

Press release, 4 October 2017

Swedish Schools Inspectorate approves IES as operator for all applications filed in 2017 for permits to start/expand schools

In January 2017, Internationella Engelska Skolan (IES) submitted five applications to the Swedish Schools Inspectorate (Skolinspektionen) to establish and pursue primary and secondary school activities, F-9, in Huddinge (Länna), where a school opening is scheduled for 2018, as well as Österåker, Östersund, Skellefteå and Ekerö municipalities, with a possible start in 2019 at the earliest. Furthermore, applications were submitted to expand the existing elementary school activities to include F-3 in Halmstad and Huddinge (Flemingsberg), starting early 2019.

In July 2017, the Inspectorate notified IES that it would not grant permits for the above applications, as IES reported in a press release on 21 July 2017. The deficiencies the Inspectorate cited have now been rectified, according to a report approved by the Inspectorate. Against this background, the Inspectorate has decided to grant IES permits for all the applications filed.

The above decision does not affect the 34 existing IES schools, all of which already hold the necessary permits. As well as the aforementioned permits, IES holds nine approved permits for schools that have not yet been utilized. These permits are for Malmö, Stockholm (Mariehäll), Stockholm (Spånga), Sollentuna and Sundbyberg, for F-9, and Haninge, Karlskrona, Luleå and Växjö, for 4-9. In addition, IES holds permits to add grades F-3 at its current schools in Borås and Linköping, and to add grade 3 in Sundsvall, where the school building is currently being extended.

For more information, please contact:

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This information is such that Internationella Engelska Skolan i Sverige Holdings II AB (publ) is obliged to publish pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the above contact, at 4:30 p.m. CET on 4 October 2017

About IES

Internationella Engelska Skolan, IES, is one of the leading free school operators in Sweden with some 24,000 students in 34 schools in the academic year 2017/18. IES provides schooling from year 1 of grade schooling up to and including the third year of senior high school. Its main focus is on grades 4 - 9, known internationally as middle school. Within the compulsory school system in Sweden, IES is the leading independent provider with nine of the ten largest independent schools. IES schools' results in yearly grade nine national tests are consistently well above the average of Sweden's schools.

Internationella Engelska Skolan was founded in 1993 and is currently in its 24th financial year. During all these years, the schools have featured the three central pillars of what we offer students, as set out by the organization's founder Barbara Bergström:

- A safe and orderly environment, where teachers can teach and students learn.
- To command the English language – the key to the world.
- Students should face high academic expectations and targets.

Up to half of education is conducted in English, by teachers whose native language is English. Over 700 teachers qualified in foreign countries—mainly Canada, the US, the UK and South Africa—teach in IES schools.

The student body has expanded strongly. Revenue received has traced yearly organic growth averaging 19% in the past 10 years. In the most recent financial year 2016-2017 that concluded on 30 June 2017, revenue received was SEK 2,043 m, an increase of some 13% on the previous year. As of 30 June 2017, there were approximately 144,000 applications in the waiting list to secure a place for the current and forthcoming year.

Internationella Engelska Skolan has been listed on Nasdaq Stockholm Mid Cap with the ticker ENG since the end of September 2016. The largest shareholders of IES are TA Associates of the US, which has close affiliations to leading universities and foundations in the US, and IES's founder Barbara Bergström. Other major shareholders as of the end of April 2017 were Swedbank Robur Funds, investment company Öresund, Norron Asset Management, the Third Swedish National Pension Fund, and AMF Försäkring & Fonder (owned jointly by LO, The Swedish Trade Union Confederation and the Confederation of Swedish Enterprise).