

# YA Holding AB (publ)

Investor presentation Q4 2014

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Presentation held 03/03/2015

# Major events during Q4

- ▶ Before and after the election there was a period of uncertainty which affected the number of students. However, YrkesAkademin (“YA”) reached a 20% increase in regards to number of students in December compared to the same period in 2013.
- ▶ In the statement of Government Policy the new Government stated new guidelines for AF, among others a complete restructuring of AF and a education initiative/”kunskapslyftet” was announced.
- ▶ Supplier meetings and evaluations with AF have started and YA has participated in all of the meetings related to YA’s operations.
- ▶ AF has decided not to prolong the contract for training of truck drivers in Pajala as a result of the closure of Northland Resources mine in Pajala. This will affect YA’s annual revenue by SEK -5 million in 2015.

# Major events during Q4, continued

- ▶ The Minister for Enterprise and Innovation (Mikael Damberg) visited our facility for training in warehouse and logistics in Alvesta.
- ▶ A reorganization has been made in order to focus more on the private and corporate market. A business area manager for the private and corporate market has been appointed and the sales force works more closely with the business areas and closer to the market.
- ▶ The company has been reorganized from five to four operational business areas; Transport, Construction, Industry and Service.
- ▶ TYA's (the Association of Employers and Unions within the transport business) forecast in the "TYA Barometer" is still positive in regards to the possibility of gaining an occupation within the transport sector.

# Profit & loss Q4 2014

- ▶ Revenue amounted to SEK 102.7 million (94.7), an increase with 8.4%. The strongest month was December with an increase in volume (number of students), close to 20% higher than December 2013.
- ▶ The growth compared to previous year relates to the business area Service and in particular training courses for engineers and courses for the real estate industry.
- ▶ Revenue from the business area Construction are on the same level as previous year despite a major contract for training of machine operators that expired earlier this year.
- ▶ Direct cost as a percentage of revenue decreases from 85.8% previous year to 83.7% during Q4 2014.

# Profit & loss Q4 2014, continued

- ▶ EBITDA amounted to SEK 5.8 million (24.4). The deviation is primarily explained by non-recurring items, transaction cost for the acquisition and profit from sale of fixed assets.
- ▶ Assets and liabilities have been revaluated and a surplus value for machinery and equipment has been identified. The surplus value amounts to SEK 73.8 million and it will be depreciated over five years. The depreciation in Q4 amounted to SEK -7.4 million.

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

Direct costs (normalized) (SEK million)	Q4 2014	Q4 2013	Δ
Employees & Consultants	46.2	43.7	2.5
Premises, Vehicles & Machines & leasing	15.3	17.9	-2.6
Other	24.5	19.7	4.8
<b>TOTAL</b>	<b>86.0</b>	<b>81.3</b>	<b>4.7</b>

Indirect costs (Normalized) (SEK million)	Q4 2014	Q4 2013	Δ
Overhead	11.6	10.0	1.6

<b>TOTAL COST</b>	<b>97.6</b>	<b>91.3</b>	<b>6.3</b>
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# Normalized EBITDA

EBITDA (SEK million)	Q4 2014	Q4 2013	Δ
Reported EBITDA	5.8	24.4	-18.6
Transaction costs	+7.9		+7.9
Severance payment	+0.6		+0.6
Profit from sales of fixed assets		-7.7	+7.7
<b>Normalized EBITDA</b>	<b>14.3</b>	<b>16.7</b>	<b>-2.4</b>

# Balance sheet & cash flow Q4 2014

- ▶ Cash balance amounted to SEK 26.6 million (7.0), bank overdraft facility not used.
- ▶ The cash flow from operating activities amounted to SEK 12.3 million (54.0). Previous year affected by sales of fixed assets and a significant decrease (23.5) in accounts receivables.
- ▶ Stable development of working capital in the quarter. Accounts payable on a high level due to recorded transaction costs (7.9).
- ▶ Net debt amounted to SEK 388.6 million (130.4).
- ▶ Due to the adjustment in the acquisition analysis for the YA-group fixed assets increased with SEK 73.8 million and a deferred tax amounted to SEK 16.2 million was recorded.



# Cash flow Q4 2014

(SEK millions)	Oct – Dec.
EBITDA	5.8
Interest paid/received	-8.2
Income tax paid	0.1
<b>Operating cash flow before change in WC</b>	<b>-2.3</b>
Accounts receivables	1.5
Other assets	-2.0
Accounts payables	11.9
Other liabilities	3.2
<b>Change in working capital</b>	<b>14.6</b>
<b>Cash flow from operating activities</b>	<b>12.3</b>

# Major events after the report period

- ▶ YA has won a major tender from AF relating to training courses for machine operators for the upcoming four years (two years + two extension periods of one year each). The value of the contracts is approximately SEK 80 million annually. YA already operates the main part of the courses. The Stockholm area and the region of Skåne are new for YA. The contracts will commence in April 2015.
- ▶ YA has received permission to start six new training programs from Yh Myndigheten regarding vocational universities. The new units will start during September 2015.
- ▶ YA participated in a tender for adult education (“Komvux”) in the region of Sörmland aimed at machine operators. YA won all municipalities and the new training courses will be conducted in cooperation with YA’s current operation in the region.

# Major events after the report period

- ▶ YA is in discussions with parties involved in the already planned infrastructure investments in the Stockholm and Gothenburg regions for delivery of various training programs.
- ▶ It has been brought to YA's attention that AF is planning to reorganize the authority from the first of April 2015.