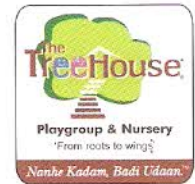


Tree House Education & Accessories Ltd.

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www.treehouseplaygroup.net

Registered Office:
702, Morya House, 'C' Wing, Near Infinity Mall,
Off. Link Road, Andheri (W), Mumbai - 400 053.



Press release dated August 1, 2013

Financial Highlights

Q1FY 2014

- Total revenue at 41.99 INR cr, up y-o-y by 47.54%
- EBITDA at INR 23.90 cr, up y-o-y by 42.97 %
- Profit after tax at INR 12.30 cr, up y-o-y by 53.36 %

Tree House Education & Accessories Limited (Treehouse) reported its financial results for the 1st quarter of FY2014 ended June 30, 2013.

Key highlights of the performance were as follows:

Financial Highlights for the quarter

- Total Revenue for the 1st quarter of FY2014 is INR 41.99 cr compared to INR 28.46 cr for the 1st quarter of FY2013, representing 47.54 % y-o-y growth.
- EBITDA for the 1st quarter of FY2013 is INR 23.90 cr compared to INR 16.71 cr for the 1st quarter of FY2013, representing 42.97% y-o-y growth.
- Profit after tax for the 1st quarter of FY2014 is INR 12.30 cr compared to INR 8.02 cr for the 1st quarter of FY2013, representing 53.36% y-o-y growth.
- EBITDA margin for Q1 FY2014 is 56.91%.
- Net profit margin for Q1 FY2014 is 29.29%.

New Pre Schools opened in Q1 FY2014

- Net addition of 31 pre schools in the 1st quarter of FY2014.
- Total number of centers as on June 30, 2013 is 410.
- Out of this, the number of self operated preschools is 310.
- Ratio of self operated preschools to total preschools is 75.60%.

Geographical coverage

- Currently present in 50 cities.
- New cities launched in the quarter are : Raipur , New Delhi, Varanasi, Udgir, Goa, Nandurbar , Ludhiana



Same self-operated preschool centers: a comparative study

- Year-on-year (Q1FY2014 vs. Q1FY2013) revenue growth in same store self-operated preschool centers has been 30%.

K-12 school management services

- The Company provides school management services to 24 K-12 schools in 3 states.

Staff strength

- Total staff strength as on June 30, 2013 is 1690, showing a net addition of 49 employees in the quarter.
- Total teacher strength as on June 30, 2013 is 1603, representing a net addition of 41 teachers during this quarter.

Global Champs

- The Company has launched a unique initiative of opening Global Champs preschools aimed at providing pre-primary education at affordable price points. These preschools cater to parents who aspire for quality education for their children.
- This is the first academic year for these schools and has been well accepted in the target market.

Brainworks

- The Company has successfully completed the acquisition of the Brainworks brand and its operations
- By virtue of this addition, our self operated centers grew by 5 and franchise centers grew by 26
- The Company will use this brand to aggressively expand its franchisee footprint.

Key events in Q1 FY14

- New website launched with contemporary look and feel
- Number of cities present touches 50
- Total number of preschools touches 410
- Upgraded curriculum launched through incorporating additional resources including video strips and animations
- Tie-up with Partymanao.com for hosting birthday parties at our centers is now fully operational
- Treehouse enters retailing with tie-ups with Amar Chitra Katha and other suppliers of products for children.



Mr. Rajesh Bhatia, Promoter and Managing Director, TreeHouse said, “These results are another milestone in our journey. We believe that our offering in the pre-school space is three-fold and spans the entire sector. The Tree House brand focuses on company-operated pre-schools, the Brainworks brand will focus on franchising and the Global Champs brand will focus on a company-operated affordable model. This ensures a complete 360 degree product offering to the community at large. We have also begun roll out of ancillary services with the launch of birthday parties for kids and our tie up with Amar Chitra Katha.

I thank my team, especially the teachers and center heads whose commitment and hard work has translated into this set of numbers. Despite operating in a tough business environment, we have been able to scale up admissions and revenues. This is also due to the fact that parents across India now increasingly appreciate our superior curriculum and overall preschool experience.

All of our product offerings are showing good growth across all key parameters, and we are confident of sustainable growth in our operations in the years to come. My team and I remain committed to creating India’s most respectable Education Company which will create value for all its stakeholders”

Tree House Education & Accessories Limited

Tree House Education and Accessories Limited (NSE code: TREEHOUSE; BSE code: 533540, MCX-SX : TREEHOUSE) runs quality preschools and also provides educational services to K-12 schools throughout the country. TreeHouse has revolutionized the concept of pre-school pedagogy in India through the use of innovative teaching methods and child-focused personal care.

For day to day updates on what’s happening at our centers, follow us on Facebook at www.facebook.com/treehouse.playgroup

For more updates and information on the Company, please log on to www.treehouseplaygroup.net

