AcadeMedia AB (publ)

YEAR-END REPORT July 2016 – June 2017

Strong net sales and profit growth (EBIT) for the year

Acquisition of the German preschool company Step Kids Education GmbH

Seven new upper secondary schools ready to start in the fall

AcadeMedia

Year-end Report 2016/17

Fourth quarter (April 2017 – June 2017)

- Net sales increased by 9.8 percent to SEK 2,610, million (2,378).
- Operating profit (EBIT) decreased slightly to SEK 211 million (218). Adjusted for items affecting comparability, operating profit was SEK 229 million (238).
- Net profit for the period was SEK 154 million (140).
- Cash flow from operating activities amounted to SEK 317 million (160).
- The average number of children and students in preschool, compulsory schools and upper secondary schools during the quarter was 67,207 (64,342), representing an increase of 4.5 percent.
- Earnings per share amounted to SEK 1.62 (1.63) before dilution an 1.62 (1.63) after dilution.

Full year (July 2016 – June 2017)

- Net sales increased by 10.6 percent to SEK 9,520 million (8,611).
- Operating profit (EBIT) increased by 15.0 percent to SEK 615 million (535). Adjusted for items affecting comparability, operating profit was SEK 638 million (567).
- Net profit for the period amounted to SEK 416 million (319).
- Cash flow from operating activities amounted to SEK 830 million (542).
- The average number of children and students in preschool, compulsory- and upper secondary schools amounted to 66,070 (63,151), representing an increase of 4.6 percent.
- Earnings per share amounted to SEK 4.41 (3.74) before dilution and 4.40 (3.74) after dilution.
- The Board of Directors proposes that no dividend be paid for the 2016/17 financial year.

Significant events after the end of the reporting period

On July 8 the allocations for Vocational and Preparatory modules (“yrkes- och studieförberedande moduler, YSM”) which will replace Basic Modules was published. The allocation is preliminary during an appeal period, during which other parties can appeal the outcome. On an annual basis, once YSM replace the Basic Modules, the EBIT margin of the entire Adult Education segment is expected to decrease by one to three percentage points.

The group in figures

The quarter in figures*	Fourth quarter			Full year		
	2016/17	2015/16	Change	2016/17	2015/16	Change
Net sales, SEK m	2,610	2,378	9.8%	9,520	8,611	10.6%
EBITDA, SEK m	267	265	0.8%	827	722	14.5%
EBITDA margin	10.2%	11.1%	-0.9 p.p.	8.7%	8.4%	0.3 p.p.
Operating profit	211	218	-3.2%	615	535	15.0%
EBIT margin	8.1%	9.2%	-1.1 p.p.	6.5%	6.2%	0.3 p.p.
Adjusted operating profit (EBIT), SEK m	229	238	-3.8%	638	567	12.5%
Adjusted EBIT margin	8.8%	10.0%	-1.2 p.p.	6.7%	6.6%	0.1 p.p.
Total financial items, SEK m	-20	-33	39.4%	-80	-127	37.0%
Income before taxes, SEK m	191	185	3.2%	535	408	31.1%
Profit/loss for the period, SEK m	154	140	10.0%	416	319	30.4%
Number of children and students	67,207	64,342	4.5%	66,070	63,151	4.6%
Number of FTEs	10,959	10,161	7.9%	10,564	9,714	8.8%

**) For definitions see page 28-29. **) Excl. Adult education*

CEO's comments

AcadeMedia has ended the financial year 2016/17 in a stable way, reaching an adjusted operating profit of SEK 638 million. Growth continues to be robust in all AcadeMedia segments. The year has been characterized by very strong earnings growth in adult education, though the last quarter of the financial year fell short of the previous year's high level. Within school operations, increases in teacher salaries that have not yet been compensated by school vouchers have had a negative impact on the margin. An important event during the year was the acquisition of the German preschool company Stepke, which more than doubled AcadeMedias's operation in Germany, from seven to 17 preschools.

Growth and seven new upper secondary schools

AcadeMedia demonstrated solid revenue growth of 10.6 percent during the year as a result of the increase in students and participants in both Sweden and Norway. AcadeMedia's growth in Sweden is mainly driven by increasing number of students in existing operations, while the growth in Norway, where AcadeMedia runs preschools under the Espira brand, comes from acquisitions and new establishments carried out during the year.

During the 2016/17 financial year, AcadeMedia acquired a total of 19 units and opened 5 new preschools, to be compared with 20 acquisitions and 14 new establishments last year. During the last quarter a decision was taken to make seven new establishments in the Upper Secondary School segment in August 2017. Over the past few years the total number of students in each yeargroup of upper secondary school has declined in Sweden, but the demographic curve is now turning upwards and we also see a clear increase in interest in many of our schools.

The new upper secondary schools are located in both large and small cities, as well as under several brands. One example of a new establishment is Rytmus, which is opening in Borlänge. The ProCivitas schools, previously only present in the south of Sweden, are now being established in Stockholm which has generated significant interest.

In all, 300-350 students are expected to begin in the first year at AcadeMedia's seven newly opened upper secondary schools this fall. These units are estimated to have approximately 1,400 students once they are fully operational. AcadeMedia also plans to open several new upper secondary schools over the next few years. Newly established upper secondary schools always have a negative impact on the margin during their first year of operation.

Strong growth in adult education

AcadeMedia's adult education has shown strong growth in 2016/17 and achieved record earnings of SEK 200 million. However, the earnings performance for the last quarter of the financial year was somewhat weaker and it was difficult to match the strong performance of the fourth quarter of last year. The performance for adult education throughout the year contributed strongly to the Group's positive performance for the full year, although the same segment is also entirely responsible for the Group's lower earnings in the fourth quarter.

AcadeMedia's Adult Education segment has strengthened its position as leader in all significant parts of its market. In January 2018 a major contract with the National employment agency will expire. The contract referred to "Basic Modules," is being replaced by Vocational and Preparatory modules ("yrkes- och studieförberedande moduler, YSM"). The new agreement is for two years with the option to renew for two more years. AcadeMedia was preliminarily awarded 45 of a total of 70 contract areas, which is in line with previous sales in the contract area. However, this allocation could be appealed. One change compared to previously is that the National employment agency is moving more toward price-based tenders, where the lowest price wins the contract. As a result, the price per student will be lower and the margin in the new contract will be lower than in the current contract. On an annual basis, once the YSM replaces the Basic Modules contract, the EBIT margin of the entire Adult Education segment is expected to decrease by one to three percentage points.

The National employment agency has received considerable criticism for the change in the tender process, since most stakeholders prefer a stronger emphasis on quality. AcadeMedia agrees with this criticism. It is very important to ensure that society's investment in adult education gives results, especially since so many people with a foreign background need an education that leads to employment, or to complement their previous education to meet Swedish requirements. As the leading player within integration, we are looking forward to working with these issues for many years to come.

Quality performance during the year

One of AcadeMedia's most important objectives is for all students to achieve the goals of their education. The preliminary grades in AcadeMedias's compulsory and upper secondary schools show a slight decline. The national statistics are not yet available. The results of the adult segments's annual satisfaction survey performed at the end of the term showed a sustained high quality level.

An important part of our quality management is also the annual employee satisfaction survey. In Sweden we are pleased that AcadeMedia's employee satisfaction index has had a rising trend since 2013. An employee survey was also carried out in Norway and shows the same positive trend with an increased employee satisfaction index.

Inspections at almost all schools

In 2016 and 2017 the Schools Inspectorate inspected 179 of AcadeMedia' compulsory and upper secondary schools. The Inspectorate found no cause for criticism at 133 of these schools. The results of the Inspectorates assessments are clearly better than the national average.

Acquisitions in Germany

The German preschool market is undergoing strong growth. One important reason is the need for more women to return to work. However this requires efficient and adequate child care. According to estimates from Instituts der deutschen Wirtschaft, there is a shortage of about 300,000 preschool places in Germany.

During the fourth quarter AcadeMedia acquired Stepke, a German preschool operator that has seven preschools, as well as three mobile preschools in Brandenburg and Nordrhein-Westfalen with 640 children and 200 employees. Stepke is growing rapidly and has an additional nine preschools that will be ready to start before the end of 2018. Sales in 2016 amounted to EUR 6.6 million, though the many new establishments had a negative impact on earnings, which were somewhat positive. AcadeMedia also owns Joki, with seven preschools in Munich. Currently almost 1,100 children attend AcadeMedia's 17 preschools in Germany.

Concluding remarks

AcadeMedia is the leading education provider in Northern Europe, and thus an important player in society. An area that will be increasingly important for both society and AcadeMedia is integration. We provide families and individuals with the opportunity to educate themselves, and/or to ensure that their previous education can be supplemented to meet the requirements of their new country as well as give them access to the labor market. Preschools are also important in this context since newly arrived immigrant children need the same opportunities as children born in Sweden. A good preschool serves as the basis for successful school years, which in turn lays the foundation for a good occupation. Our societal mission can and should be combined with stable growth and a good financial performance.

Marcus Strömberg

President and CEO

AcadeMedia AB (publ)

Development in the fourth quarter (Apr 2017 – Jun 2017)

Volume development and revenues

Net sales in the fourth quarter amounted to SEK 2,610 million (2,378), which was an increase of 9.8 percent compared to the same period last year. The increase was driven by a 4.5 percent increase in the number of students in the school segments to 67,207 (64,342), where several bolt-on acquisitions contributed positively. Increased volumes within adult education also contributed to the higher sales. The SEK/NOK exchange rate had a positive impact on net sales of SEK 18 million in the quarter.

Operating and adjusted profit/loss (EBIT)

Operating profit (EBIT) for the fourth quarter was slightly lower than then same period last year and amounted to SEK 211 million (218) representing an operating margin of 8.1 percent (9.2). Adjusted operating profit (EBIT) was also slightly lower and amounted to SEK 229 million (238) corresponding to an adjusted EBIT margin of 8.8 percent (10.0).

The result and margin deterioration in the fourth quarter compared to the same period last year was entirely due to the Adult education segment where the fourth quarter last year was exceptionally strong with positive effects from fast growing contracts in Basic Modules and Vocational Swedish in combination with the now closed Service contract. Price pressure in new agreements together with salary increases in certain teacher categories affected the result and margin negatively for the group. Social security costs for young people were SEK 2 million higher in the quarter, which mainly affected the Pre- and Compulsory School segment.

Net financial items

Net financial items for the quarter amounted to SEK 20 million (-33).

Interest expense for the quarter was SEK -15 million (-32). Interest expense decreased due to normal loan repayments and lower interest margin on bank loans as an effect of lower debt (Note 5).

Items affecting comparability

Operating profit (EBIT) for the fourth quarter included items affecting comparability of SEK -19 million (-19) as shown in the adjacent table. Restructuring expenses of SEK 9 million relates to the gradual closure of two upper secondary schools in Karlskrona and Malmo. Transaction expenses of SEK 10 million relates primarily to Stepke and Espira.

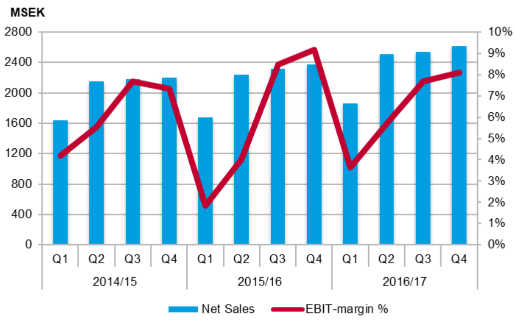
Items affecting comparability	Fourth quarter	
SEK m	**2016/17**	2015/16
Gains from the sale of properties, Norway	-	0
Restructuring expenses	-9	3
Operating expenses affecting comparability	0	-12
Transaction related expenses	-10	-4
IPO expenses	0	-7
Total	**-19**	**-19**

Acquisitions, divestments, new units and discounted operations

One preschool was acquired in Sweden during the fourth quarter. Two acquisitions took place in Norway and ten units were acquired in Germany (Stepke). Six upper secondary school units are in wind down mode and therefore have fewer students compared to the previous year. Acquisitions are specified in Note 3.

Profit and comprehensive income for the period

Profit after tax for the period amounted to SEK 154 million (140). Tax for the fourth quarter amounted to SEK -37 million (-45). The effective tax rate decreased to 19.5 percent (24.5). Comprehensive income for the period, which affects equity, amounted to SEK 148 million (149).



Fourth quarter in summary by segment

	Number of students (average)		Net sales, SEK m		Adjusted EBIT, SEK m		Adj, EBIT margin		Operating profit/loss (EBIT), SEKm		EBIT margin	
	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16
Pre- and Compulsory Schools (Sweden)	31,828	30,946	1,025	951	90	86	8.8%	9.0%	89	90	8.7%	9.5%
Upper Secondary Schools (Sweden)	25,191	24,752	675	655	72	69	10.7%	10.5%	64	69	9.5%	10.5%
Adult Education (Sweden)	-*	-*	411	381	38	55	9.2%	14.4%	38	55	9.2%	14.4%
Preschool International	10,188	8,643	499	390	47	40	9.4%	10.3%	47	40	9.4%	10.3%
Group adj., parent company	-	-	0	0	-18	-14	-	-	-28	-36	-	-
Total	67,207	64,342	2,610	2,378	229	238	8.8%	10.0%	211	218	8.1%	9.2%

**) The volume of adult education is not measured based on the number of participants since the length of the programs varies.*

Development for the full year (Jul 2016 – Jun 2017)

Volume development and revenues

Net sales for the financial year amounted to SEK 9,520 million (8,611), which represented an increase of 10.6 percent compared to last year. Primarily higher volumes within the adult education drove the increase. The number of students in all school segments increased by 4.6 percent and amounted to 66,070 (63,151). Acquisitions and new establishments within preschools international also contributed to the increased sales. The SEK/NOK exchange rate had a positive impact on net sales of SEK 74 million.

Operating and adjusted profit/loss (EBIT)

Operating profit (EBIT) for the financial year July 2016 – June 2017 increased by 15.0 percent to SEK 615 million (535), representing an EBIT margin of 6.5 percent (6.2). Adjusted operating profit (EBIT) amounted to SEK 638 million (567), which corresponds to an adjusted EBIT margin of 6.7 percent (6.6).

The improvement in profits compared with previous year was primarily due to a strong profit and margin improvement in Adult Education. This improvement was achieved thanks to strong volumes in high margin agreements. Capacity adjustment carried out in the previous year also contributed. The margins in the Swedish school segments were adversely affected by higher salary costs not yet compensated by higher school vouchers and to some extent by increasing real estate related costs. The increase in social security fees for young people had a negative impact of SEK 12 million for the financial year, which mainly affects the Pre- and Compulsory School segment in Sweden.

Net financial items

Net financial items for the financial year amounted to SEK -80 million (-127). Interest expenses were SEK -69 million (-121). The decrease in interest expense was mainly due to the share issue in June 2016, which was used to repay loans of SEK 334 million. Interest expense also decreased due to normal loan repayments and lower interest margin. An impairment loss of SEK 8 million relating to a financial claim also had a negative impact on net financial items during the financial year (see Note 5).

Items affecting comparability

Operating profit (EBIT) for the financial year included items affecting comparability of SEK -23 million (-32) as shown in the adjacent table. This cost is primarily related to transaction expenses and gradual closure of two upper secondary schools.

Items affecting comparability	Full year	
SEK m	**2016/17**	2015/16
Gains from the sale of properties, Norway	-	6
Restructuring expenses	-9	3
Operating expenses affecting comparability	-2	-15
Transaction related expenses	-12	-10
IPO expenses	-1	-16
Total	**-23**	**-32**

Acquisitions, divestments, new units and discounted operations

During the year, five preschools were acquired in Sweden, four preschools in Norway and ten preschools in Germany (Stepke). The number of new establishments during the year amounted to five, whereof two in Sweden and three in Norway. Several units have also expanded their capacity. Three preschools in Sweden closed at the end of July, but were recorded as active units during the first quarter. The six upper secondary school units that are in wind down mode have decreasing number of students. Acquisitions are specified in Note 3.

Profit and comprehensive income for the period

Profit after tax for the period amounted to SEK 416 million (319). Tax for the financial year amounted to SEK -120 million (-89). The increase was due to non-deductible financial expenses. Thus the effective tax rate for the year increased to 22.3 percent (21.2). Comprehensive income for the period, which affects equity, amounted to SEK 424 million (319).

Full-year in summary by segment

	Number of students (average)		Net sales, SEK m		Adjusted EBIT, SEK m		Adj, EBIT margin		Ooperating profi/loss (EBIT), SEK m		EBIT margin	
	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16
Pre- and compulsory schools (Sweden)	31,231	30,081	3,690	3,434	199	203	5.4%	5.9%	199	206	5.4%	6.0%
Upper secondary school (Sweden)	25,544	25,014	2,526	2,421	206	198	8.2%	8.2%	198	198	7.8%	8.2%
Adult education (Sweden)	-*	-*	1,576	1,372	200	150	12.7%	10.9%	200	147	12.7%	10.7%
Preschool international	9,295	8,056	1,725	1,381	98	78	5.7%	5.6%	98	84	5.7%	6.1%
Group adj., parent company	-	-	4	3	-65	-61	-	-	-79	-99	-	-
Total	66,070	63,151	9,520	8,611	638	567	6.7%	6.6%	615	535	6.5%	6.2%

) The volume of adult education is not measured based on the number of participants since the length of the programs varies.

Cash flow and financial position

Cash flow

In the fourth quarter, cash flow from operating activities amounted to SEK 317 million (160). The improvement was due to lower taxes paid in the quarter and a positive change in working capital. Cash flow from investing activities which mainly relates to tangible fixed assets and ongoing new constructions in Norway amounted to SEK -133 million (-164). Cash flow from financing activities totaled SEK -67 million (-187).

The profit improvement for the financial year contributed to an improved cash flow from operating activities with SEK 288 million compared to previous year and amounted to 830 million (542). Changes in working capital are susceptible to larger payments taking place in June or in July. A larger supplier payment took place in June 2016 rather than in July 2016, which led to lower accounts payables at the beginning of the financial year. In June 2017 a larger school voucher payment regarding July was received which increased the prepaid income at the end of the year. Working capital also improved as a result of acquisitions that contributed with a negative working capital.

Cash flow from investing activities totalled SEK -374 million (-386). The decrease in cash flow from investing activities for the financial year was attributable in part to the positive impact of SEK 62 million from the sale of property in Norway during the first quarter of the previous year. Cash flow from financing activities amounted to SEK -209 million (-512) and consisted of interest expenses, normal loans as well as and new loans for real estate in Norway. The reduced cash outflow for the year compared to the previous year was mainly due to high loan payments in the corresponding period of the previous year in connection with the new loan agreement in July 2015.

Financial position

Consolidated equity amounted to SEK 3,443 million (2,990) as of June 30, 2017 and the equity/asset ratio was 43.9 percent (41.7).

Total interest-bearing net debt as of June 30, 2017 amounted to SEK 2,133 million (2,342). The reduction of net debt is related to the improved profit and improved working capital, which is partially acquired. Excluding real estate loans, which finance properties, the adjusted net debt amounted to SEK 1,550 million (1,865). The purpose of the alternative performance measure “adjusted net debt” is to show the portion of debt that finances operations, while real estate loans are linked to building assets that can be separated and sold. The real estate loans, which consist of both non-current loans in the Norwegian State Housing Bank (Norw. Husbanken) and current construction loans, increased over the past 12 months by SEK 107 million to SEK 583 million (476). Building assets increased during the equivalent period by SEK 150 million to SEK 788 million (638). The increase was entirely attributable to expansion and acquired preschools in Norway.

Non-current interest-bearing liabilities amounted to SEK 2,200 million (2,116) and consist of loans from banks and the Norwegian State Housing Bank, as well as lease agreements. Current and long-term loans from banks have decreased, while loans related to fixed assets have increased, see Note 4. Current interest-bearing liabilities consist of revolving credit facilities, current portions of long-term loans and construction loans, amounting to SEK 516 million (568). Net debt in relation to adjusted EBITDA (rolling 12 months) amounted to 2.5 (3.1), which was below the Group's long-term target of a maximum of 3.0. The improvement was an effect of debt repayment, but also reflects an improvement in adjusted EBITDA (12m) to SEK 850 million (754). To illustrate the portion of net debt that finances operations, real estate loans are subtracted to obtain adjusted net debt. Real estate-adjusted net debt divided by adjusted EBITDA (12m) was 1.8 (2.5).

Parent company

The parent company AcadeMedia AB (publ) is a listed company with certain management functions such as CEO and CFO both who have been employed by the parent company since mid 2016. Sales during the financial year amounted to SEK 5 million (-), the operating result for the financial year (EBIT) amounted to SEK -22 million (-21) and profit after tax amounted to SEK 0 million (16). The parent company’s assets principally consist of participation in Group companies. The operation is financed by equity. Equity in the parent company as of June 30, 2017 was SEK 2,321 million (2,292).

Owners and share capital

Number of shares	Ordinary shares	Ordinary class C	Total shares
Opening balance, July 1, 2016	**94 100 000**	**-**	**94 100 000**
New issue C-shares September 26, 2016		165 000	165 000
Issue in kind of common shares April 18, 2017	524 997	-	524 997
Closing balance, June 30, 2017	**94 624 997**	**165 000**	**94 789 997**
Of which repurchased shares		*165 000*	*165 000*
Outstanding numbers of shares. June 30. 2017	**94 624 997**	**-**	**94 624 997**

AcadeMedia AB (publ) is a public limited company that was listed on Nasdaq Stockholm on June 15, 2016. Share capital as of June 30, 2017 was SEK 94,789,997, an increase since June 30, 2016 as a result of the issuance of 165,000 class C shares in September 2016 and a issue in kind of 524 997 in april 2017. The number of shares totaled 94,789,997 allocated to 94,624,997 ordinary shares and 165,000 Class C shares. The quota value is SEK 1.00 per share. The C shares are owned by AcadeMedia and the voting rights amount to 1/10 of the voting rights of the ordinary shares.

The fund EQT V indirectly owns 22.3 percent of AcadeMedia AB via a share of 87.6 percent in the holding company Marvin Holding Ltd., which holds 25.42 percent of the shares in AcadeMedia AB as of June 30, 2017. Mellby Gård held 20.1 percent of the shares in AcadeMedia AB as of June 30, 2017

Pre- and Compulsory Schools (Sweden)

- The number of children and students increased by 2.9 percent in the fourth quarter to 31,828 (30,946).
- Sales increased by 7.8 percent in the quarter.
- Operating profit (EBIT) decreased by SEK 1 million to SEK 89 million (90) during the quarter.
- One new preschool was acquired in the quarter.

AcadeMedia's Pre- and Compulsory School segment runs preschools and compulsory schools in a large number of municipalities throughout Sweden under the brands Pysslingen Förskolor, Pysslingen Skolor and Vittra. The schools are run entirely based on the school voucher system. The segment had 230 units with an average of 31,828 children and students in the quarter.

Fourth quarter results

The average number of children and students increased by 2.9 percent compared with the previous year and amounted to 31,828 (30,946). The increase was driven by acquisitions and new establishments made during the previous year, as well as by growth in existing units. Net sales increased by 7.8 percent to SEK 1,025 million (951). The increase was due to an increased number of children and students, higher revenue per child as a result of annual voucher adjustment, higher state subsidies and student mix.

Operating profit (EBIT) for the fourth quarter decreased somewhat and amounted to SEK 89 million (90), giving an operating margin of 8.7 percent (9.5). The margin deterioration was mainly a result of higher personnel costs. Increased social security fees for young people also had a negative impact of SEK 2 million compared with the same period the previous year.

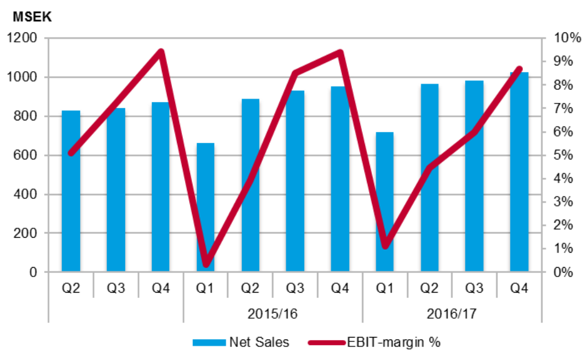
Full-year results

The average number of children and students increased by 3.8 percent compared to the previous year and amounted to 31,231 (30,081). The increase was driven by acquisitions and new establishments as well as a higher number of children and students in existing units. Last year's acquisitions and new starts increased the student numbers mainly during the second half of 2015/16 resulting in lower growth rate for the second half of 2016/17 compared to the first six months. Net sales increased by 7.5 percent and amounted to SEK 3,690 million (3,434). The increase was mainly due to increased number of children and students, higher revenue per child as an effect of annual voucher adjustments, higher state subsidies and student mix.

Operating profit (EBIT) for the financial year decreased by SEK 7 million and amounted to SEK 199 million (206), with an EBIT margin of 5.4 percent (6.0). EBIT growth and profit improvements in previous year's new establishments and new starts could not fully compensate for higher personnel costs which has not yet been compensated by voucher increases and increased social security fees for young people SEK 12 million, resulting in a margin deterioration. Retroactive voucher compensation amounted to SEK 6 million (10).

Development during the full year

Three smaller preschools closed during the first quarter, one preschool opened in Järfälla municipality in August, and one preschool was opened in the City of Stockholm in January. In addition, five preschools were acquired, one in Stockholm in December, three in Helsingborg, Mölndal and Gustavsberg in February and one in Stockholm in June. It is resolved to start one new preschool during the 17/18 financial year. In addition, a preschool and two smaller compulsary schools with approximately 310 children and students will be closed or be divested before the start of 17/18.



Pre- and Compulsory Schools (Sweden)	Fourth quarter			Full year		
	2016/17	2015/16	Change	2016/17	2015/16	Change
Net sales, SEK m	1,025	951	7.8%	3,690	3,434	7.5%
EBITDA, SEK m	103	102	1.0%	252	255	-1.2%
EBITDA margin	10.0%	10.7%	-0.7 p.p.	6.8%	7.4%	-0.6 p.p.
Depreciation/amortization	-14	-13	-7.7%	-54	-49	-10.2%
Operating profit (EBIT), SEK m	89	90	-1.1%	199	206	-3.4%
EBIT margin, %	8.7%	9.5%	-0.8 p.p.	5.4%	6.0%	-0.6 p.p.
Items affecting comparability, SEK m	0	3	-100.0%	0	3	-100.0%
Adjusted operating profit (EBIT), SEK m	90	86	4.7%	199	203	-2.0%
Adjusted EBIT margin, %	8.8%	9.0%	-0.2 p.p.	5.4%	5.9%	-0.5 p.p.
Number of children and students	31,828	30,946	2.9%	31,231	30,081	3.8%
Number of units	230	226	1.8%	228	226	0.9%

Upper Secondary Schools (Sweden)

- The number of students increased by 1.8 percent in the fourth quarter, amounting to 25,191 (24,752).
- Sales increased by 3.1 percent during the fourth quarter compared with the previous year.
- Operating profit (EBIT) decreased by 7.2 percent to SEK 64 million (69).

AcadeMedia's Upper Secondary School segment provides upper secondary education throughout Sweden under 16 different brands, offering both academically and vocationally oriented programs. The segment's brands include Klaragymnasierna, NTI, LBS, ProCivitas and Rytmus. The schools are run entirely based on the school voucher system. The segment had 103 units during the quarter.

Fourth quarter results

The number of students increased by 1.8 percent compared to the previous year and amounted to 25,191 (24,752). Net sales grew by 3.1 percent and amounted to SEK 675 million (655). The increase was due to a higher number of students in existing units and higher revenue per student, primarily following annual voucher adjustments.

Operating profit (EBIT) for the fourth quarter decreased by 7.2 percent compared to the same period the previous year and amounted to SEK 64 million (69), representing an operating margin of 9.5 percent (10.5). Decisions to gradually wind down two units have been made; Plus Gymnasium in Malmö and Mikael Elias Teoretiska Gymnasium in Karlskrona. This means that admissions for new students closes, but existing students will be able to complete their education. The background for these decisions is to consolidate program offering to increase competitiveness in Malmö and in Karlskrona it has been concluded that the market does not exist for the concepts on offer. The operating profit includes wind down cost of SEK 9 million.

Adjusted operating profit amounted to SEK 72 million (69), which corresponds to an adjusted operating margin of 10.7 percent (10.5). The margin and profit increase compared with previous year is primarily a result of increased revenue and efficiency, this despite the quarter being burdened by costs for the seven new establishments of 2 MSEK.

Full-year results

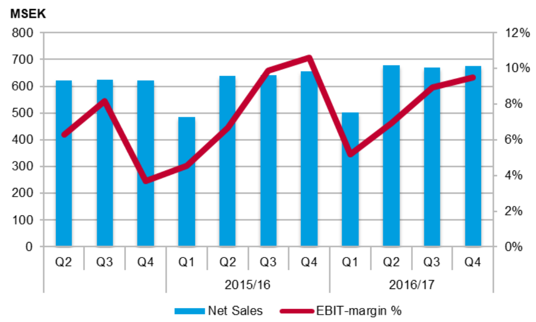
AcadeMedias upper secondary schools had 2,1 percent more students during the financial year, 25,544 compared with 25,014 the previous year, despite fewer units.

Net sales increased by 4.3 percent to SEK 2,526 million (2,421). The increase was due to higher student numbers and higher revenue per student, primarily a result of annual voucher adjustments.

Operating profit (EBIT) for the full year was stable compared to last year and amounted to SEK 198 million (198) and was affected by wind down costs of SEK 9 million and costs for new establishments of SEK 4 million. Adjusted operating margin increased by 4.0 percent and amounted to SEK 206 million (198), which corresponds to an operating margin of 8.2 percent (8.2). The profit improvement was primarily attributable to increased numbers of students and efficiency, while salary increases and costs for the fall's new establishments counteracted the higher capacity utilization and left the adjusted margin unchanged.

Development during the full year

In the fall 2017/18 AcadeMedia opens seven new schools. These units will only admit first-year students and estimated number of students 17/18 are 300-350.



Upper Secondary Schools (Sweden)	Fourth quarter			Full year		
	2016/17	2015/16	Change	2016/17	2015/16	Change
Net sales, SEK m	675	655	3.1%	2,526	2,421	4.3%
EBITDA, SEK m	90	93	-3.2%	303	298	1.7%
EBITDA margin	13.3%	14.2%	-0.9 p.p.	12.0%	12.3%	-0.3 p.p.
Depreciation/amortization	-26	-23	-13.0%	-105	-100	-5.0%
Operating profit (EBIT), SEK m	64	69	-7.2%	198	198	0.0%
EBIT margin, %	9.5%	10.5%	-1.0 p.p.	7.8%	8.2%	-0.4 p.p.
Items affecting comparability, SEK m	-9	0	-	-9	0	-
Adjusted operating profit (EBIT), SEK m	72	69	4.3%	206	198	4.0%
Adjusted EBIT margin, %	10.7%	10.5%	0.2 p.p.	8.2%	8.2%	0.0 p.p.
Number of children and students	25,191	24,752	1.8%	25,544	25,014	2.1%
Number of units	103	105	-1.9%	103	105	-1.9%

Adult Education (Sweden)

- Continued strong volumes in the fourth quarter primarily in Basic modules and Swedish for immigrants (SFI).
- Sales increased by 7.9 percent in the fourth quarter compared with previous year.
- Operating profit (EBIT) for the quarter decreased and amounted to SEK 38 million (55).

AcadeMedia's Adult Education segment is Sweden's largest provider of adult education and has solid expertise in working with, integrating and educating adults. Every year around 100,000 students attend one of our programs in approximately 150 locations around the country. The segment includes the brands like Hermods, NTI-skolan, Plushögskolan, Eductus and KompetensUtvecklingsInstitutet.

Fourth quarter results

Net sales for the fourth quarter increased by 7.9 percent compared to the same period previous year and amounted to SEK 411 million (381). The increase is mainly attributed to higher participant volumes within basic modules, Swedish for immigrants (SFI) and Vocational Swedish. In addition, the contract with City of Stockholm also generated volume increases compared to the same period last year.

The Segment's operating profit (EBIT) in the fourth quarter decreased and amounted to SEK 38 million (55), corresponding to an operating margin of 9.2 percent (14.4). The fourth quarter of last year was an exceptionally strong quarter with positive effects from rapidly growing agreements in Basic Modules and Vocational Swedish combined with the full effect from capacity adjustment within Eductus. The Service contract that ended in the third quarter of 16/17 generated a positive EBIT contribution to the segment of SEK 4 million in the fourth quarter the previous year.

The profit and margin deterioration in the quarter is also attributable to price pressure in newly acquired agreements combined with salary increases in certain teacher categories, without possibility of getting compensation from the customer. EBIT was also negatively affected by SEK 6 million due to fewer working days in the fourth quarter 16/17 compared with previous year due to Easter holidays.

Full-year results

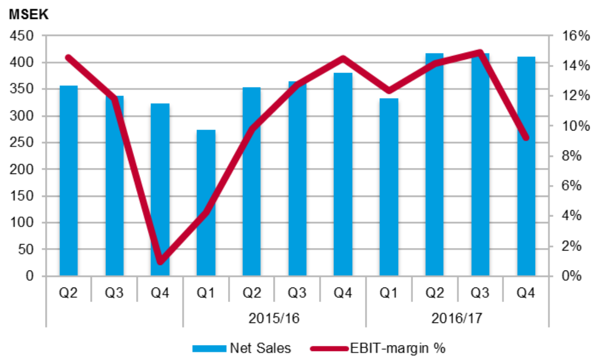
During the 2016/17 financial year, the adult segment has benefited from a very strong contract portfolio. High margin contracts such as Basic Modules have had high volumes and interim contracts linked to Stockholm City, which began on July 1, 2016, have boosted volume. The segment's financial performance has been at record levels.

Net sales for the financial year amounted to SEK 1,576 million (1 372), representing an increase of 14.9 percent. The increase in sales was attributed to increased volumes within the Basic Modules contract, SFI, Vocational Swedish and Komvux.

Operating profit increased by 53 MSEK, 36,1 percent, and amounted to SEK 200 million (147) corresponding to a profit margin of 12.7 percent (10.7). The profit and margin improvement was mainly a result of volume increase in profitable agreements and last year's downsizing program within the Eductus business area.

Development during the full year

As described earlier, adult education does not have a recurring seasonality in the same way as the school segments. Instead the needs and efforts of society as well as the contract portfolio determines development. In the coming year, large profitable agreements, such as Basic Modules, will be replaced.



Adult Education (Sweden)	Fourth quarter			Full year		
	2016/17	2015/16	Change	2016/17	2015/16	Change
Net sales, SEK m	411	381	7.9%	1 576	1 372	14.9%
EBITDA, SEK m	40	56	-28.6%	206	154	33.8%
EBITDA margin	9.7%	14.7%	-5.0 p.p.	13.1%	11.2%	1.9 p.p.
Depreciation/amortization	-2	-1	-100.0%	-7	-7	0.0%
Operating profit (EBIT), SEK m	38	55	-30.9%	200	147	36.1%
EBIT margin, %	9.2%	14.4%	-5.2 p.p.	12.7%	10.7%	2.0 p.p.
Items affecting comparability, SEK m	-	-	-	-	-3	-
Adjusted operating profit (EBIT), SEK m	38	55	-30.9%	200	150	33.3%
Adjusted EBIT margin, %	9.2%	14.4%	-5.2 p.p.	12.7%	10.9%	1.8 p.p.

Preschool International

- The number of children increased by 17.9 percent to 10,188 (8,643) in the fourth quarter.
- Sales increased by 27.9 percent compared with the fourth quarter the previous year.
- Operating profit (EBIT) amounted to SEK 47 million (40).

AcadeMedia's Preschool International segment operates preschools in Norway under the Espira brand and in Germany under the brands Joki and Stepke. The segment was established through the acquisition of Espira in spring 2014 and by the acquisition of Joki in Germany in February 2016 and in April 2017 by the acquisition of Stepke. Espira is Norway's second largest preschool provider and has 95 units, mainly in western and southern Norway and in the Oslo area. Joki runs seven preschool units in the Munich area and Stepke operates ten preschools in Brandenburg and Nordrhein-Westfalen area.

Fourth quarter results

The average number of children in the fourth quarter increased by 17.9 percent and amounted to 10,188 (8,643). The segment's net sales for the quarter increased by 27.9 percent and amounted to SEK 499 million (390). The increase in number of students and sales mainly relates to the acquisition of the German operation Stepke, as well as new establishments and acquisitions in Norway. The exchange rate SEK/NOK had a positive effect on sales of SEK 18 million in the quarter.

Operating profit (EBIT) for the fourth quarter amounted to SEK 47 million (40), which was an increase of 17.5 percent. This resulted in an operating margin of 9.4 percent (10.3). The profit improvement compared with the previous year was primarily explained by acquisitions and new establishments in Norway. The margin deterioration in the quarter was due to higher staff costs and initially higher cost for units acquired previous year in the Norweigen operation.

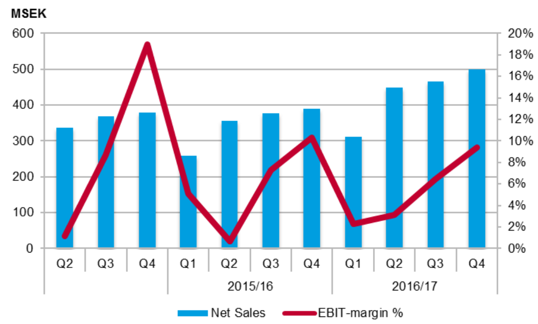
Full-year results

Average number of children for the year increased by 15.4 percent and amounted to 9,295 (8,056). Net Sales increased 24.9 percent and amounted to SEK 1,725 million (1,381) due to acquisitions and new establishments. The SEK/NOK exchange rate had a positive effect on sales of SEK 74 million.

Operating profit (EBIT) for the year amounted to SEK 98 million (84), which was an increase of SEK 14 million. This resulted in an operating margin of 5.7 percent (6.1). Last year's first quarter was positively impacted by capital gains on the sale of real estate in Norway of SEK 6 million. Adjusted operating profit increased to SEK 98 million (78) mainly attributed to acquisitions in Norway and Germany and new establishments in Norway.

Development during the full year

Espira in Norway has opened three new preschools during the financial year and acquired four smaller units. One new establishment is currently planned in Norway for the fall of 2017. On April 18, the German preschool company Step Kids Education GmbH (Stepke) was acquired. Including the Stepke acquisition, the German operation now has 17 preschools including three mobile preschools. Stepke has also secured the establishment of nine new preschools estimated to open before the end of 2018.



Preschool International	Fourth quarter			Full year		
	2016/17	2015/16	Change	2016/17	2015/16	Change
Net sales, SEK m	499	390	27.9%	1,725	1,381	24.9%
EBITDA, SEK m	60	49	20.4%	139	110	26.4%
EBITDA margin	12.0%	12.6%	-0.6 p.p.	8.1%	8.0%	0.1 p.p.
Depreciation/amortization	-13	-8	-62.5%	-42	-26	-61.5%
Operating profit (EBIT), SEK m	47	40	17.5%	98	84	16.7%
EBIT margin, %	9.4%	10.3%	-0.9 p.p.	5.7%	6.1%	-0.4 p.p.
Items affecting comparability, SEK m	-	0	-	-	6	-
Adjusted operating profit (EBIT), SEK m	47	40	17.5%	98	78	25.6%
Adjusted EBIT margin, %	9.4%	10.3%	-0.9 p.p.	5.7%	5.6%	0.1 p.p.
Number of children and students	10,188	8,643	17.9%	9,295	8,056	15.4%
Number of units	112	94	19.1%	102	94	8.5%

Quality

Quality results for the fourth quarter

In connection with the end of the academic year in June, the grades for AcadeMedia's compulsory schools and upper secondary schools have been compiled. The final results will be presented in the National Agency for Education's SIRIS database in September for compulsory school and December for upper secondary school. The results that are reported at this time are therefore preliminary and there is no national average yet to compare with.

However, it can be concluded that overall, the grades for AcadeMedia's compulsory schools fell during the 2016/17 academic year. The percentage of students eligible for upper secondary school amounted to 89.9 percent (93.4) and percentage of students with passing grades in all subjects to 83,8 percent (85,9). The average assessment level declined somewhat to 240.9 (241.7).

Regarding upper secondary school, overall a small decline was noted regarding students who graduated 89.5 percent (89.8), while the average final grades for students who gained diplomas increased somewhat to 14,2 points (14,1). The variation among AcadeMedia's upper secondary school operations is noticeably large.

In June, the results of the Swedish preschools' internal performance assessment in relation to the national mandate was also compiled. This showed improvements in the area of "development and learning", while "norms and values" and "children's influence" remained at the same levels as last year.

The German preschools Joki conducted their annual parent survey in May and the Net promotor score (NPS) was very high at 86 percent (86). The NPS method used in Joki differs from AcadeMedia in general in which the percentage of respondents who answered with options 1-6 on a ten-point scale is subtracted from the percentage who answered with options 9 or 10. With this method it is more demanding to achieve an acceptable recommendation rate, since the proportion of "critics" is also taken into account.

The other preschools in Germany and Norway have not presented results from any further quality surveys during the past quarter.

AcadeMedia's Adult Education segment also published new quality data following a participant survey of approximately 35,000 participants, with a response rate of 72 percent. The recommendation rate and satisfaction remains high, 85 and 82 percent, respectively – both scores on a par with last year's survey.

Adult Education also conducted its unique annual review of what prior participants were doing six months after completion of their programme. A total of approximately 38,500 respondents and a response rate of 20 percent. 79 percent (75) responded that they had jobs or pursued further studies. Only 12 percent stated that they were job seekers and the remaining 8 percent were on parental leave or gave some other reason. The results are in line with the survey conducted in the fall of 2016, however with a reduction in the percentage of job seekers (which was 15 percent at the time). This is probably because both AcadeMedia and other labour market parties now focus more on employment or continuing education.

Quality results for the full year

The School Inspectorate regular inspection of AcadeMedia's schools went well and the proportion of flawless assessments was higher than the national average. A summary of all assessments is available on AcadeMedia's website. The annual customer satisfaction surveys show that the recommendation levels remain stable in our preschools and upper secondary schools in Sweden, but are somewhat lower in the compulsory schools.

Employees

The average number of full-time employees in the quarter was 10,959 (10,161) which represents an increase of 7.9 percent. The proportion of women in the Swedish operation was 69.3 percent (69.6) in the quarter. For the full year the average number of full-time employees was 10,564 (9,714) an increase of 8.8 percent. The proportion of women was 69.3 percent (69.6) for the full year. Employee turnover, in Sweden measured as the number of individuals leaving the company amounted to 25.9 percent accumulated over 12 months compared to 25.7 percent in the corresponding period the previous year. Absence due to illness for AcadeMedia employees in Sweden (aggregated average short-term absence <90 days) increased to 4.9 percent (4.6) for the full year.

The annual employee satisfaction survey showed a continuing high recommendation level, 81 percent (79) in Sweden and 87 percent (86) in Norway. More detailed information can be found in the third quarter's interim report or at www.academedia.se.

Risk factors

Significant operating external and financial risks are described in detail in AcadeMedia AB's 2015/16 Annual Report. Apart from the risks described in the Annual Report, no other significant risks are deemed to have emerged.

Operating risks include variations in demand and number of students, risk relating to access to qualified employees and payroll expense, risk relating to quality deficiencies, AcadeMedia's reputation and brand, permits, and liability and property risk. External risk include risk relating to school voucher funding and the general economy, political risk, the introduction of an upper secondary school guarantee-fee, change in the VAT-component in school vouchers or some form of limit on profits or dividends. A common factor for various political proposals is that the processes are usually long and proposals must be in legally enforceable proposals and must also pass approval in the Swedish parliament (Riksdag) vote. In addition, there are also financial risks such as credit and currency risks.

Seasonality

The first quarter of the Group's financial year includes the schools' summer vacations. During this period, when no operations are conducted, the Group's revenues are lower than in the other quarters. Personnel expenses are also lower since staff are on vacation. This also applies to preschools in Norway. Within the Adult Education segment the level of activity is also lower during the summer months, as are revenues and this is also the case over the Christmas and New Year period and other holidays such as easter. During these periods, leave and vacation entitlement are taken, resulting in lower personnel expenses.

The salaries of the Group's employees are adjusted annually. The largest proportion of the Group's employees are teaching staff, whose salaries are adjusted as of September 1 each year, after which date personnel expenses increase without a corresponding increase in school voucher funding. This means that margins are usually lower in the second quarter of the financial year. The school vouchers are adjusted at the end of the calendar year, in both Norway and Sweden. As a consequence, revenues increase without any actual change in the cost base during the third and fourth quarters. The fourth quarter is usually the strongest in terms of profit, partly for the above reason and partly since there are decreases in direct costs, such as for school meals, and the vacation period begins, while revenues do not decline to the same extent. Within the Pre- and Compulsory School segment the positive development in the fourth quarter is reinforced by the fact that children join on an ongoing basis during the year, particularly in May and June, which increases revenues accordingly.

Seasonal variations are somewhat different for preschools in Norway, partly because of the Norwegian rules on personnel density that require greater personnel density for younger children than for older children. At the beginning of the fall, the older children transfer to school and new younger children are admitted. This leads to increased staffing in order to meet the personnel density requirements. At the start of the calendar year the voucher sizes increase and the staff density levels can be adjusted to reflect the fact that the younger children are deemed to be one year older. The consequence is that the second quarter of the financial year is the year's weakest quarter within this segment, with zero profit or even a slightly negative result.

Adult education does not have recurring seasonal patterns in the same way as the school segments. Seasonal variation is rather influenced by the contract portfolio and public spending. Number of working days or education days during the period may affect to a certain extent.

Calendar

October 26, 2017	Publication of the 2016/2017 Annual Report
October 26, 2017	Interim report Q1
November 24, 2017	Annual General Meeting
February 1, 2018	Interim report Q2
May 4, 2018	Interim report Q3

For further information, please refer to https://corporate.academedia.se

This report has not been reviewed by the company's auditors.

The undersigned confirms that the interim report provides a fair and true overview of the parent companies and the group's operations, financial position and results, and describes any significant risks and uncertainties faced by the parent company and the companies in the group.

Stockholm August 30, 2017

Marcus Strömberg
CEO

AcadeMedia AB (publ)

Org. no. 556846-0231
Box 213, 101 24 Stockholm
Telephone- +46-8-794 42 00

www.academedia.se

For more information, please contact:
Marcus Strömberg, CEO
Telephone: +46 8 794 4200
E-mail: marcus.stromberg@academedia.se

Eola Änggård Runsten, CFO
Telephone: +46 8 794 4240
E-mail: eola.runsten@academedia.se

Christian Hall, Investor Relations
Telephone: +46 763 111 242
E-mail: christian.hall@academedia.se

This information is information that AcadeMedia AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CET on August 30, 2017.

Consolidated statement of comprehensive income

		Fourth quarter		Full year	
SEK m		**2016/17**	2015/16	**2016/17**	2015/16
Net Sales		2,610	2,378	9,520	8,611
		2,610	**2,378**	**9,520**	**8,611**
Cost of goods sold		-187	-208	-796	-802
Other external expenses		-593	-486	-2,064	-1,876
Personnel expenses		-1,545	-1,399	-5,811	-5,179
Depreciation/amortization		-56	-46	-212	-187
Items affecting comparability [1)]		-19	-19	-23	-32
		-2,400	**-2,159**	**-8,905**	**-8,076**
OPERATING INCOME		**211**	**218**	**615**	**535**
Interest income and similar profit/loss items	5	0	3	9	7
Interest expense and similar profit/loss items	5	-20	-36	-89	-134
		-20	**-33**	**-80**	**-127**
INCOME BEFORE TAX		**191**	**185**	**535**	**408**
Tax		-37	-45	-120	-89
PROFIT/LOSS FOR THE PERIOD		**154**	**140**	**416**	**319**
Other comprehensive income					
Items that will not be reclassified to profit/loss					
Remeasurement of defined benefit pension plans		*12*	-3	*12*	16
Deferred tax relating to defined benefit pension plans		*-3*	1	*-3*	-4
		9	**-2**	**9**	**12**
Items that may be reclassified to profit/loss					
Translation differences		*-15*	11	*0*	-12
Other comprehensive income for the period		**-6**	**9**	**9**	**0**
COMPREHENSIVE INCOME FOR THE PERIOD		**148**	**149**	**424**	**319**
Profit for the period attributable to:					
Stockholders of the parent company		154	140	416	319
Comprehensive income for the period attributable to:					
Stockholders of the parent company		148	149	424	319
Earnings per share basic (SEK)		1.62	1.63	4.41	3.74
Earnings per share basic/diluted (SEK)		1.62	1.63	4.40	3.74

**) Items affecting comparability are specified on page 3 and 4, definitions on page 28-29.*

Consolidated statement of financial position in summary

SEK m	Note	June 30, 2017	June 30, 2016
ASSETS			
Intangible non-current assets		5,274	5,077
Buildings		788	638
Other property, plant and equipment		489	392
Other non-current assets		24	33
Total non-current assets		**6,574**	**6,141**
Current receivables		695	697
Cash and cash equivalents		579	331
Total current assets		**1,274**	**1,028**
TOTAL ASSETS		**7,849**	**7,169**
EQUITY AND LIABILITIES			
Total equity		**3,443**	**2,990**
Non-current liabilities to credit institutions		2,158	2,085
Provisions and other non-current liabilities		155	145
Total non-current liabilities	4	**2,313**	**2,229**
Current interest-bearing liabilities		516	568
Other current liabilities		1,577	1,382
Total current liabilities	4	**2,092**	**1,950**
TOTAL EQUITY AND LIABILITIES		**7,849**	**7,169**

Consolidated statement of changes in equity in summary

Total equity attributable to owners of the parent company

SEK m	July 1, 2016 Mar 31, 2017	July 1, 2015 Mar 31, 2016
Opening balance	**2,990**	**2,304**
Profit/loss for the period	416	319
Other comprehensive income	9	0
Total profit/loss for the group	**424**	**319**
Transactions with owners	29	367
Closing balance	**3,443**	**2,990**

Consolidated cash flow statement in summary

		Fourth quarter		Full year	
SEK m	Note	**2016/17**	2015/16	**2016/17**	2015/16
Operating profit/loss (EBIT)		211	218	615	535
Adjustment for items affecting cash flow		42	48	178	172
Tax paid		-9	-48	-59	-95
Cash flow from operating activities before changes in working capital		**244**	**219**	**734**	**612**
Cash flow from changes in working capital		73	-59	97	-70
Cash flow from operating activities		**317**	**160**	**830**	**542**
Cash flow from investing activities		**-133**	**-164**	**-374**	**-386**
Cash flow from financing activities		**-67**	**-187**	**-209**	**-512**
CASH FLOW FOR THE PERIOD		**117**	**-192**	**247**	**-355**
Cash and cash equivalents at beginning of period		467	517	331	695
Exchange-rate differences in cash and cash equivalents		-5	6	1	-8
Cash and cash equivalents at end of period		**579**	**331**	**579**	**331**

Parent company income statement in summary

SEK m	Fourth quarter 2016/17	Fourth quarter 2015/16	Full year 2016/17	Full year 2015/16
Net sales	**1**	**0**	**5**	**0**
Operation expenses	**-6**	**-10**	**-27**	**-21**
OPERATING PROFIT/LOSS	**-6**	**-10**	**-22**	**-21**
Interest expense and similar profit/loss items	**0**	**-11**	**0**	**-42**
PROFIT/LOSS BEFORE TAX	**-6**	**-21**	**-22**	**-62**
Year-end appropriations	22	84	22	84
Tax	-3	-5	-	-5
PROFIT/LOSS FOR THE PERIOD	**12**	**58**	**0**	**16**

Parent company other comprehensive income

SEK m	Fourth quarter 2016/17	Fourth quarter 2015/16	Full year 2016/17	Full year 2015/16
Profit/Loss for the period	**12**	**58**	**0**	**16**
Other comprehensive income for the period	-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	**12**	**58**	**0**	**16**

Parent company balance sheet in summary

SEK m	June 30, 2017	June 30, 2016
ASSETS		
Participations in Group companies	2 247	2 219
Deferred tax assets	1	1
Total non-current assets	**2 248**	**2 220**
Current receivables	1 291	85
Cash and bank balances	373	15
Total current assets	**1 664**	**100**
TOTAL ASSETS	**3 912**	**2 320**
EQUITY AND LIABILITIES		
Restricted equity	95	94
Non-restricted equity	2 226	2 198
Total equity	**2 321**	**2 292**
Non-current liabilities	**0**	**0**
Current liabilities	**1 590**	**28**
TOTAL EQUITY AND LIABILITIES	**3 912**	**2 320**

Parent company statement of changes in equity

Total equity attributable to owners of the parent company

SEK m	July 1, 2016 June 30, 2017	July 1, 2015 June 30, 2016
Opening balance	**2,292**	**1,909**
Profit/loss for the period	0	16
Other comprehensive income	-	-
Total profit/loss for the group	**0**	**16**
Transactions with owners	29	367
Closing balance	**2,321**	**2,292**

Notes and accounting policies

Significant events after the end of the reporting period are presented on page 1. Segment reporting is presented on pages 8 to 11. Disclosures about risk factors and seasonality is presented on page 13.

Note 1: Accounting policies

AcadeMedia applies the International Financial Reporting Standards (IFRS) as adopted by the EU. The accounting policies applied are the same as those described in AcadeMedia's 2015/16 Annual Report, which is available at www.academedia.se. No new accounting policies effective from 2015/16 have had any material impact on AcadeMedia. This Interim Report is prepared in accordance with IAS 34 Interim Financial Reporting, as well as the Annual Accounts Act. The parent company applies the Annual Accounts Act and the Swedish Financial Reporting Board's Recommendation RFR 2, Accounting for Legal Entities.

Note 2: Related party transactions

Related party transactions are described in detail in the 2015/2016 Annual report. The scope and nature of these transactions has not changed in any material respect during the year.

Note 3: Acquisitions

Acquiring company	Acquired company	Acquisition date	Segment
Espira Barnehager AS	Skånetoppen Barnehage	July 1, 2016	Preschool International
Espira Barnehager AS	Espira Rødknappen AS	Sept. 1, 2016	Preschool International
Espira Barnehager AS	Espira Jeløy AS	Nov. 1, 2016	Preschool International
Espira Barnehager AS	Espira Kulturstien AS	Apr 1, 2017	Preschool International
Espira Barnehager AS	Espira Lindesnes AS	Apr 1, 2017	Preschool International
AcadeMedia GmbH	Step Kids Education GmbH	Apr 1, 2017	Preschool International
Pysslingen Förskolor och Skolor AB	Kungsholmens Förskola AB	Dec. 1, 2016	Preschool
Pysslingen Förskolor och Skolor AB	Sofiero Förskola AB	Feb 1, 2017	Preschool
Pysslingen Förskolor och Skolor AB	Kulskolan	Feb 1, 2017	Preschool
Pysslingen Förskolor och Skolor AB	Åsöbergets Förskola AB	Jun 1, 2017	Preschool
AcadeMedia fria grundskolor AB	Växthuset förskola i Mölndal AB	Feb 1, 2017	Preschool

The acquisitions in total represent a value of less than 5 percent of the Group, which is why they are not specified separately. Voting rights in all acquisitions amount to 100 percent.

The acquisition of Skånetoppen Barnehage and Kulskolan, mentioned above is an acquisition of a minor operation, an asset acquisition.

In all of the acquisitions except Stepke, the purchase consideration was in the form of a cash payment and no agreement with a conditional or deferred consideration exists. The acquisition of Stepke was partly financed by an apportemission of 524,997 shares corresponding to a value of SEK 28.7 million (EUR 3.0 million). An additional purchase consideration of maximum EUR 4.0 million can be realised depending on the financial outcome of calendar year 2018 and 2019, this is is its entirety included in the purchase consideration.

Details of the net assets and goodwill acquired are given below. Goodwill attributed to company value exceeding net assets is not tax-deductible whereas goodwill attributed to assets in asset based acquisitions is tax-deductible.

Acquisition effects of acquisitions made	**2016/17**
Purchase consideration including transaction expenses	215
Purchase consideration excluding transaction expenses	208
Fair value of acquired net assets excluding goodwill	-13
Total goodwill	**195**

Fair values acquired	2016/17
Intangible non-current assets	1
Property, plant and equipment	92
Financial non-current assets	-
Current assets	11
Cash and cash equivalents	27
Non-current loans	-64
Other current liabilities	-47
Current tax liability	-4
Deferred tax liability	-2
Net assets acquired	**13**

Goodwill that has arisen in connection with acquisitions consists of synergies with existing business, resources such as personnel, education programs, recruitment and personnel development and service organization, which can be streamlined as a result of the acquisitions.

Impact of the acquisitions on the Group's cash and cash equivalents	2016/2017
Purchase consideration agreed	208
Less purchase consideration that has not been settled in cash as of June 30, 2016.	-69
Cash and cash equivalents at time of acquisition	-27
Impact on the Group's cash and cash equivalents	**111**

Contribution of acquisitions to consolidated profit	2016/2017
Net sales	67
Operating profit (EBIT)	9

If the units had been included in consolidated profit from July 1, 2016 the contribution would have been	2016/2017
Net sales	167
Operating profit (EBIT)	5

Note 4: Specification of liabilities

SEK m	June 30, 2017	June 30, 2016
Non-current liabilities		
Non-current liabilities to credit institutions excl. property loans	1,691	1,806
Non-current interest-bearing liabilities - properties	467	278
Non-current liabilities (interest-bearing)	41	32
Non-current liabilities (non-interest-bearing)	114	113
TOTAL Non-current liabilities	**2,313**	**2,229**
Current liabilities		
Liabilities to credit institutions and other current interest-bearing liabilities	400	370
Current interest-bearing liabilities - properties	116	197
Accounts payable and other current non-interest-bearing liabilities	541	545
Accrued expenses and deferred income	1,035	837
TOTAL current liabilities	**2,092**	**1,950**

Note 5: Specification of financial income and expenses

SEK m	Fourth quarter 2016/17	Fourth quarter 2015/16	Full year 2016/17	Full year 2015/16
Interest income and similar profit/loss items				
Interest income	0	2	7	6
Derivatives	-	1	1	1
Foreign exchange gains	-	-	1	-
Other	-	-	-	-
Interest income and similar profit/loss items	**0**	**3**	**9**	**7**
Interest expense and similar profit/loss items				
Interest expense	-15	-32	-69	-121
Borrowing costs *	-1	-2	-5	-6
Foreign exchange losses	-1	-1	-3	-3
Other**	-4	-1	-12	-4
Interest expense and similar profit/loss items	**-20**	**-36**	**-89**	**-134**

*) Handling charges for new loans are expensed over the term of the loan using the effective interest method.

**) An impairment loss of SEK 8 million related to a financial claim was recognized during the financial year.

Note 6: Financial instruments

AcadeMedia's financial instruments consist of accounts receivable, other receivables, accrued income, cash and cash equivalents, accounts payable, accrued trade payables, interest-bearing liabilities, currency derivatives and additional consideration. Since loans with credit institutions are at variable interest, which essentially are deemed to correspond to current market interest rates, the book value excluding loan expenses is considered to correspond to fair value. Currency derivatives are measured at fair value based on input data corresponding to level 2 of IFRS 13. Other financial assets and liabilities have short terms. It is therefore deemed that the fair values of all of the financial instruments are approximately equal to their book values.

Multi-year review

SEK million, unless otherwise stated	Fourth quarter		Full year				
	2016/17	2015/16	**2016/17**	**2015/16**	2014/15	2013/14	2012/13
Profit/loss items, SEK m							
Net sales	2,610	2,378	9,520	8,611	8,163	6,372	5,125
Items affecting comparability	-19	-19	-23	-32	-79	-35	-14
EBITDA	267	265	827	722	720	614	514
Depreciation/amortization	-56	-46	-212	-187	-203	-164	-139
Operating profit/loss (EBIT)	211	218	615	535	517	449	376
Net financial items	-20	-33	-80	-127	-269	-209	-255
Profit/loss for the period before tax	191	185	535	408	248	240	121
Profit/loss for the period after tax	154	140	416	319	222	189	128
Balance sheet items, SEK m							
Non-current assets	6,574	6,141	6,574	6,141	5,884	5,945	4,151
Current receivables and inventories	695	697	695	697	670	654	537
Cash and cash equivalents	579	331	579	331	695	562	338
Non-current interest-bearing liabilities	2,200	2,116	2,200	2,116	2,609	3,020	2,308
Non-current non-interest-bearing liabilities	114	113	114	113	197	131	88
Current interest-bearing liabilities	516	568	516	568	715	469	207
Current non-interest-bearing liabilities	1,577	1,382	1,577	1,382	1,425	1,352	857
Equity	3,443	2,990	3,443	2,990	2,304	2,189	1,566
Total assets	7,849	7,169	7,849	7,169	7,250	7,161	5,026
Capital employed	6,158	5,674	6,158	5,674	5,628	5,679	4,082
Net debt	2,133	2,342	2,133	2,342	2,629	2,927	2,178
Property adjusted net debt	1,550	1,865	1,550	1,865	2,295	2,563	2,178
Key ratios							
Operating margin (EBIT), %	8.1%	9.2%	6.5%	6.2%	6.3%	7.1%	7.3%
Adjusted EBIT, SEK m	229	238	638	567	596	485	389
Adjusted EBIT margin, %	8.8%	10.0%	6.7%	6.6%	7.3%	7.6%	7.6%
Adjusted EBITDA, SEK m	285	284	850	754	799	649	528
Adjusted EBIT margin, %	10.9%	11.9%	8.9%	8.8%	9.8%	10.2%	10.3%
Net margin, %	5.9%	5.9%	4.4%	3.7%	2.7%	3.0%	2.5%
Return on capital employed, %, (12 months)	10.9%	10.1%	10.9%	10.1%	10.8%	10.0%	9.8%
Return on equity, %(12 months)	12.9%	12.1%	12.9%	12.1%	9.9%	10.1%	8.5%
Equity/assets ratio, %	43.9%	41.7%	43.9%	41.7%	31.8%	30.6%	31.2%
Interest coverage ratio, times	9.4	4.8	9.4	4.8	2.8	2.7	1.8
Net debt/Adjusted EBITDA (12 months)	2.5	3.1	2.5	3.1	3.3	4.5	4.1
Adjusted net debt/adjusted EBITDA (12 months)	1.8	2.5	1.8	2.5	2.9	3.9	4.1
Cash flow from investing activities	-133	-164	-374	-386	-68	-864	-95
Number of full-time employees	10,959	10,161	10,564	9,714	9,159	6,997	6,087

Quarterly data, Group

Quarterly data	2016/17				2015/16				2014/15			
SEK million, unless oterhwise stated	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	2,610	2,540	2,508	1,862	2,378	2,316	2,239	1,679	2,199	2,177	2,146	1,641
EBITDA	**267**	**250**	**200**	**111**	**265**	**244**	**140**	**72**	**215**	**220**	**168**	**117**
Depreciation/amortization	-56	-55	-58	-43	-46	-48	-50	-42	-54	-52	-48	-48
Items affecting comparability	-19	-2	0	-1	-19	-4	-7	-3	-76	-1	-2	-1
Operating income (EBIT)	**211**	**195**	**142**	**68**	**218**	**196**	**90**	**31**	**161**	**167**	**119**	**69**
Total financial items	-20	-18	-25	-18	-33	-29	-28	-37	-95	-48	-60	-65
Income before taxes	**191**	**177**	**117**	**50**	**185**	**167**	**62**	**-6**	**66**	**120**	**59**	**3**
Tax for the current period	-37	-45	-28	-9	-45	-38	-14	8	14	-25	-14	-1
Profit/loss for the period	**154**	**132**	**89**	**41**	**140**	**129**	**48**	**2**	**80**	**95**	**45**	**3**
Number of children/students, schools	67,207	66,299	65,633	65,143	64,342	63,716	62,443	62,103	61,295	61,269	60,570	60,452
Number of full-time employees	10,959	10,702	10,450	10,144	10,161	9,783	9,588	9,325	9,394	9,205	9,157	8,881
Number of education units	445	432	427	428	425	419	404	399	394	392	391	391
Operating margin (EBIT), %	8.1%	7.7%	5.7%	3.7%	9.2%	8.5%	4.0%	1.8%	7.3%	7.7%	5.5%	4.2%
Adjusted EBIT	229	197	142	69	238	199	97	34	237	168	121	69
Adjusted EBIT, %	8.8%	7.8%	5.7%	3.7%	10.0%	8.6%	4.3%	2.0%	10.8%	7.7%	5.6%	4.2%
Net margin, %	5.9%	5.2%	3.6%	2.2%	5.9%	5.6%	2.1%	0.1%	3.6%	4.3%	2.1%	0.2%
Return on equity, % (12 months)	12.9%	13.9%	14.6%	13.5%	12.1%	10.8%	9.9%	9.8%	9.9%	12.0%	10.7%	10.4%
Return on capital employed, % (12 Months)	10.9%	11.3%	11.7%	10.9%	10.1%	10.1%	10.0%	10.4%	10.8%	11.4%	10.9%	10.6%
Equity/assets ratio, %	43.9%	42.6%	41.6%	40.8%	41.7%	34.6%	33.7%	32.9%	31.8%	31.8%	31.0%	30.7%
Net debt/Adjusted EBITDA (12 months)	2.5	2.7	2.7	3.0	3.1	3.4	3.6	3.5	3.3	3.7	4.1	4.3
Interest coverage ratio	9.4	7.6	6.8	5.7	4.8	4.0	3.2	3.1	2.8	2.7	2.6	2.6
Other												
Cash flow from operating activities	317	123	260	131	160	128	267	-13	197	197	193	96
Cash flow from investing activities	-133	-87	-67	-87	-164	-101	-85	-35	138	-48	-77	-81

Quarterly data, segment

SEK million, unless otherwise stated	2016/17				2015/16				2014/15			
Pre- and Compulsory Schools (Sweden)	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Number of children/students (average)	31,828	31,533	30,951	30,613	30,946	30,471	29,622	29,286	29,208	28,953	28,477	28,198
Net sales	1,025	983	964	717	951	933	889	661	872	844	831	613
EBITDA	103	73	57	19	102	92	48	13	95	74	56	19
EBITDA margin, %	10.0%	7.4%	5.9%	2.6%	10.7%	9.9%	5.4%	2.0%	10.9%	8.8%	6.7%	3.1%
Depreciation/amortization	-14	-14	-14	-12	-13	-13	-13	-11	-12	-13	-14	-12
Operating profit/loss (EBIT)	89	59	43	8	90	79	35	2	82	61	42	8
EBIT margin, %	8.7%	6.0%	4.5%	1.1%	9.5%	8.5%	3.9%	0.3%	9.4%	7.2%	5.1%	1.3%
Items affecting comparability	0	0	0	0	3	0	0	0	-19	0	0	0
Adjusted operating profit/loss (EBIT)	90	59	43	8	86	79	35	2	101	61	42	8
Adjusted EBIT margin, %	8.8%	6.0%	4.5%	1.1%	9.0%	8.5%	3.9%	0.3%	11.6%	7.2%	5.1%	1.3%
Number of education units	230	229	225	227	226	222	217	212	211	208	208	208

SEK million, unless otherwise stated	2016/17				2015/16				2014/15			
Upper Secondary Schools (Sweden)	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Number of children/students (average)	25,191	25,476	25,707	25,802	24,752	24,917	25,144	25,244	24,365	24,676	24,884	25,031
Net sales	675	671	678	501	655	641	640	485	623	625	621	472
EBITDA	90	89	77	47	93	90	71	44	50	78	67	42
EBITDA margin, %	13.3%	13.3%	11.4%	9.4%	14.2%	14.0%	11.1%	9.1%	8.0%	12.5%	10.8%	8.9%
Depreciation/amortization	-26	-28	-30	-21	-23	-27	-28	-22	-27	-27	-28	-22
Operating profit/loss (EBIT)	64	60	47	26	69	63	43	22	23	51	39	20
EBIT margin, %	9.5%	8.9%	6.9%	5.2%	10.5%	9.8%	6.7%	4.5%	3.7%	8.2%	6.3%	4.2%
Items affecting comparability	-9	0	0	0	0	0	-9	0	-57	0	0	0
Adjusted operating profit/loss (EBIT)	72	60	47	26	69	63	43	22	80	51	39	20
Adjusted EBIT margin, %	10.7%	8.9%	6.9%	5.2%	10.5%	9.8%	6.7%	4.5%	12.8%	8.2%	6.3%	4.2%
Number of education units	103	103	103	103	105	106	106	106	105	106	106	106

SEK million, unless otherwise stated	2016/17				2015/16				2014/15			
Adult Education (Sweden)	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Net sales	411	417	417	332	381	364	353	274	323	338	357	291
EBITDA	40	64	60	42	56	48	36	13	7	43	51	42
EBITDA margin, %	9.7%	15.3%	14.4%	12.7%	14.7%	13.2%	10.2%	4.7%	2.2%	12.7%	14.3%	14.4%
Depreciation/amortization	-2	-2	-2	-2	-1	-2	-1	-2	-4	-3	1	-6
Operating profit/loss (EBIT)	38	62	59	41	55	46	35	12	3	40	52	36
EBIT margin, %	9.2%	0	14.1%	12.3%	14.4%	12.6%	9.9%	4.4%	0.9%	11.8%	14.6%	12.4%
Items affecting comparability	0	0%	0	0	0	0	-1	-2	-15	0	0	0
Adjusted operating profit/loss (EBIT)	38	62	59	41	55	46	35	14	18	40	52	36
Adjusted EBIT margin, %	9.2%	0	14.1%	12.3%	14.4%	12.6%	9.9%	5.1%	5.6%	11.8%	14.6%	12.4%

Quarterly data, segment (cont.)

SEK million, unless otherwise stated	2016/17				2015/16				2014/15			
Preschool International	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Number of children/students (average)	10,188	9,289	8,975	8,727	8,643	8,328	7,677	7,573	7,722	7,640	7,209	7,223
Net sales	499	466	449	311	390	376	356	259	380	368	337	265
EBITDA	60	39	25	15	49	33	8	19	82	41	11	23
EBITDA margin, %	12.0%	8.4%	5.6%	4.8%	12.6%	8.8%	2.2%	7.3%	21.6%	11.1%	3.3%	8.7%
Depreciation/amortization	-13	-10	-11	-8	-8	-6	-6	-6	-10	-9	-7	-8
Operating profit/loss (EBIT)	47	30	14	7	40	28	2	13	72	32	4	15
EBIT margin, %	9.4%	6.4%	3.1%	2.3%	10.3%	7.4%	0.6%	5.0%	18.9%	8.7%	1.2%	5.7%
Items affecting comparability	0	0	0	0	0	0	0	6	16	0	0	0
Adjusted operating profit/loss (EBIT)	47	30	14	7	40	28	2	8	56	32	4	15
Adjusted EBIT margin, %	9.4%	6.4%	3.1%	2.3%	10.3%	7.4%	0.6%	3.1%	14.7%	8.7%	1.2%	5.7%
Number of preschool units	112	100	99	98	94	91	81	81	78	78	77	77

SEK million, unless otherwise stated	2016/17				2015/16				2014/15			
Group-OH and adjustments	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Net sales	0	3	0	0	0	2	1	0	1	1	0	0
EBITDA	-27	-15	-20	-13	-35	-20	-23	-18	-18	-16	-17	-10
Depreciation/amortization	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Operating profit/loss (EBIT)	-28	-16	-21	-14	-36	-21	-24	-18	-19	-17	-18	-11
Items affecting comparability	-10	-2	0	-1	-22	-3	-6	-6	-1	-1	-2	-1
Adjusted operating profit/loss (EBIT)	-18	-14	-21	-13	-14	-17	-18	-12	-18	-16	-17	-10

SEK million, unless otherwise stated	2016/17				2015/16				2014/15			
Group	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Number of children/students (average)	67,207	66,299	65,633	65,143	64,342	63,716	62,443	62,103	61,295	61,269	60,570	60,452
Net sales	2,610	2,540	2,508	1,862	2,378	2,316	2,239	1,679	2,199	2,177	2,146	1,641
EBITDA	267	250	200	111	265	244	140	72	215	220	168	117
EBITDA margin, %	10.2%	9.8%	8.0%	6.0%	11.1%	10.5%	6.3%	4.3%	9.8%	10.1%	7.8%	7.1%
Depreciation/amortization	-56	-55	-58	-43	-46	-48	-50	-42	-54	-52	-48	-48
Operating profit/loss (EBIT)	211	195	142	68	218	196	90	31	161	167	119	69
EBIT margin, %	8.1%	7.7%	5.7%	3.7%	9.2%	8.5%	4.0%	1.8%	7.3%	7.7%	5.5%	4.2%
Items affecting comparability	-19	-2	0	-1	-19	-4	-7	-3	-76	-1	-2	-1
Adjusted operating profit/loss (EBIT)	229	197	142	69	238	199	97	34	237	168	121	69
Adjusted EBIT margin, %	8.8%	7.8%	5.7%	3.7%	10.0%	8.6%	4.3%	2.0%	10.8%	7.7%	5.6%	4.2%
Net financial items	-20	-18	-25	-18	-33	-29	-28	-37	-95	-48	-60	-65
Profit/loss after financial items	**191**	**177**	**117**	**50**	**185**	**167**	**62**	**-6**	**66**	**120**	**59**	**3**
Tax	-37	-45	-28	-9	-45	-38	-14	8	14	-25	-14	-1
Profit/loss for the period	**154**	**132**	**89**	**41**	**140**	**129**	**48**	**2**	**80**	**95**	**45**	**3**
Number of full-time employees (period)	10,959	10,702	10,450	10,144	10,161	9,783	9,588	9,325	9,394	9,205	9,157	8,881
Number of units	445	432	427	428	425	419	404	399	394	392	391	391

Reconciliaton of alternative performance measures

Below are calculations for the alternative performance measures used in the report. See definitions for more details.

SEK million, unless otherwise stated	Fourth quarter 2016/17	Fourth quarter 2015/16	Full year 2016/17	Full year 2015/16	Full year 2014/15	Full year 2013/14	Full year 2012/13
Net debt							
Non-current interest-bearing liabilities	2,200	2,116	2,200	2,116	2,609	3,020	2,308
+ Current interest-bearing liabilities	516	568	516	568	715	469	207
- Non-current interest-bearing receivables*	4	11	4	11	-	-	-
- Cash and cash equivalents	579	331	579	331	695	562	338
= Net debt	2,133	2,342	2,133	2,342	2,629	2,927	2,178
Property-adjusted net debt							
Net debt (as described above)	2,133	2,342	2,133	2,342	2,629	2,927	2,178
- non-current property loans	467	278	467	278	174	288	0
- current property loans	116	197	116	197	161	76	0
= Property adjusted net debt	1,550	1,865	1,550	1,865	2,295	2,563	2,178
Return on capital employed %, 12 months							
Adjusted operating profit EBIT (12 months)	638	567	638	567	596	485	389
+ Interest income	7	6	7	6	13	2	3
divided by							
Average equity (12 months)	3,216	2,647	3,216	2,647	2,247	1,878	1,502
+ average non-current interest-bearing liabilities (12 months)	2,158	2,363	2,158	2,363	2,815	2,664	2,300
+ average current interest-bearing liabilities (12 months)	542	641	542	641	592	338	182
= Return on capital employed %, 12 months	10.9%	10.1%	10.9%	10.1%	10.8%	10.0%	9.8%
Return on equity %, 12 months							
Profit/loss after tax (12 months)	416	319	416	319	222	189	128
divided by							
Average equity (12 months)	3,216	2,647	3,216	2,647	2,247	1,878	1,502
= Return on equity %, 12 months	12.9%	12.1%	12.9%	12.1%	9.9%	10.1%	8.5%

**) Included in Other non-current assets*

SEK million, unless otherwise stated	2016/17 Q4	2016/17 Q3	2016/17 Q2	2016/17 Q1	2015/16 Q4	2015/16 Q3	2015/16 Q2	2015/16 Q1	2014/15 Q4	2014/15 Q3	2014/15 Q2	2014/15 Q1
Interest coverage ratio												
Adjusted operating profit EBIT (12 months)	638	646	648	603	567	567	536	559	596	575	533	511
+ Interest income (12 months)	7	9	9	6	6	8	17	14	13	9	1	1
+ Other financial income (12 months)	1	2	2	3	1	8	10	10	11	4	1	0
divided by												
Interest expense (12 months)	-69	-87	-97	-108	-121	-145	-174	-191	-218	-218	-203	-196
= Interest coverage ratio	9.4	7.6	6.8	5.7	4.8	4.0	3.2	3.1	2.8	2.7	2.6	2.6

Definitions

Other information has been included to align this report with ESMA's (European Securities and Markets Authority's) guidelines on alternative performance indicators.

Key ratio	Definition	Purpose[1]
Absence due to illness	Short-term and long-term absence due to illness recalculated to full-time divided by the number of full-time employees (FTE).	Absence due to illness is used to measure employee absence and provide indications of employee health.
Adjusted EBIT	Operating profit/loss excluding items affecting comparability.	Adjusted EBIT is used to get a better picture of the underlying operating profit.
Adjusted EBIT margin	Adjusted EBIT as a percentage of net revenues.	Adjusted EBIT margin sets underlying operating profit in relation to sales.
Adjusted EBITDA	Operating profit/loss before depreciation/amortization of property, plant and equipment and intangible non-current assets.	Adjusted EBITDA is used to measure underlying profit from operating activities, regardless of depreciation/amortization and excluding items affecting comparability.
Adjusted net debt	Net debt net of property-related loans, i.e. loans in the Norwegian State Housing Bank, building loans for ongoing construction projects and other property loans in Norway.	Adjusted net debt shows the portion of loans that finance the business, while property loans are linked to a building asset that can be separated and sold.
Adjusted net debt/Adjusted EBITDA	Adjusted net debt divided by adjusted EBITDA.	Net debt/adjusted EBITDA is a theoretical measure of how many years it would take, with current earnings excluding items affecting comparability (adjusted EBITDA), to pay off the Company's liabilities, excluding property-related loans.
Adjusted return on capital employed	Adjusted EBIT + interest income for the most recent 12-month period divided by average capital employed (opening balance + closing balance)/2.	Adjusted return on capital employed is used to set adjusted operating profit/loss in relation to total tied up capital regardless of type of financing.
Capital employed	Total assets less non-interest bearing liabilities and provisions as well as deferred tax liabilities. Or: Equity plus non-current and current interest-bearing liabilities.	Capital employed indicates how much capital is needed to run the business regardless of type of financing (borrowed or equity).
Cash flow from investments	Cash flow from investing activities according to the cash flow analysis. This includes acquisitions, investments and divestments of buildings, as well as investments in property, plant and equipment and intangible assets. Investments financed with leases are not included.	Cash flow from investments is used to regularly measure how much cash is used to maintain operations and for expansion.
Cash flow from operating activities	Cash flow from operating activities including changes in working capital and before cash flows from investing and financing activities.	Cash flow from operating activities is used as a measure of the cash flow that the Company generates before investments and financing.
Earnings per share	Profit/loss for the period in SEK, divided by the average number of shares outstanding, basic/diluted calculated according to IAS 33.	Earnings per share is used to clarify the amount of profit for the period to which each share is entitled.
EBITDA	Operating profit/loss before depreciation/amortization and impairment of non-current assets.	EBITDA is used to measure profit (loss) from operating activities, regardless of depreciation/amortization.
EBITDA margin	EBITDA as a percentage of revenues.	EBITDA margin is used to set EBITDA in relation to sales.
Employee turnover	Average number of employees who left the company during the year in relation to the average number of employees. (Number of permanent and probationary employees who quit) / (Average number of permanent and probationary employees).	Employee turnover is used to measure the proportion of employees who leave the company and who must be replaced every year.
Equity/assets ratio	Equity as a percentage of total assets.	The equity ratio shows the proportion of the Company's total assets financed by shareholders' equity. A high equity ratio is a measure of financial strength.
Interest coverage ratio	Adjusted EBIT for the last 12 months plus financial income in relation to interest expense.	Interest coverage ratio is used to measure the company's ability to pay interest costs.
Net debt	Interest-bearing debt (current and non-current) net of cash and cash equivalents and non-current interest-bearing receivables (current and non-current).	Net debt is used to clarify the size of the debt less current cash and cash equivalents (which in theory could be used to repay loans).
Net debt/adjusted EBITDA	Net debt (closing balance for the period) divided by adjusted EBITDA for the past 12 months.	Net debt/adjusted EBITDA is a theoretical measure of how many years it would take, with current earnings (EBITDA), to pay off the Company's liabilities, including property-related loans.
Net margin	Profit/loss for the period as a percentage of revenues.	Net margin is used to measure net earnings in relation to sales.

[1] According to ESMA guidelines on performance measures, each performance measure must be motivated.

Items affecting comparability	Items affecting comparability are items related to property such as capital gains, major property damage not covered by commercial insurance, consulting costs related to acquisitions, severance payments to senior executives, major integration costs resulting from acquisitions, reorganization costs, as well as costs arising from strategic decisions and major restructuring that results in winding up of units.	Items affecting comparability are used to identify items of an irregular nature in order to get a better understanding of underlying development of earnings.
Number of children/students	Average number of children/students enrolled during the specified period. Adult education participants are not included in the Group's total figures for number of children/students.	Number of children/students is the most important driver for revenue.
Number of education units	Refers to the number of preschools, compulsory schools and/or upper secondary schools operating in the period. Integrated units where preschools and compulsory schools are combined are counted as two units as they each hold their own permit.	Number of education units indicates how the Company grows over time through new establishments and acquisitions minus discontinued units.
Number of full-time employees	Average number of employees during the period, full-time equivalent (FTE).	The number of employees is measured regularly as it is the main cost driver for the Company.
Return on equity	Profit/loss for the most recent 12-month period divided by average equity (opening balance + closing balance)/2.	Return on equity is a profitability measure used to set profit (loss) in relation to shareholders' paid-in and earned capital.
Return on capital employed	Adjusted operating profit/loss (EBIT for the most recent 12-month period plus interest income divided by average capital employed (opening balance + closing balance)/2.	Return on equity is a profitability measure used to set profit (loss) in relation to the capital needed to run the business.
Operating margin (EBIT margin)	Operating profit/loss as a percentage of revenues.	The operating margin shows the percentage of sales remaining after operating expenses, which can be allocated to other purposes.
Operating profit/loss (EBIT)	Operating profit/loss before net financial items and tax.	Operating profit/loss (EBIT) is used to measure operating profit before financing and tax.

Other

All amounts in tables are in SEK million unless otherwise stated. All figures in parentheses () are comparative figures for the same period the previous year unless otherwise stated. Totals of amounts in whole figures do not always match reported totals due to rounding. The reported total amounts are correct.