Hennessy Capital Acquisition Corp.

Acquisition of Blue Bird Corporation

Investor Presentation

January 2015

HENNESSY CAPITAL

BLUE BIRD®

A heritage of looking ahead.

Important Disclaimers

Confidentiality

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Use of Projections

This presentation and the preliminary proxy statement referred to below contain financial forecasts with respect to Blue Bird's projected net revenues and Adjusted EBITDA for Blue Bird's fiscal 2015. Neither Hennessy Capital's independent auditors, nor the independent registered public accounting firm of Blue Bird, audited, reviewed, compiled, or performed any procedures with respect to the projections for the purpose of their inclusion in this presentation and the preliminary proxy statement, and accordingly, neither of them expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this presentation or the preliminary proxy statement. PricewaterhouseCoopers LLP and KPMG LLP did not audit, review, compile or perform any procedures with respect to that information and has not expressed any opinion or any other form of assurance with respect thereto. These projections should not be relied upon as being necessarily indicative of future results. Reference is made to pages 145-149 of the preliminary proxy statement for a full description of the limitations associated with these forecasts.

In this presentation, certain of the above-mentioned projected information has been repeated (in each case, with an indication that the information is an estimate and is subject to the qualifications presented herein), for purposes of providing comparisons with historical data. The assumptions and estimates underlying the prospective financial information are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. Accordingly, there can be no assurance that the prospective results are indicative of the future performance of Hennessy Capital or Blue Bird or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

Important Disclaimers (continued)

Forward Looking Statements

This presentation includes “forward looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "forecast," "intend," "seek," "target," “anticipate,” “believe,” “expect,” “estimate,” “plan,” “outlook,” and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Such forward looking statements include projected financial information. Such forward looking statements with respect to revenues, earnings, performance, strategies, prospects and other aspects of the businesses of HCAC, Blue Bird and the combined company after completion of the proposed business combination are based on current expectations that are subject to risks and uncertainties. A number of factors could cause actual results or outcomes to differ materially from those indicated by such forward looking statements. These factors include, but are not limited to: (1) the failure of the parties to consummate the transactions contemplated by the definitive purchase agreement relating to the proposed business combination (the “Purchase Agreement”) including the occurrence of any event, change or other circumstances that could give rise to the termination of the Purchase Agreement; (2) the outcome of any legal proceedings that may be instituted against Blue Bird or HCAC arising from the announcement of the proposed business combination and transactions contemplated thereby; (3) the inability to complete the transactions contemplated by the proposed business combination due to the failure to obtain approval of the stockholders of HCAC, or the failure to satisfy other conditions to closing in the Purchase Agreement; (4) the inability to obtain or maintain the listing of the post-combination company’s common stock on NASDAQ following the business combination; (5) the risk that the proposed business combination disrupts current plans and operations as a result of the announcement and consummation of the transactions described herein; (6) the inability to recognize the anticipated benefits of the business combination, which may be affected by, among other things, competition, and the ability of the combined business to grow and manage growth profitably; (7) costs related to the business combination; (8) changes in applicable laws or regulations; (9) the possibility that Blue Bird or HCAC may be adversely affected by other economic, business, and/or competitive factors; and (10) other risks and uncertainties indicated from time to time in the proxy statement, including those under “Risk Factors” therein, and other documents filed or to be filed with the Securities and Exchange Commission (“SEC”) and delivered to HCAC's stockholders. You are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. HCAC and Blue Bird undertake no commitment to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise. In most instances, where third party sources are identified in this presentation, the information has been derived by Blue Bird management from the source data.

Use of Non-GAAP Financial Measures

This presentation includes non-GAAP financial measures, including Adjusted EBITDA, Adjusted EBITDA Margin and Net Debt. Adjusted EBITDA involves certain adjustments to EBITDA, which is calculated as earnings before interest, taxes, depreciation and amortization (“EBITDA”). Adjusted EBITDA includes add-backs for Restructuring costs, Non-recurring Management Incentive Compensation and other non-recurring expenses. Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by total revenues. Net Debt is defined as Total Debt less Cash and Cash Equivalents. You can find the reconciliation of these measures to the nearest comparable GAAP measures elsewhere in this presentation. Except as otherwise noted, all references herein to full-year periods refer to Blue Bird’s fiscal year, which ends on the Saturday closest to September 30.

Blue Bird believes that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Blue Bird’s financial condition and results of operations. Blue Bird’s management uses these non-GAAP measures to compare Blue Bird’s performance to that of prior periods for trend analyses, for purposes of determining management incentive compensation, and for budgeting and planning purposes. These measures are used in monthly financial reports prepared for management and Blue Bird’s board of directors.

Blue Bird believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends. Management of Blue Bird does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. We have not reconciled the non-GAAP forward looking information to their corresponding GAAP measures because we do not provide guidance for the various reconciling items such as stock-based compensation, provision for income taxes and depreciation and amortization, as certain items that impact these measures are out of our control or cannot be reasonably predicted. You should review Blue Bird’s audited financial statements, which are and will be presented in HCAC's proxy statement filings with the SEC, including the proxy statement to be delivered to HCAC’s stockholders, and not rely on any single financial measure to evaluate Blue Bird’s business.

Other companies may calculate Adjusted EBITDA and other non-GAAP measures differently, and therefore our Adjusted EBITDA and other non-GAAP measures and that of Blue Bird may not be directly comparable to similarly titled measures of other companies.

Important Disclaimers (continued)

Additional Information

The proposed business combination will be submitted to stockholders of HCAC for their consideration. In connection with that approval, HCAC has filed with the SEC a preliminary proxy statement containing information about the proposed transaction and the respective businesses of Blue Bird and HCAC. Stockholders are urged to read the preliminary proxy statement and the definitive proxy statement when it becomes available because they will contain important information. Stockholders will be able to obtain a free copy of the proxy statement, as well as other filings containing information about HCAC, without charge, at the SEC's Internet site (www.sec.gov). Copies of the proxy statement can also be obtained, without charge, by directing a request to Charles Lowrey, Executive Vice President & CFO, 700 Louisiana Street, Suite 900, Houston, Texas 77002.

Important Information about the Warrant Exchange Offer

HCAC has commenced an exchange offer for HCAC's outstanding warrants. This presentation is neither an offer to exchange nor a solicitation of an offer to sell any securities. The solicitation and the offer to exchange HCAC's public warrants are being made solely pursuant to an offer to exchange and related materials that HCAC has filed with the SEC on January 7, 2015, as exhibits to the HCAC tender offer statement on Schedule TO. The Schedule TO (including an offer to exchange, a related letter of transmittal and other offer documents) contains important information that should be read carefully and considered before any decision is made with respect to the exchange offer. These materials are being sent free of charge to holders of HCAC's outstanding warrants. In addition, all of these materials (and all other materials filed by HCAC with the SEC) are available at no charge from the SEC through its website at www.sec.gov. Security holders may also obtain free copies of the documents filed with the SEC by HCAC by directing a request to: Morrow & Co., LLC, HCAC's information agent, at 470 West Avenue, 3rd Floor, Stamford, CT 06902, or by phone at (800) 662-5200 or email at hennessy.info@morrowco.com. Holders of HCAC's outstanding warrants are urged to read the exchange offer documents and the other relevant materials (as they become available) before making any investment decision with respect to the exchange offer because they contain important information about the exchange offer and the transaction.

Participants in the Solicitation

HCAC and its directors and executive officers and other persons may be deemed to be participants in the solicitations of proxies from HCAC's stockholders in respect of the proposed business combination and the other matters set forth in the proxy statement. Information regarding HCAC's directors and executive officers and a description of their direct and indirect interests, by security holdings or otherwise, is contained in the Company's preliminary proxy statement for the Business Combination, which has been filed with the SEC.

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Daniel J. Hennessy

Chairman and CEO, HCAC

Hennessy Capital Acquisition Corp.

- Hennessy Capital is a special purpose acquisition company formed in Delaware on September 24, 2013 for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination

- Hennessy Capital's securities are traded on NASDAQ under the symbols HCAC, HCACU and HCACW and will convert to BLBD and BLBDW after the closing of the Business Combination

- Cash in trust account at HCAC at September 30, 2014 was $115 million

- Hennessy Capital selected Blue Bird from a candidate list of over 125 companies and after interviews with representatives of 19 potential acquisition targets

HCAC View of Blue Bird

- ❖ **An iconic school bus brand**
- ❖ **Engaged and committed leadership team with a proven ability to drive productivity, growth and free cash flow**
- ❖ **Substantial growth opportunities from both domestic industry recovery and market share gains in existing and new markets**
- ❖ **Attractive valuation that is well positioned relative to public market comparables**
- ❖ **Strong support from a committed sponsor with significant equity rollover**

Transaction Overview

Transaction Overview	❖ HCAC will acquire all of the outstanding capital stock of School Bus Holdings Inc., the indirect parent company of Blue Bird Corporation ("Blue Bird" or the "Company") ❖ HCAC stockholders, including the founders, will collectively own 57.6% of the pro forma combined company[(1)] and an affiliate of Cerberus Capital Management, L.P. will continue to own 42.4% of Blue Bird equity[(1)] ❖ Entity expected to be listed on NASDAQ post business combination and take the name of Blue Bird Corporation ❖ 12,125,000 outstanding HCAC Warrants will be exchanged for 1,212,500 shares of HCAC common stock as part of the transaction ❖ Transaction anticipated to close promptly after the stockholders' meeting scheduled for February 9th
Consideration	❖ Transaction value of $469 million ➢ 7.0x FY2014 Adjusted EBITDA of $67 million ➢ 6.3x to 6.5x FY2015E Adjusted EBITDA of $72 to $75 million[(2)]

(1) Assumes no redemption of cash in trust account and does not include shares underlying Convertible Preferred Stock or outstanding warrants, other than the 1,212,500 shares mentioned above
(2) See "Important Disclaimers" for information regarding FY 2015 estimated information

Sources and Uses

($ in millions)

Sources

	$	%
HCAC Cash	$ 115	41%
Convertible Preferred Stock	40	14%
Reinvestment of Existing Stockholders' Equity	115	41%
Cash from Blue Bird's Balance Sheet	10	4%
Total Sources	**$ 280**	**100%**

Uses

	$	%
Cash Purchase Price	$ 140	50%
Reinvestment of Existing Stockholders' Equity	115	41%
Transaction Expenses	25	9%
Total Uses	**$ 280**	**100%**

Note: Assumes no redemption of cash in trust

Pro Forma Capitalization (1)

($ in millions)

Cash on Balance Sheet	**$**	**53**
Total Debt (incl. Capital Leases)	$	223
Convertible Preferred Stock		40
Market Equity Capitalization (2)		271
Total Capitalization	**$**	**534**
Pro Forma Enterprise Value		**481**

Pro Forma Ent. Value / FY2015E Adj. EBITDA (3)	**6.4 - 6.7x**
Net Debt / FY2014 Adj. EBITDA (4)	**2.5x**

(1) Debt and cash balances as of September 27, 2014, pro forma for closing of transaction. Assumes no redemption of cash in trust

(2) Market Equity Capitalization based on pro forma share count including issuance of 1,212,500 shares pursuant to the Warrant Exchange Offer and Sponsor Warrant Exchange and $10.00 per share price; excludes shares underlying all other public and placement warrants

(3) See "Important Disclaimers" for information regarding FY 2015 estimated information

(4) Net debt is defined as total debt ($223 million) less cash and cash equivalents ($53 million), or $170 million

Pro Forma Ownership

(amounts in millions)

	Assumes No Conversion of Preferred Stock (1)		Assumes Conversion of Preferred Stock (1)(2)	
	Common Stock	%	Common Stock	%
Cerberus Affiliate	11.5	42.4%	11.5	37.7%
HCAC Public Stockholders (3)	12.1	44.6%	12.1	39.6%
HCAC Founders (4)	3.5	13.0%	3.5	11.5%
PIPE Investment Investor	0.0	0.0%	3.4	11.2%
Total	27.1	100.0%	30.5	100.0%

(1) Assumes no redemption of cash in trust account; figures per proxy statement
(2) Based on an assumed conversion price of $11.75 per share, which may be adjusted from time to time
(3) Share count assumes the issuance of 575,000 shares of Hennessy Capital common stock pursuant to the Public Warrant Exchange Offer; excludes shares underlying all other public warrants
(4) Share count assumes the Issuance of 637,500 shares of Hennessy Capital common stock pursuant to the Sponsor Warrant Exchange; excludes shares underlying all other placement warrants

The New Blue Bird Board of Directors

Directors	Management and Board Experience	Age	Years Blue Bird
Chan Galbato *Chairman*	Cerberus Operations and Advisory Co. *(CEO),* Invensys *(President, Controls Division)*, The Home Depot *(President, Services Division)*, Armstrong Floor Products *(CEO)* Board: YP Holdings *(Chairman),* DynCorp, Steward Health Care	51	5
Daniel Hennessy *Vice Chairman*	Hennessy Capital *(Chairman & CEO),* Code Hennessy & Simmons *(Founding Partner)* Board: Thermon Group *(Chairman)*, Dura-Line *(Chairman)*	57	--
Phil Horlock *President & CEO*	Ford Motor Company *(CFO Asia Pacific & Africa; Chairman & CEO Ford Motor Land Development; Controller, Corporate Finance; Controller, Global Sales & Marketing)* Board: LoJack Corporation	58	5
Gurminder Bedi *Director*	Ford Motor Company *(VP of North America Truck)* Board: Compuware *(Chairman)*, KEMET, Actuant	67	--
Kevin Charlton *Director*	Hennessy Capital *(President & COO)*, River Hollow Partners *(Managing Partner)*, Macquarie Capital *(Managing Director)*, Investcorp *(Managing Director)* Board: Spirit Realty, FleetPride	48	--
Dennis Donovan *Director*	Cerberus Operations and Advisory Co. *(Vice Chairman),* The Home Depot *(EVP HR)*, Raytheon *(SVP HR)*, GE	65	6
Dev Kapadia *Director*	Cerberus Capital Management *(Managing Director)*, The Carlyle Group Board: Tower International	43	8
James Marcotuli *Director*	Cerberus Operations and Advisory Co. *(Senior Operating Executive),* North American Bus Industries (CEO), Lockheed Martin	55	1
Alan Schumacher *Director*	American National Can (CFO) Board: Federal Accounting Standards Advisory Board, Bluelinx, Evertec, Quality Distribution, Noranda Aluminum Holding Corporation	67	6

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Phil Horlock

President and CEO

Blue Bird

Blue Bird Highlights & Agenda

Highlights

- **Iconic and Fastest Growing School Bus Brand**
  - Bus sales volume (units) up more than 40% since 2010
  - North American market share up from 23% in 2010 to an estimate of 30-31% in 2014
- **Undisputed Leader in Alternative Fuel-Powered Bus Sales**
  - Sold approximately 6x more alternative-fuel buses than all competitors combined since 2010
  - Proprietary and class-leading propane buses with proven lower cost per mile than diesel buses
- **Downside Risk Mitigation**
  - Break-even volume (based on Adj. EBITDA) of 315 units per month in 2014 compared with 400 in 2010
  - Strong liquidity and cash flow
- **Significant Upside Potential**
  - Early stages of school bus industry rebound following trough in 2011
  - Only ~360 customers have purchased propane to date from potential of ~10,000
  - Present and future products focus on affordable and exclusive differentiation
  - Proven track record in reducing costs and growing bus and parts sales
  - Central and South America and Middle East are new-market growth opportunities
- **Experienced and committed management team that delivers results**

Agenda

Why Blue Bird → What We've Done → Where We're Going

Why Blue Bird

Why Blue Bird → **What We've Done** → **Where We're Going**

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Experienced Management Team

Name	Position	Key Prior Experience	Years	
			Auto Industry	Blue Bird
Phil Horlock	*President & Chief Executive Officer*	Ford	37	5
Phil Tighe	*Chief Financial Officer*	Ford	38	2
John Kwapis	*Chief Operating Officer*	GM, Johnson Controls, accenture	29	5
Dale Wendell	*Chief Commercial Officer*	Ford	38	3
Mike McCurdy	*VP HR & External Affairs*	olan mills	15	15
Paul Yousif	*VP Legal Affairs & Treasurer*	Visteon	14	7
Dave Whelan	*SVP Supply Chain & Quality*	CNH	12	12
Dennis Whitaker	*VP Engineering*	Blue Bird	35	35
John McKowen	*VP Manufacturing*	Visteon	18	8
Bill Landreth	*VP Service Parts*	Freightliner	40	1
Jeff Terlep	*VP Marketing & Product Planning*	Ford, AGCO	22	New
Dean Coulson	*VP International & Commercial Bus*	Meritor	17	12
Jeff Carpenter	*VP North American Sales*	Blue Bird	30	30
Trey Jenkins	*VP Alternative Fuels*	PACCAR	22	5

Strong Reputation

- Blue Bird is the school bus brand most likely to be recommended [(1)]
- Singularly focused on building the world's finest school bus
  - Purpose-built chassis designed exclusively for safe transportation of school children
  - Passionate about safety, quality, durability and serviceability
  - Innovation that leads to unique-and-affordable features

Key Blue Bird Industry Innovations

- All Steel-Body School Bus (1937)
- All American Forward Engine (1948)
- Rear Engine Chassis (1978)
- First CNG School Bus (1991)
- First Propane School Bus (1992)
- First All-Electric School Bus (1994)
- Type C on Unique School Bus Chassis (2003)
- First OEM-Manufactured Propane Bus (2007)
- Ford/Roush CleanTech Propane Bus (2012)
- OEM-installed telematics (2014)

(1) Source: VSA Partners Research 3/22/2013 (study commissioned by Blue Bird)

Blue Bird is an iconic brand with a track record of innovation

Product-Focused Company

Full Product Range

"Build the Best Bus"

- Expansive & innovative product cycle plans
- Proven product development process
- Leader in alternative fuels
- Exclusive engine offerings
- Differentiated product features
- Research-driven product enhancements
- Extensive aftersales service and support

Type C Buses
65% Net Sales
(2014)

Type D Buses
22% Net Sales
(2014)

Type A Buses
(Unconsolidated)

Aftermarket
6% Net Sales
(2014)

Specialty Buses
7% Net Sales
(2014)

Focus on translating market wants into sustainable growth

Product Leadership

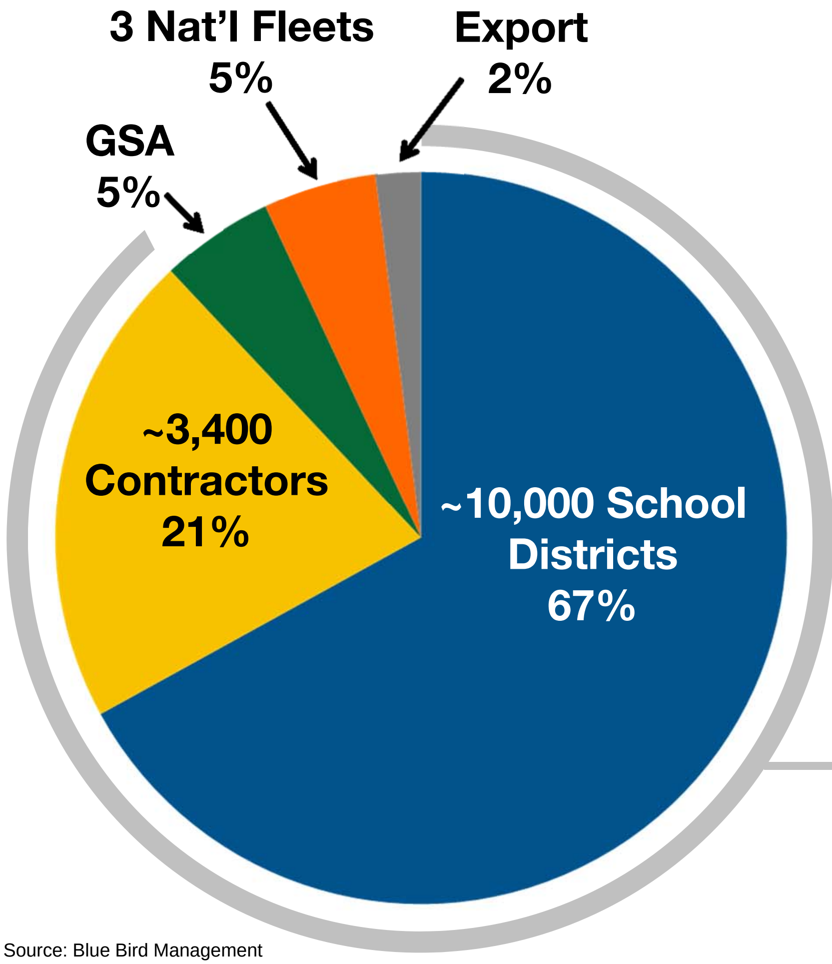
Ranked in Order of Importance [(1)]	Blue Bird	Competitor A	Competitor B
#1 Safety		--	--
#2 Quality, Reliability & Durability		--	--
#3 Operating Costs		--	--
#4 Acquisition Cost	--	✓	--
#5 How the Bus Drives		--	--

Source: Freedonia Custom Research, Inc. 9/4/2013 (study commissioned by Blue Bird)
(1) Checkmarks/Corp. Logo indicate leadership in category

Blue Bird viewed as the leader in four of the five top attributes

Strong Dealer Network

Blue Bird
FY2014 Sales by Customer Type



Source: Blue Bird Management

Blue Bird
North American Dealer Network

Note: Many dealers have multiple locations

49 U.S. & Canadian dealers address ~3,400 Contractors & ~10,000 Districts

Customer base is diverse

Industry with High Barriers to Entry

- **Substantial production complexity**
  - Stringent, industry-specific regulatory specifications
  - Unique customer requirements at both state and district levels
  - ~14,000 active production parts/bus
  - Average same-bus order less than 2 units
  - Labor-intensive production process with high employee know-how
- **Significant capital and expertise required**
  - Initial investment in facilities and tooling
  - Significant engineering to meet Federal and state regulations
  - Development of an extensive distribution and service channel with strong community ties
- **Conservative customers who demand proven products**

Industry comprised of three material competitors since 2000

What We’ve Done

Why Blue Bird → **What We’ve Done** → Where We’re Going

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Transformational Initiatives

Operational

- Reduced product cost and improved quality, cutting warranty claims by 39%
- Placed more than 85% of material purchases on long term contracts
- Launched several leading and proprietary product features
- Increased productivity by reducing assembly plants from 2 to 1
- Cut complexity by reducing body styles from 8 to 3
- Added 25% more capacity with 5-crew rolling shifts

2009 2010 2011 2012 2013 2014

Commercial

- Institutionalized robust customer planning process with dealer body
- Formed JV with industry leader to design, produce and sell Type A bus
- Started growing relationships with national fleets
- Grew propane bus business with proprietary product offering
- Replaced 20% of dealer network
- Focused marketing on distinct product advantages
- Entered int'l business with Sigma bus for Bogota

Goal is sustained profitable growth

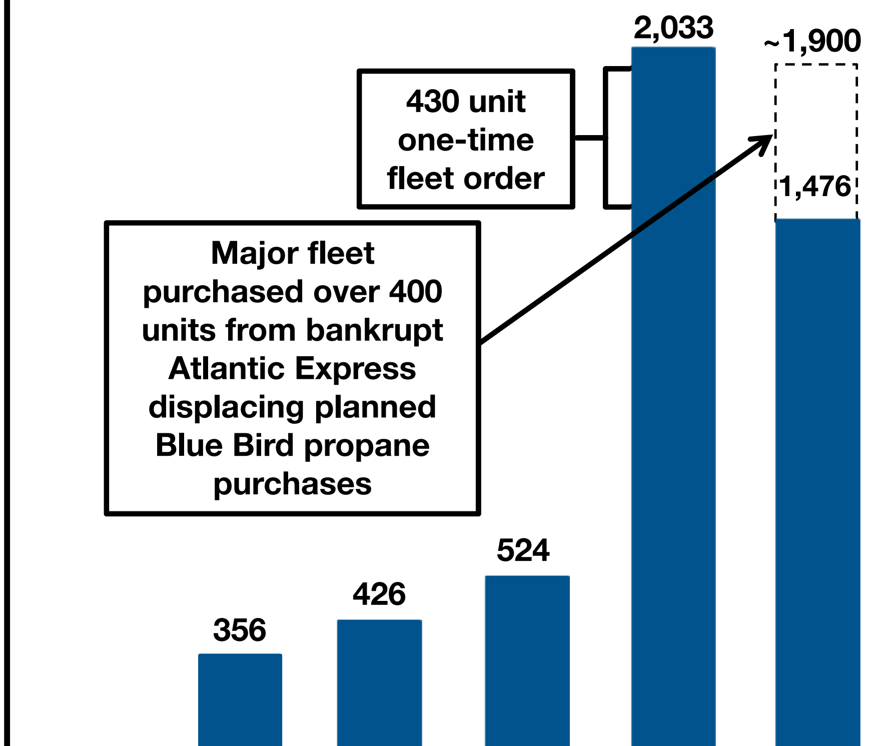
Propane Advantage

- Blue Bird sold approximately ~6x more alternative fuel buses than competitors combined since 2010
- Gained first mover advantage in propane with introduction in 2007
- Exclusive relationships with both Ford and Roush CleanTech
- Adoption of propane-powered buses is accelerating; run rate at about 20% of Blue Bird's mix
- Advantages are compelling
  - Lower fuel and maintenance costs
  - ~$0.20 per mile less expensive than diesel
  - Better cold weather starting
  - Less greenhouse exhaust gases
  - Low cost fueling stations
  - Quieter and easy to drive

"With today's tight school budgets, using a transportation fuel like propane autogas that saves taxpayers' money, keeps the environment clean, and keeps jobs within our national borders is a win-win for everyone."

- William Schofield, Superintendent
Hall County Schools
Gainesville, GA

Blue Bird Propane Sales (units)

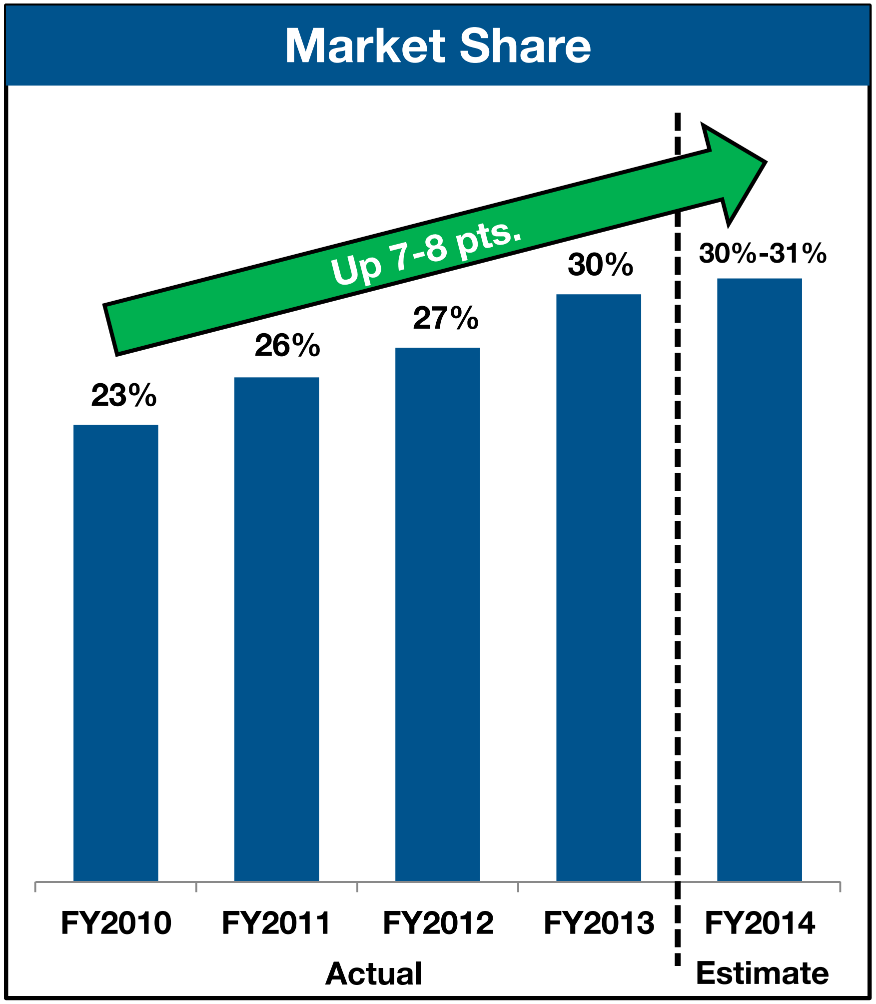


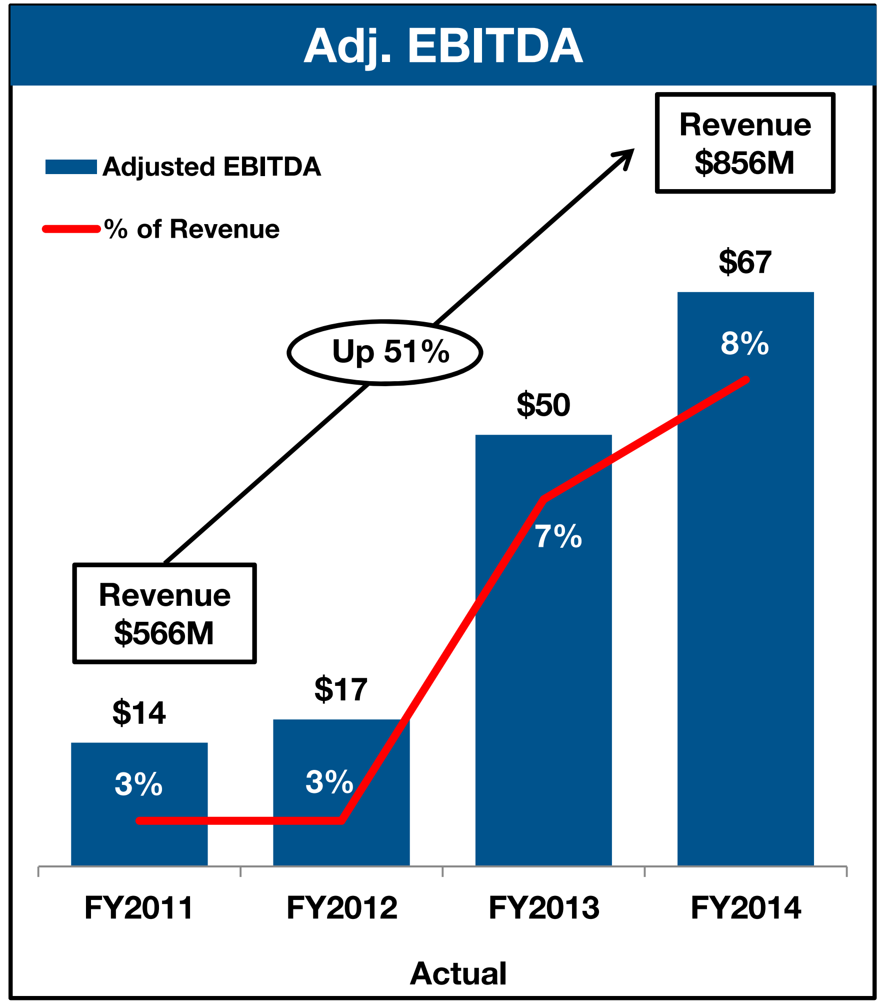
	FY2010	FY2011	FY2012	FY2013	FY2014
Cum. # of Customers Buying Propane	118	146	193	281	359

Blue Bird is the undisputed leader in propane bus sales

Strong Market Share and Profit Growth

($ in millions)





Track record of winning and growing the business

Where We're Going

Why Blue Bird → What We've Done → **Where We're Going**

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Future Growth & Profit Drivers

Industry Volume Upside

School Bus Market Recovery

+

Market Share Growth

Increasing Propane Penetration
Continuous Product Enhancements
Dealer Network Improvements

+

Higher Operating Margins

Drive Productivity
Deliver Parts Growth

+

New Markets & Products

International & Commercial Buses

=

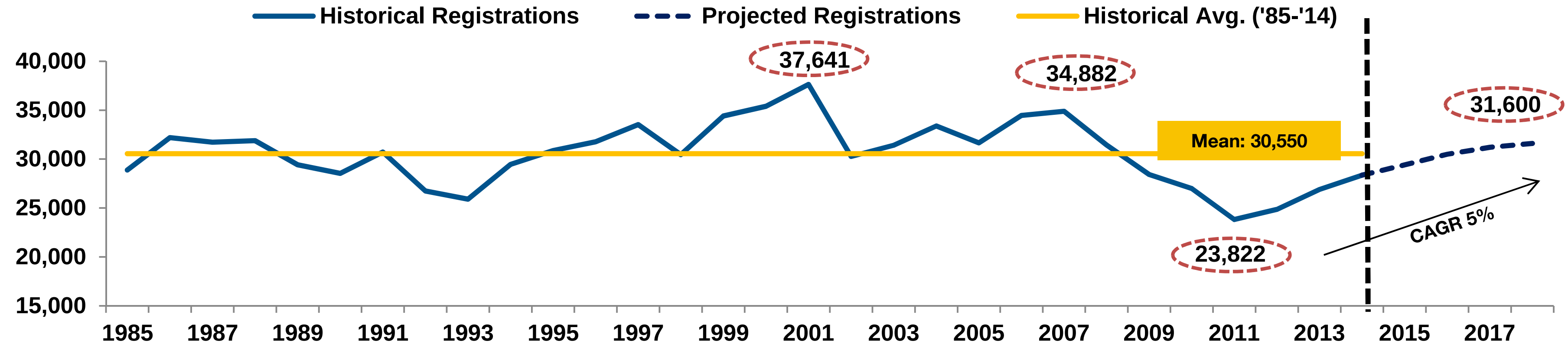
Future Growth & Profitability

Long-Term Financial Objective:
EBITDA 10%
of Sales

Build on track record of profitable growth

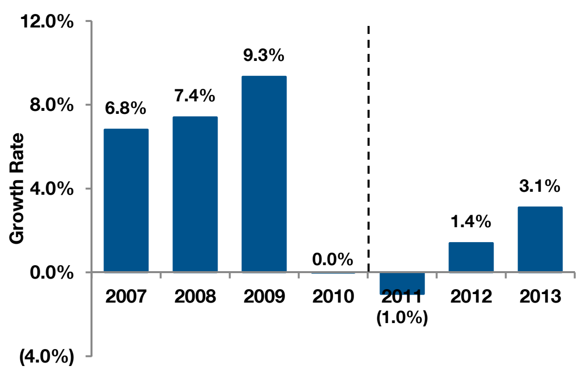
Early Stages of Industry Recovery

Type C/D School Bus Recovery



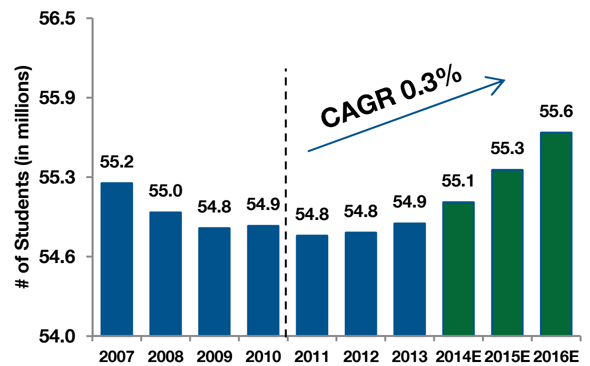
Source: Historical results are based on RL Polk vehicle registration data, and the estimated 2014-2016 periods are based on Blue Bird management's forecast model, which takes into account RL Polk vehicle registration data, population of school age children forecasts from the National Center for Education Statistics and bus ridership data collected and published by an industry magazine (School Transportation News)

U.S. Property Tax Revenue Recovery



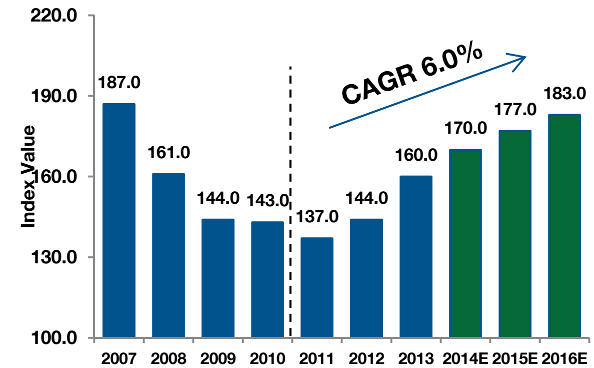
Source: U.S. Census Bureau

U.S. Total Student Enrollment



Source: National Center for Education Statistics

U.S. Aggregate Housing Price Index

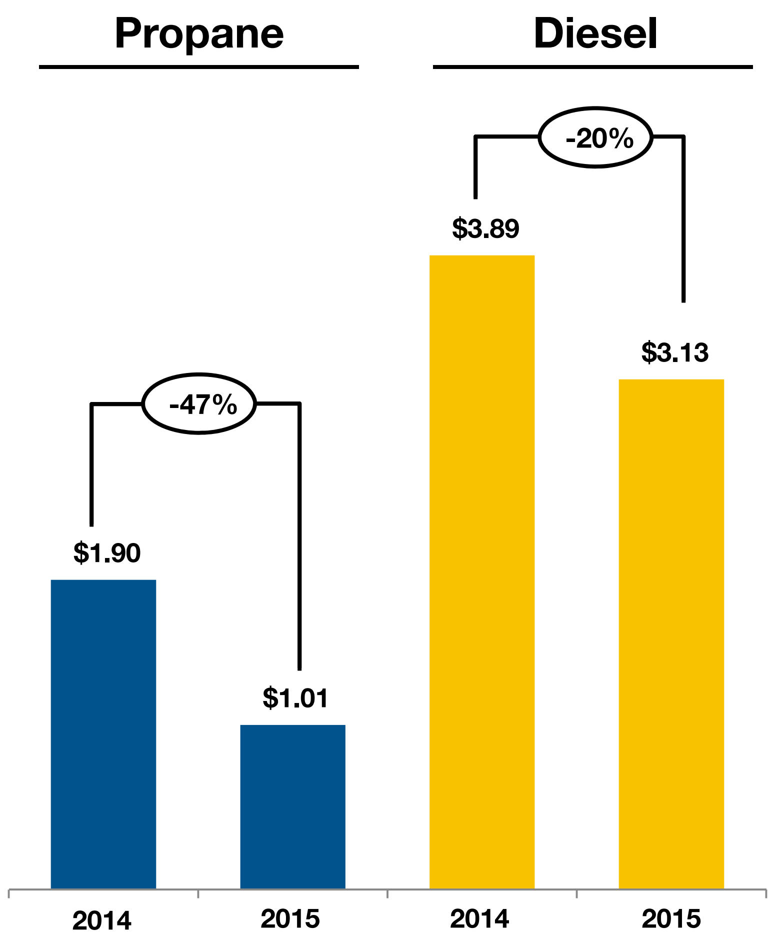


Source: CoreLogic House Price Index

Fundamentals support strong industry growth

Business Benefits from Lower Oil Prices

- **Fuel cost reductions have produced a greater benefit for propane buses to date**
  - The value proposition for propane buses relative to diesel has improved considerably
  - Propane autogas pricing has decreased 47% over the past year, while diesel has only decreased 20%
  - Lower propane prices could result in more converts from diesel to propane
- **Oil price reductions may have a positive impact on the school bus business**
  - Fuel costs make up a large portion of school transportation budgets
  - Lower fuel prices can translate into lower fuel spending and budget favorability
  - Funds that were budgeted for fuel can potentially be freed up for more school bus purchases
  - Some school districts enter longer term fuel contracts that lock in prices over a period of time, so these districts may not immediately benefit from price reductions



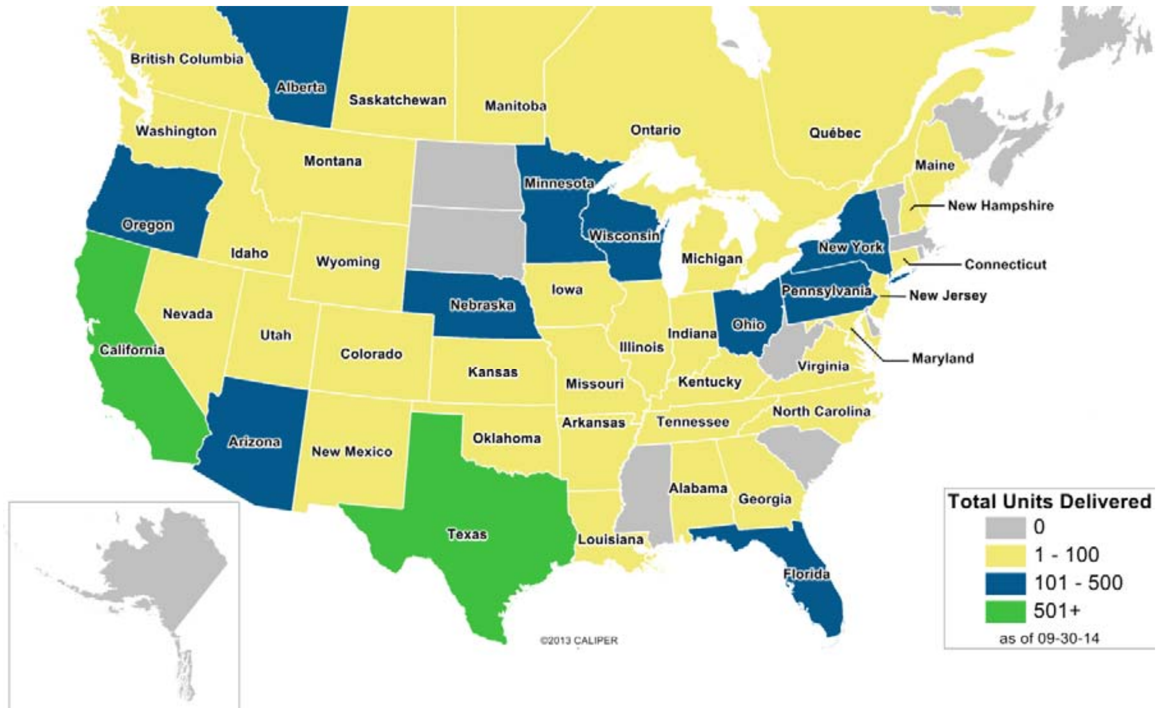
Source of fuel pricing: www.eia.gov January 2014 compared to January 2015 with typical propane mark-up over terminal price of $0.50 per gallon

Propane competitiveness is increasing;
Lower diesel fuel costs potentially support higher bus sales

Share Growth: Propane Opportunity

- ❖ Propane is an effective conquest tool that drives market share growth
- ❖ Early penetration of the market
  - ➢ Only ~360 of ~10,000 customers have tried propane
  - ➢ Customers that buy propane buses are purchasing more propane buses
  - ➢ Order sizes are growing as existing customers come back for more
- ❖ Superior product offering
  - ➢ Exclusive contracts with Ford and ROUSH CleanTech
  - ➢ Proven design with high customer satisfaction
  - ➢ Only company offering an extended-range fuel tank
  - ➢ Blue Bird is the undisputed sales leader in this segment

Fewer than 4% of Customers Have Tried Propane



Significant growth potential as many districts test propane

Share Growth: Product & Dealer Initiatives

Continuous Product Enhancements

- **Singular focus on buses**
  - Purpose-built school bus chassis
  - Leading quality, reliability & durability
  - Outstanding warranty performance
- **Leadership in propane**
  - Continue to enhance propane package
  - Leverage differentiators like exclusive Ford/ROUSH relationship and industry's only extended-range propane fuel tank
- **Steady stream of new products and industry-first innovations**
  - OEM telematics pre-wiring through exclusive partnership with Synovia
  - Industry-leading new E-Z windows
  - Proprietary powertrain offerings
  - Other differentiated products, features and services in the pipeline

Dealer Network Improvements

- **Dealer network is strong and getting stronger**
  - Improve or replace underperforming dealers
  - School bus focused dealerships
  - Using data to drive best practices
  - Enhanced marketing tools
- **Energized dealers will drive increased sales penetration**
  - Level of dealer engagement growing
  - New dealers that have replaced underperforming dealers are contributing to growth

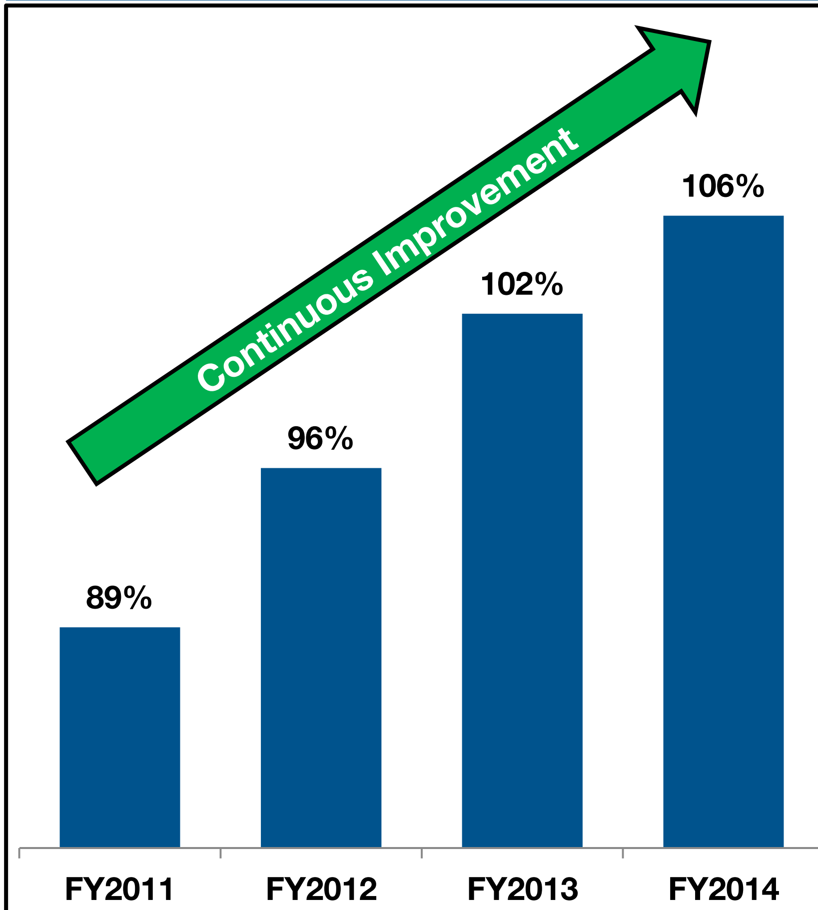
Focus on initiatives designed to grow market share

Margin Expansion: Productivity

Lower Break-Even

- Break-even volume (based on Adjusted EBITDA) was 315 units per month in 2014; down from 400 units per month in 2010
- Continuous improvement manufacturing mindset
  - Reduce overhead/unit
  - Increase labor productivity
  - Use and control of bulk materials
  - Reduce complexity
- Highly skilled workforce with average tenure of approximately 14 years
- No significant capacity investments required to support near-term growth

Labor Productivity



Note: Labor Productivity is Standard Hours per Bus divided by Actual Hours per Bus

Identified opportunities to continue enhancing margins

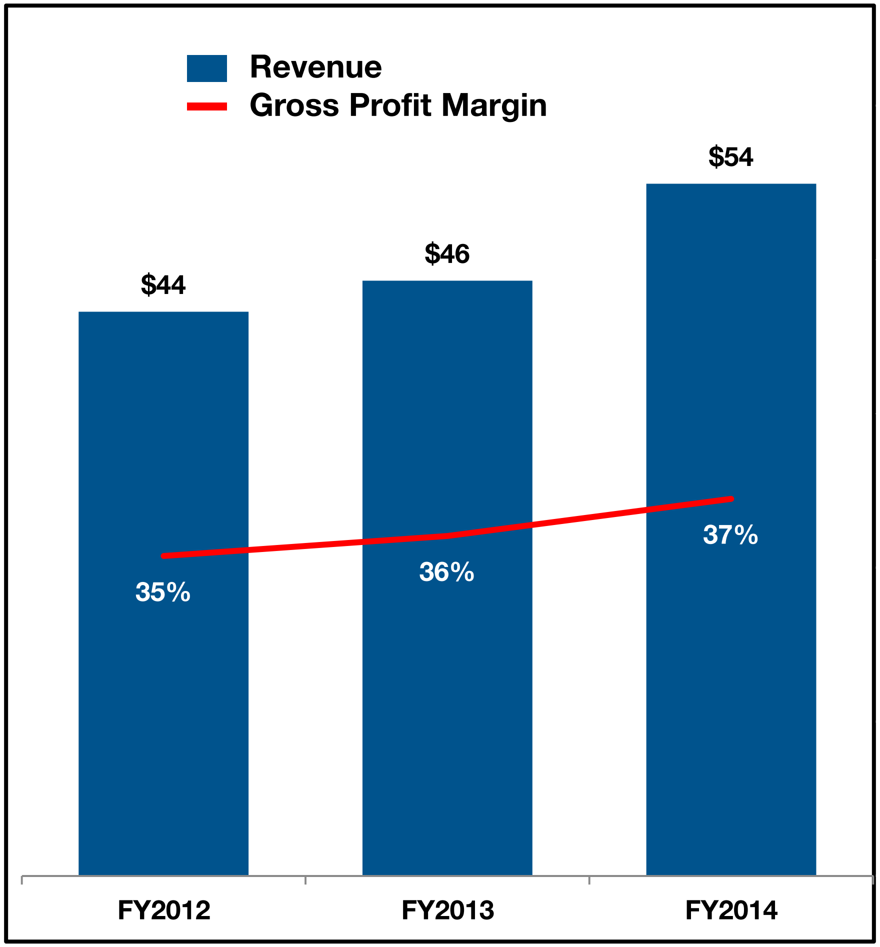
Margin Expansion: Growing Parts Business

($ in millions)

Parts Sales Outlook

- **Platform for growth**
  - Installed base of ~180,000 buses in North America
  - Blue Bird's dealers maintain ~250 dealer-authorized service locations across North America
  - New and experienced leadership
- **Focus of organic growth**
  - Direct sales to dealer-authorized service centers
  - Increased focus on best practices deployment
  - Electronic parts catalog
  - Increased merchandising of high volume parts
  - Direct marketing to end-customers

Parts Sales Revenue & Gross Margin



Growth in Parts revenue will drive margin expansion

New Markets & Growth Beyond School Buses

- Continue to grow Sigma Bus sales in Colombia and expand to other markets
- Continue to be preferred vehicle choice for General Services Administration (GSA)
- Grow international Type C & D bus sales through Bukkehave distributor
- Expand commercial bus business in North America
- Explore school bus sales opportunities in the Middle East
- Explore long-term service and vehicle refurbishment contracts

Will continually explore and pursue new growth opportunities

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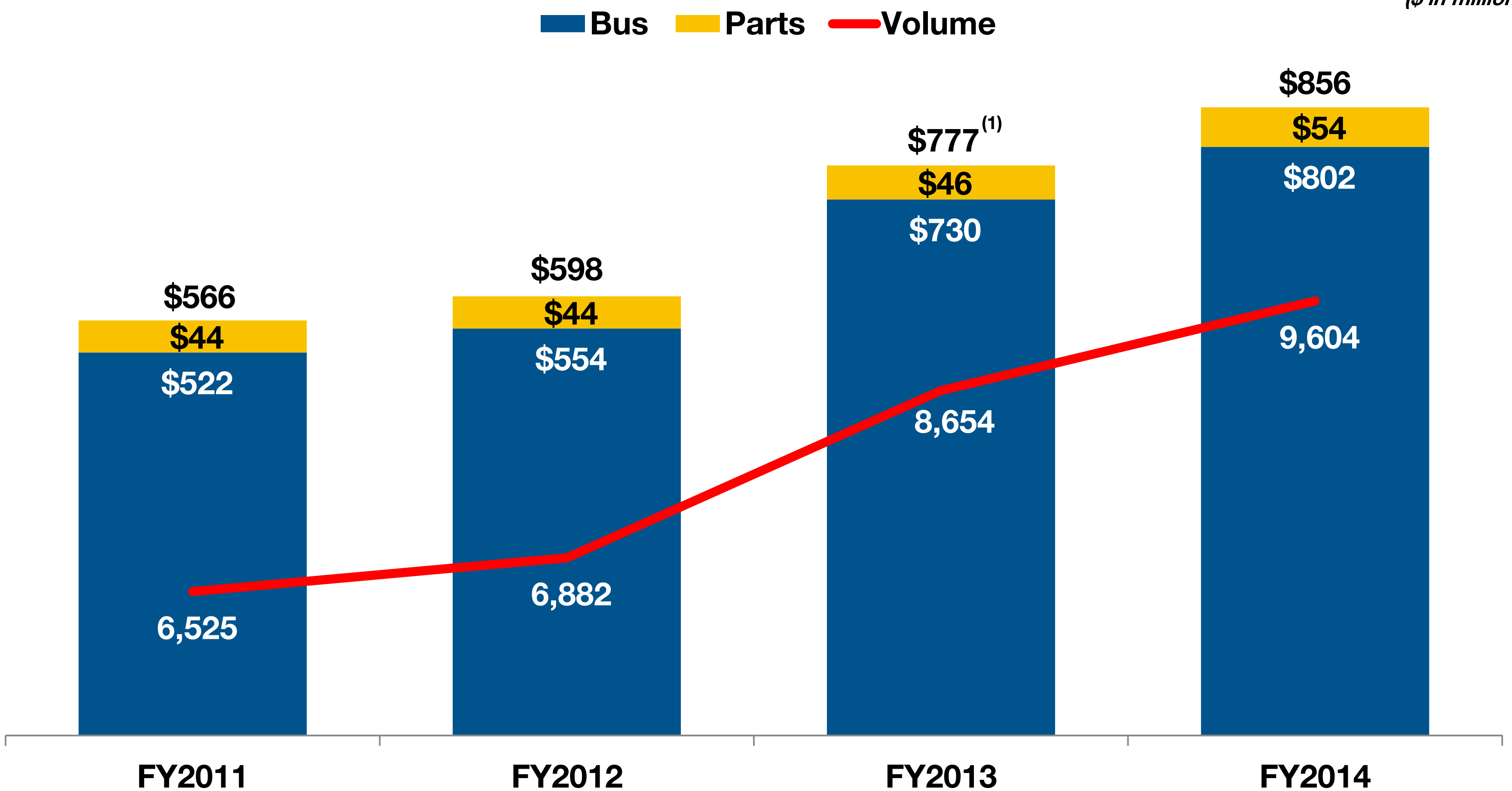
Phil Tighe

CFO

Blue Bird

Substantial Revenue Growth

($ in millions)



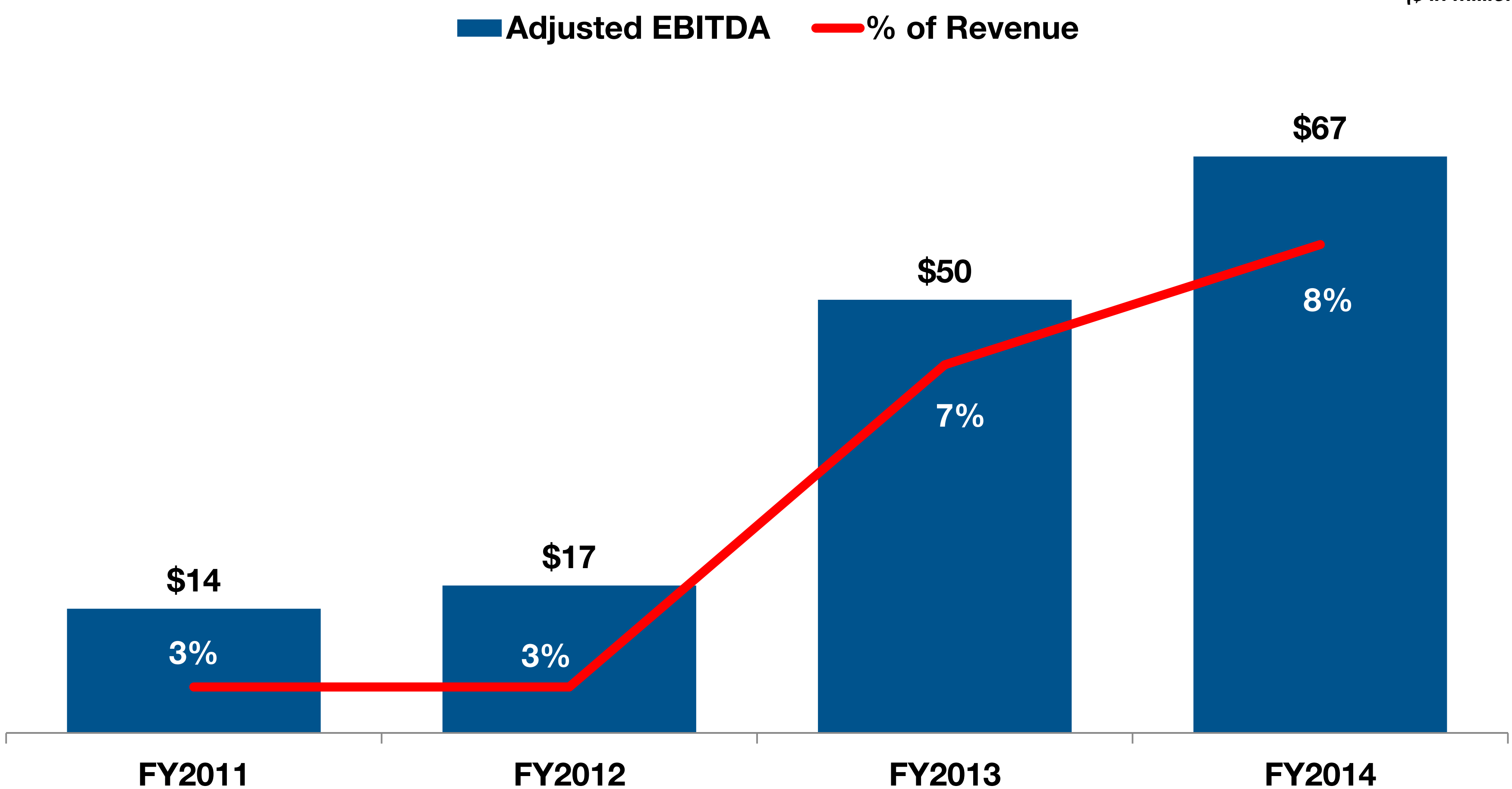
Memo: Revenue/Unit *($ in thousands)*	FY2011	FY2012	FY2013	FY2014
	$80	$80	$84	$84

(1) Total does not sum precisely due to rounding

Consistently driven volume and revenue growth

Impressive Profit Growth

($ in millions)



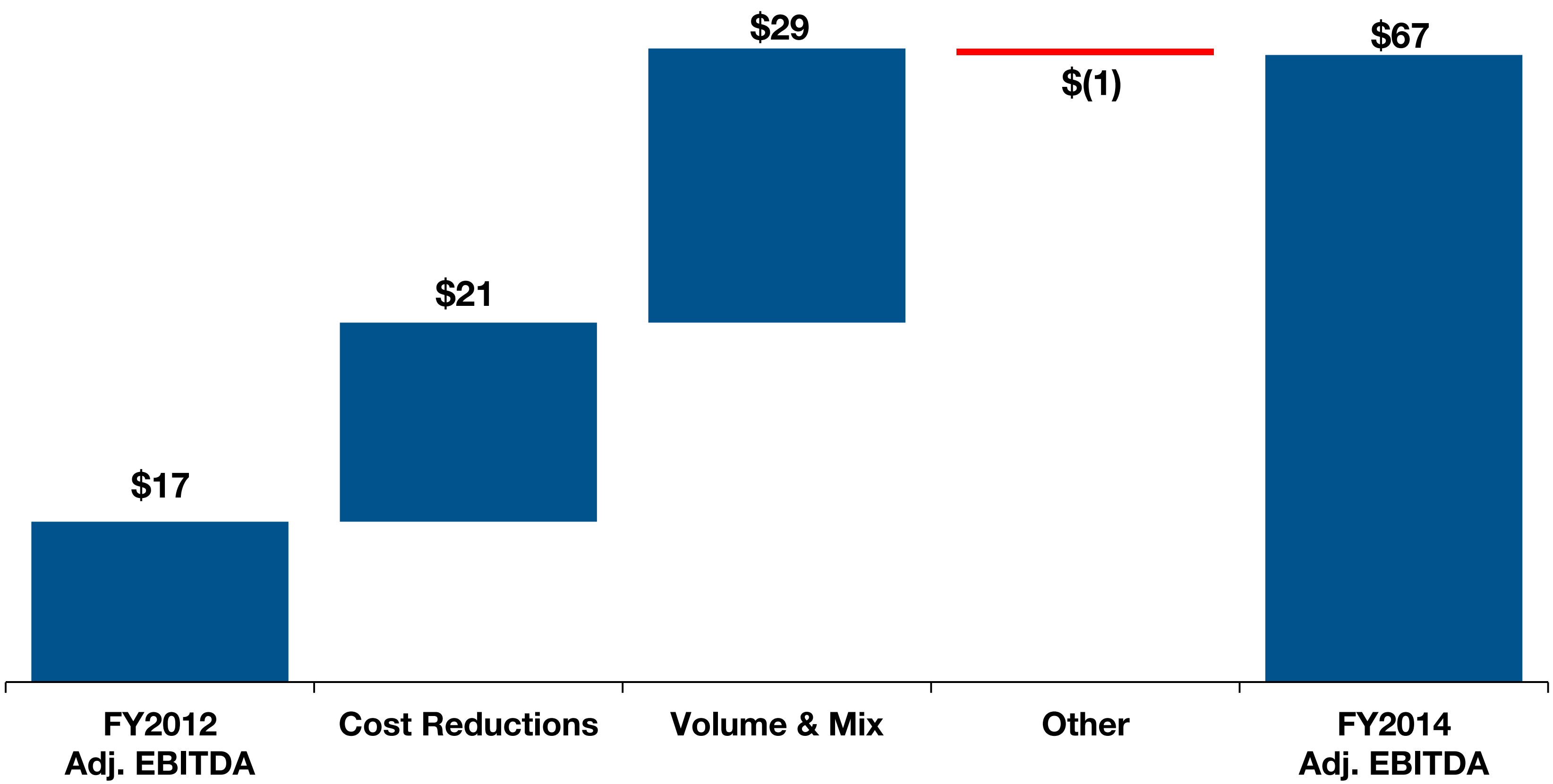
Memo: GP Margin	9%	9%	12%	13%

Note: Numbers have been rounded

EBITDA has grown at a faster rate than revenue

Profit Drivers: FY2012 to FY2014

($ in millions)

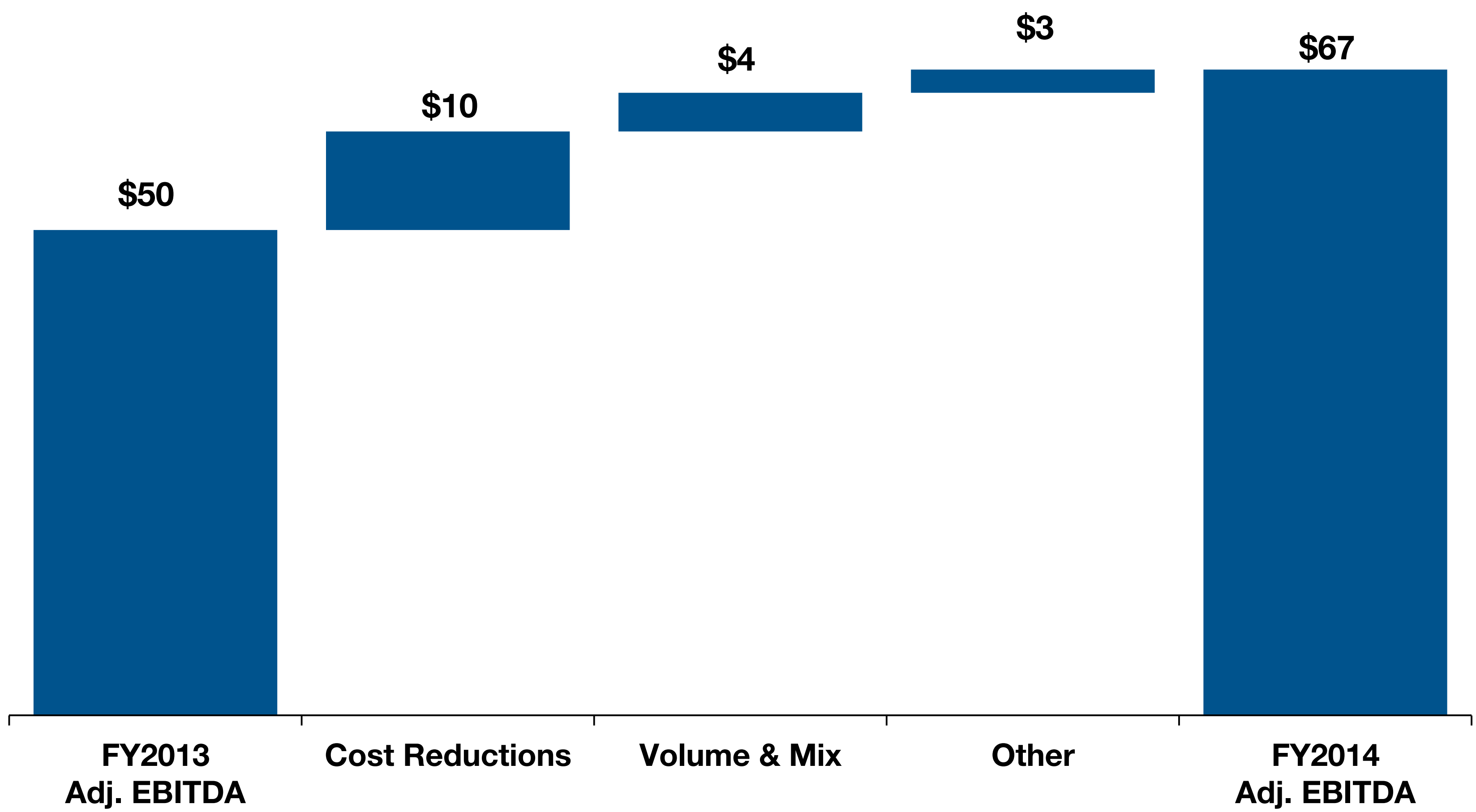


Note: Total Adj. EBITDA walk does not sum precisely due to rounding

Relentless focus on cost competitiveness allows us to compete in all markets

Profit Drivers: FY2013 to FY2014

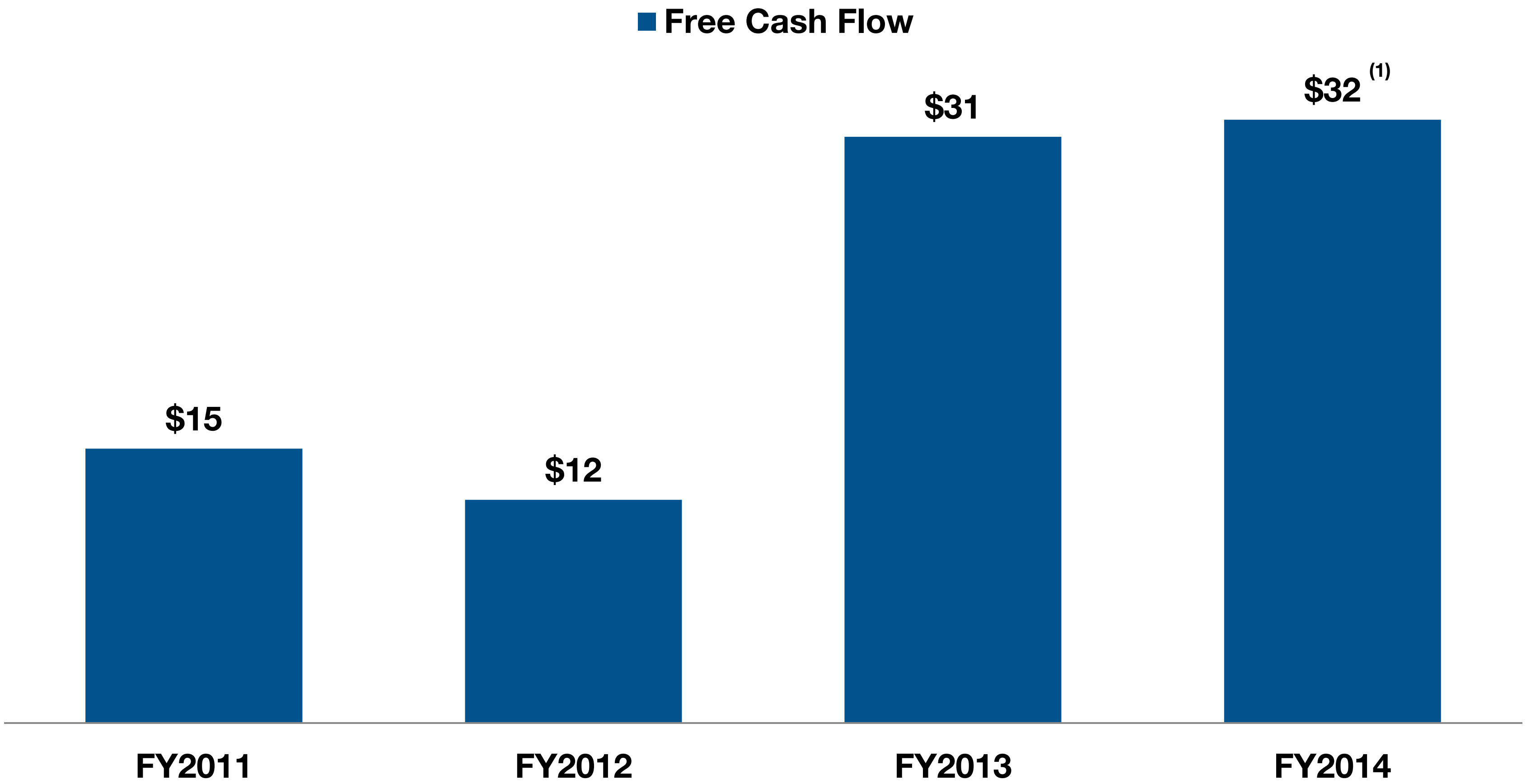
($ in millions)



Continuous improvements from cost reductions and mix

Substantial Free Cash Flow

($ in millions)



	FY2011	FY2012	FY2013	FY2014
Memo: Capex	$5	$4	$5	$6

Source: Blue Bird Management
Notes: Free Cash Flow is defined as Cash from Continuing Operations less Capex.
(1) FY2014 Free Cash Flow includes a $24.7 million special compensation payment related to Blue Bird's 2014 dividend recapitalization but is not pro forma for interest expense associated with new debt raised nor future cash taxes

Strong free cash flow enables optionality

School Bus Business is Highly Seasonal

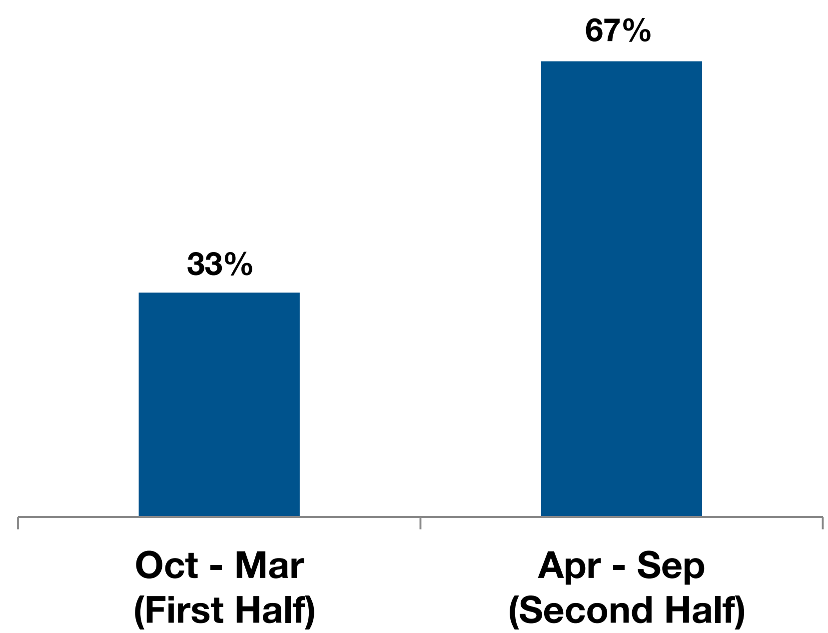
- School districts typically purchase buses for the start of the school year, driving higher volumes in April through September
- Blue Bird's quarterly financial results are impacted by these seasonal practices; the first fiscal quarter is the most impacted and we take planned shutdowns during this period
- Working capital is typically a significant use of cash during the first fiscal quarter and a significant source of cash in the fourth fiscal quarter
- Blue Bird generally operates with negative working capital

R.L. Polk Unit

Registration Seasonality

Based on 3-Year Average

FY2012-FY2014



Seasonality drives higher revenue and earnings in Second Half

Flexible Capital Structure

($ in millions)

Pro Forma Capital Structure (9/27/14)

Cash and Cash Equivalents	**$53.0**
Revolving Credit Facility	$0.0
Term Loan Facility [(1)]	222.9
Total Debt	**$222.9**
Net Debt [(2)]	169.9

Memo:

Liquidity [(3)]	$107.7
Convertible Preferred Stock	40.0
Capital Leases	0.2

Metrics based FY2014 Financials [(4)]	
Total Debt / Adj. EBITDA	**3.3x**
Net Debt / Adj. EBITDA	**2.5x**
Adj. EBITDA / PF Net Interest [(5)]	**3.9x**

Considerations

- **Undrawn Revolving Credit Facility with $60 million of availability supports working capital seasonality**
- **Convertible Preferred Stock dividends are payable in stock or cash, at the Company's option**
- **Pension plan has been frozen since 2006**
  - **Pension liability of $40.9 million as of September 27, 2014**
  - **$5.7 million projected 2015E pension cash contribution**

(1) Reflects $12.1 million of unamortized discount
(2) Net Debt is defined as Total Debt less Cash and Cash Equivalents
(3) Liquidity is defined as Cash and Cash Equivalents plus $60 million of availability under revolving credit facility less $5.3 million of outstanding letters of credit
(4) Based on FY2014 Adj. EBITDA of $66.8 million
(5) Reflects $17.0 million of pro forma net interest expense for full-year 2014 assuming approximately $222 million of debt at June 28, 2014 was outstanding as of September 29, 2013

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Phil Horlock

President and CEO

Blue Bird

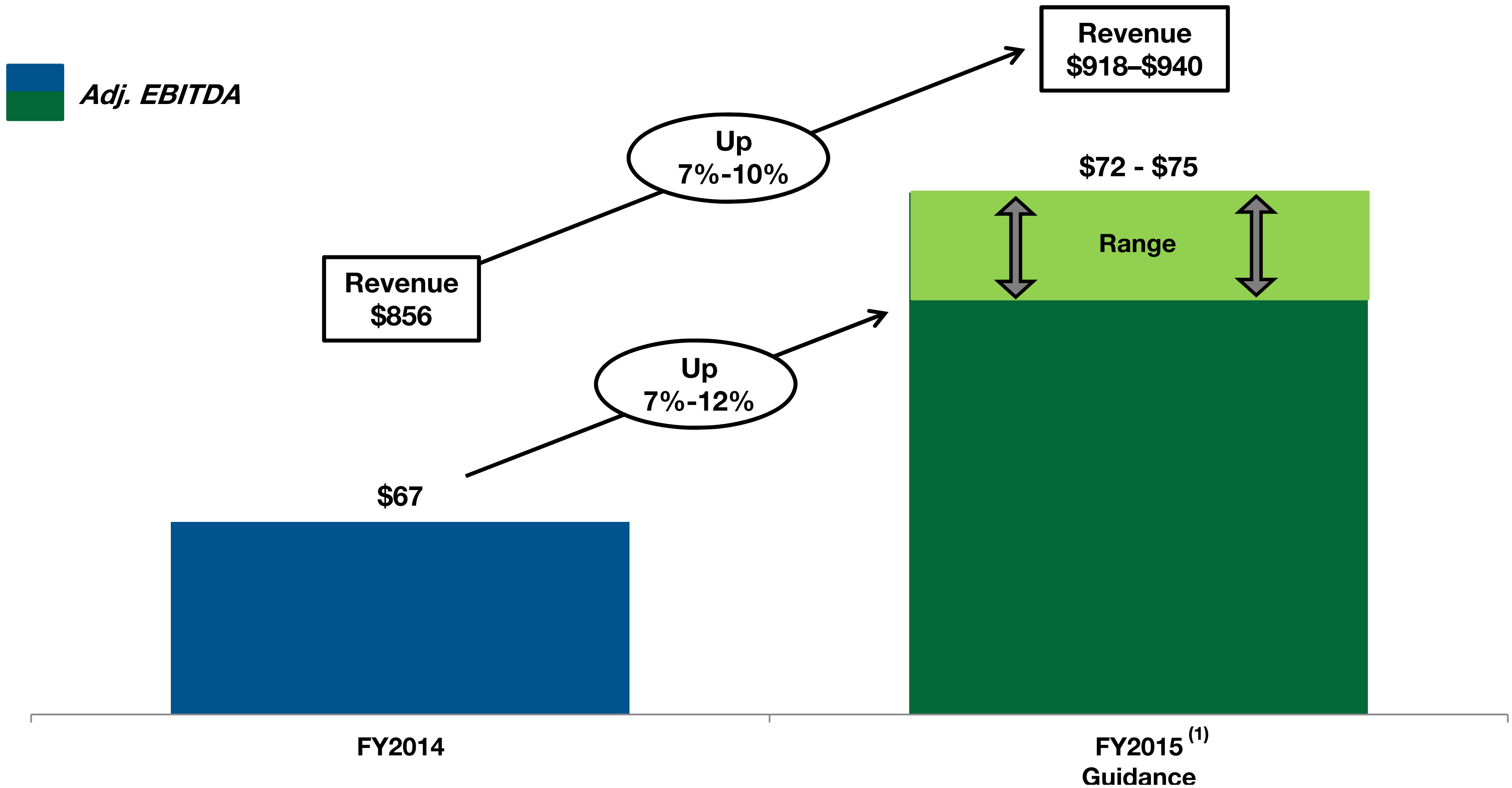
Summary: Significant Momentum & Upside

- ❖ **Iconic and Fastest Growing School Bus Brand**
- ❖ **Undisputed Leader in Alternative Fuel-Powered Bus Sales**
- ❖ **Downside Risk Mitigation**
- ❖ **Significant Upside Potential**

Led by an Experienced and Committed Management Team that Delivers Results

2015 Guidance

($ in millions)



Source: Blue Bird Management
Note: Adjusted EBITDA excludes public company costs, stock based compensation, amounts payable under the Blue Bird Phantom Award Plan, and transaction expenses
(1) See "Important Disclaimers" for information regarding FY 2015 estimated information

EBITDA projected to grow 7-12% in FY2015

Our Growth Objectives are Clear

- #1 in North American school bus market share with highest customer loyalty
- Differentiated and proprietary products and features that customers want and value
- Clear leader in affordable, alternative fuel-powered school buses
- Significant growth in parts sales
- Significant and ongoing international business
- Growing presence in commercial bus business

Deliver sustained growth and profitability

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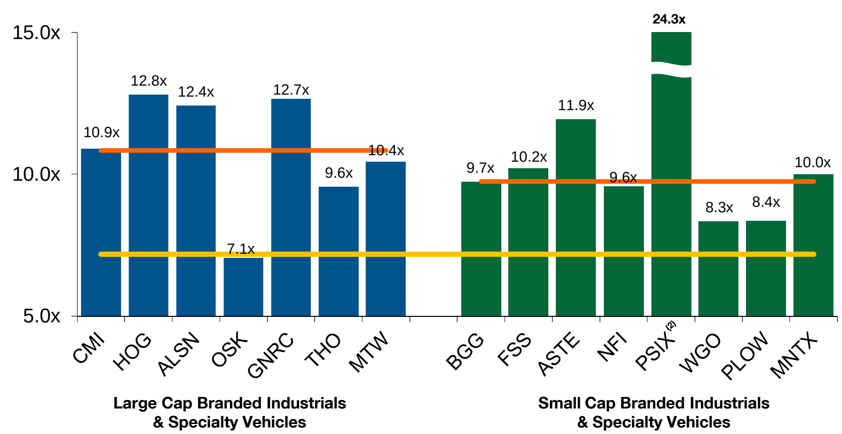
Appendix

Public Company Valuation Benchmarks

FY 2014 EV / EBITDA

Mean: 10.8x | **Mean: 9.7x**

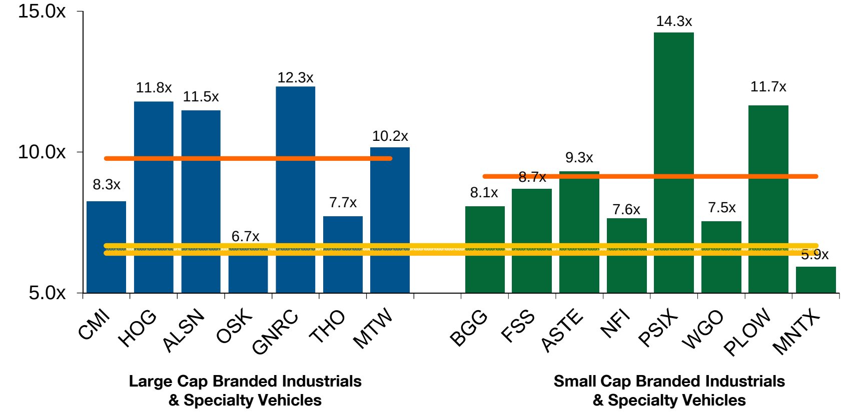
Deal Multiple: 7.2x [1]



FY 2015 EV / EBITDA

Mean: 9.8x | **Mean: 9.1x**

Deal Multiple Range: 6.4 – 6.7x [1]



Source: SEC Filings, Wall Street Research and First Call Consensus estimates. Blue Bird company management

Note: Multiples exclude Pension Liability from the calculation of Enterprise Value; multiples have been calendarized to Blue Bird September fiscal year end. Quarterly consensus was used for comparable companies wherever available

Note: Adj. EBITDA excludes public company costs, stock based compensation and transaction expenses. Adjusted EBITDA for FY2014 includes add-backs for Restructuring costs, Non-recurring Management Incentive Compensation and other non-recurring expenses

(1) Deal Multiple calculated as Pro Forma Enterprise Value of $481 million (assuming issuance of 1,212,500 shares pursuant to the Warrant Exchange Offer and Sponsor Warrant Exchange and no conversion of Convertible Preferred Stock) divided by Adjusted EBITDA of $67 million for FY2014 and $72 to $75 million for FY2015E

(2) FY2014 multiples for Power Solutions International, Inc. are not included in mean and median calculations

Detailed Comparable Company Benchmarks

($ in millions, except per share values)

Large Cap Branded Industrials & Specialty Vehicles	Stock Price			Market Value		Balance Sheet		Valuation Multiples												
								EV / Rev			EV / EBITDA			EV / EBIT			P/E			Price/
	1/2/15	Above Low	Below High	Equity Value	Ent. Value	Cash	Debt	FY13	FY14	FY15	FY13	FY14	FY15	FY13	FY14	FY15	FY13	FY14	FY15	Book
Cummins Inc.	146.42	*19%*	*9%*	26,663	26,320	2,381	2,038	1.5x	1.4x	1.3x	12.4x	10.9x	8.3x	15.2x	13.3x	9.5x	18.8x	17.0x	14.0x	3.4x
Harley-Davidson, Inc.	65.79	*21%*	*11%*	14,193	18,949	688	5,444	3.6x	3.4x	3.2x	14.5x	12.8x	11.8x	16.5x	14.5x	13.5x	19.5x	16.8x	15.5x	4.3x
Allison Transmission Holdings, Inc.	33.85	*29%*	*2%*	6,170	8,560	208	2,597	4.5x	4.1x	4.0x	14.7x	12.4x	11.5x	23.5x	17.3x	15.9x	46.2x	27.9x	23.6x	4.6x
Oshkosh Corporation	48.31	*22%*	*20%*	3,807	4,388	314	895	0.6x	0.6x	0.7x	6.9x	7.1x	6.7x	8.5x	8.7x	8.5x	11.4x	12.3x	11.8x	1.9x
Generac Holdings Inc.	46.37	*20%*	*26%*	3,313	4,252	173	1,112	2.9x	3.0x	2.9x	11.6x	12.7x	12.3x	13.0x	14.1x	12.6x	11.6x	13.6x	13.9x	7.4x
Thor Industries Inc.	55.48	*15%*	*14%*	2,962	2,649	314	0	0.8x	0.7x	0.7x	10.4x	9.6x	7.7x	11.5x	10.6x	8.8x	18.5x	16.6x	14.3x	3.0x
The Manitowoc Company, Inc.	21.88	*35%*	*35%*	3,006	4,687	75	1,755	1.2x	1.2x	1.2x	10.0x	10.4x	10.2x	12.9x	13.4x	13.4x	18.7x	16.2x	15.9x	3.4x
Mean								**2.2x**	**2.1x**	**2.0x**	**11.5x**	**10.8x**	**9.8x**	**14.4x**	**13.1x**	**11.7x**	**20.7x**	**17.2x**	**15.6x**	**4.0x**
Median								**1.5x**	**1.4x**	**1.3x**	**11.6x**	**10.9x**	**10.2x**	**13.0x**	**13.4x**	**12.6x**	**18.7x**	**16.6x**	**14.3x**	**3.4x**

Small Cap Branded Industrials & Specialty Vehicles	Stock Price			Market Value		Balance Sheet		Valuation Multiples												
								EV / Rev			EV / EBITDA			EV / EBIT			P/E			Price/
	1/2/15	Above Low	Below High	Equity Value	Ent. Value	Cash	Debt	FY13	FY14	FY15	FY13	FY14	FY15	FY13	FY14	FY15	FY13	FY14	FY15	Book
Briggs & Stratton Corporation	20.27	*18%*	*12%*	920	1,083	62	226	0.6x	0.6x	0.6x	8.8x	9.7x	8.1x	15.7x	16.2x	10.6x	22.0x	19.9x	17.5x	1.5x
Federal Signal Corp.	15.34	*33%*	*4%*	974	1,014	29	69	1.2x	1.2x	1.1x	13.3x	10.2x	8.7x	16.3x	12.0x	10.1x	22.0x	15.8x	15.0x	2.6x
Astec Industries, Inc.	38.73	*13%*	*16%*	888	885	16	13	0.9x	0.9x	0.9x	9.5x	11.9x	9.3x	16.7x	17.6x	12.5x	24.6x	25.9x	18.6x	1.5x
New Flyer Industries Inc.	11.44	*30%*	*5%*	641	884	9	252	0.9x	0.6x	0.6x	14.2x	9.6x	7.6x	N.M.	14.9x	12.9x	37.8x	17.2x	15.8x	1.4x
Power Solutions International, Inc. [1]	51.55	*18%*	*42%*	553	624	8	78	2.7x	2.0x	1.4x	N.M.	24.3x	14.3x	N.M.	N.M.	15.9x	63.0x	42.4x	23.6x	6.7x
Winnebago Industries, Inc.	21.90	*8%*	*24%*	590	562	28	0	0.7x	0.6x	0.6x	11.4x	8.3x	7.5x	12.6x	8.9x	8.0x	18.5x	13.1x	12.3x	3.0x
Douglas Dynamics, Inc.	21.34	*51%*	*14%*	476	616	4	144	4.1x	2.2x	2.2x	24.3x	8.4x	11.7x	N.M.	9.5x	12.6x	N.M.	13.6x	20.0x	2.8x
Manitex International, Inc.	12.60	*33%*	*29%*	174	224	5	55	0.9x	0.9x	0.6x	11.3x	10.0x	5.9x	14.2x	12.8x	7.7x	18.9x	18.1x	12.2x	1.9x
Mean								**1.5x**	**1.0x**	**1.0x**	**13.3x**	**9.7x**	**9.1x**	**15.1x**	**13.1x**	**11.3x**	**29.5x**	**17.7x**	**16.9x**	**2.7x**
Median								**0.9x**	**0.9x**	**0.7x**	**11.4x**	**9.7x**	**8.4x**	**15.7x**	**12.8x**	**11.5x**	**22.0x**	**17.2x**	**16.6x**	**2.2x**

Source: SEC Filings, Wall Street Research and First Call Consensus estimates
Note: N.M. represents negative multiples, EBITDA multiples greater than 35.0x, EBIT multiples greater than 25.0x, P/E multiples greater than 65.0x and negative long-term growth rates
Note: Multiples have been calendarized to Blue Bird September fiscal year end. Quarterly consensus was used for comparable companies wherever available
[1] FY 2014 multiples for Power Solutions International, Inc. are not included in mean and median calculations

Detailed Comparable Company Benchmarks

($ in millions)

Large Cap Branded Industrials & Specialty Vehicles	Revenue			Revenue Growth			Margin Analysis							
							EBITDA			EBIT		Net Income		
	FY13	FY14	FY15	FY13	FY14	FY15	FY13	FY14	FY15	FY14	FY15	FY13	FY14	FY15
Cummins Inc.	$17,005	$18,719	$20,503	(2%)	10.1%	9.5%	12.5%	12.9%	15.5%	10.6%	13.5%	8.3%	8.4%	9.3%
Harley-Davidson, Inc.	5,237	5,569	5,915	(6%)	6.3%	6.2%	25.0%	26.6%	27.2%	23.4%	23.7%	13.9%	15.2%	15.5%
Allison Transmission Holdings, Inc.	1,923	2,074	2,163	(10%)	7.9%	4.3%	30.3%	33.2%	34.5%	23.8%	24.9%	7.0%	10.7%	12.1%
Oshkosh Corporation	7,665	6,808	6,495	(4%)	(11.2%)	(4.6%)	8.3%	9.1%	10.1%	7.4%	8.0%	4.3%	4.5%	5.0%
Generac Holdings Inc.	1,452	1,433	1,457	23%	(1.3%)	1.7%	25.3%	23.4%	23.7%	21.0%	23.2%	19.6%	17.0%	16.3%
Thor Industries Inc.	3,280	3,647	4,021	19%	11.2%	10.2%	7.8%	7.6%	8.5%	6.9%	7.5%	4.9%	4.9%	5.1%
The Manitowoc Company, Inc.	4,061	3,938	4,027	4%	(3.0%)	2.3%	11.6%	11.4%	11.4%	8.9%	8.7%	4.0%	4.7%	4.7%
Mean				**3%**	**2.9%**	**4.2%**	**17.3%**	**17.7%**	**18.7%**	**14.6%**	**15.7%**	**8.9%**	**9.3%**	**9.7%**
Median				**(2%)**	**6.3%**	**4.3%**	**12.5%**	**12.9%**	**15.5%**	**10.6%**	**13.5%**	**7.0%**	**8.4%**	**9.3%**

Small Cap Branded Industrials & Specialty Vehicles	Revenue			Revenue Growth			Margin Analysis							
							EBITDA			EBIT		Net Income		
	FY13	FY14	FY15	FY13	FY14	FY15	FY13	FY14	FY15	FY14	FY15	FY13	FY14	FY15
Briggs & Stratton Corporation	1,871	1,834	1,955	(5%)	(1.9%)	6.6%	6.6%	6.1%	6.9%	3.6%	5.2%	2.2%	2.5%	2.7%
Federal Signal Corp.	849	874	949	6%	2.9%	8.7%	9.0%	11.4%	12.3%	9.7%	10.5%	5.2%	7.1%	6.8%
Astec Industries, Inc.	937	960	1,026	0%	2.5%	6.9%	9.9%	7.7%	9.3%	5.2%	6.9%	3.9%	3.6%	4.6%
New Flyer Industries Inc.	1,020	1,406	1,514	18%	37.7%	7.7%	6.1%	6.6%	7.6%	4.2%	4.5%	1.7%	2.6%	2.7%
Power Solutions International, Inc.	229	306	449	13%	33.6%	47.1%	6.8%	8.4%	9.7%	7.2%	8.7%	3.8%	4.3%	5.2%
Winnebago Industries, Inc.	803	945	1,018	25%	17.7%	7.7%	6.1%	7.1%	7.3%	6.7%	6.9%	4.0%	4.8%	4.7%
Douglas Dynamics, Inc.	150	276	286	7%	84.9%	3.4%	16.9%	26.6%	18.5%	23.3%	17.1%	1.6%	12.7%	8.3%
Manitex International, Inc.	236	263	383	15%	11.2%	46.0%	8.4%	8.5%	9.8%	6.7%	7.6%	3.9%	3.7%	3.7%
Mean				**10%**	**23.6%**	**16.8%**	**8.7%**	**10.3%**	**10.2%**	**8.3%**	**8.4%**	**3.3%**	**5.1%**	**4.9%**
Median				**10%**	**14.4%**	**7.7%**	**7.6%**	**8.1%**	**9.5%**	**6.7%**	**7.2%**	**3.8%**	**4.0%**	**4.7%**

Source: SEC Filings, Wall Street Research and First Call Consensus estimates
Note: N.M. represents negative multiples, EBITDA multiples greater than 35.0x, EBIT multiples greater than 25.0x, P/E multiples greater than 65.0x and negative long-term growth rates
Note: Financials have been calendarized to Blue Bird September fiscal year end. Quarterly consensus was used for comparable companies wherever available

Blue Bird GAAP/Non-GAAP Reconciliation

($ in thousands)

Net Income to Adjusted EBITDA Reconciliation	Year Ended October 1, 2011	September 29, 2012	September 28, 2013	September 27, 2014
Net income (loss)	($5,224)	($2,998)	$54,208	$2,757
Loss (income) from discontinued operations, net of tax	1,625	328	159	(42)
Income from continuing operations	($3,599)	($2,670)	$54,367	$2,715
Interest expense	2,471	2,480	2,371	6,156
Interest income	(282)	(160)	(214)	(102)
Income tax expense (benefit)	(1,126)	429	(30,380)	10,076
Depreciation and amortization	12,855	13,194	11,808	9,898
Restructuring costs (1)	1,382	1,946	258	—
Export inventory adjustment (2)	2,721	(234)	—	—
Special compensation payment (3)	—	—	—	24,679
Vacation pay adjustment (4)	—	—	2,296	—
Management incentive compensation (5)	—	—	5,638	3,271
Chassis write-off (6)	—	—	1,196	—
Type D redesign (7)	—	1,207	—	—
Asia market test (8)	—	885	—	—
Tax expense, non-consolidated affiliate (9)	—	—	2,836	365
Business combination (10)	—	—	—	9,236
Out-of-period adjustment (11)	—	—	—	407
Adjusted EBITDA	**$14,422**	**$17,077**	**$50,176**	**$66,791**
Adjusted EBITDA margin	***2.5%***	***2.9%***	***6.5%***	***7.8%***

(1) Restructuring costs include expenses related to discontinued operations from the sale of a business, management severance costs, a write-off of leasing software, certain plant assets and a write-down on a note outstanding to a former related party for furniture and fixtures in Blue Bird's Ohio facility
(2) In fiscal 2011, Blue Bird wrote-off $2.7 million of inventory purchased in anticipation of orders from a foreign government that were never placed. In fiscal 2012, Blue Bird recorded a partial recovery of the write-down as proceeds were received from sales of the inventory as scrap
(3) Represents a payment made under Blue Bird's Phantom Award Plan to Phantom Plan Participants in connection with Blue Bird's 2014 dividend recapitalization
(4) Represents the add-back of an out-of-period vacation pay and holiday bonus expense resulting from a change in policy to accrue throughout the year instead of expensing annually
(5) Represents incentive compensation paid to officers in excess of a related accrual (typically recorded at 100% target level) due to over-performance relative to budget. This adjustment excludes the amount of the accrual above 200% of the target level
(6) Represents a write-off due to an order for chassis with respect to which the customer never took delivery of the chassis. The units that were not used or sold to other customers were written off
(7) Represents costs incurred in redesigning Blue Bird's Type D bus in fiscal 2012. The costs associated with this redesign related to prototypes, testing and services, engineering personnel, marketing and consulting fees
(8) Represents costs incurred in exploring the market potential for sales of school buses in Asia. The costs related to this market test included sales and marketing expenses, travel, demonstration units and professional services fees
(9) Represents the allocated tax expense related to Blue Bird's non-consolidated affiliate
(10) Represents expenses incurred by School Bus Holdings related to the Business Combination
(11) Represents out-of-period cost of goods sold incurred by Blue Bird. See Note 1 to Blue Bird's audited consolidated financial statements in the proxy statement

Blue Bird Income Statement

($ in thousands, except per share values)

	Year Ended		
	September 29, 2012	September 28, 2013	September 27, 2014
Net sales	$598,330	$776,558	$855,735
Cost of goods sold	542,086	684,109	746,362
Gross profit	$56,244	$92,449	$109,373
Operating expenses			
Selling, general and administrative expenses	57,418	65,332	91,445
Operating profit (loss)	($1,174)	$27,117	$17,928
Interest expense	(2,480)	(2,371)	(6,156)
Interest income	160	214	102
Other income (expense), net	9	96	72
Income (loss) before income taxes	($3,485)	$25,056	$11,946
Income tax (expense) benefit	(429)	30,380 [1]	(10,076)
Equity in net income (loss) of non-consolidated affiliates, net of tax	1,244	(1,069)	845
Income (loss) from continued operations	($2,670)	$54,367	$2,715
Income (loss) from discontinued operations, net of tax	(328)	(159)	42
Net income (loss)	**($2,998)**	**$54,208**	**$2,757** [2]
Defined benefit pension plan (loss) gain [3]	(7,804)	10,196	(4,150)
Comprehensive income (loss)	**($10,802)**	**$64,404**	**($1,393)**
Weighted average shares outstanding, basic and diluted	100	100	100
Basic and diluted income (loss) per share			
Income (loss) from continuing operations	**($26,695)**	**$543,672**	**$27,152**
Income (loss) from discontinuing operations	**(3,281)**	**(1,594)**	**425**

(1) This income tax benefit resulted primarily from a reduction in valuation reserves established in prior periods. See Note 11 to Blue Bird's audited consolidated financial statements in the proxy statement
(2) Includes $24.7 million (approximately $16.1 million net of tax) in special compensation payments related to Blue Bird's 2014 dividend recapitalization and $9.3 million (approximately $7.4 million net of tax) of expenses associated with the Business Combination
(3) Net of tax of $0, $5,709 and $2,036 in 2012, 2013 and 2014 respectively

Blue Bird Balance Sheet

($ in thousands)

	September 28, 2013	September 27, 2014
ASSETS		
Cash and cash equivalents	$46,594	$61,137
Accounts receivables, net.	13,493	21,215
Inventories	62,603	71,300
Other current assets	3,125	4,353
Deferred tax asset	3,030	6,057
Total current assets	$128,845	$164,062
Property, plant and equipment, net	31,938	29,949
Goodwill	18,825	18,825
Intangible assets, net	64,103	62,240
Equity investment in affiliate	8,661	9,871
Deferred tax asset	8,001	4,073
Restricted cash	1,206	—
Other assets	1,406	2,912
Total assets	**$262,985**	**$291,932**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	$72,960	$94,294
Accrued warranty costs - current portion	5,917	6,594
Accrued expenses	25,133	37,319
Deferred warranty income - current portion	3,767	4,117
Other current liabilities	3,020	5,668
Current portion of senior term debt.	2,979	11,750
Total current liabilities	$113,776	$159,742
Revolving senior credit facility	71	—
Long-term term debt	10,009	211,118
Accrued warranty costs	7,530	8,965
Deferred warranty income	6,976	7,886
Other liabilities	7,502	12,136
Accrued pension liability	37,703	40,881
Total long-term liabilities	$69,791	$280,986
Common stock	1	1
Additional paid-in capital	94,999	—
Retained (deficit) earnings	26,836	(102,229)
Accumulated other comprehensive loss	(42,418)	(46,568)
Total stockholder's (deficit) equity	$79,418	($148,796)
Total liabilities and stockholder's (deficit) equity	**$262,985**	**$291,932**

Blue Bird Statement of Cash Flows

($ in thousands)

	Year Ended		
	September 29, 2012	September 28, 2013	September 27, 2014
Cash flows from operating activities			
Net income (loss)	($2,998)	$54,208	$2,757
(Income) loss from discontinued operations, net of tax	328	159	(42)
Adjustments to reconcile net income (loss) to net cash provided by operating activities			
Depreciation and amortization	13,194	11,808	9,898
Amortization of debt costs	210	128	1,301
Equity in net income of affiliate	(1,244)	1,069	(845)
Impairment loss on fixed assets	117	—	—
(Gain) loss on disposal of fixed assets	285	36	(67)
Loss on sale of assets held for sale	688	—	—
Deferred taxes	375	(30,447)	2,874
Change in uncertain tax position	—	—	6,390
Provision for bad debt	193	21	(9)
Non-cash interest expense	1,473	1,398	—
Amortization of deferred actuarial pension losses	3,392	4,233	2,804
Changes in assets and liabilities			
Accounts receivable	83	(4,178)	(7,713)
Inventories	(4,750)	(7,244)	(8,697)
Other assets	159	1,315	(1,415)
Accounts payable	10,059	6,889	18,080
Accrued expenses, pension and other liabilities	(6,064)	(3,414)	12,096
Total adjustments	**$18,170**	**($18,386)**	**$34,697**
Net cash provided by continuing operations	**15,500**	**35,981**	**37,412**
Net cash used in discontinued operations	**(678)**	**(661)**	**(568)**
Total cash provided by operating activities	**$14,822**	**$35,320**	**$36,844**
Cash flows from investing activities			
Change in net investment in discounted leases	863	563	778
Cash paid for fixed assets	(3,659)	(4,945)	(5,535)
Proceeds from sale of assets	2,077	—	102
Restricted cash	—	—	1,206
Total cash used in investing activities	**($719)**	**($4,382)**	**($3,449)**
Cash flows from financing activities			
Borrowings under the senior credit facility	10,868	63,743	2,862
Payments under the senior credit facility	(10,938)	(63,672)	(2,933)
Borrowings under the senior term loan	—	12,988	235,000
Repayments under the subordinated term loans	(5,000)	(35,000)	(13,000)
Cash paid for capital leases	(855)	(907)	(535)
Cash paid for debt costs	(100)	(111)	(12,647)
Cash paid for dividends	—	—	(226,821)
Change in advances collateralized by discounted leases	(863)	(563)	(778)
Total cash used in financing activities	**($6,888)**	**($23,522)**	**($18,852)**
Change in cash and cash equivalents	**7,215**	**7,416**	**14,543**
Cash and cash equivalents at beginning of period	**31,963**	**39,178**	**46,594**
Cash and cash equivalents at end of year	**$39,178**	**$46,594**	**$61,137**