

Noah Education Holdings Ltd.

Third Quarter Fiscal 2013

May 23, 2013



Forward Looking Statement

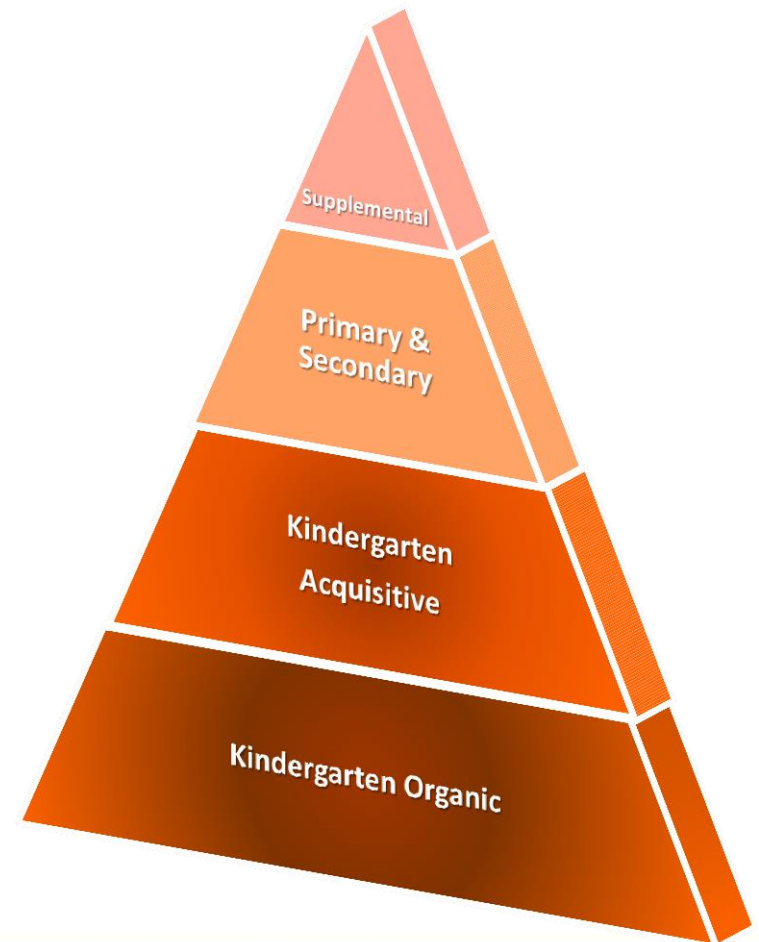
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Please note that the attached materials and our oral explanations of the attached materials may contain forward-looking statements made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements involve inherent risks and uncertainties. As such, our actual results may be materially different from the views expressed.

A number of potential risks and uncertainties are outlined in our public filings with the Securities and Exchange Commission. Noah Education Holdings Ltd. does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

3Q Highlights Summary: Top Line Up 24.6% YoY

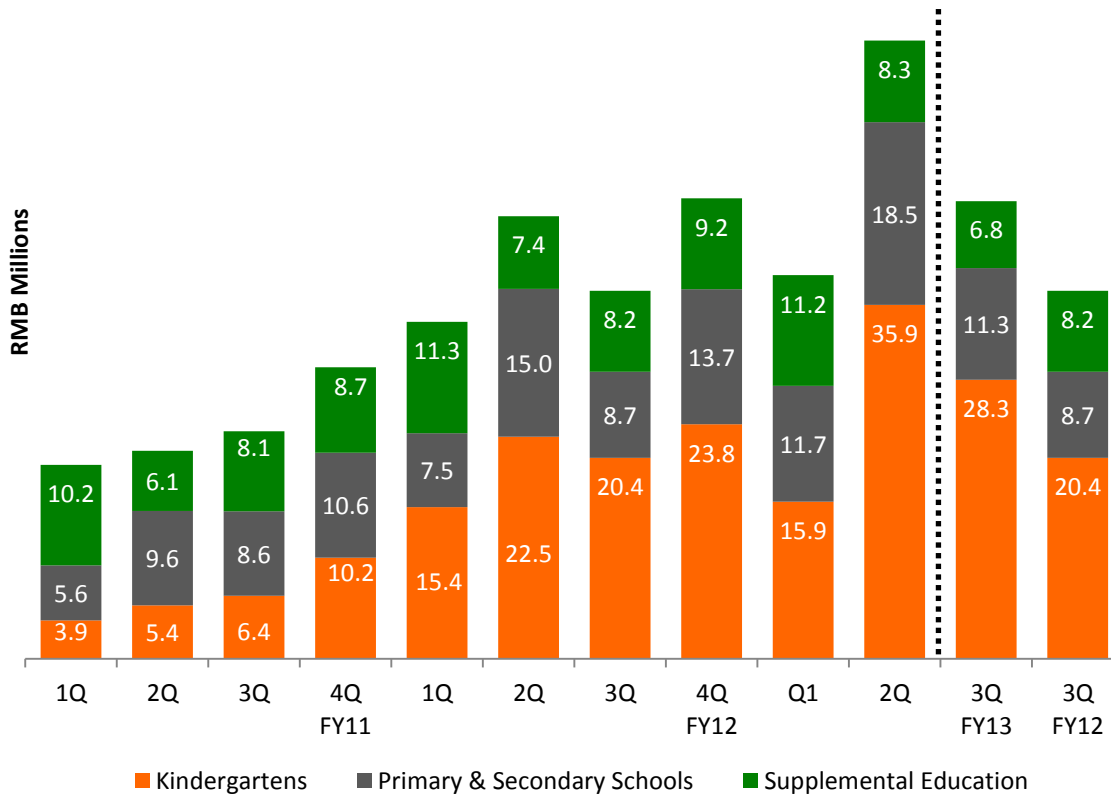
- Revenue up 24.6% YoY to RMB46.4m
- Driven by
 - Revenue contribution from acquisitions (DDK Consulting & Xiaoxiao Consulting)
 - Organic growth
- Expanded portfolio:
 - Kindergartens: 49
 - Primary & Secondary: 5
 - 10 kindergartens and 1 school still at ramp up stage
- Gross margin affected
 - Expansion costs
 - Pay rise of teachers in entire sector



FINANCIAL AND OPERATIONAL PERFORMANCE

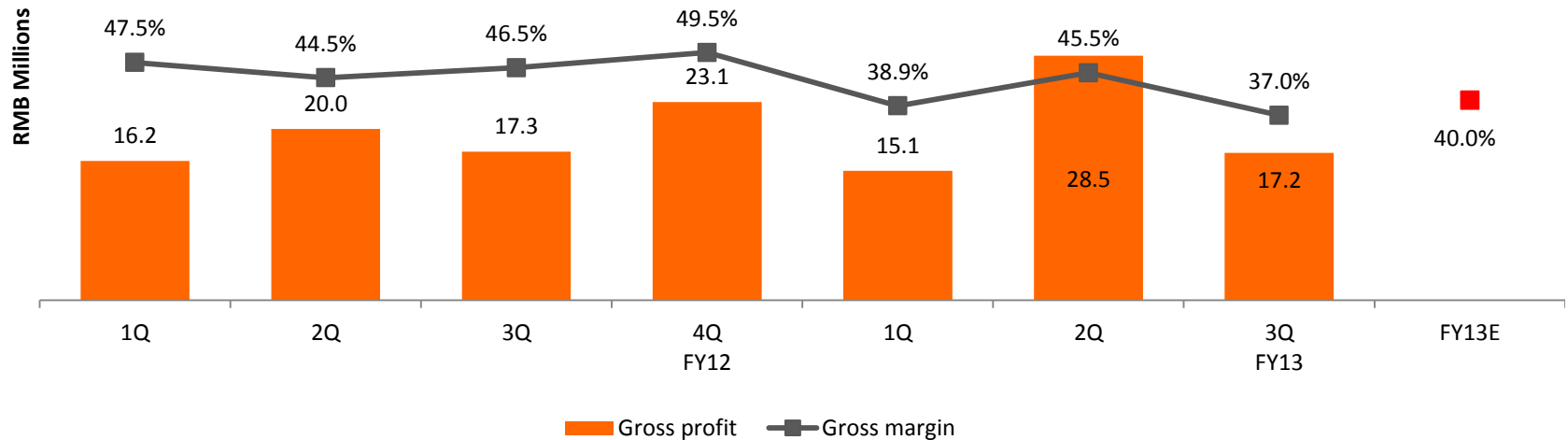


5 Strong Growth in Core Business



- Net revenue up 24.6% YoY to RMB46.4m
 - 7.3% from organic growth
 - 17.3% from M&A
- Kindergartens:
 - Revenue up 38.7% YoY
 - Accounted for 61.0% of net revenue
- Primary & Secondary:
 - Revenue up 29.9% YoY
 - Accounted for 24.4% of net revenue
- Supplemental Education:
 - Revenue down 17.1% YoY
 - Accounted for 14.6% of net revenue

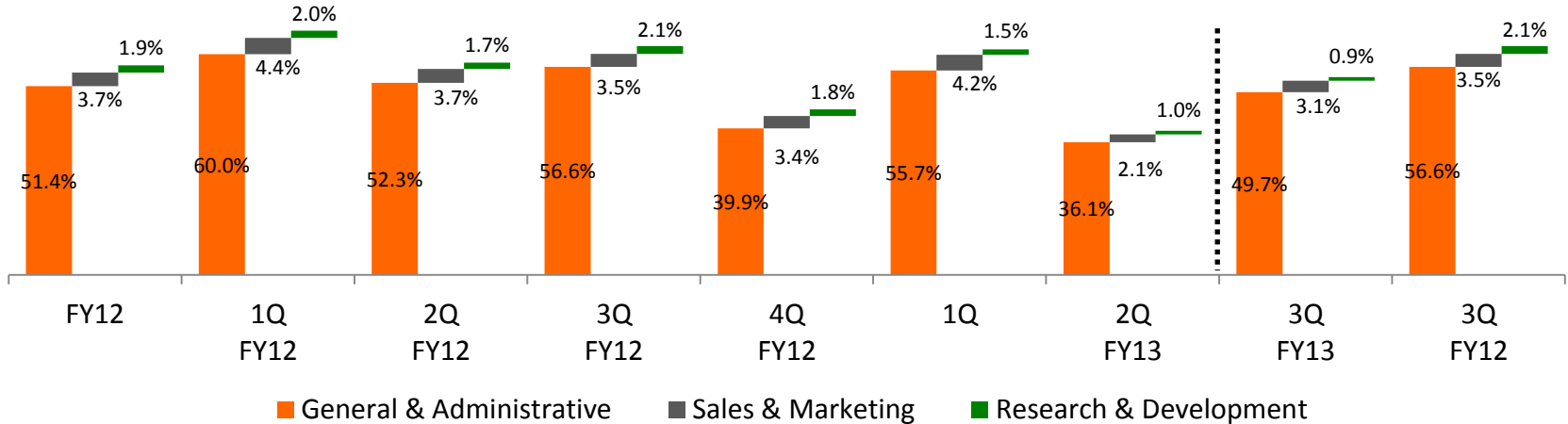
Near Term Gross Profit Margin Impacted with Expansion



- Gross profit down 0.9% to 17.2m
- Gross profit margin was 37.0%, compared to 46.5% in the third quarter of fiscal year 2012, impacted by:
 - incremental expenses associated with DDK Consulting and Xiaoxiao Consulting;
 - overall rise in salaries of teachers for existing schools; and
 - escalating staff costs in the sector
- Maintain FY2013 gross margin forecast at around 40%

Competitive Cost Structure Further Enhanced

Operating Expenses as % of Net Revenue



As a percentage of total revenue in YoY comparisons:

- G&A: improved from 56.6% to **49.7%**
- S&M: improved from 3.5% to **3.1%**
- R&D: improved from 2.1% to **1.0%**

Income Statement Summary

<i>(in million except per share figures)</i>	Third Quarter of Fiscal			First Nine Months of Fiscal		
	2012	2013	2013	2012	2013	2013
	RMB	RMB	US\$	RMB	RMB	US\$
Net revenue	37.3	46.4	7.5	116.4	148.0	23.8
Gross profit	17.3	17.2	2.8	53.5	60.8	9.8
<i>Gross profit margin</i>	46.5%	37.0%	37.0%	46.0%	41.1%	41.1%
Net operating income (loss)	(1.8)	(4.5)	(0.7)	(6.0)	(0.1)	(0.02)
<i>Net operating income margin</i>	-4.7%	-9.7%	-9.7%	-5.2%	-0.1%	-0.1%
Income before income tax	3.8	0.8	0.1	11.2	10.6	1.7
Income tax (expenses)	(1.7)	(0.2)	(0.04)	(4.9)	(3.7)	(0.6)
Net income/(loss)	2.2	(0.2)	(0.03)	6.2	6.9	1.1
Less: net income/(loss) attributable to non-controlling shareholders	0.6	(0.03)	(0.005)	2.5	1.7	0.3
Net income/(loss) attributable to Noah Education Holdings Ltd. Shareholders	1.5	(0.1)	0.02	3.7	5.2	0.8
Net income/(loss) per share (GAAP)						
Basic	0.04	(0.00)	(0.00)	0.10	0.14	0.02
Diluted	0.04	(0.00)	(0.00)	0.10	0.14	0.02

9 Reconciliation of Non-GAAP to GAAP

<i>(in million except per share figures)</i>	Third Quarter of Fiscal					First Nine Months of Fiscal				
	2012		2013			2012		2013		
	RMB	% of rev	RMB	US\$	% of rev	RMB	% of rev	RMB	US\$	% of rev
GAAP Net revenue	37.3	100.0	46.4	7.5	100.0	116.4	100.0	148.0	23.8	100.0
GAAP Gross profit	17.3	46.5	17.2	2.8	37.0	53.5	46.0	60.8	9.8	41.1
Share-based compensation	-	0.0	-	-	0.0	-	0.0	-	-	0.0
Non-GAAP gross profit	17.3	46.5	17.2	2.8	37.0	53.5	46.0	60.8	9.8	41.1
GAAP operating income (loss)	(1.8)	-4.9	(4.5)	(0.7)	-9.7	(6.0)	-5.2	(0.1)	(0.02)	-0.1
Share-based compensation	0.5	1.3	-	-	0.0	2.3	2.0	1.0	0.2	0.6
Non-GAAP operating income	(1.3)	-3.6	(4.5)	(0.7)	-9.7	(3.7)	-3.2	0.8	0.1	0.6
GAAP net income	2.2	5.8	(0.2)	(0.03)	-0.4	6.2	5.4	6.9	1.1	4.7
Share-based compensation	0.5	1.3	-	-	0.0	2.3	2.0	1.0	0.2	0.6
Non-GAAP net income	2.6	7.1	(0.2)	(0.03)	-0.4	8.5	7.3	7.9	1.3	5.3
Non-GAAP net income per share										
Basic	0.05		(0.00)	(0.00)		0.16		0.17	0.03	
Diluted	0.05		(0.00)	(0.00)		0.16		0.17	0.03	

Strong Balance Sheet

<i>(in million except per share data)</i>	2Q FY2013 RMB	3Q FY2013 RMB	3Q FY2013 USD
Cash and cash equivalent	184.6	161.4	26.0
Investments	302.0	369.7	59.5
Accounts receivables, net of allowance	0.3	0.3	0.1
Property, plant and equipment, net	197.2	199.6	32.1
Total assets	892.7	937.3	150.9
Deferred revenue	24.2	60.3	9.7
Total liabilities	98.3	143.5	23.1
Total shareholders' equity	724.2	723.7	116.5
Total liabilities and shareholders' equity	892.7	937.3	150.9
Cash per share	13.3	14.52	2.34
Real estate value per share at book cost	3.5	2.87	0.46
Cash plus real estate per share at book cost	16.8	17.39	2.80

11 Two-fold Increase in Operating Cash

<i>(in million)</i>	Third Quarter of Fiscal			First Nine Months of Fiscal		
	2012	2013	2013	2012	2013	2013
	RMB	RMB	US\$	RMB	RMB	US\$
Operating cash provided (used) by continuing operations	26.8	57.3	9.2	92.6	83.4	13.4
Investing cash provided (used) by continuing operations	(83.3)	(80.0)	(12.9)	(324.3)	(421.1)	(67.8)
Financing cash provided (used) by continuing operations	-	(0.1)	(0.02)	(0.5)	(1.5)	(0.2)
Cash and cash equivalents at beginning of period	227.1	184.6	29.7	405.9	501.8	80.8
Cash and cash equivalents at the end of period	170.4	161.4	26.0	170.4	161.4	26.0

Free cash flow* of RMB45 million in 3QFY2013 vs outflow of RMB30 million in 2QFY2013

In past 12 months, NED had:

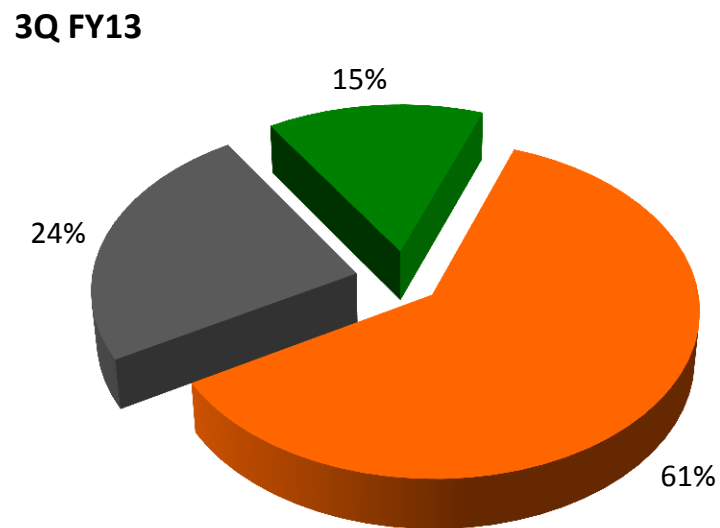
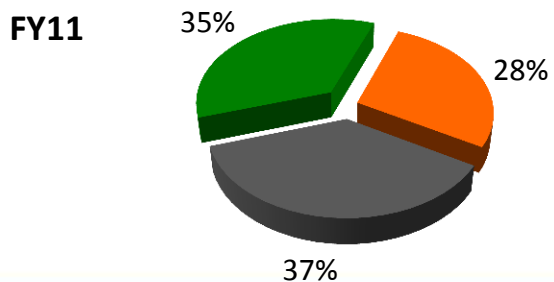
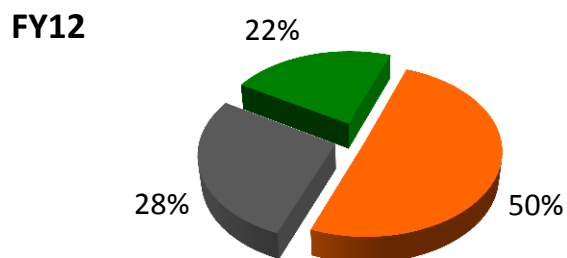
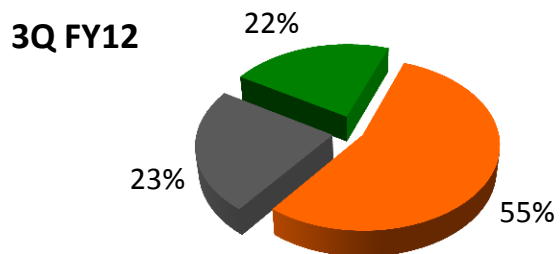
- Operating cash of RMB81.1 million
- Capex of RMB36.4 million for organic growth; investment of RMB37.2 million for M&A

* Free cash flow = Operating cash flows – Capex – M&A expenses

BUSINESS AND OPERATIONS UPDATE



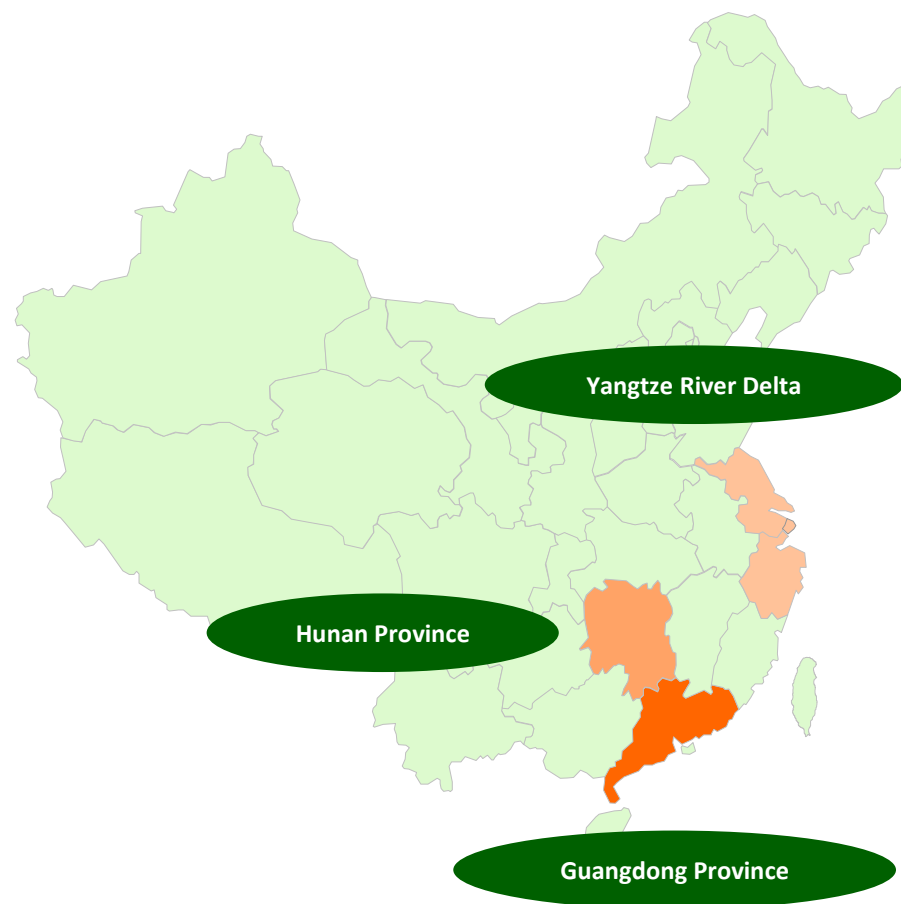
By Revenue Contribution



- Kindergartens
- Primary and Secondary Schools
- Supplemental Training

Kindergarten Expanding Through Acquisitions & Organic Growth

- 49 kindergartens at the end of 3Q
 - Yuanbo: 31
 - Wentai: 14
 - Little New Star: 4
 - Enrollment: 12,600, up 5% QoQ
- 84.3% utilization rate overall
 - 40.9% for the 10 ramp ups
 - 95.6% for the 39 mature kindergartens



Organic Growth in Primary and Secondary School Segment

Primary & Secondary Schools

- 5 schools operated by Wentai
- All in Guangdong province
- Total enrollment: Approx 4,900
- 86% utilization rate overall
 - 102% for the 4 mature schools
 - 38% for the new school in ramp up stage
- Continued roll out plan
 - 1 to 2 new schools for September 2013 (FY2014)

Supplemental Education

- Operations include:
 - 11 training centers
 - Sales of teaching materials
 - Franchise fees from Little New Star
- Located in Hunan and Shanxi Provinces
- Training centers enrollment: Approx 3,900

OUTLOOK



Financial Outlook and FY2013 Guidance

- 4Q FY2013 net revenue forecast
 - RMB58 million to RMB67 million, up 24% to 44% year-over-year
- Maintain expectation of net revenue guidance for FY2013
 - RMB206 million to RMB215 million, up 26% to 32% year-over-year
 - Include revenue contributions from DDK Consulting and Xiaoxiao Consulting and new kindergarten openings
- Maintain expectation of operating profit for FY2013

Q&A

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