

Tree House Education & Accessories Limited
Regd. Office: 702, C Wing Morya House, Off New Link Road,
Near Infinity Mall, Andheri (W), Mumbai - 400 053

CIN No. L80101MH2006PLC163028

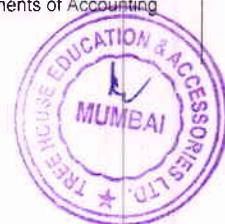
Statement of Unaudited financials results for the quarter and half year ended September 30, 2015

Particulars	Quarter ended			Half year ended		(Rs. in lacs)
	Sept 30, 2015	Jun 30, 2015	Sept 30, 2014	Sept 30, 2015	Sept 30, 2014	Year ended Mar 31, 2015
	Unaudited			Unaudited		Audited
1) Income from operations	5,725	6,903	4,976	12,628	10,367	20,745
	5,725	6,903	4,976	12,628	10,367	20,745
2) Expenses						
Operating cost	1,366	1,367	1,027	2,733	2,243	4,710
Employee benefits expense	768	637	600	1,405	1,103	2,390
Depreciation and amortisation	1,004	965	634	1,969	1,233	2,682
Other expenses	576	479	380	1,055	725	1,773
Total expenses	3,714	3,448	2,641	7,162	5,304	11,555
3) Profit from operations before other income, finance cost and exceptional items (1-2)	2,011	3,455	2,335	5,466	5,063	9,190
4) Other income	315	300	34	615	49	715
5) Profit from ordinary activities before finance cost and exceptional items (3+4)	2,326	3,755	2,369	6,081	5,112	9,905
6) Finance cost	452	369	436	821	756	1,531
7) Profit from ordinary activities after finance cost but before exceptional items (5-6)	1,874	3,386	1,933	5,260	4,356	8,374
8) Exceptional items	-	322	-	322	-	-
9) Profit from ordinary activities before tax (7-8)	1,874	3,064	1,933	4,938	4,356	8,374
10) Tax expense	600	1,262	674	1,862	1,492	2,286
11) Net profit from ordinary activities after tax (9-10)	1,274	1,802	1,259	3,076	2,864	6,088
12) Extraordinary Items (net of tax expenses Rs. NIL)	-	-	-	-	-	-
13) Net profit for the period / year (11-12)	1,274	1,802	1,259	3,076	2,864	6,088
14) Paid up equity share capital (face value Rs.10 per share)	4,231	4,231	3,777	4,231	3,777	4,231
15) Reserves excluding revaluation reserves						61,257
16) Earnings per share						
Basic	3.01	5.02	3.35	8.03	7.61	15.66
Diluted	3.01	5.02	3.35	8.03	7.61	15.66
17) Earnings per share after Exceptional item						
Basic	3.01	4.26	3.35	7.27	7.61	15.66
Diluted	3.01	4.26	3.35	7.27	7.61	15.66
A. Particulars of share holding						
1. Public shareholding						
Number of shares	2,96,30,655	2,96,95,655	2,55,18,657	2,96,30,655	2,55,18,657	2,97,24,396
Percentage of shareholding	70.03%	70.18%	67.57%	70.03%	67.57%	70.25%
2. Promoter and promoter group shareholding						
a) Pledged / Encumbered						
- Number of shares	54,82,000	39,82,000	26,95,000	54,82,000	26,95,000	36,07,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	43.23%	31.57%	22.01%	43.23%	22.01%	28.66%
- Percentage of shares (as a % of the total share capital of the Company)	12.96%	9.41%	7.14%	12.96%	7.14%	8.53%
b) Non-encumbered						
- Number of shares	71,98,069	86,33,069	95,51,613	71,98,069	95,51,613	89,79,328
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	56.77%	68.43%	77.99%	56.77%	77.99%	71.34%
- Percentage of shares (as a % of the total share capital of the Company)	17.01%	20.41%	25.29%	17.01%	25.29%	21.22%

Particulars	Quarter ended Sept 30, 2015
B. Investor complaints	
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed of during the quarter	Nil
Remaining unresolved at the end of the quarter	Nil

Notes:

- The above financial results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on November 8, 2015.
- The Statutory Auditors have carried out a "Limited Review" of the above financial results for the quarter and half year ended September 30, 2015.
- As the business activity of the Company falls within a single primary business segment viz. "Educational Services", the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting" is not applicable.



4. Statement of Assets and Liabilities

(Rs. in lacs)

Particulars	As at	
	September 30, 2015 (Unaudited)	March 31, 2015 (Audited)
I. EQUITY AND LIABILITIES		
(1) Shareholders' Funds		
(a) Share Capital	4,231	4,231
(b) Reserves and Surplus	63,640	60,241
(c) Money received against share warrants	-	-
Sub-total of Shareholder's fund	67,871	64,472
(3) Non-Current Liabilities		
(a) Long-term borrowings	5,916	4,112
(b) Deferred tax liabilities (Net)	55	42
(c) Other Long term liabilities	-	-
(d) Long Term provisions	53	53
Sub-total of Non-current liabilities	6,024	4,207
(4) Current Liabilities		
(a) Short-term borrowings	11,861	6,470
(b) Trade payables	590	720
(c) Other current liabilities	1,663	2,420
(d) Short-term provisions	1,338	2,161
Sub-total of Current liabilities	15,452	11,771
TOTAL - EQUITIES AND LIABILITIES	89,347	80,450
II. Assets		
(1) Non-current assets		
(a) Fixed assets		
(i) Tangible assets	34,392	29,351
(ii) Intangible assets	2,651	2,749
(iii) Capital work-in-progress	3,012	2,516
(iv) Intangible assets under development	109	109
(b) Non-current investments	1,124	1,124
(c) Long term loans and advances	25,606	23,102
Sub-total Non-current assets	66,894	58,951
(2) Current assets		
(b) Inventories	414	522
(c) Trade receivables	6,261	4,297
(d) Cash and cash equivalents	15,137	16,137
(e) Short-term loans and advances	610	522
(f) Other current assets	31	22
Sub-total Current assets	22,453	21,499
TOTAL - ASSETS	89,347	80,450

5. Previous period / year figures have been regrouped / rearranged wherever necessary to conform with the current period presentation.

For and on behalf of the Board of Directors

Place: Mumbai
Date : November 8, 2015.Rajesh Bhatia
Managing Director



AGARWAL & ASSOCIATES

Chartered Accountants
KOLKATA, MUMBAI

Office No. : 53, Ground Floor
Citi Mall, New Link Road
Andheri (W), Mumbai-400053
Mobile : 9831579045

E-mail : agarwals.associates@gmail.com

LIMITED REVIEW REPORT

To

The Board of Directors,
TREE HOUSE EDUCATION & ACCESSORIES LIMITED

Introduction

We have reviewed the accompanying statement of Unaudited Financial Results of **Tree House Education & Accessories Ltd.** (the Company) for the Quarter ended 30/09/2015 ("the Statement") being submitted by the company pursuant to the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges except for the disclosures in Part-II – Select Information referred to in Para 4 below. We have also reviewed statement of Asset and Liabilities of the Company as on the date. The statement of quarterly / six months financial results has been prepared from interim financial statements which are the responsibility of the company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Conclusion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with the Accounting Standards referred to in section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with the stock exchange, including the manner in which it is to be disclosed, or that it contains any material misstatement.





AGARWAL & ASSOCIATES
Chartered Accountants
KOLKATA, MUMBAI

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Cont.....

Report on Legal and Other Regulatory Requirements

We also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreement with the Stock Exchange and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter Ended 30/09/2015 of the Statement, from the details furnished by the Registrars through Management .

For Agarwal & Associates
Chartered Accountants
(Firm Registration No. 323210E)

Naresh Agarwal
(Naresh Agarwal)



(Partner)
(Membership No. 063049)

Place of signature: Mumbai
Date: 8th Nov 2015

Tree House Education & Accessories Ltd.

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Tree House Education & Accessories Limited

702, C Wing, Morya House, Off New Link Road, Near Infinity Mall, Andheri (W), Mumbai, 400053, Maharashtra, India

Results press release dated November 8, 2015

Tree House announces 22% revenue growth in H1

Financial Highlights for H1 FY 2016

- Revenue from Operations at INR 126.28 cr, up 21.8%
- Operational EBITDA at INR 74.35 cr, up 18.1%
- Profit after tax at INR 30.76 cr, up 7.4%
- EPS (fully diluted) is Rs. 8.03
- Opened 108 preschool centers during H1, 73 in Q2, taking total to 720 centers
- Big entry in New Delhi/NCR market
- Key centers to be re-branded as "Tree House i"

Tree House Education & Accessories Limited (Treehouse) reported its audited financial results for the 2nd quarter ended September 30, 2015.

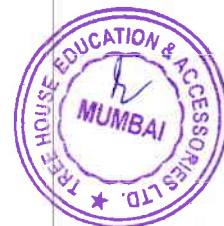
Financial Highlights for Q2FY16

Particulars	Q2 FY2016	Q2 FY2015	Growth
Revenue from Operations (INR cr)	57.25	49.76	15.05%
Operational EBITDA (INR cr)	30.15	29.69	1.55%
Profit after Tax (INR cr)	12.74	12.59	1.35%
EBITDA Margin	52.66%	59.66%	(700)bps
PAT Margin	22.25%	25.14%	(289)bps

- The Company delivered positive growth momentum based on its expanding operations.
- Margins were impacted due to 73 new center openings in Q2, the highest in the history of the company in a single quarter.

New Pre Schools opened in Q2 FY2016

- There was a net addition of 73 preschools in the Q2 of FY2016.
- Total number of centers as on September 30, 2015 is 720.
- The number of self-operated preschools is 611 as on September 30, 2015.
- Ratio of self operated preschools to total preschools is 84.86%.



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Geographical coverage

- Currently present in 103 cities in India.
- New cities launched in Q2 FY2016 are: Ahmednagar, Goa, Gurgaon, Jalgaon, Noida, Ratnagiri.

K-12 school management services

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

Staff strength

- Total staff strength as on September 30, 2015 is 2,576.
- Total teacher strength as on September 30, 2015 is 2,453.

Update on Receivables

As the table below explains, nearly 50% of the outstanding receivables as on 30th September 2015 have since been received and we are on track to recover the balance.

Debtors mentioned in the unaudited financials can be summarized as follows:

Particulars	Rs. in lacs.				
	As on 31 st March 2015 (Gross)	Invoiced during Q1 & Q2 FY 16	Received during Q1 & Q2 FY 16	Balance as on 30 th Sept 2015 (Net of Provision)	Subsequent Collections (till 07 Nov. 2015) *
Pre-school	751.89	10,453.77	8,922.66	2,283.00	1,836.00
Franchisees	30.91	274.65	130.56	175.00	145.00
K-12	3,514.15	1,808.38	1,519.53	3,803.00**	1,135.00
Total	4,296.95	12,536.80	10,570.75	6,261.00	3,116.00

* Subsequent collections (certified by the statutory auditors) refer to amount collected out of amount due as on 30th September 2015.

** of the K-12 receivables as on 30th September 2015, an amount of INR 1995 lacs is more than 6 months of which INR 884 lacs has been received subsequently and an amount of INR 602 lacs is accrued but not due.



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Non-financial highlights

- The Company has expanded its daycare foot print, now available at 250 centers, based on encouraging response from parents. The Company believes that this service will contribute meaningfully to its financial performance in the future. The Company has entered into tie ups with large employers in the IT, ITES, banking and consulting space to provide daycare services for their employees.
- The Company's initiative to provide low cost, quality pre-primary education under the GLOBAL CHAMPS brand is now available at 6 centers in Mumbai.
- **Social Initiatives**
 - The company has initiated 'Swachh Bharat Abhiyan' and conducted awareness programs in its schools across India.
 - A unique scheme was launched to impart training to women helper staff across centers to enable them to drive school buses.

Commenting on the Q2 FY16 results, Mr. Rajesh Bhatia, Managing Director of Tree House, said:

Financial Analysis

Q2 was another positive quarter for Tree House. We made further progress towards our goal of expanding brand presence nationwide, generating value and above all creating a direct connect with young minds of this country, which forms the core of our DNA. H1 FY 16 revenues increased by 21.8% over H1 FY15, while Operational EBIDTA enhanced 18.1%; this primarily reflects the solid execution of our strategy. We are also encouraged by the recent upgrade of the credit rating for our long term bank facilities by rating agency Credit Analysis & Research Ltd from CARE A- (minus) to CARE A.

Consumer Sentiments and view on the Overall Business Cycle:

We are experiencing a consumer whose spending is cautious due to the overall environment. To enable volume expansion and keep margins intact we have given favorable payment terms, since we engage with thousands of families and their children. Tree House, I have always maintained, is a social impact company and while we work towards the "for profit" goal, we also have to protect our brand and goodwill as we are a part of the emotional chord of these families.

Solid Execution of Record Openings in a single quarter:

During the quarter, we have launched 71 new self-operated pre-school centers and 2 franchisee centers. This also keeps us well on the path to launch 150 new pre-schools in FY16, of which 108 have been successfully launched in H1FY16. Today, our network spans over 103 cities with a total of 720 pre-schools (including 109 franchisees).

Big Entry in New Delhi & NCR:

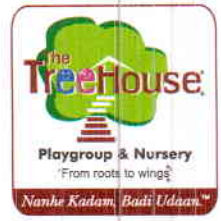
During the quarter, we have completed the setting up 35 centers in New Delhi and NCR region. With this we have entered into New Delhi and expect to add 50 more centers in this locations by end of FY 16.



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Key centers to be Re-branded:

Over the next two years, 100 key centers shall be upgraded and re-branded "Tree House i" where i stands for Innovation, Ideation, Imagination and Information. In these centers, Tablets with fully loaded curriculum for students aged 3.5 years to 6 years will be provided in each classroom. In addition the parents of these centers shall be provided Tree House Android based App, to monitor their child's activities on real time basis. We expect this to go live during academic year 2016-17.

Day Care Expansion

Our day care business continues to gain momentum and shows immense promise to be a dominant anchor for growth in the future. As of 30th September 2015, we provide day care facilities at 250 of our existing locations.

Overall, our progress thus far has been highly encouraging and we remain in line to deliver on profitable growth from leveraging on existing operations and expansion plans across the country."

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

