



Career Point Ltd.

Investor Update – 4Q and FY 2014-15



Safe Harbor

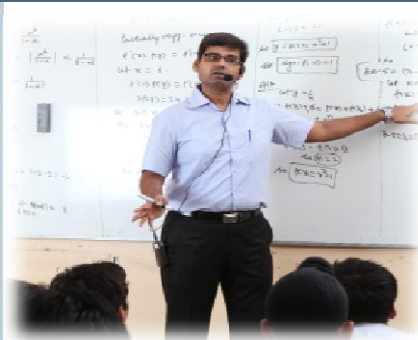
This presentation may constitute forward-looking statements. Although Career Point believes that the expectations contained in such forward-looking statements are reasonable, however, the Company makes no representation and assurance on the expectations. These statements may involve risks and uncertainties that could cause actual outcomes to differ materially from the expected outcomes. Such risks include, but are not limited to, the risk factors described in Career Point's Red Herring Prospectus and other periodic reports / filings made to the Securities Exchanges Board of India.

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

GATE ♦ IES ♦ PSU
GATE & Advanced Test Prep Division

E-Learning Solutions



e-Learning by CAREER POINT
ONLINEPADO II

CP LIVE
a CAREER POINT edu-venture

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

Skillzone

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

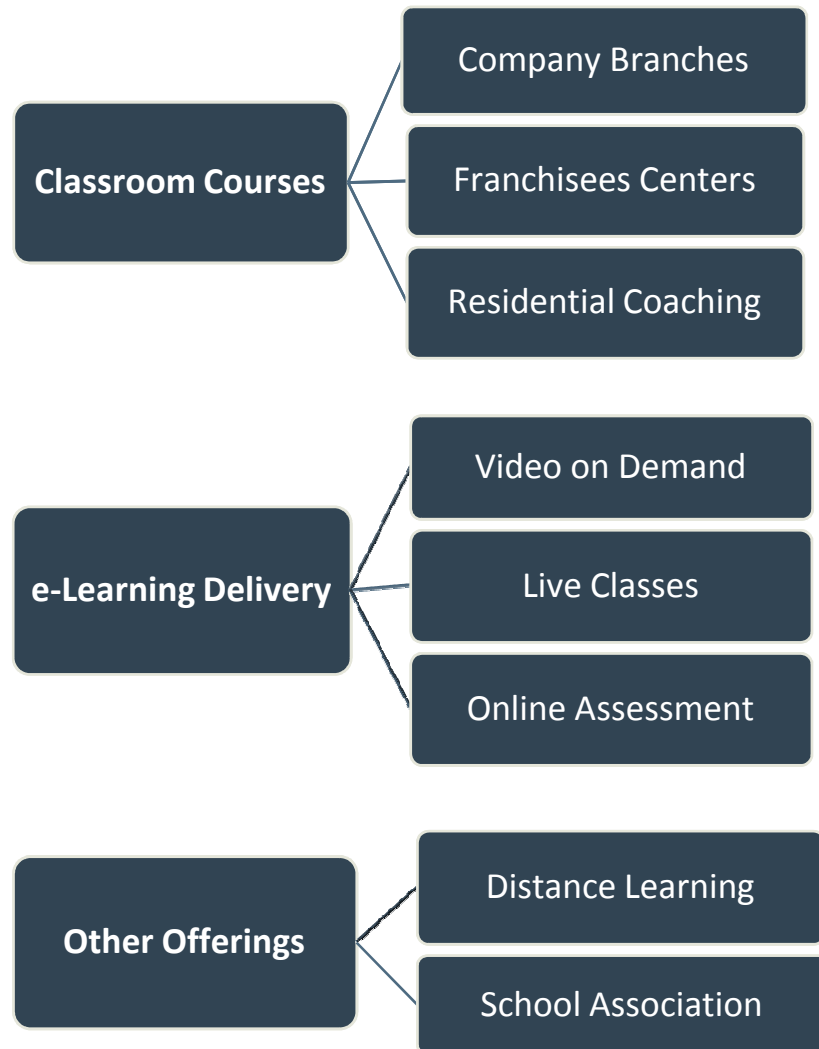


Informal Education Division

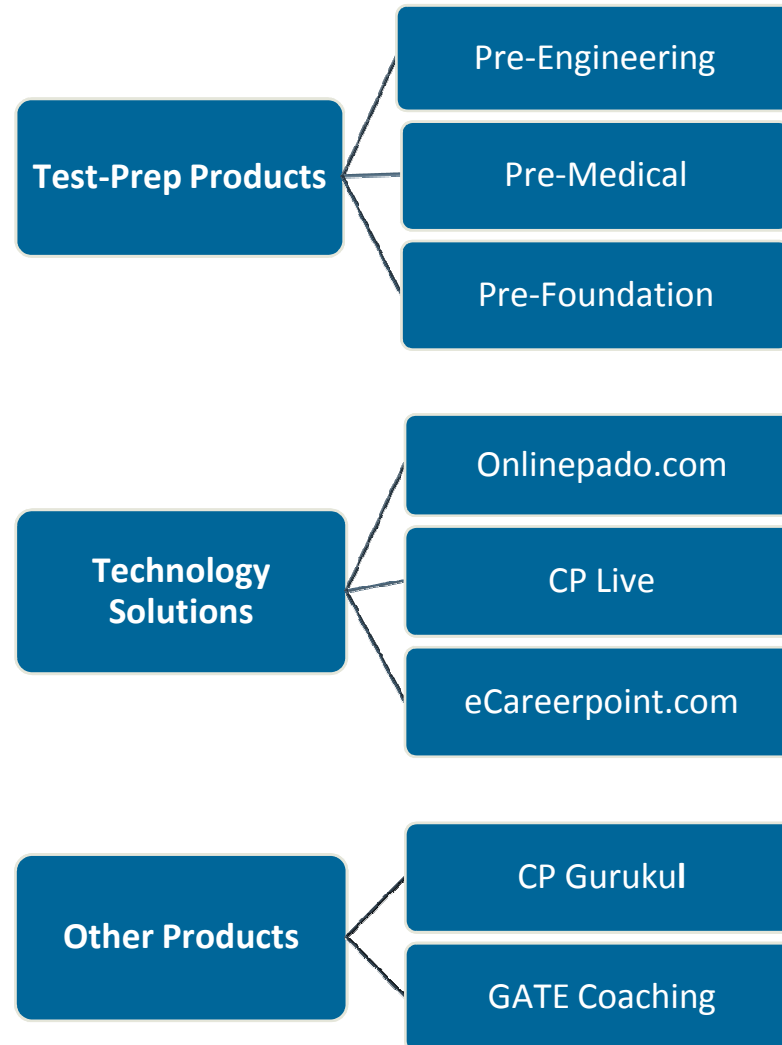
Tutorial Services - Delivery Model



Delivery Model



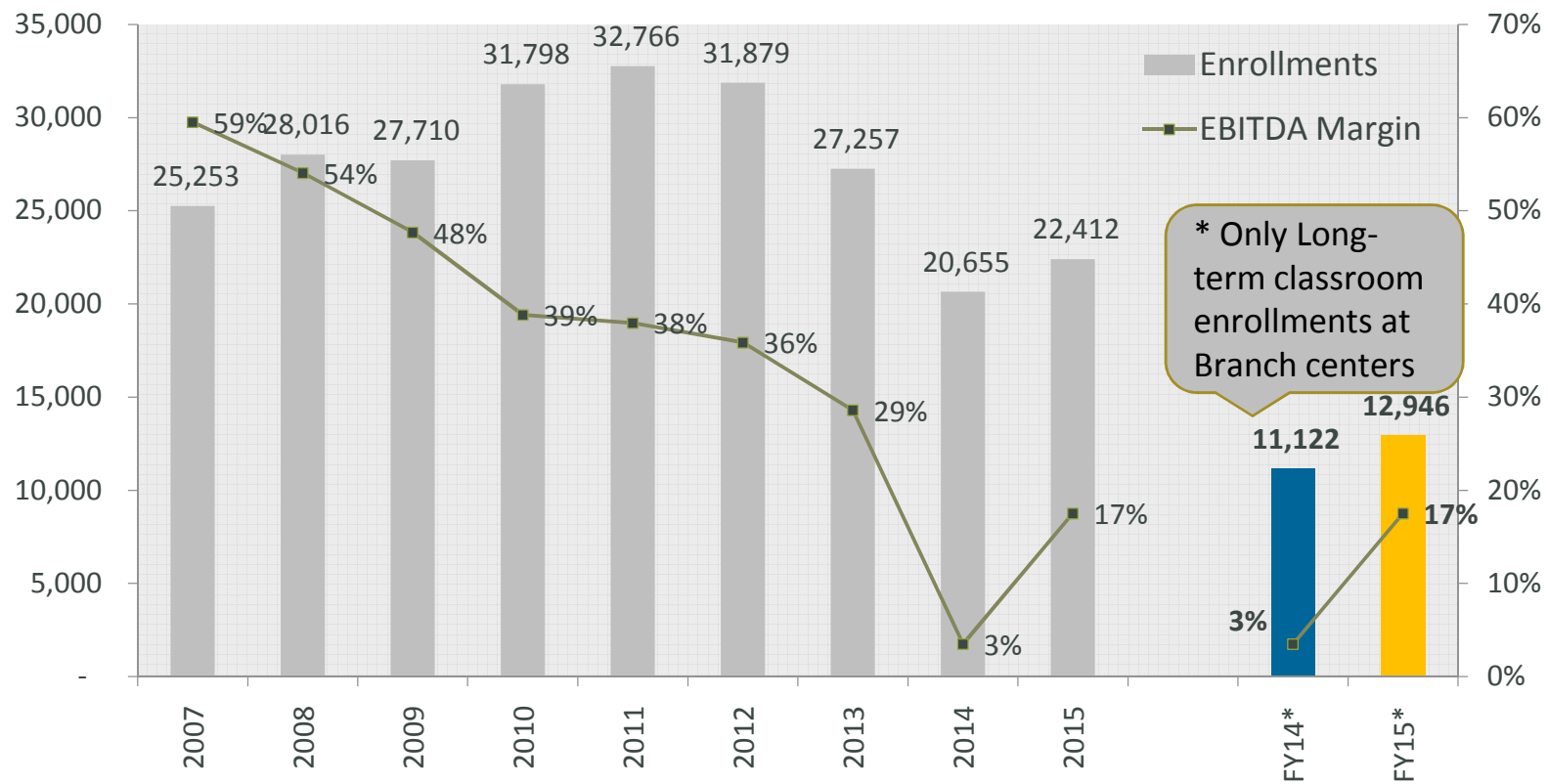
Key Products



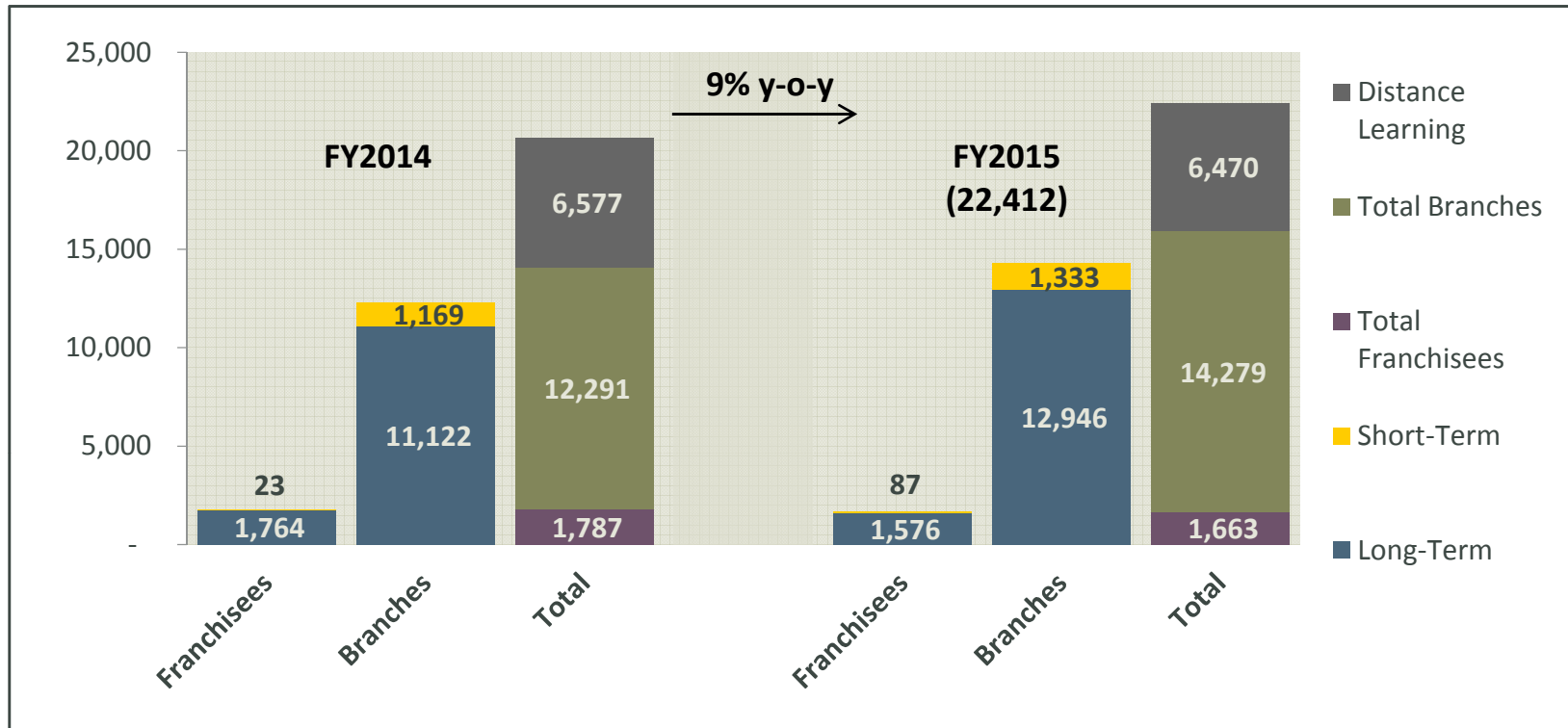
Tutorial Enrollments



FY2014: 20,655 $\xrightarrow{9\% \text{ y-o-y}}$ **FY2015: 22,412**



Enrollments Break-up



Key Highlights

- ❑ Significant rise in two-years long-term classroom programs sets a platform for next year's enrollment growth in advance
- ❑ Contribution in growth is a mix of all the verticals including Pre-engineering, Pre-medical and Pre-foundation

CP Gurukul - Residential Coaching and School Campus



Academic facilities

- Coaching Campus
- CBSE School up to 12th
- Library & Reading Rooms
- Practical Labs
- Academic Assistance

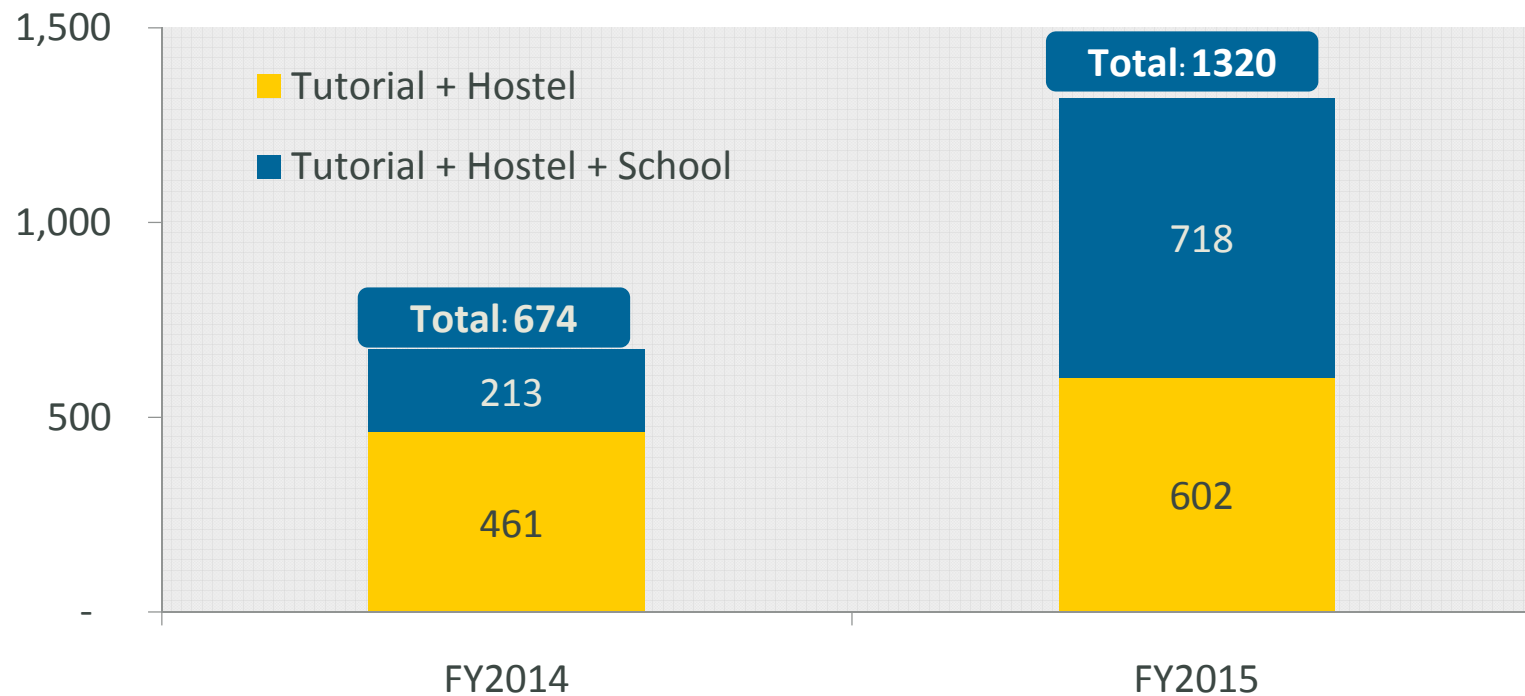
Living Experience

- Boys and Girls Hostels
- Guest house for relatives
- Apartments (1&2 BHK) for parents
- Staff residences
- Play Grounds

Student Welfare

- Mess, Cafeteria and Food Court
- Health care Services
- Departmental Stores
- 24 Hrs Security

CP Gurukul Campus Enrollments



Key Highlights

- ❑ Academic session 2014-15 is second year of operations.
- ❑ Enrollments are almost doubled with students from more than 22 states of the country.
- ❑ Higher growth in students who avail both - school and tutorial services - against only tutorial results in to higher price realization per student

e-Learning Solutions



OnlinePado.com

- Online marketplace with experts' videos on demand
- Choice to students for anytime, any topic and anyplace learning on multiple devices.
- Video on-demand



eCareerPoint.com

- Online assessment platform
- Provides personalized and relative feedback based on statistical techniques.



CPlive.in

- Internet based solution which allows students to access live classes from remote locations.
- Real-time two-way video-interactive classes.





Formal Education Division

Formal Education Institutions



Career Point University
Kota, Rajasthan



Career Point University
Hamirpur, Himachal Pradesh



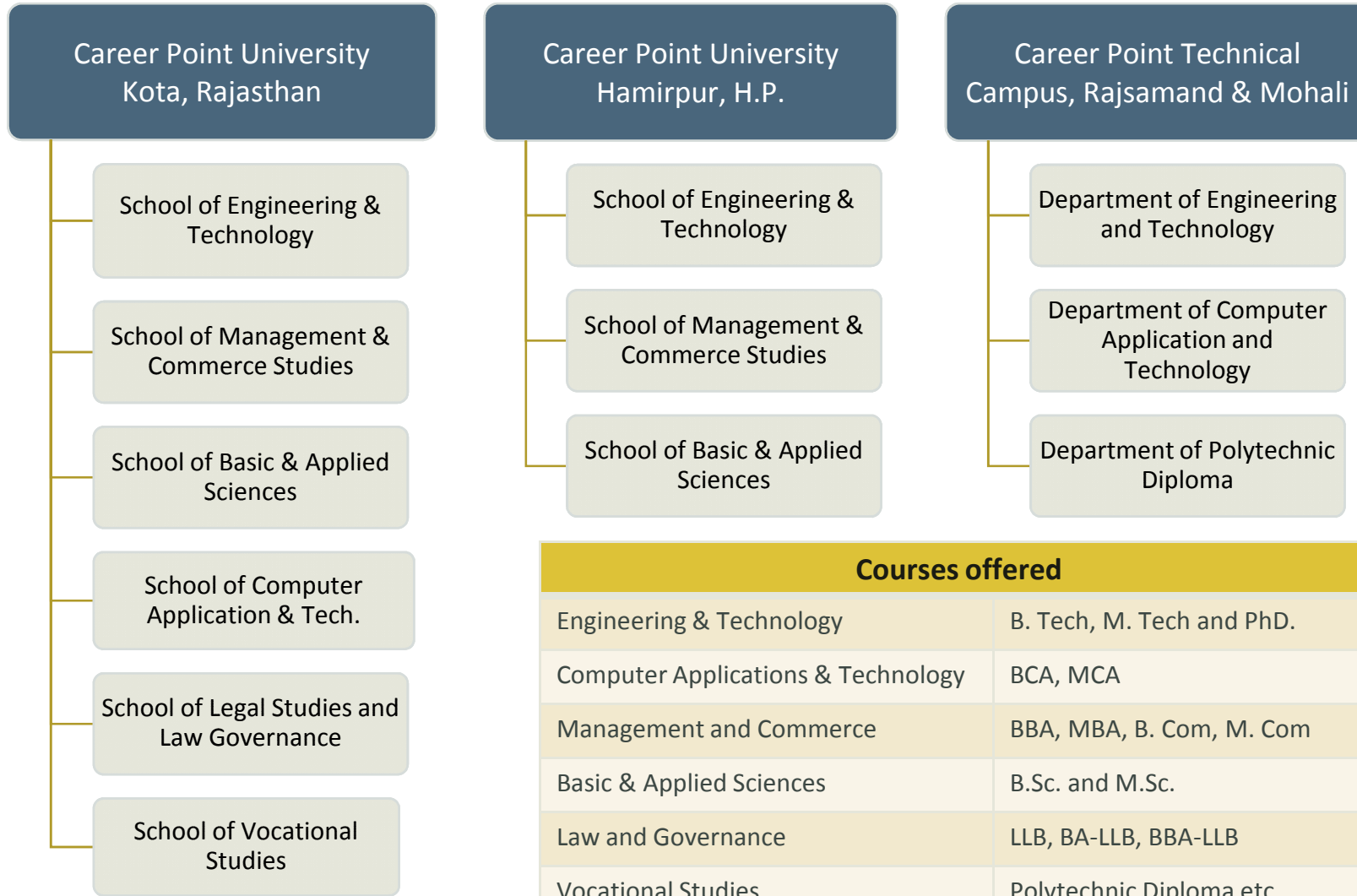
Career Point Technical Campus
Rajsamand (Raj) & Mohali (Punjab)



Global Public School Kota (Rajasthan)
JBS (Kota) & JJPS (Jodhpur)



CP: Higher Education Institutions



Courses offered	
Engineering & Technology	B. Tech, M. Tech and PhD.
Computer Applications & Technology	BCA, MCA
Management and Commerce	BBA, MBA, B. Com, M. Com
Basic & Applied Sciences	B.Sc. and M.Sc.
Law and Governance	LLB, BA-LLB, BBA-LLB
Vocational Studies	Polytechnic Diploma etc.
Post PG	M.Phil, PhD

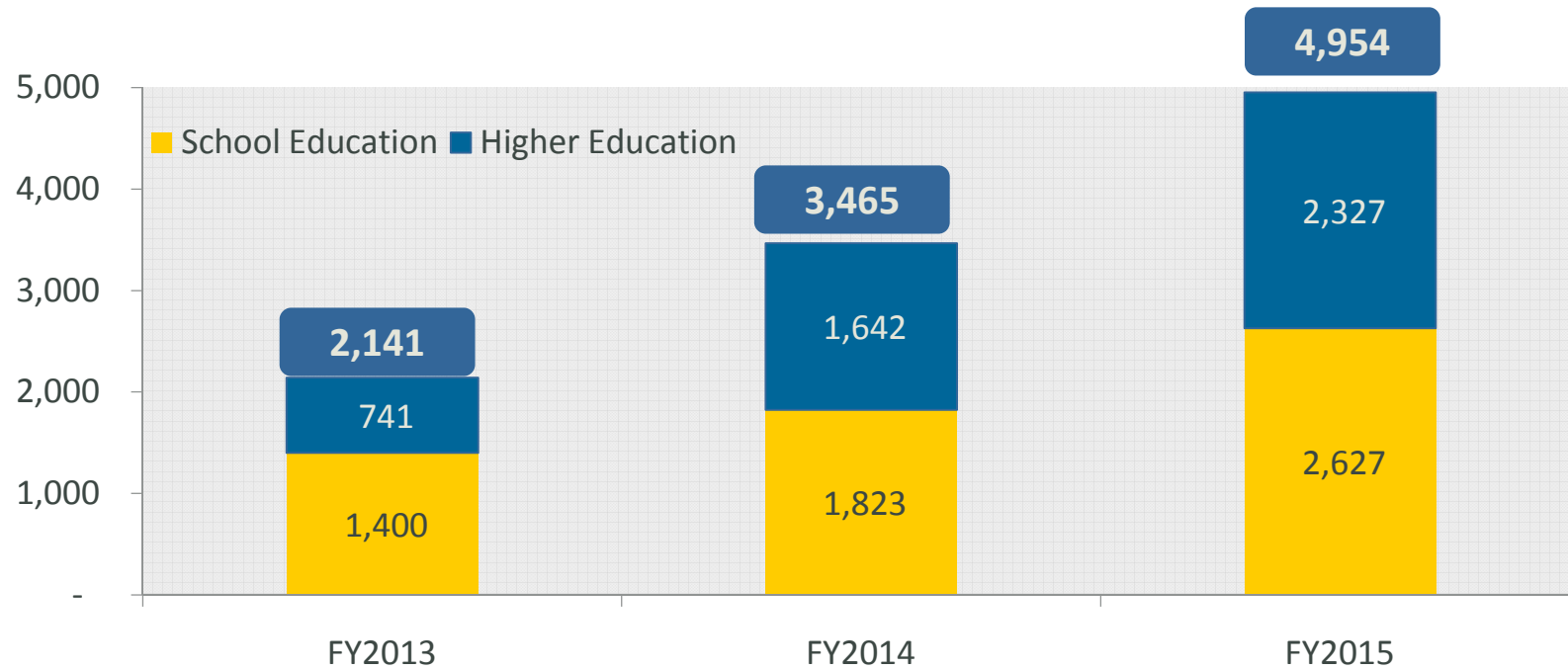
CP: School Education



	Global Public School, Kota	JBS Childrens' Paradise, Kota	Jeevan Jyoti Public School, Jodhpur
Operational Since	Year 2003	July 2012	July 2012
Location	Kota	Kota	Jodhpur
Affiliation	CBSE	CBSE	CBSE
Category	Day-School	Residential	Day-School



Formal Education Enrollments



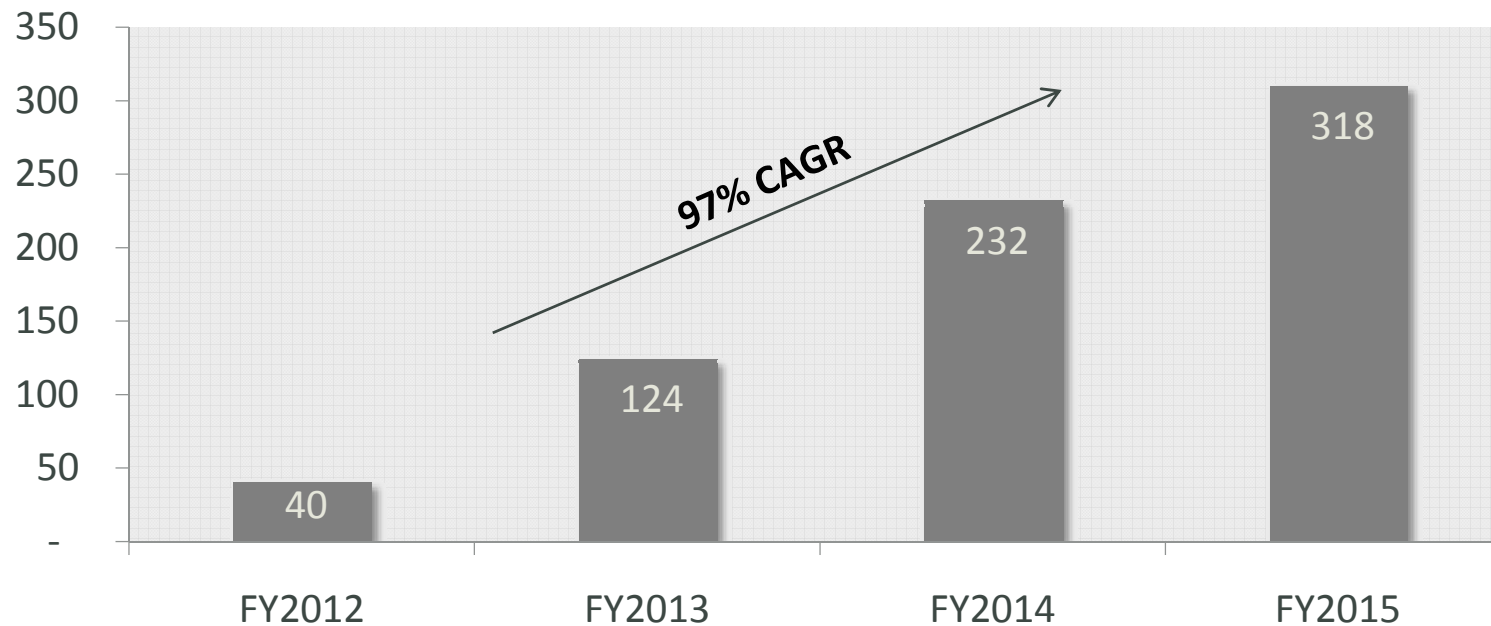
Key Highlights

- ❑ Enrollment CAGR of over 50% for last two years (by end of academic session 2014-15)
- ❑ Universities & other Higher education institution just completed 3rd Year of operation. Two schools are in 2nd year of operation. Hence growth momentum will continue in subsequent years.

Formal Education Income



Auxiliary Education Fee (Rs Lacs)



Key Highlights

- ❑ New enrollments are resulted an increase of over 30% (y-o-y) in auxiliary education fee in fiscal 2014-15
- ❑ University projects are already out of gestation in their 3rd year of operations against industry trend of 5 to 7 years.

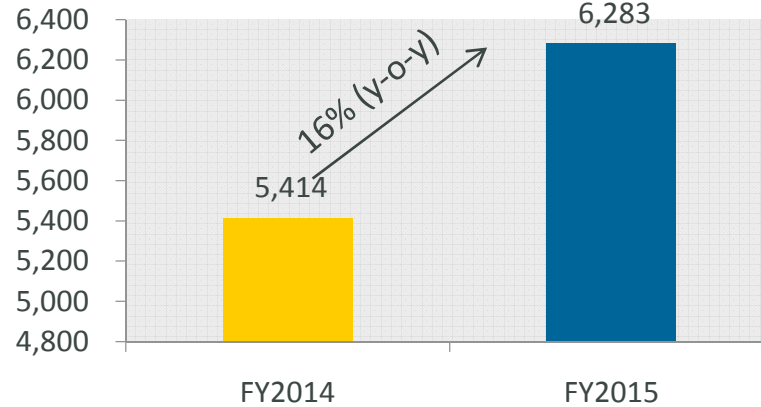


Key Financial Update

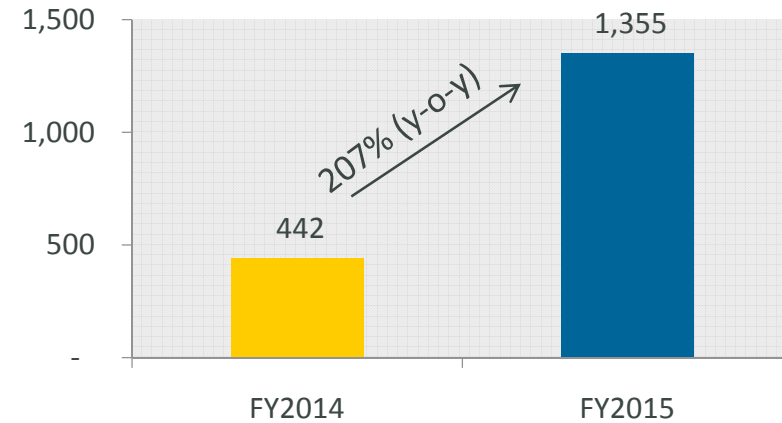
Financial Update – Standalone (reported)



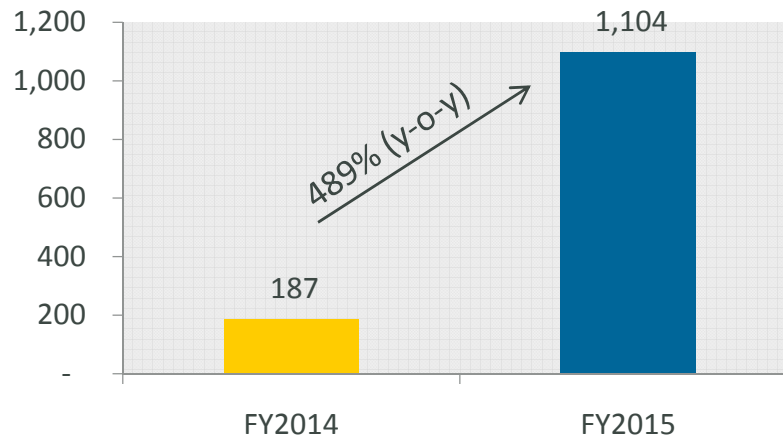
Income from Operations (Rs Lacs)



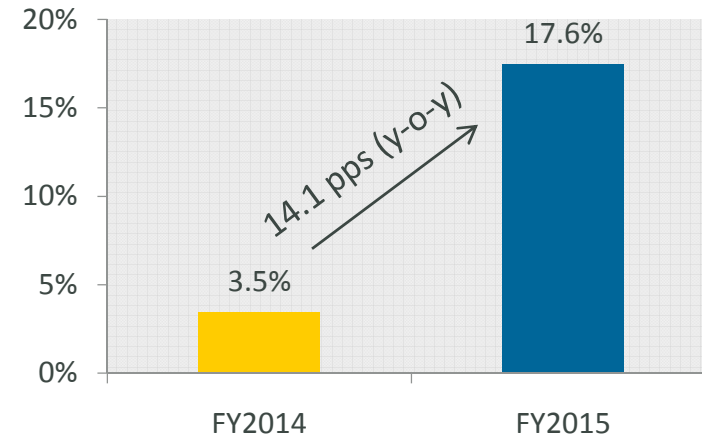
Profit Before Tax (Rs Lacs)



Operating EBITDA (Rs Lacs)



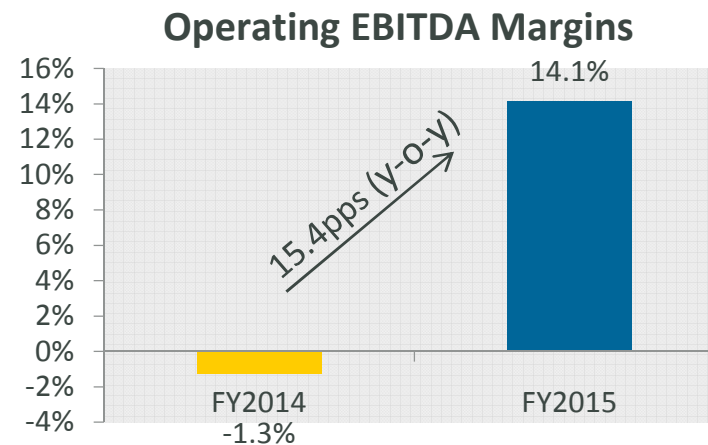
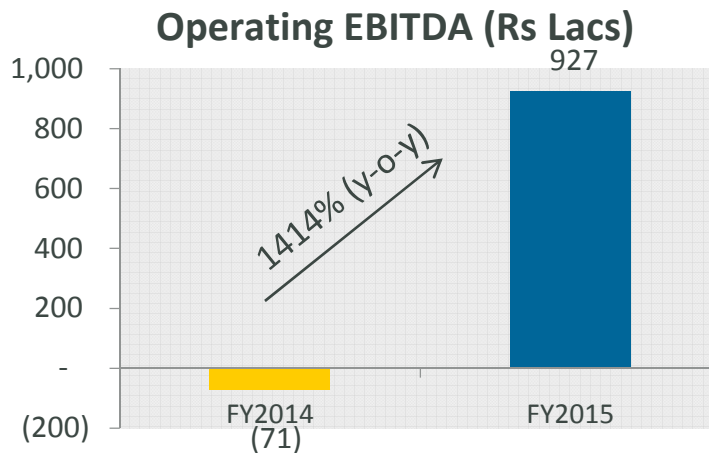
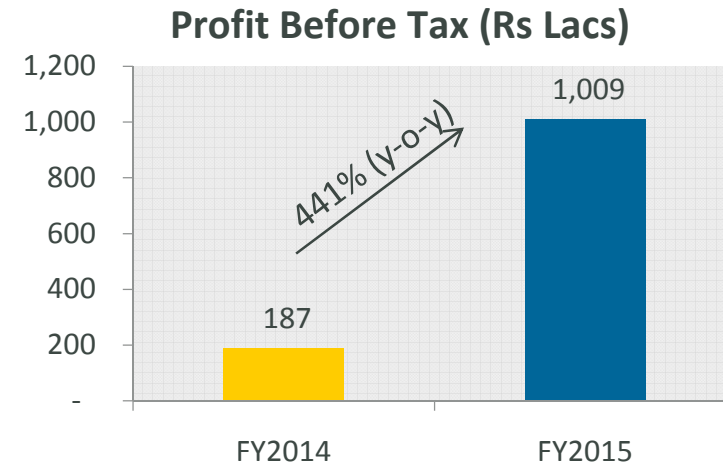
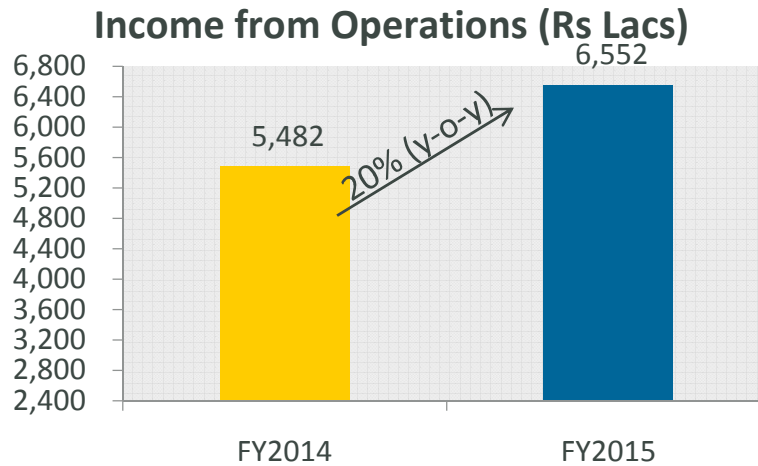
Operating EBITDA Margins



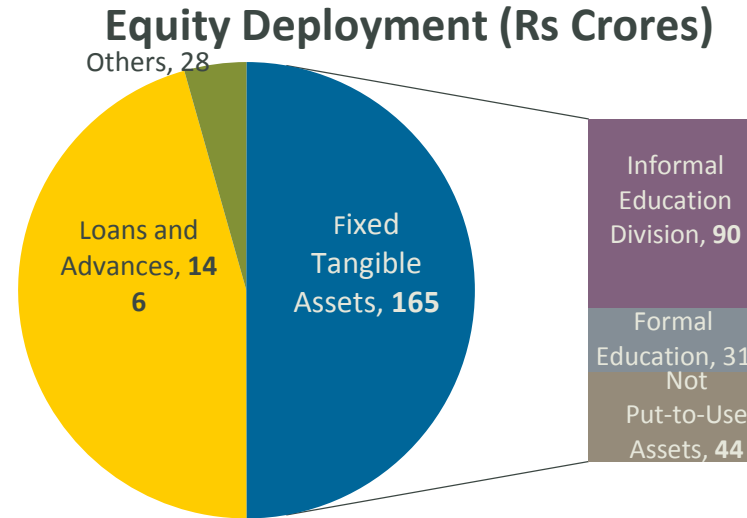
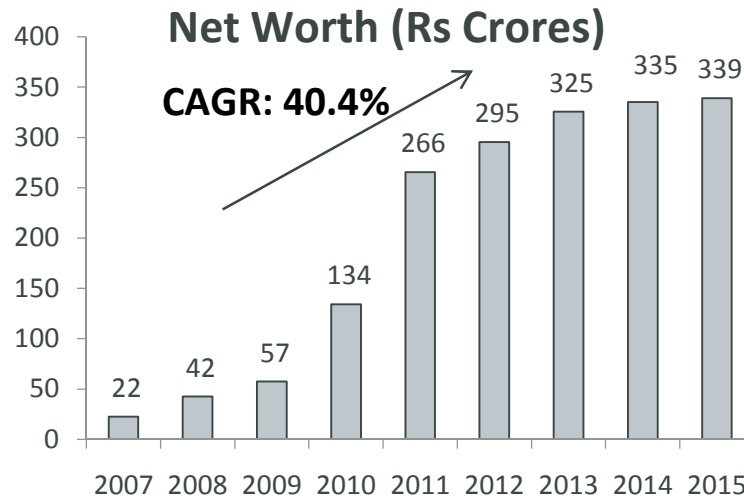
Financial Update – Consolidate (Adjusted*)



Adjusted for like to like comparison



Balance Sheet Highlights



Unleveraged: The balance sheet is debt free. The borrowing of Rs 43 Crores essentially leveraged against the liquid investments of about Rs 50 Crores by 31 March 2015.

Assets Appreciation: The company holds tangible fixed assets of Rs 165 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.

Asset Sale Transaction (2QFY15)



Overview

- Career Point Infra Ltd. , a wholly owned subsidiary of Career Point Limited, has executed the transaction to sell the fixed assets of higher education institutions.
- The transaction will simplify the overall structure and will be more financially efficient, for the company point of view with asset-light business model .
- The financial performance at consolidate level for FY2014-15 is impacted by extraordinary items as outcome of said transaction.

Transaction Details

- Sale Price of Assets: Rs 7,029.2 Lacs
- BV as per Company Act: Rs 7,834.0 Lacs
- Extraordinary loss on BV: Rs 622.4 Lacs

Related Information

- Lease Income earned in past: Rs 1,700 Lacs
- Value as per Income Tax : Rs 6,890 Lacs
- Certified Registered MV: Rs 6,950 Lacs

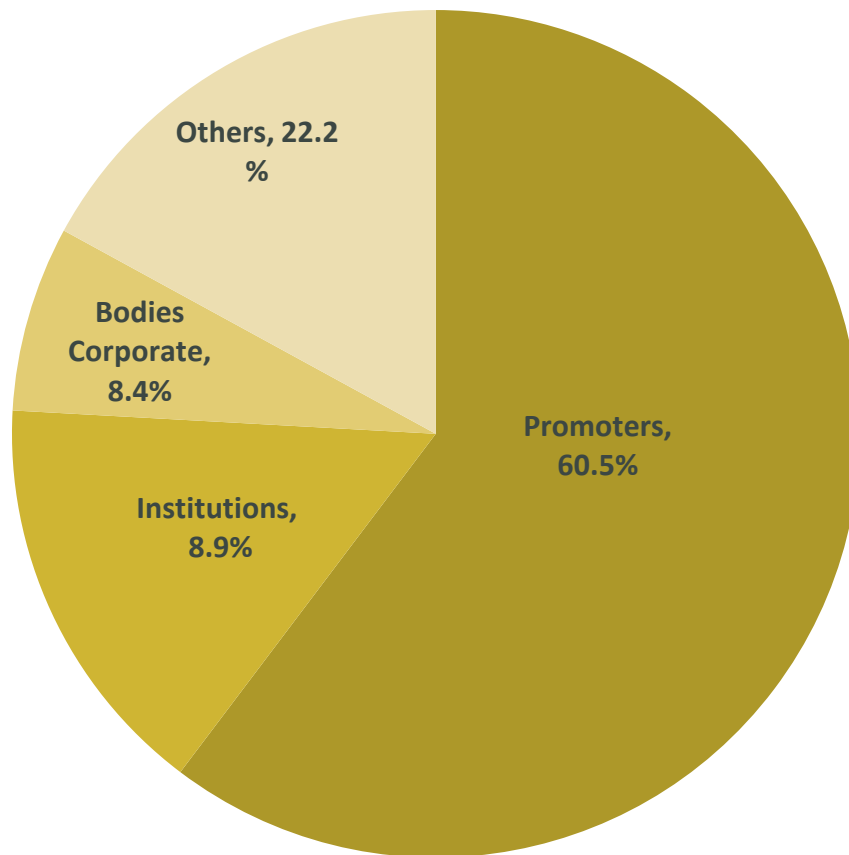


Investment Prospect

Shareholding Pattern



Stock exchange	Symbol
National Stock Exchange	CAREERP
Bombay Stock Exchange	533260



Key Non-Promoters Ownership	
Fidelity Investments	3.8%
ICICI Prudential	3.3%
Franklin Templeton	3.0%
Akash Bhanshali	2.5%
Nadathur Estates	1.9%
DSP Blackrock	1.6%
Enam Investments	1.1%
Vikas Singhi	1.1%
Total	18.2%

As on 31 Mar 2015

Highlights



Established Player with Integrated Solutions

With two decades history of providing quality education, Career Point enjoys a strong brand equity in the education sector; Leveraging on its established brand, Career Point now offering multiple product offering across Test-Prep, Schools, Colleges and Universities

Strong Management Team

Career Point has a strong Promoter and rich experienced Management Team who continually explore new ventures to create shareholder value with Corporate Governance intact and accomplish Social Responsibilities

Career Point Investment Proposition

Philosophy of Excellence

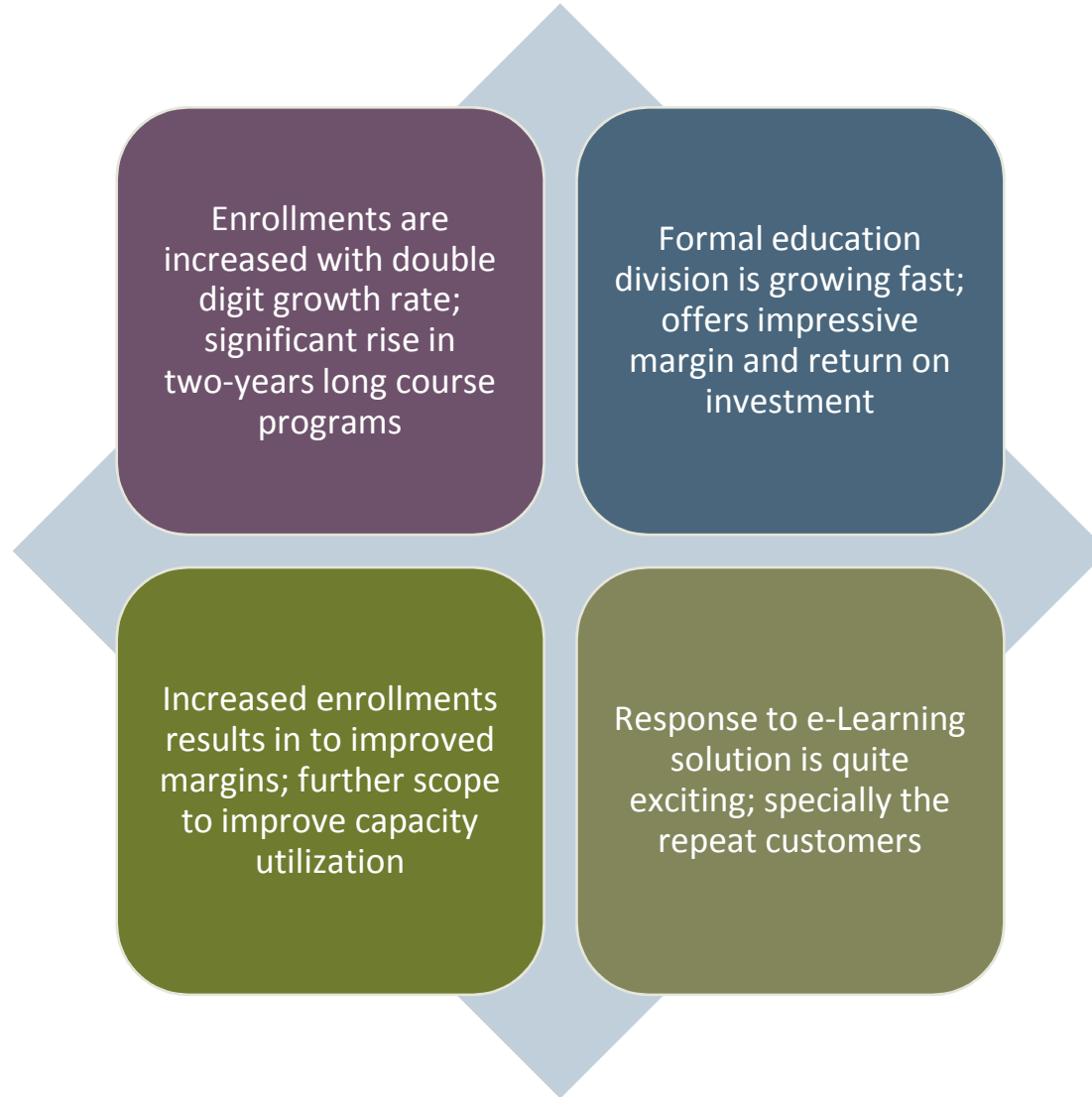
Career Point shares the vision to become global leader in providing exemplary education for betterment and empowerment of individuals through excellence in quality, methodologies and systems

Strong R&D and Technology focus

Expansion through fast and cost-effective technology based solutions with maintaining a strong focus on R&D and content development, has allowed Career Point to cater to the challenges of ever-evolving world and emerge as a leader in its business domain

With pyramid of strengths and deep-rooted foundation, Career Point is focused on creating a brighter future and delivering great value for each of the stakeholder

Key Business Indicators



Investment Rationale



Presence in evergreen education business with diversified verticals across the industry value chain

New initiatives i.e. e-Learning, Vocational are fuelling growth without any significant capex

Major formal education projects are out of gestation and have start yielding returns

Ongoing restructuring efforts aiming for a asset-light business model and improved ROI

The value of tangible assets ensures significant value appreciation from current level



Annexure 1: Latest Financials

Financials – Income Statement (Standalone)



Income Statement	Standalone					
	Rs Lakhs	4QFY15	4QFY14	3QFY15	FY2015	FY2014
Income						
Income from Operation	1,567.0	1,351.0	1,610.3	6,283.4	5,414.0	
Other Income	187.6	143.0	218.1	827.2	835.0	
Total Income	1,754.5	1,494.0	1,828.4	7,110.6	6,249.0	
Expenditure						
Cost of Material	60.7	57.4	19.5	201.9	177.0	
Employees Cost	793.6	906.8	818.6	3,348.8	3,536.0	
G&A and other expenses	361.8	370.4	324.8	1,629.0	1,513.7	
Dep. & Amort.	116.5	66.1	115.3	468.9	369.4	
Finance Charges	25.3	26.8	25.8	106.7	211.3	
Total Expenditure	1,357.9	1,427.5	1,304.0	5,755.2	5,807.3	
EBITDA	538.4	159.4	665.6	1,931.0	1,022.4	
EBITDA Margin	30.7%	10.7%	36.4%	27.2%	16.4%	
Operating EBITDA	350.9	16.4	447.4	1,103.7	187.4	
Op. EBITDA margin	22.4%	1.2%	27.8%	17.6%	3.5%	
Profit Before Tax	396.7	66.5	524.5	1,355.4	441.7	
PBT Margin	22.6%	4.5%	28.7%	19.1%	7.1%	
Profit After Tax	402.6	71.2	209.0	970.4	421.0	
PAT Margin	22.9%	4.8%	11.4%	13.6%	6.7%	
EPS (Rs)	2.22	0.4	1.2	5.35	2.3	

Financials – Income Statement (Consolidated) – 1/2



Income Statement	Consolidated					
	Rs Lakhs	4QFY15	4QFY14	3QFY15	FY2015	FY2014
Income						
Income from Operation	2,485.7	1,647.8	2,030.3	7,787.6	6,520.7	
Other Income	279.3	275.6	296.3	1,116.2	1,280.8	
Total Income	2,765.1	1,923.4	2,326.6	8,903.8	7,801.5	
Expenditure						
Cost of Material	880.3	81.1	367.8	1,431.6	238.8	
Employees Cost	858.2	954.4	888.1	3,587.7	3,695.5	
G&A and other expenses	423.6	401.7	361.7	1,786.0	1,618.7	
Dep. & Amort.	134.9	114.9	38.2	537.2	516.2	
Finance Charges	133.2	121.9	124.3	496.5	507.5	
Total Expenditure	2,430.2	1,674.0	1,780.0	7,839.0	6,576.6	
EBITDA *	602.9	486.2	709.1	2,098.5	2,248.6	
EBITDA Margin	21.8%	25.3%	30.5%	23.6%	28.8%	
Operating EBITDA	323.6	210.6	412.8	982.3	967.8	
Op. EBITDA margin	13.0%	12.8%	20.3%	12.6%	14.8%	
PBT before Extraordinary items	334.9	249.4	546.6	1,064.8	1,225.0	
PBT Margin	12.1%	13.0%	23.5%	12.0%	15.7%	
Profit After Tax #	362.7	181.5	178.6	582.1	978.3	
PAT Margin	13.1%	9.4%	7.7%	6.5%	12.5%	
EPS (Rs)	2.0	1.0	1.0	3.2	5.4	

* EBITDA at FY15 declined against last year due to removal of Lease Rent income this year.

PAT at FY15 declined against last year due to Extraordinary loss booked against asset sale.

Financials – Income Statement (Consolidated) – 2/2



Consolidate Financials (Comparable Business Performance) – FY2014-15

Revenue : +20% | EBITDA margins : +15.4 pps | Profit before tax : +441%

Income Statement	Consolidated (Like to Like Comparison)					
	Rs Lakhs	4QFY15	4QFY14 (Adj.)	Change	FY2015	FY2014 (Adj.)
Income from Ops	1,619.1	1,374.9	18%	6,551.5	5,482.4	20%
Operating Expenses	1,453.8	1,437.2	1%	5,624.8	5,552.9	1%
EBITDA	165.3	(62.2)	366%	926.7	(70.5)	1414%
EBITDA Margin	10.2%	-4.5%	14.7 pps	14.1%	-1.3%	15.4 pps
PBT before E/O items	176.6	(23.5)	853%	1,009.2	186.6	441%
PBT Margin	10.9%	-1.7%	12.6 pps	15.4%	3.4%	12.0 pps

Business Performance Comparison (Like to like):

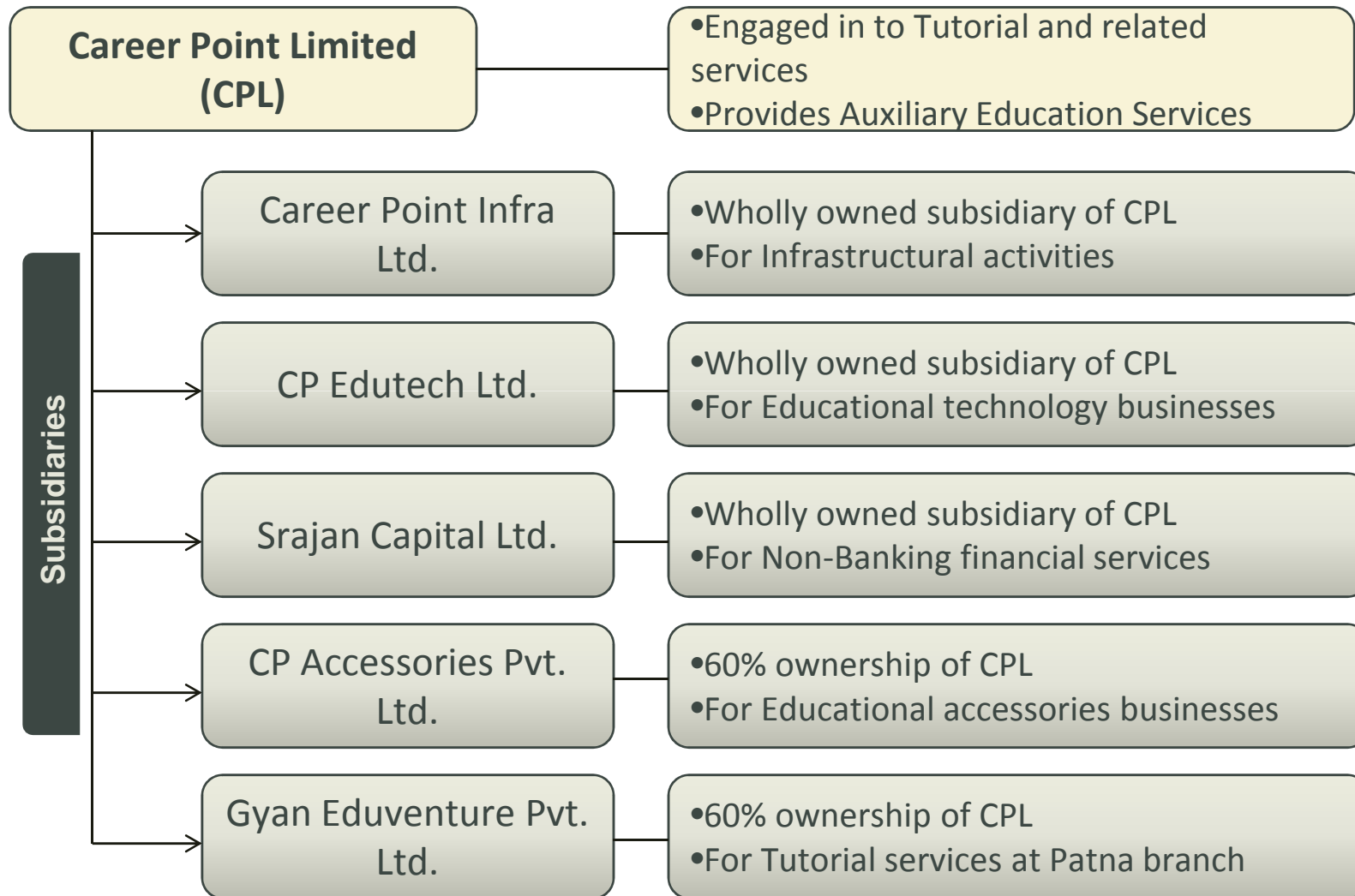
1. Adjustment of Lease rent income Rs 273 Lacs in 4QFY2014 and Rs 1038Lacs in FY2013-14
2. Extraordinary item Rs 622.4 Lacs set-off in FY2013-14
3. Adjustment of deferred taxes from the transaction of asset sales in 2Q/FY2013-14
4. Adjustment of income and expenses from Kota Automobiles in FY2014-15

Financials – Balance Sheet



Balance Sheet Rs Lakhs	Standalone			Consolidated		
	31-Mar-2015	31-Dec-2014	31-Mar-2014	31-Mar-2015	31-Dec-2014	31-Mar-2014
Liabilities						
Shareholders' fund	33,219	32,816	32,458	33,832	33,500	33,566
(a) Share Capital	1,813	1,813	1,813	1,813	1,813	1,813
(b) Reserve and Surplus	31,406	31,003	30,645	32,019	31,687	31,753
Non-current Liabilities	431	370	122	194	155	370
(a) Def. Tax Liabilities	371	322	80	134	107	328
(b) Long Term Provisions	59	48	42	59	48	42
Current Liabilities	1,460	2,133	1,200	1,580	2,612	1,436
(a) Current Liabilities	1,366	2,007	1,102	1,479	2,470	1,321
(b) Provisions	94	126	98	101	141	115
Borrowings	988	1,031	992	4,312	4,956	4,322
Total Liabilities	36,098	36,350	34,771	39,917	41,223	39,695
Assets						
Fixed Assets (inc. WIP)	12,799	12,645	12,190	16,476	16,813	22,985
Non-current Assets	17,950	20,797	15,954	10,098	11,457	7,202
(a) Loans and Advances	239	3,360	2,098	6,468	6,654	7,141
(b) Investments	17,711	17,437	13,856	3,624	4,782	42
(c) Other Assets	-	-	-	6	21	19
Current Assets	5,349	2,907	6,628	13,343	12,953	9,507
(a) Inventories	191	233	238	234	853	301
(b) Sundry Debtors	408	361	144	8,124	8,692	1,498
(c) Cash & Bank Balances	205	148	398	246	499	668
(d) Current Investments	300	553	4,198	1,458	553	5,356
(e) Loans and Advances	4,244	1,613	1,650	3,282	2,357	1,685
Total Assets	36,098	36,350	34,771	39,917	41,223	39,695

Annexure 2: Company Structure



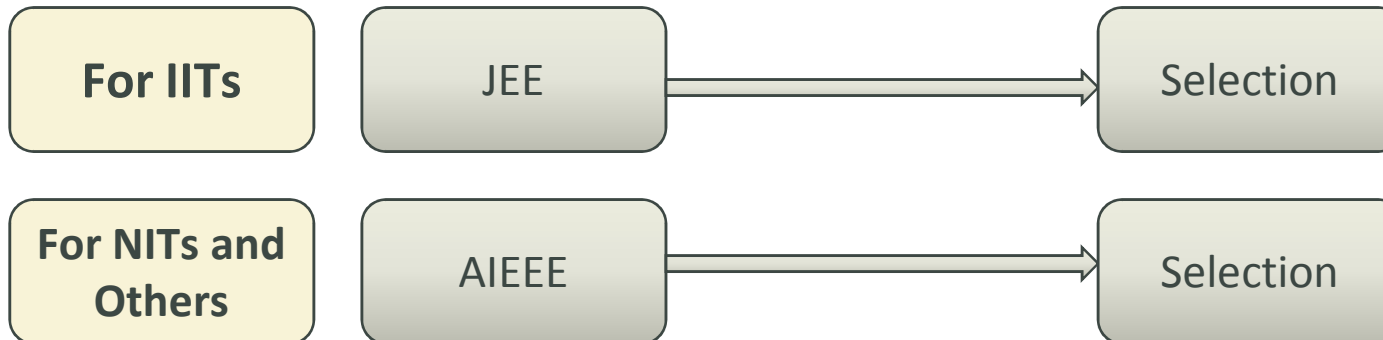


Annexure 3: JEE Pattern Change

About the change



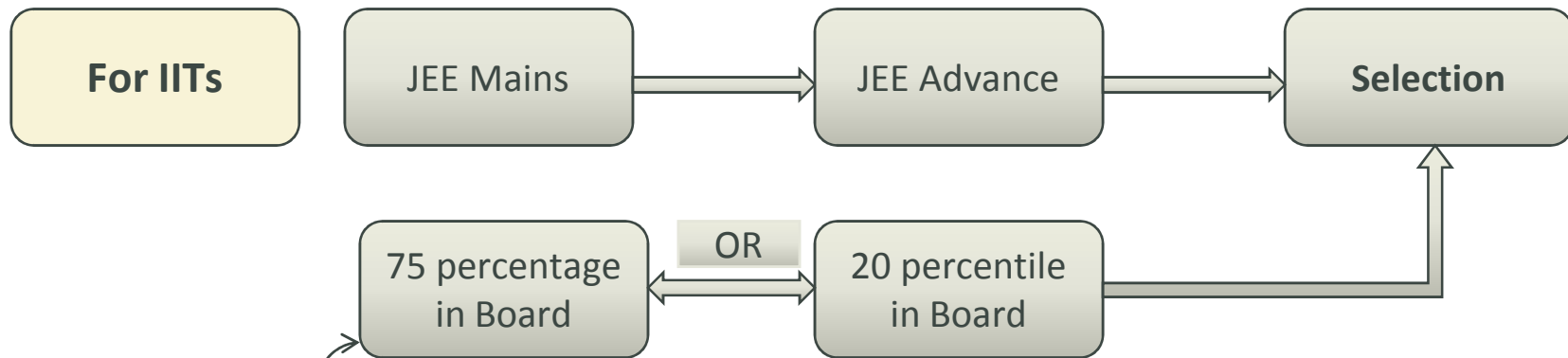
Old Selection Procedure



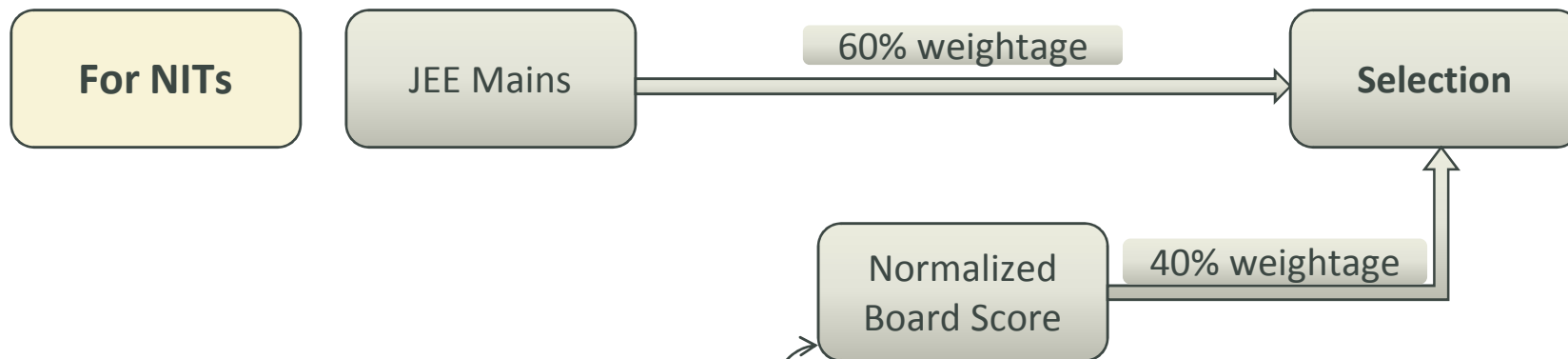
New Selection Procedure

- **Introduction of board score:** Class 12 board score has also factored in for final selections in to IITs and NITs in different modes
- **Admission in IITs:** Screening based on JEE-Main score and selection based on JEE-Advance; subject to criterion of top 20 percentile in respective board
- **NITs and others:** Weight age of 60% to JEE-Mains score and 40% to Board percentile marks normalized against all boards set against JEE-Main score

New Selection Procedure



New update announced on 22 Sep 2014 to ease the admission norms



Normalized among different board and set against JEE-Main Score

Impact



- **Initial confusion:** The percentile measure of board marks and setting against JEE score was not clearly implicit initially in absence of any historical data and explanations by regulator.
- **Board Criterion:** In the new format, Board marks as filtering criterion for engineering admissions resulted in to decline of aspirants who used to take a drop after class XII examination.
- **Divisional shift:** A divisional shift is witnessed in students enrollments from only AIEEE focused preparation to JEE-Main + JEE-Advanced course studies.

Thank You



Career Point Limited

Corporate Office: CP Tower, Road No-1, IPIA, Kota (Rajasthan) – India. Ph: +91 744 3040000

Registered Office: 112-B, Shakti Nagar, Kota (Rajasthan) – India

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Investor Contact Details

Mr. Pramod Maheshwari | Chairman & Managing Director | pramod@cpil.in

Mr. Mahesh Bhangriya | Vice President - Corporate Strategy | mahesh@cpil.in

Mr. Tarun Jain | Company Secretary | tarun.jain@careerpointgroup.com