



Career Point Ltd.

Investor Update – Q2 and H1 FY2015-16

Product Portfolio – KG to PhD



Informal Education

Tutorial Services



CAREER POINT
Pre-Engineering, Pre-Medical & Pre-Foundation

CAREER POINT
gurukul
Residential Coaching and School Campus

Synchro School
School Integrated Coaching Program

Vocational & E-Learning



CAREER POINT
Institute of Skill Development

e-Learning by CAREER POINT
ONLINEPADO

eCAREERPOINT
Online Test Series

Formal Education

School Education




GLOBAL KIDS


GLOBAL
PUBLIC SCHOOL


CAREER POINT
WORLD SCHOOL

Higher Education



CAREER POINT
UNIVERSITY
Kota (Rajasthan)

CAREER POINT
UNIVERSITY
Hamirpur (H.P.)

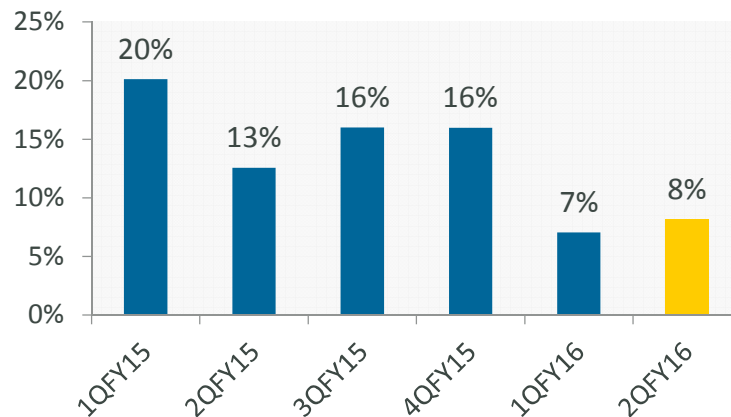
CAREER POINT
TECHNICAL CAMPUS
Rajsamand - Udaipur

Integrated Solution Provider across Education value chain throughout the Life Cycle of a Student.

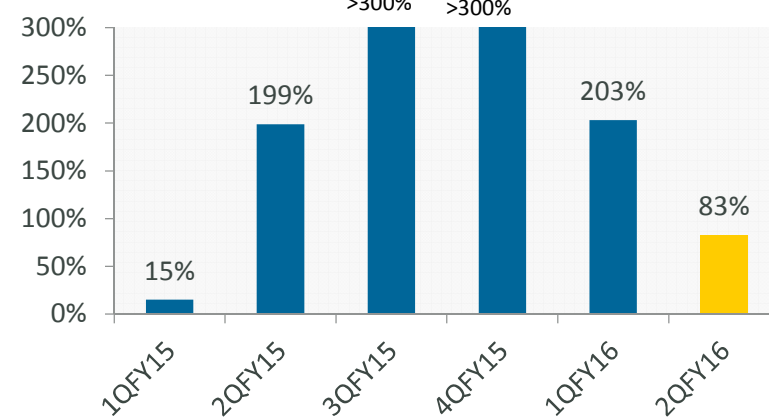
Growth Momentum – Since Last 6 Quarters



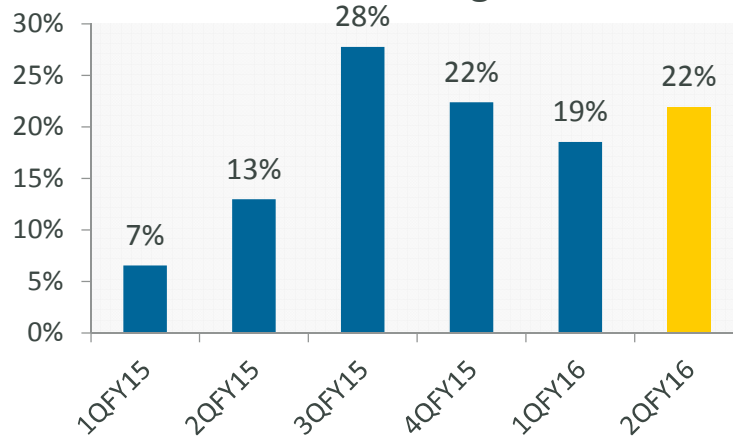
Income from Operations (Growth y-o-y)



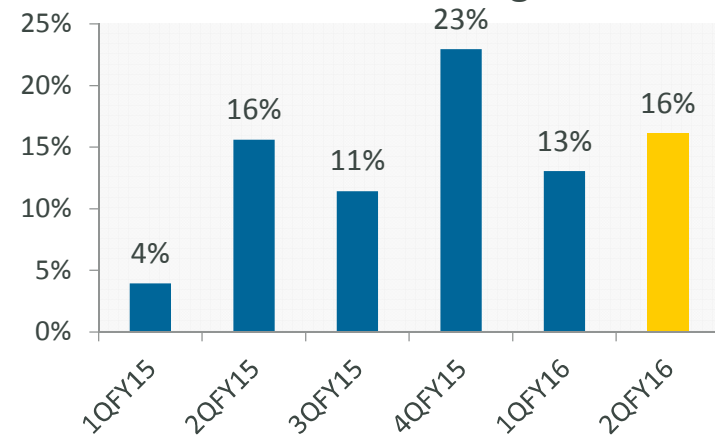
EBITDA (Growth y-o-y)



EBITDA Margin



Net Profit Margin



Key Highlights - Informal Education Division



■ Business updates – Informal Education

- Tutorial services division has reached 18,687 new enrollments by the first half of current academic session against 18,209 by H1FY2014-15; reported growth is despite closure of two inefficient branch centers.
- Growth in high revenue segment i.e. Long-term Classroom Enrollments' is more than overall enrollment growth.
- Operational efficiency is improved on account of closure of two inefficient branch centers which has impacted the enrollment growth negatively but improved the profitability.
- Average fee realization at Gurukul campus is improved significantly on two factors; a) due to yearly price increase, b) due to higher enrollments of students who opt for all three services – Hostel, School and Tutorial available in the campus.
- The company has signed a new agreement with Birla International School at Kishangarh, near Jaipur to provide tutorial services for Pre-Engineering and Pre-Medical competitive examinations.

Key Highlights - Formal Education Division



■ Business updates – Formal Education

- Formal Education division is growing rapidly. The total enrollments in the division have reached at 6,626 by end of H1FY2015-16 with a growth of 34% over FY2014-15 numbers.
- Net addition of the enrollments was 923 in the Higher Education and 749 in the School Education division.
- Positivity and faith of students and parents fraternity with brand Career Point for Higher Education is reflected in increased enrollments for specialized courses i.e. PhD / M Phill and admissions in advance for next academic session 2016-17.
- First School Franchisee of Career Point World School at Bilaspur, Chattisgarh has delivered a remarkable performance in terms of new enrollments in its first academic session. It strengthens the prospects for school franchisees going forward.
- In Skill Development vertical, the first batch of students under the agreement with Govt. of Rajasthan's RSLDC is passed out and the Company has got an affiliation with RASCI -Retailers Association's Skill Council of India.

Key Highlights – Financial Updates



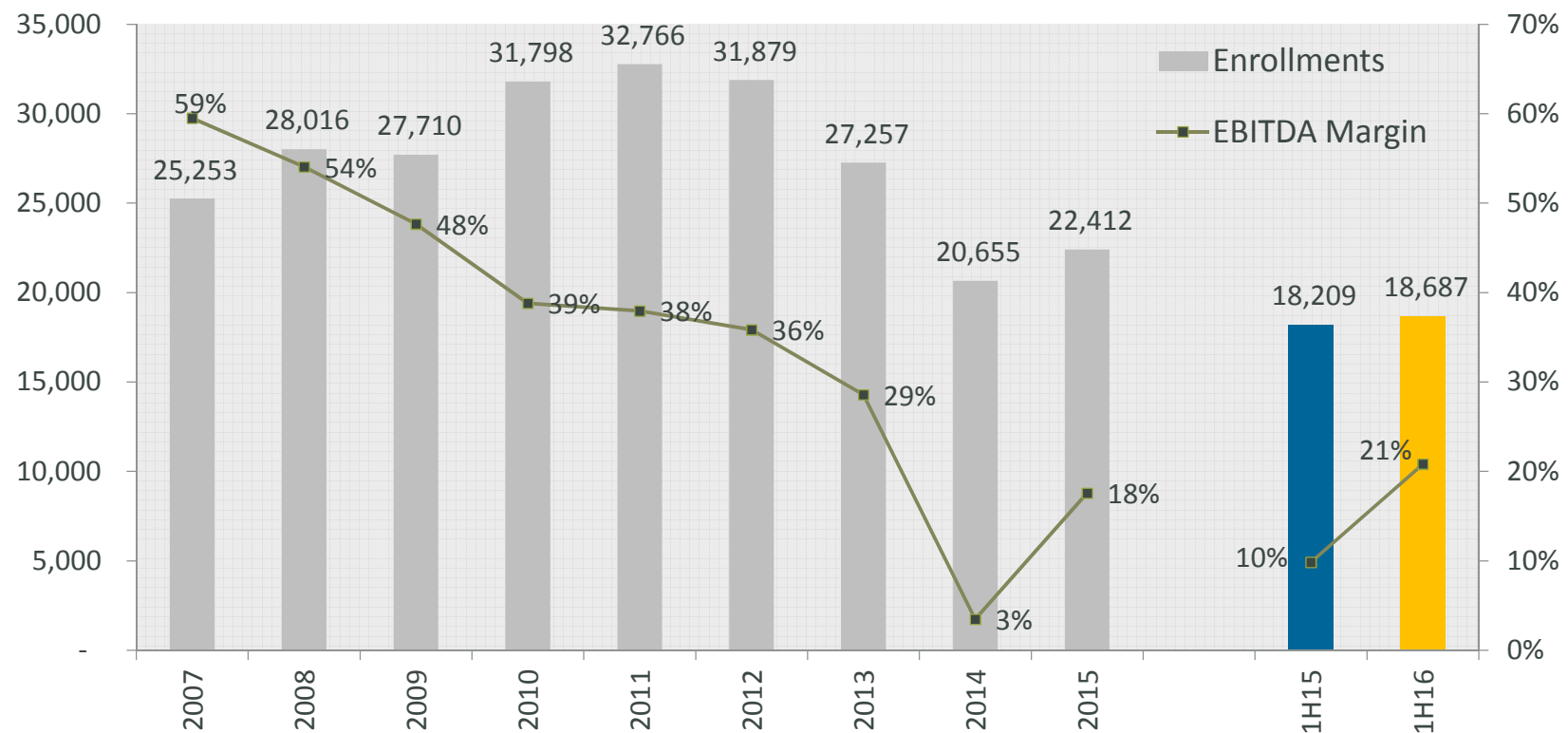
■ Financials

- Income from operations for the period (H1FY16) is Rupees 33.42 Crores (y-o-y: +7.6%) including Formal Education Services of Rs 2.32 Cr (y-o-y: +29%) at standalone level.
- Operating EBITDA is more than doubled at Rupees 6.78 Crore (margin: 20.3%) for H1FY16; against Rupees 3.05 Crores in H1FY15 with improvement in margins of 1054 basis points.
- Operating performance was significantly improved due to operating leverage and on the accounts of closure of inefficient branch centers.
- The other income was declined due to reduced dividend income. Reported other income for H1FY16 is Rupees 3.86 Crores vs Rupees 4.22 Crores in same period previous year.
- Net Income in H1FY16 is increased by 49% compared to same period previous year with Rupees 5.34 Crores (margin: 14.3%) vs Rupees 3.59 Crores (margin: 10.2%) in H1FY15. Net Income growth at Consol level is reported at Rupees 5.4 Crores vs Rupees 41 Lacs in H1FY15.



Enrollment Updates

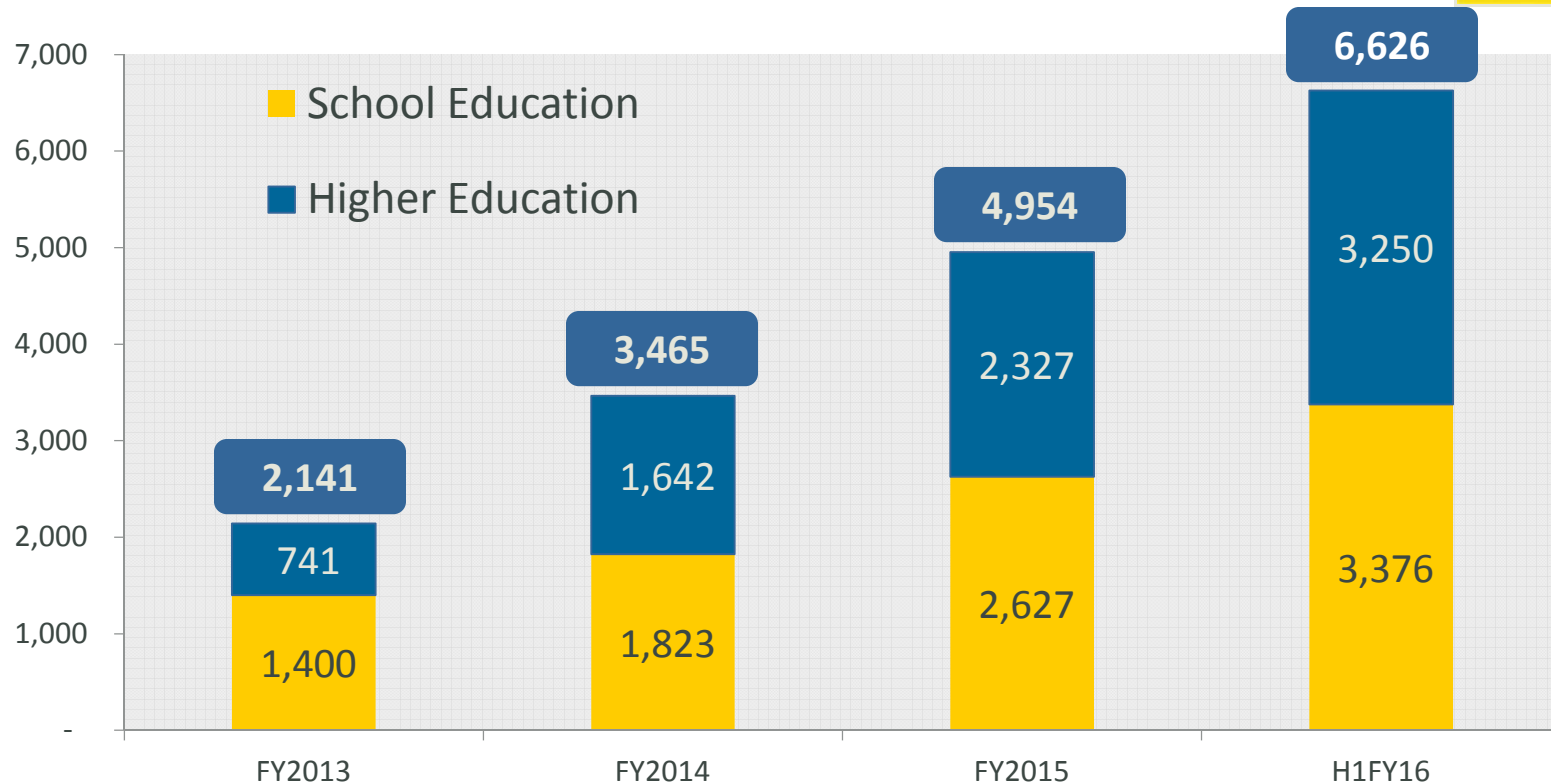
Tutorial Enrollments



Key Highlights

- ❑ Growth in high revenue segment i.e. Long-term Classroom enrollments is more than overall growth which results in to the profitability improvement
- ❑ Growth in H1FY2016 is observed despite closure of inefficient branch centers

Formal Education Enrollments

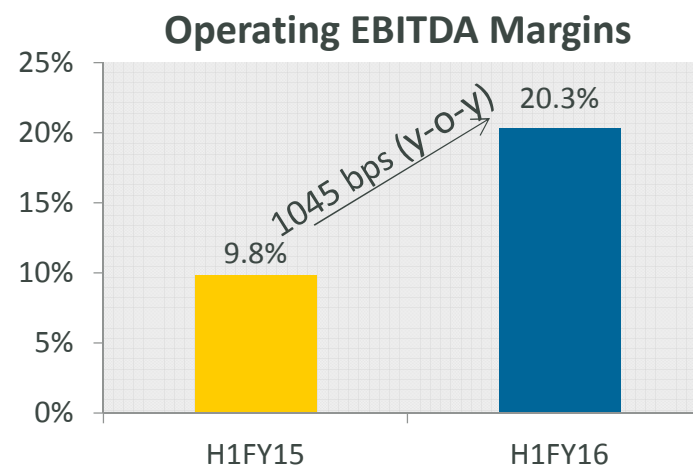
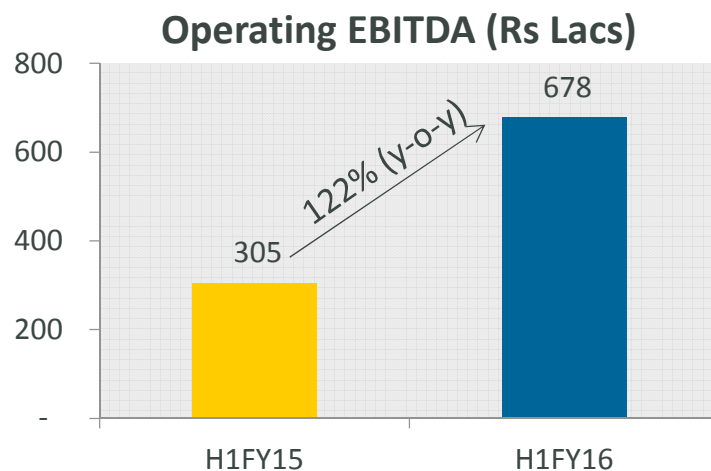
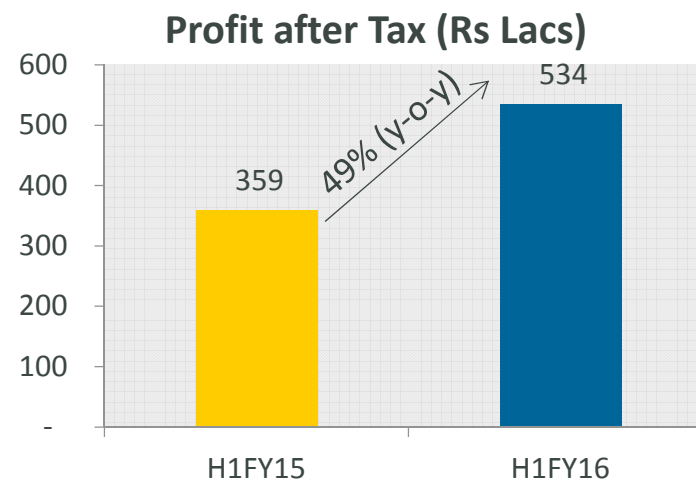
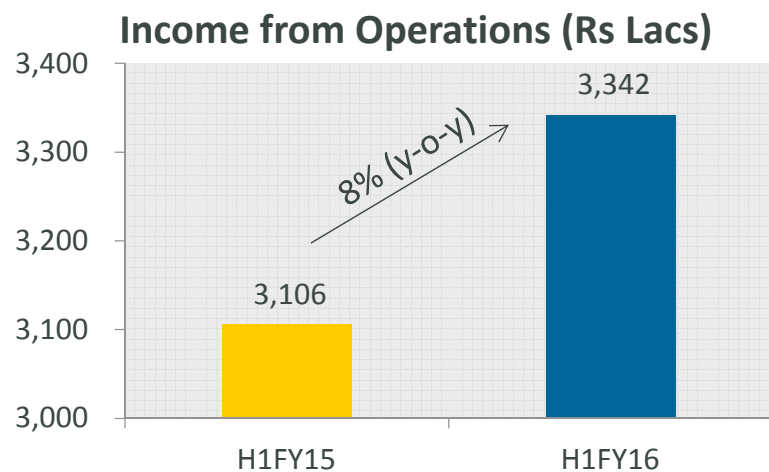


Key Highlights

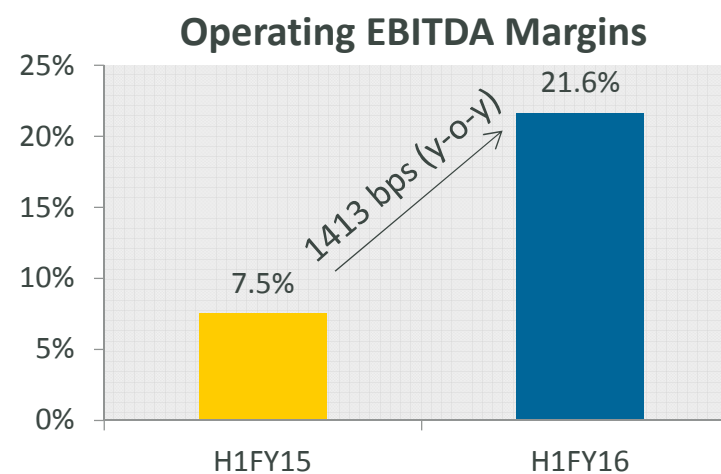
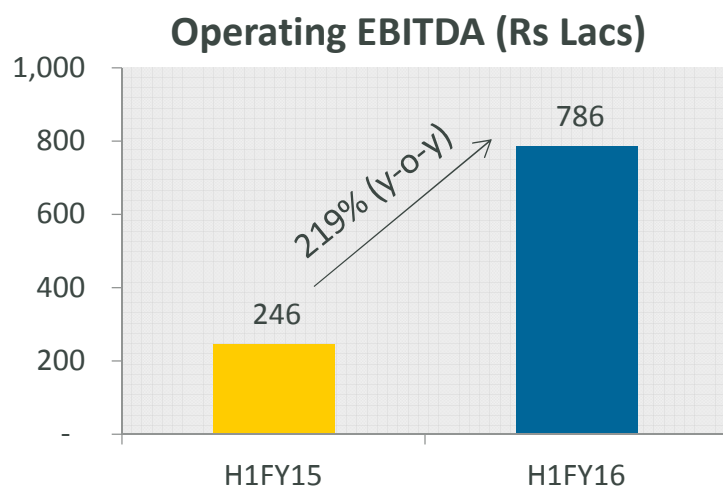
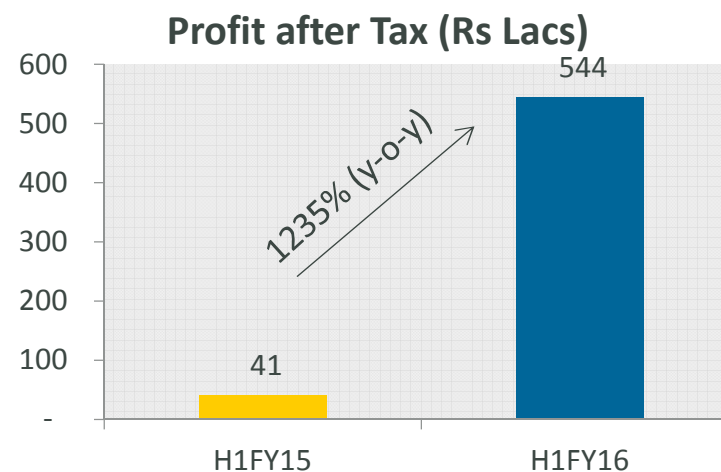
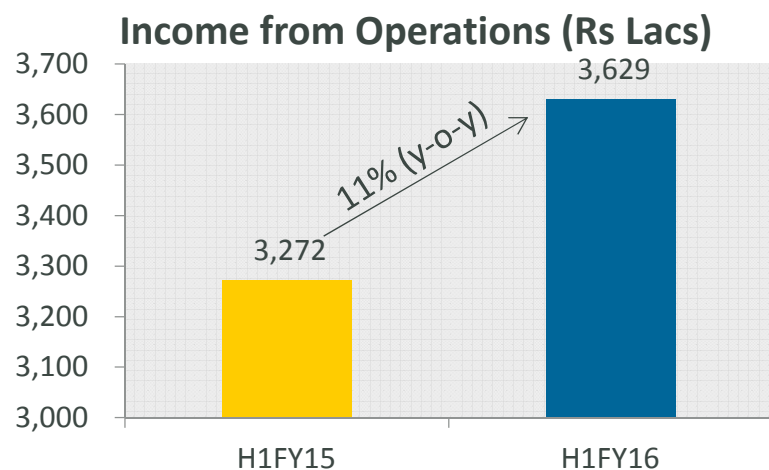
- ❑ Universities have just completed 3rd Year of operation and two schools have completed 2nd year of operation. Hence growth momentum will continue in subsequent years.
- ❑ Remarkable placement records, Overseas academic collaborations and New school franchisees signify long-term prospects of the division.

Key Financial Update

Financial Update – Standalone (reported)



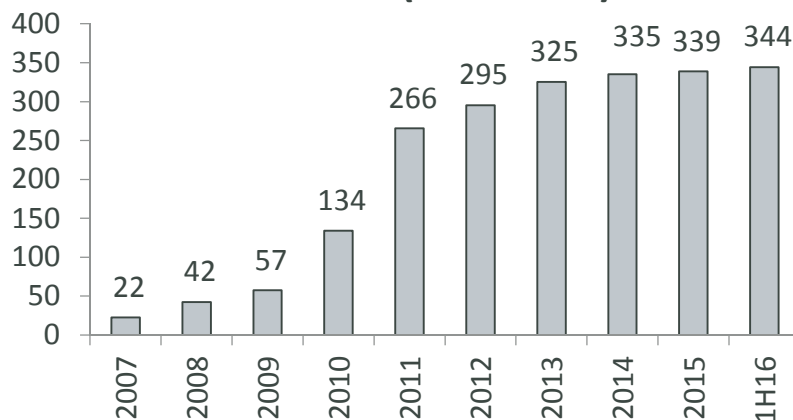
Financial Update – Consolidate



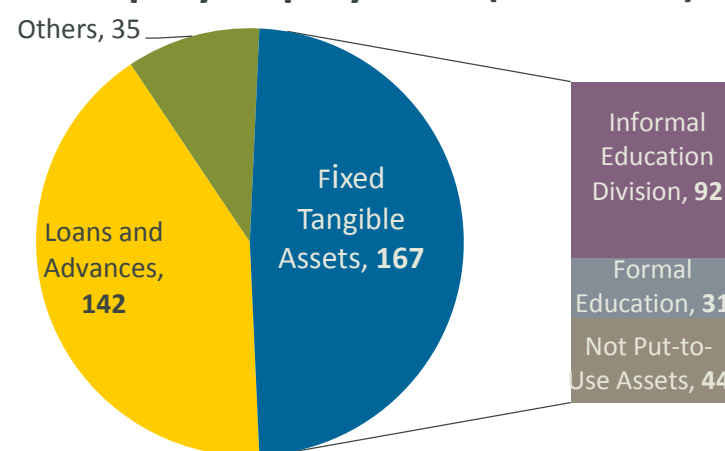
Balance Sheet Highlights



Net Worth (Rs Crores)



Equity Deployment (Rs Crores)



Net Cash & Cash Equivalents: Rs 68 Crores

Unleveraged: The balance sheet is debt free. The borrowing of Rs 43 Crores essentially leveraged against the liquid investments of about Rs 56.4 Crores by 30 Sep. 2015.

Assets Appreciation: The company holds tangible fixed assets of Rs 167 Cr including 'Not Put-to-Use assets' of Rs 44 Cr. The market value of these assets is significantly higher.

Business Advances: Second biggest component of balance sheet as Loans and Advances. These are incidental to formal education business division.

Financials – Income Statement (Standalone)



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| Income Statement | ----- Standalone -----> | | | | |
|--------------------------|-------------------------|----------------|----------------|----------------|----------------|
| Rs Lakhs | Q2FY15 | Q1FY16 | Q2FY16 | H1FY15 | H1FY16 |
| Income | | | | | |
| Income from Operation* | 1,589.6 | 1,623.2 | 1,718.9 | 3,106.1 | 3,342.2 |
| Other Income | 294.1 | 179.6 | 206.1 | 421.6 | 385.7 |
| Total Income | 1,883.7 | 1,802.8 | 1,925.1 | 3,527.6 | 3,727.8 |
| Expenditure | | | | | |
| Cost of Study Material | 104.0 | 37.6 | 56.9 | 121.7 | 94.5 |
| Employees Cost | 869.3 | 838.0 | 850.6 | 1,736.6 | 1,688.6 |
| G&A and other expenses | 410.1 | 446.7 | 434.4 | 942.3 | 881.1 |
| Dep. & Amort. | 117.0 | 117.5 | 117.3 | 237.1 | 234.7 |
| Finance Charges | 27.6 | 25.5 | 25.3 | 55.7 | 50.8 |
| Total Expenditure | 1,528.0 | 1,465.2 | 1,484.4 | 3,093.4 | 2,949.7 |
| EBITDA | 500.3 | 480.5 | 583.2 | 727.0 | 1,063.7 |
| EBITDA Margin | 26.6% | 26.7% | 30.3% | 20.6% | 28.5% |
| Operating EBITDA | 206.2 | 301.0 | 377.0 | 305.4 | 678.0 |
| Op. EBITDA margin | 13.0% | 18.5% | 21.9% | 9.8% | 20.3% |
| Profit Before Tax | 355.7 | 337.5 | 440.6 | 434.3 | 778.2 |
| PBT Margin | 18.9% | 18.7% | 22.9% | 12.3% | 20.9% |
| Profit After Tax | 293.8 | 235.2 | 298.9 | 358.7 | 534.1 |
| PAT Margin | 15.6% | 13.0% | 15.5% | 10.2% | 14.3% |
| EPS (Rs) | 1.62 | 1.30 | 1.65 | 1.98 | 2.95 |

* Income at Q2FY15 and H1FY15 included income from discontinued branch centers.

Other Income at Q2FY15 was positively impacted on account of one-off Dividend Income.

Financials – Income Statement (Consolidated)



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| Income Statement | Consolidated | | | | |
|--------------------------|----------------|----------------|----------------|----------------|----------------|
| Rs Lakhs | Q2FY15 | Q1FY16 | Q2FY16 | H1FY15 | H1FY16 |
| Income | | | | | |
| Income from Operation | 1,669.6 | 1,751.9 | 1,877.4 | 3,271.6 | 3,629.3 |
| Other Income | 202.9 | 246.7 | 245.2 | 540.6 | 491.9 |
| Total Income | 1,872.5 | 1,998.5 | 2,122.6 | 3,812.2 | 4,121.1 |
| Expenditure | | | | | |
| Cost of Study Material | 128.0 | 65.0 | 82.4 | 183.4 | 147.4 |
| Employees Cost | 927.9 | 884.5 | 893.1 | 1,841.4 | 1,777.6 |
| G&A and other expenses | 437.5 | 463.9 | 454.9 | 1,000.8 | 918.8 |
| Dep. & Amort. | 180.7 | 132.7 | 132.7 | 364.1 | 265.4 |
| Finance Charges | 120.0 | 110.2 | 109.8 | 239.1 | 220.0 |
| Total Expenditure | 1,794.1 | 1,656.4 | 1,672.8 | 3,628.8 | 3,329.1 |
| EBITDA | 379.1 | 585.1 | 692.3 | 786.5 | 1,277.4 |
| EBITDA Margin | 20.2% | 29.3% | 32.6% | 20.6% | 31.0% |
| Operating EBITDA | 176.2 | 338.4 | 447.1 | 245.9 | 785.5 |
| Op. EBITDA margin | 10.6% | 19.3% | 23.8% | 7.5% | 21.6% |
| Profit Before Tax | 78.4 | 342.2 | 449.8 | 183.3 | 792.0 |
| PBT Margin | 4.2% | 17.1% | 21.2% | 4.8% | 19.2% |
| Profit After Tax | (205.6) | 239.8 | 304.0 | 40.7 | 543.8 |
| PAT Margin | -11.0% | 12.0% | 14.3% | 1.1% | 13.2% |
| EPS (Rs) | (1.1) | 1.3 | 1.7 | 0.2 | 3.0 |

* Net Profit at Q2FY15/1HFY15 was negatively impacted by book-loss on asset sale transaction

Financials – Balance Sheet



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| Balance Sheet | <----- Standalone -----> | | | <----- Consolidated -----> | | |
|--------------------------------|--------------------------|---------------|---------------|----------------------------|---------------|---------------|
| Rs Lakhs | 31-Mar-2015 | 30-Jun-2015 | 30-Sep-2015 | 31-Mar-2015 | 30-Jun-2015 | 30-Sep-2015 |
| Liabilities | | | | | | |
| Shareholders' fund | 33,219 | 33,455 | 33,754 | 33,832 | 34,062 | 34,361 |
| (a) Share Capital | 1,813 | 1,813 | 1,813 | 1,813 | 1,813 | 1,813 |
| (b) Reserve and Surplus | 31,406 | 31,642 | 31,941 | 32,019 | 32,249 | 32,547 |
| Non-current Liabilities | 431 | 465 | 501 | 194 | 220 | 248 |
| (a) Def. Tax Liabilities | 371 | 401 | 432 | 134 | 156 | 179 |
| (b) Long Term Provisions | 59 | 64 | 69 | 59 | 64 | 69 |
| Current Liabilities | 1,460 | 2,693 | 3,175 | 1,580 | 2,849 | 3,349 |
| (a) Current Liabilities | 1,366 | 2,621 | 3,101 | 1,479 | 2,748 | 3,233 |
| (b) Provisions | 94 | 72 | 74 | 101 | 101 | 115 |
| Borrowings | 988 | 1,028 | 1,014 | 4,312 | 4,356 | 4,340 |
| Total Liabilities | 36,098 | 37,641 | 38,444 | 39,917 | 41,486 | 42,298 |
| Assets | | | | | | |
| Fixed Assets (inc. WIP) | 12,799 | 12,720 | 12,881 | 16,476 | 16,557 | 16,699 |
| Non-current Assets | 17,950 | 18,253 | 14,793 | 10,098 | 10,290 | 6,691 |
| (a) Loans and Advances | 239 | 242 | 248 | 6,468 | 6,357 | 6,231 |
| (b) Investments | 17,711 | 18,011 | 14,546 | 3,624 | 3,924 | 459 |
| (c) Other Assets | - | - | - | 6 | 8 | 1 |
| Current Assets | 5,349 | 6,668 | 10,770 | 13,343 | 14,640 | 18,908 |
| (a) Inventories | 191 | 239 | 190 | 234 | 291 | 229 |
| (b) Sundry Debtors | 408 | 593 | 245 | 8,124 | 8,309 | 7,964 |
| (c) Cash & Bank Balances | 205 | 345 | 188 | 246 | 410 | 263 |
| (d) Current Investments | 300 | 350 | 4,066 | 1,458 | 1,508 | 5,225 |
| (e) Loans and Advances | 4,244 | 5,140 | 6,081 | 3,282 | 4,120 | 5,228 |
| Total Assets | 36,098 | 37,641 | 38,444 | 39,917 | 41,486 | 42,298 |

Key Business Indicators



Tutorial Enrollments are increasing with significant rise in long duration course programs

Formal education division is growing fast; offers impressive margin and return on investment

Increased enrollments results in to improved margins; further scope to improve capacity utilization

Response to Vocational education and e-Learning solution are quite impressive; adding new growth avenues

Thank You



Career Point Limited

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e-Learning Solutions: www.onlinepado.com | www.ecareerpoint.com | www.cplive.in

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