Participants

CEO
Jan Larsson

CFO
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Inflow of asylum seekers continue to be low, but a steady inflow from stock to labour market

Continued stable inflow to labour market:
- 2,300 granted permissions in March, back to "normal" pace
- Average handling time in March was 414 days, increasing with 22 days in one month
- Proportion granted excluding Dublin cases etc down to 56%

Source: The Swedish Migration Board, Migrationsverket
Unemployment up for the first time since 2013

Unemployment Sweden 2014-2017

Continued need for matching and training:

- Unemployment increased in April for the first time since 2013 (364,000, +4,000)
- 4.0% unemployment among born in Sweden.
- 22.1% among born abroad.
- Unemployment down among those born in Europe.
- Increases among people born outside of Europe (169’, +17’)
- Youth unemployment continues down to 10.2%
- Participants in establishing program up to 76,000, 62,000 unemployed

Source: The Swedish Public Employment Service, Arbetsförmedlingen
Huge deficit of skilled labour..

- 38% of Swedish business answer yes to whether they experience shortage of labour
- Demand for skilled labour higher than ever after the IT crises in 2007

**Total private sector**
Lack of labour (share yes-answers)

Source: Konjunkturinstitutet
...in both services and manufacturing

Private services
Largest obstacle for operations

Manufacturing industry,
Lack off…

- Low demand
- Lack of labour
- Blue collar workers
- Technical white collar staff
Volume of people in labour market education seems to have stabilized

- AUB market stabilize at low levels historically
- YA’s volumes and market share is recovering

Source: The Swedish Public Employment Service, Arbetsförmedlingen
Budget frames for unemployment activity confirms role of education in reducing skills deficit

Source: state budget, "Utgiftsområde 14"
Profit & loss Q1 2017

- Revenues were SEK 90.6 million (112.4) in the quarter.
- The average number of students in AUB has been 1433 (1817) for the period.
- The decline versus prior year is due to terminated business within truck/bus.
- EBITDA amounted to SEK 6.1 million (21.0)
## Normalized EBITDA

<table>
<thead>
<tr>
<th>EBITDA (SEK million)</th>
<th>Q1 2016</th>
<th>Q2 2016</th>
<th>Q3 2016</th>
<th>Q4 2016</th>
<th>Q1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported EBITDA</td>
<td>21.0</td>
<td>10.0</td>
<td>2.0</td>
<td>7.6</td>
<td>6.1</td>
</tr>
<tr>
<td>Non recurring cost</td>
<td></td>
<td>+3.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other income</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
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<td><strong>6.1</strong></td>
</tr>
</tbody>
</table>
Cash balance amounted to SEK 4.8 million (20.8) at the end of the quarter, bank overdraft facility (SEK 30 million) used to SEK 8,6 million.

Cash flow amounted to SEK -17.6 million (2.2).

Cash flow from operating activities amounted to SEK -24.0 million (10.5).

Change in Working capital was SEK -22.4 million (8.9).

Net debt amounted to SEK 383.0 million (380.8).
## Cash flow Q1 2017

<table>
<thead>
<tr>
<th>(SEK millions)</th>
<th>Jan-Mar</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>6,1</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>-22,4</td>
</tr>
<tr>
<td>Cash flow before interest and taxes</td>
<td>-16,3</td>
</tr>
<tr>
<td>Interest paid</td>
<td>-7,3</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>-0,4</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>-24,0</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>-4</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>10,4</td>
</tr>
<tr>
<td>Cash flow for the period</td>
<td>-17,6</td>
</tr>
</tbody>
</table>
## Covenants

<table>
<thead>
<tr>
<th>Category</th>
<th>Actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leverage (Net debt/EBITDA)</td>
<td>13.2x</td>
<td>&lt;3.0x</td>
</tr>
<tr>
<td>Interest coverage (EBITDA/Net finance charges)</td>
<td>1.1x</td>
<td>&gt;2.5x</td>
</tr>
</tbody>
</table>
After end of quarter: Bus and truck driver tenders resulted in higher volumes than in 2015

- Turn-over value of more than SEK250m yet to be started
- Start-up costs will affect results in all of 2017
- Bus education in Östersund is appealed, as is Yrkessvenska.
- Approx SEK50-100m of turn over value not secured due to court processes or lower than expected student inflow
Thank You!