



**BLUE BIRD**<sup>®</sup>

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

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

**Investor Presentation**

May 2025

# 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 Federal and State subsidies for 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 2025 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+**

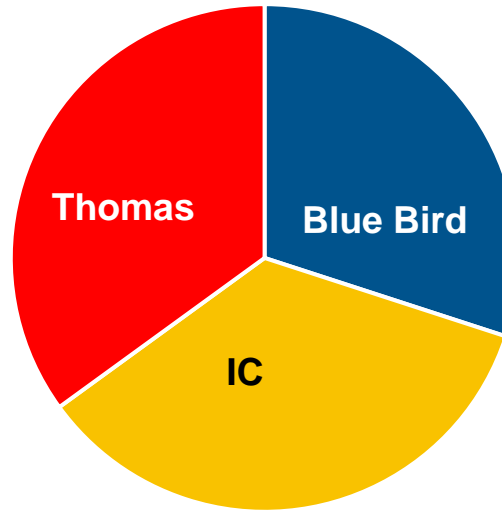
school buses in operation in the U.S. and Canada transporting

**26 MILLION KIDS**

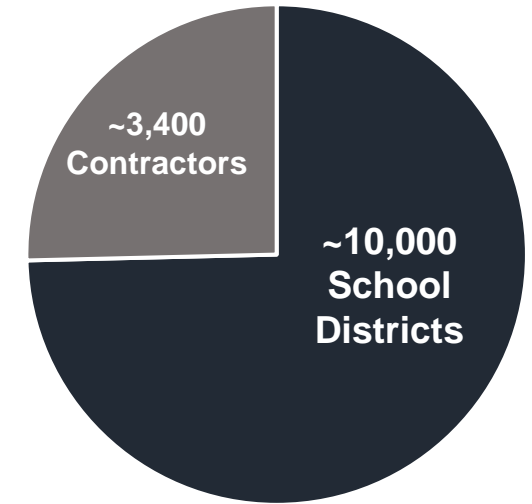
to school on a daily basis



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

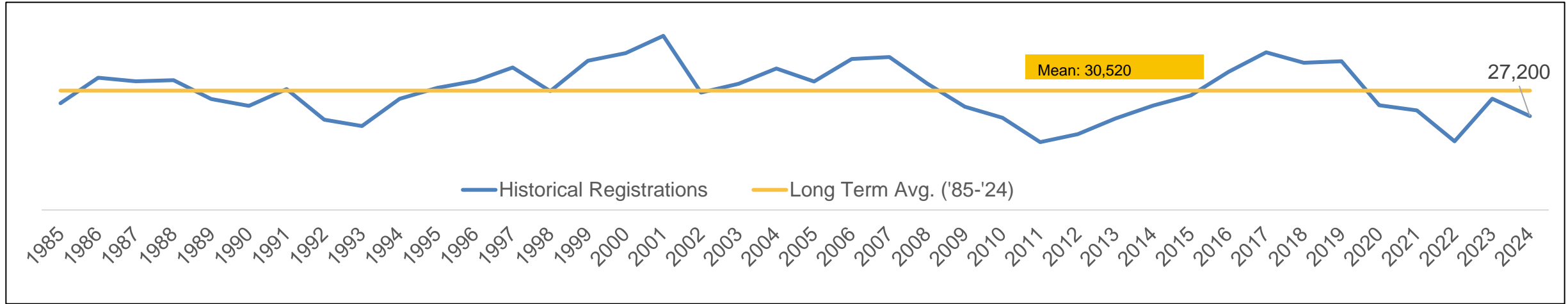
*Population of school age children increasing -- Increasing average age of existing fleet -- Federal funding for clean school buses*

## Relatively Clear Funding Sources

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



# Type C & D School Bus Industry



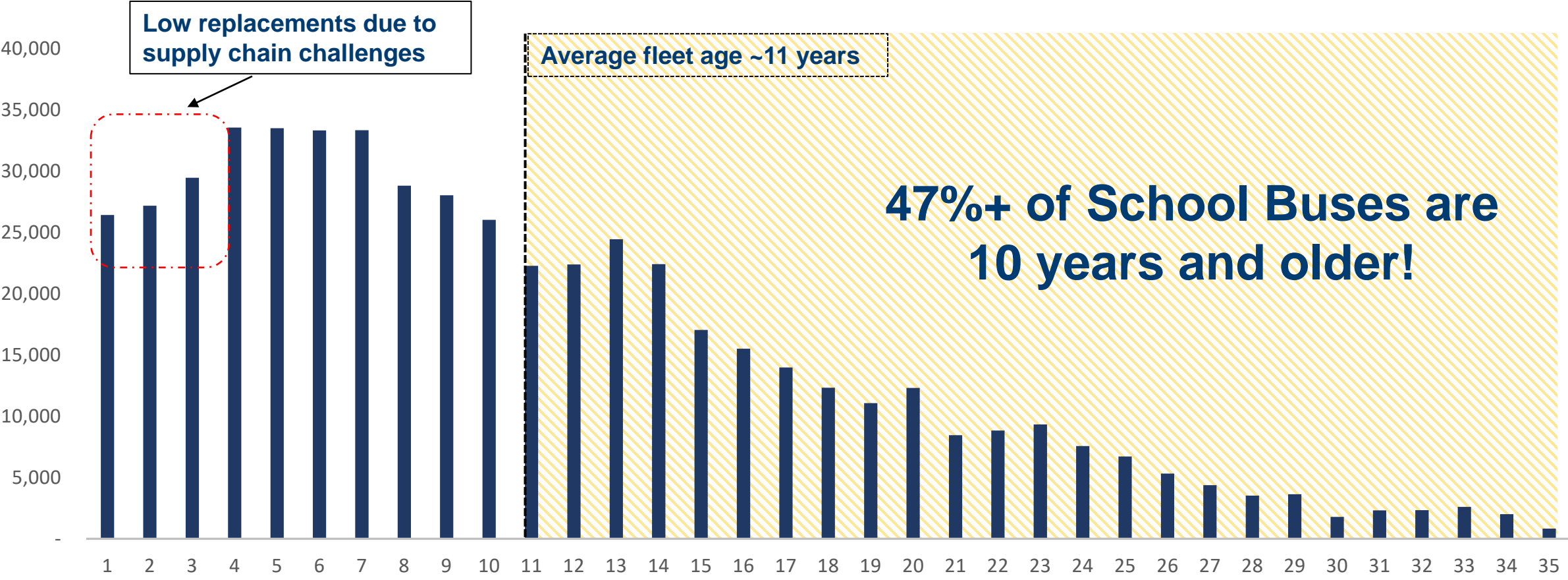
- Industry avg size is 30,500 new units annually based on S&P Global Mobility registrations (formerly Polk)
- Total fleet of school buses is ~570k units and average age is about 11 years
- Industry size is driven by:
  - Number of school age children
  - Age of existing fleet – most states set 15 years as a replacement target
  - Average ridership per bus
  - Funding – primarily from property tax

**FY2025 industry expected to be ~31k units as industry production returns to full capacity;  
core funding and demand is healthy at pre-pandemic order levels**



# Fleet Age Profile Supports Elevated Replacement Demand

~570K School Buses on the Road



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

Source: S&P Global Mobility (formerly Polk) VIO, based on Type C/D school buses and non-school buses in US/CAN through Mar. 2024

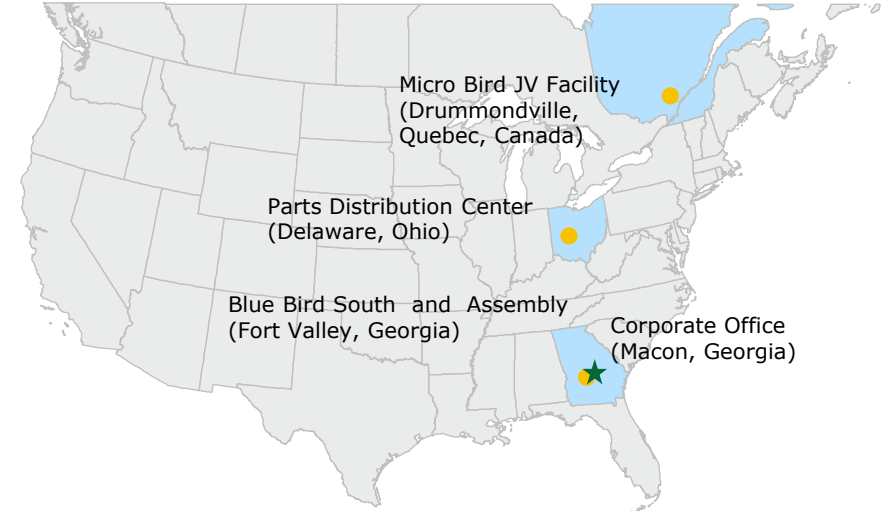
# Company & Product Highlights

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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

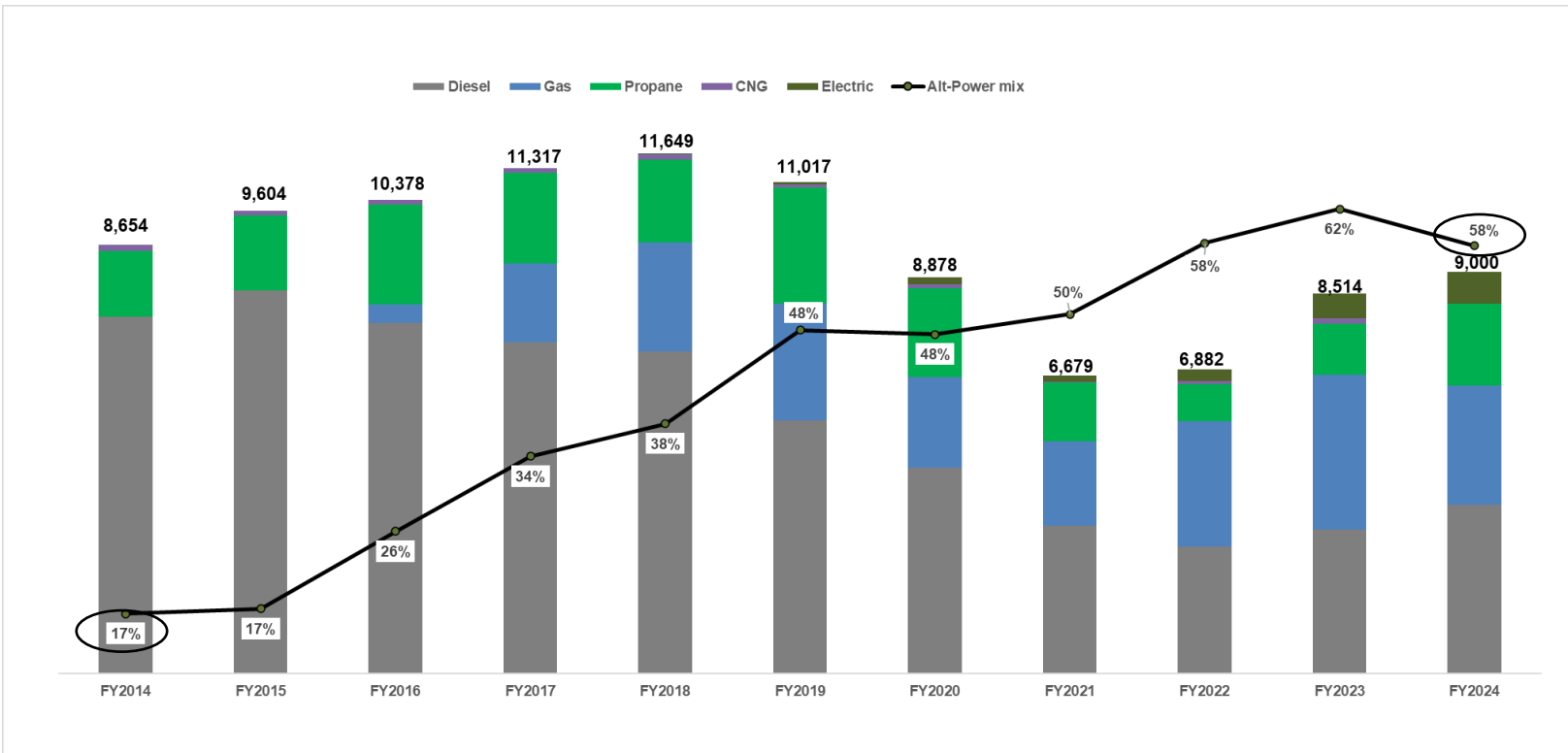


**Type A Buses**  
Seating Capacity: 10-30  
Fuel Types: Diesel, Propane, Gasoline, Electric

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
- Beneficiary of Federal and State subsidies for electric school buses to 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



# Build Complete Ecosystem for EV School Bus Deployment

## END OF LIFE

Determine recycling program for used batteries after use

## SERVICE & SUPPORT

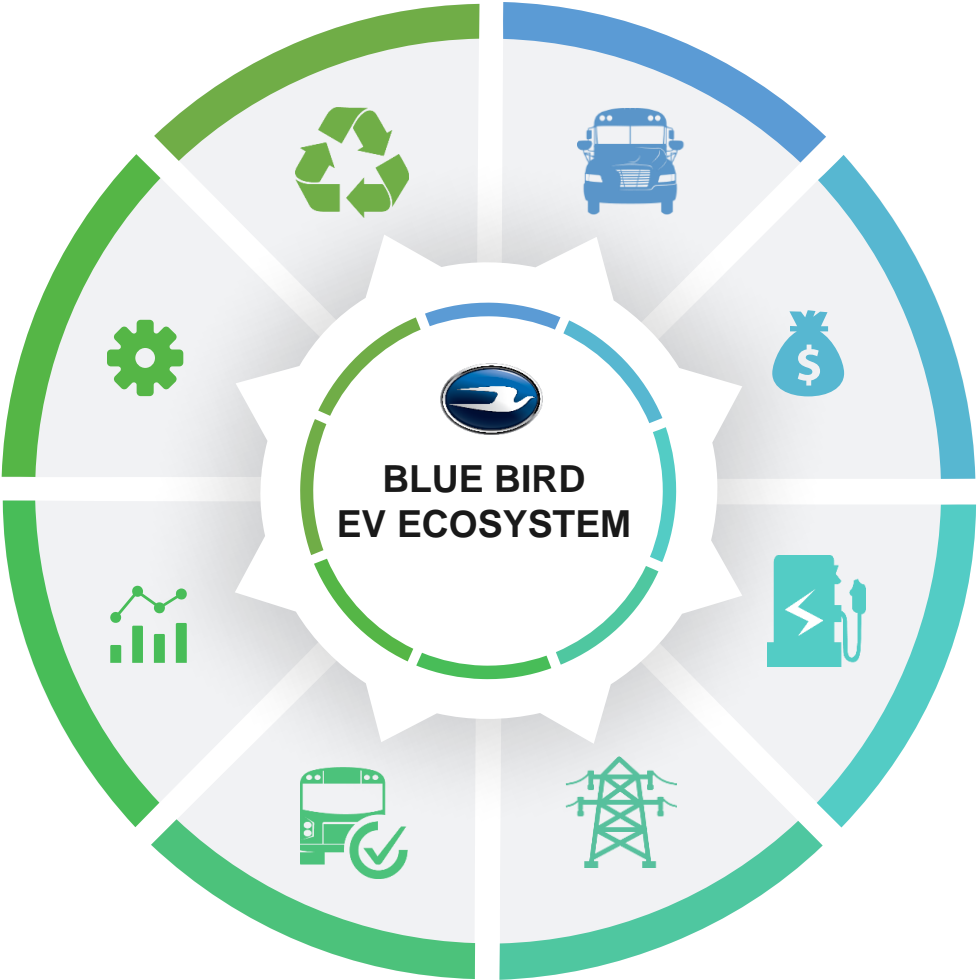
Connect with dealer and EV system provider to support and service bus throughout its lifetime

## 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



# Blue Bird Commercial Chassis – TAM Expansion

## Product Debut

- **Best-in-Class Offering & Features:**
  - ✓ Electric
  - ✓ Propane
  - ✓ 55° Wheel Cut
  - ✓ Front Axle Clearance
  - ✓ Galvanized Frame Rails
  - ✓ Class 5-6 Chassis
- **Tremendous response** to the product
- Immediate interest in **both propane and EV** from multiple customers
- Additional interest with **large national delivery fleets**



# FY2025 Objectives

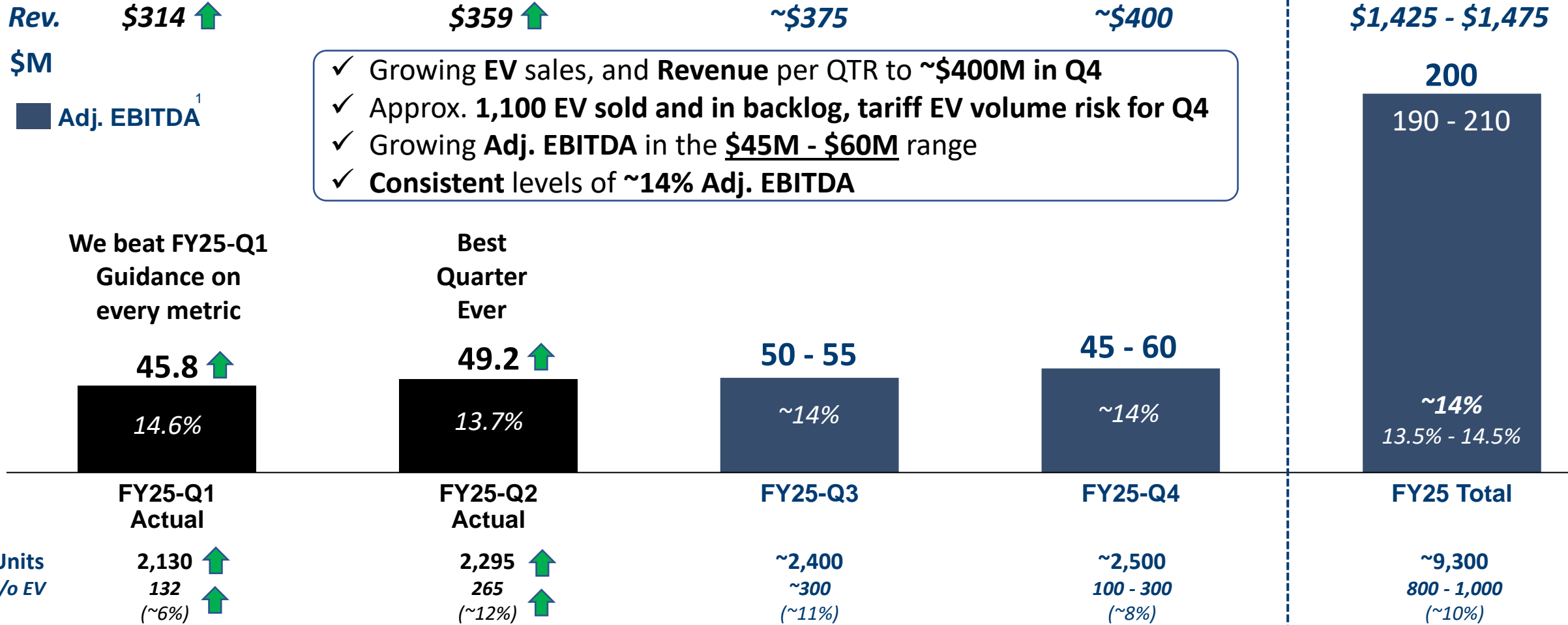
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# The Blue Bird Value System



The Blue Bird Value System, it's about results, and how we get there

# FY2025 Quarterly Guidance – UPDATED and CONFIRMED



**We beat FY25-Q2 Guidance; confirming \$200M for FY25, despite tariffs lowering Q4 EV**






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

# FY2025 Full Year Guidance – Confirm \$200M and ~14% Margin

## Tailwinds

- Strong ICE demand
- Stable Gross Margins
- Propane/Gas exclusive
- EV growth (non-EPA)

## FY25 Scenarios

	Downside	Guidance	Upside
<b>Supply / EPA EV</b>			
<b>Units</b>	9,100	<b>9,300</b>	9,500
<i>t/o EV Units</i>	~800	~900	~1,000
<b>Revenue \$M</b>	\$1,425	<b>\$1,450</b>	\$1,475
<b>Adj. EBITDA \$M</b>	\$190	<b>\$200</b>	\$210
<b>Adj. EBITDA %</b>	13.5%	~14%	14.5%

## Headwinds

- Tariffs (mainly EV)
- Supply chain
- Labor Costs (USW)
- EPA EV Program

**Blue Bird Confirmed Guidance for FY25:**

**\$1.45B in Revenue (range \$1.4B - \$1.5B)**

**Adj. EBITDA \$200M and ~14% Margin (range 13.5% - 14.5%)**



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# FY2025 Full Year Guidance – Confirm \$200M and ~14% Margin

<i>\$ Millions</i>	FY2024 Actuals	FY2025 Guidance	FY2025 February Guidance	FY2025 May Guidance	<i>B/(W) Vs. Prior Year</i>
<b>Net Revenue</b>	\$1,347	\$1,400 - \$1,500	\$1,400 - \$1,500	\$1,425 - \$1,475	\$78 - \$128
<b>Adj. EBITDA<sup>1</sup></b>	\$183	\$190 - \$210	\$185 - \$215	\$190 - \$210	\$7 - \$27
<b>Adj. Free Cash Flow<sup>1</sup></b>	\$99	\$40 - \$60 t/o MESC \$(50)	\$40 - \$60 t/o MESC \$(50)	\$60 - \$80 t/o MESC \$(30)	\$(39) - \$(19) t/o MESC \$(30)

**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

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

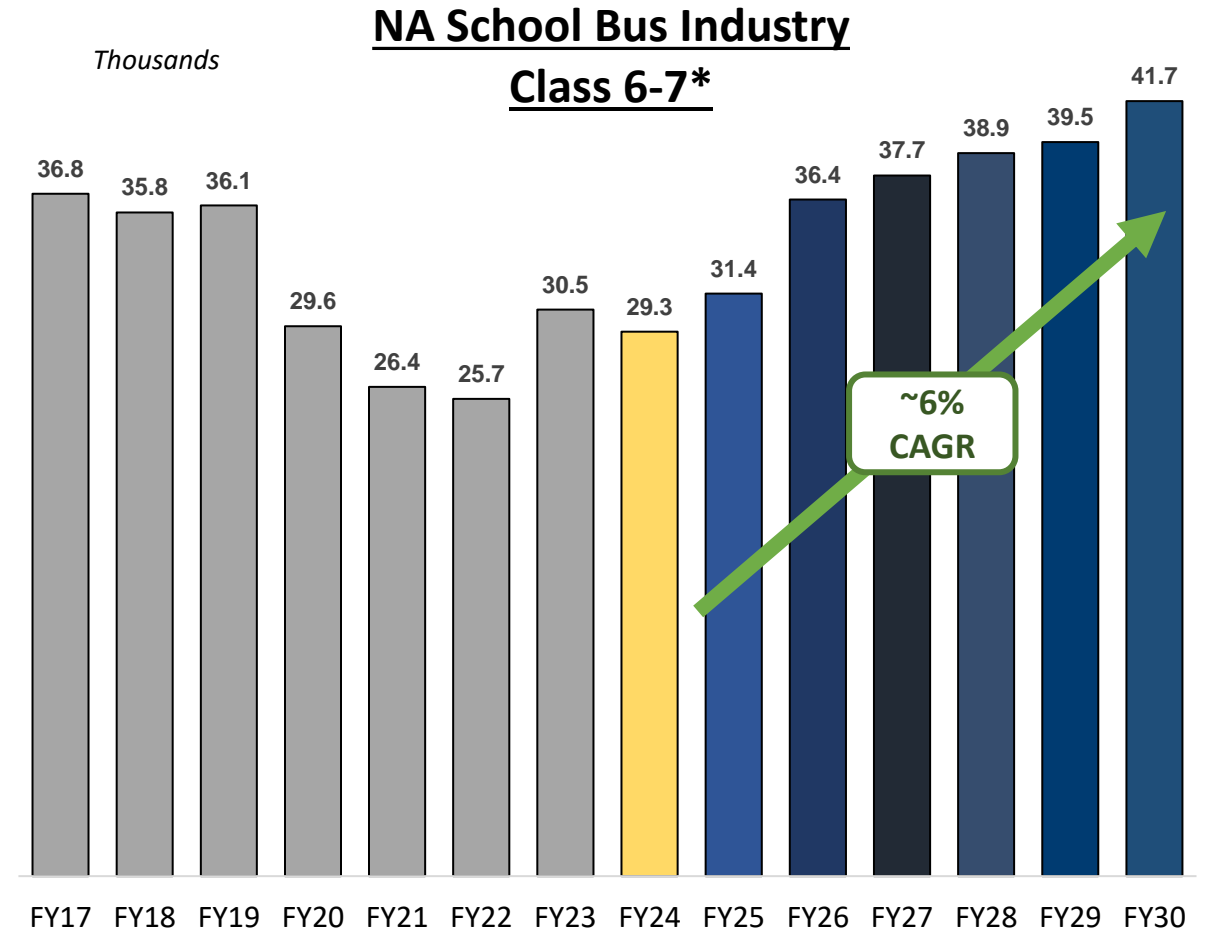
- New 600k sq.ft. Type D / EV production facility in Fort Valley, GA
- Total Investment ~\$160M, 50% funded by Blue Bird
- Build-out 2 years, launch expected by mid CY 2027
- FCF CAPEX impact in FY25 of up to \$30M
- Raises total capacity on one shift to ~14k buses / year
- Provides increased volume upside for commercial chassis
- ~400 new jobs, includes ~\$10M of community benefits
- Project IRR 28%, payback 2 years after launch
- DOE contract signed December 2024



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

# Record Profit Outlook in FY2025 & Beyond

Bookings	↑ 3%+ = ~9,300 units
Revenue	↑ 8%+ = ~\$1.45 Billion
Adj. EBITDA	↑ 9% = ~\$200 Million
Adj. EBITDA Margin	↑ 40 bps = ~14%
EV Bookings	↑ 28%+ = ~900 units



\*ACT Retail Sales – as of April 2025

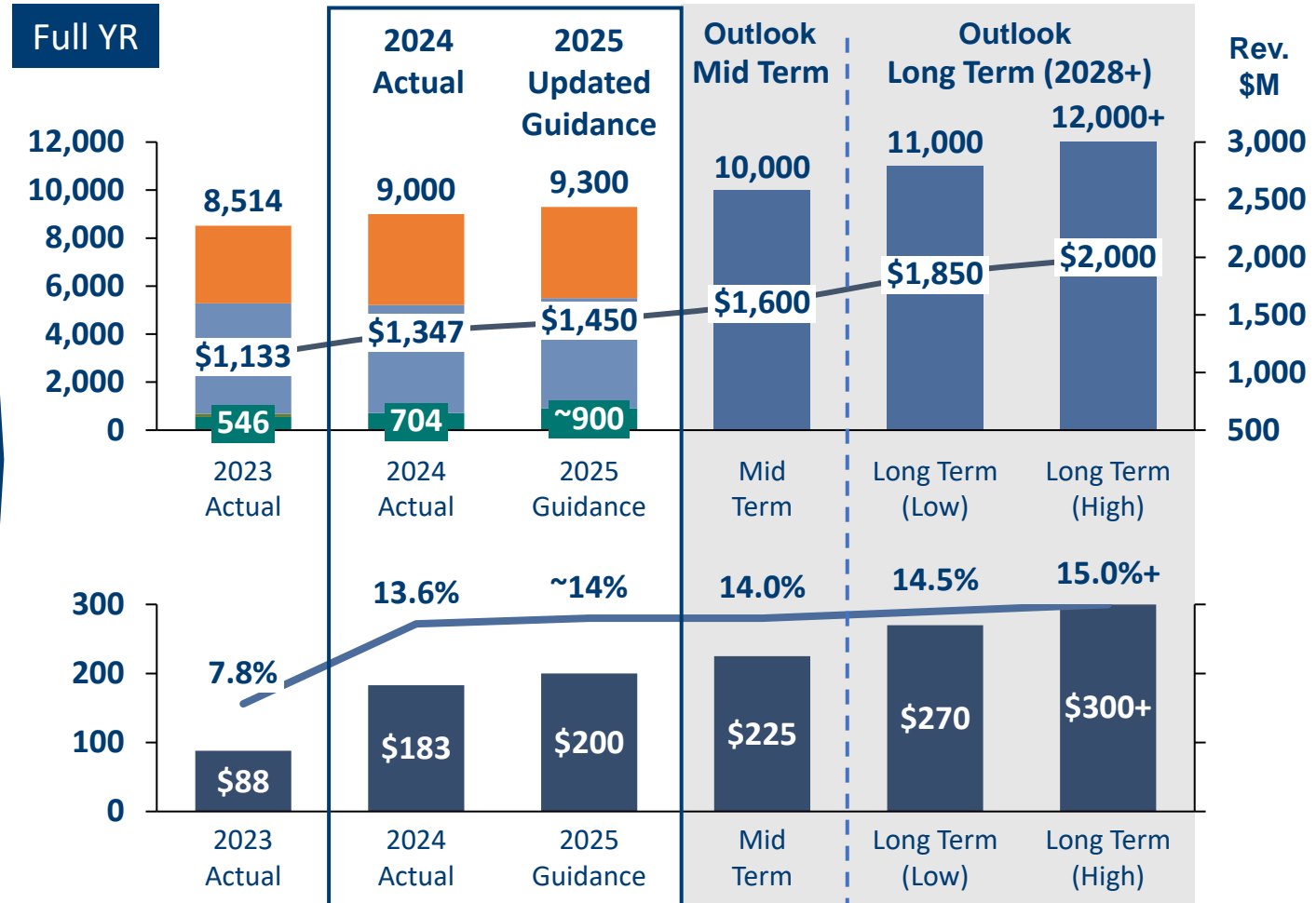
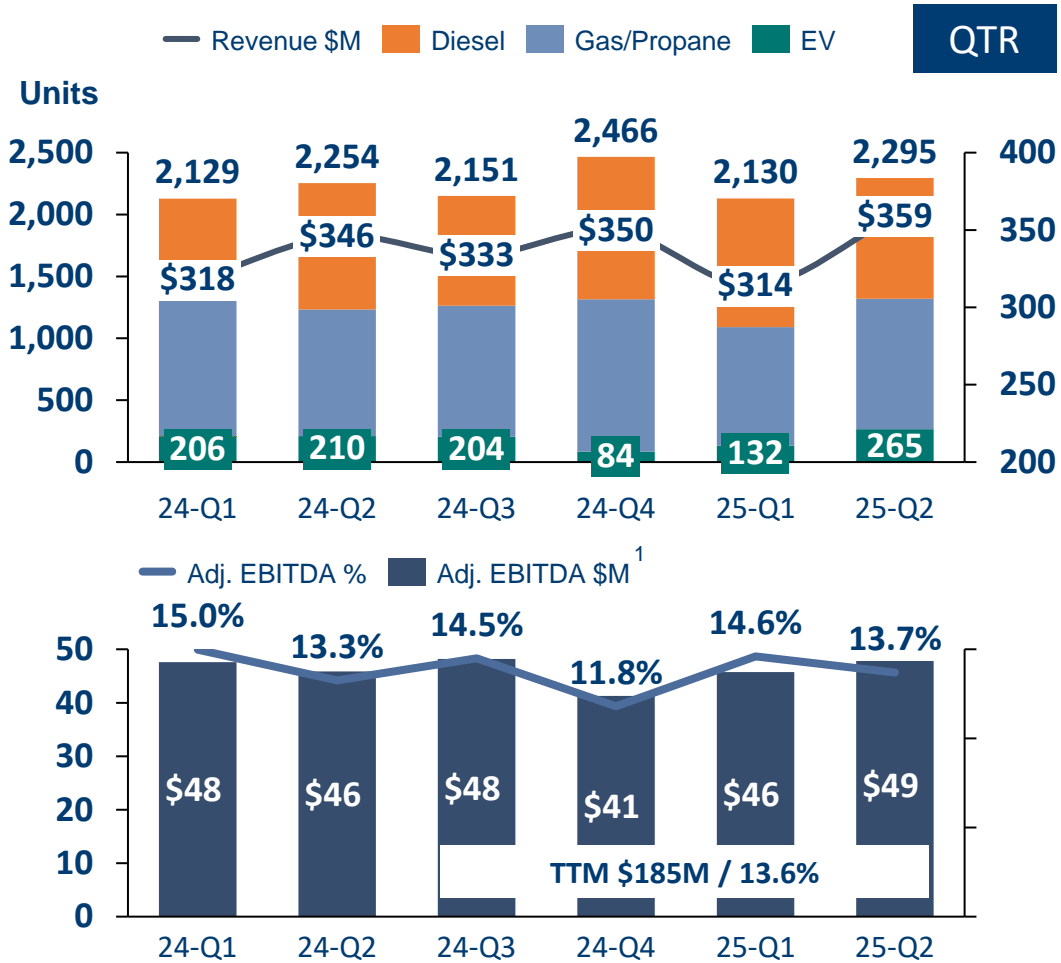


Adj. EBITDA Margins of ~14% in 2025 and 15%+ longer-term

# Solid Growth Runway

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# We Reconfirm Our Mid Term Outlook at 14% EBITDA



**Confirmed growth path towards ~\$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 Federal and State subsidies for 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 2025 and 15%+ in the longer-term



# Appendix

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# Key FY2025 Q2 Takeaways

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Revenue EBITDA Cash Flow

Beat Q2 Guidance on All Metrics; Maintaining Full Year Guidance
- 

Robust Demand, Increasing Order Share and Continuing Strong Backlog
- 

Continued Plant Operational Performance with Greater Stability
- 

Strong Pricing Being Maintained, and Competitive within Market
- 

EV Backlog Increasing; Market Leader in Alternative Power
- 

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

Managing and Responding to Impact of Tariffs



Strong market demand, alternative-power leadership and record Sales and Profit

# FY2025 Q2 Financial Results and Key Business Highlights

QUARTERLY HIGHLIGHTS

## FY2025 Q2 Results

UNITS SOLD

**2,295**

+41 vs. '24

NET SALES

**\$359M**

+\$13M vs. '24

Adjusted EBITDA

**\$49M**

+\$3M vs. '24

Adjusted FCF

**\$19M**

\$(35)M vs. '24

BUSINESS HIGHLIGHTS



Strong  
~\$770M  
Backlog of  
4.9k Units<sup>1</sup>



Alt. Power sales  
mix of 57%

1,100+ EVs  
booked and in  
backlog<sup>1</sup>



Managing  
Margin-Neutral  
Tariff Strategy

EPA Funds  
flowing for  
rounds 2 & 3

ASP up  
\$3.9k per unit



Parts Sales of  
**\$26M**



~\$233M  
of EV's in  
firm order Backlog<sup>1</sup>



Beat  
Guidance



Q2 Adj. EBITDA of \$49M and 14% Margin

# FY2025 Q2 and YTD Financial Results

QUARTERLY HIGHLIGHTS

FY2025 Q2 Results	
<p>UNITS SOLD</p> <p><b>2,295</b></p> <p>+41 vs.'24</p>	<p>NET SALES</p> <p><b>\$359M</b></p> <p>+\$13M vs.'24</p>
<p>Adjusted EBITDA</p> <p><b>\$49M</b></p> <p>+\$3M vs.'24</p>	<p>Adjusted FCF</p> <p><b>\$19M</b></p> <p>\$(35)M vs.'24</p>

FIRST HALF HIGHLIGHTS

FY2025 H1 Results	
<p>UNITS SOLD</p> <p><b>4,425</b></p> <p>+42 vs.'24</p>	<p>NET SALES</p> <p><b>\$673M</b></p> <p>+\$9M vs.'24</p>
<p>Adjusted EBITDA</p> <p><b>\$95M</b></p> <p>+\$2M vs.'24</p>	<p>Adjusted FCF</p> <p><b>\$41M</b></p> <p>\$(12)M vs.'24</p>



FY25-Q2 is another record for Blue Bird, and the best quarter ever, driving best H1 ever

# Income Statement

(\$ Millions)	FY2025-Q2	FY2024-Q2	B/(W)
Unit Volume	2,295	2,254	41
Backlog Units	4,889	5,904	(1,015)
Net Revenue	\$358.9	\$345.9	\$13.0
<i>Bus Rev./Unit (\$000's)</i>	<i>\$145.0</i>	<i>\$141.1</i>	<i>\$3.9 / 2.8%</i>
Gross Margin	19.7%	18.4%	1.3 pts
Adj. EBITDA <sup>1</sup>	\$49.2	\$45.8	\$3.4
Adj. EBITDA Margin <sup>1</sup>	13.7%	13.2%	0.5 pts
Adj. Net Income <sup>1</sup>	\$31.5	\$29.3	\$2.2
Adj. Diluted EPS <sup>1</sup>	\$0.96	\$0.89	\$0.07



**Improvement in Gross Margin (higher bus prices and EV mix) drove record Q2 profit**

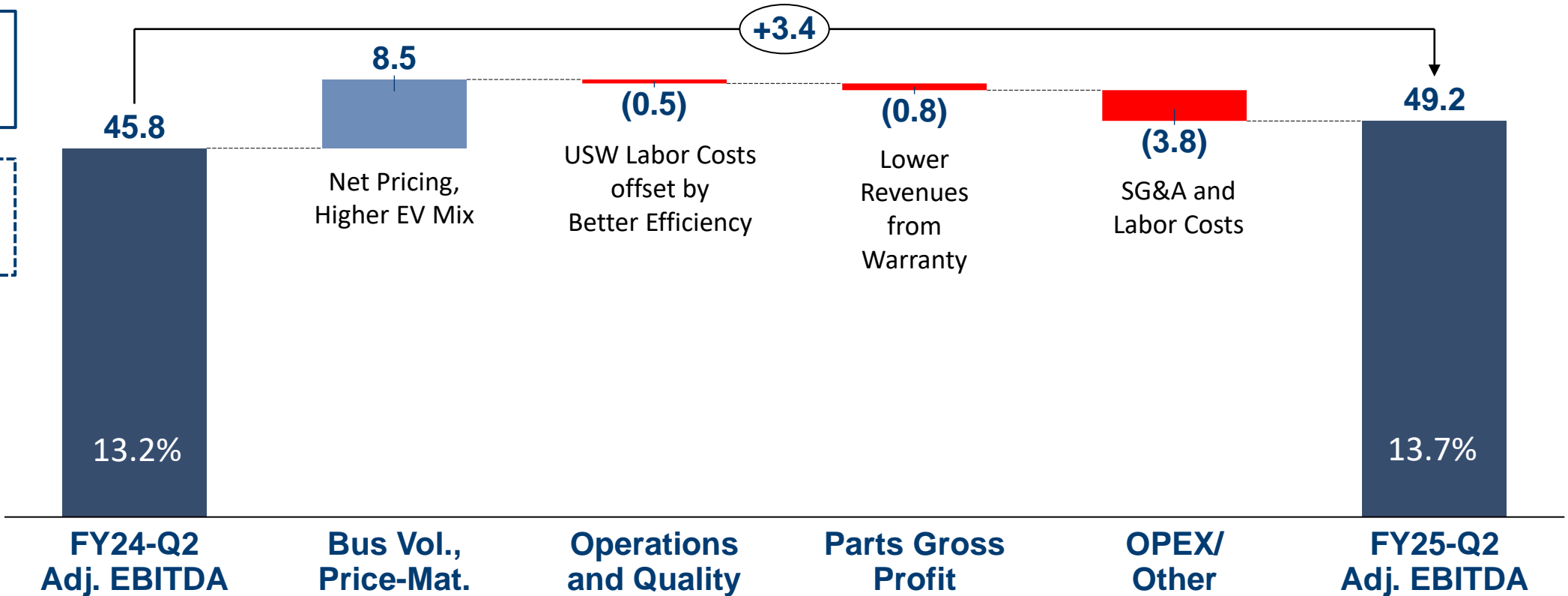
<sup>1</sup>See appendix for additional detail regarding non-GAAP measures

# FY24-Q2 to FY25-Q2 Adj. EBITDA Walk

(\$ Millions)

Unit Volumes	
FY24-Q2	2,254
FY25-Q2	<u>2,295</u>
Delta	+41

t/o EV Volumes	
FY24-Q2	210
FY25-Q2	<u>265</u>
Delta	+55



**Strong Pricing and EV Mix drives Gross Margins and record Adj. EBITDA**



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See appendix for additional detail regarding non-GAAP measures

# Balance Sheet and Cash Flow

(\$ Millions)	FY2025-Q2	FY2024-Q2	B/(W)
Cash	\$130.7	\$93.1	\$37.6
Debt	\$(92.7)	\$(97.3)	\$4.6
Liquidity	\$274.0	\$236.4	\$37.6
Operating Cash Flow	\$27.8	\$54.6	\$(26.8)
Adj. Free Cash Flow <sup>1</sup>	\$18.7	\$53.7	\$(35.0)
Trade Working Capital <sup>2</sup>	\$12.9	\$22.1	\$(9.2)

**Very strong core Operating Cash Flow for Q2, offset by increased Income Tax payments  
Executed accelerated stock buyback tranche of \$20M this quarter, \$20M left in the program**



<sup>1</sup>See appendix for additional detail regarding non-GAAP measures; <sup>2</sup> Inventories, accounts receivable and accounts payable

# Adj. EBITDA Reconciliation

## Reconciliation of Net Income to Adjusted EBITDA

(in thousands of dollars)	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Net income	\$ 26,046	\$ 26,023	\$ 54,768	\$ 52,173
Adjustments:				
Interest expense, net (1)	633	1,860	1,066	4,515
Income tax expense	9,129	8,261	17,822	16,707
Depreciation, amortization, and disposals (2)	4,251	3,988	8,494	8,198
Share-based compensation expense	7,434	2,492	9,940	4,543
Stockholder transaction costs	—	1,933	—	3,154
Loss on debt refinancing	—	—	—	1,558
Micro Bird Holdings, Inc. total interest expense, net; income tax expense or benefit; depreciation expense and amortization expense	1,713	1,195	1,156	1,395
Other	—	(1)	—	(83)
Adjusted EBITDA	\$ 49,206	\$ 45,751	\$ 94,959	\$ 93,355
Adjusted EBITDA margin (percentage of net sales)	13.7 %	13.2 %	14.1 %	14.1 %

(1) Includes \$0.1 million for both the three months ended March 29, 2025 and March 30, 2024, and \$0.2 million for both the six months ended March 29, 2025 and March 30, 2024, 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 \$0.4 million and \$0.3 million for the three months ended March 29, 2025 and March 30, 2024, respectively, and \$0.8 million and \$0.9 million for the six months ended March 29, 2025 and March 30, 2024, 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		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Net cash provided by operating activities	\$ 27,770	\$ 54,554	\$ 54,180	\$ 54,771
Cash paid for fixed assets	(9,022)	(2,739)	(13,616)	(5,643)
Free cash flow	\$ 18,748	\$ 51,815	\$ 40,564	\$ 49,128
Cash paid for stockholder transaction costs	—	1,933	—	3,154
Cash paid for other items	—	(1)	—	(83)
Adjusted free cash flow	18,748	53,747	40,564	52,199

# Adjusted EPS Reconciliation

## Reconciliation of Net Income to Adjusted Net Income

(in thousands of dollars)	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Net income	\$ 26,046	\$ 26,023	\$ 54,768	\$ 52,173
Adjustments, net of tax benefit or expense (1)				
Share-based compensation expense	5,501	1,844	7,356	3,362
Stockholder transaction costs	—	1,430	—	2,334
Loss on debt refinancing	—	—	—	1,153
Other	—	(1)	—	(61)
Adjusted net income, non-GAAP	\$ 31,547	\$ 29,296	\$ 62,124	\$ 58,961

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

## Reconciliation of Diluted EPS to Adjusted Diluted EPS

	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Diluted earnings per share	\$ 0.79	\$ 0.79	\$ 1.65	\$ 1.59
One-time charge adjustments, net of tax benefit or expense	0.17	0.10	0.22	0.21
Adjusted diluted earnings per share, non-GAAP	\$ 0.96	\$ 0.89	\$ 1.87	\$ 1.80
Adjusted weighted average dilutive shares outstanding	32,885,993	33,074,592	33,152,066	32,828,339



## Investor Relations Contact Information

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