

Tree House Education & Accessories Ltd.

Corporate Office:

301, Embassy Chambers, 3rd Road, Khar (W),
Mumbai - 400052. Tel.: 022-40169587 / 64572725
CIN : L80101MH2006PLC163028

Registered Office:

702, Morya House, 'C' Wing, Off Link Road,
Andheri (W), Mumbai - 400 053.
Tel.: 022-64512384, Fax 022-26051259



November 14, 2014

To,
Bombay Stock Exchange Ltd.
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai-400 001

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block, BKC, Bandra (E), Mumbai – 400 051

To,
MCX Stock Exchange Ltd.
Suren Road, Andheri (East), Mumbai - 400 093

Dear Sirs,

Sub.: Intimation to Stock Exchange – Results Presentation for half yearly and second quarter ended September 30, 2014

Ref.: Ref.: Scrip Code: 533540 / Symbol: TREEHOUSE

We are attaching a copy of the 'Results Presentation' in connection with the captioned subject.

We request you to kindly take it on your records.

Thanking you,

Yours truly,

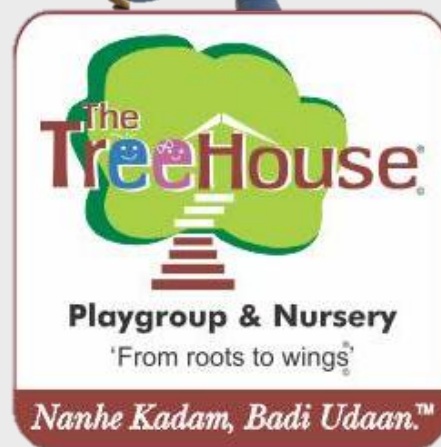
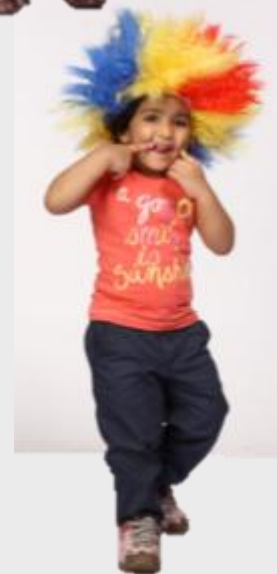
For Tree House Education & Accessories Limited


Pooja R. Bhimjiyani
Company Secretary





Q2 & H1 FY15
Result Presentation
November 14,
2014



Tree House Education and Accessories Ltd

Overview of Tree House



Overview of Treehouse

Tree House is India's leading educational service provider operating the largest number of branded self-operated pre-schools



India's largest self operated pre-school chain



Playgroup, Nursery, Jr. KG and Sr.KG

Self operated pre-school chain targeting a large untapped segment: the urban aspirational

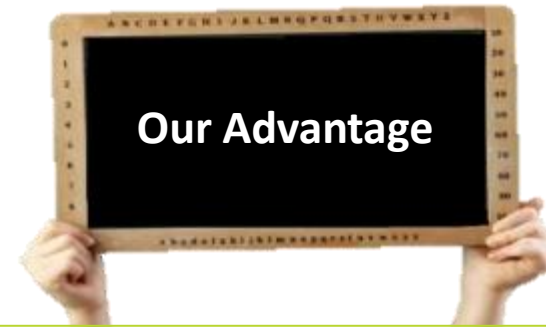


School management services (annuity income) to K-12 schools in strong pre-school clusters

Pre-Schools

K-12

Pre-schools



High-Quality Programs

- Tree House's unique curriculum blends the best of Playway and Montessori methods to provide a perfect balance of education and fun
- Curriculum content delivered uniformly across the country

Holistic Developmental Education

- Learning methods develop the child's social, physical, emotional & cognitive skills
- Emphasis on role play and socio-dramatic plays (promoting out of the box thinking)
- Learning outcomes measured for every child every year
- Innovative teaching methods introduce the child to formal education in the most conducive manner

Student-Focused

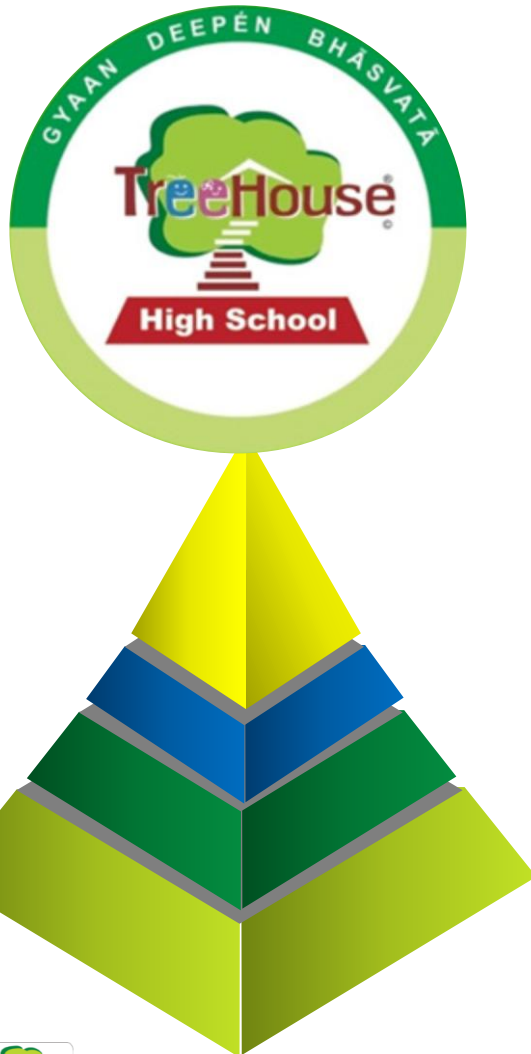
- Programs are designed to cater to the needs of each child in a customized way to help physical and intellectual growth

Focused Faculty

- Regular nationwide training for all teachers
- Teacher productivity and output constantly measured

Tree House's USPs

- Monthly updates to parents through newsletters
- Parent involvement in special activities



Logical extension of our preschool business – pre-schools as feeders to K-12



The company enters into long term contracts to provide school management services



The company endeavors to leverage the Tree House brand



Provide school management services (annuity income) to K-12 schools in strong pre school clusters



Annuity model with predictable cash flows delivering significant year-on year growth

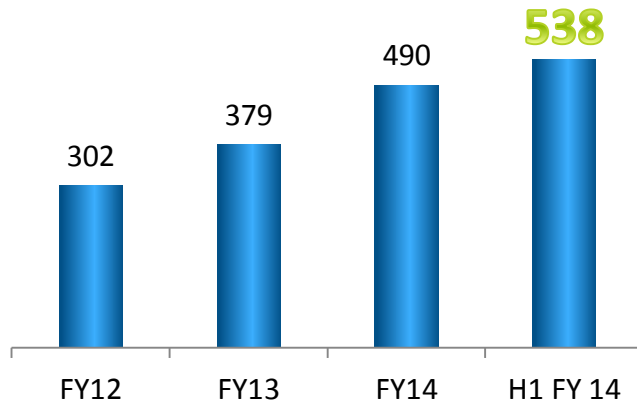


The company owns K-12 infrastructure on which it earns lease rentals. Over the next 36 months the company will endeavor to monetize these assets

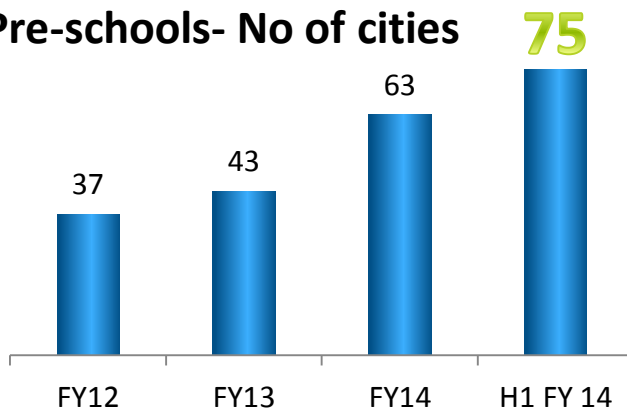
Our Network

Nationwide presence

Tree House Pre-schools- No of centers



Tree House Pre-schools- No of cities



Tree House K-12 schools

24
schools

Present in Maharashtra, Gujarat
and Rajasthan

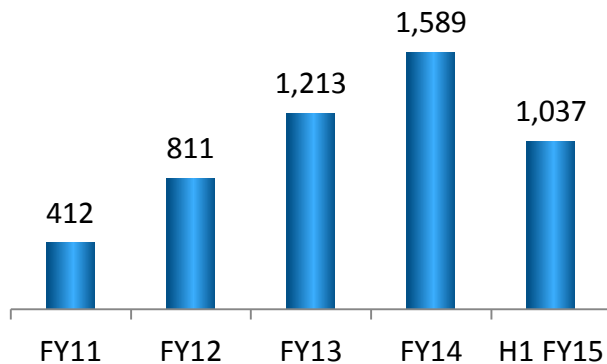
Network as of 30 September , 2014

Financial Overview

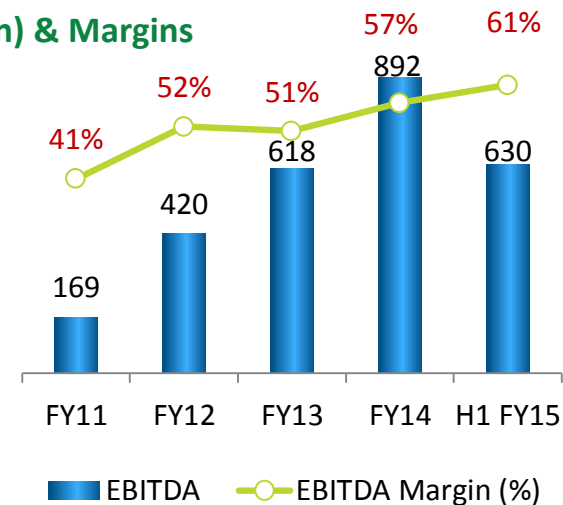


Financial Trends

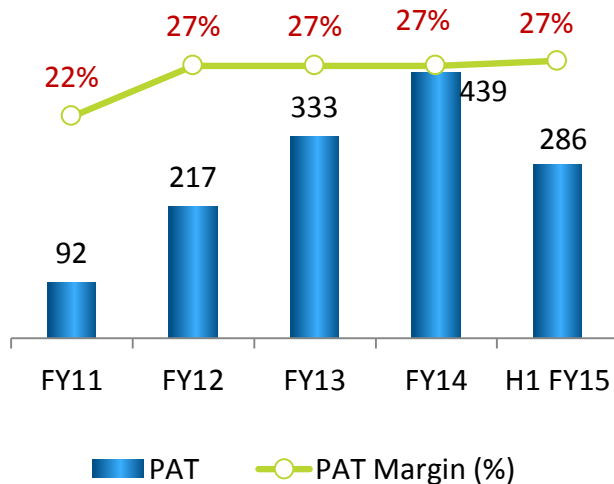
Revenues from Operations (Rs mn)



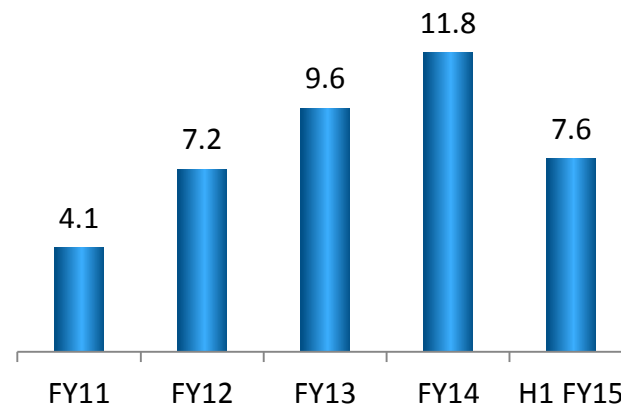
EBITDA (Rs mn) & Margins



PAT (Rs mn) & Margins



Diluted EPS (INR)



Q2 & H1 FY15 Performance



Operational Highlights

Pre Schools

33 net addition of pre – schools in Q2 FY15



538 centers as on September 30, 2014

- The number of self-operated preschools is 435
- Ratio of self operated preschools to total preschools is 80.85%

Present in **75** cities in India

- 8 New cities launched in the quarter : Dewas, Bhilai, Ujjain, Allahabad, Gwalior, Hazaribagh, Kota and Beawar



Operational Highlights

K-12 School management services

- The Company is providing school management services to 24 K-12 schools in 3 states in India



Employee Strength

- Total staff strength as on September 30, 2014 is 2100
- Total teacher strength as on September 30, 2014 is 2009

Day Care

- Services are currently offered at 104 number of centers
- The model is gaining traction and presents huge potential for growth



Corporate developments

- ✿ The Board of Directors approved and executed the Memorandum of Understanding (MOU) for sale of Tree House's land and building located at Vadodara, Gujarat
 - The particular property being considered for sale under this MOU is located at Village Atladara, Vadodara, Gujarat and represents one of five K-12 school land and building premises fully or partly owned by Tree House. The Company plans to monetize its physical assets while continuing to provide educational services to these institutions.

- ✿ Tree House listed among the country's most trusted educational institutes
 - In the first ever study conducted by TRA (formerly Trust Research Advisory), Tree House received the highest rank for any pre-school in India
 - The report was based on findings from 7 million data points from surveys conducted across 40 cities and 8,000 respondents, modelled on a research methodology developed with the Indian Statistical Institute, making it the largest and most comprehensive such exercise in India's educational sector

Financial Highlights

Particulars (in Rs mn)	Q2 FY15	Q2 FY14	Growth	H1 FY15	H2 FY14	Growth
Revenue from Operations	497.6	412.9	20.5%	1,036.7	821.6	26.2%
EBITDA operational	296.9	229.3	29.5%	629.6	457.0	37.8%
EBITDA Margin	59.7%	55.5%	413 bps	60.7%	55.6%	510 bps
PAT	125.9	114.7	9.8%	286.3	237.7	20.5%
PAT Margin	25.1%	27.6%	(250)bps	27.5%	28.5%	(98)bps

Management Views

Commenting on the Q2 & H1 FY15 results, Mr. Rajesh Bhatia, Managing Director of Tree House, said, “I am pleased to report another quarter of steady growth in Q2 F.Y. 15. Our pre-school network saw a healthy growth trajectory as we added 33 centers in new and existing geographies. This quarter, we entered 8 new cities and are now present in 75 cities across India with a network of 538 pre-schools.

As announced earlier, we have successfully launched daycare services across the country. We aim to leverage our daycare centers on our extensive network of preschool centers. We believe that this will be a significant contributor to our revenue in the future. Our belief is based on the goodwill of the Treehouse brand, the size of the opportunity and the response to our product offering from individual as well as corporate customers.

During this quarter, we began our journey to our stated objective of creating an asset-light company by signing an MOU for the sale of our school land and building located at Vadodara, Gujarat. This is the first monetization of our K-12 assets. Over time we expect to unlock all such physical asset investments while continuing to provide school management services to these institutions.

Passionately pursuing the substantial opportunities that lie before us, our team has delivered steady growth in weak economic conditions of the last few years. We remained committed to invest in the preschool business, generate value and above all stay true to our efforts to provide high quality education.

As the economy improves, we are poised to further accelerate our momentum of expansion. We aim to be one of the top 3 preschool and daycare brands in the world. As we complete this journey, we are creating an ecosystem which will deliver superior returns to all its stakeholders for years to come.”

Outlook



Growth Initiatives

- ✿ Expansion
 - Continue thrust on expanding pre school center network in new and existing geographies
- ✿ Focus of Training and Development
 - Create a platform to encourage talent growth
 - Sustained investments towards Tree House's in-house training system to deliver quality education
- ✿ Leverage diversified offerings- Daycare & Teacher Training Program
 - Day care facility is a natural extension of the pre school center and enables the Company to sweat assets and have optimal utility
 - Professionally conducted program enables women to become qualified teachers.
- ✿ Monetize Assets
 - Committed towards monetizing investments in physical assets of K-12 schools and moving towards an asset-light operating structure





For further information please contact:

Utsav Shrivastava/Sanjay H Shah

Tree House Education & Accessories Limited

Tel: +91 22 61306100

E-mail: utsav@treehouseplaygroup.net

sanjay@treehouseplaygroup.net

Shiv Muttoo/Urvashi Butani

CDR India

Tel: +91 22 66451207 / 1219

Email: shiv@cdr-india.com

urvashi@cdr-india.com

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