

NEWS RELEASE

RAFFLESEDUCATIONCORP POSTS REVENUE OF S\$127.4 MILLION AND NET PROFIT OF S\$58.3 MILLION FOR FY2014

- *Other operating income of S\$102.5 million*
- *EPS at 5.43 cents*
- *Net Asset Value per share of 55.41 cents*
- *Cash position of S\$58.5 million*
- *Low net gearing ratio of 0.37 times*

Singapore, 21 August 2014 - Raffles Education Corporation Limited (“RafflesEducationCorp” or “the Group”), the largest private education group in the Asia Pacific region, today reported a revenue of S\$127.4 million and a net profit of S\$58.3 million respectively for the full year ended 30 June 2014 (“FY2014”).

Revenue for FY2014 held steady, recording a marginal 1% decline to S\$127.4 million in FY2014 from S\$128.4 million in FY2013.

Net profit for FY2014 was S\$58.3 million, mainly contributed by the divestment of 490mu of investment properties in Oriental University City (“OUC”) and disposal of 50% equity interest in Value Vantage Investment and Management (Hangzhou) Co., Ltd.

Mr Chew Hua Seng, Chairman and CEO of RafflesEducationCorp, said, “FY2014 has been a year of transition for us as we continue our transformation into an integrated education provider. We have effectively monetised some non-core real estate holdings and re-deployed this to enhance our key competency in providing premier education services, supported by high quality properties in the Asia-Pacific region. In Singapore, we have moved to our permanent home at Raffles Education

Square, Merchant Road, while in Malaysia we are excited by developments at our Raffles American School in the booming Iskandar Development Region in Johor, Malaysia. The campus's permanent site is undergoing construction with first phase targeted for completion by the 2014-2015 school year. More recently, in Australia, we have acquired a building as part of our plans to eventually have all our campuses operate out of own premises.”

In July 2014, the Group acquired its flagship property in Australia, a six-storey modern building in Parramatta, New South Wales, Australia. This building, with a total net lettable area of 105,000 sq. ft. and 103 parking lots, is to house its Raffles College of Design and Commerce.

Mr Chew concluded, “Overall, we have seen our revenue in the PRC stabilising and we expect positive developments from the transformational strategies that are being undertaken. In addition, we also anticipate our expansion strategy outside of the PRC to yield positive outcomes in the near future.”

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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 34 colleges in 31 cities across 12 countries in Asia-Pacific: Australia, Cambodia, China, India, Indonesia, Malaysia, Mongolia, Philippines, Saudi Arabia, Singapore, Sri Lanka and Thailand.

More than 20,500 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 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 19,000.

Headquartered in Singapore, RafflesEducationCorp employs close to 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.

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