



# Universal Technical Institute Investor Presentation

February 3, 2022

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*For additional financial information please see Company public filings and the Financials section of our investor website*



# Forward-Looking Statements

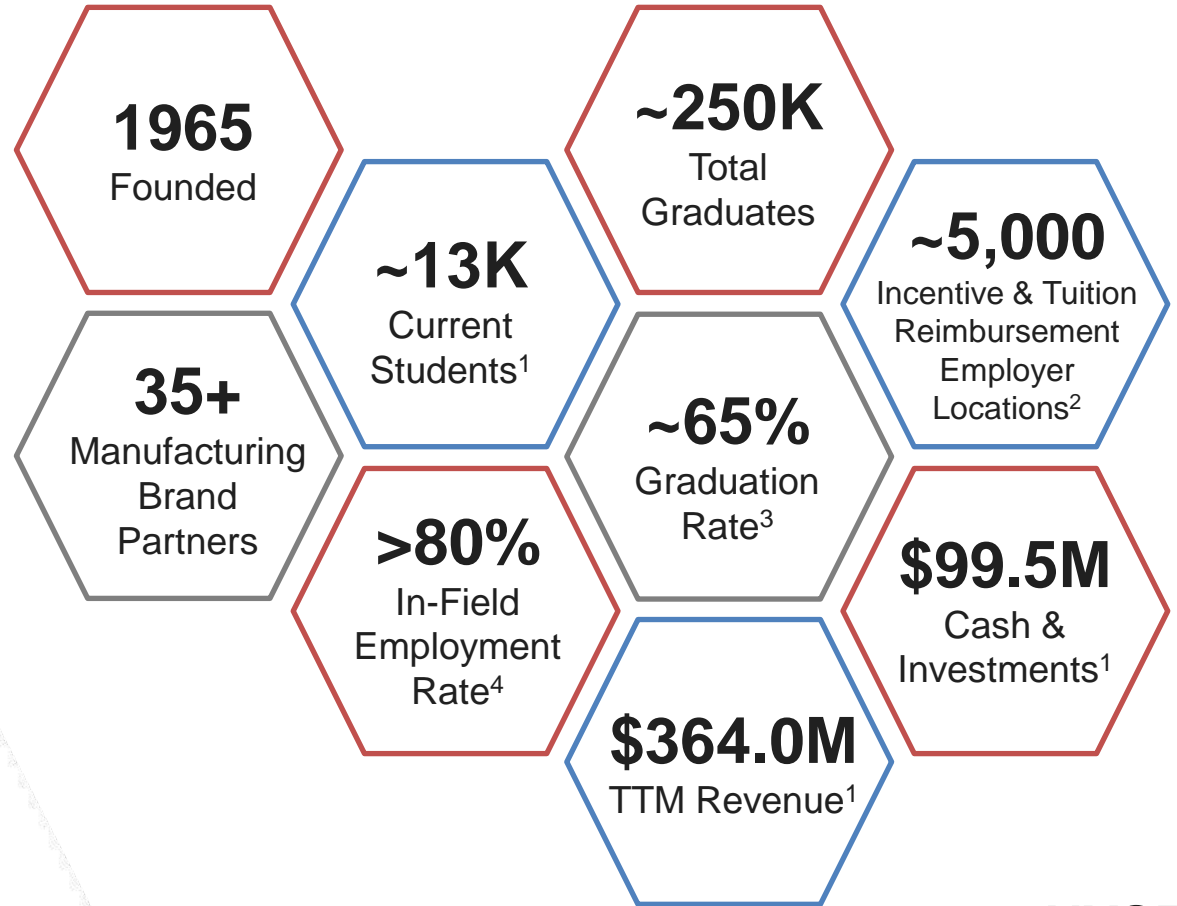
This presentation contains forward-looking statements within the meaning of the safe harbor from civil liability provided for such statements by the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended). Forward-looking statements may contain words such as "goal," "target," "future," "estimate," "expect," "anticipate," "intend," "plan," "believe," "seek," "project," "may," "should," "will," the negative form of these expressions or similar expressions. These statements are based on our management's current beliefs, expectations and assumptions about future events, conditions and results and on information currently available to us. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, achievements or events and circumstances reflected in the forward-looking statements will occur. Discussions containing these forward-looking statements may be found, among other places, in the Sections entitled "Business," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" incorporated by reference from our most recent Annual Report on Form 10-K, in our subsequent Quarterly Reports on Form 10-Q and certain of our current reports on Form 8-K, as well as any amendments thereto, filed with the Securities and Exchange Commission (the "SEC").

In addition, statements that refer to projections of earnings, revenue, costs or other financial items in future periods; anticipated growth and trends in our business or key markets; cost synergies, growth opportunities and other potential financial and operating benefits; future growth and revenues; future economic conditions and performance; anticipated performance of curriculum; plans, objectives and strategies for future operations; and other characterizations of future events or circumstances, and all other statements that are not statements of historical fact are forward-looking statements. Such statements are based on currently available operating, financial and competitive information and are subject to various risks, uncertainties and assumptions that could cause actual results to differ materially from those anticipated or implied in our forward-looking statements due to a number of factors, including, but not limited to, those set forth under the section entitled "Risk Factors" in our filings with the SEC. Factors that might cause such a difference include, but are not limited to macroeconomic impacts related to the COVID-19 pandemic, changes to federal and state educational funding, changes to regulations or agency interpretation of such regulations affecting the for-profit education industry, possible failure or inability to obtain regulatory consents and certifications for new or modified campuses or instruction, potential increased competition, changes in demand for the programs offered by UTI, increased investment in management and capital resources, the effectiveness of the recruiting, advertising and promotional efforts, changes to interest rates and unemployment, general economic and political conditions, the adoption of new accounting standards including the new lease accounting guidance and other risks that are described from time to time in our filings with the SEC. Given these risks, uncertainties and other factors, many of which are beyond our control, you should not place undue reliance on these forward-looking statements. Neither we nor any other person makes any representation as to the accuracy or completeness of these forward-looking statements and, except as required by law, we assume no obligation to update these forward-looking statements publicly, or to revise any forward-looking statements, even if new information becomes available in the future.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry and our business. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. In addition, projections, assumptions and estimates of our future performance and the future performance of the markets in which we operate are necessarily subject to a high degree of uncertainty and risk.

# Introduction

# A Leading Provider of Transportation and Technical Training Programs



NYSE: UTI

<sup>1</sup> As of December 31, 2021

<sup>2</sup> Represents locations that have agreed to offer incentives, rather than the number of locations at which offers have been made or accepted

<sup>3</sup> Per most recent regulatory reporting period results, which pre-date the MIAT acquisition

<sup>4</sup> Based on all graduates from UTI owned & operated campuses excl. MIAT, including those who completed MSAT programs, from 10/1/19-9/30/20, & 10/1/18-9/30/19, respectively, and excludes graduates not available for employment because of continuing education, military service, health, incarceration, death or international student status. See 10-K filing for additional information

# State-of-the-Industry Technology and Training



# Impressive Training Facilities Nationwide



Avondale, AZ



Bloomfield, NJ



Dallas/Ft. Worth, TX



Exton, PA



Houston, TX



Lisle, IL



Long Beach, CA



Mooresville, NC



Orlando, FL



Rancho Cucamonga, CA



Sacramento, CA



MMI Motorcycle – Phoenix, AZ

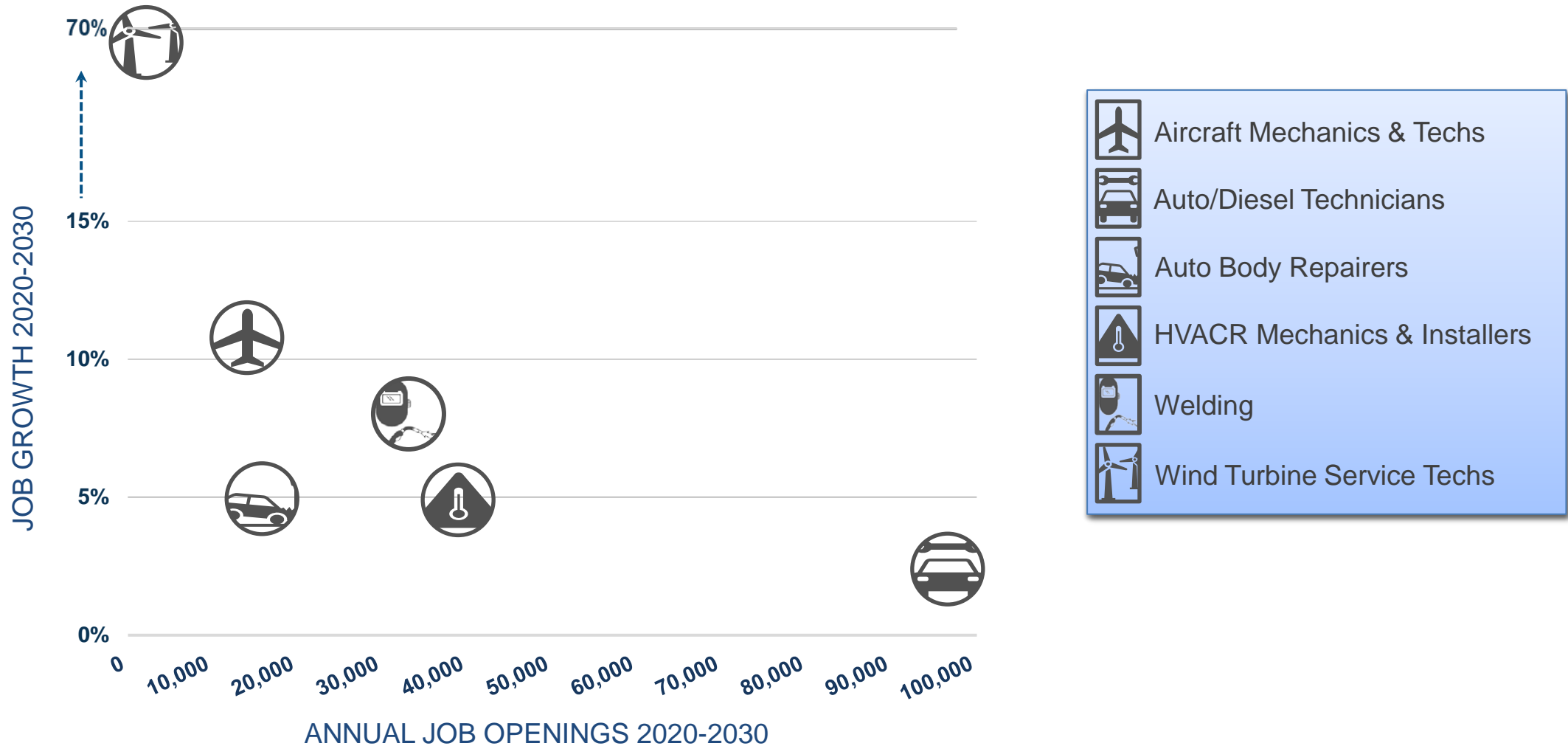


MIAT: Canton, MI

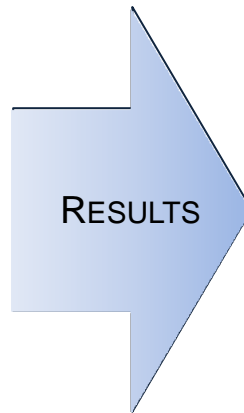


MIAT: Houston, TX

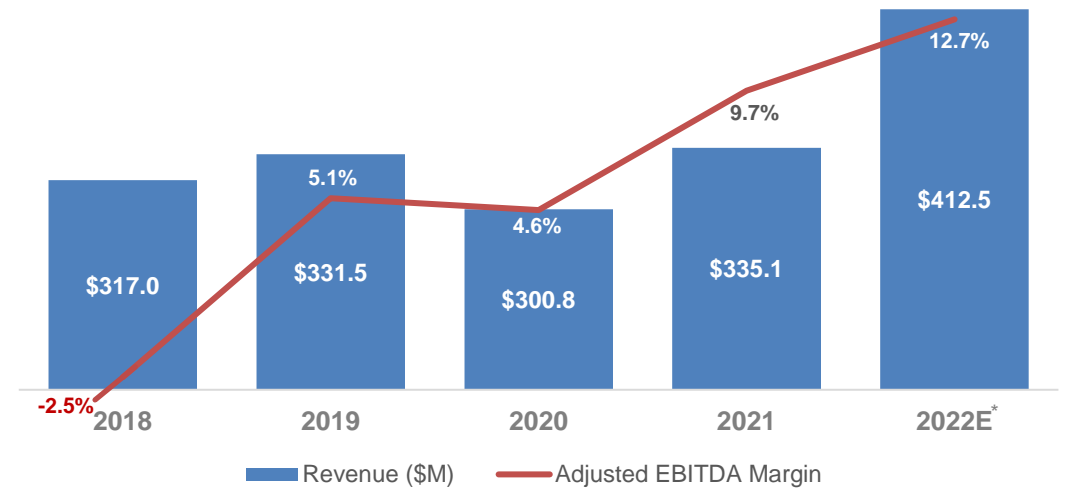
# Strong Demand for Our Technicians



# Ongoing Company Transformation



Revenue and Margin Growth



\* Based on mid-points of Company's FY2022 guidance ranges

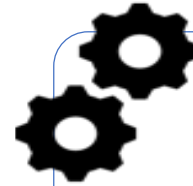


# Investment Thesis Highlights

*Executing on strategic and transformation plans, and building momentum toward ever-stronger results*



Attractive student value proposition including expanded programs and blended learning model



Significant industry and OEM partnerships supporting student success



Business model optimized for any macro economic cycle with counter cyclical upside



Evolved post-COVID strategy fueling EBITDA and student start growth



Streamlined operations and strong balance sheet strengthen market position



Deploying capital toward multiple high ROI initiatives, continuing to evaluate other opportunities

# Talented and Deeply Experienced Management Team Driving Company's Pivot to Growth



## Chief Executive Officer

Jerome Grant  
*joined 2017*



## EVP & Chief Financial Officer

Troy Anderson  
*joined 2019*



## EVP Campus Operations & Services

Sherrell Smith  
*joined 1986*



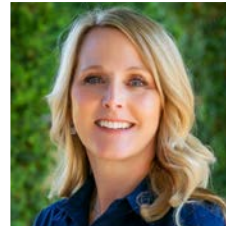
## SVP Chief Commercial Officer

Bart Fesperman  
*joined 2020*



## SVP Chief Information Officer

Lori Smith  
*joined 1993*



## SVP Chief Strategy & Transformation Officer

Todd Hitchcock  
*joined 2020*



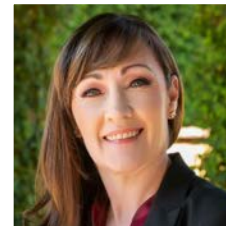
## SVP Chief Legal Officer

Chris Kevane  
*joined 2020*



## SVP Chief Human Resources Officer

Sonia Mason  
*joined 2020*



## SVP Admissions

Eric Severson  
*joined 2018*



# Growth & Diversification Strategy

# Near-Term Capital Allocation Priorities

*Management and Board are prudently allocating capital in support of the initial steps of the Company's growth and diversification strategy, while continuing to explore incremental opportunities*



## NEW CAMPUSES

★ *Austin, TX and Miramar, FL on track for FY22 launches, others being evaluated*



## PROGRAM EXPANSIONS

★ *4 new welding launches over FY21/22, MIAT programs, exploring others (e.g. EV)*



## INORGANIC GROWTH

★ *MIAT (2 campuses and 8 unique programs), continuing to evaluate additional acquisition targets*



## BUSINESS MODEL EXTENSIONS

★ *Pursuing additional B2B and non-Title IV diversification*

# Double-Digit Revenue & Adjusted EBITDA Margin Growth



*Current initiatives expected to drive >10% Revenue CAGR and Adjusted EBITDA margin expansion;  
Actively evaluating additional opportunities to drive incremental growth and shareholder value*

**Baseline Business Growth**

- Expanding current offerings
- New curriculum development
- Continued go-to-market and business model optimization

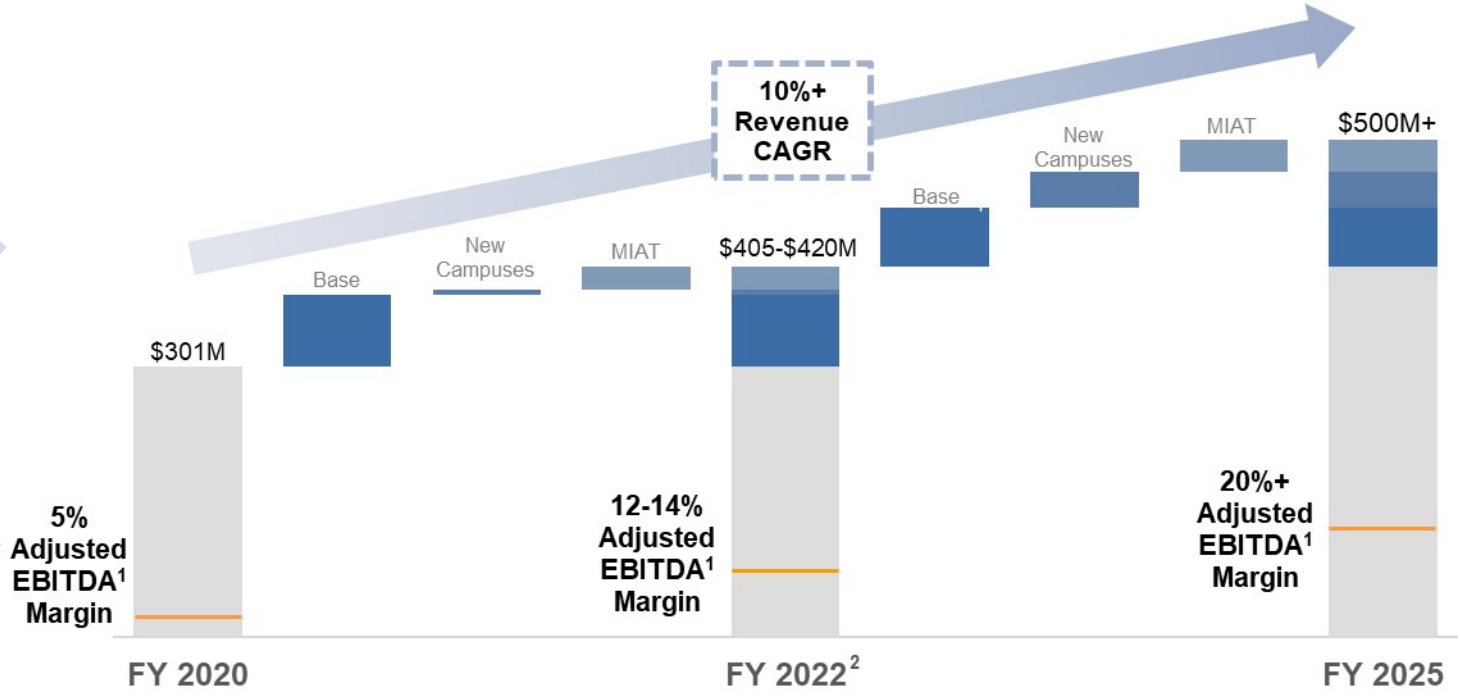
**Organic New Campus Development**

- New geographies
- Diversify student mix
- Leverage blended learning efficiencies

**MIAT Acquisition**

- Immediately accretive
- Significant growth synergies
- Accelerated program and geographic diversification

**FY2020-2025 Outlook Including Announced Initiatives**  
10%+ Revenue CAGR  
15 points+ of Adjusted EBITDA Margin Expansion



<sup>1</sup> Refer to appendix for adjusted EBITDA reconciliation and definition  
<sup>2</sup> FY22 range is per Company guidance, see slide 16 in this presentation

# New Campuses Leverage Blended Learning Model



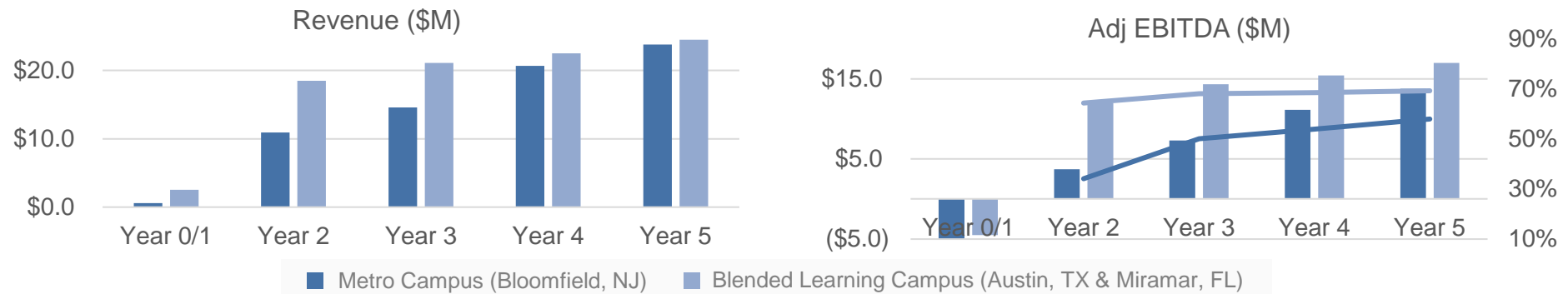
*Proven new campus model further enhanced by fully integrating blended learning curriculum delivery, providing value for both the student and the Company*

### Benefits to the Student

- Increased Program & Scheduling Flexibility
- Engaged in a Personalized Learning Model

### Benefits to the Company

- Real Estate Utilization and Instructional Cost Efficiencies
- Improved EBITDA Margins



	Metro Campus Model Bloomfield, NJ (opened Q4'18)	Blended Campus Model Austin, TX (Q3'22E) & Miramar, FL (Q4'22E)
<b>CapEx Requirements</b>	\$13M	~\$16M
<b>IRR</b>	35%+	50%+
<b>Facility</b>	108,000 ft <sup>2</sup>	100,000 ft <sup>2</sup>
<b>Students</b>	~800	Capacity of 1,100+
<b>Programs</b>	Auto, Diesel, MSAT, Welding (launched July'21)	Initial: Auto, Diesel, Welding
<b>Program Capacity</b>	None additional	More to be added, driving incremental revenue

# MIAT College of Technology Overview



*ACCSC-accredited vocational and technical school offering a variety of programs complementary and accretive to UTI offerings accelerates realization of UTI's growth and diversification strategy*

## SUMMARY

**FOUNDED:** 1969

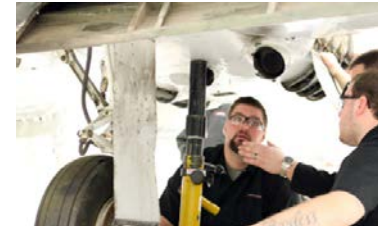
**FY21 REV<sup>1</sup>:** \$29.6M **Adj. EBITDA<sup>1</sup>:** \$3.9M

**LOCATIONS:** Canton, MI & Houston, TX

**ENROLLMENT<sup>1</sup>:** ~1,200 students

### KEY METRICS<sup>2</sup>:

- **Composite Score:** 3.0 (of 3.0)
- **Cohort Default Rate:** 15.4%
- **90/10 Ratio:** 73.5%
- **Graduation Rate:** 64.1%
- **Employment Rate:** 74.4%



Aviation Maintenance



Wind Power

## GROWTH, DIVERSIFICATION & SYNERGY NEXT STEPS

- ♦ Market MIAT campuses and programs through UTI channels
- ♦ Achieve cost synergies in marketing, back office and other areas
  - ♦ Add MIAT programs to UTI campuses
  - ♦ Add UTI programs to MIAT campuses

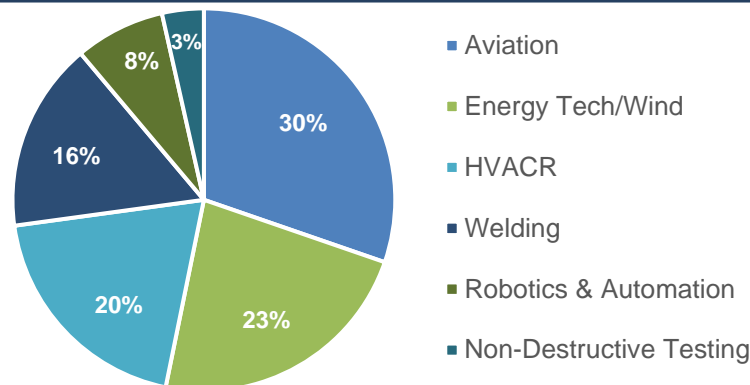


Energy Technology



HVACR

## 2021 Student Start Mix<sup>1,3</sup>



Robotics & Automation



Welding

<sup>1</sup> As reported by MIAT, based on a 9/30 fiscal year end; Refer to appendix for adjusted EBITDA definition.

<sup>2</sup> Based on most recent reporting periods for MIAT

<sup>3</sup> The Aviation program duration is 20-24 months versus 9-18 months for all other programs, hence fewer relative starts during the year

# Optimizing Real Estate Footprint for Efficiency

Transformation across UTI's Real Estate portfolio yielding significant cost and utilization improvements



## Keys to Real Estate Transformation

- 1 Enhance utilization of existing space with growth and new programs
- 2 Optimize real estate
  - Lease expirations
  - Own versus Rent
  - Sublease
  - Other reductions

Campus	Rationalize		Welding		Other Programs		Total Sq. Ft
	In Process	Complete	In Process	Complete	In Process	Complete	
BLOOMFIELD, NJ*				✓	✓		102,000
LONG BEACH, CA*				✓	✓		137,000
DALLAS, TX* <sup>1</sup>				✓	✓		95,000
RANCHO CUCAMONGA, CA		✓		✓	✓		148,000
MOORESVILLE, NC				✓	✓		146,000
LISLE, IL				✓	✓		187,000
SACRAMENTO, CA <sup>2</sup>		✓			✓		117,000
AVONDALE, AZ <sup>1,3</sup>	✓			✓	✓		283,000
PHOENIX, AZ <sup>3</sup>	✓						117,000
HOUSTON, TX <sup>1</sup>		✓		✓	✓		172,000
EXTON, PA		✓	✓		✓		129,000
ORLANDO, FL <sup>3</sup>	✓				✓		179,000
CANTON, MI	MIAT acquisition completed November 2021						125,000
HOUSTON, TX	MIAT acquisition completed November 2021						54,000
AUSTIN, TX**	Target Opening Q3 FY2022						107,000
MIRAMAR, FL**	Target Opening Q4 FY2022						103,000
<b>Corporate Headquarters and Operational Support</b>							
HOME OFFICE (AZ)	✓	✓					29,000
PHOENIX, AZ <sup>3</sup>	✓						47,000

\* Metro Campus

\*\* Blended Learning Campus

(1) UTI-owned facilities. All other facilities are leased under operating leases.

(2) On September 29, 2020, amendment signed extending lease through February 2033; amendment reduces leased space by approximately 128,000 square feet to 117,000 square feet as shown, effective January 1, 2022

(3) On December 29, 2020 UTI announced plans to consolidate the Phoenix MMI campus into the Avondale campus and to optimize the Orlando campus. Phoenix locations will be exited by end of FY2022. Orlando campus will be downsized by ~75,000 sq ft and consolidated to one site of 179,000 sq ft as shown by Q2 FY2022.

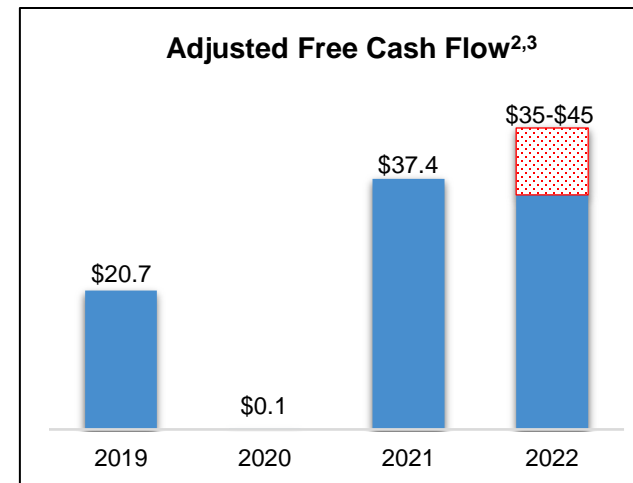
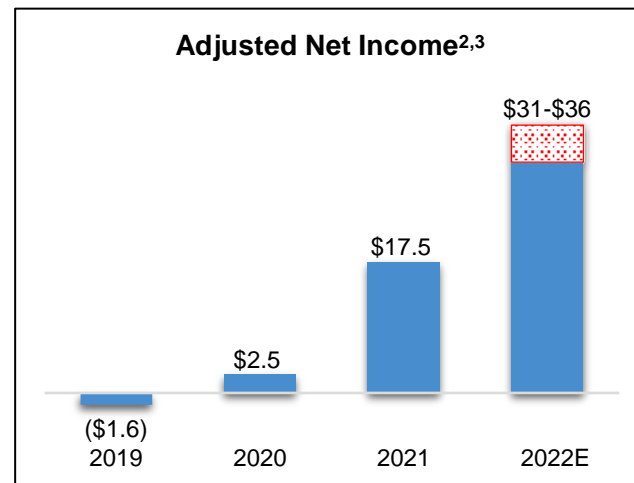
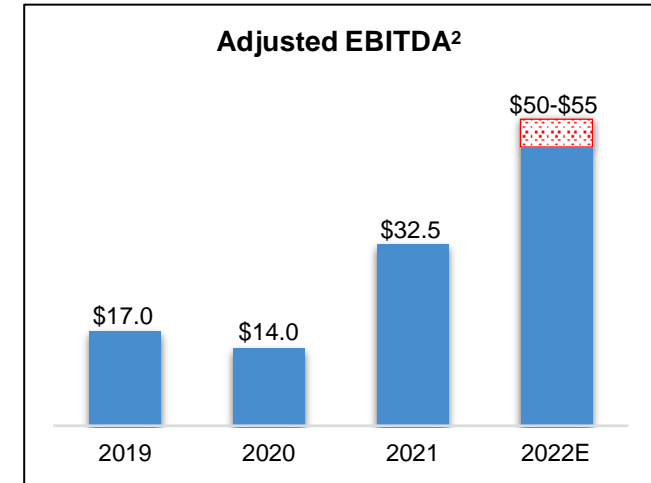
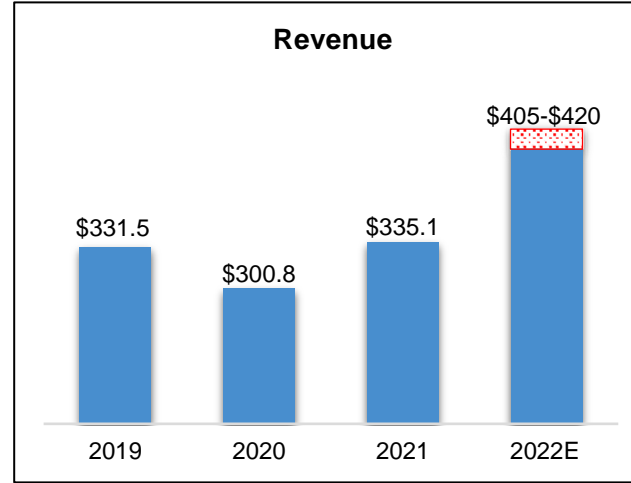
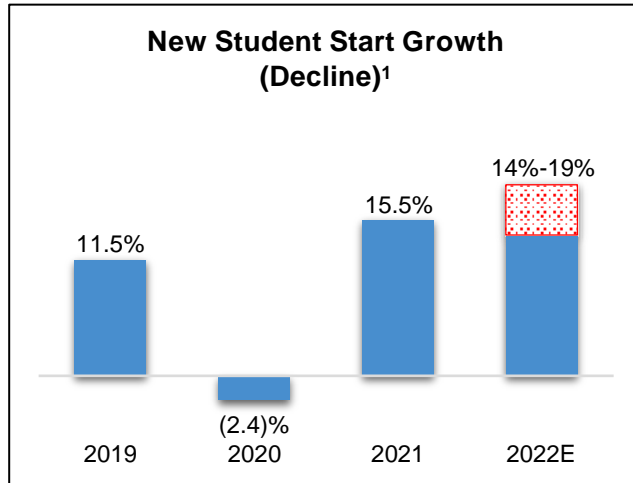


# FY2022 Guidance

(\$ millions)



*Strong performance projected to continue to drive double-digit expansion on both top and bottom lines*



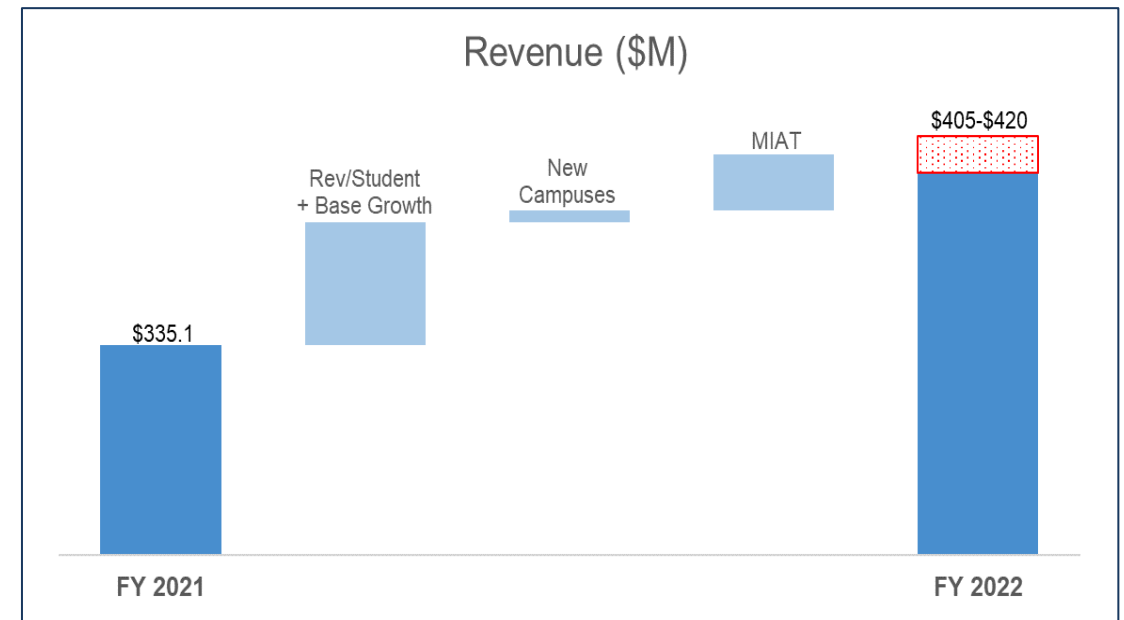
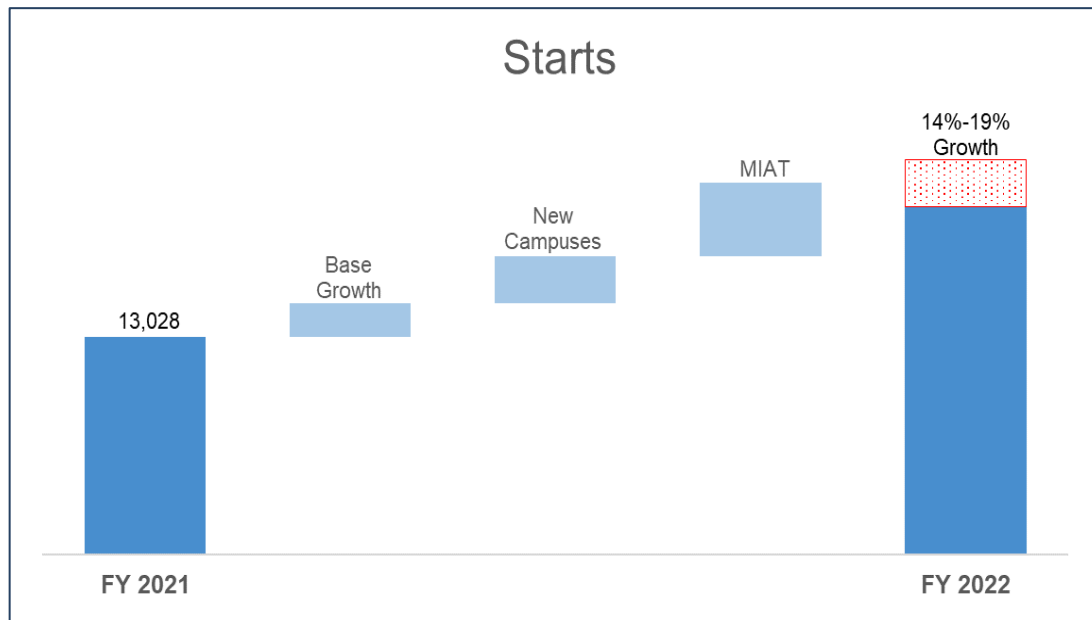
<sup>1</sup> Norwood, MA closed in FY 2020, thus there were no starts at that campus beyond FY 2019

<sup>2</sup> For a detailed reconciliation of Non-GAAP measures, see the Appendix

<sup>3</sup> Projected effective tax rate may change should valuation allowance reversal occur in FY 2022

<sup>4</sup> FY 2021 included approx. \$16M of total capital expenditures. FY 2022 assumes \$60-\$65M of total capex for new campuses & MIAT-related program expansions (each will be adjusted out), welding programs, campus optimization efforts and ongoing maintenance.

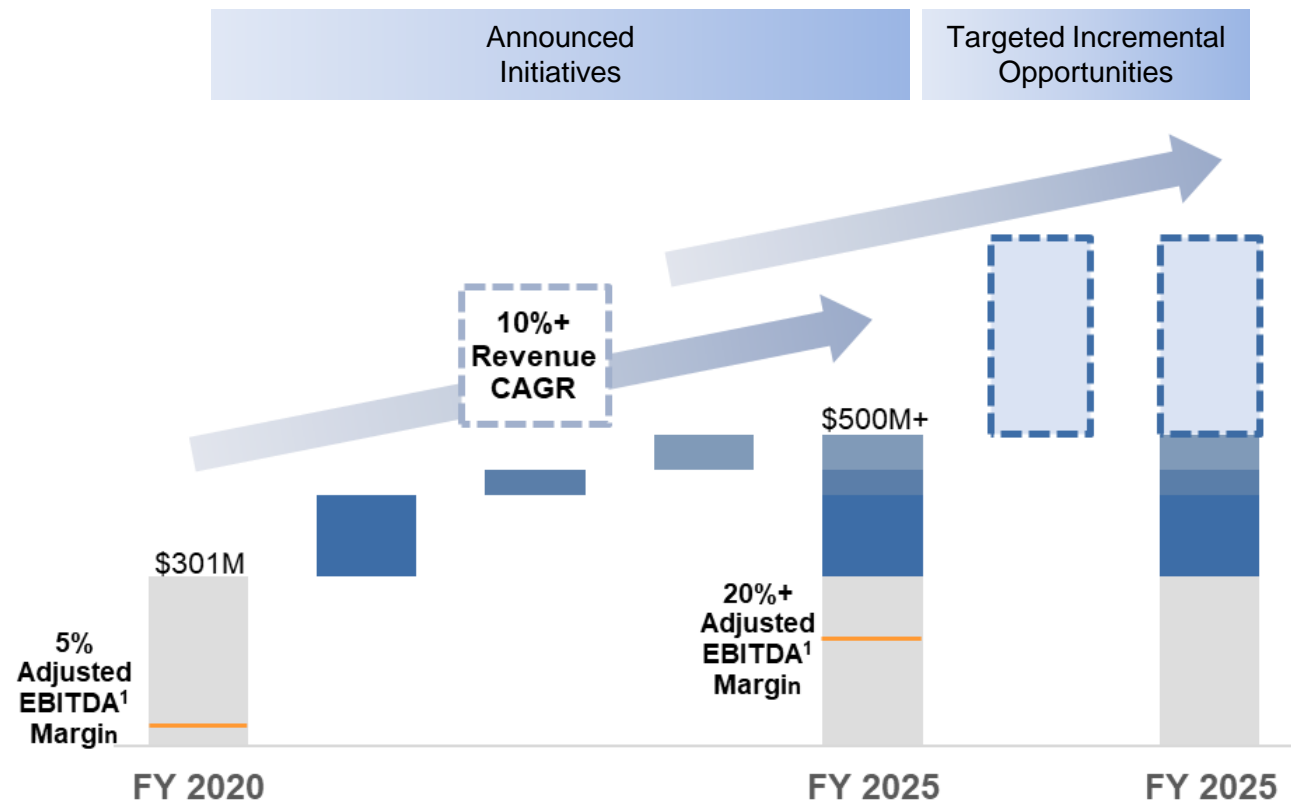
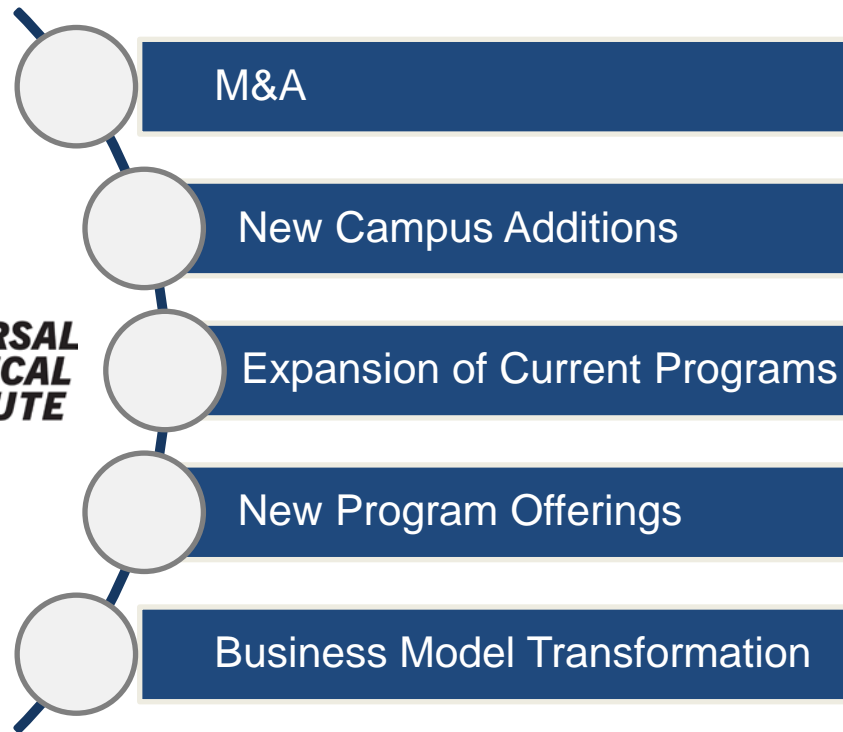
# FY 2022 Starts and Revenue Bridges



# Disciplined Execution Driving Strategic Growth



*UTI has taken the initial definitive steps to meaningfully and rapidly advance its growth & diversification strategy, and will continue to evaluate all opportunities available to drive additional expansion and shareholder value*

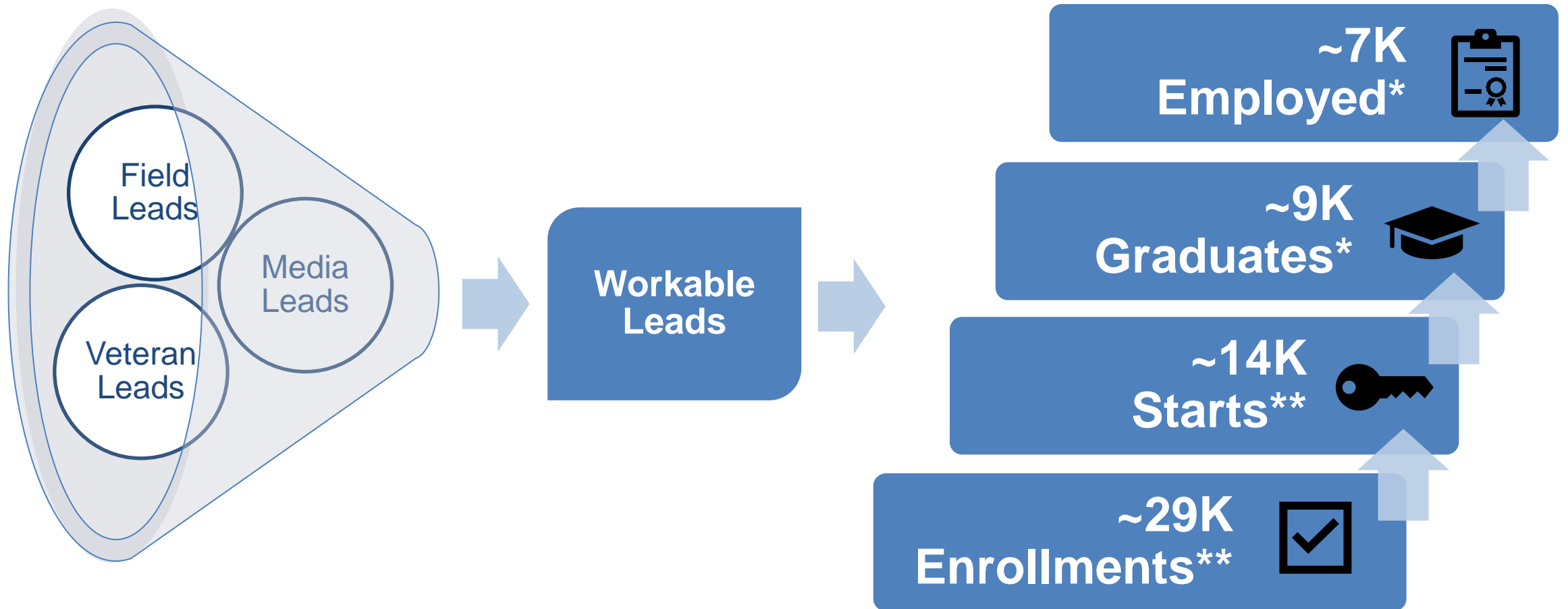


<sup>1</sup> Refer to appendix for adjusted EBITDA reconciliation and definition

# Student Value Proposition

# UTI Student Lifecycle

*By continually refining our approach to student outreach and constantly improving our educational delivery model and the overall student experience, UTI produces outstanding success rates for the students we exist to serve*



\* Graduate and employment rates estimated based on historical outcomes

\*\* Enrollment and start data per trailing twelve months as of September 30, 2021, including MIAT figures

# Marketing Approach to Address the Skills Gap in the Labor Force

*Targeted, multi-faceted outreach generating more quality leads and optimizing advertising spend*

## Direct Response



Direct Mail

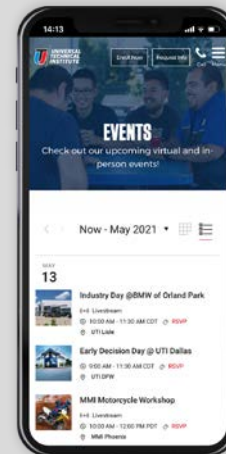


Manifesto



Testimonials

## Drive-to-Campus



Events Landing Page



Event Profile Page



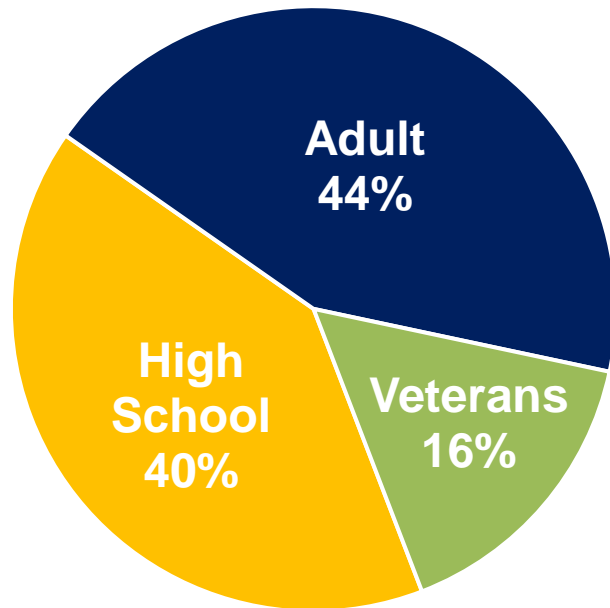
Bookings Page

✓ Focused localized marketing increasing awareness and intent

✓ Expanding acquisition channels further into social media, music streaming services, programmatic advertising, and others

# Evolving Strategy to Better Reach and Engage Students

## FY21 Starts by Channel



*Three unique groups of students with specialized and innovative advertising, admissions, and programs to drive enrollment in each channel*

Note: Figures represent updated channel definitions wherein UTI now classifies students >6 months post high school as adult, thus the high school channel reflects a narrower age range than was previously applied. FY21 numbers also exclude MIAT.

### ADULT LEARNERS

Optimizing traditional and digital advertising to generate inquiries motivated by robust opportunities in the job market



### HIGH SCHOOL GRADUATES

Adding reps and enhanced marketing to better represent high-value, technical education as an alternative to traditional college or lower skill employment opportunities



### VETERANS

Assisting veterans by gaining broader access and implementing innovative on-base programs tailored to transitioning veterans



# Learning Experience Evolution

Improving engagement, best practices, and alignment to industry and lifelong learning while also driving efficiencies in our operating model and campus real estate utilization

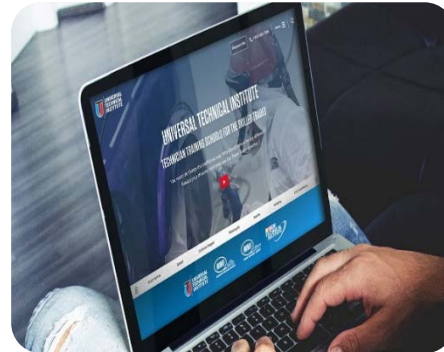
## Traditional Model

On-campus, in-person, synchronous learning



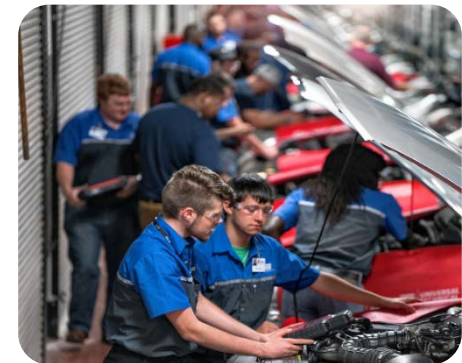
## Interim Blended Model

On-line asynchronous instruction, socially distanced hands-on labs



## Future Blended Model

Fully integrated experience: on-line and on-campus instruction and mentoring





# Well-Positioned National Campus Network

Available capacity to increase students plus additional market opportunities to add rapidly accretive campuses

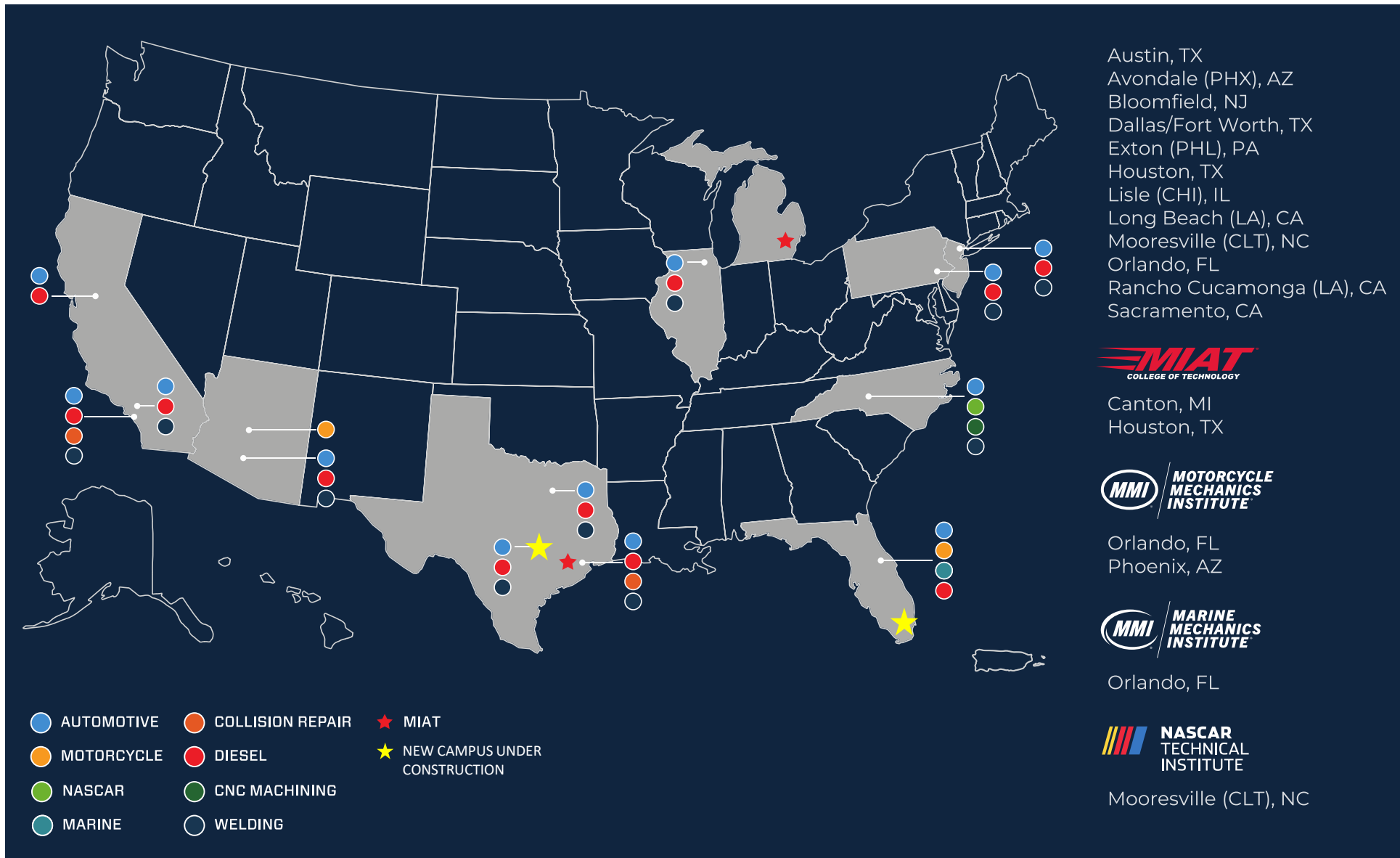


★ 14 campuses in 9 states, with 2 more campuses opening in 2022

★ ~2.3M total square feet

★ Located in high-demand job markets

★ Easy access to major populations



# Industry Partnerships that Deliver Value

*UTI's relationships with more than 35 leading brands and other industry partners provide a unique value proposition and competitive differentiation for the school and its students*

## Established Relationships



27,800+  
Graduates  
since 2000



5,700+  
Graduates  
since 1995



870+  
Graduates  
since 2013



22,500+  
Graduates  
since 1987



3,750+  
Graduates  
since 2006

## Partners

- Efficient hiring source
- Known and trusted educator in UTI
- Lowers costs
- Techs who are ready to work

## Students

- Opportunity for better jobs and higher starting wages
- Tuition support
- Certifications and credentials

## UTI

- Current technology and tools
- Increased marketing impact
- Lower expenses and capex
- Value proposition recognized by students
- Enhances alignment to industry

## New and Expanded Relationships



Lisle, IL



Fort Bragg  
Army Base



Rancho  
Cucamonga, CA



Orlando, FL

FastTrack:  
Avondale, AZ  
Orlando, FL

Long Beach, CA  
+3 to be announced

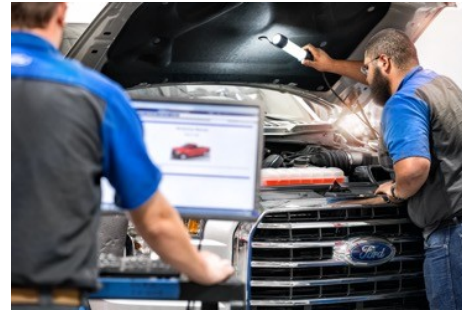
## Select MIAT Partnerships



# Industry Leader with a Strong Value Proposition



*UTI's position as an industry leader in technical education, state-of-the-industry campuses & curriculum, and progress in its growth and diversification strategy benefit its students, employees, and shareholders alike*



# APPENDIX

# Highly Qualified Board of Directors



**Robert DeVincenzi**  
Non-Executive Chairman,  
Universal Technical Institute;  
Principal, Lupine Ventures;  
Former President and CEO of  
Redflex Holdings Ltd.



**David Blaszkiewicz**  
President and Chief  
Executive Officer,  
Invest Detroit



**George Brochick**  
Executive Vice President  
of Strategic Development,  
Penske Automotive  
Group



**Jerome Grant**  
Chief Executive Officer,  
Universal Technical  
Institute



**William J. Lennox, Jr.**  
Former Superintendent  
of the United States  
Military Academy at  
West Point



**Kimberly McWaters**  
Former President and  
Chief Executive Officer,  
Universal Technical  
Institute



**Hon. Loretta L. Sanchez**  
Former Democratic  
Congresswoman from  
California



**Chris Shackelton**  
Managing Partner,  
Coliseum Capital  
Management



**Linda J. Sreere**  
Former President,  
Young and Rubicam  
Advertising



**Kenneth R. Trammell**  
Former Chief Financial Officer,  
Tenneco Inc.

# Overview of UTI Preferred Shares



## History

- **June 2016:** Sold Coliseum Holdings 700,000 shares of Series A Convertible Preferred Stock for \$70 million
  - Shares are convertible into 21,021,021 shares of common stock (~30:1)
  - Subject to NYSE voting and conversion caps, and certain education regulatory approval limitations
- **February 2020:** Stockholders approve removal of NYSE voting and conversion caps
- **September 2020:** Coliseum distributed all 700,000 shares to affiliates (incl. Coliseum entities) and non-affiliates
  - Affiliates received 24.9% (from 39.2%) of outstanding shares on an as-converted basis
    - Education regulatory limitation remains; voting and conversion cap of 9.99% of outstanding shares
  - Non-Affiliates received remaining 14.3% of outstanding shares on an as-converted basis; no voting or conversion caps on an individual basis



## Dividends

- **\$5.3 million per year:** 7.5% dividend currently paid in cash semi-annually on September 30 and March 31



## Conversion

- **By Preferred Holders:** Convertible to common at any time at the option of the holder, subject to any caps
  - Coliseum & Affiliates subject to education regulatory approval cap of 9.99%, must request removal by UTI
- **By UTI:** When the daily VWAP of UTI common stock is  $\geq$ \$8.33 for 20 consecutive trading days (excluding trading windows closed to insiders), UTI may require conversion of any/all outstanding preferred stock into common, subject to removal of any caps

# Compliance Statistics

# UTI Department of Education Regulatory Metrics Well Within Required Boundaries



The Department of Education uses the following three regulatory metrics when assessing for-profit school performance:

**90/10:** Regulation that governs for-profit higher education capping the percentage of revenue that a school can receive from federal financial aid sources at 90% -- funds supporting the education of troops and veterans are not currently subject to this cap. However, even if veteran funding were to be included the Company would still be in compliance with this regulation.

**Cohort Default Rate (CDR):** The percentage of a school's borrowers who enter repayment on loans during a particular federal fiscal year, and default or meet other specified conditions prior to the end of the second following fiscal year. If an institution's CDR equals or exceeds 30% for three consecutive years or equals or exceeds 40% for one year, the institution will no longer be eligible to participate in the Direct Loan and Pell Grant Programs for the remainder of the year and the following two fiscal years.

**Composite Score:** A Department of Education (DoE) calculated score based on a three-factor financial responsibility ratio (out of a possible score of 3.0). An institution that does not meet the DoE's minimum composite score of 1.5 can continue participating in the federal financial aid programs if it agrees to satisfy certain alternative standards, which may include the posting of a letter of credit in favor of the DoE.

Metric	Regulatory Requirement	FY 2021				FY 2020			
		UTI Overall	Avondale OPEID <sup>1</sup>	Houston OPEID <sup>2</sup>	MMI OPEID <sup>3</sup>	UTI Overall	Avondale OPEID <sup>1</sup>	Houston OPEID <sup>2</sup>	MMI OPEID <sup>3</sup>
90/10 <sup>4</sup>	< 90%	67.5%	67.7%	68.8%	65.4%	66.4%	65.6%	68.4%	65.1%
CDR <sup>5</sup>	< 40%	11.9%	11.9%	12.1%	11.9%	14.5%	13.8%	14.0%	16.1%
Composite Score	> 1.5	2.6	NA	NA	NA	2.3	NA	NA	NA

(1) Avondale, Lisle, Rancho Cucamonga, NTI, Norwood & Long Beach campuses

(2) Houston, Extton, Dallas, & Bloomfield campuses

(3) MMI Phoenix, MMI Orlando, UTI Orlando, & Sacramento campuses

(4) FY2020-2021 data

(5) 2017 cohort reported in FY20; 2018 cohort reported in FY21



# Summary of UTI Annual Report Data Submitted to the Accrediting Commission of Career Schools and Colleges (ACCSC)



	Total Students Avail. For Grad.	Total Grads	Completion Percentage	Students Available for Employment	Total Employed	Employment Percentage
Avondale, AZ	1,655	1,186	71.7%	1,024	844	82.4%
Dallas, TX	1,427	952	66.7%	902	775	85.9%
Rancho Cucamonga, CA	1,062	657	61.9%	613	499	81.4%
Houston, TX	1,043	639	61.3%	590	484	82.0%
Orlando, FL	1,023	623	60.9%	562	425	75.6%
Long Beach, CA	973	628	64.5%	587	436	74.3%
Sacramento, CA	874	562	64.3%	530	438	82.6%
Mooresville, NC	806	515	63.9%	488	410	84.0%
MMI Phoenix, AZ	732	510	69.7%	390	289	74.1%
Lisle, IL	731	460	62.9%	442	369	83.5%
Exton, PA	661	438	66.3%	409	347	84.8%
Bloomfield, NJ	395	219	55.4%	212	167	78.8%
<b>UTI Total</b>	<b>11,382</b>	<b>7,389</b>	<b>64.9%</b>	<b>6,749</b>	<b>5,483</b>	<b>81.2%</b>

This data represents completion and employment rates for programs offered as of July 1, 2021 and is used by the accreditor to determine program performance based on established student achievement benchmarks

	Total Students Avail. For Grad.	Total Grads	Completion Percentage	Students Available for Employment	Total Employed	Employment Percentage
Auto/Diesel	8,838	5,718	64.7%	5,275	4,445	84.3%
Motorcycle	1,244	783	62.9%	622	455	73.2%
Welding	575	400	69.6%	384	239	62.2%
Marine	321	224	69.8%	215	170	79.1%
Collision	297	188	63.3%	181	122	67.4%
CNC Machining Technology	107	76	71.0%	72	52	72.2%
<b>UTI Total</b>	<b>11,382</b>	<b>7,389</b>	<b>64.9%</b>	<b>6,749</b>	<b>5,483</b>	<b>81.2%</b>

- Data as of July 1, 2021 and reported to the accreditor Oct 8, 2021

- The reporting periods range from Sep 2017-Feb 2020. Reporting periods are dependent on the length of the program and may be different for each scheduled variation of the programs. These are based on 150% of the program length once a student starts, and in addition three months time to find employment.

# Department of Education Regulatory Metrics

Federal Funding by Classification (\$ in millions)



<u>FY 2021 (10/1/20 – 9/30/21)</u>		<u>Avondale OPEID<sup>1</sup></u>	<u>Houston OPEID<sup>2</sup></u>	<u>MMI OPEID<sup>3</sup></u>	<u>Consolidated</u>		<u>Avondale OPEID<sup>1</sup></u>	<u>Houston OPEID<sup>2</sup></u>	<u>MMI OPEID<sup>3</sup></u>	<u>Consolidated</u>
Amounts	Title IV	97.3	76.8	54.8	<b>229.0</b>	Proportions	83.1%	84.5%	78.8%	<b>82.5%</b>
	VA	19.8	14.1	14.7	<b>48.6</b>		16.9%	15.5%	21.2%	<b>17.5%</b>
	<b>Total Funding</b>	<b>\$117.2</b>	<b>\$90.9</b>	<b>\$69.5</b>	<b>\$277.6</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

<u>FY 2020 (10/1/19 – 9/30/20)</u>		<u>Avondale OPEID<sup>1</sup></u>	<u>Houston OPEID<sup>2</sup></u>	<u>MMI OPEID<sup>3</sup></u>	<u>Consolidated</u>		<u>Avondale OPEID<sup>1</sup></u>	<u>Houston OPEID<sup>2</sup></u>	<u>MMI OPEID<sup>3</sup></u>	<u>Consolidated</u>
Amounts	Title IV	73.2	60.6	45.1	<b>178.8</b>	Proportions	82.1%	85.5%	80.1%	<b>82.7%</b>
	VA	15.9	10.3	11.2	<b>37.3</b>		17.9%	14.5%	19.9%	<b>17.3%</b>
	<b>Total Funding</b>	<b>\$89.1</b>	<b>\$70.8</b>	<b>\$56.3</b>	<b>\$216.2</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

<u>FY 2019 (10/1/18 – 9/30/19)</u>		<u>Avondale OPEID<sup>1</sup></u>	<u>Houston OPEID<sup>2</sup></u>	<u>MMI OPEID<sup>3</sup></u>	<u>Consolidated</u>		<u>Avondale OPEID<sup>1</sup></u>	<u>Houston OPEID<sup>2</sup></u>	<u>MMI OPEID<sup>3</sup></u>	<u>Consolidated</u>
Amounts	Title IV	104.4	64.2	56.2	<b>224.9</b>	Proportions	88.1%	89.3%	84.0%	<b>87.4%</b>
	VA	14.1	7.7	10.7	<b>32.5</b>		11.9%	10.7%	16.0%	<b>12.6%</b>
	<b>Total Funding</b>	<b>\$118.5</b>	<b>\$71.9</b>	<b>\$66.9</b>	<b>\$257.4</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**90/10:** Regulation that governs for-profit higher education capping the percentage of revenue that a school can receive from federal financial aid sources at 90% -- funds supporting the education of troops and veterans are not currently subject to this cap. However, even if veteran funding were to be included the Company would still be in compliance with this regulation

(1) Avondale, Lisle, Rancho Cucamonga, NTI, Norwood & Long Beach campuses

(2) Houston, Exton, Dallas, & Bloomfield campuses

(3) MMI Phoenix, MMI Orlando, UTI Orlando, & Sacramento campuses

# Non-GAAP Information

# Use of Non-GAAP Financial Information

This presentation contains non-GAAP (Generally Accepted Accounting Principles) financial measures, which are intended to supplement, but not substitute for, the most directly comparable GAAP measures. Management chooses to disclose to investors these non-GAAP financial measures because they provide an additional analytical tool to clarify the results from operations and help to identify underlying trends. Additionally, such measures help compare the company's performance on a consistent basis across time periods. Management defines EBITDA as net income (loss) before interest expense, interest income, income taxes, depreciation, amortization. Management defines adjusted EBITDA as net income (loss) before interest expense, interest income, income taxes, depreciation, amortization and adjusted for items not considered as part of the company's normal recurring operations. Management defines adjusted net income (loss) as net income (loss), adjusted for items that affect trends in underlying performance from year to year and are not considered normal recurring operations, including the income tax effect on the adjustments utilizing the effective tax rate. Management defines adjusted free cash flow as net cash provided by (used in) operating activities less capital expenditures, adjusted for items not considered as part of the company's normal recurring operations. Management chooses to disclose any campus adjustments as direct costs (net of any corporate allocations). Management utilizes adjusted figures as performance measures internally for operating decisions, strategic planning, annual budgeting and forecasting. For the periods presented, this includes acquisition-related costs for both announced and potential acquisitions, costs related to the purchase of our Avondale, Arizona campus, start-up costs associated with the Austin, TX and Miramar, FL campus openings, the income tax benefit recorded as a result of the CARES Act, consulting fees incurred as part of the company's transformation initiative, severance costs related to our CEO transition, MIAT program expansion costs, and costs related to the teach-out and closure of the Norwood, MA campus. To obtain a complete understanding of the company's performance, these measures should be examined in connection with net income (loss) and net cash provided by (used in) operating activities, determined in accordance with GAAP, as presented in the financial statements and notes thereto included in the annual and quarterly filings with the Securities and Exchange Commission. Since the items excluded from these measures are significant components in understanding and assessing financial performance under GAAP, these measures should not be considered to be an alternative to net income (loss) or net cash provided by (used in) operating activities as a measure of the company's operating performance or liquidity. Exclusion of items in the non-GAAP presentation should not be construed as an inference that these items are unusual, infrequent or non-recurring. Other companies, including other companies in the education industry, may calculate non-GAAP financial measures differently than UTI does, limiting their usefulness as a comparative measure across companies. A reconciliation of the historical non-GAAP financial measures to the most directly comparable GAAP measures is included in the following slides.

Information reconciling forward-looking adjusted EBITDA, adjusted net income and adjusted free cash flow to the most directly comparable GAAP financial measure is unavailable to the company without unreasonable effort. The company is not able to provide a quantitative reconciliation of adjusted EBITDA, adjusted net income or adjusted free cash flow to the most directly comparable GAAP financial measure because certain items required for such reconciliation are uncertain, outside of the company's control and/or cannot be reasonably predicted, including but not limited to the provision for (benefit from) income taxes. Preparation of such reconciliation would require a forward-looking statement of income and statement of cash flows prepared in accordance with GAAP, and such forward-looking financial statements are unavailable to the company without unreasonable effort.

# Adjusted EBITDA Reconciliation

(\$ in thousands)



	Guidance Midpoint 12 Mos. 9/30/22	Actual 12 Mos. 9/30/21	Actual 12 Mos. 9/30/20	Actual 12 Mos. 9/30/19
Net income (loss)	~\$23,000	\$14,581	\$8,008	(\$7,868)
Interest (income) expense, net	~800	282	(1,142)	1,729
Income tax (benefit) expense	~1000	602	(10,602)	203
<u>Depreciation and amortization</u>	<u>~16,500</u>	<u>14,028</u>	<u>13,150</u>	<u>17,291</u>
EBITDA	~\$41,300	\$29,493	\$9,414	\$11,355
Acquisition-related costs <sup>(1)</sup>	~2,300	2,522	–	–
New campus start-up costs <sup>(2)</sup>	~7,900	502	–	–
MIAT program expansion costs	~1,000	–	–	–
Severance expense due to CEO transition <sup>(3)</sup>	–	–	1,531	–
Norwood, MA Campus EBITDA <sup>(4)</sup>	–	–	3,005	(51)
Net restructuring charge for Norwood, MA campus exit <sup>(4)</sup>	–	–	–	1,433
<u>Non-recurring consulting fees for transformation initiative<sup>(5)</sup></u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>4,224</u>
Adjusted EBITDA, non-GAAP	~\$52,500	\$32,517	\$13,950	\$16,961
<b>FY2022 Guidance Range</b>	<b>\$50,000-\$55,000</b>			

(1) Estimated costs related to both announced and potential acquisitions and integrations

(2) Estimated expenses for implementation of the new campuses in Austin, TX and Miramar, FL which are planned to launch in Q2 and Q4 FY2022, respectively

(3) In October 2019, we announced the retirement of our former President and Chief Executive Officer, Kimberly J. McWaters. During fiscal 2020, we incurred a total charge of \$1.5 million, in accordance with Ms. McWaters' Retirement Agreement and Release of Claims, dated October 31, 2019.

(4) The Norwood, MA exit was announced in February 2019. As a result, we incurred a \$1.4 million restructuring charge during fiscal 2019. The previously enrolled students completed their programs and the campus closed on July 31, 2020.

(5) The consulting services in fiscal 2018 covered marketing, admissions, future student processing, retention and cost savings initiatives related to our 2018 transformation plan. In October 2018, we terminated our agreement with the consultant and paid a termination fee.

# Adjusted Net Income (Loss) Reconciliation

(\$ in thousands)



	Guidance Midpoint 12 Mos. 9/30/22	Actual 12 Mos. 9/30/21	Actual 12 Mos. 9/30/20	Actual 12 Mos. 9/30/19
Net income (loss)	~\$23,000	\$14,581	\$8,008	\$(7,868)
<u>Income tax (benefit) expense</u>	<u>~1,000</u>	<u>602</u>	<u>(10,602)</u>	<u>203</u>
Income (Loss) before income taxes	~24,000	15,183	(2,594)	(7,665)
Acquisition-related costs <sup>(1)</sup>	~2,300	2,522	-	-
New campus start-up costs <sup>(2)</sup>	~7,900	502	-	-
MIAT program expansion costs	~1,000	-	-	-
Severance expense due to CEO transition <sup>(3)</sup>	-	-	1,531	-
Non-recurring consulting fees for transformation initiative <sup>(4)</sup>	-	-	-	4,224
Net restructuring charge for Norwood, MA campus exit <sup>(5)</sup>	-	-	-	1,433
Norwood, MA campus operating loss <sup>(5)</sup>	-	-	3,272	419
<u>Adjusted (loss) income before income taxes</u>	<u>~35,200</u>	<u>18,207</u>	<u>2,209</u>	<u>(1,589)</u>
Income tax effect: benefit (expense) <sup>(6)</sup>	~(1,500)	(722)	258	(41)
<b>Adjusted Net Income (Loss) from operations, non-GAAP</b>	<b>~\$33,700</b>	<b>\$17,485</b>	<b>\$2,467</b>	<b>\$(1,630)</b>
<b>FY2022 Guidance Range</b>	<b>\$31,000-\$36,000</b>			

(1) Estimated costs related to both announced and potential acquisitions and integrations

(2) Estimated expenses for implementation of the new campuses in Austin, TX and Miramar, FL which are planned to launch in Q2 and Q4 FY 2022, respectively

(3) On October 21, 2019, we announced the retirement of our President and Chief Executive Officer, Kimberly J. McWaters, effective October 31, 2019. During fiscal 2020 we incurred a total charge of \$1.5 million, in accordance with Ms. McWaters' Retirement Agreement and Release of Claims, dated October 31, 2019.

(4) The consulting services in fiscal 2018 covered marketing, admissions, future student processing, retention and cost savings initiatives related to our 2018 transformation plan. In October 2018, we terminated our agreement with the consultant and paid a termination fee.

(5) The Norwood, MA exit was announced in February 2019. As a result, we incurred a \$1.4 million restructuring charge during fiscal 2019. The previously enrolled students completed their programs and the campus closed on July 31, 2020.

(6) An estimated GAAP effective tax rate has been used to compute adjusted net (loss) income for FY 2022

# Adjusted Free Cash Flow Reconciliation

(\$ in thousands)



	Guidance Midpoint 12 Mos. 9/30/22	Actual 12 Mos. 9/30/21	Actual 12 Mos. 9/30/20	Actual 12 Mos. 9/30/19
Cash flow provided by (used in) operating activities, as reported	~\$60,000	\$55,185	\$ 11,032	\$ 21,746
<u>Purchase of property and equipment</u>	<u>~(62,000)</u>	<u>(61,586)</u>	<u>(9,262)</u>	<u>(6,453)</u>
Free Cash Flow, non-GAAP	(2,000)	(6,401)	1,770	15,293
Acquisition-related costs paid <sup>(1)</sup>	~2,300	2,026	-	-
Cash outflow for Austin, TX and Miramar, FL start-up costs <sup>(2)</sup>	~7,900	1,806	-	-
Cash outflow for Austin, TX and Miramar, FL purchase of property and equipment <sup>(2)</sup>	~25,800	1,489	-	-
MIAT program expansion costs <sup>(3)</sup>	~1,000	-	-	-
Cash outflow for MIAT-related program expansion purchase of property and equipment <sup>(3)</sup>	~5,000	-	-	-
Purchase of Avondale, Arizona campus <sup>(4)</sup>	-	45,240	-	-
Income tax refund related to CARES tax benefit <sup>(5)</sup>	-	(7,030)	(4,220)	-
Severance payments due to CEO transition <sup>(6)</sup>	~30	280	1,218	-
Cash outflow associated with Norwood, MA campus operating activities <sup>(7)</sup>	-	-	1,302	104
Cash outflow associated with Norwood, MA restructuring <sup>(7)</sup>	-	-	-	1,362
Non-recurring consulting fees for transformation initiative <sup>(8)</sup>	-	-	-	3,950
<b>Adjusted Free Cash Flow, non-GAAP</b>	<b>~\$40,000</b>	<b>\$37,410</b>	<b>\$70</b>	<b>\$20,709</b>
<b>FY2022 Guidance Range</b>	<b>\$35,000-\$45,000</b>			

(1) Estimated costs related to both announced and potential acquisitions and integrations

(2) Estimated expenses for implementation of the planned new campuses in Austin, TX and Miramar, FL which are planned to launch in Q2 and Q4 FY 2022, respectively

(3) Anticipated costs for expansion of MIAT programs into UTI campuses and select UTI programs into MIAT campuses

(4) In December 2020, we purchased our Avondale, Arizona campus for approximately \$45.2M

(5) Income tax refunds received as a result of recording an income tax benefit from the CARES Act in 2020

(6) In October 2019, we announced the retirement of our former President and Chief Executive Officer, Kimberly J. McWaters. During fiscal 2020, we paid severance of approximately \$1.2M, in accordance with Ms. McWaters' Retirement Agreement and Release of Claims, dated October 31, 2019. We paid an additional \$0.3M of this severance during fiscal 2021.

(7) The Norwood, MA exit was announced in Feb. 2019. As a result, we paid \$1.4M in restructuring related charges during fiscal 2019. The previously enrolled students completed their programs and the campus closed on 7/31/2020.

(8) The consulting services in fiscal 2018 covered marketing, admissions, future student processing, retention and cost savings initiatives related to our 2018 transformation plan. In October 2018, we terminated our agreement with the consultant and paid a termination fee.

