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2009 First Quarter Results Presentation



February 17, 2009



This announcement contains forward-looking statements. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as “will,” “may,” “should,” “potential,” “continue,” “expect,” “anticipate,” “future,” “intend,” “plan,” “believe,” “is/are likely to,” “estimate” and similar statements. Among other things, the outlook for the second quarter of the fiscal year 2009 and quotations from management in this announcement, as well as the Company’s strategic and operational plans, and the new investment, contain forward-looking statements. The Company may also make written or oral forward-looking statements in its periodic reports to the SEC in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Company’s beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: our goals and growth strategies; our future prospects and market acceptance of our online courses and other products and services; our future business development and results of operations; projected revenues, profits, earnings and other estimated financial information; projected enrollment numbers; our plans to expand and enhance our online courses and other products and services; competition in the online education and test preparation markets; and Chinese laws, regulations and policies, including those applicable to the Internet and Internet content providers, the education and telecommunications industries, mergers and acquisitions taxation and foreign exchange.

Further information regarding these and other risks is included in our registration statement on Form F-1 and other documents filed with the SEC. The Company does not undertake any obligation to update any forward-looking statement, except as required under applicable law. All information provided in this press release and in the attachments is as of the date of this press release.



- ❖ **Business Updates**
- ❖ **Financial Results**
- ❖ **Strategy & Outlook**
- ❖ **Q&A**

Business Updates

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Operational Highlights

- ❖ February 4, 2009 - Successful transfer of listing of ADSs from NYSE Arca to NYSE main board
- ❖ Strong enrollment growth despite typically slow Q1
 - Fiscal Q1 seasonally slowest quarter in terms of revenue, profitability
 - Enrollment increased 137% Y-o-Y to 341,000
 - Net revenue increased 171% Y-o-Y to US\$4.9M

Growth Drivers

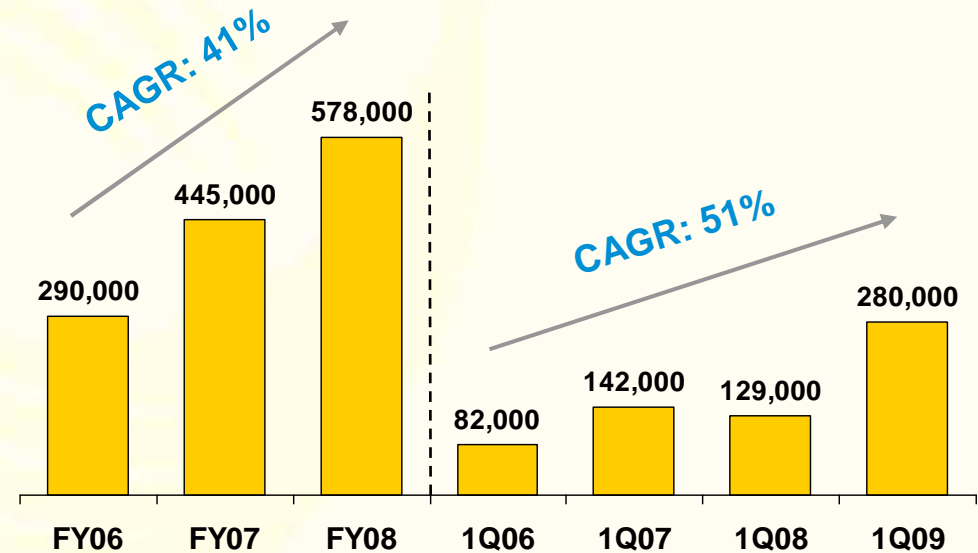
- ❖ Continued Strong Demand:
 - Demand for professional certifications and qualifications are likely to increase due to intensifying competition in job market
 - Students enroll earlier for half-price promotion
- ❖ Gaining Market Share:
 - Strategic marketing programs
 - Continued focus on executing growth strategies



Solid Enrollment Growth for APQE, CPA and other Exams

- ❖ APQE, CAP and other exams' enrollment increased 53% Y-o-Y to 179,000
- ❖ Accredited by 24 provinces and regions to provide accounting continuous education courses; achieved enrollment of over 100,000 in Q109

Accounting Course Enrollments

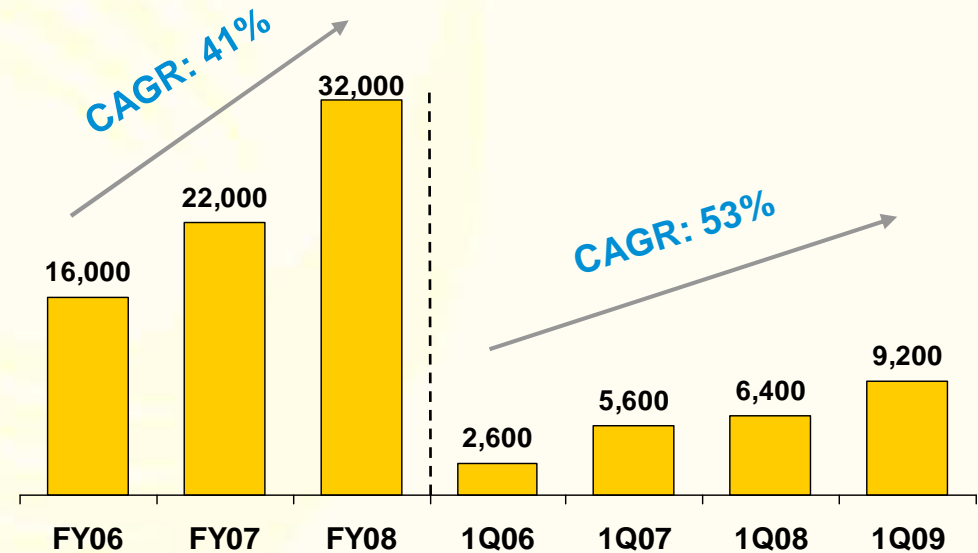




Extended Offerings to Beijing Students

- ❖ Enrollment approximately 9,200 in Q109.
- ❖ Accredited approval to offer all courses to Tianjin students. CDEL opened 80 modules in Q109.
- ❖ Exclusive partnership with Beijing City University to offer self-taught courses to Beijing students.

Self-Taught Course Enrollments

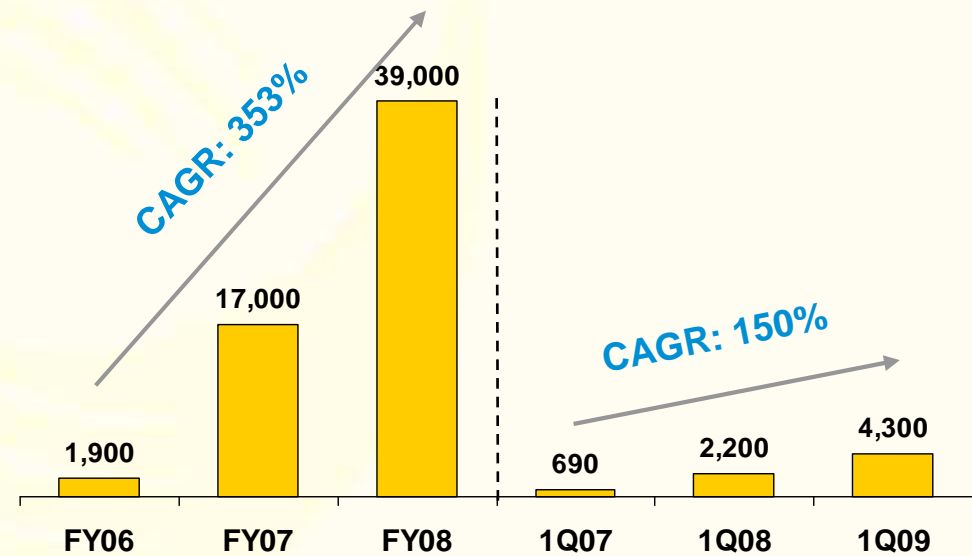




Robust Enrollment Growth

- ❖ Expanded course offerings to 28 courses from 16 courses in Q108
- ❖ 96% Y-o-Y enrollment growth in Q109, despite typical high season for enrollment in Q2 and Q3.
 - Enrollment in healthcare doubled to 4,300 from 2,200 in Q108.

Healthcare Course Enrollments





- ❖ **ITAT Contest contributed 36,000 enrollment in Q109.**
- ❖ **Book and Reference Material revenue increased 58% Y-o-Y to US\$0.3M**
- ❖ **Premium Classes**
 - Launched in August 2008, priced between regular and elite classes, provided in Accounting, Healthcare, Legal verticals, among others
 - Well accepted by students, contributed over 17% of total online education cash revenue
- ❖ **Sales and Marketing Campaigns**
 - Half-price promotion concluded on February 1, 2009
 - Launched major marketing campaign, ITAT sponsorship and other scholarship campaigns

Financial Highlights

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Selected Income Statement Items (Unaudited) – 1Q 2009

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<i>(US\$ in thousands, except per ADS data and margins)</i>	1Q 2009 GAAP	1Q 2008 GAAP	YoY Growth% GAAP	1Q 2009 Non-GAAP
Net revenues:				
Online education services	4,363	1,513	188%	4,363
Books and reference materials	266	168	58%	266
Others	305	138	121%	305
Total net revenues	4,934	1,819	171%	4,934
Cost of sales	2,508	1,012	148%	2,061
Gross profit	2,426	807	201%	2,873
Gross Margin	49%	44%	-	58%
Operating expenses:				
Selling expenses	1,318	384	243%	1,215
General and administrative expenses	2,086	567	268%	1,711
Total operating expenses	3,404	951	258%	2,926
Operating Income (loss)	(978)	63	(1,652%)	(53)
Income tax benefit (expense)	243	(4)	N/A	243
Net income	(477)	19	(2,611%)	448
Basic earnings per ADS	(0.01)	(0.02)	-	0.01
Diluted earnings per ADS	(0.01)	(0.02)	-	0.01

Selected Balance Sheet Items (Unaudited) – 1Q 2009

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Balance Sheet Summary

(US\$ in thousands)

Assets	Dec 31, 08	Sep 30, 08	Change
Cash and Cash Equivalents	64,414	66,223	(1,809)
Receivables	1,692	715	977
Inventories	253	177	76
Net PP&E	7,542	7,089	453
Other Assets	12,228	11,122	1,106
Total	86,129	85,326	

Liabilities and Shareholders' Equity	Dec 31, 08	Sep 30, 08	Change
Accrued Expenses	2,973	2,983	(10)
Deferred Revenues	6,897	3,891	3,006
Refundable Fees	2,794	4,688	(1,894)
Bank Debt	0	0	0
Other Liabilities	786	1,014	(228)
Shareholder's Equity	72,679	72,750	(71)
Total	86,129	85,326	

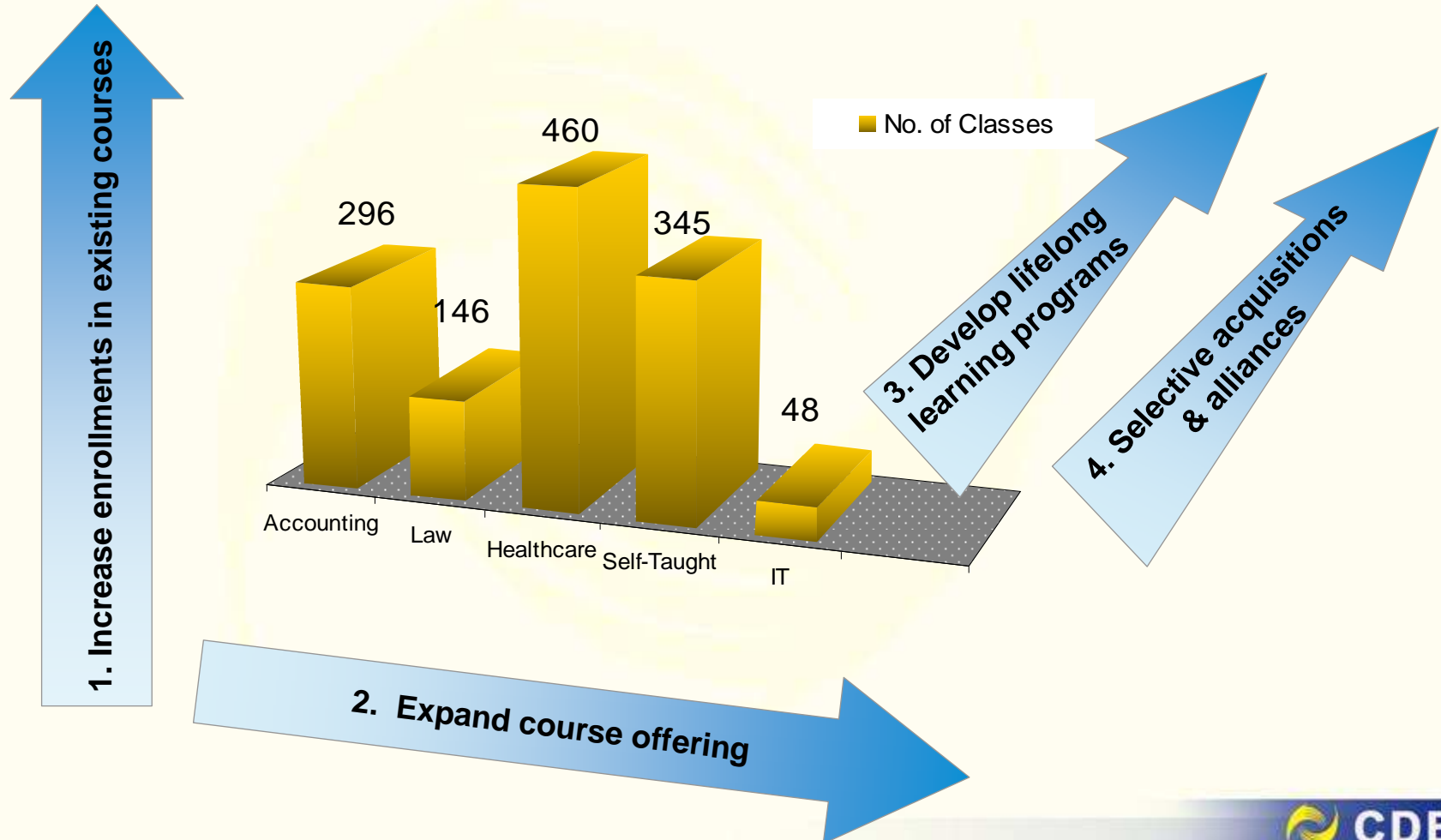
Strategies and Outlook

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A multi-pronged strategy combining increasing enrollments in existing courses, expanding course offering to increase course enrollments, developing lifelong programs and pursuing selective acquisitions and alliances

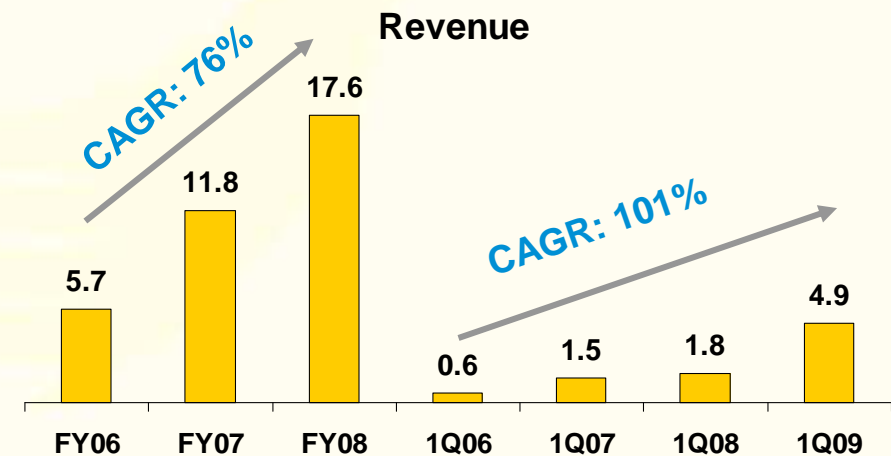
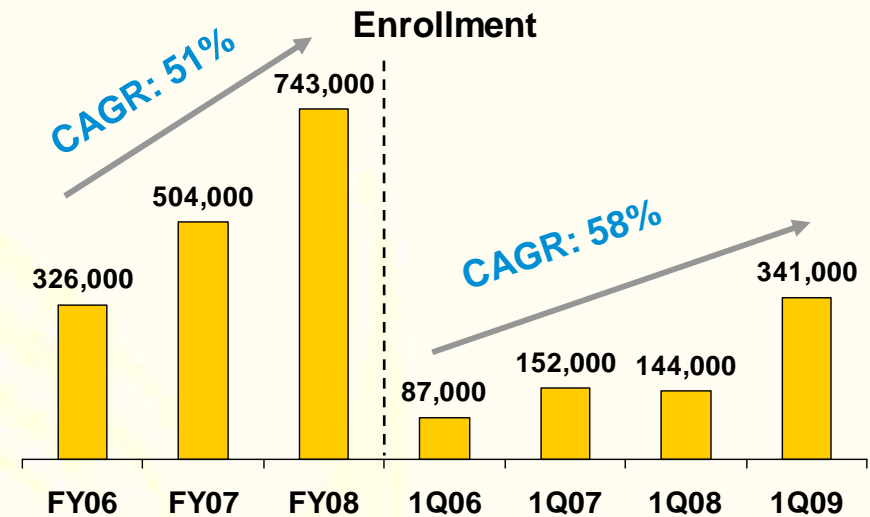




- ❖ Beijing City University collaboration demonstrates:
 - Scalable, replicable business model
 - Ability to execute growth strategies

- ❖ Affiliated company Beijing Champion Hi-Tech Co signed investment agreement with Beijing Yinglun Yucai Education:
 - To set-up a new company providing business start up training for potential entrepreneurs
 - Registered capital of RMB 36M, Beijing Champion hold 60% interest
 - Provide new business opportunities in employment practical training
 - Strongly encouraged by Chinese government

- ❖ Well positioned to capitalize on new opportunities:
 - Powerful brand equity
 - Strong track record of delivering high passing rates





2Q09 revenue expected in the range of \$6.8 million to \$7.7 million

Thank You

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