

YA Holding AB (publ)

Investor presentation Q2 2016

Jan Larsson CEO
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Participants

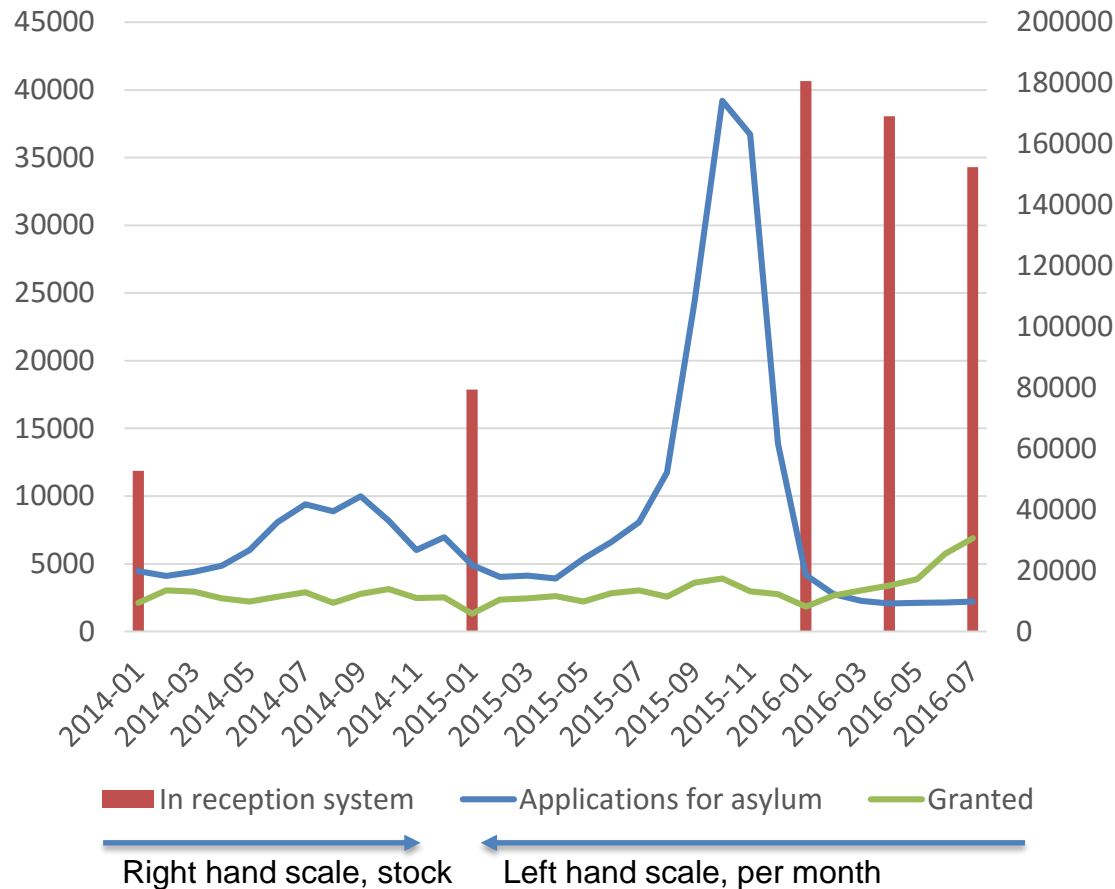


CEO
Jan Larsson



CFO
Mikael Vesterlund

Inflow of asylum seekers low, but increase in decision speed will lead to more job seekers

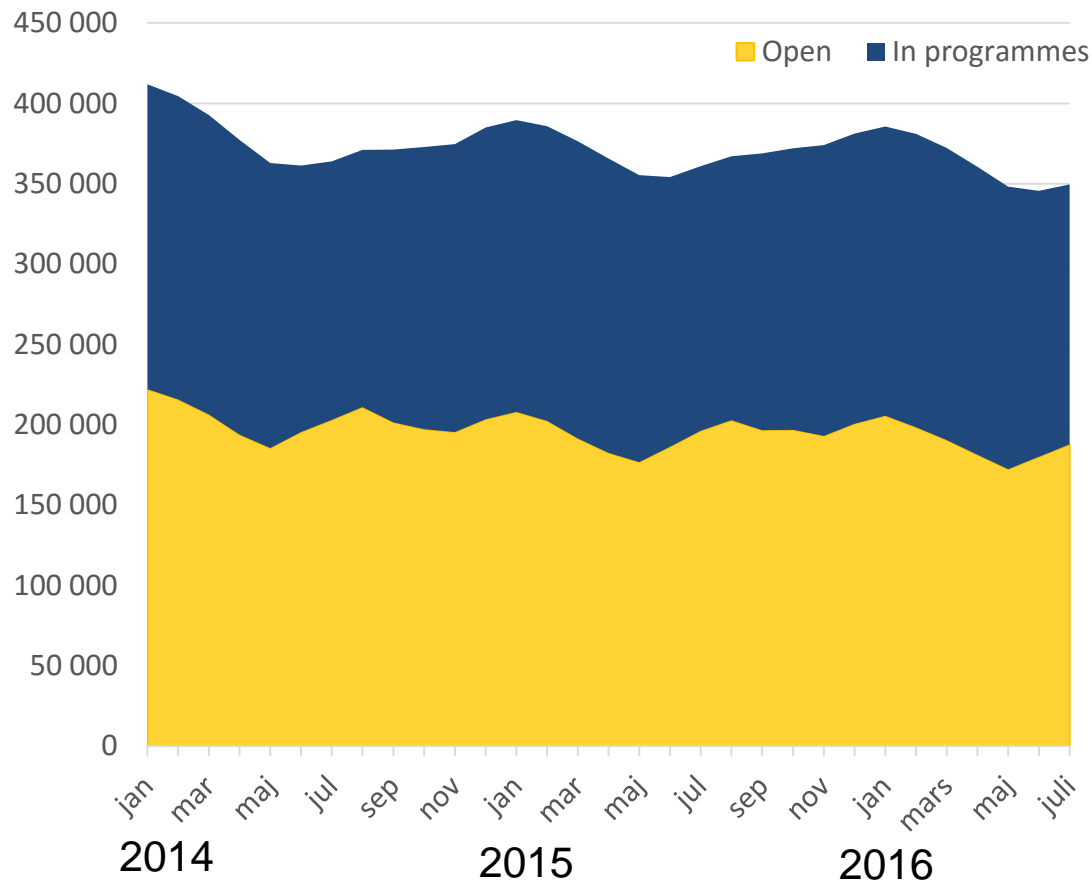


Delayed effect on market:

- Inflow continues to be lower than before the asylum wave
- Average handling time in July was 317 days, increasing 80 days since January 2016
- Proportion granted increases. 71% in July, 50% on average 2016.
- >150.000 asylum seekers in system, 132.000 with no asylum decision
- # of decisions doubled since January to 9640 in July

Source: The Swedish Migration Board, Migrationsverket

Unemployment down, but labour market divided depending on education and background



Continued need for matching and training:

- 72' vacant positions - twice as high as July 2013
- Youth unemployment (18-24) down 17% in one year to 58.000 (11%)
 - primarily youth w/out secondary education
- Long term unemployed up 4.000 to 142.000
- Unemployment down 3' among people born in Europe, but up 13' among those born out of Europe to 148.000
- Unemployed among people born in Sweden 4.2%.
- 48.000 unemployed in "Establishing mission".
 - 50%, 23.000 have no secondary education

Source: The Swedish Public Employment Service, Arbetsförmedlingen

Lack of skilled labour growing concern

Labour agency's assessment of demanded skills on Swedish labor market:

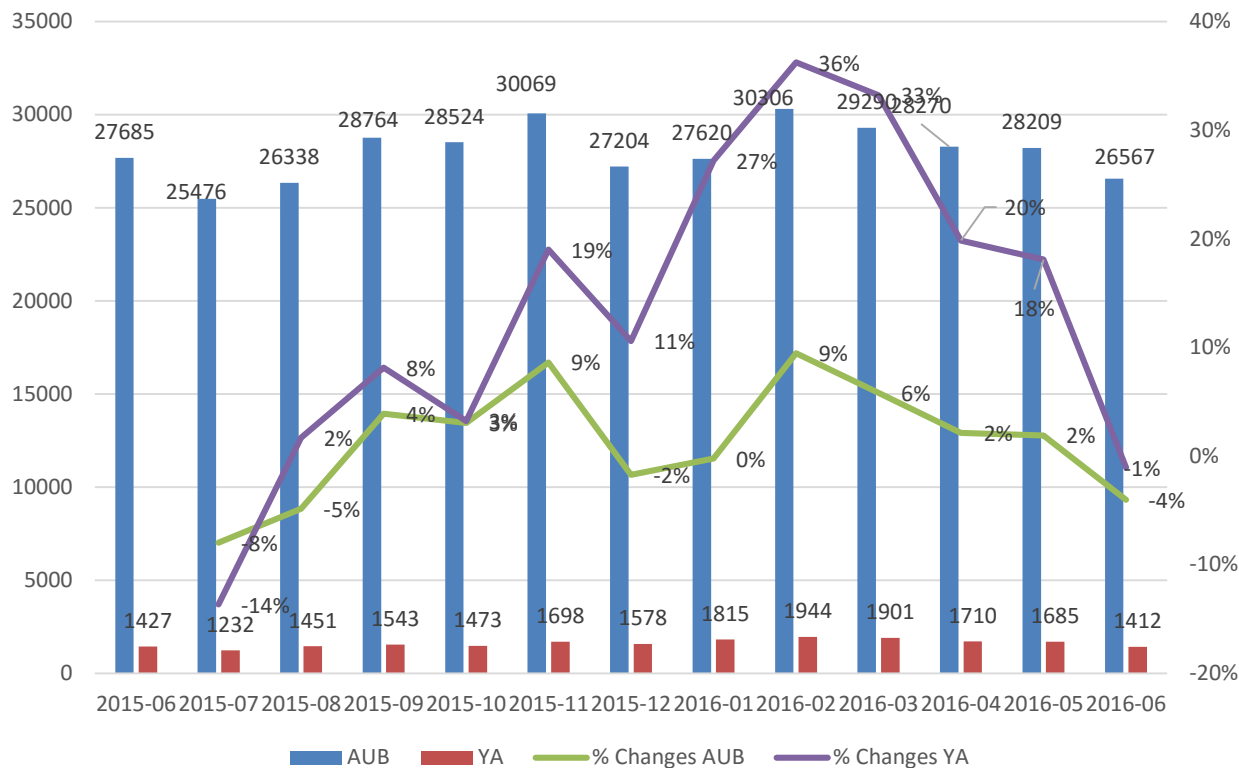
In 16 of 20 jobs with largest skills deficits, YA has or is building educational competence:

• Chef	• Assistant nurse	• Truck driver	• Toolmaker
• Truck mechanics	• FLOORER	• Electrician	• Construction worker
• Construction tin smith	• Tiler	• Concrete worker	• Fine tin smith
• Carpenter	• Bricklayer	• Roofer	• Car mechanics
• Plumber	• Medical secretary	• Painter	• Control engineer
Existing YA programs	Parts of occupation skills	Starting programs 2016	No programs today

Occupations with excess of skilled labour

- Janitor
- Warehouse worker
- Park worker
- Sales, groceries
- Administrator
- Kitchen assistant
- Sales, specialty retail
- Fitter in plastic, rubber and metal
- Postman
- Accounts assistants

YA has same volumes and market share as 12 months ago despite close down of AF warehouse and transport training



Volume growth

- AUB market stabilize at low levels
- YA's market share somewhat higher than June 2015
- Close down of warehouse and terminal worker programs and transport training has affected numbers in second quarter

Source: The Swedish Public Employment Service, Arbetsförmedlingen

Profit & loss Q2 2016

- ▶ Revenues were SEK 100.0 million (91.8) in the quarter.
- ▶ The average number of students in AUB has been 1624 (1491) for the period.
- ▶ A decline in truck and bus education is compensated with higher activity in other business areas.
- ▶ EBITDA amounted to SEK 10.0 million (10.0)
- ▶ Increased revenue has generated a better operating result during the quarter.
- ▶ EBITDA is affected by non-recurring cost of SEK 3 million related to redundancy cost for closing down truck and bus education.

Normalized EBITDA

EBITDA (SEK million)	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016
Reported EBITDA	13.2	10.0	7.8	9.2	21.0	10.0
Non recurring cost	+1.6			+2.1		3.0
Other income						
Normalized EBITDA	14.8	10.0	7.8	11.3	21.0	13.0

Balance sheet & cash flow Q2 2016

- ▶ Cash balance amounted to SEK 28.8 million (9.7) at the end of the quarter, bank overdraft facility (SEK 30 million) not used.
- ▶ Cash flow amounted to SEK 8.0 million (0.1).
- ▶ Cash flow from operating activities amounted to SEK 11.1 million (6.3).
- ▶ Change in Working capital was SEK 8.6 million (3.8).
- ▶ Net debt amounted to SEK 370.7 million (402.3).

Cash flow Q2 2016

(SEK millions)	Apr-Jun
EBITDA	10,0
Change in working capital	8,6
Cash flow before interest and taxes	18,6
Interest paid	-7,3
Income tax paid	-0,2
Cash flow from operating activities	11,1
Cash flow from investing activities	-0,5
Cash flow from financing activities	-2,6
Cash flow for the period	8,0

Covenants

	Actual	Target
Leverage (Net debt/EBITDA)	7.0x	<3.0x
Interest coverage (EBITDA/Net finance charges)	2.0x	>2.5x

After the truck and bus tender, a combined cost reduction and growth plan has been executed

Cost reductions:

In September, all truck and bus education will end, why we have:

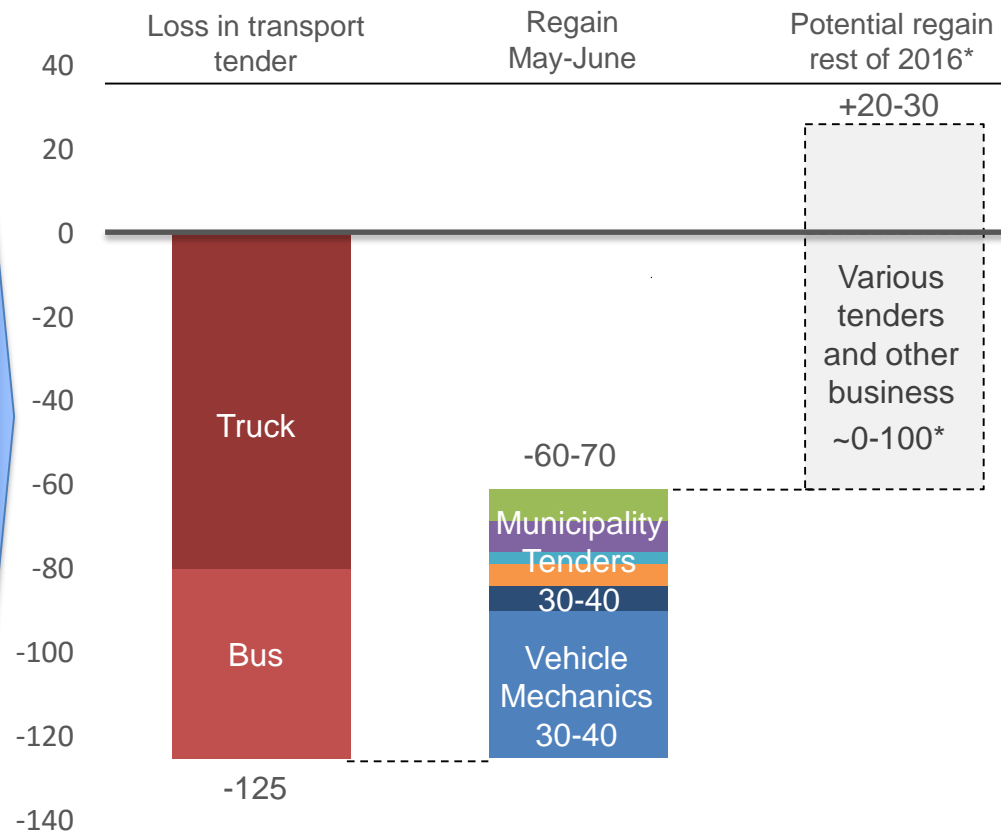
- **Staff:** adaption to smaller volumes based on municipalities, licenses (YKB), armed forces and private education
- **Vehicles:** Increased divestments after summer as participants are rapidly reduced
- **Premises:** Adaption to new business

Legal appeal:

- On truck, "förvaltningsdomstolen" ruled against YA. No decision in Kammarrätten on whether they will open case.
- On bus, decision expected next week

Profitable growth program

- Losses of turn-over and regain plan:



* Estimate based on average success rate in previous tenders

Thank You!