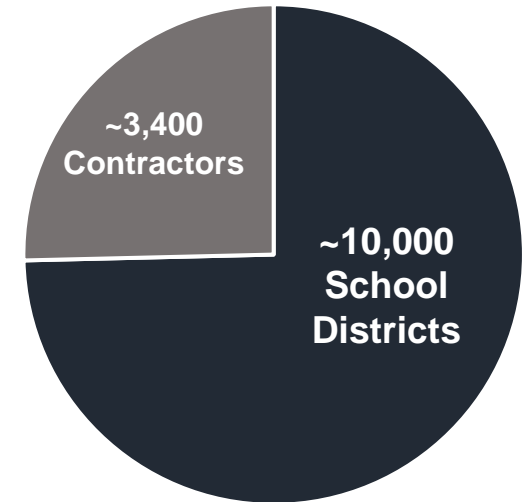
to school on a daily basis



## OEMs



## School Bus Customers



### High barriers to entry

*Highly specialized product -- Complex state and customer requirements -- Dealer and service network -- Customer relationship driven business*

### Demand Drivers

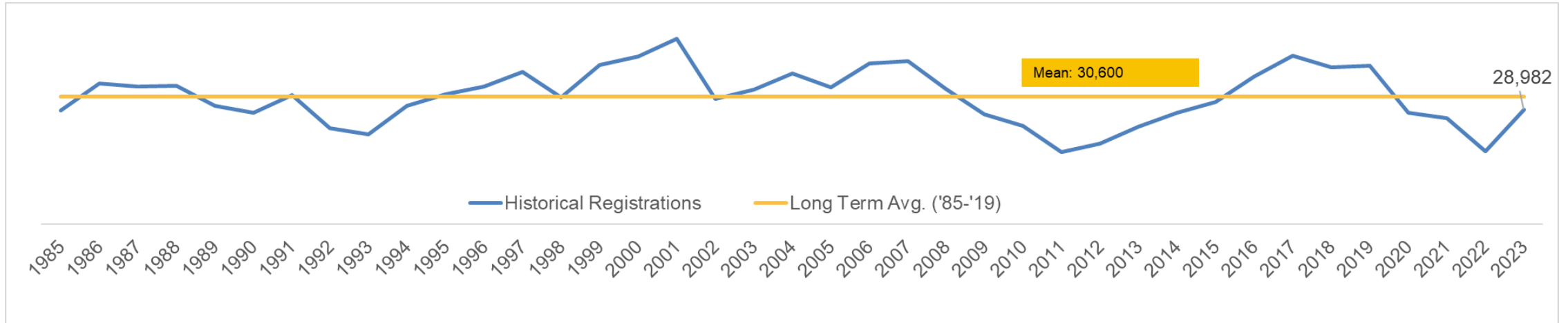
*Population of school age children increasing -- Increasing average age of existing fleet -- Federal funding for clean school buses*

### Relatively Clear Funding Sources

*Property taxes are primary source of funding; volume tracks housing prices*



# Type C & D School Bus Industry



- Industry avg size is 30,500 new units annually based on Polk registrations
- Total fleet of school buses is ~515,000 units and average age is about 10 years
- Industry size is driven by:
  - Number of school age children
  - Age of existing fleet – most states set 15 years as a replacement target
  - Average ridership per bus
  - Funding – primarily from property tax

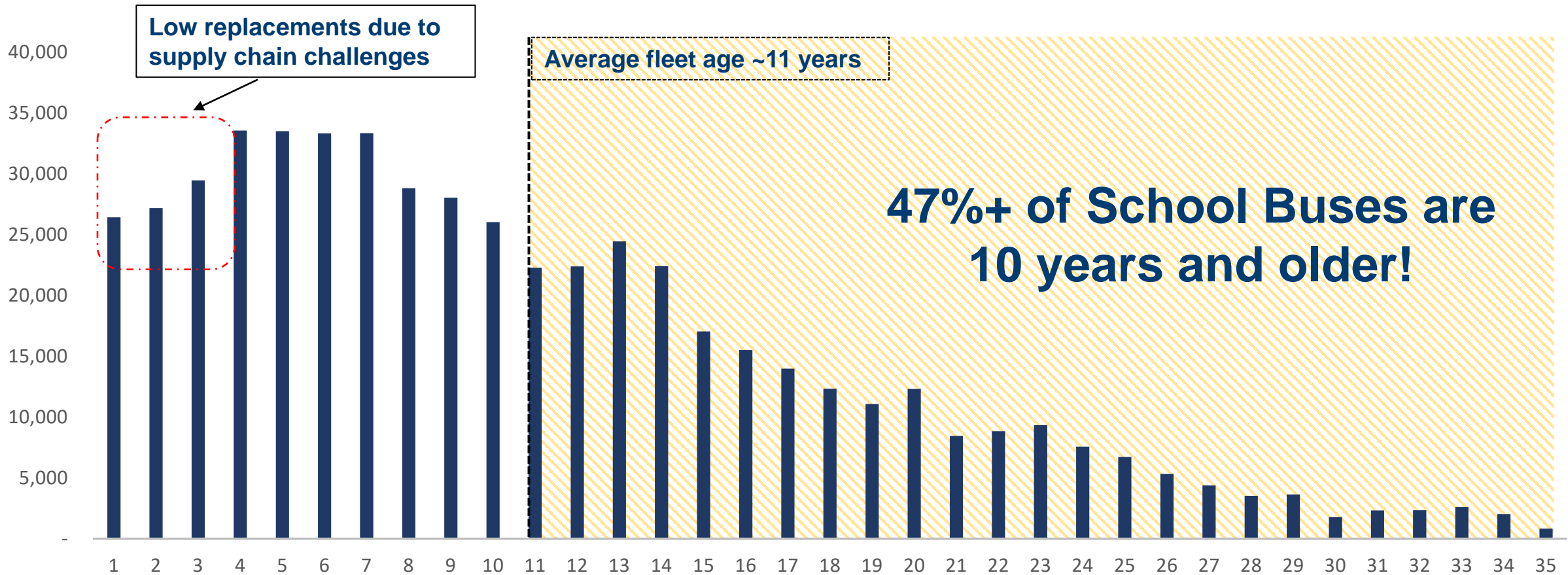
**FY2023 industry expected to be ~27k units as industry production capacity is still constrained by supplier shortages; core funding and demand is healthy at pre-pandemic order levels**





# Fleet Age Profile Supports Elevated Replacement Demand

~570K School Buses on the Road as of March 2024



~270K buses in service for more than 10 years supports high annual replacement volume

# Company & Product Highlights

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# Introduction to Blue Bird

- Headquartered in Macon, Georgia
- Leader in alternative power; #1 in electric & propane school buses
- 60%+ of Blue Bird sales are non-diesel; <10-20% for competitors
- Full range of chassis that can be offered to third parties, led by EV
- Manufacturing footprint strategically positioned to serve the entire U.S. market
- Dedicated dealer network with more than 50 dealers and more than 250 service centers

Dedicated Manufacturing Footprint



## School Bus Industry Products



**Type C Buses**  
(Conventional)  
Seating Capacity: 36-83  
Fuel Types: Diesel, Propane, Gasoline, Electric



**Type D RE Buses**  
(Rear Engine, Transit-Style)  
Seating Capacity: 66-84  
Fuel Types: Diesel, Electric



**Type D FE Buses**  
(Front Engine, Transit-Style)  
Seating Capacity: 54-90  
Fuel Type: Diesel

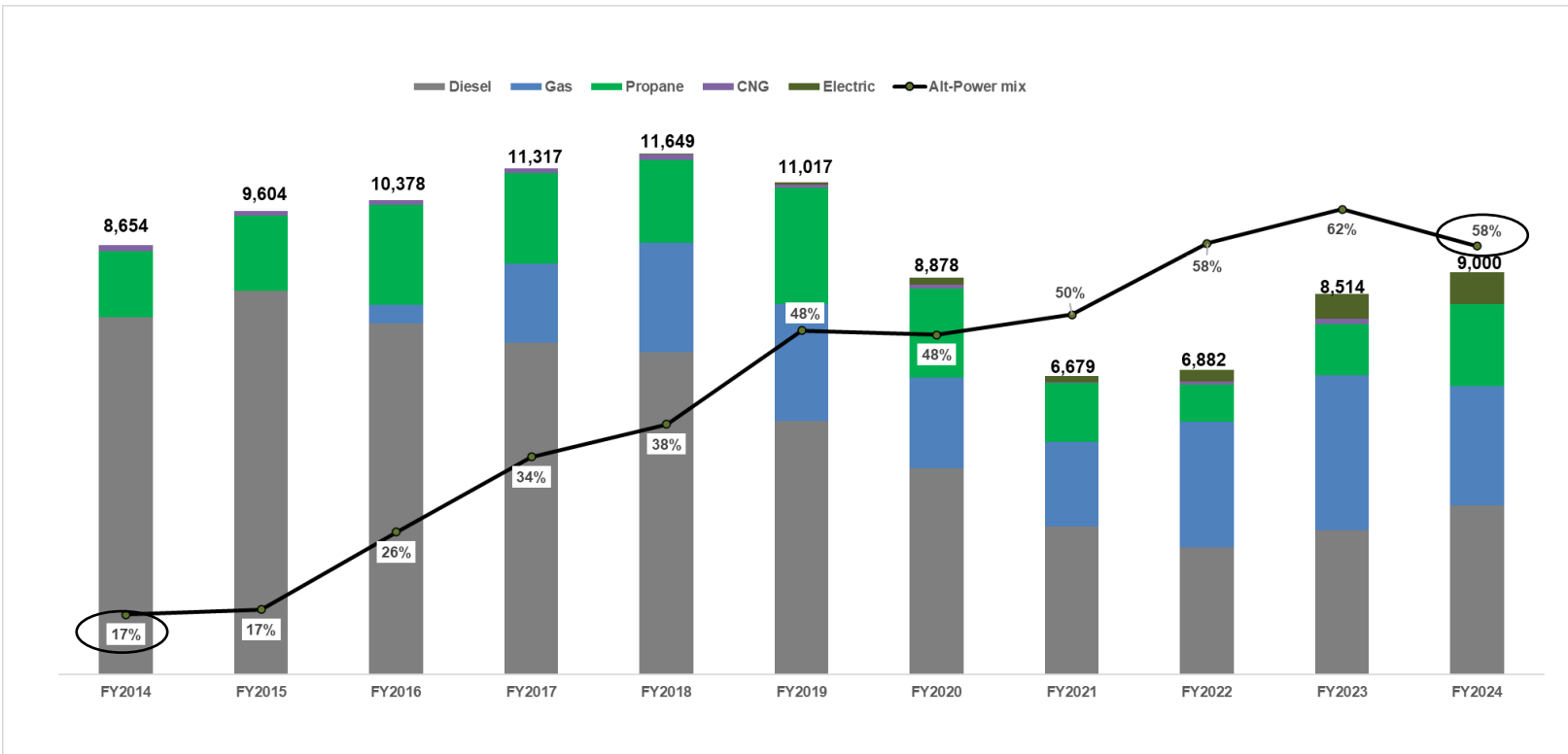


**Type A Buses**  
Seating Capacity: 10-30  
Fuel Types: Diesel, Propane, Gasoline, Electric



Blue Bird offers most expansive range, from 10 to 90 passengers with multiple body and engine choices

# Proven Leadership in Clean Technologies



- Proven track record of leadership in new technologies; more than 60% of unit sales are non- diesel
- Leader in electric and propane-powered school buses; the future of school transportation
- \$5B of Federal funding secured in the infrastructure bill for electric school buses will accelerate adoption
- Launched its Blue Bird Energy Services and Clean Bus Solutions JV business to provide turnkey charging infrastructure solutions for electric school bus fleets

Trusted lower-emission school bus brand with a proven track record in the school bus business



# Significant Federal Funding for EV School Buses

The Bipartisan Infrastructure Law of 2021 authorizes EPA to offer rebates and grants to replace existing school buses with clean / zero-emission models – \$5B Funding over 5 years

New Program announced, utilizing Inflation Reduction Act funding

## EPA CSB Round 2 (2023 Grant Program)

Final allocation of \$965M

Total of ~2,700<sup>1</sup> school buses  
(incl. 62 propane)

Winners will have until **April 2026** to take delivery of buses

Deliveries in 2025 and 2026

## EPA CSB Round 3 (2023 Rebate Program)

Final allocation of \$955M

Total of ~3,900<sup>1</sup> school buses  
(incl. 459 propane)

Orders to be placed by Dec 2024

Winners will have **June 2026** to take delivery of buses

Deliveries in 2025 and 2026

## EPA CSB Round 4 (2024 Rebate Program)

\$965M for School Buses

Application period open:  
Sep. 26, 2024 – Jan. 9, 2025

Anticipated Award Selection  
May 2025

Orders to be placed by Nov. 2025

Winners will have **May 2027** to take delivery of buses

Deliveries in 2026 and 2027

## 2024 Clean Heavy-Duty Vehicles Program

~\$650M for School Buses

Anticipated Award Selection  
December 2024

Winners will have until **January 2027** to take delivery of buses

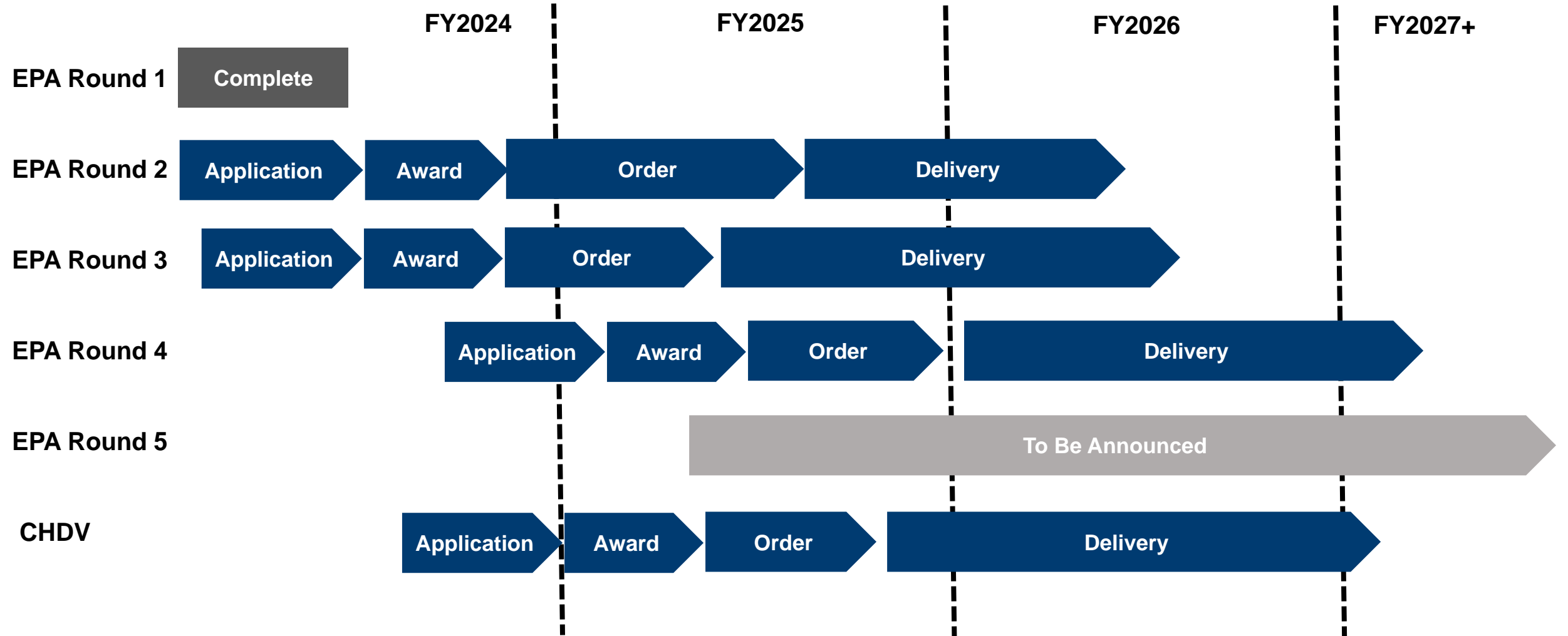
Deliveries in 2025 and 2026

<sup>1</sup> Includes Type A, C, and D awards

**We are well positioned to capitalize on these opportunities;  
Blue Bird expects to win ~30% of Type A, C and D orders**



# Federal EV Programs: Expected Order and Delivery Timing



Order and delivery periods are lengthy to allow awardees time to finalize infrastructure needs





# Build Complete Ecosystem for EV School Bus Deployment

## END OF LIFE

Determine recycling program for used batteries after use

## SERVICE & SUPPORT

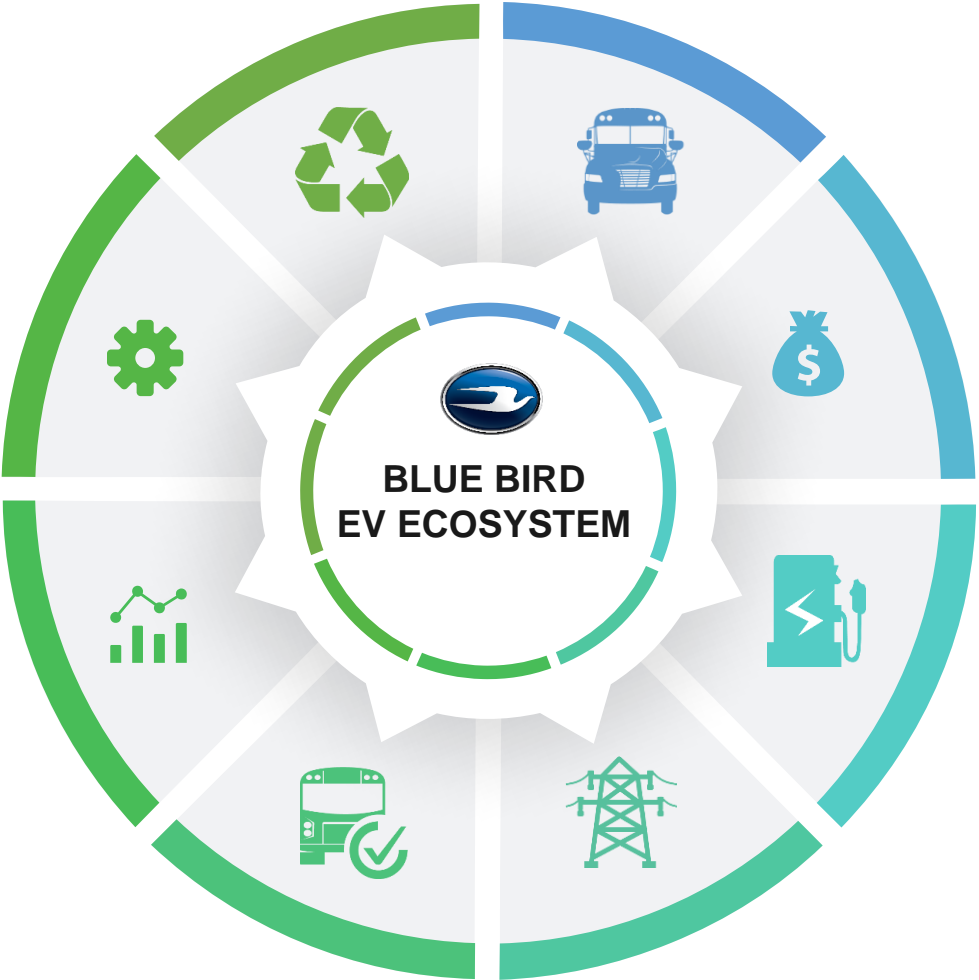
Connect with dealer and EV system provider to support and service bus throughout its lifetime

## TELEMATICS

Set up a solution to track bus performance, diagnostics and more

## DEPLOYMENT

Build and deliver buses, as well as offer driver, safety and technician training services



## ASSESSMENT

Determine what bus best fits the customer's needs based on terrain, climate and route planning

## FINANCING

Identify financing through grants, tax breaks, subsidies or lending services

## INFRASTRUCTURE

Assess infrastructure needs and connect to the right partners for energy sourcing and infrastructure installation

## V2G/V2X

Create vehicle-to-grid plan with revenue potential and utility involvement



# Fueling Our EV Long-Term Growth: Fleet-as-a-Service JV

- Formed “Clean Bus Solutions” – 50/50 JV with Generate Capital and Blue Bird to accelerate electric school bus adoption; exclusive to Blue Bird customers and dealers
- Buses purchased By JV through dealer network
- Offers affordable monthly service fee for Blue Bird electric bus fleet, charging infrastructure, associated planning and customization; other service add-ons available
- Eliminates upfront capital expense for EV purchase and provides customer peace-of-mind from turnkey solution
- Provides Blue Bird and dealers access to new recurring revenue streams during the entire product lifecycle



Generate is a sustainable infrastructure investment and operating company. Generate finances, builds, owns and operates affordable and resilient resources to de-risk and accelerate the infrastructure transition. Generate provides flexible capital solutions and integrated services to the innovative technology providers and project developers who deploy the energy, waste, transportation, water, agriculture and smart cities solutions required to fight climate change.



POWER



MOBILITY



WASTE  
&  
WATER



CITIES



Strategic JV created to accelerate EV adoption and provide recurring revenue streams

# FY2025 Objectives

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# FY2025 Priorities Align with Our Strategy






Our core strategies drive our plans towards profitable growth

# FY2025 Full Year Guidance – Raised to \$200M and 13.8% Margin

## Tailwinds

- Strong demand
- Stable Gross Margins
- Propane exclusive
- EV growth (2/3 in H2)

	FY25 Scenarios		
	Downside	New Guidance	Upside
<b>Supply Chain</b>			
<b>Units</b>	9,000	<b>9,250</b>	9,500
<i>t/o EV Units</i>	1,000	<b>1,150</b>	1,300
<b>Revenue \$M</b>	\$1,400	<b>\$1,450</b>	\$1,500
<b>Adj. EBITDA \$M</b>	\$190	<b>\$200</b>	\$210
<b>Adj. EBITDA %</b>	13.6%	<b>13.8%</b>	14.0%

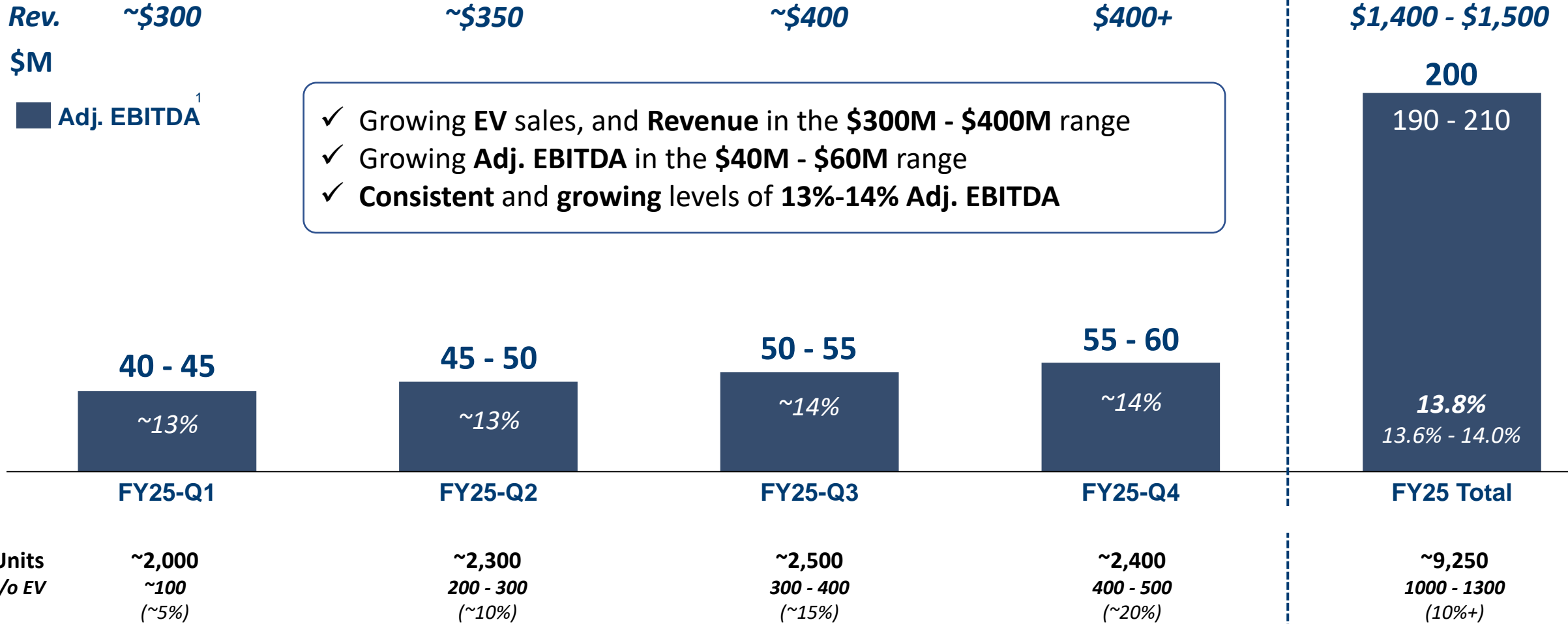
## Headwinds

- Supply chain
- Labor Costs (USW)
- Material Costs
- EV timing (1/3 in H1)

**Blue Bird Raised Guidance for FY25:**  
**\$1.45B in Revenue (range \$1.4B - \$1.5B)**  
**Adj. EBITDA \$200M and 13.8% Margin (range 13.6% - 14.0%)**



# FY2025 Quarterly Guidance – Product Mix Driving Growth



**Solid FY25-H1 at ~13% Margin, with profitable growth expected to accelerate in FY25-H2**

<sup>1</sup> See appendix for additional detail regarding non-GAAP measures



# Blue Bird Awarded \$80M MESC Grant by DOE for New Plant

- New 600k sq.ft. Type D / EV production facility in Fort Valley, GA
- Total Investment ~\$160M, 50% funded by Blue Bird
- Build-out 2 years, launch expected by mid CY 2027
- FCF CAPEX impact in FY25 of up to \$50M
- Raises total capacity on one shift to ~14k buses / year
- Provides increased volume upside for commercial chassis
- ~400 new jobs, includes ~\$10M of community benefits
- Project IRR 28%, payback 2 years after launch
- DOE negotiations to be finalized by Dec 31, 2024



**New plant supports our profitable growth plans for 12,000+ units, produced on one-shift**

# FY2025 Full Year Guidance – Raised to \$200M and 13.8% Margin

<i>\$ Millions</i>	FY2024 Actuals	FY2025 Aug Guidance	FY2025 Updated Guidance	<i>B/(W) Vs. Prior Year</i>
<b>Net Revenue</b>	<b>\$1,347</b>	<b>\$1,400 - \$1,500</b>	<b>\$1,400 - \$1,500</b>	<b>\$53 - \$153</b>
<b>Adj. EBITDA<sup>1</sup></b>	<b>\$183</b>	<b>\$180 - \$200</b>	<b>\$190 - \$210</b>	<b>\$7 - \$27</b>
<b>Adj. Free Cash Flow<sup>1</sup></b>	<b>\$99</b>	<b>N/A</b>	<b>\$40 - \$60 t/o MESC \$(50)</b>	<b>\$(59) - \$(39) t/o MESC \$(50)</b>

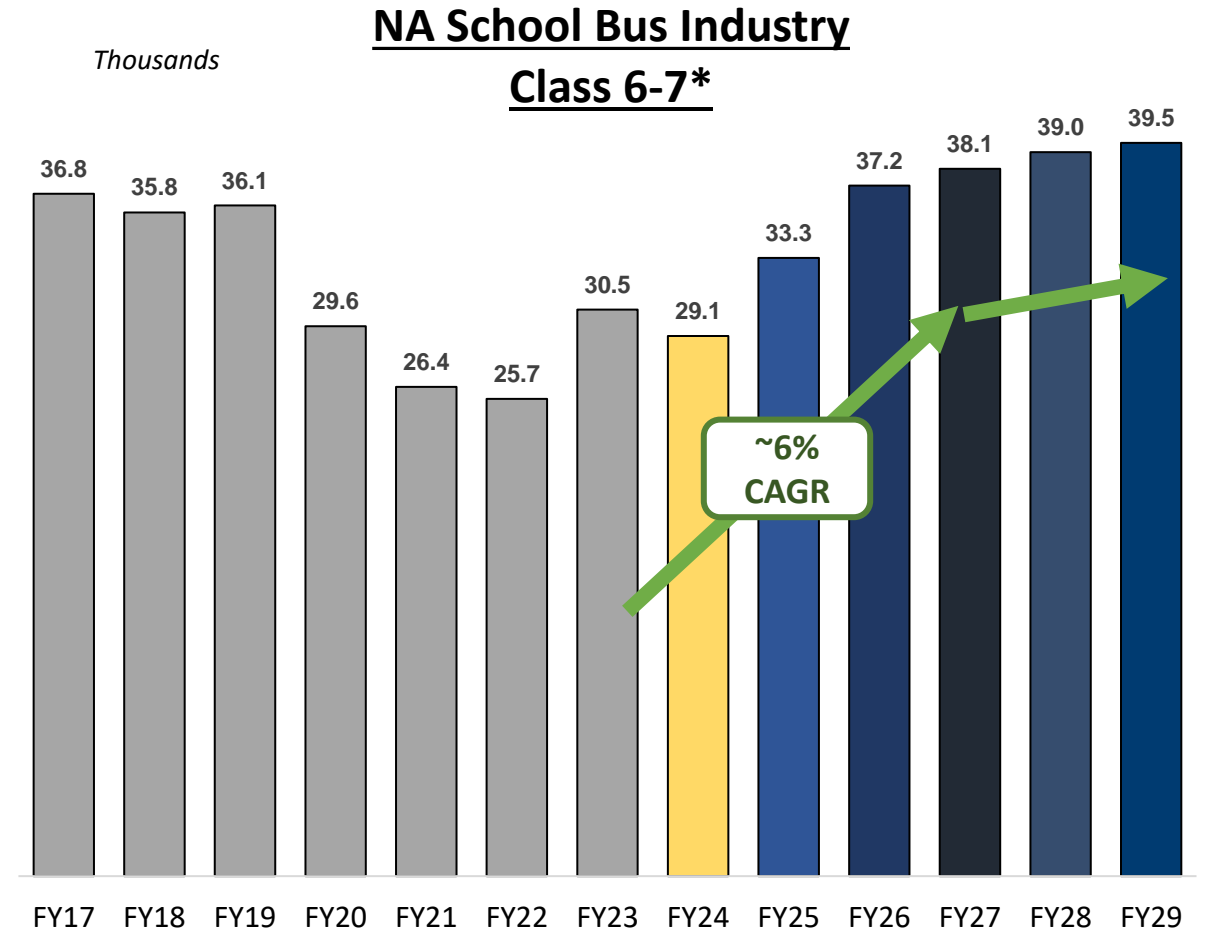
**FY2025 expected to be a new record for Blue Bird for both top-line and bottom-line results**



<sup>1</sup> See appendix for additional detail regarding non-GAAP measures

# Wrap-Up: Record Profit Outlook in FY2025 & Beyond

Bookings	↑ 3%+ = ~9,250 units
Revenue	↑ 8%+ = ~\$1.45 Billion
Adj. EBITDA	↑ 9% = ~\$200 Million
Adj. EBITDA Margin	↑ 20 bps+ = ~14%
EV Bookings	↑ 64%+ = ~1,150 units

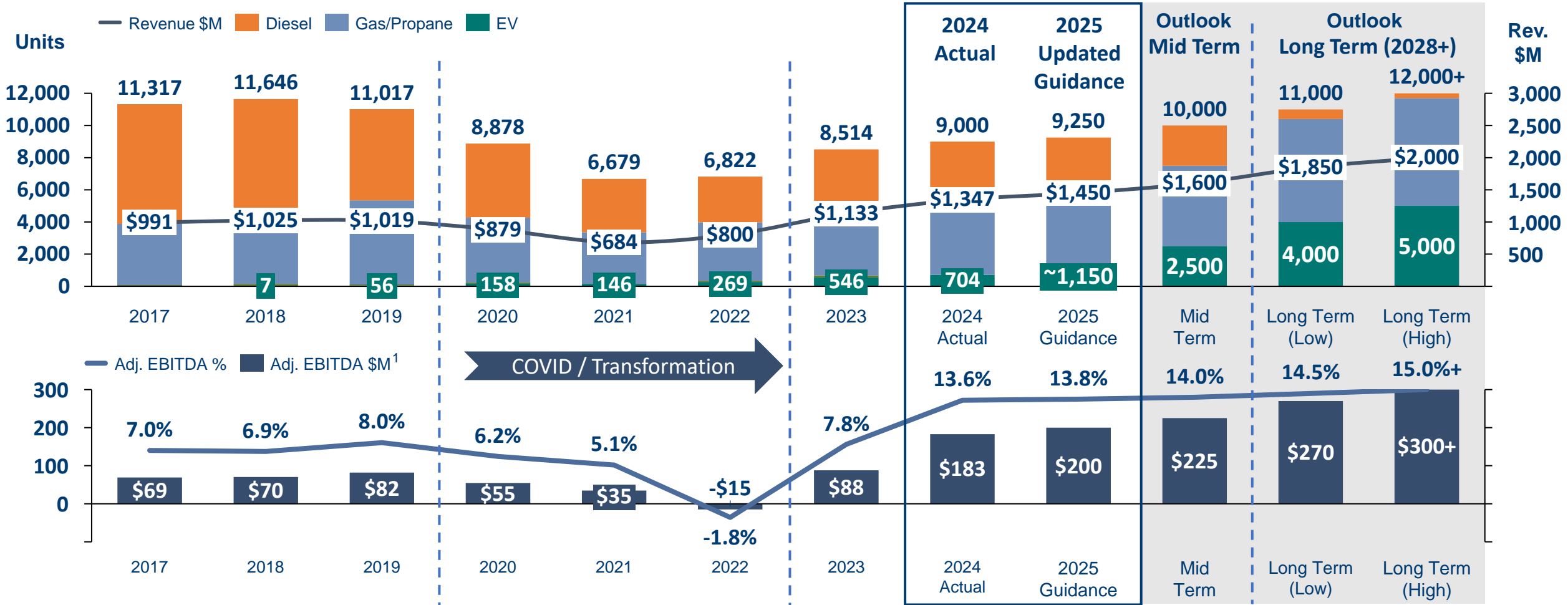


**EBITDA Margins of ~14% in 2025 and 15%+ longer-term**

# Solid Growth Runway

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# We Confirm Our Mid Term Outlook to 14% EBITDA

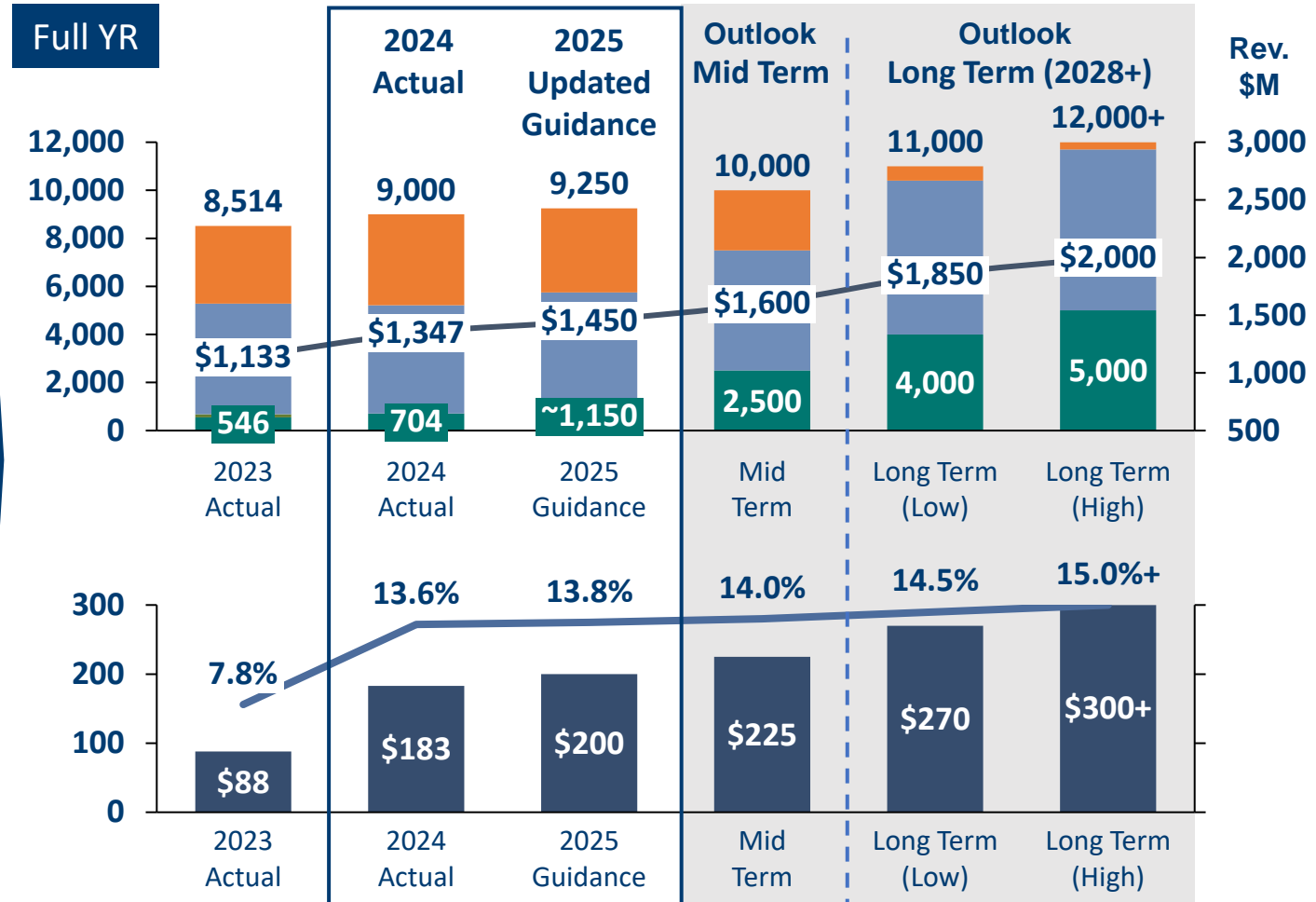
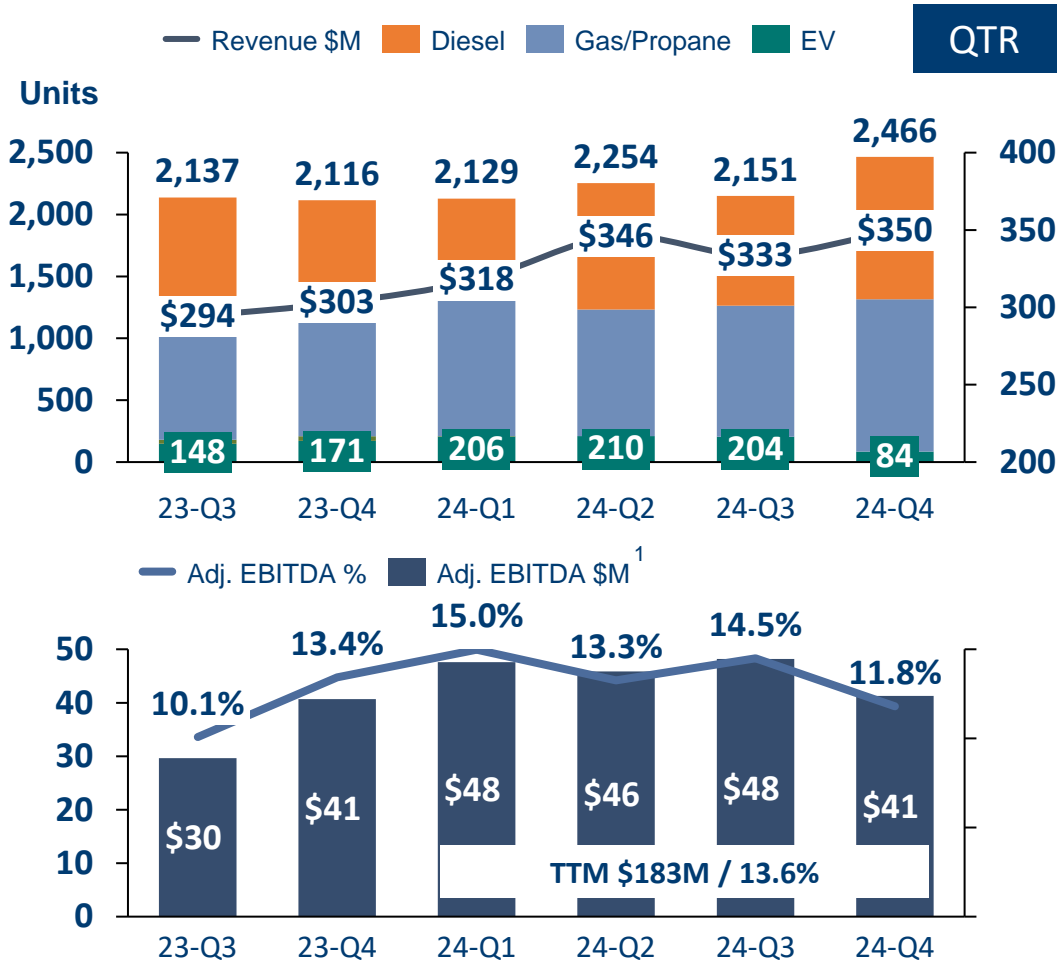


**Confirmed growth path towards ~5,000 EV's, ~\$2B Revenue and 15%+ Adj. EBITDA**



<sup>1</sup> See appendix for additional detail regarding non-GAAP measures

# We Confirm Our Mid Term Outlook to 14% EBITDA



**Confirmed growth path towards ~5,000 EV's, ~\$2B Revenue and 15%+ Adj. EBITDA**

<sup>1</sup> See appendix for additional detail regarding non-GAAP measures



# Strong Outlook Ahead for Blue Bird / Investment Highlights

Countercyclical

Strong industry growth ahead with a backdrop of healthy funding and an aging school bus fleet

National Commitment

Beneficiary of \$5B US Government's commitment to the electrification of school buses

The Leader

Leading market position in alternative power and electric school buses

Expanding our TAM

Product portfolio further diversified through introduction of EV commercial chassis offering

Reducing Costs

Reducing structural costs through Lean Transformation

Profitable Growth

Pricing aligned to market economics and volatility

EBITDA margins of ~14% in 2024 and 15%+ in the longer-term



# Appendix

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# Key FY2024 Takeaways: All-Time Record Year



Revenue



EBITDA



Cash Flow

Record Profit; Beat Full Year Guidance and Raised Long-Term Outlook



Robust Market Demand, Increasing Order Share and Continuing Strong Backlog



Supply Chain Largely Stable; Highly Engaged with Two Key Constrained Suppliers



Substantially Higher Bus Price Compared with Last Year and Competitive with Market



EV Production and Backlog Increasing; Undisputed Leader in Alternative Power



Investing in the Business – People, Processes, Product and Facilities



Significantly Improved Plant Operational Performance with More Stability

**Strong market demand, alternative-power leadership and profit margins at record levels**



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# FY2024 Financial Results and Key Business Highlights

## FY2024 Results

UNITS  
SOLD

**9,000**

↑ +486 vs. '23

NET  
SALES

**\$1,347M**

↑ +\$214M vs. '23

Adjusted  
EBITDA

**\$183M**

↑ +\$95M vs. '23

Adjusted  
FCF

**\$99M**

\$(22)M vs. '23

BUSINESS HIGHLIGHTS



Strong  
**\$735M**  
Backlog of  
4.8k Units<sup>1</sup>



Alt. Power sales  
mix of 58%

EV  
bookings  
**+29% YoY**



Average Bus  
Selling Price  
**+14%**  
YoY



Parts Sales of  
**\$104M;**  
**6% YoY increase**



**\$200M+**  
of EV's in  
firm order Backlog<sup>1</sup>



Signed first collective  
bargaining agreement with  
USW



Selected for  
**\$80M grant**  
from the DOE



Exclusivity  
Extended to 2030  
for Gas and Propane



Beat  
FY24 Guidance

Revenue +\$31M  
Adj. EBITDA +\$9M  
Adj. FCF +\$14M  
(at mid-point of range)



Record financial results – Adj. EBITDA of \$183M and 13.6% Margin

# FY2024 Q4 and Full Year Record Financial Results

FINANCIAL HIGHLIGHTS

## FY2024 Q4 Results

UNITS  
SOLD

**2,466**

+350 vs.'23

NET  
SALES

**\$350M**

+\$47M vs.'23

Adjusted  
EBITDA

**\$41M**

+\$1M vs.'23

Adjusted  
FCF

**\$50M**

+\$15M vs.'23

FINANCIAL HIGHLIGHTS

## FY2024 Full Year Results

UNITS  
SOLD

**9,000**

+486 vs.'23

NET  
SALES

**\$1,347M**

+\$214M vs.'23

Adjusted  
EBITDA

**\$183M**

+\$95M vs.'23

Adjusted  
FCF

**\$99M**

\$(22)M vs.'23



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See appendix for additional detail regarding non-GAAP measures

# Fourth Quarter Income Statement

(\$ Millions)	FY24-Q4	FY23-Q4	B/(W)
Unit Volume	2,466	2,116	350
Unit Backlog	4,846	4,559	287
Net Revenue	\$350.2	\$303.0	\$47.2
<i>Bus Rev./Unit (\$000's)</i>	\$131.2	\$131.2	\$-
Gross Margin	17.0%	16.5%	50 bps
Adj. Net Income <sup>1</sup>	\$25.8	\$21.3	\$4.5
Adj. EBITDA <sup>1</sup>	\$41.3	\$40.7	\$0.6
Adj. EBITDA Margin <sup>1</sup>	11.8%	13.4%	(160) bps
Adj. Diluted EPS <sup>1</sup>	\$0.77	\$0.66	\$0.11

**FY24-Q4 is the best quarter ever for Revenue, and best Q4 ever for Adj. EBITDA**



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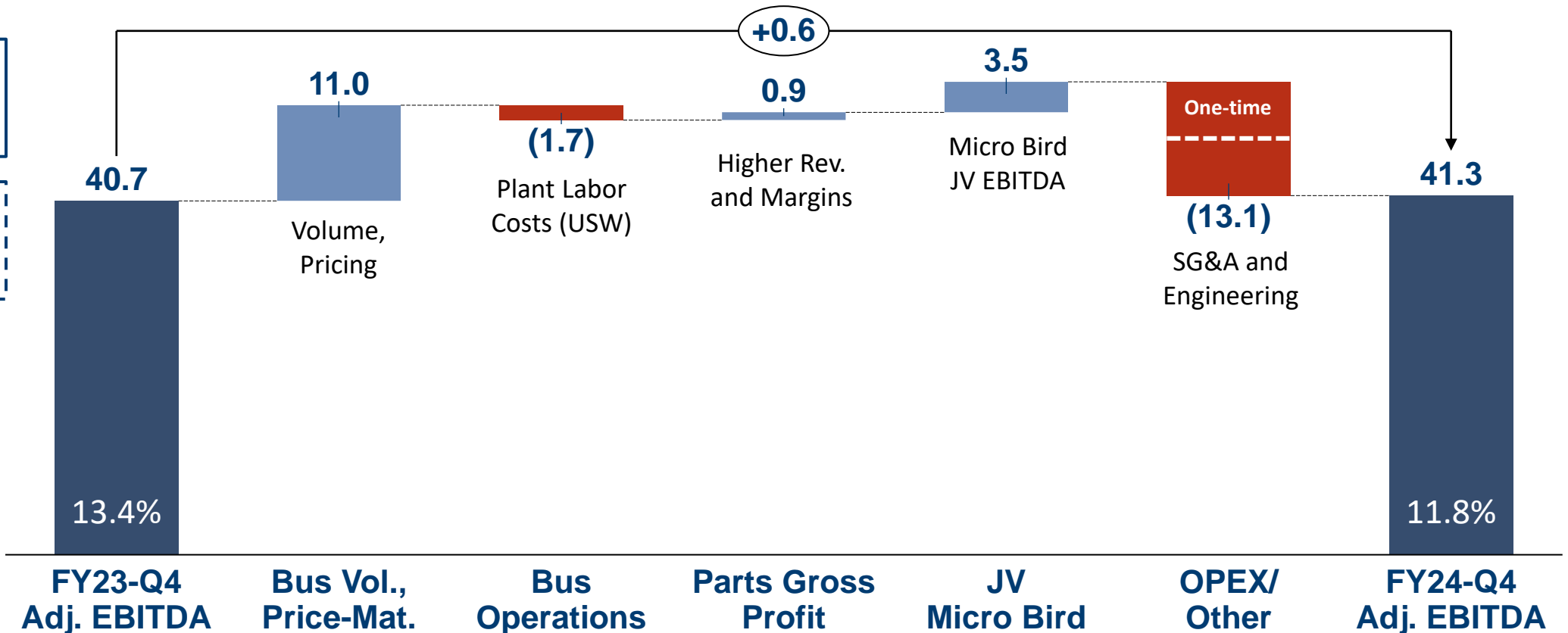
<sup>1</sup>See appendix for additional detail regarding non-GAAP measures

# FY23-Q4 to FY24-Q4 Adj. EBITDA Walk

Adj. EBITDA <sup>1</sup>  
(\$M)

Unit Volumes	
FY23-Q4	2,116
FY24-Q4	2,466
Delta	350

t/o EV Volumes	
FY23-Q4	171
FY24-Q4	84
Delta	(87)



Significant improvements in Volume and Pricing, offsetting increases in SG&A and Engineering



<sup>1</sup> See appendix for additional detail regarding non-GAAP measures



# Full Year Income Statement

(\$ Millions)	FY2024	FY2023	B/(W)
Unit Volume	9,000	8,514	486
Unit Backlog	4,846	4,559	287
Net Revenue	\$1,347.2	\$1,132.8	\$214.4
<i>Bus Rev./Unit (\$000's)</i>	\$138.1	\$121.5	\$16.6
Gross Margin	19.0%	12.3%	670 bps
Adj. Net Income <sup>1</sup>	\$115.3	\$34.5	\$80.8
Adj. EBITDA <sup>1</sup>	\$182.9	\$87.9	\$95.0
Adj. EBITDA Margin <sup>1</sup>	13.6%	7.8%	580 bps
Adj. Diluted EPS <sup>1</sup>	\$3.46	\$1.07	\$2.39

**FY24 is the best year ever for both top line revenue and bottom line Adj. EBITDA**



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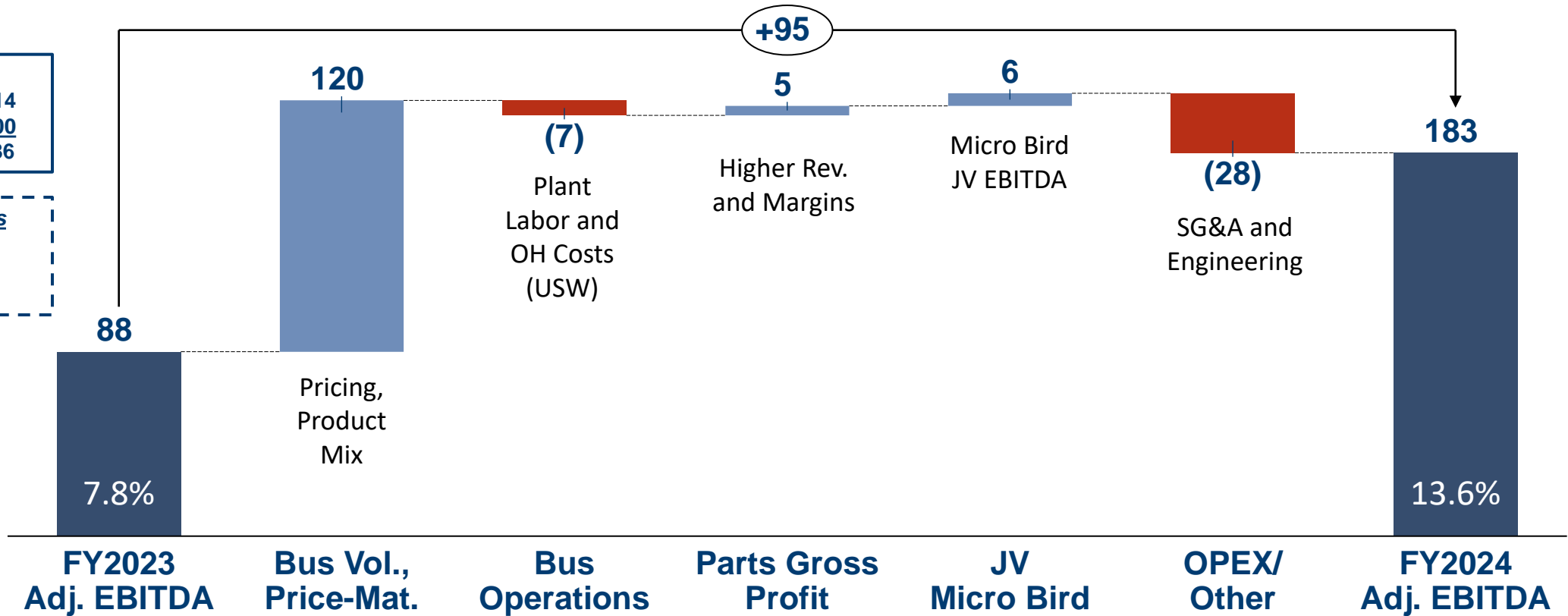
<sup>1</sup>See appendix for additional detail regarding non-GAAP measures

# FY2023 to FY2024 Adj. EBITDA Walk: \$95M YoY Improvement

Adj. EBITDA <sup>1</sup>  
(\$M)

Unit Volumes	
FY2023	8,514
FY2024	9,000
Delta	486

t/o EV Volumes	
FY2023	546
FY2024	704
Delta	158



Significant improvements in Pricing, Parts and Micro Bird JV drove record FY24 results

<sup>1</sup> See appendix for additional detail regarding non-GAAP measures

# Balance Sheet and Cash Flow Summary

(\$ Millions)	FY2024	FY2023	B/(W)
Cash	\$127.7	\$79.0	\$48.7
Debt	\$(95.0)	\$(130.3)	\$35.3
Liquidity	\$271.0	\$163.4	\$107.6
Operating Cash Flow	\$111.1	\$119.9	\$(8.8)
Adj. Free Cash Flow <sup>1</sup>	\$98.9	\$121.1	\$(22.2)
Trade Working Capital*	\$(32.4)	\$36.4	\$(68.8)

**Strong Operating Cash Flow drives Adj. Free Cash Flow and record levels of Liquidity**

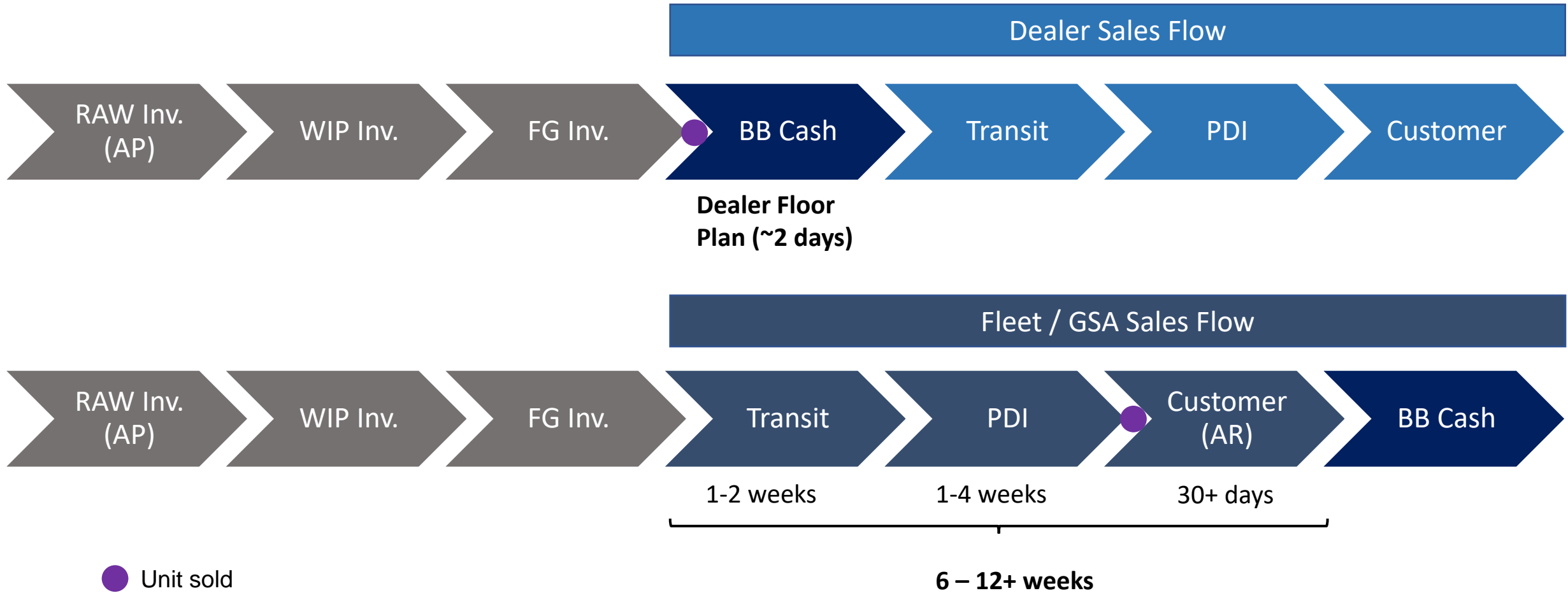


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\* Inventories, accounts receivable and accounts payable

<sup>1</sup>See appendix for additional detail regarding non-GAAP measures

# Working Capital – Dealer vs. Fleet / GSA Customer Segment



**Fleet / GSA Sales require temporary Working Capital increases in FG Inv. and AR**

# Adj. EBITDA Reconciliation

## Reconciliation of Net Income to Adjusted EBITDA

(in thousands of dollars)	Three Months Ended		Twelve Months Ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Net income	\$ 24,663	\$ 18,618	\$ 105,547	\$ 23,812
Adjustments:				
Interest expense, net (1)	1,118	3,457	6,847	17,380
Income tax expense	6,583	8,661	33,228	8,953
Depreciation, amortization, and disposals (2)	4,483	4,437	16,736	17,914
Operational transformation initiatives	—	624	—	1,757
Share-based compensation expense	1,592	1,944	8,609	4,173
Stockholder transaction costs	—	1,119	3,154	7,371
Loss on debt refinancing or modification	—	—	1,558	537
Micro Bird total interest expense, net; income tax expense or benefit; depreciation expense and amortization expense	2,920	1,850	7,362	5,456
Other	(51)	—	(132)	574
Adjusted EBITDA	\$ 41,308	\$ 40,710	\$ 182,909	\$ 87,927
Adjusted EBITDA margin (percentage of net sales)	11.8 %	13.4 %	13.6 %	7.8 %

(1) Includes \$0.1 million for both the three months ended September 28, 2024 and September 30, 2023, and \$0.4 million for both the twelve months ended September 28, 2024 and September 30, 2023, representing interest expense on operating lease liabilities, which are a component of lease expense and presented as a single operating expense in selling, general and administrative expenses on our Condensed Consolidated Statements of Operations.

(2) Includes \$0.3 million and \$0.5 million for the three months ended September 28, 2024 and September 30, 2023, respectively, and \$1.6 million and \$1.8 million for the twelve months ended September 28, 2024 and September 30, 2023, respectively, representing amortization charges on right-of-use lease assets, which are a component of lease expense and presented as a single operating expense in selling, general and administrative expenses on our Condensed Consolidated Statements of Operations.

# Free Cash Flow Reconciliation

## Reconciliation of Free Cash Flow to Adjusted Free Cash Flow

(in thousands of dollars)	Three Months Ended		Twelve Months Ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Net cash provided by operating activities	\$ 55,352	\$ 35,797	\$ 111,112	\$ 119,928
Cash paid for fixed assets	(5,126)	(2,130)	(15,263)	(8,520)
Free cash flow	\$ 50,226	\$ 33,667	\$ 95,849	\$ 111,408
Cash paid for operational transformation initiatives	—	624	—	1,757
Cash paid for stockholder transaction costs	—	1,119	3,154	7,371
Cash paid for other items	(51)	—	(132)	574
Adjusted free cash flow	50,175	35,410	98,871	121,110

# Adjusted EPS Reconciliation

## Reconciliation of Net Income to Adjusted Net Income

(in thousands of dollars)	Three Months Ended		Twelve Months Ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Net income	\$ 24,663	\$ 18,618	\$ 105,547	\$ 23,812
Adjustments, net of tax benefit or expense (1)				
Operational transformation initiatives	—	462	—	1,300
Share-based compensation expense	1,178	1,439	6,371	3,088
Stockholder transaction costs	—	828	2,334	5,455
Loss on debt modification	—	—	1,153	397
Other	(38)	—	(98)	425
Adjusted net income, non-GAAP	\$ 25,803	\$ 21,347	\$ 115,307	\$ 34,477

(1) Amounts are net of estimated tax rates of 26%.

## Reconciliation of Diluted EPS to Adjusted Diluted EPS

	Three Months Ended		Twelve Months Ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Diluted earnings per share	\$ 0.73	\$ 0.58	\$ 3.16	\$ 0.74
One-time charge adjustments, net of tax benefit or expense	0.04	0.08	0.30	0.33
Adjusted diluted earnings per share, non-GAAP	\$ 0.77	\$ 0.66	\$ 3.46	\$ 1.07
Adjusted weighted average dilutive shares outstanding	33,728,200	32,364,765	33,349,221	32,258,652



## Investor Relations Contact Information

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**Mark Benfield**

[Mark.Benfield@Blue-Bird.com](mailto:Mark.Benfield@Blue-Bird.com)