



Strategy made personal

BTS Group AB (publ)

Carnegie

Stockholm, Sep 27, 2016

Michael Wallin
Head of Investor Relations

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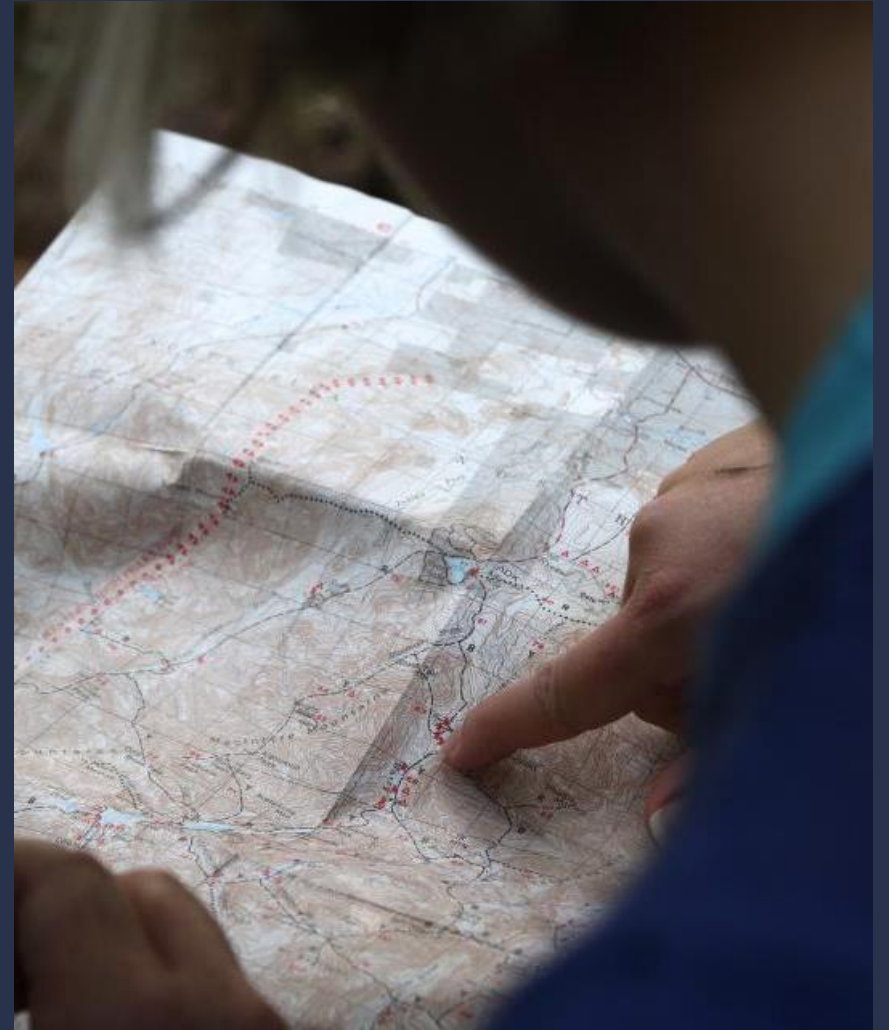
Our Vision



The global
leader in turning
strategy into
action.

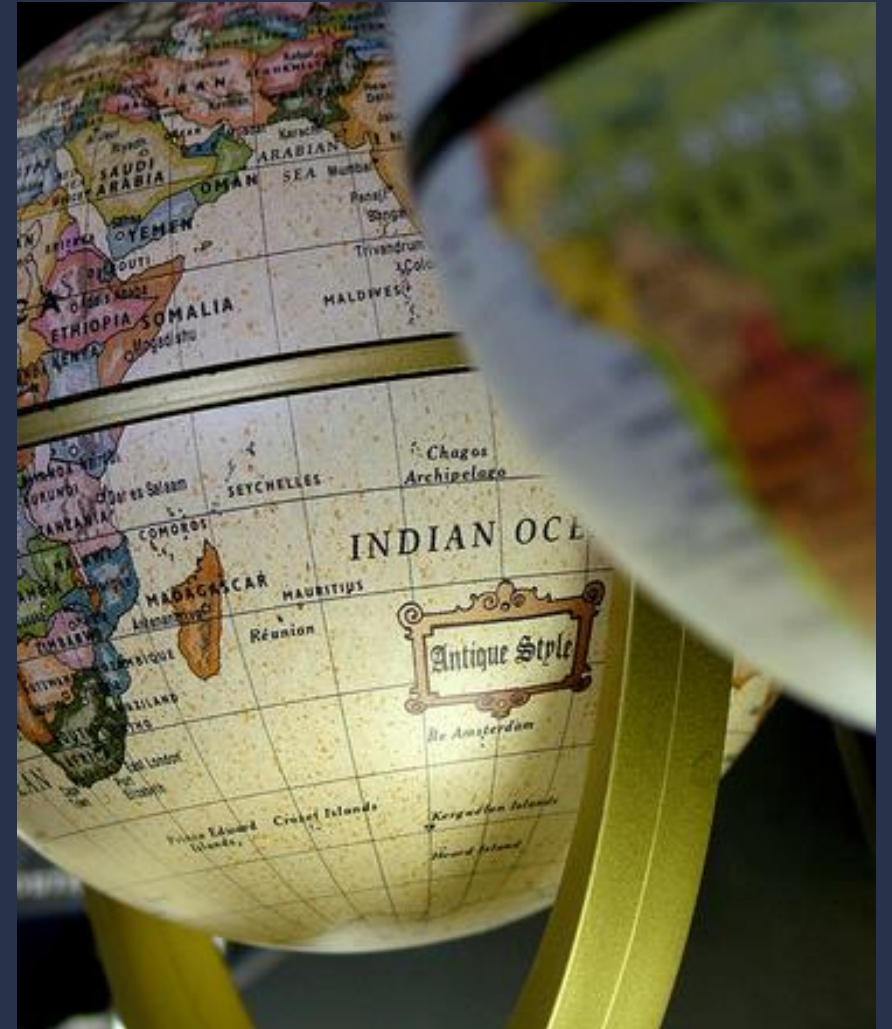
BTS focuses on the people

- We believe people learn best by doing
- For 30 years, BTS has designed powerful experiences that have profound and lasting impact on people and their careers
- It's strategy made personal



BTS leadership and strategy implementation offer

- Strategy execution
- Leadership development
- Transforming sales organizations



BTS Global Footprint



Superior business results and ROI sets BTS apart



Discovery-based learning



Broad range of innovative and practical solutions with proven, high impact



Global presence

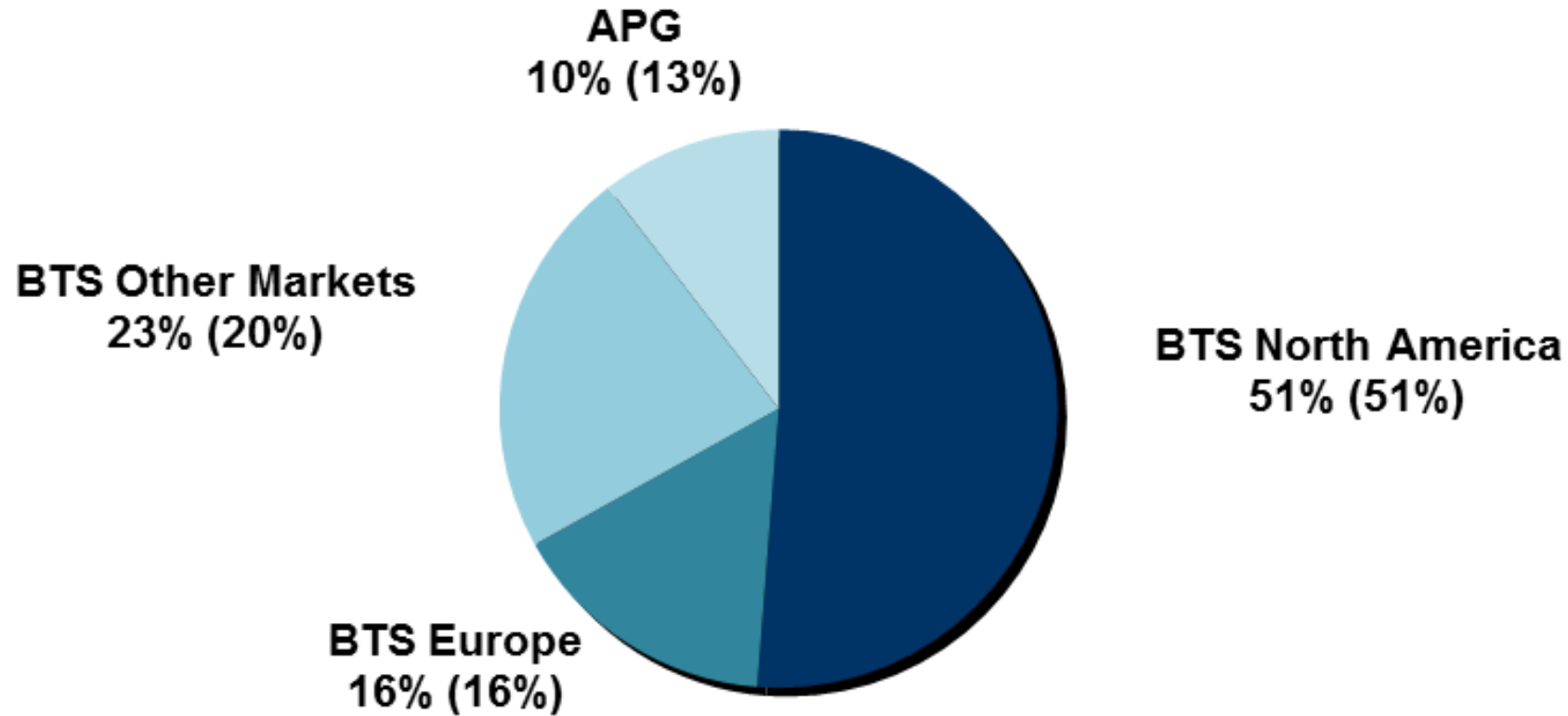


Deep customization

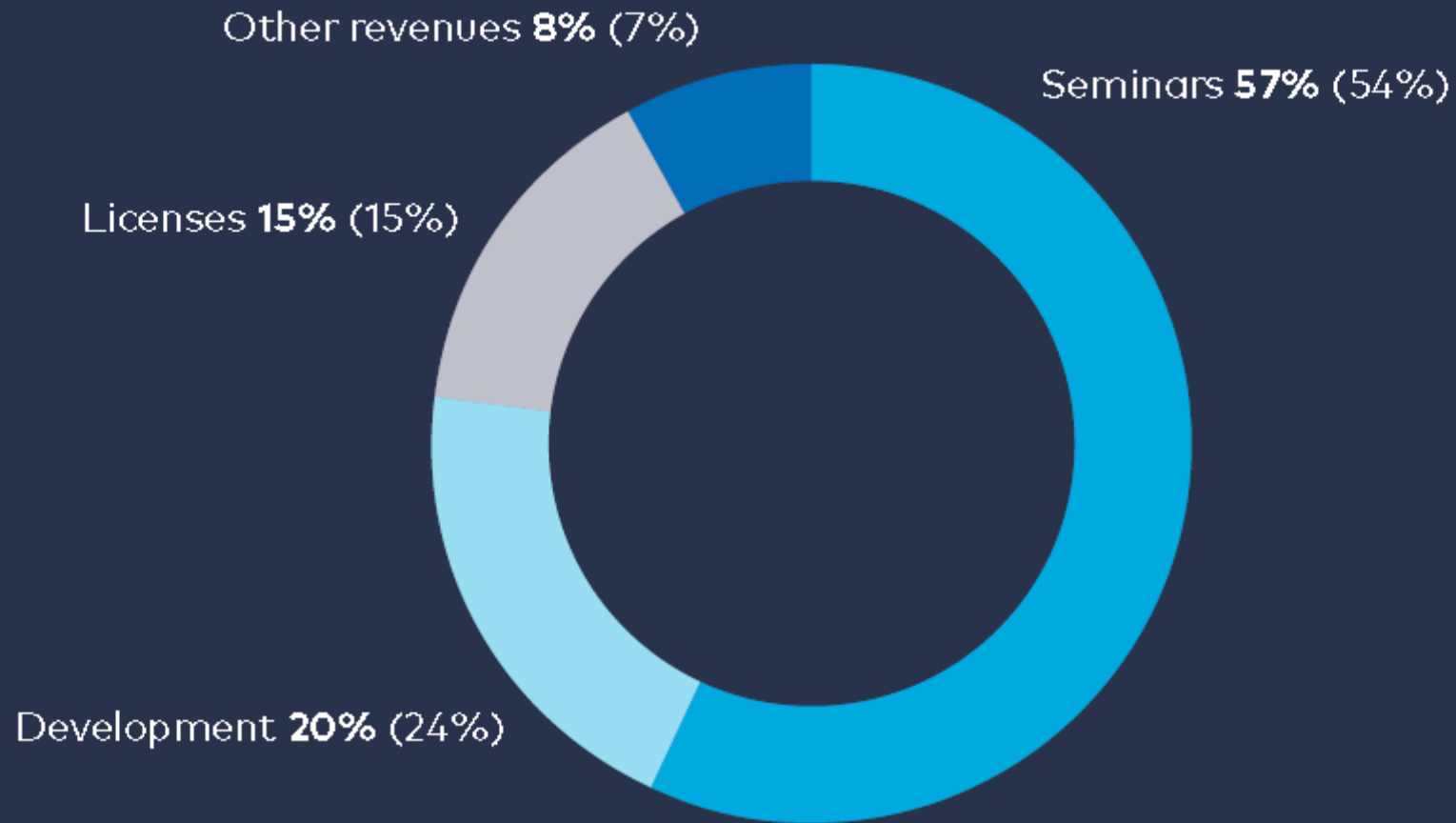


Close and long standing customer relations

Net sales per operating unit Q2 2016



Net sales by source of revenue FY 2015



Stable client base and revenue development

- Average customer life span 7 years
- 80% of revenues from existing client base

Market drivers

- High demand for strategy alignment and transformation solutions, especially from industries undergoing rapid change
- Demand for global delivery of leadership development, e.g. within pharmaceutical, accounting and software industries. BTS is one of the few global players.
- Trend moving from competence to focus on behavior, where BTS has a strong offer based on its own point-of view of what defines great leadership



Case - Strategy Execution at AT&T

How AT&T accelerated alignment and execution around their 3-year business strategy using a CEO inspired program featuring a highly customized business simulation

<https://www.youtube.com/watch?v=CPTFLaNdN4c>



Financial targets and track record

Financial targets and dividend policy

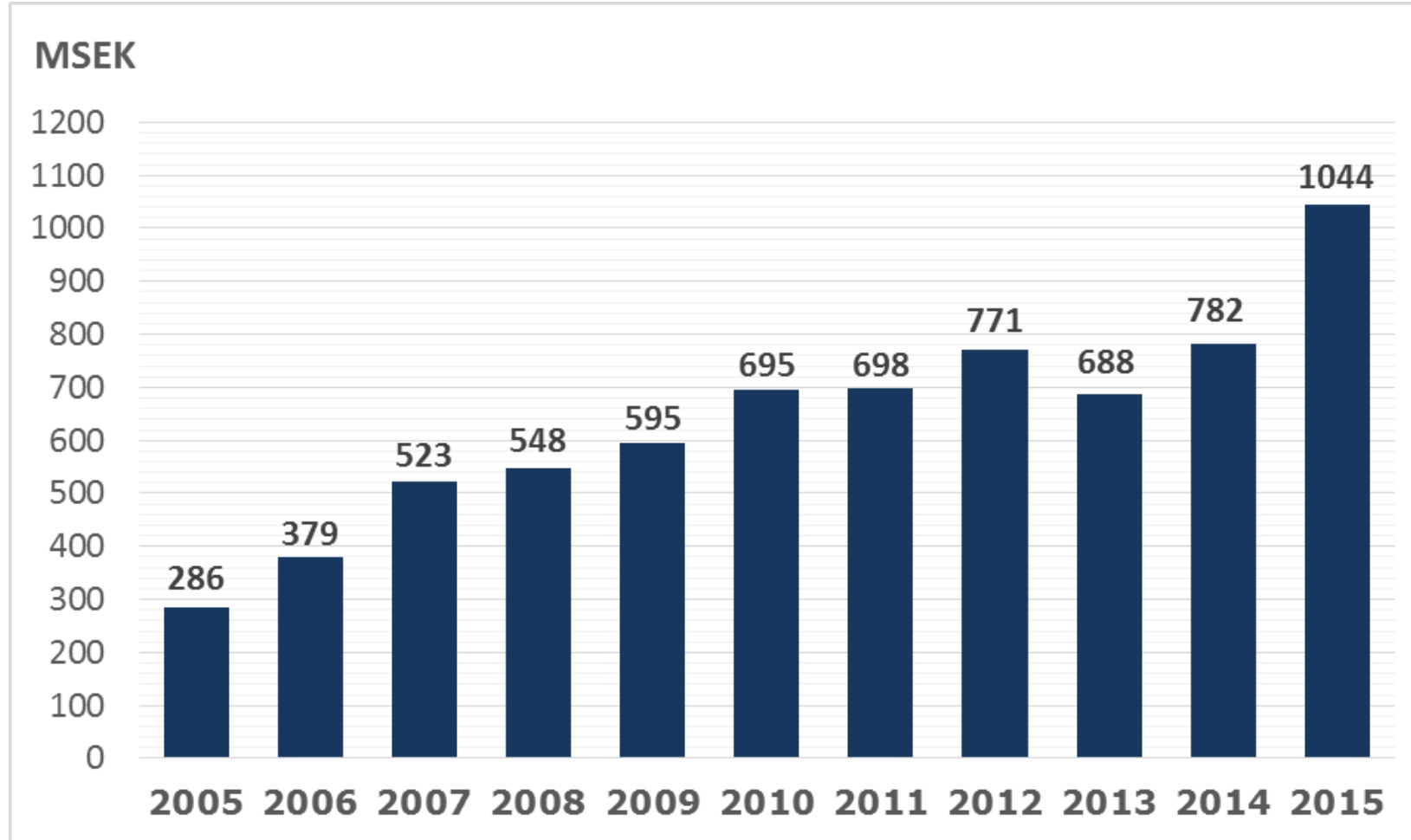
- Growth, adjusted for changes in exchange rates, of 20%, primarily organic
- An EBITA margin of 15%
- An equity ratio that does not fall below 50% over extended periods

Dividend policy

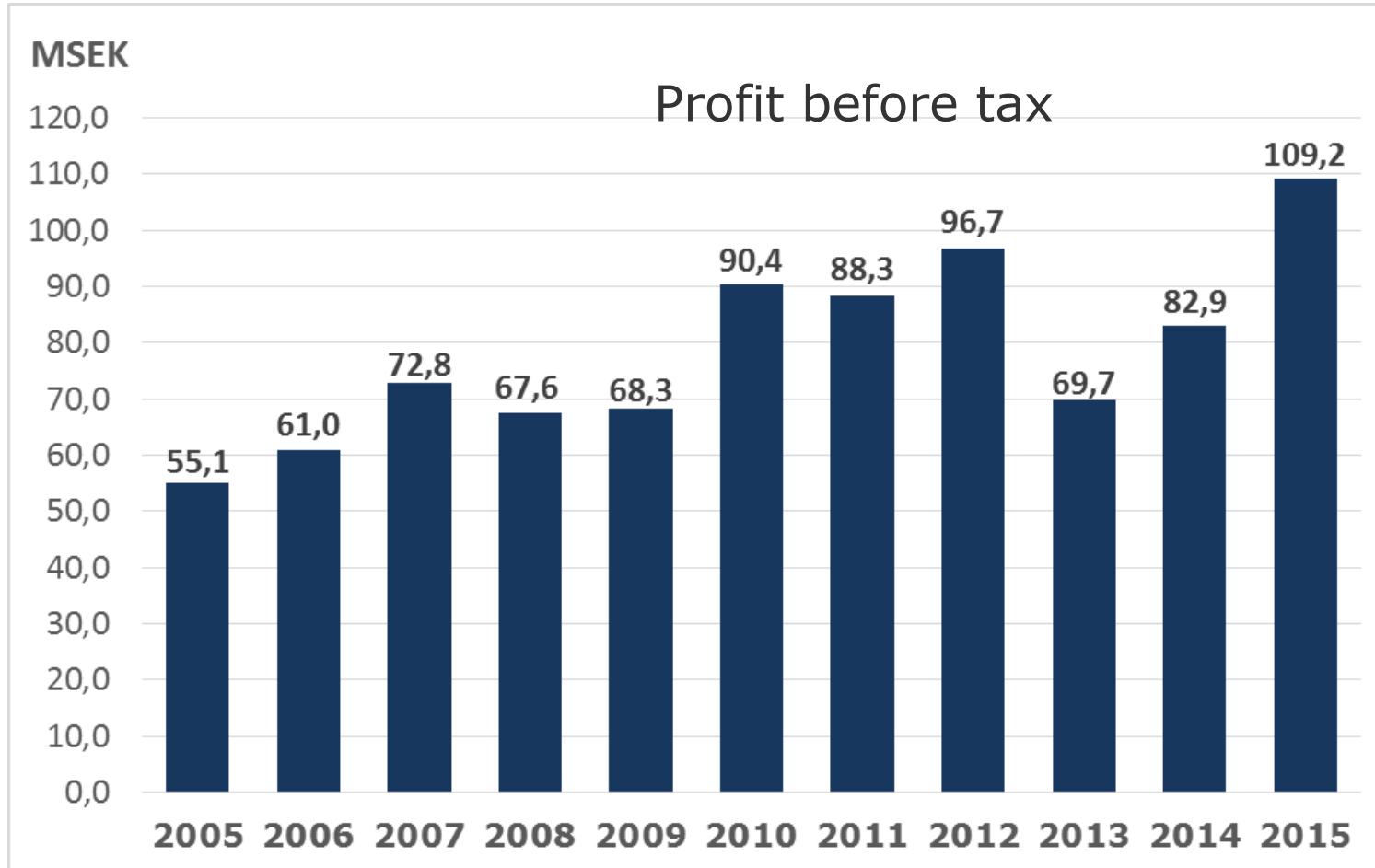
- The company's goal is to distribute 40-65% of the profit after tax in the long run



Ten Year Revenue Growth



Ten Year Profit Growth



How we generate growth

1. Talent growth
2. Grow revenue and share of wallet per account
3. Innovation
 - Digital
 - Content
4. New geographies
5. Acquisitions

Average growth
over 10 years

14%

Acquisition strategy

1. Aims to strengthen and expand base for growth and service offering
2. Complementary solutions
3. Expand geographic reach
4. Focus on small to mid size businesses
5. Talent and culture fit

Company	Year	Country
Wizerize	2013	Denmark
Fenestra	2014	USA
AVO	2015	South Africa
Synergy Group	2015	Australia
Cesim	2016	Italy

Financials

Q2 2016 summary

Strong Europe and Other Markets, weak USA

- Continued rapid growth in Other Markets
- Europe back to growth and higher margins
- Negative growth and declining margins in the US
- Jessica Parisi appointed CEO of BTS USA
- Acquisition of Italian based Cesim, (Q3)



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Q2 2016

	<u>Apr – Jun 2016</u>	<u>Apr – Jun 2015</u>	<u>Change.</u>
Total Revenue, MSEK	282.0	284.6	+4%*
EBITA	33.6	38.0	-12%
EBIT	32.5	36.9	-12%
Profit before tax	32.5	36.8	-12%
Profit after tax	21.9	24.6	-11%
EPS	1.17	1.32	-11%
EBITA margin	12%	13%	
EBIT margin	12%	13%	

*Currency adjusted

Q2 2016

Revenue and Margin per Business Unit

	<u>Apr – Jun 2016</u>	<u>Apr – Jun 2015</u>	<u>Change.*</u>	<u>EBITA Margin</u>
Total Revenue, MSEK	282.0	284.6	+4%	12%(13)
BTS North America	140.0	148.2	-3%	11%(14)
BTS Europe	48.7	48.4	+5%	16%(12)
BTS Other Markets	69.2	58.0	+31%	14%(17)
APG	24.1	30.0	-18%	1%(3)

*Currency adjusted

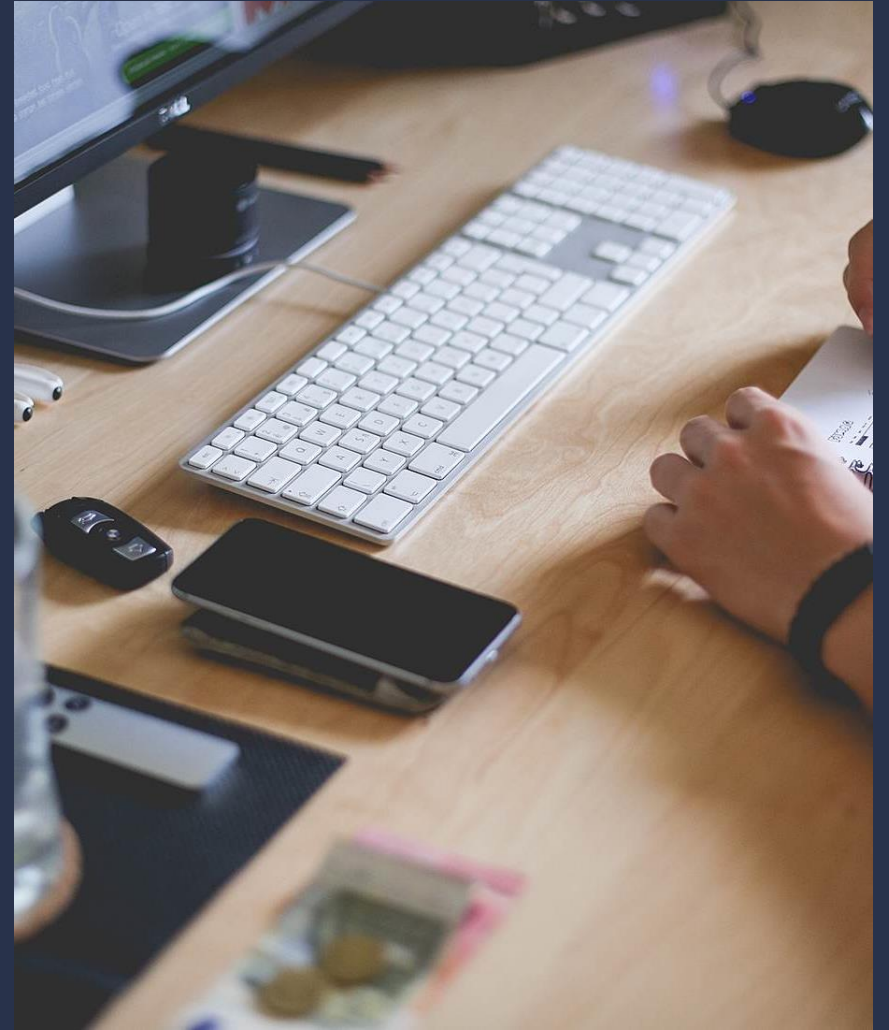
BTS USA – back to growth of revenues and profits

1. Grow revenue and share of wallet per account

- broader range of services
- stronger account management

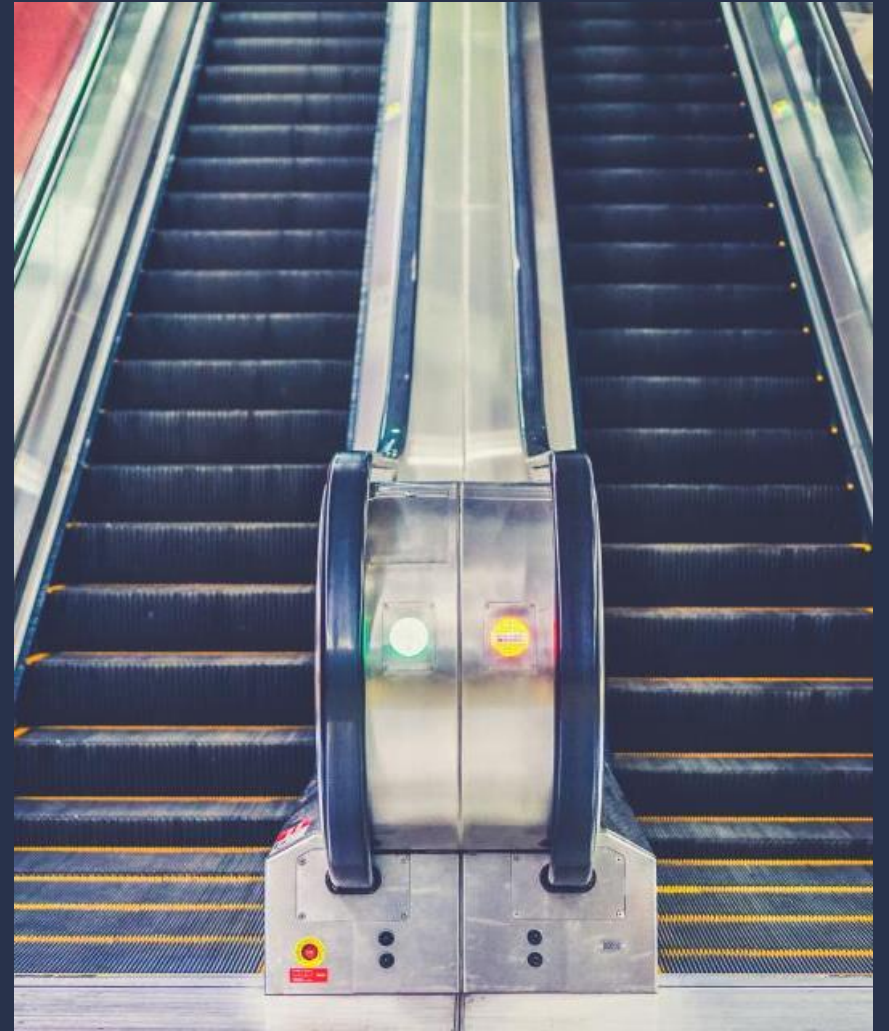
2. Increasing efficiency

- billability
- project execution
- management & overhead costs



APG – back to growth of revenues and profits

1. Launch new solutions
2. Hire new partners
3. Enhance marketing
4. Increase operational efficiency

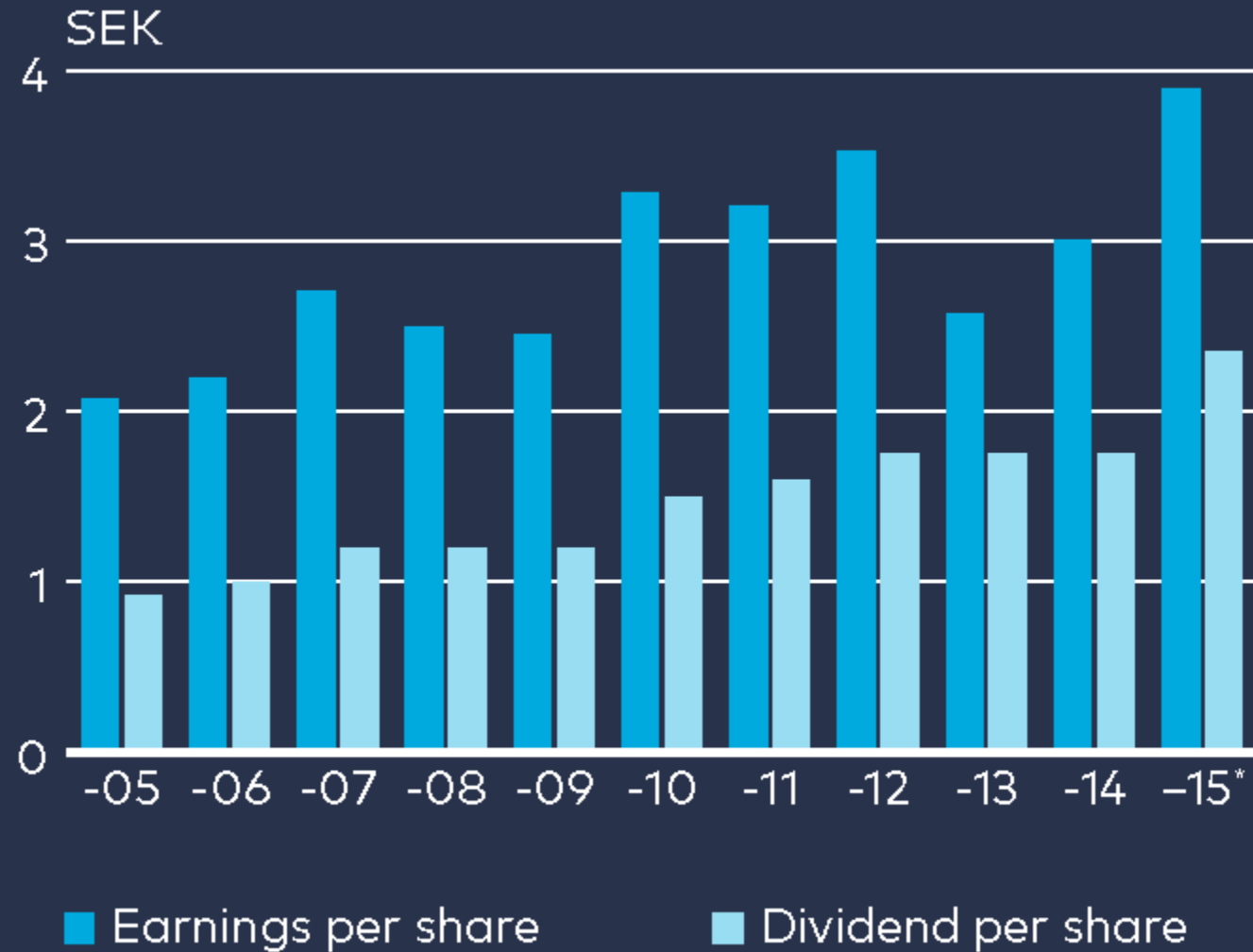


The share

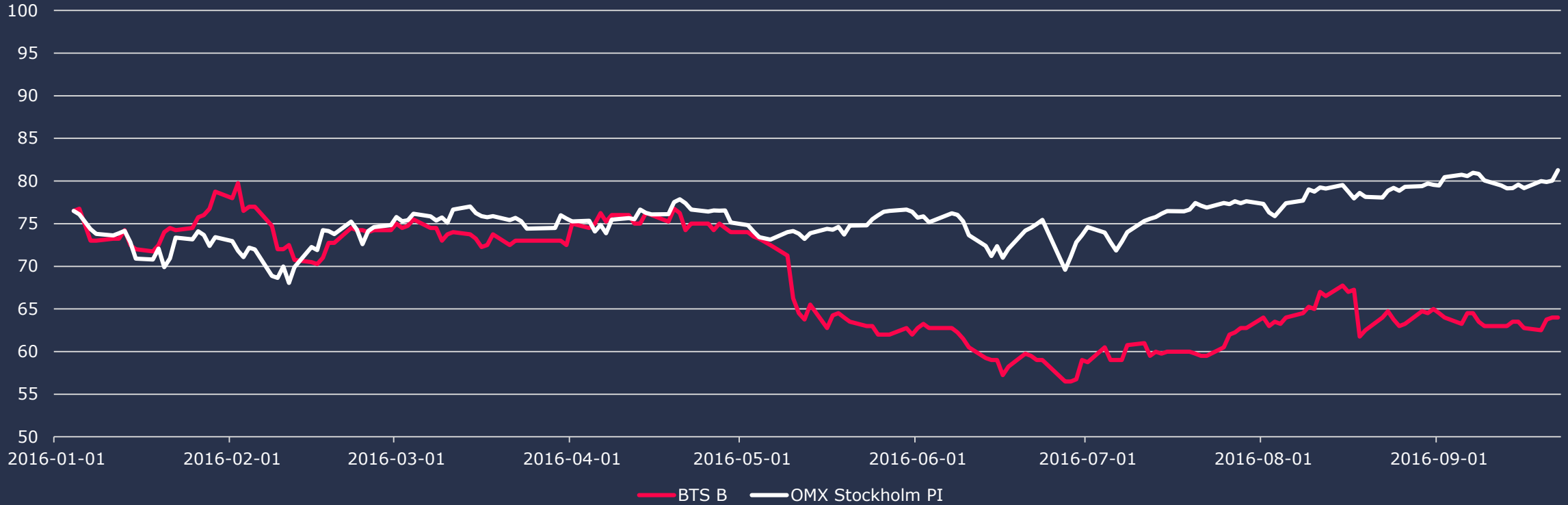
Ten largest shareholders as of May 31st

Name	A shares	B shares	Holding	Capital%	Votes%
Henrik Ekelund incl. companies	816,000	3,189,034	4,005,034	21,5	43,1
Lannebo Micro Cap I+II	0	2,871,054	2,871,054	15,4	10,9
Nordea funds	0	2,840,508	2,840,508	15,2	10,8
Stefan af Petersens, incl. companies	37,800	2,293,095	2,330,895	12,5	10,1
Swedbank Robur Small cap fund Norden	0	1,371,230	1,371,230	7,4	5,2
Stefan Hellberg incl. companies	0	893,994	893,994	4,8	3,4
AMF Equity Fund Small Cap	0	384,007	384,007	2,1	1,5
PSG Micro Cap	0	365,827	365,827	2,0	1,4
State Street Bank & Trust	0	256,163	256,163	1,4	1,0
Harald Mix	0	250,000	250,000	1,3	1,0
Total for 10 largest shareholders	853,800	14,714,912	15,568,712	83,6	88,4
Other shareholders	0	3,077,658	3,077,658	16,4	11,6
Total	853,800	17,792,570	18,646,370	100,0	100,0

Earnings and dividends per share

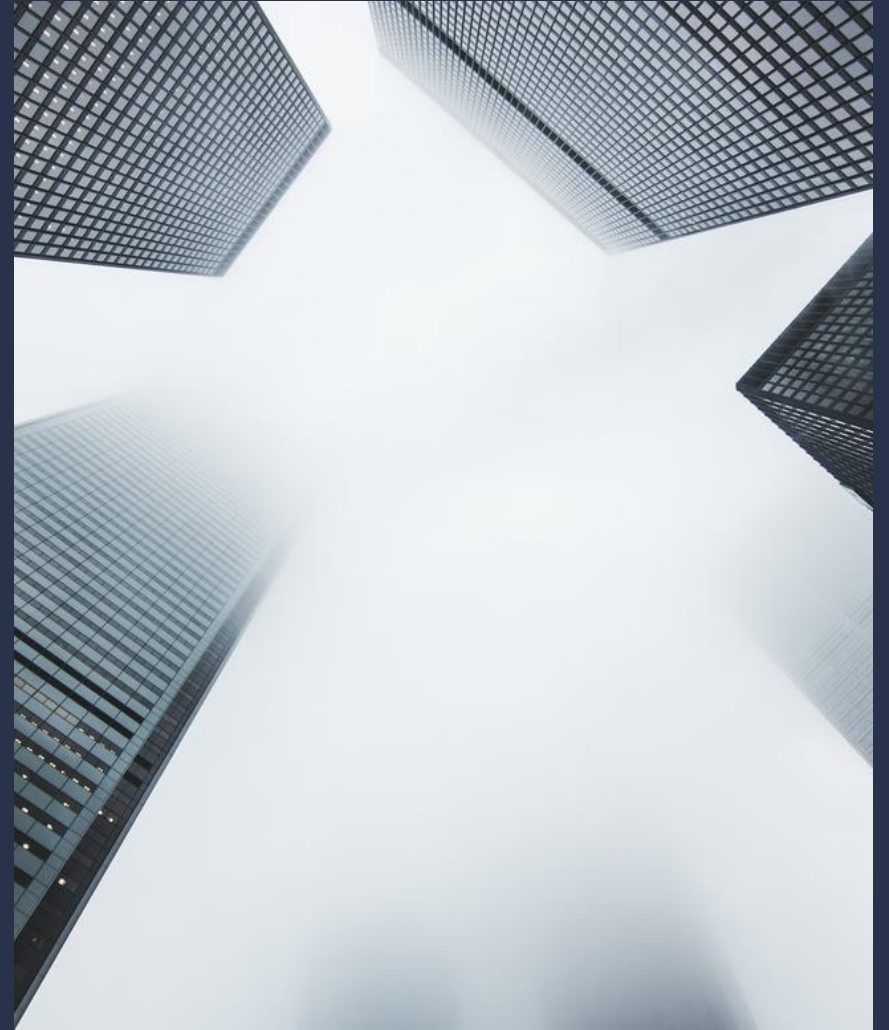


BTS share YTD



Outlook 2016

Profit before tax is expected to be in line with the previous year



Thank you!

Investor Relation Contact:
Michael Wallin
Head of Investor Relations
michael.wallin@bts.com

Tel: +46-8-587 070 02
Cell: +46-708-78 80 19



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Appendix

BTS digital solutions

- Continued investments in digital solutions during 2016, 3-4 MUSD
- A new virtual assessment platform launched
- Several core simulations digitized, allowing virtual delivery
- ChangR app revenue doubled to 4 MSEK in 1h

First half 2016

	<u>Jan – Jun 2016</u>	<u>Jan – Jun 2015</u>	<u>Change.</u>
Total Revenue, MSEK	506.0	502.9	+4%*
EBITA	43.8	50.6	-13%
EBIT	41.7	48.4	-14%
Profit before tax	41.3	48.5	-15%
Profit after tax	27.6	32.4	-15%
EPS	1.48	1.74	-15%
EBITA margin	9%	10%	
EBIT margin	8%	10%	

*Currency adjusted