



YA Holding AB (publ) Investor presentation Q2 2017

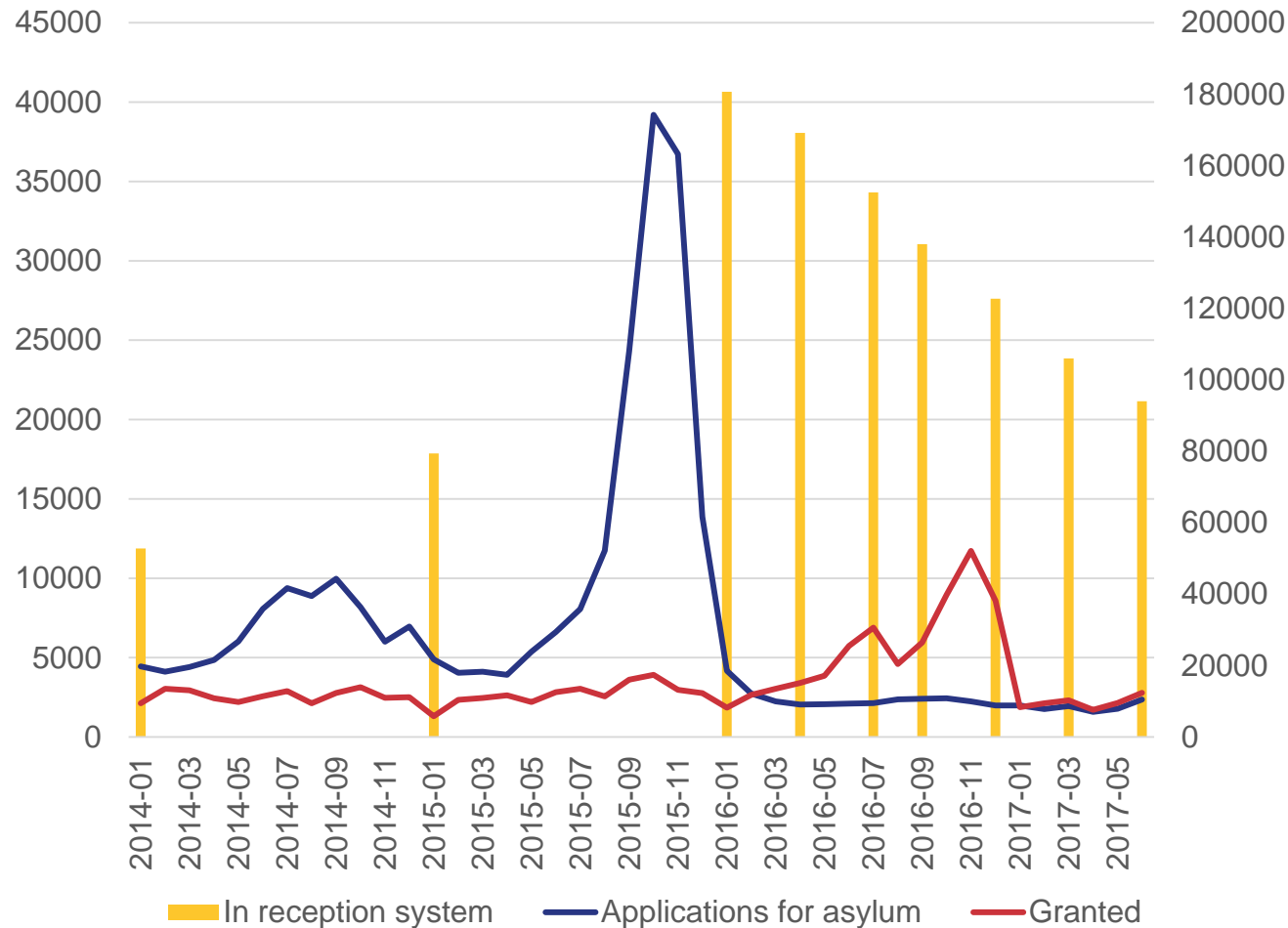
Jan Larsson CEO
Mikael Vesterlund CFO
September 1, 2017

Market situation

Continued focus on jobs and integration



Low number of asylum seekers to Sweden, but ~2,000 people get work permits and enter labour force each month



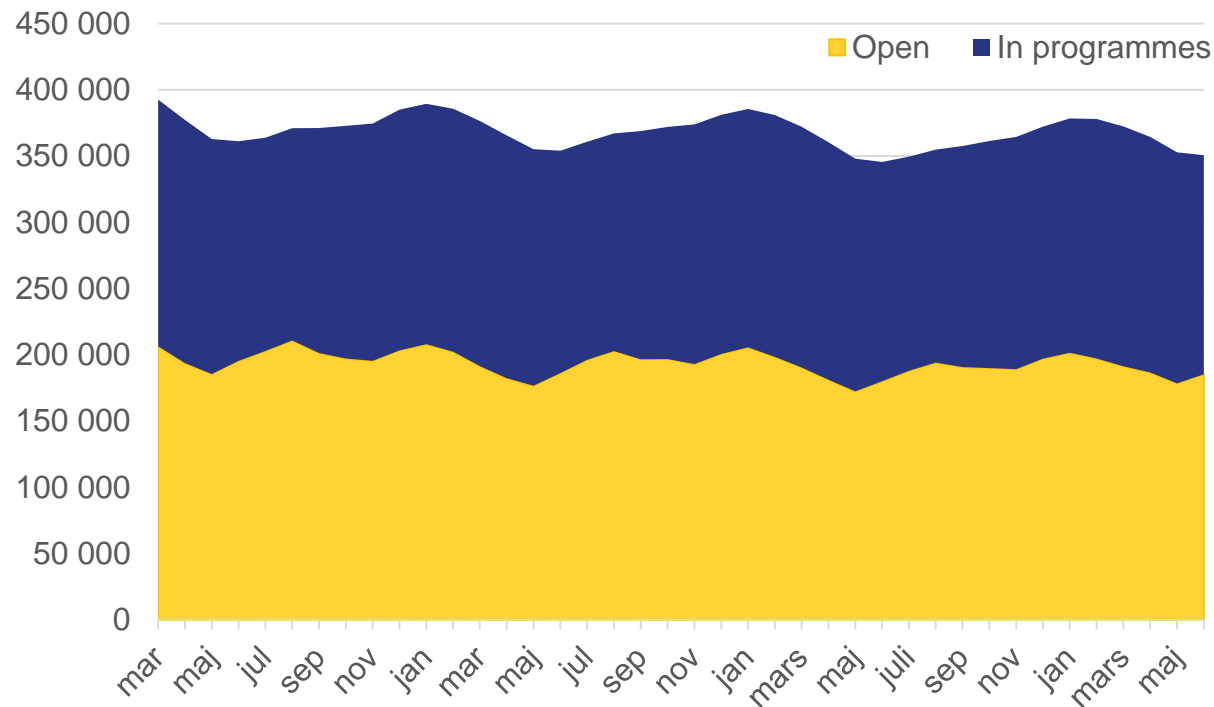
Continued stable inflow to the labour market

- In the quarter ~6.500 people were granted permission to stay
- Still close to 100 000 people in migration system
- Handling time has stabilized on approximately 450 days
- Proportion of applications that are granted is approximately 50%
- Half of people in reception system in age 20-59
- 2/3 from Afghanistan, Iraq, Syria, Iran and Somalia.

Source: The Swedish Migration Board, Migrationsverket

Steady unemployment levels, despite increase in the number of jobs in the economy

Unemployment Sweden 2014-2017



Source: The Swedish Public Employment Service, Arbetsförmedlingen

Large need for matching and training for immigrants:

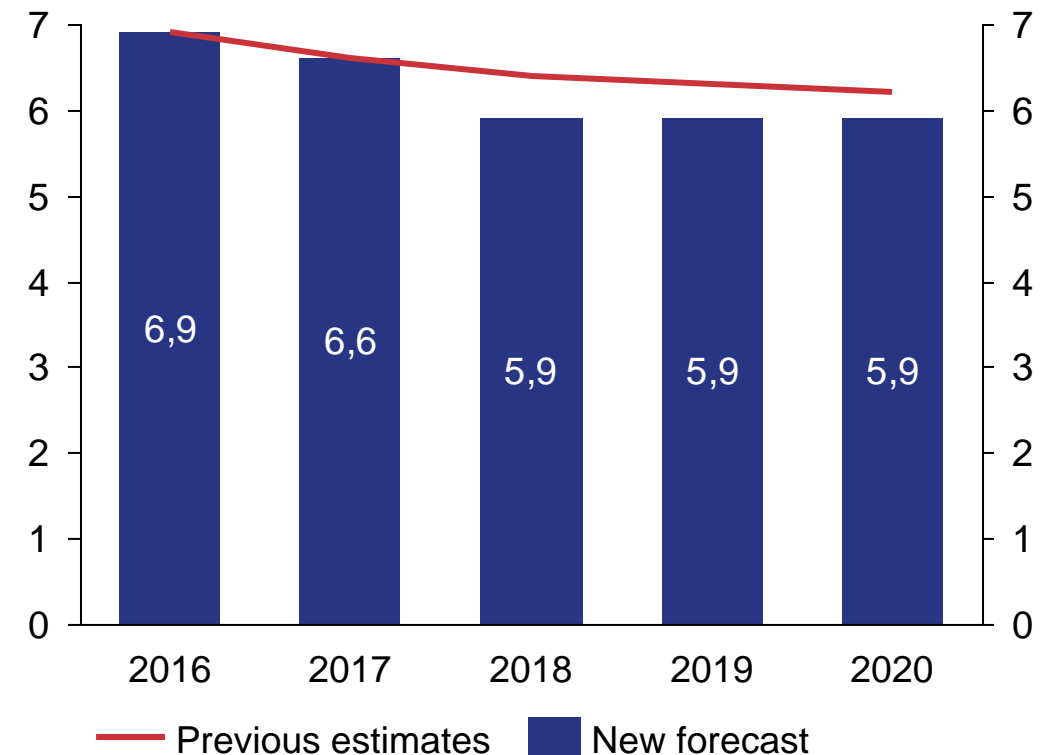
- 5,034,000 people employed, up 99,000 from Q2 2016.
- Total unemployment increases somewhat due to immigration inflow to labour market
- 350,000 people unemployed (7.2%). 60,000 in establishment programme
- Youth unemployment down to 9.9% from 11.1 a year ago. 20% (11,000) in establishment programme
- 45,000 unemployed were employed in the month, only 2,500 from establishment programme

Government forecast decreasing unemployment

Finance minister Magdalena Andersson's comments on the forecast

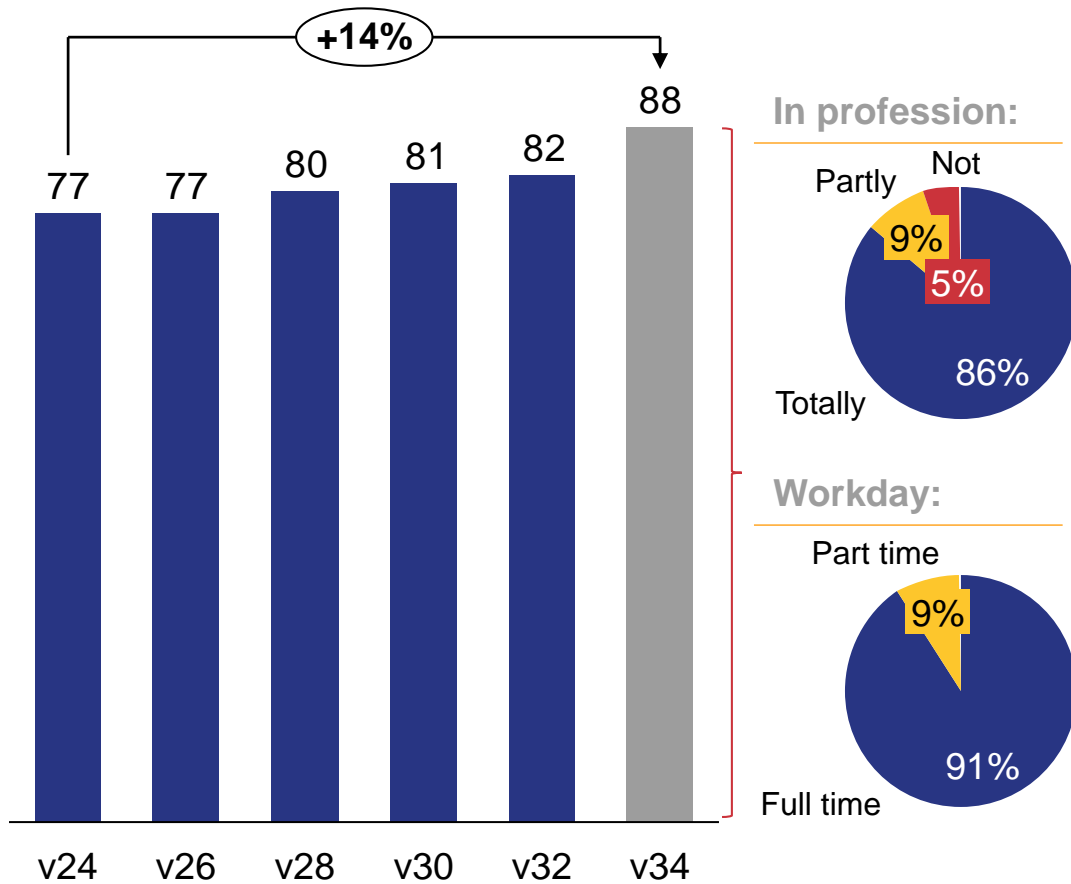
- "We will be able to present more large and important reforms to strengthen jobs and growth in Sweden – but also reduce inequality"
- "Young and middle aged should educate to maintain competences that lead to employment. Old people without education should get subsidised employments"
- "We diverge from other forecasts since we know what reforms and actions there will be in the budget bill"
- "We need to do more to support foreigners, especially newly arrived, to become employable"

Forecast unemployment rates

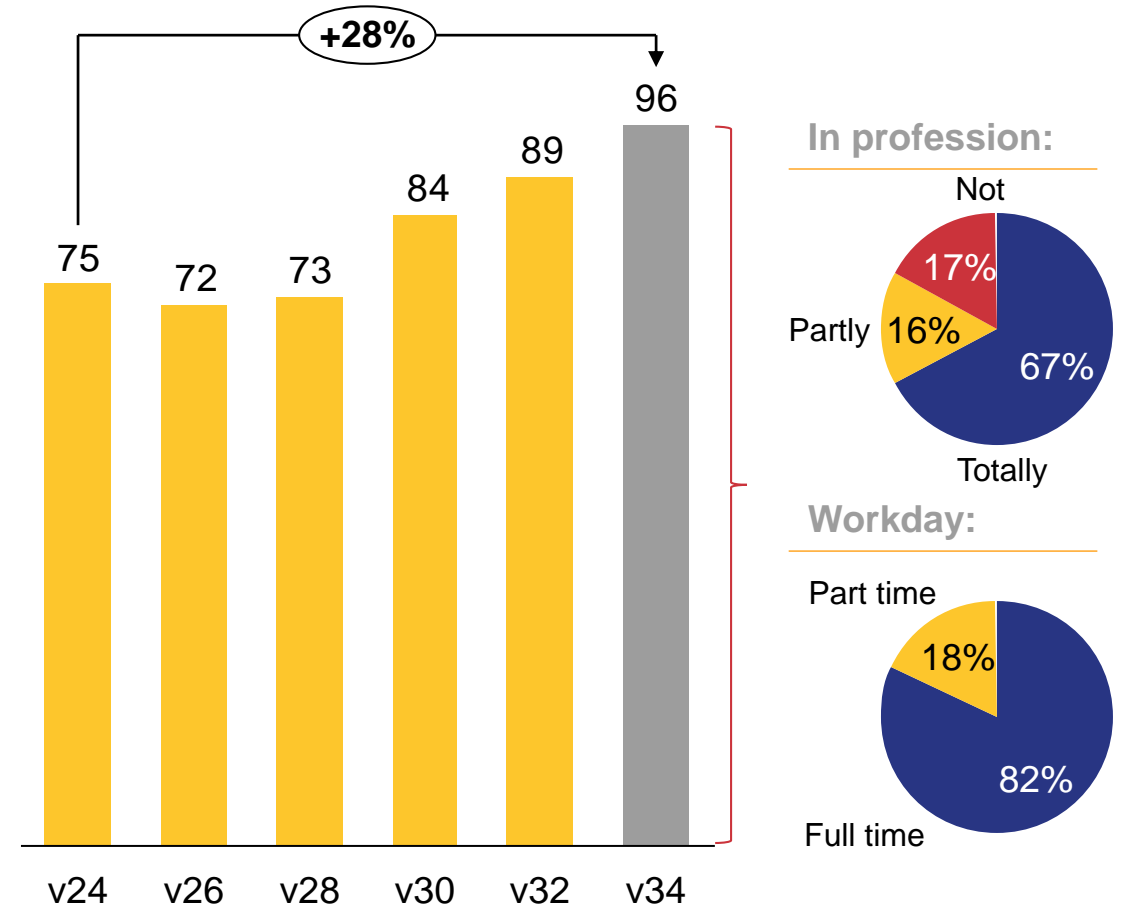


YA's education leads to employment

Share employed 90 days after course
8 weeks gliding average



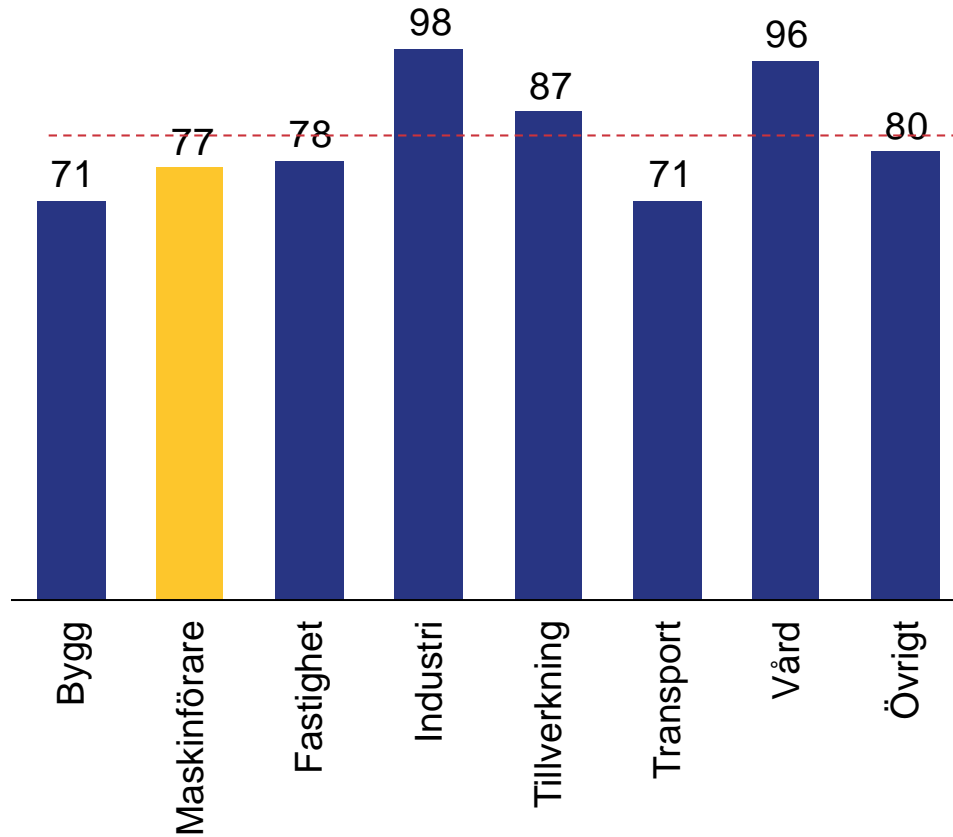
Share employed 180 days after course
8 weeks gliding average



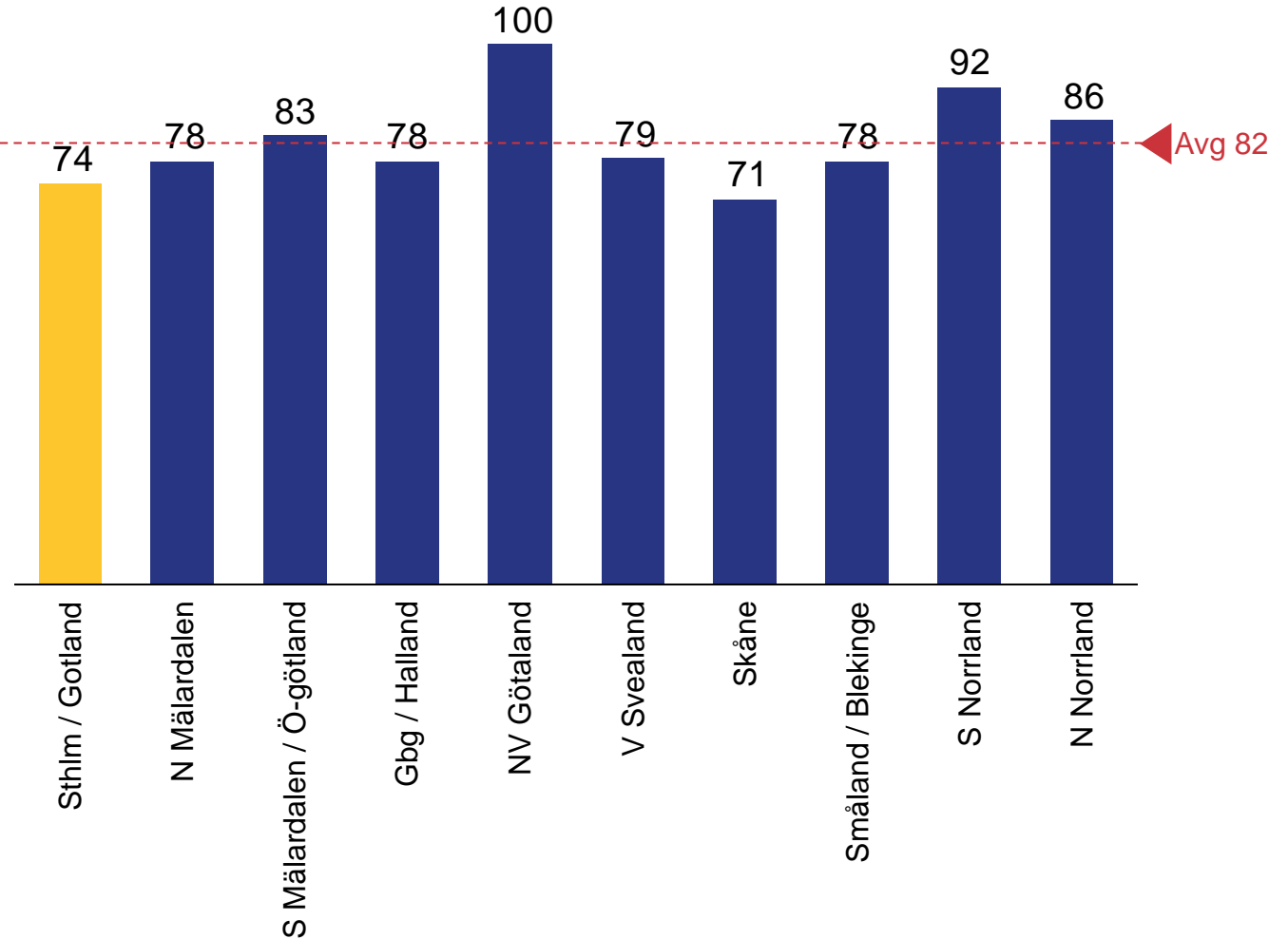
Good results across industries and regions

Share employed after 90 days,
Last 16 weeks

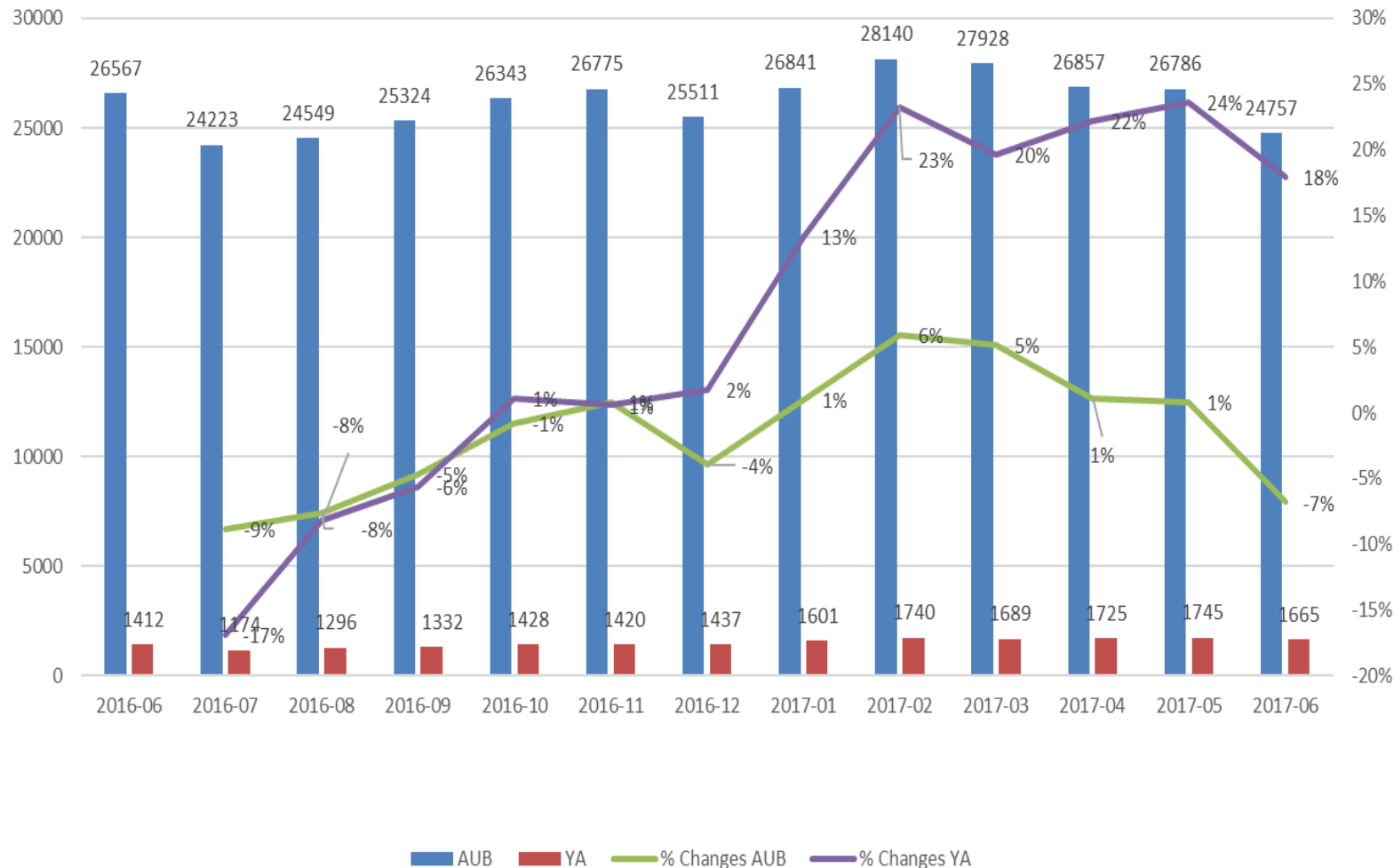
By industry



By region



Volumes of labour market education are still decreasing, but YA's volumes are higher than a year ago



- ▶ Total number of AUB participants down 7%
- ▶ AUB participants in YA-courses up 18% compared to June 2016
- ▶ Potential to add to both YA's and total as transport educations start in September and October
- ▶ Professional and study preparatory courses are appealed against based on the very low winning prices

Financial information

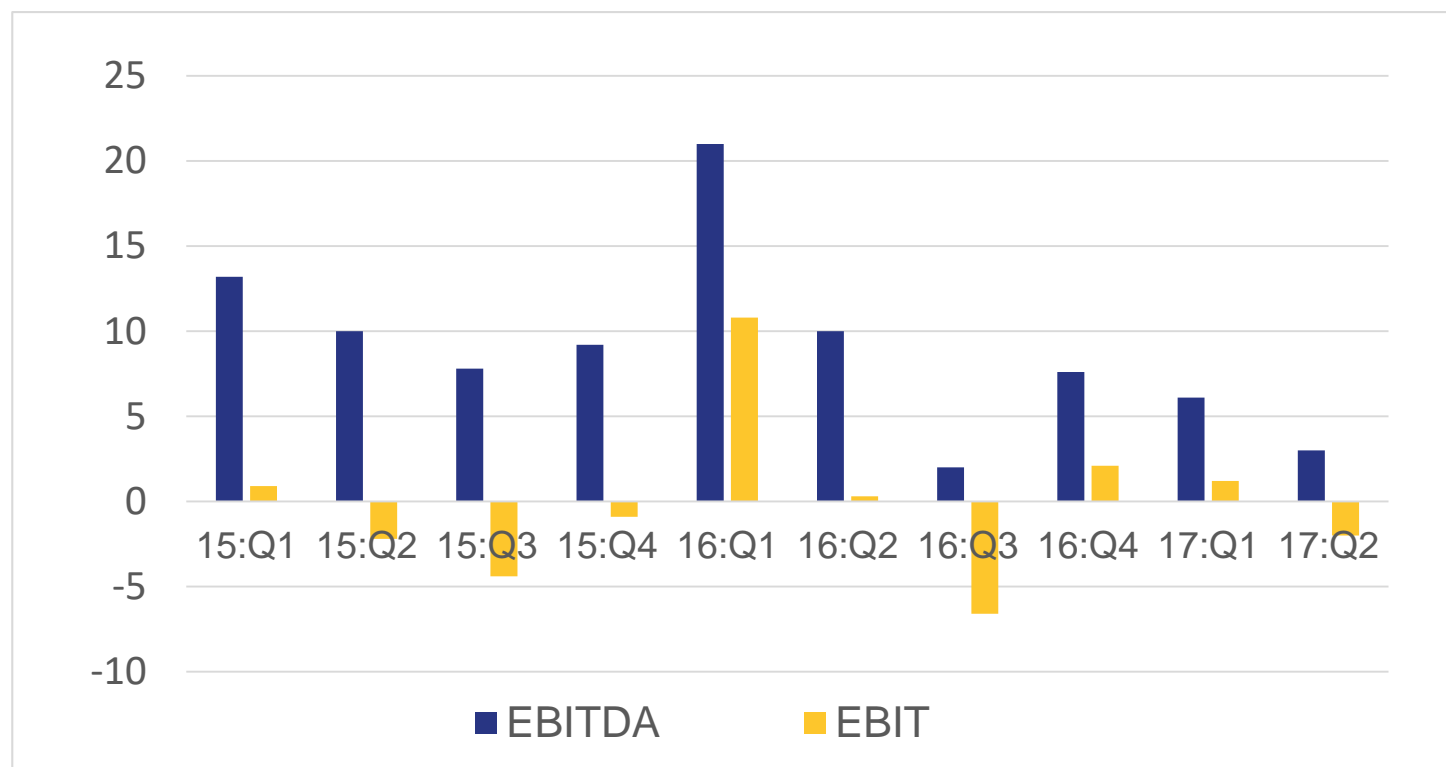
A quarter subdued by start-up costs



Profit & loss Q2 2017

- ▶ Revenues were SEK 93.8 million (100.0) in the quarter.
- ▶ The average number of students in AUB has been 1732 (1624) for the period.
- ▶ The decline versus prior year is due to terminated business within truck/bus.
- ▶ EBITDA amounted to SEK 3.0 million (10.0)

Subdued results due to start-up investments



Normalized EBITDA

EBITDA (SEK million)

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2016
Reported EBITDA	21.0	10.0	2.0	7.6	6.1	3.0
Non recurring cost		+3.0				
Other income						
Normalized EBITDA	21.0	13.0	2.0	7.6	6.1	3.0

Balance sheet and cash flow

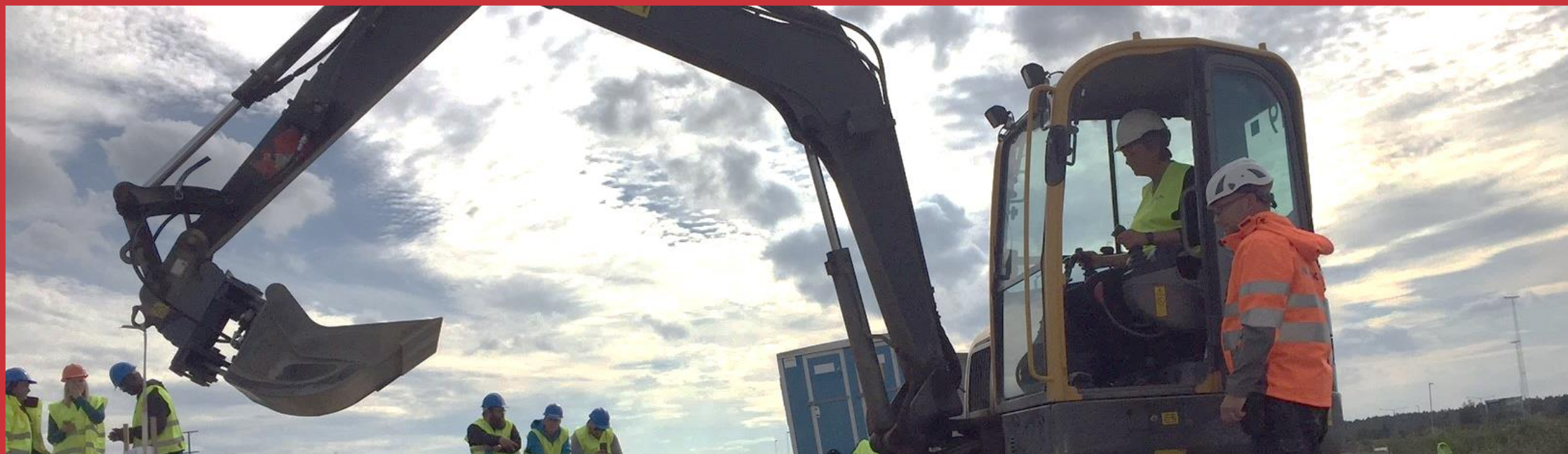
- ▶ Cash balance amounted to SEK 12.4 million (28.8) at the end of the quarter.
- ▶ Cash flow amounted to SEK 7.6 million (8.0).
- ▶ Cash flow from operating activities amounted to SEK 18.3million (11.9).
- ▶ Change in Working capital was SEK 23.6 million (8.6).
- ▶ Net debt amounted to SEK 374.1 million (370.7).

Cashflow Q2 2017

EBITDA	3.0
Change in working capital	23.6
Cash flow before interest and taxes	26.6
Interest paid	-7.0
Income tax paid	-0.8
Cash flow from operating activities	18.8
Cash flow from investing activities	-1.0
Cash flow from financing activities	-10.2
Cash flow for the period	7.6

Covenants

	Actual	Target
Leverage (Net debt/EBITDA)	19.9x	<3.0x
Interest coverage (EBITDA/Net finance charges)	0.7x	>2.5x



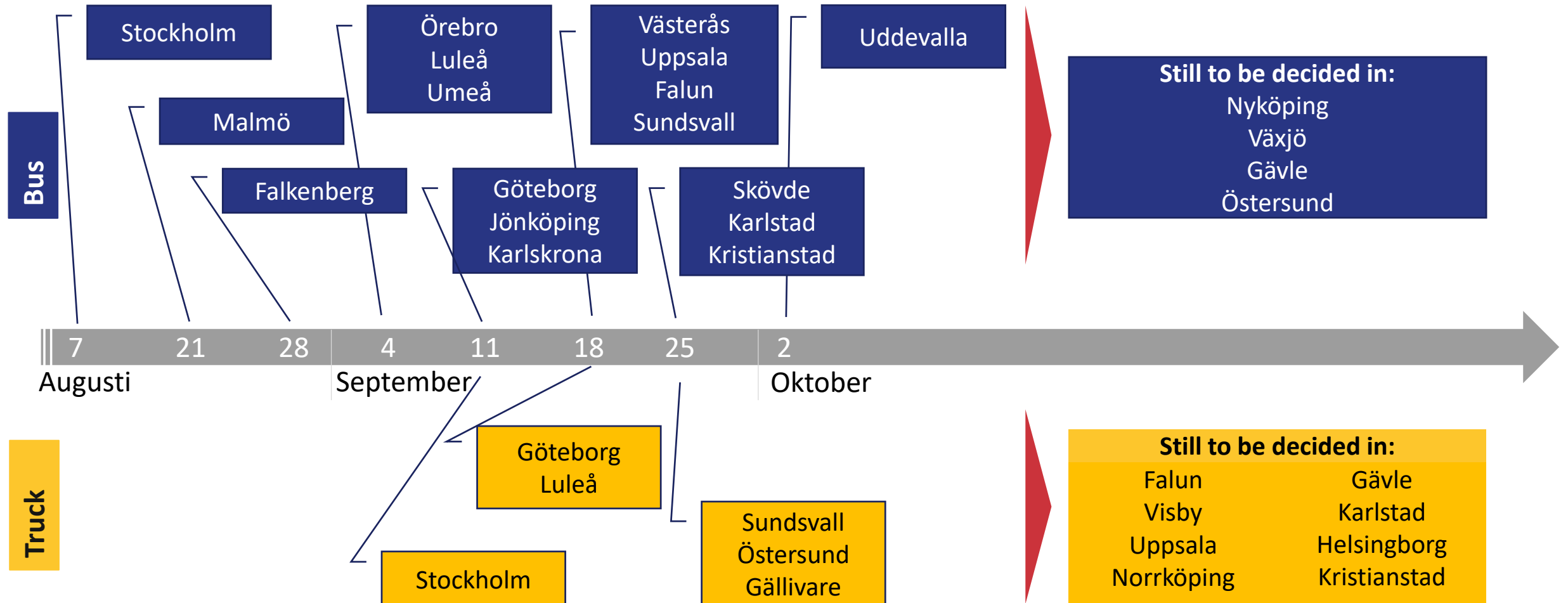
Delivery

Profitable Growth Strategy



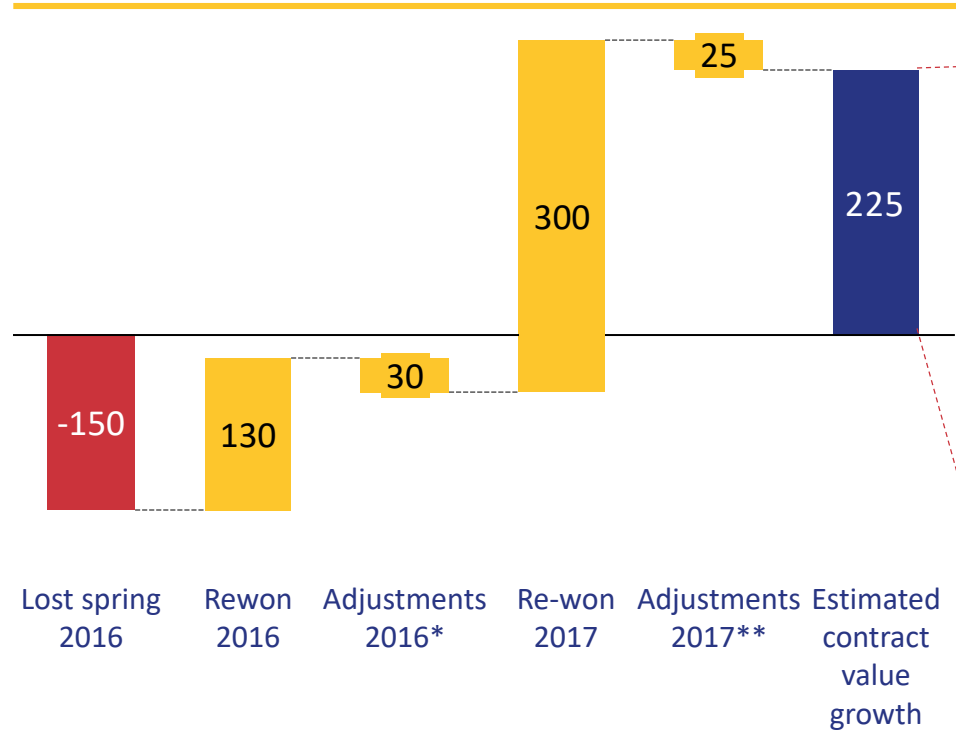
Agreed start dates in Transport educations

Start date for test and assessment module



In addition to Transport

Contract value change 2016-17



*Adjustments 2016 primarily due to lower than expected volumes in Yrkesvux contracts and vehicle mechanics

** Adjustments 2017: Lower vux volumes due to start of AUB Transport and risk of losing parts of engineer module education

>60 ongoing start-up projects

Course	Place	Start	Up and running
TAXI	8-10 places	1/3	1/1-18
STOM*	Örebro	1/4	1/9
YH**	10 starts Distance	11/9	1/10
Construct.	Borlänge	19/6	1/10
Ins. Fitter	Gävle	11/9	1/11
STOM*	Falun	1/8	1/11
STOM*	Malmö	1/7	1/11
Bus	7 places	SEP	~1/12
Construct.	Umeå	19/9	1/1-18
STOM*	Gävle	1/10	1/1-18
STOM*	Sundsvall	1/10	1/1-18
STOM*	Växjö	1/10	1/1-18
STOM*	Kristianstad	1/10	1/1-18
Bus	7 places	OCT	1/1-18
Truck	6 places	SEP	1/1-18
Vux Constr	Örebro	SEP	1/1 -18
Bus	7 places	NOV	1/2 -18
Truck	7 places	NOV	1/2-18
Prof. Swed	4 regions	1/10	1/4 -18

*STOM = Support and matching

**YH = Vocational university



Thank you!

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**Yrkes
Akademin**

Vi hjälper dig att lyckas!