



# $\Delta$ BTS

*Catalysts for Profitability and Growth*

BTS Group AB (publ)  
Henrik Ekelund  
President & CEO

2008 Third Quarter Report  
Investor Presentation  
November 4, 2008

# Summary



## BTS continued to grow Revenue and improve Net Profit

- *Despite negative performance in APG and impact of currency decline*

### Revenue\* Growth (organic):

- All BTS Units (excl. APG) show strong growth
- APG revenue decline continues to disappoint
- + 10% during Jan – Sept
- + 6% during Q3

### EBITA declining due to:

- Revenue and margin decline in APG
- USD and GBP currency development

\*Revenue change calculated in local currencies

# Jan – Sept, 2008



	<u>Jan – Sept 2008</u>	<u>Jan – Sept 2007</u>	<u>Change</u>
Net Revenue	393.0	387.3	+1%
EBITA	56.1	63.7	-12%
EBIT	49.5	56.0	-12%
Profit Before Tax	46.9	51.5	-9%
Net Profit	31.3	32.3	-3%
EBITA Margin	14%	16%	
EBIT Margin	13%	14%	

(MSEK)

# Revenue per Business Unit

## Jan – Sept, 2008

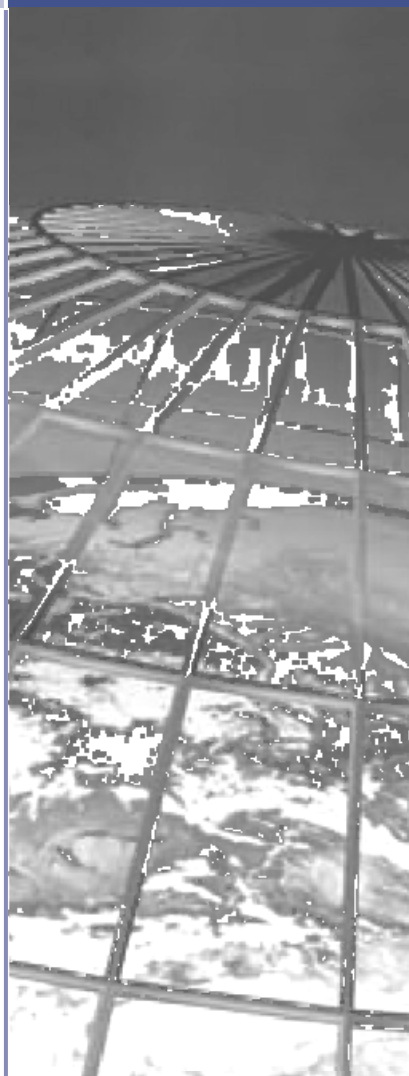
	<u>Jan – Sept 2008</u>	<u>Jan – Sept 2007</u>	<u>Change*</u>	<u>EBITA Margin</u>
BTS North America**	181.4	164.2	+23%	18%
BTS Europe	92,6	79,0	+20%	17%
BTS Other Markets	33,3	25,7	+34%	15%
APG	85.7	118.4	-20%	3%
<b>Total</b>	<b>393,0</b>	<b>387,3</b>	<b>+10%</b>	<b>14%</b>

(MSEK)

\* Change calculated in local currency

\*\* As of January 1, 2008 RLC is integrated in BTS North America

# Q3, 2008



	<u>Jul – Sept 2008</u>	<u>Jul – Sept 2007</u>	<u>Change</u>
Net Revenue	122.5	121.9	+0.5%
EBITA	15.0	16.1	-7%
EBIT	12.7	13.6	-7%
Profit Before Tax	11.9	12.0	-1%
Net Profit	7.7	7.8	-1%
EPS	0.43	0.43	0%
EBITA Margin	12%	13%	
EBIT Margin	10%	11%	

(MSEK)

# Revenue per Business Unit

## Q3 , 2008

	<u>Jul – Sept 08</u>	<u>Jul – Sept 07</u>	<u>Change*</u>	<u>EBITA Margin</u>
BTS North America**	59.6	51.1	+25%	17%
BTS Europe	25.4	21.7	+20%	7%
BTS Other Markets	13.7	10.6	+36%	23%
APG	23.8	38.5	-34%	-1%
<b>Total</b>	<b>122,5</b>	<b>121,9</b>	<b>+6%</b>	<b>12%</b>

(MSEK)

\* Change calculated in local currency

\*\* As of January 1, 2008 RLC is integrated in BTS North America

# Q1 - Q3 Development 2008

<b>Revenue* Growth</b>	<b>Q1, 2008</b>	<b>Q2, 2008</b>	<b>Q3, 2008</b>
BTS USA	+16%	+28%	+25%
BTS Europe	+19%	+21%	+20%
BTS Other Markets	+59%	+20%	+36%
APG	-19%	-6%	-34%
<b>Total</b>	<b>+7%</b>	<b>+16%</b>	<b>+6%</b>

<b>EBITA Growth</b>	<b>Q1, 2008</b>	<b>Q2, 2008</b>	<b>Q3, 2008</b>
BTS USA	-35%	-19%	+30%
BTS Europe	+50%	+47%	+80%
BTS Other Markets	+100%	0%	+33%
APG	-58%	-54%	-106%
<b>Total</b>	<b>-25%</b>	<b>-6%</b>	<b>-7%</b>

<b>Net Profit Growth</b>	<b>-22%</b>	<b>+6%</b>	<b>+1%</b>
--------------------------	-------------	------------	------------

\*Revenue change calculated in local currencies

# EBITA Analysis 9M, 2008



- EBITA has decreased from 63.7 to 56.1 MSEK despite 10% organic growth\*
- EBITA margin has decreased from 16% to 14%
- Positive factors:
  - BTS Other Markets
  - BTS Europe
  - BTS USA
  - USD stronger in Q3 than in 1H 2008
- Negative factors:
  - APG performance
  - Currency decline USD and GBP
  - Investment and cost increase in BTS USA

\*Organic growth based on revenue change calculated in local currencies

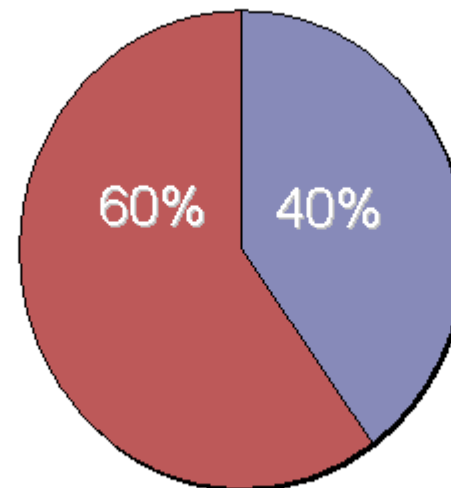
# BTS in Perspective



## The Last Four Years 2004 – 2007\*

- Revenue Growth 3.5x
- Profit Growth 8x

**Acquired Growth** vs. **Organic Growth**

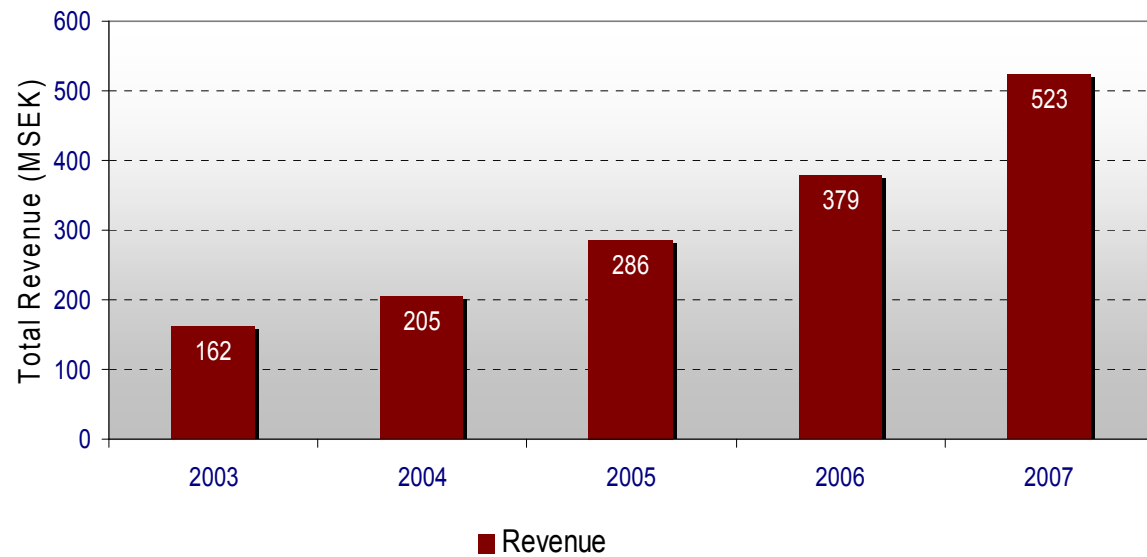


\*Currency adjusted figures, December 31, 2007

# BTS in Perspective



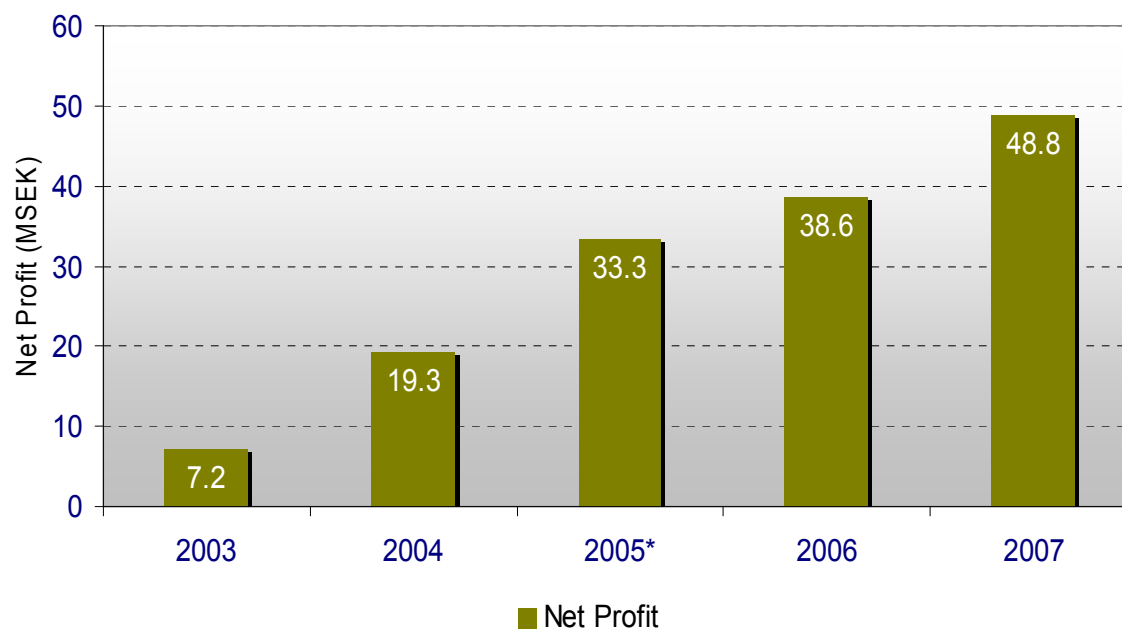
## Revenue 2003 – 2007



# BTS in Perspective



## Net Profit 2003 – 2007



\*Adjustments for extraordinary gain from exchange rate differences in 2006 has been made

# Growth Drivers



- 1 BTS operates in a growing market, with still a low market share
- 2 BTS offering has strong competitive advantages
- 3 BTS has the best organization and people in the industry
- 4 BTS sees acquisition opportunities on a fragmented market as a complement to organic growth

# The BTS Vision



“To become the World’s No. 1  
Learning & Development  
Consultancy

– innovating how companies  
change, learn and improve”

# BTS in The World

## Short Facts

- 19 offices in 12 countries
- Approx. 240 full-time employees
- 30 nationalities
- > 750 000 participants
- Turnover 2007; 523 MSEK
- 26 of the worlds 100 largest companies are customers



# The DNA of Organic Growth



- *Growing the Customer Base*
- *Expansion of existing offices*
- *Geographical expansion through new offices*
- *Cross-selling*
- *Continuous development of new products and solutions*

## Outlook for 2008



*Based on predominantly strong market conditions for BTS, the profit before tax is expected to be in line with the previous year.*

# BTS Summary



- BTS continues its long-term development of profitable organic growth
- The demand for BTS services continues to be positive
- APG performance is hurt by a slowdown in some sectors of the US market
- BTS will continue to build market presence and open new offices
- Our customer base, product portfolio and organization are the strongest ever
- With an excellent position BTS vision is to become the no. 1 Learning & Development company in the world



[www.bts.com](http://www.bts.com)

BTS Group AB (publ)

+46 8 5870 7000

Ticker: BTS B

[ir@bts.com](mailto:ir@bts.com)

**△ BTS**  
*Compass for Profitability and Growth*