

# YA Holding AB (publ)

Investor presentation Q3 2015

Tomas Ringsby Petersson CEO  
Mikael Vesterlund CFO

Presentation held 27/11/2015

# Major events during Q3

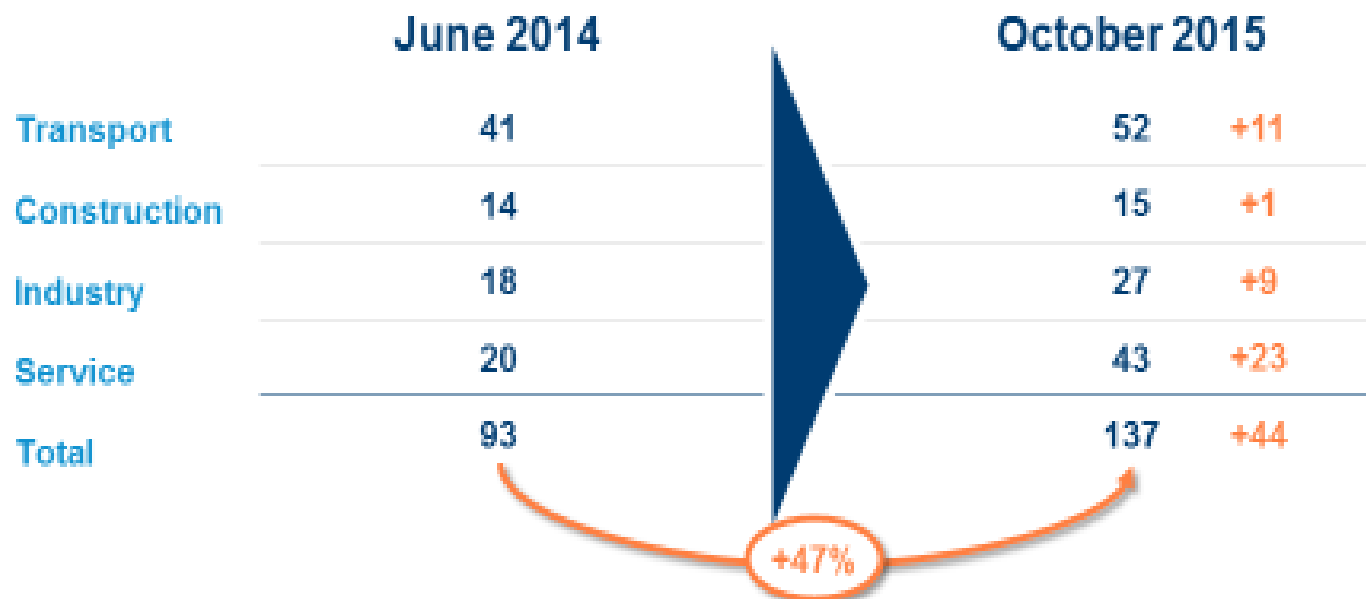
- ▶ Arbetsförmedlingen (AF) official figures concerning the level of unemployment in Sweden is almost unchanged since last period.
- ▶ The number of people in Arbetsmarknadsutbildning (AUB) was reported at September to be -14 % compared to December 2014. Within the third quarter the volume has fluctuated between -24 % to at the end of September be -14 %. NB. AF has not released statistics for the same period last year.
- ▶ Efforts to deal with the large number of immigrants to our country affects AF organization. According to the Director General the number of people within the country who need additional training to reach a job will increase greatly in the second half of 2016.
- ▶ The new law on further education of professional drivers, Driver Certificate of Professional Competence (YKB) with effect from September 2016. As a consequence of this we can see increased activity on the market.

# Major events during Q3

- ▶ YrkesAkademin has won fourteen new contracts (with a possibility of one additional) in a major tender from AF related to training courses within industry, i.e. welding and CNC operators.
- ▶ The yearly value of the new contracts is estimated to about SEK 50 million, however as YrkesAkademin already operates the main part of the courses today this will have a positive incremental impact with SEK 20 million per annum.

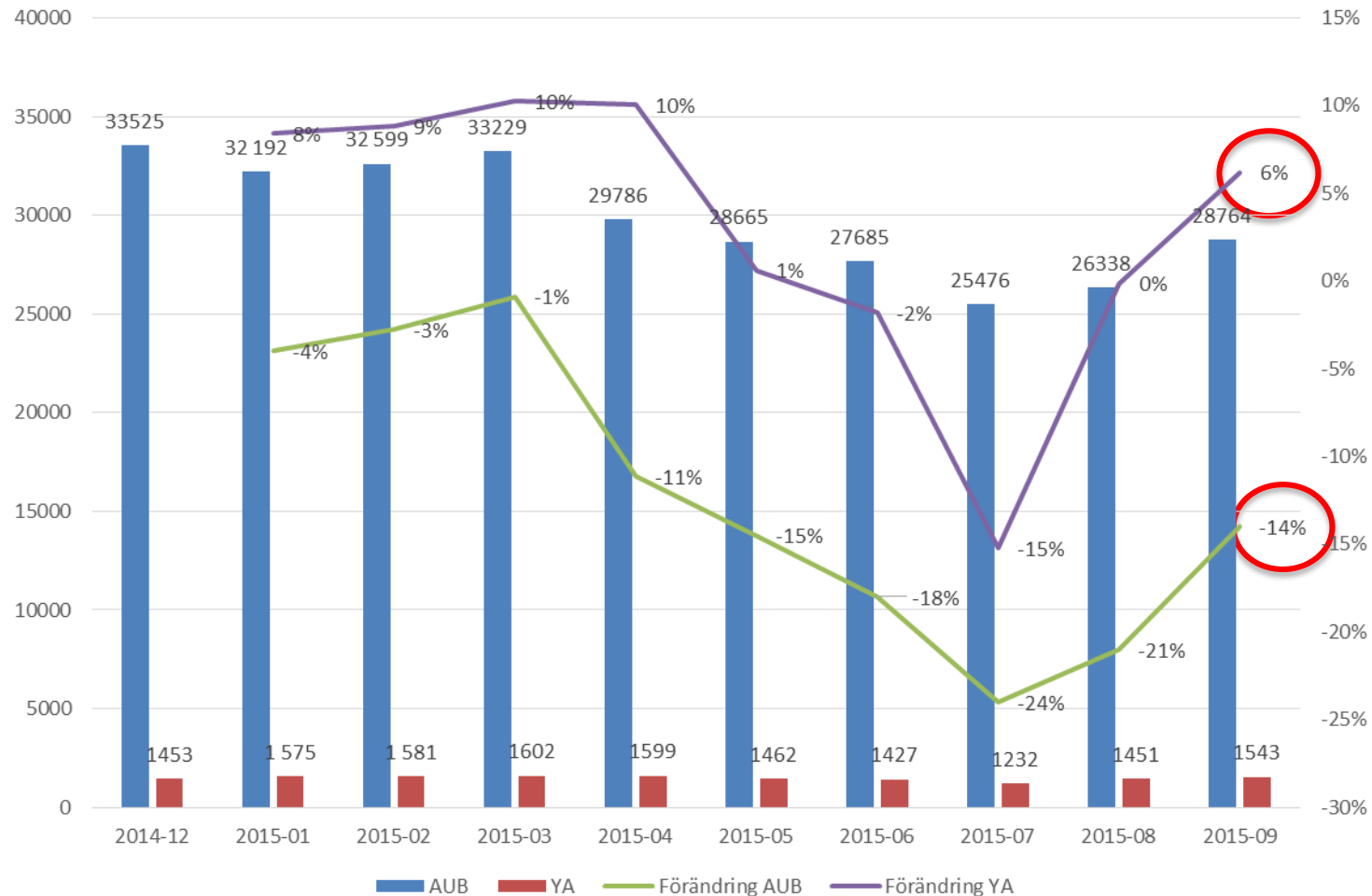
# Expanding business by high win rates

## Expanding business by high win rates



*New contracts at higher prices/margins vs. previous periods and competitors*

# Participants Arbetsmarknadsutbildning Januari to September 2015



# Profit & loss Q3 2015

- ▶ Revenues amounted to SEK 77.1 million (80.5) for the quarter.
- ▶ Lower revenue in Business area Transport and Construction compared to prior year is compensated by higher sales in business area Service due to increasing volume in new courses for real estate industry.
- ▶ The average number of students in AUB has been 1191 (1186) for the period.
- ▶ EBITDA amounted to SEK 7.8 million (10.3).
- ▶ The lower profit is due to lower revenues generated by a shift in sales mix compared to prior year.

# Direct costs and overhead (incl. leasing fees & depreciation)

Direct costs (SEK million)	Q3 2015	Q3 2014	Δ
Employees & Consultants	36,3	36,8	0,5
Premises, Vehicles & Machines & leasing	13,5	10,6	-2,9
Other	28,8	23,5	-5,3
<b>TOTAL</b>	<b>78,6</b>	<b>70,9</b>	<b>-7,7</b>
Indirect costs (SEK million)			
Overhead	7,4	11,3	3,9
<b>TOTAL COST</b>	<b>86,0</b>	<b>82,2</b>	<b>-3,8</b>

# Normalized EBITDA

EBITDA (SEK million)	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Δ Q3
Reported EBITDA	19.0	13.0	10.3	5.8	13.2	10.0	7.8	-2.5
Non recurring cost				+7.9	+1.6			
Other income	-1.2			+0.6				
<b>Normalized EBITDA</b>	<b>17.8</b>	<b>13.0</b>	<b>10.3</b>	<b>14.3</b>	<b>14.8</b>	<b>10.0</b>	<b>7.8</b>	<b>-2.5</b>



# Balance sheet & cash flow Q3 2015

- ▶ Cash balance amounted to SEK 9.8 million (22.8) at the end of the quarter, bank overdraft facility not used.
- ▶ The cash flow amounted to SEK 0.1 million (9.8).
- ▶ Change in Working capital was SEK 1.0 million (29.1).
- ▶ Net debt amounted to SEK 403.2 million (392.1).

# Cash flow Q3 2015

(SEK millions)	Jul-Sep
EBITDA	7,8
Accounts receivables	-6,3
Other assets	0,7
Accounts payables	5,7
Other liabilities	0,9
<b>Change in working capital</b>	<b>1,0</b>
<b>Cash flow from operating activities</b>	<b>8,8</b>
Interest paid	-7,1
Income tax paid	-2,1
<b>Cash flow for the period</b>	<b>-0,4</b>

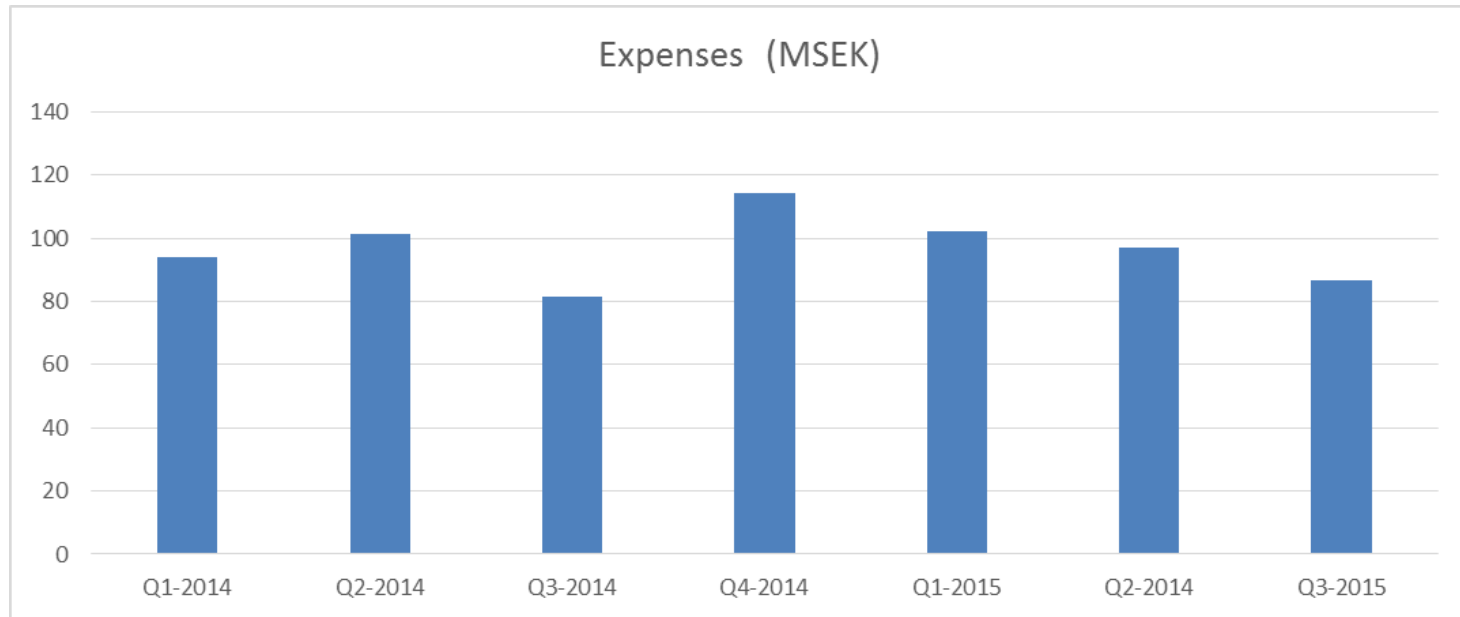
# Covenants

Leverage (net debt/EBITA)	8.8x
Interest coverage (EBITDA/Net finance charges)	1.7x

# Major events after the report period

- ▶ Jan Larsson has been announced as the new CEO from January 2016. Jan has during 2015 been a member of the Board in YrkesAkademin and today he is working as partner at Brunswick. Prior to that has he been Secretary of State, Communications Director at Nordea and consultant at McKinesey.
- ▶ YA have from September started cost saving activities due to the low number of students for certain courses.

# Operating expenses



Cost savings program initiated to reduce cost, i.e. employees, vehicles, premises etc.