

## EARNINGS RELEASE

### **RAFFLESE EDUCATION CORP POSTS REVENUE OF S\$31.4 MILLION AND NET PROFIT OF S\$4.2 MILLION FOR FY2013Q3**

- *Revenue of S\$31.4 million*
- *Net Profit of S\$4.2 million*
- *EPS at 0.43 cents*
- *Net Asset Value per share of 51.61 cents*
- *Cash position of S\$81.8 million*
- *Net gearing ratio of 0.28 times*

**Singapore, 10 May 2013** - Raffles Education Corporation Limited ("RafflesEducationCorp" or "the Group"), the largest private education provider in the Asia-Pacific region, today reported revenue of S\$31.4 million and net profit of S\$4.2 million respectively for the three months ended 31 March 2013 ("FY2013Q3").

FY2013Q3 revenue was S\$31.4 million from S\$36.0 million a year ago due mainly to a decline in PRC revenue which was offset by an increase in Asia-Pacific revenue. The Group's investments in Ex-PRC markets continued to bring forth positive results.

During the quarter, the Group recorded other operating income of S\$9.5 million due mainly to a S\$7.3 million government grant from the Langfang Development Zone Treasury Authority as funds for education development in OUC. FY2013Q3 net profit was S\$4.2 million as compared to a loss of \$0.2 million in FY2012Q3.

For the nine months ended 31 March 2013 (9MFY2013), revenue was S\$97.3 million, compared to S\$101.3 million reported in 9MFY2012. 9MFY2013 net profit was S\$16.3 million.

Chew Hua Seng, Chairman and CEO of RafflesEducationCorp, said, “We have restructured our balance sheet to match our long-term investments with the issuance of S\$130 million medium-term notes. Proceeds from the note issues were substantially used to repay short-term debt and our gearing remains essentially unchanged. Having received part of the proceeds from recent land sales, our available cash balance now stands at a healthy S\$81.8 million.”

The ability to tap the bond market reflects confidence in the Group’s businesses and is a source of funding for the Group’s future expansion. In addition, the Group retains its current short-term banking facilities.

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#### **About Raffles Education Corporation Limited**

Raffles Education Corporation Limited (“RafflesEducationCorp”) is the largest private education group in Asia-Pacific. Since establishing its first college in Singapore in 1990, the Group has grown to operate 33 colleges in 30 cities across 13 countries in Asia Pacific: Australia, Bangladesh, Cambodia, China, India, Indonesia, Malaysia, Mongolia, New Zealand, Philippines, Singapore, Sri Lanka and Thailand.

More than 21,700 students enrolled in RafflesEducationCorp’s tertiary programmes benefit from a quality education that provides graduates with a well-rounded hands-on experience relevant to the industry.

In 2012, the Group launched the Raffles University Iskandar (“RUI”) and Raffles American School (“RAS”) in Iskandar, Malaysia. Raising the profile of the Group is RUI, a comprehensive university approved by the Malaysian government. As the Group’s first pre-tertiary institution offering American K-12 education, RAS marks the Group’s entry into the international school business and its expansion into a new demographic market.

The Group also owns the Oriental University City in Langfang, Hebei Province, China – a 1.3 million square metre self-contained campus. Within this campus, Oriental University City provides education services to 6 colleges with an additional student population of over 20,900.

Headquartered in Singapore, RafflesEducationCorp employs over 2,500 academic and administrative staff, and is listed on the Mainboard of the Singapore Exchange. For more information on the Group, please visit the RafflesEducationCorp’s website at [www.raffles-education-corporation.com](http://www.raffles-education-corporation.com).

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