



**BLUE BIRD®**

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

**FY2025 Second Quarter Results**

Earnings Conference Call

May 7, 2025



**BLUE BIRD®**

# Agenda

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**Introductions &  
Forward-Looking Statements**

**Mark Benfield**  
Executive Director, Investor Relations

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**Key Results and Highlights**

**John Wyskiel**  
President & CEO

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**Financial Results**

**Razvan Radulescu**  
CFO

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**Outlook**

**John Wyskiel**  
President & CEO

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**Q&A**

Group



BLUE BIRD

*This presentation includes forward-looking statements, including statements regarding full-year guidance and seasonality, that are subject to risks that could cause actual results to be materially different. Those risks include, among others, matters we have noted in our latest earnings release and filings with the SEC. Blue Bird disclaims any obligation to update information in this presentation. Additional information regarding the use of non-GAAP financial measures is presented in the Appendix to this presentation.*

# Important Disclaimers

## 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.” Additional information on the calculation of some of these terms is included in the Appendix.

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.



## KEY RESULTS & HIGHLIGHTS

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**John Wyskiel**  
**President & CEO**

# Key FY2025 Q2 Takeaways



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>

ASP up  
\$3.9k per unit



Parts Sales of  
**\$26M**



Alt. Power sales  
mix of 57%

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



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

Managing  
Margin-Neutral  
Tariff Strategy

EPA Funds  
flowing for  
rounds 2 & 3



Beat  
Guidance



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

# Blue Bird Commercial Chassis - NTEA Work Truck Debut

## 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**







# FINANCIAL RESULTS

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**Razvan Radulescu**  
**CFO**

# FY2025 Q2 and YTD Financial Results

## 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

## FIRST HALF HIGHLIGHTS

### FY2025 H1 Results

UNITS  
SOLD  
**4,425**  
+42 vs.'24

NET  
SALES  
**\$673M**  
+\$9M vs.'24

Adjusted  
EBITDA  
**\$95M**  
+\$2M vs.'24

Adjusted  
FCF  
**\$41M**  
\$(12)M vs.'24



**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



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

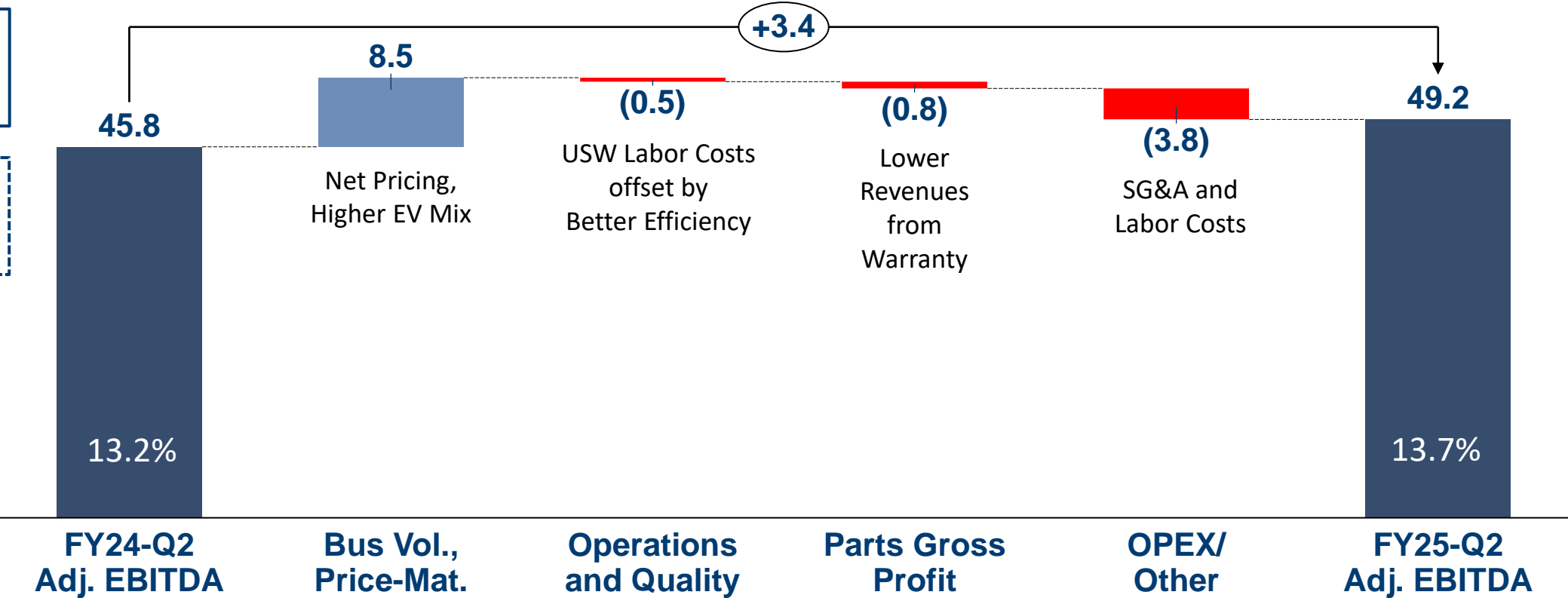
<sup>1</sup>See appendix for additional detail regarding non-GAAP measures

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

(\$ Millions)

Unit Volumes	
FY24-Q2	2,254
FY25-Q2	2,295
Delta	+41

t/o EV Volumes	
FY24-Q2	210
FY25-Q2	265
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




# Tariffs Countermeasures Initiated by Blue Bird

## Tariffs introduced since Feb '25

 China: 145% (20%+20%+34%+71%)

 Canada: 25%, USMCA exempt

 Mexico: 25%, USMCA exempt

 EU: Various, 10% minimum

 Steel / Aluminum Imports 25%

## Exposure on Blue Bird products

➤ Accelera EV, Cummins Diesel

➤ Ford Gas/Propane, Roush

➤ Frameraills, Suspensions, Others

➤ EV battery cells, Others

➤ Prices increased by US Mills

## Mitigation and Pricing actions

- Blue Bird implemented a tariff 2% price increase on all units invoiced after March 17<sup>th</sup>
- Additionally, the 2% mid-year price increase for all new orders went into effect on April 1<sup>st</sup>
- *More tariff price increases expected on Cummins Diesel and EV due to China escalation*

**New Tariffs almost every week**  
***Volatile situation***

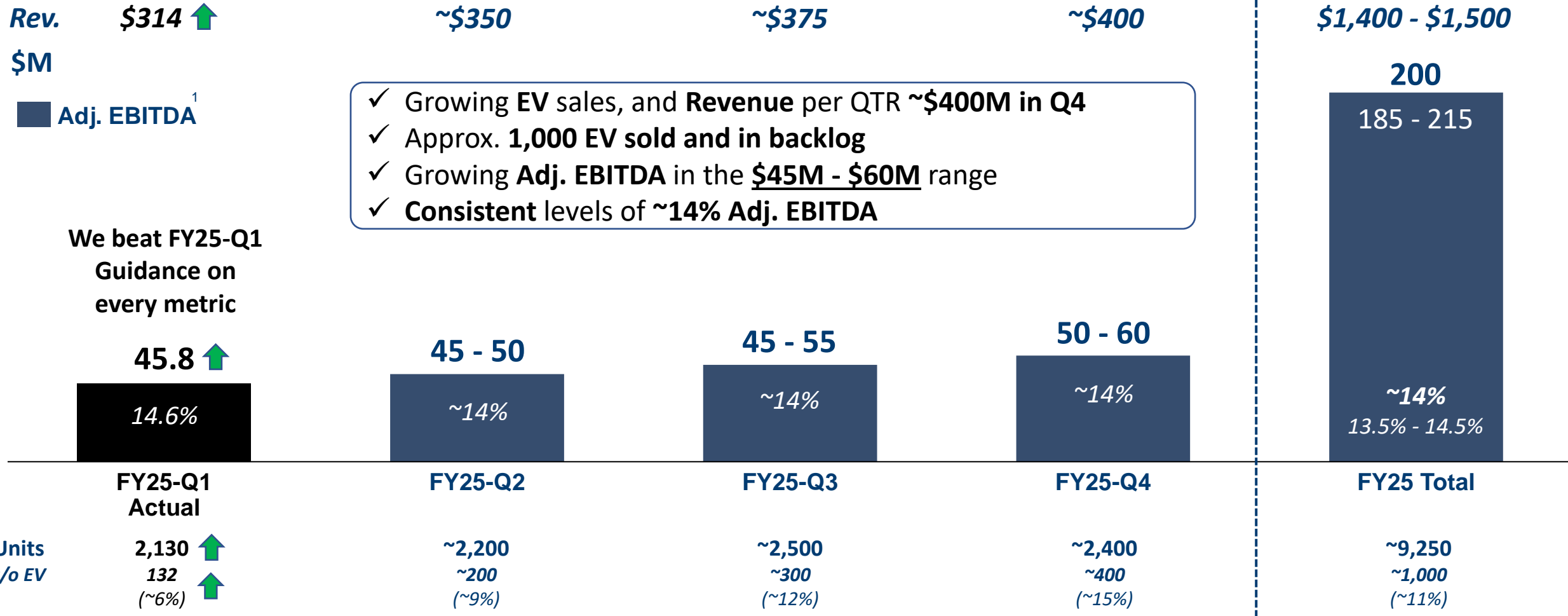
**USMCA exemptions help**  
***Significant China EV impact***

**COGS timing effects vary**  
***Target is margin neutral***



**Blue Bird is prepared to manage Tariffs; China exposure creates Q4 EV volume risk**

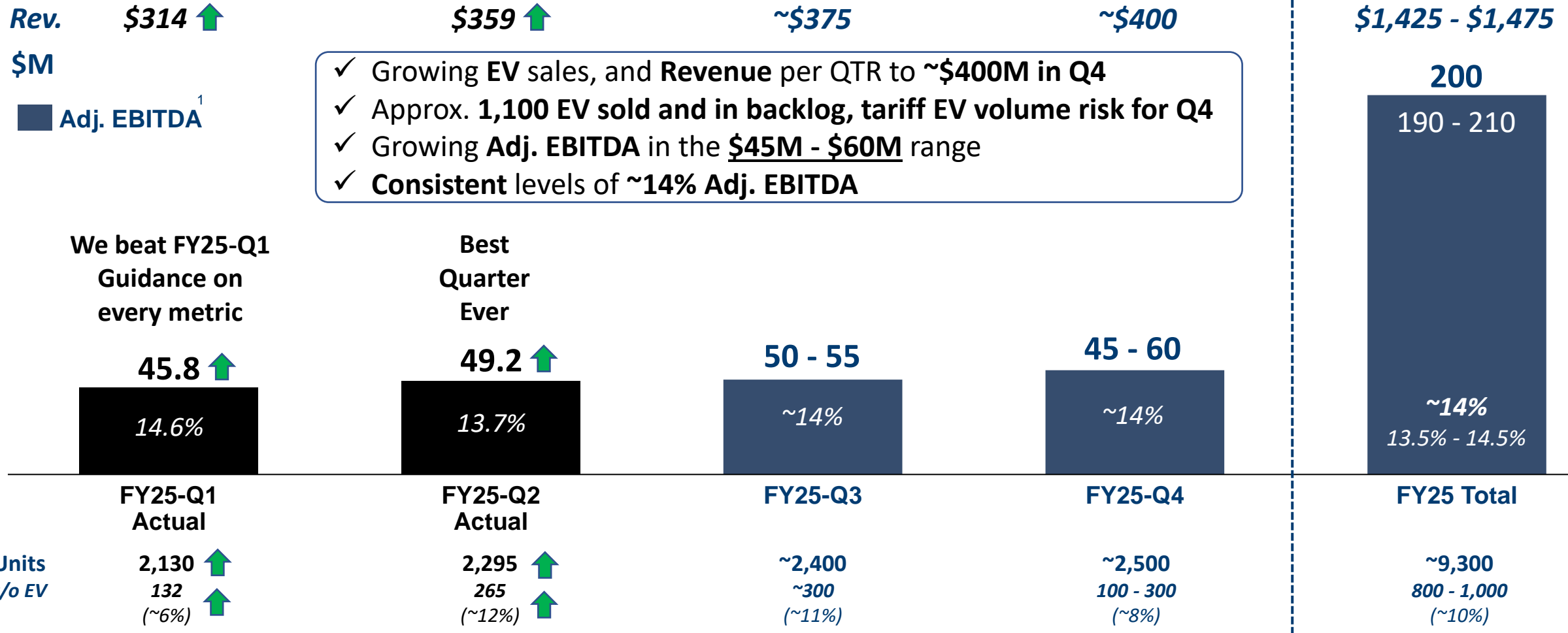
# FY2025 Quarterly Guidance – PREVIOUS Earnings Call



**We beat FY25-Q1 Guidance on every metric; confirming ~1,000 EVs in FY2025**

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

# 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
<b>t/o EV Units</b>	~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%)**



# 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>
Net Revenue	\$1,347	\$1,400 - \$1,500	\$1,400 - \$1,500	\$1,425 - \$1,475	\$78 - \$128
Adj. EBITDA <sup>1</sup>	\$183	\$190 - \$210	\$185 - \$215	\$190 - \$210	\$7 - \$27
Adj. Free Cash Flow <sup>1</sup>	\$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)

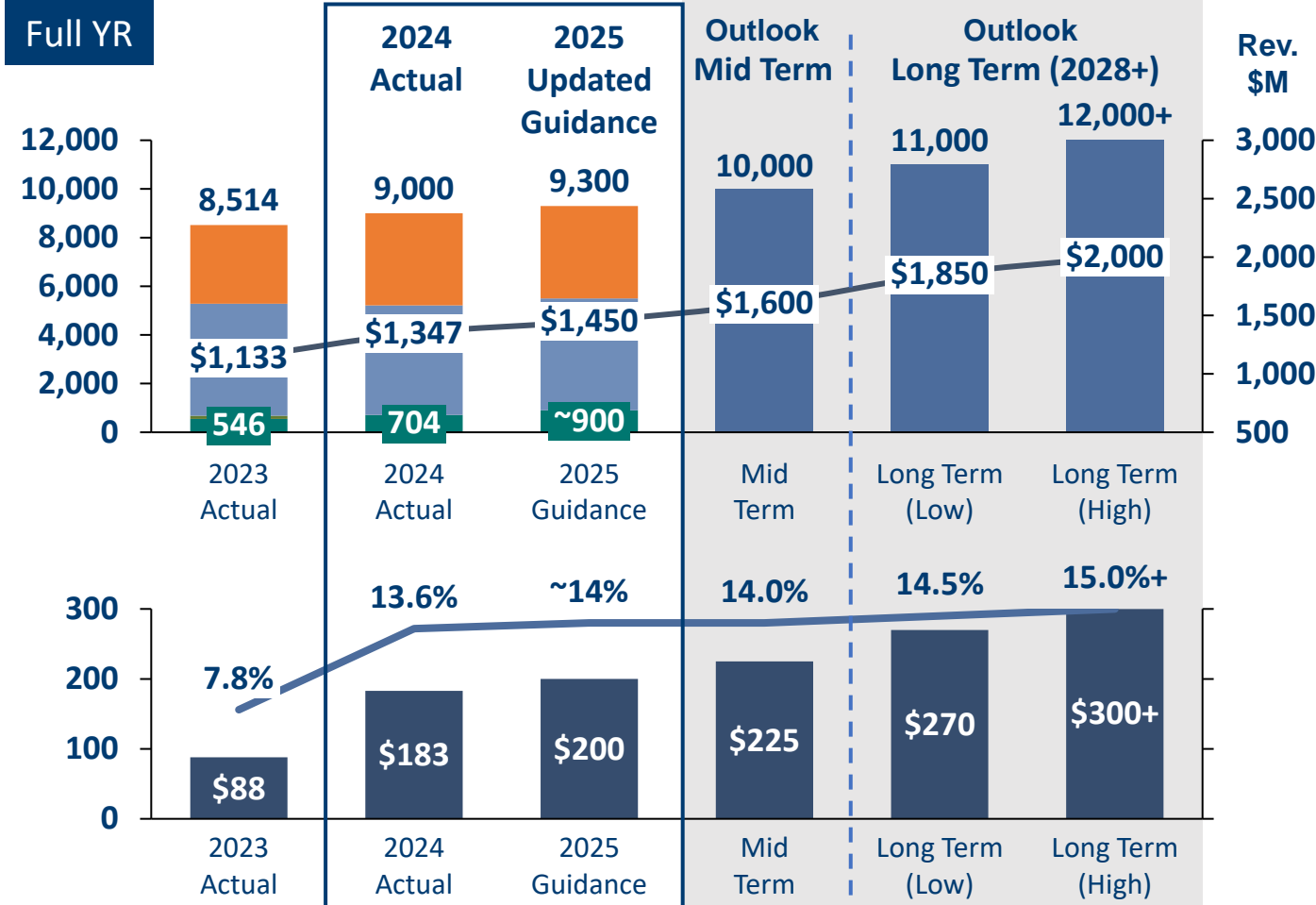
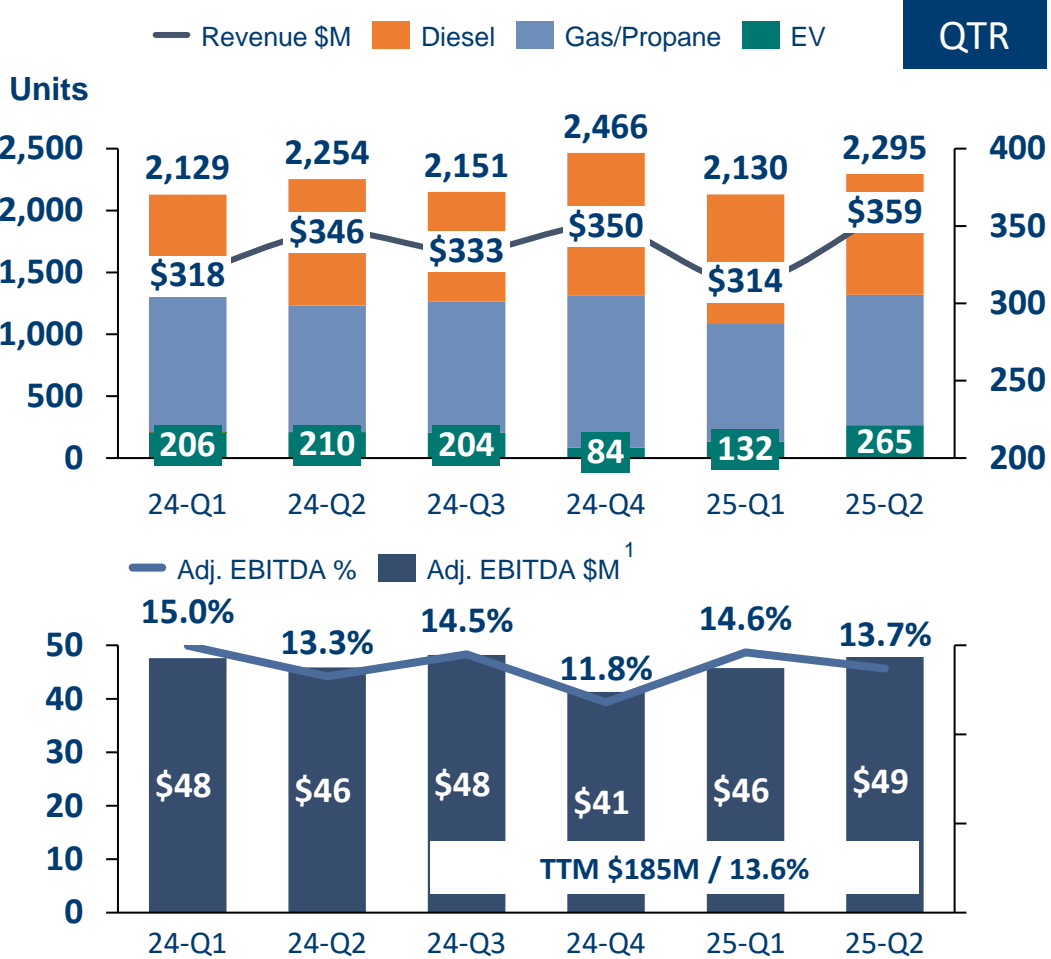


**FY2025 expected to be a new record for Blue Bird for both top-line and bottom-line results**

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



# 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



# OUTLOOK

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**John Wyskiel**  
**President & CEO**

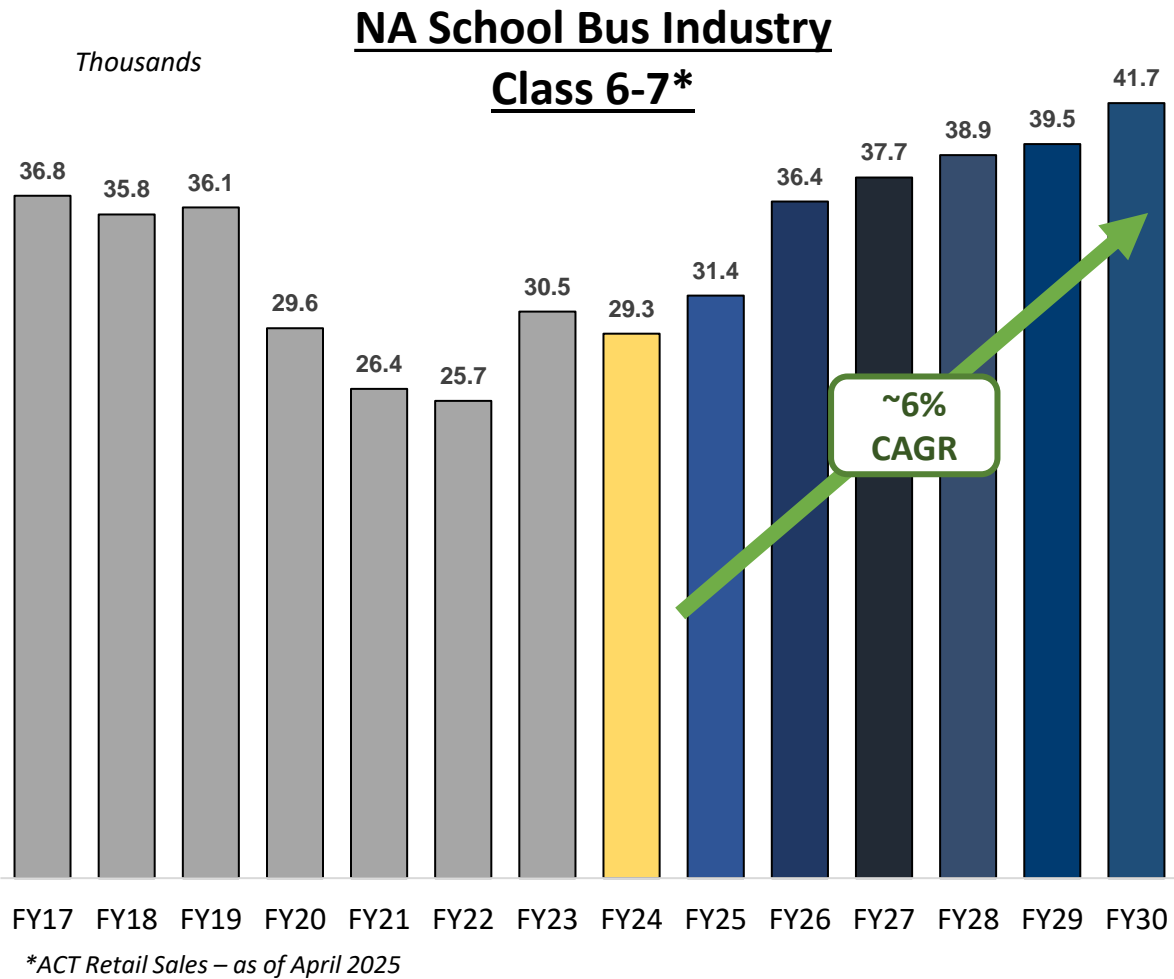
# The Blue Bird Value System



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

# 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



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

# Wrap Up – Key Messages From John Wyskiel

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- An almost century old company, an iconic brand and a great American story
- We delivered record Quarterly Sales and Adjusted EBITDA of \$359M / \$49M
- Maintaining guidance for the year, despite the challenging tariff environment
- Demonstrated and proven resilience, we are prepared for this moment
- Our performance has put us in a position to look and invest for the long-term
- Entering new segments, Commercial Chassis with a Best-in-Class product
- Executing on an exciting future with continued profitable growth

**Record results, maintained Guidance, a great history, and an exciting future!**





# Q&A

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# APPENDIX

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# 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	<u>\$ 18,748</u>	<u>\$ 51,815</u>	<u>\$ 40,564</u>	<u>\$ 49,128</u>
Cash paid for stockholder transaction costs	—	1,933	—	3,154
Cash paid for other items	—	(1)	—	(83)
Adjusted free cash flow	<u>18,748</u>	<u>53,747</u>	<u>40,564</u>	<u>52,199</u>

# 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

# End

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