YA Holding AB (publ)

Investor presentation Q4 2015 and Full year 2015

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Mikael Vesterlund CFO

Presentation made 26/02/2016
Participants

CEO
Jan Larsson

CFO
Mikael Vesterlund
Unemployment stable just below 400 000 or 8%

Continued need for matching and training:
• Youth unemployment (18-24) down but still high at 70,000
• Long term unemployment (>1 year) up 6,000 to 147,000
• # of unemployed born out of Europe up 17,000 to 145,000
• Half the unemployed, 189,000, were not born in Sweden

Source: The Swedish Public Employment Service, Arbetsförmedlingen
Even if inflow of new asylum seekers stay low, time to work and residence permit will be long

Delayed effect on market:
- >180,000 asylum seekers waiting for permit decision
- Approx 40-60% are granted permission
- Today’s average time from arrival to decision >200 days
- Average # of decisions ~5-6000 / months => todays que could take 2-3 years
- Evidently large potential future market.
- Multiple authorities will have responsibility and fund measures

Source: The Swedish Migration Board, Migrationsverket
Employment education (AUB) volumes are historically low, but YA maintains growing volumes and market shares.

Volume growth

- AUB market down over the year but stable in autumn and winter.
- YA's market share increased from 4 to 6% in one year.
- Excluding preparatory courses, YA’s market share is close to 15%.

Source: The Swedish Public Employment Service, Arbetsförmedlingen
Profit & loss Q4 2015

- Revenues were SEK 103.8 million (102.7) in the quarter.
- Sales have increased in all business areas during the period due to higher activity within AUB.
- The average number of students in AUB has been 1,545 (1,478) in the quarter.
- EBITDA amounted to SEK 9.2 million (5.8).
- Increased revenue has generated a better result during the quarter.
- Ongoing cost saving program have impacted on the profit by SEK 2.1 million in non-recurring cost.
Revenues were SEK 375.5 million (382.7) for the full year.

Lower revenue in Business area Transport and Construction is compensated by higher sales in business area Service due to increasing volume in new real estate based courses.

The average number of students in AUB has been 1,450 (1,410) for the period.

EBITDA amounted to SEK 40.3 million (48.3).

The lower profit compared to prior year is explained by the change in sales mix and the increased cost driven by the ramp-up of new sites for real estate courses.

The low activity in the beginning of the year for AF vocational training had negative impact on the full year result.

EBITDA was affected by SEK 3.7 in million non-recurring cost.
## Normalized EBITDA

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</thead>
<tbody>
<tr>
<td>Reported EBITDA</td>
<td>19.0</td>
<td>13.0</td>
<td>10.3</td>
<td>5.8</td>
<td>13.2</td>
<td>10.0</td>
<td>7.8</td>
<td>9.2</td>
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<tr>
<td>Non recurring cost</td>
<td></td>
<td></td>
<td></td>
<td>+7.9</td>
<td>+1.6</td>
<td></td>
<td></td>
<td>+2.1</td>
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<tr>
<td>Other income</td>
<td>-1.2</td>
<td></td>
<td></td>
<td>+0.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Normalized EBITDA</td>
<td>17.8</td>
<td>13.0</td>
<td>10.3</td>
<td>14.3</td>
<td>14.8</td>
<td>10.0</td>
<td>7.8</td>
<td>11.3</td>
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Balance sheet & cash flow Q4 2015

- Cash balance amounted to SEK 11.9 million (26.6) at the end of the quarter, bank overdraft facility (SEK 30 million) not used.

- Cash flow amounted to SEK 2.2 million (3.8).

- Cash flow from operating activities amounted to SEK 10.3 million (3.5).

- Change in Working capital was SEK 11.0 million (4.3).

- Net debt amounted to SEK 392.1 million (377.0).
## Operating Cash flow Q4 2015 and Full year 2015

<table>
<thead>
<tr>
<th>(SEK millions)</th>
<th>Oct-Dec</th>
<th>Full year 2015</th>
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<tbody>
<tr>
<td>EBITDA</td>
<td>9,2</td>
<td>40,3</td>
</tr>
<tr>
<td>Accounts receivables</td>
<td>7,2</td>
<td>7,2</td>
</tr>
<tr>
<td>Other assets</td>
<td>-2,2</td>
<td>-1,6</td>
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<tr>
<td>Accounts payables</td>
<td>5,4</td>
<td>5,9</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>0,6</td>
<td>-2,4</td>
</tr>
<tr>
<td><strong>Change in working capital</strong></td>
<td><strong>11,0</strong></td>
<td><strong>9,1</strong></td>
</tr>
<tr>
<td>Cash flow before interest and taxes</td>
<td>20,2</td>
<td>49,3</td>
</tr>
<tr>
<td>Interest paid</td>
<td>-8,0</td>
<td>-28,4</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>-1,9</td>
<td>-9,4</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td><strong>10,3</strong></td>
<td><strong>11,5</strong></td>
</tr>
</tbody>
</table>
Covenants

Leverage (net debt/EBITDA)  9.1x
Interest coverage (EBITDA/Net finance charges)  1.6x
Events after the end of the quarter contributed to further customer diversification

**Industrial customers**
- PostNord
- UPS
- Skellefteå buss
- Kyl- och Frys-expressen

**International customers**
- YrkesAkademin won a tender process for employment training of truck drivers in Wasa, Finland.
- Limited market size locally but potential larger future regional and national market

**Vocational University**
- 7 new courses approved, start-up of totally 13 in autumn:
  - 3 Real estate technician
  - 1 Sterile technician
  - 1 Specialist nurse
  - 1 Study tutor, multi language
  - 2 Real estate engineer
  - 1 Trafic school teacher
  - 1 CNC technician
  - 1 .net software developer
  - 1 green surface manager
  - 1 Dental nurse

**Industry certificates**
- Volvo
- SKF Mekan
- Atlas Copco

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Thank You!