



Q4 FY11 Investor Update

(Quarter ended March 2011)

30th May 2011



Q4 FY11 – Consolidated Financials

Consolidated Financials								
	Q4 FY11	Q4 FY10	YoY	Q3 FY11	QoQ	FY11	FY10	YoY
	Rs Cr	Rs Cr	%	Rs Cr	%	Rs Cr	Rs Cr	%
Income								
Sales & Service income	488.7	332.0	47%	357.5	37%	1,350.9	1,039.5	30%
Other income	18.5	15.8		6.8		41.6	125.5	
Total Income	507.2	347.8	46%	364.3	39%	1,392.5	1,165.0	20%
Expenditure								
Cost of goods sold	137.3	59.0		69.8		332.8	174.9	
Personnel expenses	76.3	53.1		65.1		256.0	179.3	
Administration and other expenses	69.4	61.7		55.8		215.1	203.5	
Finance charges	31.0	17.8		27.9		96.2	53.9	
Depreciation	23.4	20.5		20.1		84.1	114.2	
Total Expenditure	337.4	212.2	59%	238.6	41%	984.1	725.8	36%
Profit before tax	169.8	135.6	25%	125.7	35%	408.3	439.2	-7%
<i>PBT Margin</i>	33%	39%		35%		29%	38%	
Provision for tax	24.5	71.4		25.3		67.8	158.4	
Pre-acquisition profits	-1.8	-0.8		0.2		-3.3	-0.9	
Share of profit in associates	0.6	0.0		0.5		2.2	0.0	
Minority interest	0.9	0.1		3.0		4.9	5.8	
Profit after tax, minority interest & pre-acquisition profits	145.7	64.9	125%	96.7	51%	336.7	275.9	22%
<i>PAT Margin</i>	29%	19%		27%		24%	24%	
EBITDA	202.6	166.7	22%	161.3	26%	538.6	481.4	12%
<i>EBITDA Margin</i>	41%	50%		45%		40%	46%	
EBIT	179.2	146.2	23%	141.3	27%	454.5	367.2	24%
<i>EBIT Margin</i>	37%	44%		40%		34%	35%	
EPS (Rs)								
Basic	15.23	6.84	123%	10.13	50%	35.27	29.83	18%
Diluted	14.03	6.27	124%	9.23	52%	32.66	27.88	17%

Q4 FY11 – Standalone Financials

Standalone Financials								
	Q4 FY11	Q4 FY10	YoY	Q3 FY11	QoQ	FY11	FY10	YoY
	Rs Cr	Rs Cr	%	Rs Cr	%	Rs Cr	Rs Cr	%
Income								
Sales & Service income	379.3	273.5	39%	276.4	37%	1,020.7	832.2	23%
Other income	13.5	8.0		6.0		36.3	40.5	
Total Income	392.8	281.5	40%	282.4	39%	1,057.0	872.7	21%
Expenditure								
Cost of goods sold	110.5	59.2		61.9		285.7	162.7	
Personnel expenses	43.8	31.9		34.2		140.6	99.9	
Administration and other expenses	28.9	25.0		30.5		99.2	110.4	
Finance charges	18.9	12.1		17.4		54.1	37.1	
Depreciation	11.3	12.5		10.0		41.1	90.7	
Total Expenditure	213.5	140.8	52%	154.0	39%	620.7	500.8	24%
Profit before tax	179.3	140.7	27%	128.4	40%	436.3	371.9	17%
<i>PBT Margin</i>	46%	50%				41%	43%	
Provision for tax	21.9	69.7		16.4		47.4	150.0	
Profit after tax	157.4	71.1	121%	112.0	40%	388.9	221.9	75%
<i>PAT Margin</i>	40%	25%		40%		37%	25%	
EBITDA	183.8	157.4	17%	147.5	25%	485.9	466.4	4%
<i>EBITDA Margin</i>	48%	58%		53%		48%	56%	
EBIT	172.6	144.8	19%	137.5	25%	444.8	375.7	18%
<i>EBIT Margin</i>	45%	53%		50%		44%	45%	
EPS (Rs)								
Basic	16.47	7.48	120%	11.74	40%	40.74	23.99	70%
Diluted	15.17	6.86	121%	10.70	42%	37.76	22.52	68%

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SmartClass at a glance

SmartClass at a Glance								
	Q4 FY11	Q4 FY10	YoY	Q3 FY11	QoQ	FY11	FY10	YoY
	Rs Cr	Rs Cr	%	Rs Cr	%	Rs Cr	Rs Cr	%
Revenue	348.8	240.9	45%	250.1	39%	887.1	644.5	38%
EBIT	201.3	163.4	23%	165.4	22%	510.7	444.4	15%
EBIT Margin	58%	68%		66%		58%	69%	
No of Schools added	1,004	503	-	949	-	3,461	-	-
No of Classrooms added	8,010	4,038	-	7,085	-	27,154	-	-
Average No of Classrooms per school	7.98	8	-	7.47	-	7.85	-	-
Cumulative No of Schools covered	6,538	3,077	-	5,534	-	6,538	-	-
Cumulative No of Students covered (Million)	4.3	3.1	-	3.9	-	4.3	-	-
Avg Selling Price per classroom (100%) (Rs Lacs)	3.77	3.90	-	3.81	-	3.88	-	-

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Consolidated Results – Like to Like Comparison

Consolidated Results - Like for Like Comparison						
	Q4 FY11	Q4 FY10	YoY	Q4FY11	Q4FY10	YoY
	(Reported) *	(Reported) *		(Reconciled) **	(Reconciled) **	
	Rs Cr	Rs Cr	%	Rs Cr	Rs Cr	
Consolidated Revenue	488.7	332.0	47%	457.9	332.0	38%
Standalone Revenue	379.3	273.5	39%	348.5	273.5	27%
Subsidiaries Revenue	109.4	58.6	87%	109.4	58.6	87%
Consolidated Profit Before Tax	170.1	136.3	25%	180.7	136.3	33%
Consolidated Profit after Tax	145.7	64.9	124%	115.0	64.9	77%

Notes

* Revenues reported under securitization led sale model including deferred content revenue arising from transfer of BOOT contracts to EduSmart starting from Q2 of FY 2010

**Depicts that numbers are restated now on earlier BOOT model to effect the right comparison , assuming as if model change has not happened

Standalone Results – Like to Like Comparison

Standalone Results - Like for Like Comparison						
	Q4 FY11	Q4 FY10	YoY	Q4FY11	Q4FY10	YoY
	(Reported)*	(Reported)*		(Reconciled)**	(Reconciled)**	
	Rs Cr	Rs Cr	%	Rs Cr	Rs Cr	
Revenue	379.3	273.5	39%	348.5	273.5	27%
Revenue (SmartClass)	348.4	240.9	45%	317.6	240.9	32%
Profit Before Tax	179.3	140.7	27%	189.8	140.7	35%
Profit After Tax	157.4	71.1	122%	126.7	71.1	78%

Notes

* Revenues reported under securitization led sale model including deferred content revenue arising from transfer of BOOT contracts to EduSmart starting from Q2 of FY 2010

** Depicts that numbers are restated now on earlier BOOT model to effect the right comparison, assuming as if model change has not happened

Contribution of Key Subsidiaries

Subsidiaries' Contribution to Revenue						
	<u>Q4 FY11</u>		<u>Q4 FY10</u>		<u>Q3 FY11</u>	
	Rs Cr	%	Rs Cr	%	Rs Cr	%
Total Reported Revenue (Operational)	488.7	100%	332.0	100%	357.5	100%
Break-up of Revenues:						
Contribution from Key Subsidiaries	77.8	16%	53.3	16%	64.1	18%
Contribution from Other Subsidiaries	31.7	6%	5.2	2%	17.0	5%

Subsidiaries' Contribution to Revenue				
	<u>FY11</u>		<u>FY10</u>	
	Rs Cr	%	Rs Cr	%
Total Reported Revenue (Operational)	1,350.9	100%	1,039.5	100%
Break-up of Revenues:				
Contribution from Key Subsidiaries	261.6	19%	189.4	18%
Contribution from Other Subsidiaries	68.7	5%	17.9	2%

Segmental Revenue & EBIT (Consolidated)

Revenue by Segments								
	Q4 FY11	Q4 FY10	YoY	Q3 FY11	QoQ	FY11	FY10	YoY
	Rs Cr	Rs Cr	%	Rs Cr	%	Rs Cr	Rs Cr	%
School Learning Solutions	378.6	269.2	41%	279.4	35%	1,009.5	806.8	25%
K12 Schools	42.7	31.6	35%	30.4	41%	135.7	99.7	36%
Higher Learning Solutions	28.1	5.7	392%	14.6	93%	65.4	26.5	147%
Online, Supplemental & Global	39.2	25.6	53%	33.1	18%	140.3	106.6	32%
Total	488.7	332.0	47%	357.5	37%	1,350.9	1,039.5	30%

EBIT by Segments								
	Q4 FY11	Q4 FY10	YoY	Q3 FY11	QoQ	FY11	FY10	YoY
	Rs Cr	Rs Cr	%	Rs Cr	%	Rs Cr	Rs Cr	%
School Learning Solutions	197.5	164.5	20%	170.9	16%	523.2	450.3	16%
K12 Schools	12.4	8.0	56%	10.7	17%	47.7	32.2	48%
Higher Learning Solutions	-12.3	-4.3	186%	-6.0	104%	-29.2	-11.1	163%
Online, Supplemental & Global	-3.2	-3.0	7%	-4.4	-28%	-10.8	-15.7	-31%
Total	194.4	165.2	18%	171.1	14%	530.8	455.7	16%

Debtor Days*	
	as on 31 Mar, 2011
School Learning Solutions:	
Smart Class	97
ICT	37
K12 Schools	24
Higher Learning Solutions	8
Online, Supplemental & Global	3
Total	169

Note

*On annual consolidated turnover

Geographical contribution to Revenue (Consolidated)

Revenue by Geography							
	Q4 FY11	Q4 FY10	YoY	Q3 FY11	QoQ	FY11	FY10
	Rs Cr	Rs Cr	%	Rs Cr	%	Rs Cr	Rs Cr
India	448.8	306.7	46%	319.5	40%	1,208.7	935.2
International	39.9	25.4	57%	38.1	5%	142.2	104.3
Total	488.7	332.0	47%	357.5	37%	1,350.9	1,039.5

% Revenue Split by Geography					
	Q4 FY11	Q4 FY10	Q3 FY11	FY11	FY10
	%	%	%	%	%
India	92%	92%	89%	89%	90%
International	8%	8%	11%	11%	10%
Total	100%	100%	100%	100%	100%

Segmental contribution to Revenue (Consolidated)

Segmental Contribution to Revenue					
	Q4 FY11	Q4 FY10	Q3 FY11	FY11	FY10
School Learning Solutions (Rs Cr)	378.6	269.2	279.4	1,009.5	806.8
<i>as a %age of total</i>	77%	81%	78%	75%	78%
K12 Schools (Rs Cr)	42.7	31.6	30.4	135.7	99.7
<i>as a %age of total</i>	9%	10%	8%	10%	10%
Higher Learning Solutions (Rs Cr)	28.1	5.7	14.6	65.4	26.5
<i>as a %age of total</i>	6%	2%	4%	5%	3%
Online, Supplemental & Global (Rs Cr)	39.2	25.6	33.1	140.3	106.6
<i>as a %age of total</i>	8%	8%	9%	10%	10%
Total (Rs Cr)	488.7	332.0	357.5	1,350.9	1,039.5

Educomp Infrastructure and School Management Limited

EISML Standalone Financials		
	Q4 FY11	FY11
	Rs Cr	Rs Cr
Income		
Sales & Service income	22.9	84.9
Other income	2.5	8.1
Total Income	25.4	92.9
Expenditure		
Cost of goods sold	0.4	1.0
Personnel expenses	2.9	8.5
Administration and other expenses	4.3	13.6
Finance charges	11.1	38.2
Depreciation	2.3	8.9
Total Expenditure	21.0	70.3
Profit before tax	4.4	22.6
Provision for tax	0.7	6.5
Profit after tax	3.7	16.1
<i>PAT Margin</i>	<i>15%</i>	<i>17%</i>
EBITDA	15.3	61.7
<i>EBITDA Margin</i>	<i>67%</i>	<i>73%</i>

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Financials of Other Subsidiaries

Eurokids Financials								
	Q4 FY11	Q4 FY10	YoY	Q3 FY11	QoQ	FY11	FY10	YoY%
	Rs Cr	Rs Cr	%	Rs Cr	%	Rs Cr	Rs Cr	%
Revenue	17.7	13.0	36%	9.1	95%	44.5	34.5	29%
EBITDA	4.0	3.1	30%	0.5	NM	6.2	4.1	54%
EBITDA Margin %	23%	24%		6%		14%	12%	
PAT	2.2	2.0	12%	0.5	NM	3.7	3.5	7%
PAT Margin %	12%	15%		6%		8%	9%	
Learning.com Financials								
	Q4 FY11	Q4 FY10	YoY	Q3 FY11	QoQ	FY11	FY10	YoY%
	Rs Cr	Rs Cr	%	Rs Cr	%	Rs Cr	Rs Cr	%
Revenue	27.6	18.4	50%	27.9	-1%	103.3	72.2	43%
EBITDA	6.1	3.6	68%	10.2	-40%	26.2	12.2	116%
EBITDA Margin %	22%	20%		36%		25%	17%	
PAT	1.0	0.5	96%	4.3	-76%	6.6	5.8	15%
PAT Margin %	4%	3%		15%		6%	8%	
Ask n Learn Financials								
	Q4 FY11	Q4 FY10	YoY	Q3 FY11	QoQ	FY11	FY10	YoY%
	Rs Cr	Rs Cr	%	Rs Cr	%	Rs Cr	Rs Cr	%
Revenue	9.5	5.7	67%	6.8	39%	28.9	26.2	10%
EBITDA	3.6	1.0	NM	-0.1	NM	6.5	4.5	46%
EBITDA Margin %	38%	17%		-2%		22%	17%	
PAT	1.2	-0.5	NM	-2.0	NM	-1.0	-0.4	NM
PAT Margin %	13%	NM		NM		NM	NM	
Raffles JV								
	Q4 FY11	Q4 FY10	YoY	Q3 FY11	QoQ	FY11	FY10	YoY%
	Rs Cr	Rs Cr	%	Rs Cr	%	Rs Cr	Rs Cr	%
Revenue (50% of JV Revenue)	17.8	0.5	NM	1.3	NM	21.6	1.8	NM
EBITDA (50% of JV EBITDA)	-4.8	-1.2	NM	-2.8	NM	-13.3	-6.4	NM
Pearson JV (IndiaCan)								
	Q4 FY11	Q4 FY10	YoY	Q3 FY11	QoQ	FY11	FY10	YoY%
	Rs Cr	Rs Cr	%	Rs Cr	%	Rs Cr	Rs Cr	%
Revenue (50% of JV Revenue)	7.1	2.1	NM	5.1	39%	21.0	5.5	281%
EBITDA (50% of JV EBITDA)	-4.4	-1.5	NM	-4.8	NM	-16.6	-6.4	NM

Note: EBITDA margin computed on Operational Revenue (shown above) and PAT Margin on Total Revenue

Consolidated Balance Sheet

Consolidated Balance Sheet		
	As at 31st Mar 2011	As at 31st Mar 2010
	Rs Cr	Rs Cr
Sources of funds		
Shareholders' funds		
Share capital	19.1	19.0
Reserves and surplus	2,138.8	1,613.8
ESOP outstanding account	20.6	14.7
Minority interest	236.5	191.5
Loan funds	1,437.3	1,047.8
Deferred tax liability (Net)	8.1	2.2
Total Sources of Funds	3,860.4	2,889.1
Application of funds		
Goodwill	851.8	603.1
Total Fixed Assets	1,778.7	1,065.6
Foreign currency monetary long term translation account	0.0	-0.3
Investments	123.5	35.4
Current assets, loans and advances		
Inventories	47.2	36.8
Sundry debtors	625.4	553.0
Cash and bank balances	448.9	788.7
Loans and advances	371.4	181.0
Other current assets	4.9	22.1
Less : Current liabilities and provisions		
Liabilities	353.3	229.0
Provisions	38.2	167.3
Net current assets	1,106.4	1,185.3
Total Application of Funds	3,860.4	2,889.1

Standalone Balance Sheet

Standalone Balance Sheet		
	As at 31st Mar 2011	As at 31st Mar 2010
Sources of funds	Rs Cr	Rs Cr
Shareholders' funds		
Share capital	19.1	19.0
Reserves and surplus	1,587.6	1,190.3
ESOP outstanding account	18.9	14.7
Loan funds	671.4	591.4
Deferred tax liability (Net)	0.0	1.0
Total Sources of Funds	2,297.0	1,816.5
Application of funds		
Total Fixed Assets	131.7	132.8
Foreign currency monetary long term translation account	0.0	-0.3
Investments	1,374.3	786.6
Current assets, loans and advances		
Inventories	36.1	29.2
Sundry debtors	506.6	501.8
Cash and bank balances	294.6	619.9
Loans and advances	231.5	49.1
Other current assets	4.4	17.8
Less : Current liabilities and provisions		
Liabilities	248.2	165.6
Provisions	34.1	154.8
Net current assets	791.0	897.4
Total Application of Funds	2,297.0	1,816.5

Balance Sheet Ratios

Consolidated Balance Sheet Ratios			
	FY11	FY10	YoY%
			%
1) D:E (x)	0.66	0.64	
2) Debtor Days	169	194	
3) Tangible Networth (Rs Cr.)	1,118.5	809.4	38%
EPS (Rs)			
Basic	35.3	29.8	18%
Diluted	32.7	27.9	17%

- 1) Debt to Equity computed as = Debt (i.e. Secured Loans + Unsecured Loans) / Net Worth (i.e. Share Capital + Reserves & Surplus + ESOP outstanding a/c – Miscellaneous Expenses)
- 2) Debtor Days computed as = (Sundry Debtors / Net Revenues) multiplied by 365 days
*Debtor Days on annual turnover basis
- 3) Tangible Net Worth computed as = Share Capital + Reserves & Surplus + ESOP outstanding a/c – Miscellaneous Expenses – Goodwill – Intangible Fixed Assets

FY12 Guidance

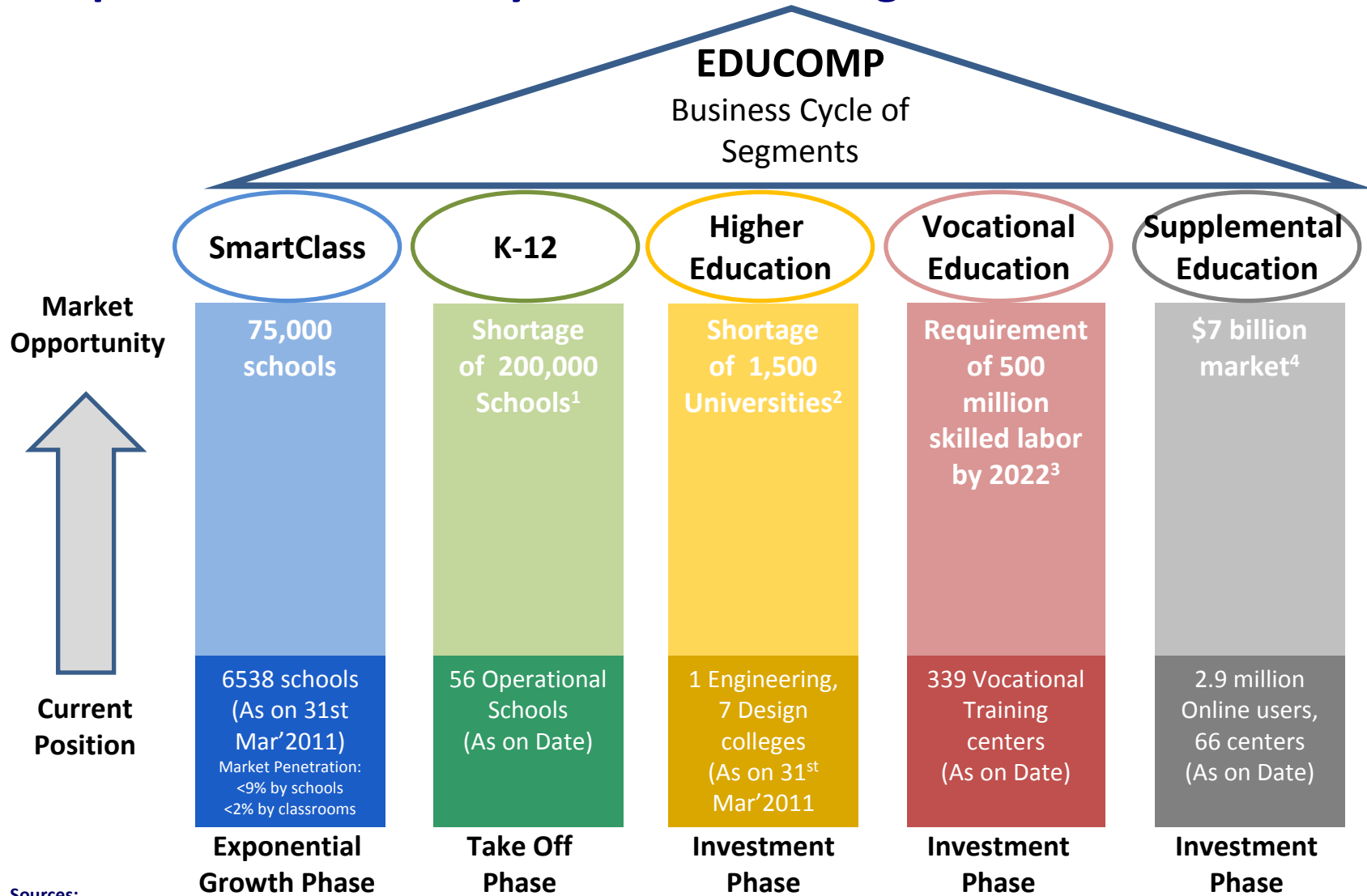
- Revenue Guidance: 1760 cr (on a consolidated basis)
- Profit After Tax: 400 cr (on a consolidated basis)
- SmartClass: 40,000 – 45,000 classrooms

FY11	FY12	YoY
27,154	40,000-45,000	47%-66%

Explanatory Notes for the Guidance Numbers:

- Revenue Guidance includes estimated ~60-75cr revenue from proposed stake sale of strategic investment(s)
- PAT Guidance includes estimated ~60-75cr profit from proposed stake sale of strategic investment(s)
- Revenue and PAT in FY12 does NOT include any amount towards “one-off” revenue from transfer of old BOOT model contracts
- Profit after expensing off proposed one-time additional investment of ~35 cr. on content innovation/ technological upgradation/ R&D and hardware innovation (please see SmartClass CTS & DTS on pages 19-21) besides the normal content development & technology cost, to remain ahead of the competition; this investment which is besides the normal content development expenditure, will be incurred in current year but the benefit will accrue in future years)
- Includes proposed cost of additional 200+ sales people for SmartClass expansion
- Subsidiaries contribution: Net losses of ~20 cr. (towards Raffles JV, Pearson JV and Supplemental business which are in investment mode) (both Raffles & Pearson JV’s have shown impressive sales growth in FY11 increasing ~10.7x and 2.9x times over FY10 respectively)
- Assumes full tax rate for FY12 which will be 32.45% as compared to an ETR of 10.9% in FY11 (on a standalone basis)

Snapshot of Business Cycle of various segments



Sources:

1 – Central Board of Secondary Education (CBSE)

2 – National Knowledge Commission (NKC)

Sources:

3 – National Skills Development Corporation (NSDC)

4 – Equity Analysts (CLSA)

Multiple engines of growth & value creation

	Current Mkt Size	Educomp Presence	Current Penetration	Market Position	Value Creation
Multimedia Content	\$1bn	SmartClass	<2%	No. 1 player	High
ICT	\$90m	EduReach	<2%	No. 1 player	Medium
Pre Schools	\$1bn	Roots to Wings, Eurokids	<3%	No. 1 player	High
K12 Schools	\$20bn	Millennium, Takshila, Universal Academy, Le Mont High	Shortage of 200,000 schools	No. 1 corporate player	High
Professional Development	\$15m	Teacher Training	NM	No. 1 player	Low
Higher Education	\$7bn	Raffles JV	Shortage of 1500 universities	Growing presence	High
Vocational Education	\$1.4bn	Pearson JV	Requirement of skilled labor force of 500 million by 2022	Among Top 3 players	High
Online & Supplemental	\$7bn	Mathguru, WizIQ, VMC, Gateforum, Learnhub, Learning Hour, Edulgnite, EducompOnline, Studyplaces	NM	No. 1 player	High
Global	N/A	Learning.com, Ask-n-Learn	NM	NM	High

Business Highlights at a glance

New product launch in SmartClass: Class Transformation System (CTS) & Digital Teaching System (DTS)

New vendor added for implementation: Subsidiary of CorporateServe, “Gold Certified Partner” of Microsoft

4 “Adarsh schools” to be set up with the Punjab government in a PPP model

IndiaCan students secure 52 All India Ranks including 4 All India No. 1 Ranks in different CA exams across the year

5 VMC students out of total 6 from Delhi Zone in Top 50 of All India Rank List of IITJEE

New Joint Venture with Zeebo, a Qualcomm funded company, to launch First Wireless Educational Platform for children in India

Restructuring of Supplemental Education businesses complete; All Online & Supplemental investments under one umbrella

New Product launch: “Educomp Live”, a VSAT based live classroom program on a **5 year annuity based model** in line with the company strategy to have a combination of both Annuity based model + Securitization led Sale model

Tie-up with Vasant Valley Schools to set up 30 VVS schools in partnership

Launched the AICTE approved Engineering & PGDM campus in Greater Noida

21 Gateforum students in top 10 ranks in GATE 2011 and 141 students in Top 100 ranks across 7 streams of engineering

WizIQ crosses 1.2 million registered users, growing 20% on QoQ basis for last 8 quarters in a row

Investment made into Great Lakes Institute of Management, one of the leading MBA schools in the country, via India Education Fund

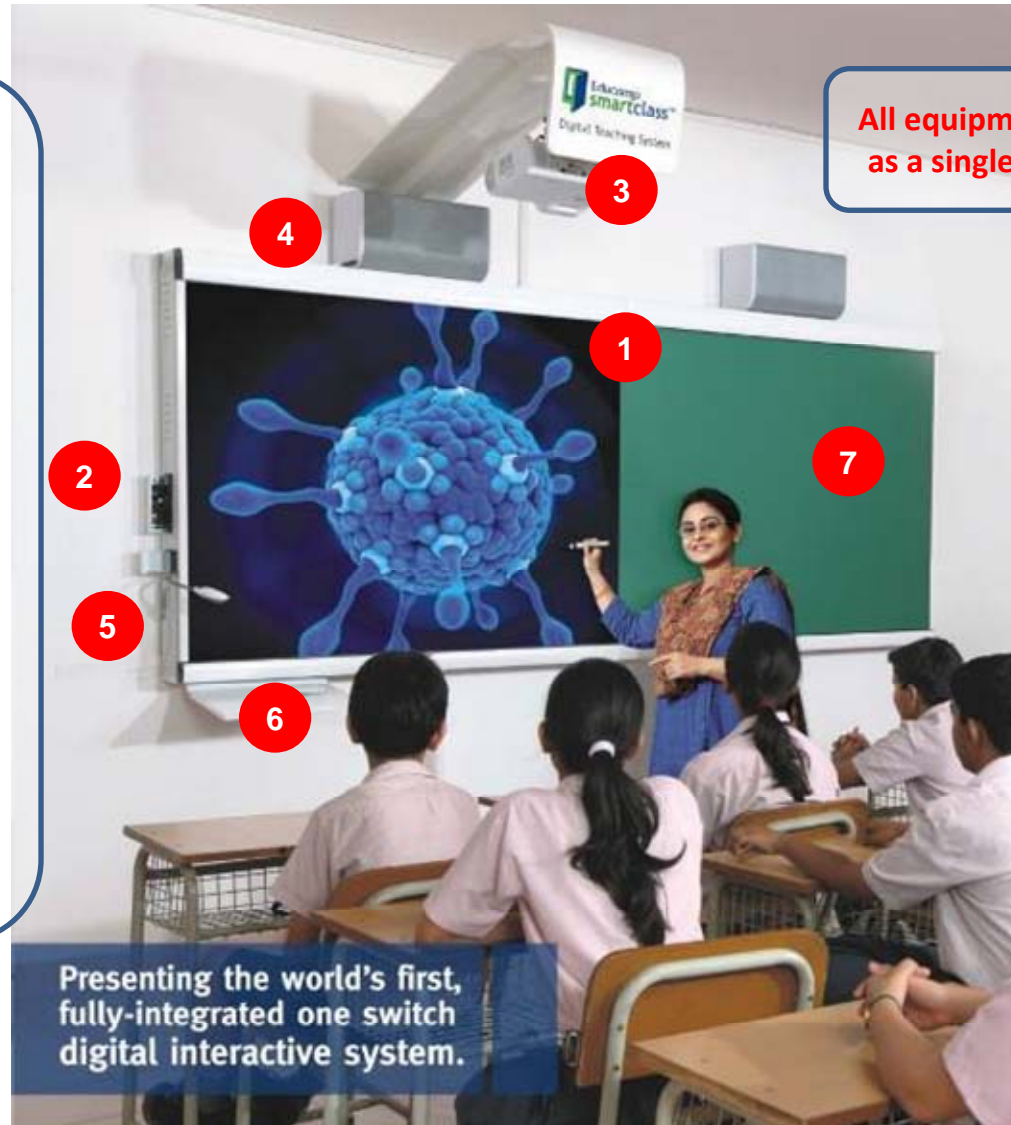
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SmartClass – Class Transformation System (New Product Launch - May 2011)



SmartClass – Digital Transformation System (New Product Launch – May 2011)

Robust Design for Indian conditions: smartclass DTS is specially designed to work in high ambient temperatures and dusty conditions prevalent in most Indian classrooms, unlike most other imported interactive whiteboards that are always at a risk of breakdown in such conditions. Moreover the system can be locked with one key to ensure high security and safety of the equipment



All equipment integrated as a single modular unit

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SmartClass – Digital Transformation System



Integrated Chalk Board and Digital Interactive Board

A large panel green chalk board seamlessly conjoined with digital whiteboard as an integral part of the system. This allows the teacher to continue to use her favorite chalkboard for any additional instructions besides the interactive white board.



Short Throw Overhead Projector

Disruption free projection with the projection system mounted overhead at a short distance from the board to ensure that the teachers shadow does not fall on the board while she is teaching.



Integrated Stereo Sound System

Different hardware components (projection system, interactive whiteboard, CPU, UPS, speakers etc.) –moulded into a single compact unit enhance efficiency & durability while also reducing the installation time required



Integrated Modular Unit

A specially designed stereo system in-built in the frame, for distortion free and clear sound quality in class, irrespective of the acoustic conditions and size of the classroom

A unique small and easy to operate document camera to show enlarged images of objects such as seeds, leaves, flowers etc. or paper workings/ assignment sheets of students on the whiteboard for the whole class to view. A text book page under the camera can display a part of the text or an image in the book to the whole class.



Built in Document Camera

The teacher can operate and manipulate the animation materials remotely with a handy remote control even when she is away from the board interacting with the students.



Remote Control for Teacher

Teachers save precious teaching time while switching the system on and off before and after the class



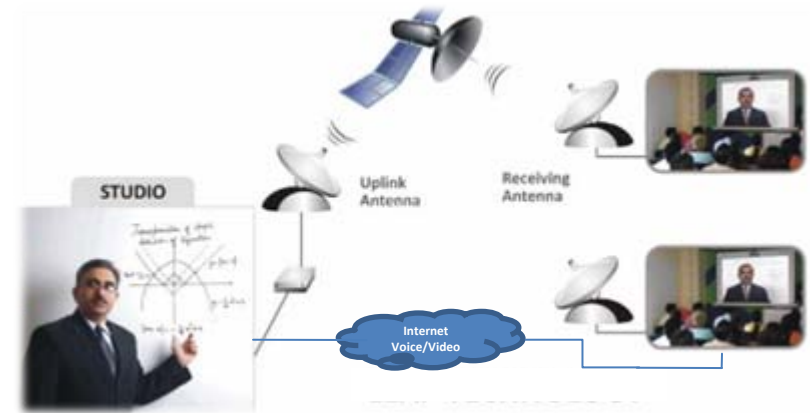
One Switch Operation

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Educomp Live – Launch of New Product



- Launched V-SAT based subscription model for schools for various remedial / skill development courses
- Introduced live classroom program under the brand name “Educomp Live”
 - Educomp Live provides digital and live streaming of audio/video and integrated educational content to identified classrooms at schools
 - Delivery through VSATs & other equipment supplied & installed at the school by ESL
- 5 year annuity based model in line with the company strategy to have a combination of both Annuity based model + Securitization led Sale model



Expanding third party vendor base for implementation



- Subsidiary of CorporateServe Solutions Pvt. Ltd., a “Gold Certified Partner” of Microsoft, added as new vendor for SmartClass
- Established in 2004, Gurgaon-based CorporateServe is an implementation company serving services companies, educational institutions and manufacturing organizations
- Infrastructure to serve customers all over India including NCR, Delhi, Mumbai, Chennai, Kolkata and Ahmadabad
- Recently awarded as “MBS Partner of The Year Award 2010 for Most Consistent Performance” by Microsoft
- Only Indian company to be a member of prestigious President’s Club of Microsoft Dynamics since 2007 - recognition granted by Microsoft only to a few leading global implementation companies
- Team consists of 145+ employees including domain experts such as engineers, software experts, CA’s and MBA’s
- Vinay Vohra, founder and CEO, has over 20 years of experience and last served as Director Finance in an Indian subsidiary of Bayer Group
- Subsidiary company is likely to start operations by Q3 FY12

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School Learning Solutions - Strong traction across all segments



- Added 8010 classrooms across 1004 schools in Q4 (average classrooms per school at 7.98)
- Total of 27,154 classrooms and 3,461 schools added in FY11
- SmartClass now reaches 6538 schools serving 4.3 million students
- Pricing at Rs 3.77 lacs per classroom during the quarter



- Bagged two multimedia content development projects from the Government of Gujarat and Assam covering 3,500 schools and 2,199 schools respectively for a total contract value of Rs 6.81 crores
- Added 540 government schools under the ICT program in Maharashtra at a contract value of Rs 67.93 crores
- ICT program currently reaches 10,572 schools and 5.8 million students after the expiry of the Chattisgarh (347 schools) and Uttar Pradesh (171 schools)
- 4 “Adarsh schools” to be set up with the Punjab government in a PPP model of which 2 agreements executed
 - A new initiative undertaken by govt. of India to bridge the demand-supply gap

Pre-Schools:



- Reaching a total of 48144 kids across both Roots to Wings and Eurokids brands
- 220 pre-schools operational under Roots to Wings; enrolments up 2.2x over previous year
- 579 preschools operational under Eurokids
- Eurokids Awarded the Best Licensing Programme in Education at Indian Education Congress 2011 by Franchising India



K-12: 56 schools operational; New partnership with Vasant Valley School

K12 Schools:



- Total of 56 schools operational (45 under Educomp, 11 Euroschools under Eurokids)
- Schools under Educomp include 33 Greenfield schools, 2 Acquired schools and 10 schools under Joint Ventures/Dry Management model
- In addition there is a visibility of 27 schools including land sites, sites currently under construction and JVs taking the total visibility to 83 schools
- Launched Le Mont High School, the International Curriculum school at Lavasa
- Dr. Bruce Robinson, joined as Head of Le Mont High (previously Head of British School in Boston). He has 34 years of experience in teaching & school administration for IB, IGCSE, Australian, American and British curriculum schools; He is an accredited Master Trainer for the Cambridge International Teaching Certificate

Co-branded K12 Schools:



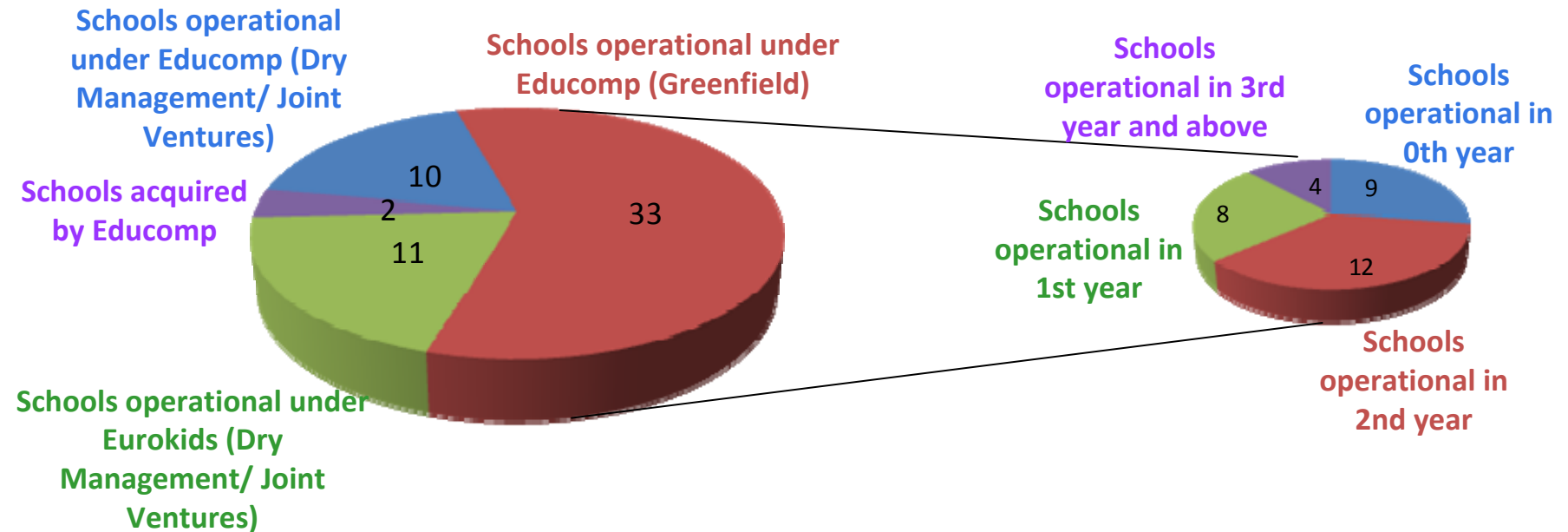
- Expanding portfolio of iconic brands for co-branded K12 schools:
 - Shriram Millennium Schools
 - PSBB Millennium Schools
 - Vasant Valley Schools
- Tie-up with Universal Learn Today (ULT), an India Today Group company and promoter of the Vasant Valley School, to jointly facilitate setting up of 30 VVS schools across India over the next several years



Break-up of K12 Schools

Break-up of all 56 Schools - by Management

Break-up of 33 Greenfield Schools - by Year of Operation



Creating high-quality core K12 Schools capacity



The Millennium School, Lucknow



The Millennium School, Mohali



PSBB Learning Leadership Academy,
Bangalore



Chiranjiv Bharti, Sushant Lok, Gurgaon



The Millennium School, Noida



The Millennium School, Panipat



The Millennium School, Amritsar



The Millennium School, Kurukshetra



Takshila School, Gaya

Creating high-quality core K12 Schools capacity



Takshila School, Hoshiarpur



PSBB Millennium School, Coimbatore



Mussoorie International School



The Millennium School, Meerut



The Millennium School, Patiala



Le Mont High, Lavasa



Chiranjiv Bharti School, Palam Vihar,
Gurgaon



PSBB Millennium School, Chennai OMR



PSBB Millennium School, Chennai Porur

Creating high-quality core K12 Schools capacity



Takshila School, Ahmednagar



Chiranjiv Bharti School, Sushant Lok, Gurgaon



Millennium School, Bhatinda



The Millennium School, Indore



Universal Academy, Dehradun



PSBB Millennium School, GST Road, Chennai



Shriram Millennium School, Noida



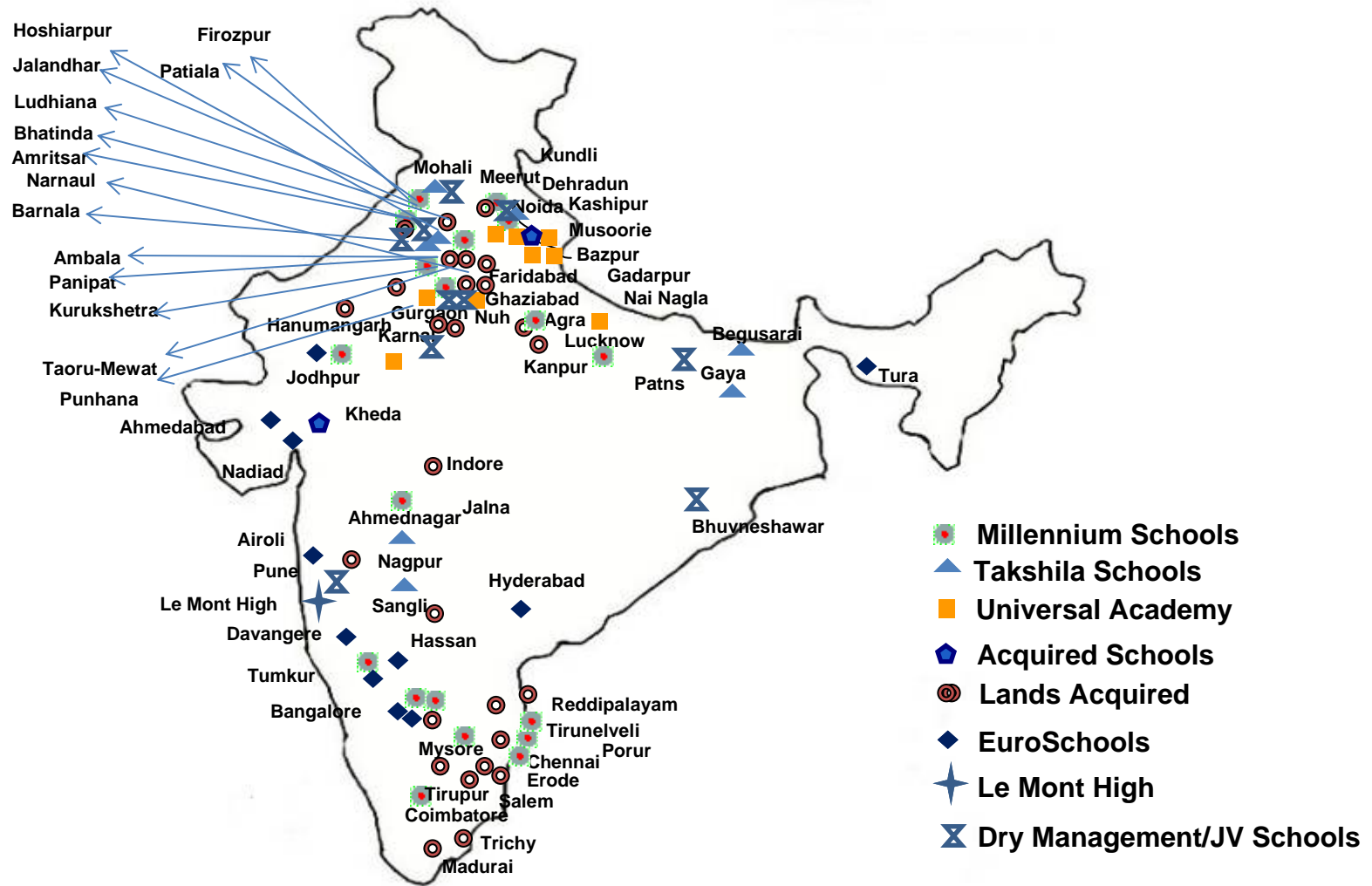
Millennium School, Jalandhar



Millennium School, Karnal

Pan India presence

Current Location of Schools (Visibility* of 83 Schools, 56 currently Operational)



IndiaCan – 339 Vocational Training centers



- IndiaCan has a total of 339 points of presence across the country reaching 63,000 students through its different models: ETEN/ Purple Leap/ Consumer Vocational
- ETEN:
 - 150 operational centres
 - ETEN students bagged **52 All India Ranks** including **4 All India No. 1 Ranks** in different CA exams
 - CA enrolments crossed 45,000 in FY11
 - Pilot concluded successfully for CFA programs
- Purple Leap:
 - 110 operational centres in colleges; active pipeline of over 140 new colleges
 - Focus on Corporate tie-ups, mandate of over 10,000 for 2012 batch
- Consumer Vocational:
 - 79 operational centres
 - Over 3,000 admissions in Q4FY11 alone
 - Launched Workfirst certification & student batches in Delhi; corporate tie up for sales and retail with IndiaMart, Bajaj Capital, MTS, Get it Yellow pages, KFC, Pizza Hut and Costa Coffee

Raffles JV – Building International Quality Higher Education Capacity

Raffles JV:



- 7 Raffles Millennium International Design colleges currently operational
- Admissions started for Engineering & PGDM programs in AICTE approved JRE campus in Greater Noida
- Academic sessions to begin August 2011 onwards
- Affiliation received for Engineering College with Mahamaya Technical University in UP
- Awareness programs conducted in more than 100 colleges/schools countrywide

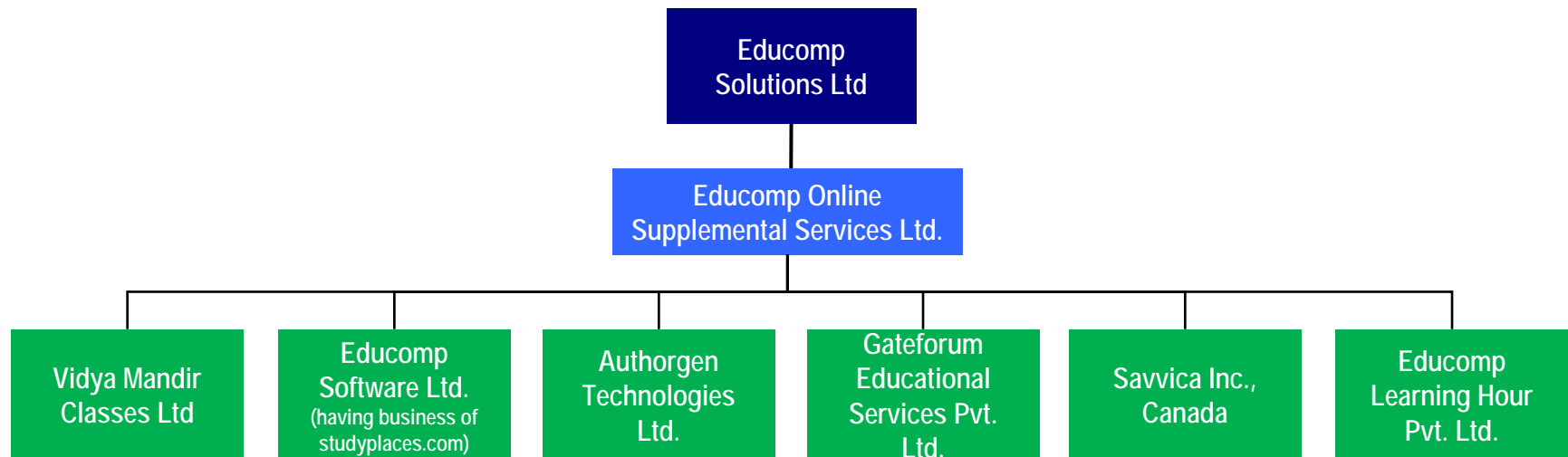


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Restructuring of Supplemental Business

..the Online & Supplemental arm of Educomp

- In order to consolidate its positioning in Supplemental space, a niche segment with huge addressable market space of around \$7 billion, Educomp has re-structured all its online initiatives including WiZiQ, Learnhub, Mathguru , VMC (Vidya Mandir Classes), Gateforum, EOL (Educomp Online), EduIgnite, Learning Hour and Studyplaces under one umbrella



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Online – Largest e-learning footprint in India



- WizIQ ended the quarter with over 1.2 million registered users, **growing 20% on QoQ basis for last 8 quarters in a row**
- Over 200,000 new registered users were added in Q4 alone
- Over 2.7 million unique visitors in Q4



- Learnhub has over ~621,000 total registered users; JumboTests has ~238,000 total registered users; StudyPlaces has over ~688,700 total registered users
- ~72% of the JEE exam takers visited Learnhub; ~48% of the CBSE exam takers visited Learnhub
- **100% increase** in traffic on a YoY basis



- Over 2500 schools using Educomp Online
- Over 2,000,000 user id's created and distributed

Supplemental – Leading Test Prep. position in India

 **Educomp™**
Supplemental ..the Online & Supplemental arm of Educomp



- **5 VMC students out of total of 6 students from Delhi Zone in Top 50 of All India Rank List of IITJEE; 13 other VMC students in top rankers list of IITJEE**
- **VMC students among toppers of 12th CBSE Board Exams including *All India Topper, Delhi Topper and Faridabad Topper***



- **Acquired strategic stake in Gateforum Educational Services Pvt Ltd, a leading GATE prep company in India**
 - Gateforum provides Test Prep. for the Graduate Aptitude Test in Engineering (GATE), an entrance test for post-graduate courses in technical institutes such as IITs and NITs
 - Trained more than 15,500 students with presence in more than 40 cities through a mix of own and franchisee centers
 - Pioneer in use of technology by offering products such as eTutor (online coaching), online library and discussion forum and classroom based all India test series for students
 - Continued excellence in Gate – 2011; Gateforum had **21 students in top 10 ranks** in GATE 2011 and **141 in Top 100 ranks** across 7 streams of engineering

New Joint Venture with Zeebo (a Qualcomm funded company)



- Formed Joint Venture with Zeebo Inc., a Qualcomm funded company, to launch First Wireless Educational Platform for children in India
- Zeebo India, a JV of Zeebo Inc., to expand reach of digital technology and interactive content in Indian homes and schools
 - Plans to introduce a version of Zeebo's 3G-connected education and entertainment system specifically for the Indian market in 2011
 - Connected to any TV, Zeebo will provide access to a wide array of digital content, including Educomp's rich multimedia educational content library
 - Feature rich system to provide internet connectivity, email, downloadable family-oriented games etc.



Global Subsidiaries



- Serves nearly 125,000 teachers and over 3.2 million students in 47 states in USA and 10 countries
- Product portfolio consists of Sky, a digital learning environment, Technology Literacy and Assessment Solutions: EasyTech, TechLiteracy Assessment, 21st Century Skills Assessment for students, Supplemental Curriculum in math and science: Aha!Math, Aha!Science
- Products used in 1,550 districts and 7,700 schools; More than 2.1 million assessments administered
- TechLiteracy Assessment selected for statewide implementations/pilot projects in the following states: Arizona, Maryland, New Jersey, South Dakota, North Dakota, Rhode Island and Texas
- Learning.com selected as a platform for delivering virtual curriculum marketplaces in Florida and Colorado



- Increased presence to 170 institutions in Singapore
- New version of the Learning Management System (more robust version of EduLearn) called Ask n Learn has been launched
- Built on the latest technology platform, the LMS brings a much enhanced user experience
- Started groundwork to launch SmartClass in China in Chinese language through CDEL (China Distance Education Holdings), the leading online education company in China

India Education Fund – Partnership with Great Lakes Inst. of Mgmt

- India Education Fund made an investment in Beacon Learning Private Limited (Beacon)
 - Beacon is a management and services provider for higher education institutions, providing a range of specialized services designed to improve academic quality, industry relevance and employability
 - Beacon's reach currently extends to over 3,000 students and 15 programs across India
- India Education Fund through Beacon, made a strategic investment to expand the presence of Great Lakes Institute of Management across India with an investment of ~Rs 150 crores over next 5 years:
 - Great Lakes is ranked amongst the top 10 B-Schools in India (by Business Standard) in a short span of 7 years
- Dr Bala Balachandran (founder) was ranked 4th in the Economic Times "Top 10 Global Indian Thought Leaders" list



Corporate Actions

- Company has received Board approval to issue securities including equity shares and / or instruments or securities convertible into equity shares of the Company such as foreign currency convertible bonds, global depository receipts and / or American depository receipts and / or convertible preference shares and / or convertible debentures or bonds and / or non-convertible debentures etc. to eligible investors, up to an amount of USD 250 Million. Company has also received Board approval to restructure the USD 78.5 million outstanding foreign currency convertible bonds of the Company (“Outstanding FCCBs”) and amend the terms and conditions thereof, or issue new foreign currency convertible bonds to replace the Outstanding FCCBs, considering the prevailing market conditions and other relevant factors, in consultation with lead managers and / or other advisors, if necessary
- Board has approved declaration of final dividend of 30% subject to approval of shareholders

Awards and recognitions



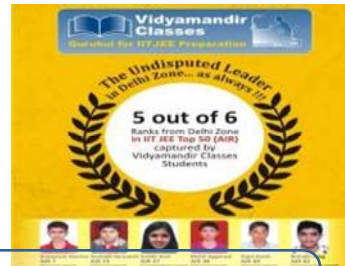
Franchise India, presented "Entrepreneur of the Year" award to Mr. Shantanu Prakash in the Indian Education Awards 2011 organised to recognize and acknowledge the initiatives and achievements of certain individuals and institutions that have contributed significantly towards the growth of the education sector in India in the recent times.



In March 2011 Shantanu Prakash, won the prestigious ET Now 'Leap of Faith' Award in the category of Education. 'Leap of Faith Awards' is an attempt to recognize the best and brightest of India's young entrepreneurs, men and women who have stood against all odds and emerged winners.



April 2011 issue of Dare Magazine chose Shantanu in its list of Inspiring 50 Entrepreneurs - 2011 because "Shantanu Prakash, founder of Educomp, is the man who is responsible for bringing the much-awaited change in the Indian education system".



VMC students secured 5 positions in the top 6 in IIT-JEE Delhi Zone

ETEN students bagged 52 All India Ranks including 4 All India No. 1 Ranks in different CA exams



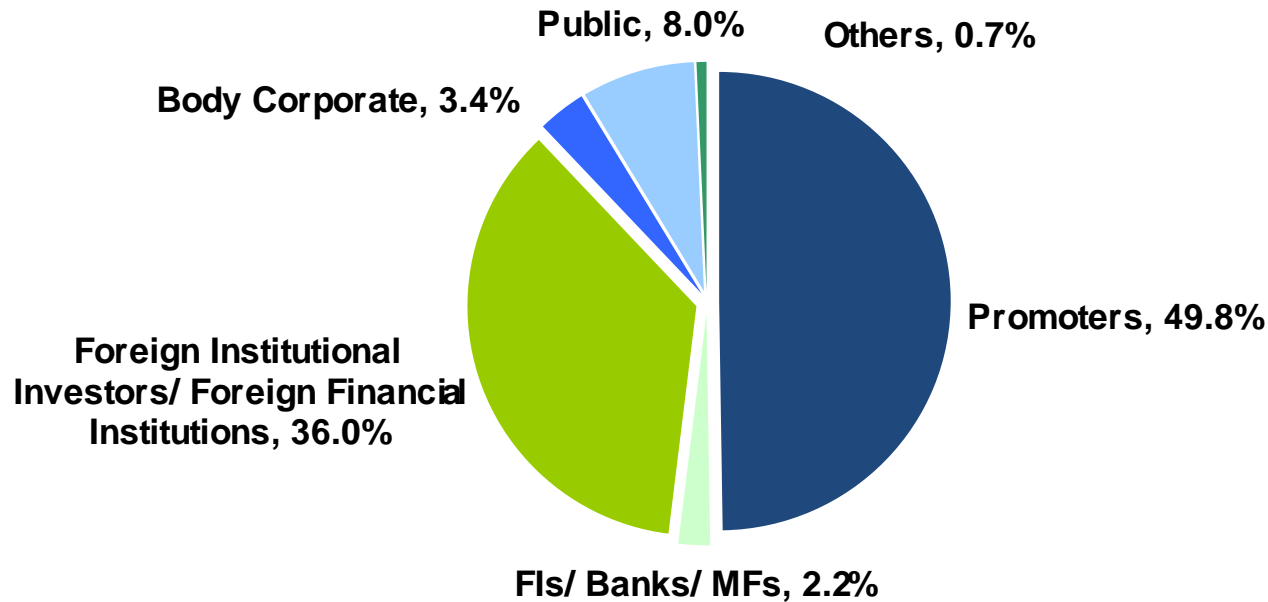
PSBB Millennium School teacher Mrs. Mallika Sundaresan, with over 28 years experience in Science and Science Laboratory Techniques, won CBSE Cluster "Best Teacher"



21 Gateforum students secured top 10 ranks in GATE 2011 and 141 in Top 100 across 7 streams of engineering

Shareholding Pattern – As on March 31, 2011

Equity Shares Outstanding-95,539,396



Company has sub-divided each of the existing Equity Shares of the face value of Rs.10/- each fully paid-up into five Equity Shares of the face value of Rs.2/- each fully paid-up.

Contact Us

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Forward Looking Statement

Forward Looking Statement

Certain statements in this document with words or phrases such as “will”, “should”, etc., and similar expressions or variation of these expressions or those concerning our future prospects are forward looking statements. Actual results may differ materially from those suggested by the forward looking statements due to a number of risks or uncertainties associated with the expectations. These risks and uncertainties include, but are not limited to, our ability to successfully implement our strategy and changes in government policies. The company may, from time to time, make additional written and oral forward looking statements, including statements contained in the company’s filings with the stock exchanges and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.

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Educomp Solutions Limited: FACTSHEET - Q4 FY11

SmartClass								
	Q4 FY11	Q3 FY11	Q2 FY11	Q1 FY11	Q4 FY10	Q3 FY10	Q2 FY10	Q1 FY10
No of Schools added	1,004	949	664	844	503	355	309	173
No of Classrooms added	8010	7,085	5,309	6,750	4,038	ND	ND	ND
Average No of Classrooms per school	7.98	7.47	8	8	8	ND	ND	ND
Cumulative No of Schools covered	6,538	5,534	4,585	3,921	3,077	2,574	2,219	1,910
Cumulative No of Students covered (Million)	4.3	3.9	3.6	3.4	3.1	2.9	2.5	2.2
Avg Selling Price per classroom (100%) (Rs Lacs)	3.77	3.81	4.04	3.90	3.90	ND	ND	ND
Avg Revenue per classroom recognized in Year 1 (52.5%) (Rs Lacs)	1.98	2.01	2.12	2.05	2.05	ND	ND	ND

ICT								
	Q4 FY11	Q3 FY11	Q2 FY11	Q1 FY11	Q4 FY10	Q3 FY10	Q2 FY10	Q1 FY10
No of New Schools signed	540	NIL	NIL	NIL	600	363	671	1,780
Cumulative No of Schools covered	10,572	10,550	13,814	15,426	15,426	14,826	14,463	13,792
Cumulative No of Students covered (Million)	5.8	5.8	7.4	8.2	8.2	7.9	7.7	7.4
No of Schools for which the contractual period has expired	518	3,264	1,612	0	0	0	0	0

Pre Schools								
	Q4 FY11	Q3 FY11	Q2 FY11	Q1 FY11	Q4 FY10	Q3 FY10	Q2 FY10	Q1 FY10
No of 'Roots to Wings' Pre Schools	220	220	228	224	220	240	204	193
No of 'Eurokids' Pre Schools	579	579	535	506	555	539	424	450
No of Total Pre Schools	799	799	763	730	775	779	628	643

K12 Schools								
	Q4 FY11	Q3 FY11	Q2 FY11	Q1 FY11	Q4 FY10	Q3 FY10	Q2 FY10	Q1 FY10
No of K12 Schools operational	56	50	46	43	43	36	36	35
- No of K12 Schools operational under Educomp (Greenfield)	33	29	24					
- No of K12 Schools operational under Educomp (Acquired)	2	1	1	29	29	22	22	23
- No of K12 Schools operational under Educomp (Dry Mgmt/JV)	10	9	7					
- No of K12 Schools operational under Euroschools	11	11	14	14	14	14	14	12
No of K12 Schools with visibility*	83	81	79	73	69	59	48	43
Breakup of Greenfield schools under Educomp:								
- No of K12 Schools operational in 0th year	9	5	ND	ND	ND	ND	ND	ND
- No of K12 Schools operational in 1st year	8	8	ND	ND	ND	ND	ND	ND
- No of K12 Schools operational in 2nd year	12	12	ND	ND	ND	ND	ND	ND
- No of K12 Schools operational in 3rd year and above	4	4	ND	ND	ND	ND	ND	ND

Higher Education - Raffles JV								
	Q4 FY11	Q3 FY11	Q2 FY11	Q1 FY11	Q4 FY10	Q3 FY10	Q2 FY10	Q1 FY10
No of Colleges (Raffles Millennium International)	7	7	7	7	3	2	2	2

Vocational Education - Pearson JV								
	Q4 FY11	Q3 FY11	Q2 FY11	Q1 FY11	Q4 FY10	Q3 FY10	Q2 FY10	Q1 FY10
No of Total IndiaCan points of presence	339	279	277	251	220	122	105	40
No of Students covered by IndiaCan	63,000	52,500	34,600	ND	ND	ND	ND	ND

Online & Supplemental Education								
	Q4 FY11	Q3 FY11	Q2 FY11	Q1 FY11	Q4 FY10	Q3 FY10	Q2 FY10	Q1 FY10
Online Users								
No of New registered users added (in Million)	0.43	0.34	0.34	0.41	0.22	0.18	0.18	0.16
Total No of registered users (in Million)	2.9	2.5	2.1	1.8	1.4	1.2	1.0	0.8
Vidyamandir Classes / LEAP/ Gateforum								
No of VMC + LEAP + Gateforum centers operational	66	30	17	17	5	5	5	5
No of students enrolled in VMC & LEAP & Gateforum programs	7,158	3,170	1,150	1,150	1,100	1,100	1,100	1,100