



NZX / ASX RELEASE

22 October 2015

INTUERI 2015 INVESTOR DAY – THURSDAY 22 OCTOBER

Intueri Education Group (IQE) is today holding a briefing for analysts and investors at its Brisbane premises; The OCA Group, Level 1, 130 Commercial Road, Teneriffe.

An investor presentation is attached to this announcement.

The presentation and supporting materials are also available at www.intueri.co.nz/investor-day/

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About Intueri:

Intueri Education is a New Zealand headquartered group of private training establishments delivering vocational education to students in New Zealand, Australia and from around the world.

We provide industry-appropriate courses and qualifications across a diverse range of industries, working closely with those industries to ensure training remains relevant and employment-outcome focused.

Intueri is dual listed on the NZX and ASX under the ticker symbol IQE.



Intueri Investor Open Day
Thursday 22 October 2015

Rob Facer, Chief Executive Officer

Rod Marvin, Chief Financial Officer

1. Welcome and Business Overview
2. Our Strategy for Future Growth
3. Market Opportunities
4. A Sound Financial Platform
5. Looking Ahead
6. Q&A Session (after workshops)
7. Appendix





INTUERI
EDUCATION GROUP

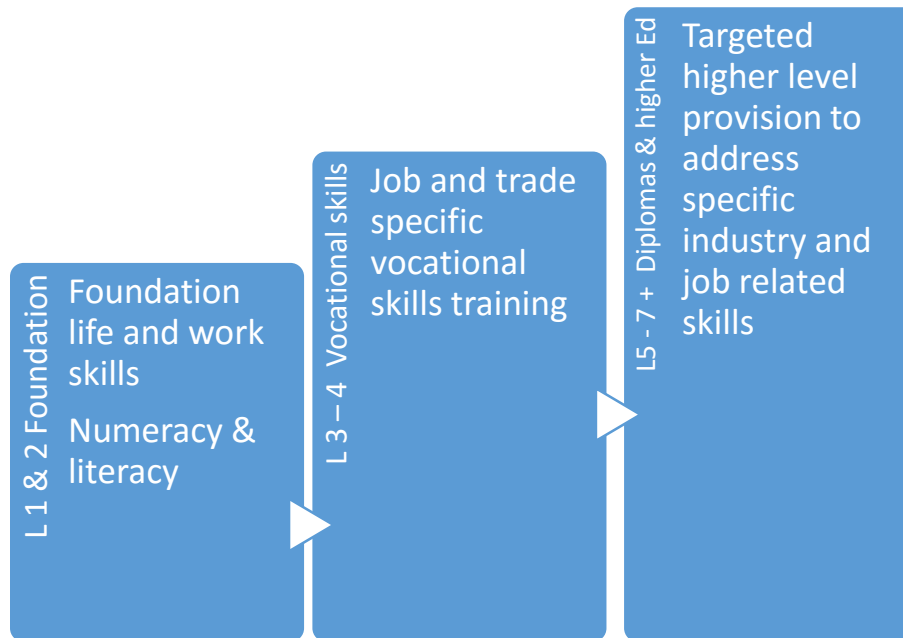


Business Overview

OUR EDUCATION MARKET

“Tertiary education helps people improve their lives, and the lives of those around them. It is a passport to success for individuals in our society, and supports wider economic growth and prosperity. Skilled people are essential to the success of businesses and other organisations”

NZ Tertiary Education Strategy 2014-2019



BUSINESS OVERVIEW

Delivering Quality Vocational Education



Intueri is the only dual listed New Zealand headquartered group, delivering high quality vocational education to a diversified cohort of students in New Zealand and Australia



- Academy Group NZ
- Cut Above Academy
- Design & Arts College of New Zealand
- Elite International School of Beauty and Spa Therapies
- Information Technology Training Institute
- NZ School of Commercial Diver Training
- NSIA - The Professional Hospitality Academy
- Quantum Education Group
- Online Courses Australia
- NZ Institute of Sport (Completion due Oct 15)
- NZ College of Massage (Completion due Oct 15)

OUR VALUES

Always do
the right
thing



All
of us
together



Embrace
our
differences



Focus
on the
learner

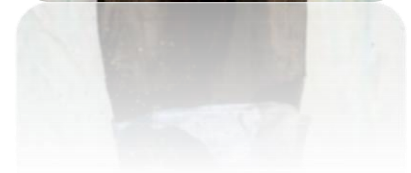


Pursue
growth



Love
what
you do





Our Strategy For Future Growth

OUR PURPOSE AND STRATEGY

OUR PURPOSE



OUR STRATEGY



QUALITY FOCUS

Unrelenting focus on quality outcomes



GROWTH

Add value through organic, acquisition, collaborative and innovative growth



INVEST

Invest in our people and our organisation



TECHNOLOGY

Harness technology

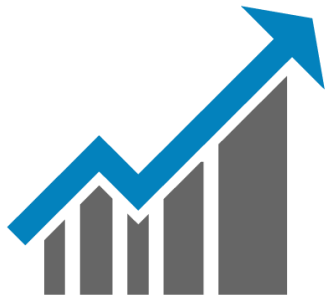


We have an Unrelenting Focus On Quality Outcomes

Our strategy is to ensure we enrol the right students in the right programmes and provide them with the support they need to achieve their qualification.

“The Intueri graduate has the knowledge, the real-world skills and the professional and personal qualities to make a difference”





Add value through organic, acquisition, collaborative and innovative growth

We will grow our organisation and add value through:

- Identifying opportunities to expand our existing provision
- Acquisition of schools and colleges which provide accretive, sustainable value
- Partnerships which allow us to expand our reach and extend our offer
- Innovative growth of our educational offer

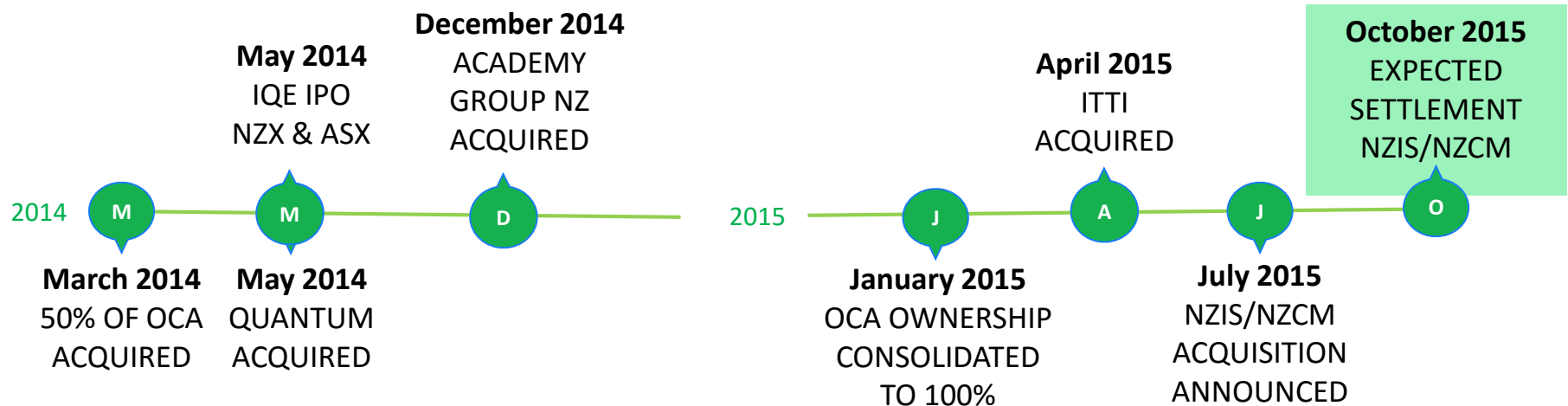


GROWTH BY ACQUISITION

Four Colleges Acquired Since Listing



Expected annualised revenue now more than \$100m and annualised EBITA above \$30m



OCA: The Online Courses Australia Group

ITTI: Information Technology Training Institute

NZIS/NZCM: New Zealand Institute of Sport/New Zealand College of Massage



Invest in our people and our organisation

We invest in our people and our organisation to ensure we have:

- The best people...delivering high quality teaching & learning for our students...in the most effective and efficient manner
- The right environments...reflecting real-world work type environments that are conducive to study
- The right materials and collateral...that are relevant, current and engaging for learners





Harness technology opportunities

We are harnessing the benefits of technology to provide innovative learning opportunities and drive better business practices

- Highly engaging and efficient online and blended learning delivery
- Group-wide solutions for Customer Relationship Management (CRM), Student Management System (SMS), Learning Management System (LMS), Human Resource Information System (HRIS) and financial reporting





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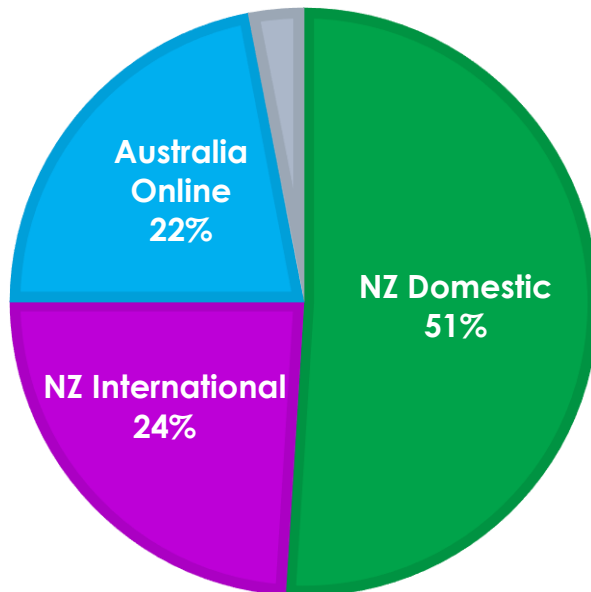


Market Opportunities

OUR STUDENT MARKETS

- Domestic Students in New Zealand
- International Students in New Zealand
- Online Learners in Australia

REVENUE CONTRIBUTION
1H 2015



Private Training Establishments (PTEs) primarily offer qualifications at certificate and diploma level

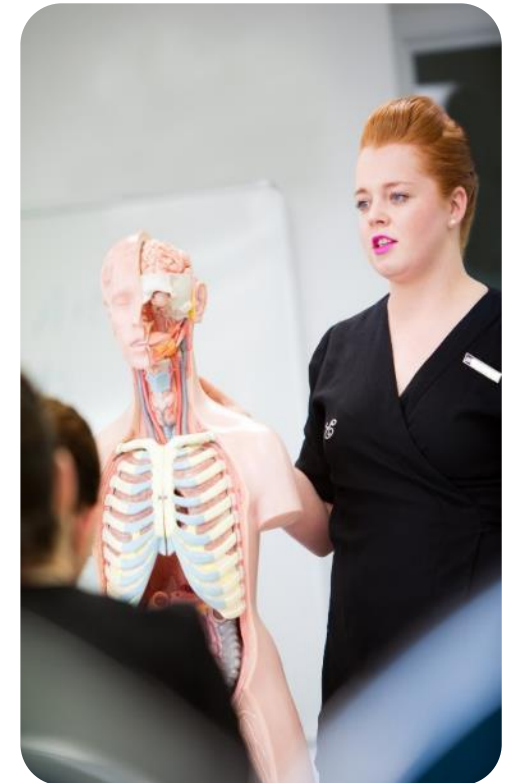
Substantial Market ~70,000 students: Enrolled with PTEs in 2013

Fragmented Market Over 550 registered PTEs, with no individual provider (or Group) having more than 10% market share

Sector Consolidation continues to gain momentum

Growth in Funding 4.9% compound annual growth rate in Government funding since 2005; 3% allowable annual increase in course fees

Stable regulatory and funding environment with a positive long term outlook



OPPORTUNITIES

- Secure additional Government funding through new funding pools and reallocation of contestable funding
- Staircase students into higher education
- Generate economies of scale through portfolio growth

INITIATIVES

- Growing our portfolio through acquisition and organic growth
- Integration of recent acquisitions (NZIS & NZCM)
- Operational integration of Academy and Quantum colleges
- Ongoing refinement of lead to enrolment conversion and student management processes
- Alignment of reporting and processes across the group
- Conclude the pre-IPO Dive School Worksafe case (callover adjourned to 12th November)

INTUERI ADVANTAGES

Largest PTE group in New Zealand

Broad range of programme offers

Proprietary ownership of course content

Operational synergies and scale

Well established brands and marketing expertise

Track record of student success

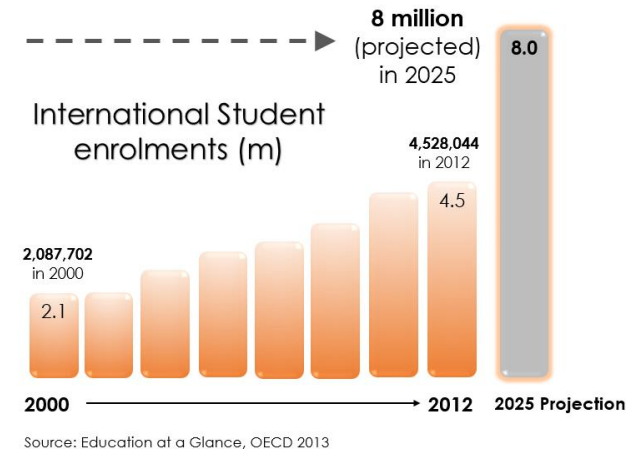
International students primarily concentrated in small number of colleges, including Intueri

Increasing student numbers: Over 100,000 international students studying in New Zealand, close to all time highs

10%+ year-on-year growth in international student visa approvals 2015 YTD

Reflecting New Zealand's growing reputation as a safe study destination, the perceived quality of New Zealand qualifications and our relative affordability

Not subject to caps on student numbers or course fees; but no Government funding



OPPORTUNITIES

- Increase market share
- Introduce more programmes specifically aimed at international students
- Build offshore networks

INITIATIVES

- Investing into additional capacity in existing programmes for international students (i.e. culinary)
- Introducing a broader range of programmes to grow the numbers of international students eg Rollout of International cohort-specific Pharmacy and IT programmes, and Dive School accredited training schemes
- Employment of recruiting staff in offshore countries and targeted marketing campaigns

INTUERI ADVANTAGES

Track record of success

International brand reputation and awareness

Quality and relevance of programmes

Long established marketing and agent network

Relationships with local and international government agencies

AUSTRALIA ONLINE

Fast Growing Prospects

Growing demand from online learners accessing a wide variety of courses

Global eLearning market now in excess of US\$110bn

Australian Online Education market \$5bn with 11% annual growth

~1.9 million VET students in Australia

Regulatory reform underway



OPPORTUNITIES

- Deliver an expanding range of Diploma programmes
- Further develop internal marketing and sales capability to sustainably grow revenues across all programme types
- Rollout of online learning platform in NZ
- Provision of services for other Training Organisations, Industry and consumer groups

INITIATIVES

- Additional investment in course development capability to facilitate new programme rollout
- Further investment into quality and assurance function to support brand reputation
- Recruitment of additional internal marketing and sales resources to underpin revenue growth

INTUERI ADVANTAGES

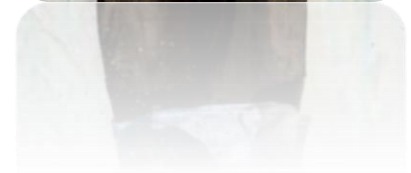
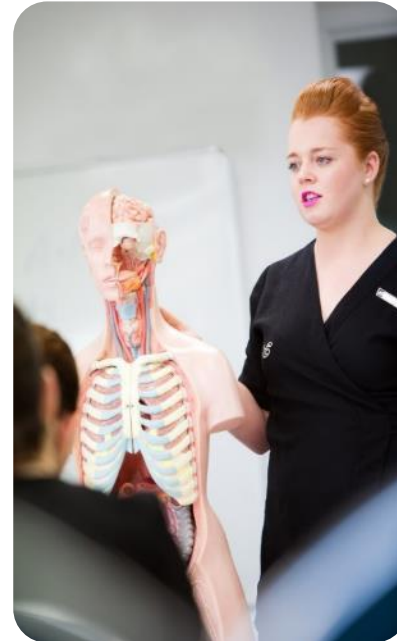
Track record of success

Proprietary course content

Customised student and learning management systems

Brand reputation as high quality provider

Proven student support process, resulting in industry leading engagement levels



A Sound Financial Platform

A SOUND FINANCIAL PLATFORM



STRONG REVENUE GROWTH OPPORTUNITIES

Significant scope to:

- Expand our range of provision;
- To attract greater numbers of international students;
- To capitalize on the growing demand for high-quality online education;
- To drive consolidation of our sector

HIGH MARGINS

- EBITA margins have been maintained in a 25-30% range

LOW CAPITAL INTENSITY

- Maintenance Capex typically held at 2-3% of revenue, with growth Capex of 1-2% targeted towards new and expanded facilities, systems and technology initiatives

CONSERVATIVE GEARING

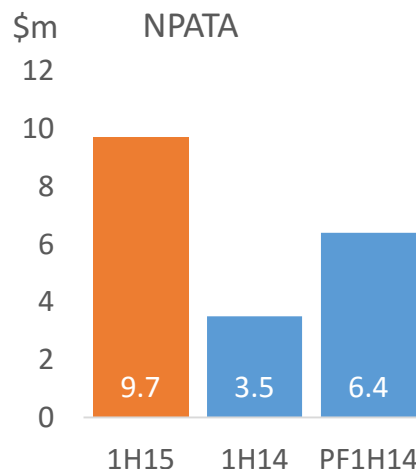
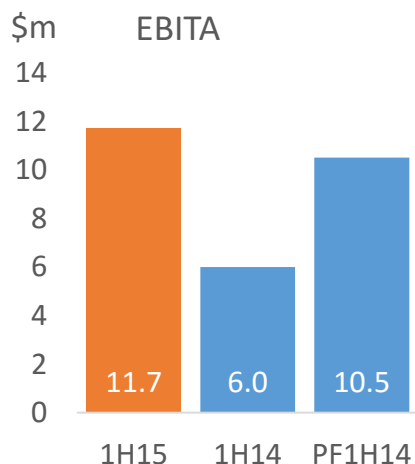
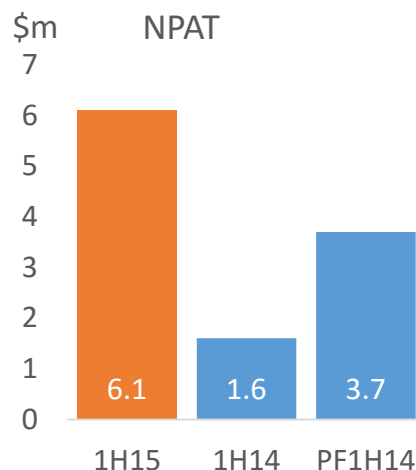
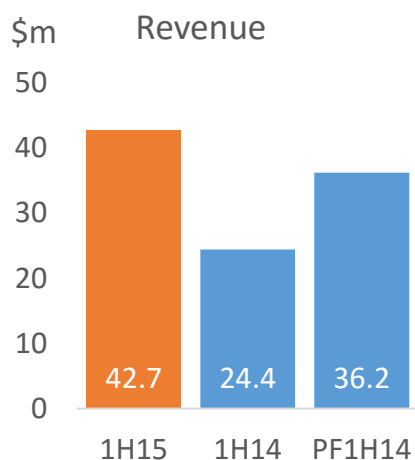
- Debt has increased post recent acquisitions, but remains within prospectus guidance of 1-2 times EBITDA
- Review of capital structure and financing to be undertaken by end-2015

LATEST FINANCIALS

First Half 2015 Snapshot

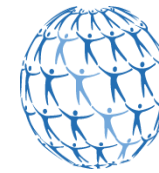


Significant uplift in first half results against prior first half year



- 1H 2015 results reflect successful implementation of growth strategy and strong returns from International and Online, offset by weaker Domestic performance
- Interim dividend 6.1 cps, in line with Prospectus
- On track to achieve guidance of underlying EBITA of \$27 million to \$29 million for the 2015 financial year

Note: Guidance includes \$2.1 million of other income associated with the reversal of a prior year Tertiary Education Commission (TEC) Dive School provision and an adjustment to deferred consideration on the Academy acquisition



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Looking Ahead



Unrelenting Focus On Quality Outcomes

- Further investment into Quality & Assurance across the group
- Ongoing monitoring to ensure compliance with regulatory changes
- Continual refinement of enrolment and student support functions
- Enhanced emphasis on relevance of programmes to industry



Add Value Through Growth

- Continued investment in Online segment to fuel sustainable growth
- Development of new programmes to attract more international students
- Select acquisitions that add scale, capability and diversity to our portfolio
- Systems, marketing and people initiatives to drive performance in the Domestic segment



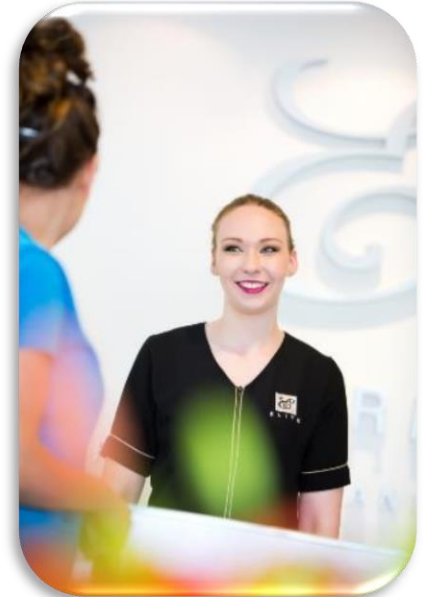
Invest in Our People

- Initiatives to ensure we attract and retain the best people in order to deliver the highest quality educational service
- Group wide staff appraisal process, learning and development programme, and remuneration and reward strategies



Harness Technology

- Further build eLearning expertise and resources
- NZ eLearning project rollout
- Harmonise Student Management Systems across the group



Thank You



Glossary of Financial Results



1. Financial results reflect earnings from businesses from the time of acquisition. 1H 2015 includes a full six months for all colleges except for ITTI which was acquired on 1 April 2015. 1H 2014 includes five weeks of Quantum (acquired 23 May 2014) and three months of OCA (acquired 31 March 2014). It does not include ITTI or Academy
2. Intueri has previously provided 2014 pro forma information as this was the prospectus reporting basis for 2014. No phased 2015 or other forward looking pro forma information was provided in the prospectus, and therefore no 1H 2015 performance comparison vs prospectus is available. The 1H 2014 reported pro forma is the pro forma basis outlined in the Intueri prospectus which assumed that Quantum Education Group Limited and Online Courses Australia Group Limited were acquired on 1 January 2014. It excluded Academy Group NZ Limited and ITTI, which were acquired after the Intueri prospectus was issued, and for which pre acquisition pro forma information was not available.
3. EBITA is Earnings Before Interest, Tax and Amortisation of Acquired Intangibles. The Board has used EBITA excluding Acquisition Costs, as the basis for its full year forecast guidance as it believes this provides the most appropriate measure of Intueri's operating performance. These are non-GAAP measures.
4. NPATA is Net Profit After Tax Before Amortisation of Acquired Intangibles. The Board believes NPATA provides a better comparable measure of its operating performance and cash flow and it is the basis for the Intueri Dividend Policy

Reconciliation of non-GAAP to GAAP measures

Profit and Loss Reconciliation NZ\$m	1H 2015 Actual	1H 2014 Actual
EBITA	11.7	6.0
Acquired intangible amortisation	(5.0)	(2.6)
EBIT	6.7	3.4
Income tax	(1.7)	(0.9)
Financing costs	1.0	(0.6)
Non-controlling interests	-	(0.3)
Net Profit/(Loss) After Tax attributable to owners of Intueri	6.1	1.6
Add back: After Tax acquired intangible amortisation	3.6	1.9
Net Profit After Tax Before Amortisation (NAPTA)	9.7	3.5

Corporate Snapshot



Capital Structure

Fully Paid Ordinary Shares	\$100m
Options	-
Share Price (as at 21/10/15)	NZ\$1.15
Market Capitalisation (as at 21/10/15)	\$115m
Total Facilities Net Debt (as at 21/10/15)	\$34.9m
Total Facilities (as at 21/10/15)	\$60m

Board of Directors

Chris Kelly	Independent Chairman
Rob Facer	Chief Executive & Director
James Turner	Independent Director
Nico Marx	Non-Independent Non-Executive Director
Russell Woodard	Independent Director
Dame Alison Paterson	Independent Director

Shareholder Mix

	Shares (000's)	Holding (%)
Arowana International	24,884	24.9%
Other Australian Institutional & Retail Investors	49,964	49.9%
NZ & International Institutional & Retail Investors	25,152	25.2%

Executive Team

Rob Facer	Chief Executive Officer
Rod Marvin	Chief Financial Officer
Leigh Olsen	GM – Human Resources
Andy Walker	GM – Organisational Capability
Liane Clarke	GM – Marketing & Communications
Michele La Riviere	Group Finance Director
Cheryl Brookes	OCA Managing Director

Important Notice



Disclaimer

The information in this presentation has been prepared by Intueri Education Group Limited ("Intueri") with due care and attention. However, neither Intueri nor any of its directors, employees, shareholders nor any other person shall have any liability whatsoever to any person for any loss (including, without limitation, arising from any fault or negligence) arising from this presentation or any information supplied in connection with it.

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Forward looking statements are subject to any material adverse events, significant one-off expenses, non-cash fair value movements or other unforeseeable circumstances, including the risks described in the Investment Statement dated 23 May 2014 and the Prospectus dated 6 May 2014.

A number of non-GAAP financial measures are used in this presentation. You should not consider any of these in isolation from, or as a substitute for, the information provided in the consolidated interim financial statements for the six month period ending 30 June 2015.

The information in this presentation is of a general nature and does not constitute financial product advice, investment advice or any recommendation. Nothing in this presentation constitutes legal, financial, tax or other advice.