

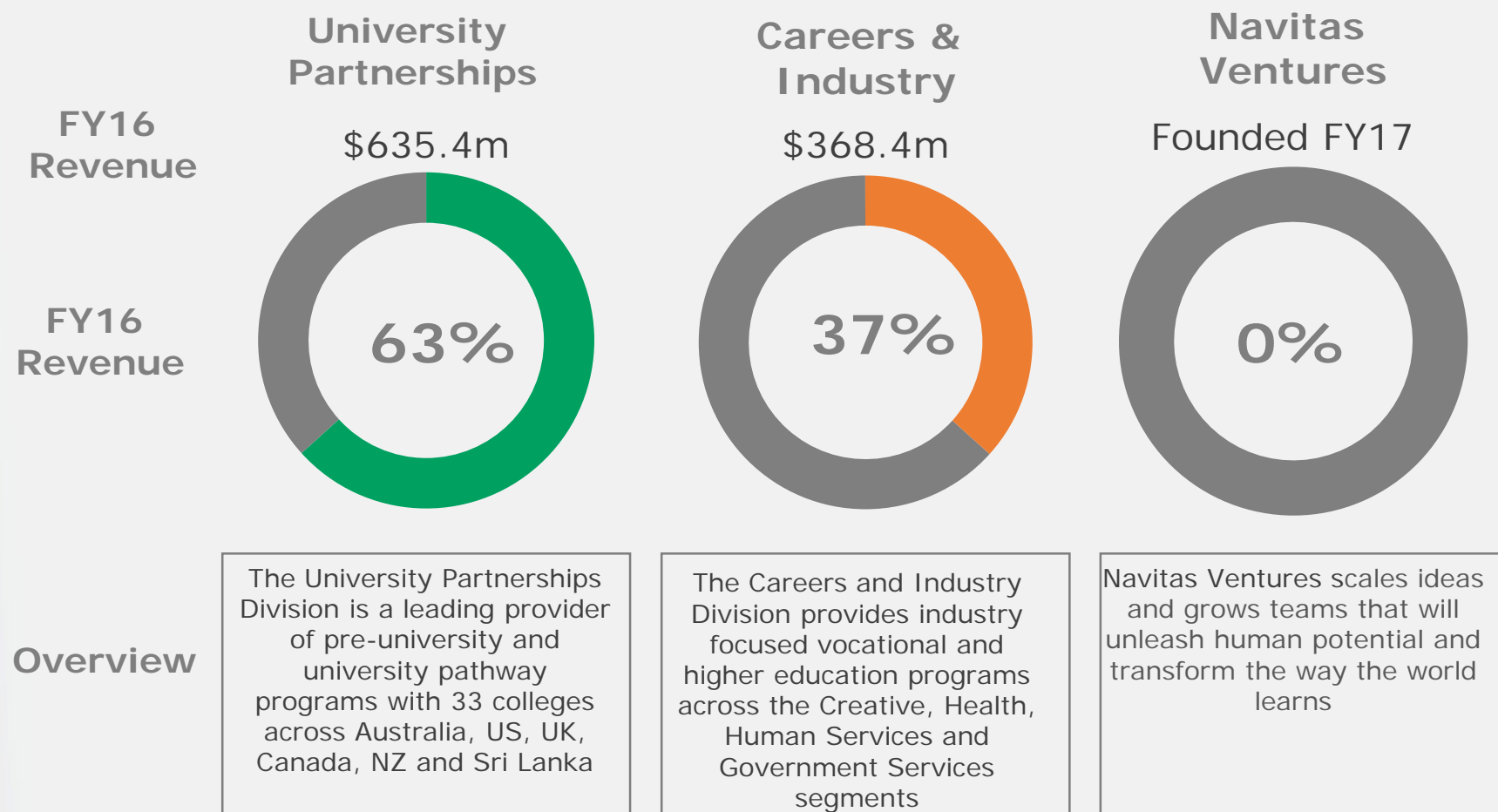
Macquarie Australia Conference

4 May 2017

navitas 

About Navitas

Navitas (ASX: NVT) is a leading global education provider with over 120 colleges and campuses across 31 countries offering an extensive range of educational services to more than 80,000 students, clients and professionals. Navitas operates across three Divisions and is an ASX100 company.



Strategy update











Education is changing

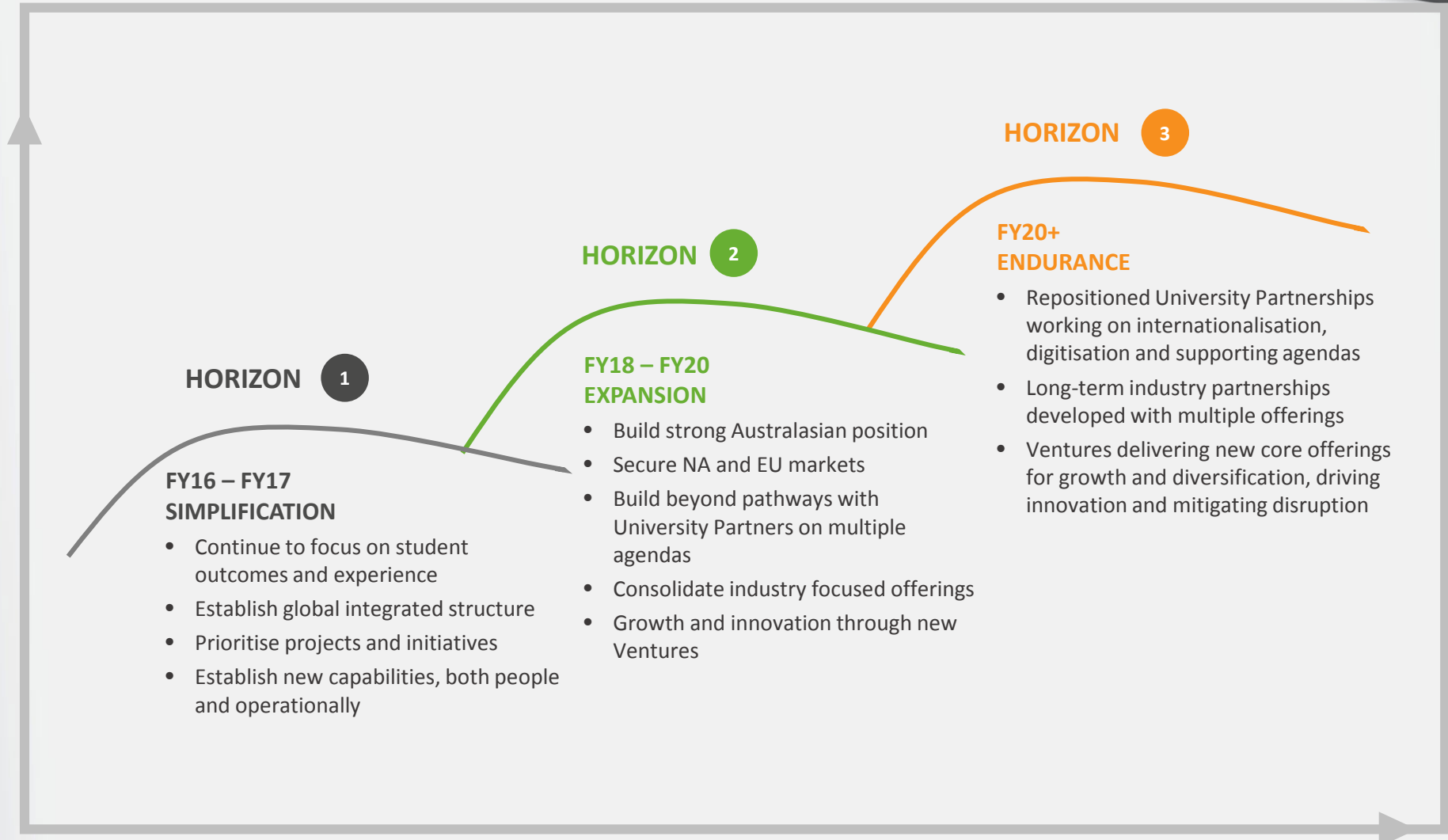


Higher Education in 2025

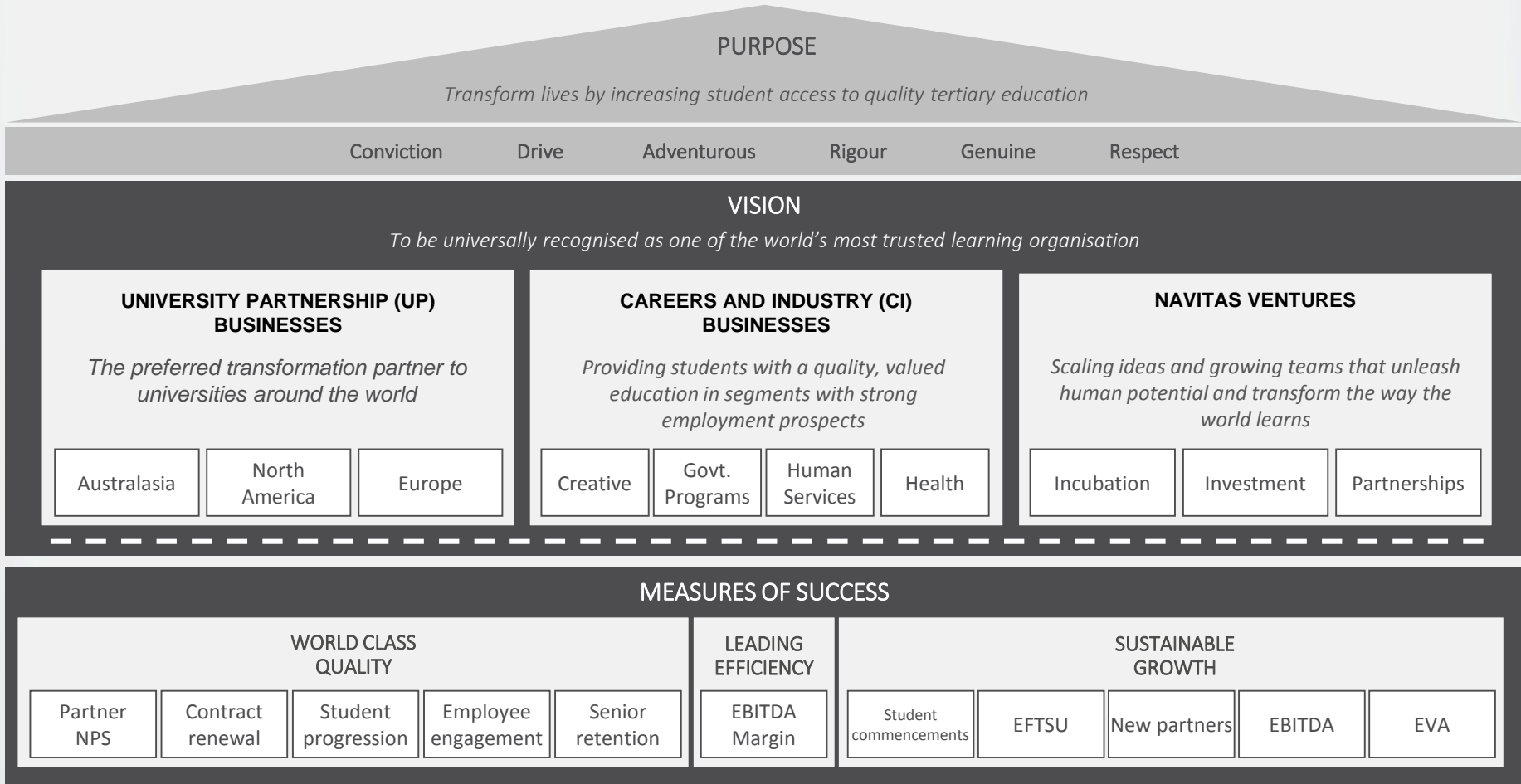
Navitas' view on the most probable scenario for the future of higher education

-  1.1B borderless learner opportunity available to the right providers
-  Larger, more diverse international student market, with an over-supply of study options
-  Method of learning will fundamentally change – blended, self-paced, personalised
-  Employment outcomes and ROI will become the decision-making factor for most students
-  Education providers will need to find their place within the lifetime learning journey
-  Universities expected to remain dominant HE destination, but will be economically challenged
-  Public-private partnerships will increase across the whole value chain, and play a key role in university reform
-  Other parts of the value chain – especially recruitment - will experience more radical disruption

We have a medium term plan to reposition Navitas



Clear strategic direction aligned with operational goals



Group KPI's – by 2020



Quality

2%
pass rates improvement
to 84% –
University Partnerships

3%
retention rate
improvement to 90% –
University Partnerships



Efficiency

18%
Group EBITDA margin

20%
SAE EBITDA margin

< \$20m
capex per annum



Growth

5%*
revenue CAGR

5%
University Partnerships
EFTSU CAGR

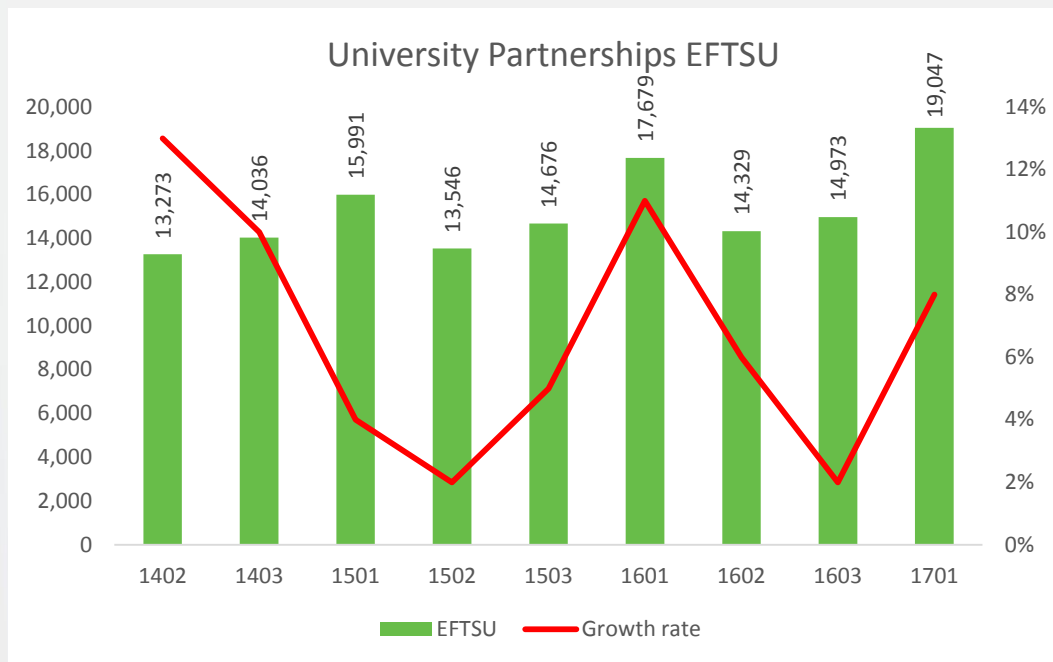
5 new
University Partnerships
agreements

* Note: Based on constant currency and CAGR calculated assuming AMEP revenue reduction excluded from FY17 to FY20. This reduces to 3% CAGR against FY17 Group revenue if AMEP revenue is included

A young woman with long, wavy hair is sitting at a desk in a library, smiling at the camera. She is wearing a dark long-sleeved shirt and has a watch on her left wrist. In the background, other students are working at desks with laptops, and bookshelves are visible. The entire image has a green tint.

Operational update

University Partnerships enrolments increase 8%



Prior periods exclude the EFTSU of closed colleges – see prior ASX announcements for more details

Semester 1 2017 enrolments

Division	↑ 8%
Australia/NZ	↑ 14%
North America	↑ 4%
Europe	↑ 1%
Asia	↓ 3%

FY17 enrolments

Total EFTSU	↑ 5%
Price	↑ 2-3%

Contract renewal progressing well

Completed in CY17



New agreement
University of Idaho –
opens in Sep 17



New agreement
Richard Bland College of
William and Mary
(International student
recruitment and support)



Renewal
ICM contract with
University of Manitoba
renewed until 2028



Retender
AMEP contracts
retendered though with a
reduction in regions

In Progress in CY17

HIC with University of
Hertfordshire



July 2017

ICWS with University of
Swansea



Nov 2017

CRIC with Anglia Ruskin
University



Nov 2017

Curtin College with Curtin
University



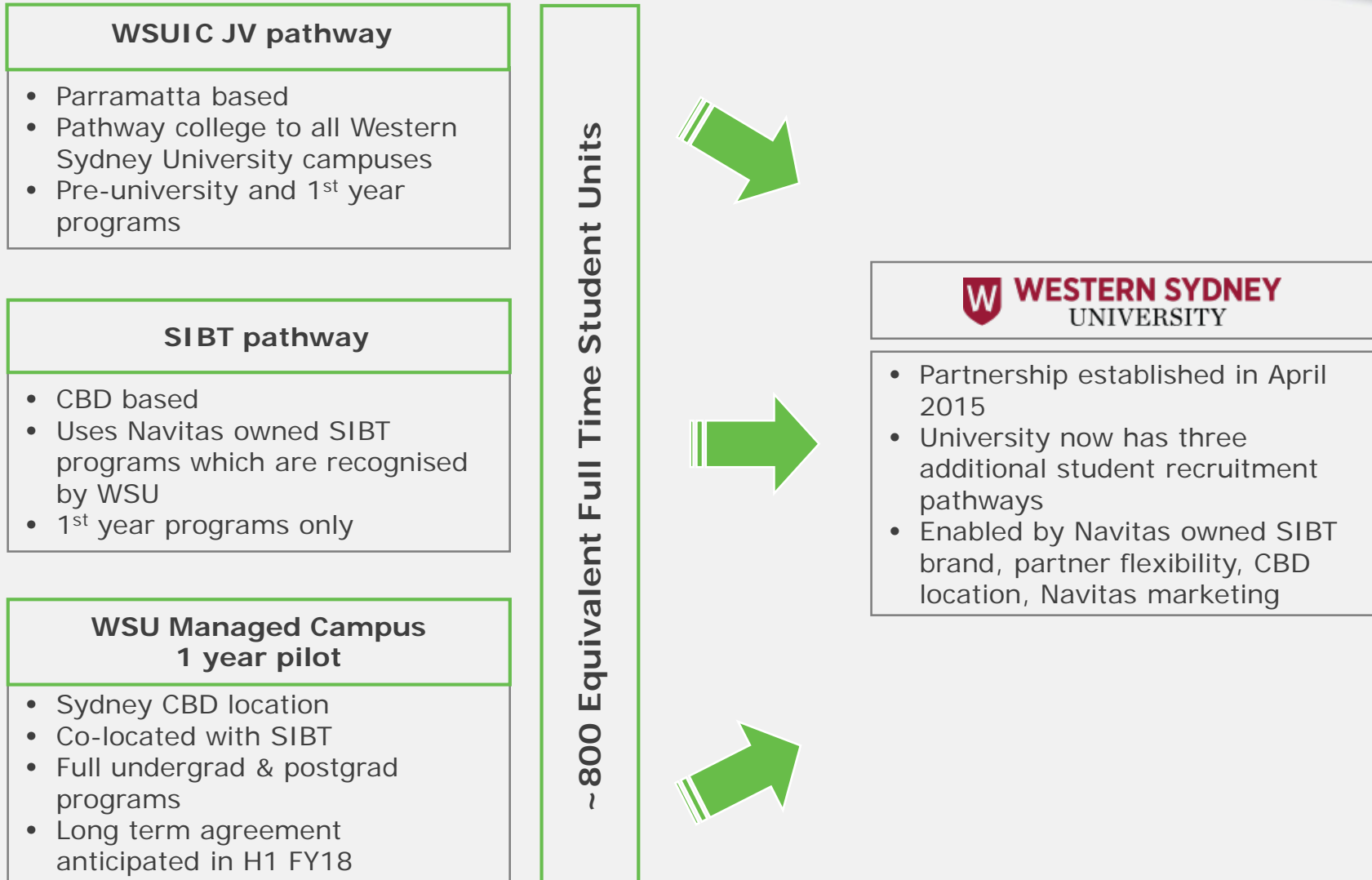
Dec 2017

Deakin College with
Deakin University



Dec 2017

Evolving the pathway model in a mature market – Western Sydney University example



Overview - Richard Bland College of William and Mary

University Partnerships Vision

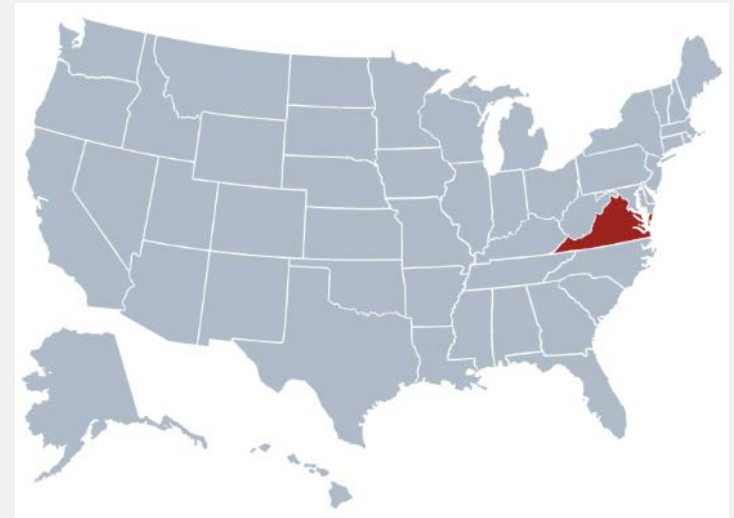
To become the preferred transformation partner to universities around the world

Adaptation of the standard pathway model that will create value for the partner and Navitas



Key details

- Richard Bland College is an existing transfer college to +40 universities and colleges in the state of Virginia
- This includes the University of Virginia #24, William and Mary #32 and Virginia Tech #74*
- Navitas has signed a 10 year agreement to recruit, administer and support all international students at Richard Bland College
- These students will then have the ability to articulate to the +40 partnered universities
- Strong brand addition to the US partner portfolio



* National University Rankings, *US News and World*, 2017

Careers and Industry Division update

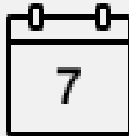


Division merger progressing well

- Due to be largely complete by end of FY17
- Key brands – SAE, ACAP, HSA, AMEP



All Careers and Industry businesses approved for new VET Student Loan (VSL) funding regime in April – many providers failed to qualify



ACAP reaccredited in April by TEQSA as a Higher Education Provider for the maximum seven years



ACAP awarded Self-Accrediting Authority

- able to self-accredit courses through to Masters
- significantly reduces new course development timeframes



SAE Australia launches new series of Diploma programs including Music Production, 3D Animation and Game Development

FY17 guidance reaffirmed

**FY17 EBITDA result
expected to remain
broadly in line with FY16**

(on a constant currency basis and including the
addition of EBITDA from the new ECU Joint
Venture)





Appendix

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ACAP – Australian College of Applied Psychology

AMEP – Adult Migrant English Program

ASX – Australian Securities Exchange

C&I – Careers and Industry

CPS – Cents Per Share

EBITDA – Earnings Before Interest Tax, Depreciation and Amortisation

ELICOS – English Language Intensive Courses for Overseas Students

HE – Higher Education

HSA – Health Skills Australia

NCPS – Navitas College of Public Safety

NPAT – Net Profit After Tax

PCP – Prior Corresponding Period

PEP – Professional and English Programs

SAE – School of Audio Engineering, now known as SAE

SAIBT – South Australian Institute of Business and Technology

SEE – Skills for Education and Employment

SSVF – Simplified Student Visa Framework

TEQSA – Tertiary Education Quality Standards Agency

UP – University Partnerships

VET – Vocational Education and Training

VFH – VET FEE-HELP

WACC – Weighted Average Cost of Capital