



3P Learning Turn Around On Track

Investment analysts have responded positively to the FY17 full year results announcement for 3P Learning, which were recently released. Analysts from Deutsche Bank and Macquarie Securities have cited strong cash flow and cost management, impressive margin expansion and earnings momentum as reasons for the promising results overview.

These outcomes follow CEO Rebekah O'Flaherty's first 12 months at the helm of 3P Learning, a global leader in online education and the creators of Mathletics, Reading Eggs and Spellodrome.

Rebekah says, "Twelve months ago we established three strategic priorities in order to steer 3P in the right direction and build a sustainable foundation for profitable global growth. These priorities were to strengthen the product portfolio around maths and literacy, develop scalable sales and marketing and globalise 3P's operating model. We will continue to focus on these priority areas into 2018 and expect accelerated growth in FY19," said Rebekah.

Other highlights from the 2016/17 year include:

Group Revenue grew by 6%. APAC 3%, EMEA 3% and Americas 31% (EMEA grew 19% and Americas 33% on a constant currency basis)

Underlying Core EBITDA grew by 20%, with all regions expanding EBITDA, reflecting our continued action to reduce cost and the benefits of developing a more scalable and efficient global operating model

Licence growth impacted by our focus on more profitable bundling especially in Americas. All regions saw ARPU improvement with the Americas reporting a 24% increase

Retention and CAC improved

Start of FY17 FTE 338. End of FY17 FTE 242 reflecting the benefits of a more efficient and effective operating model

As reported in our H1FY17 results a strategic review led to a one off non cash write down after tax of \$12.0M. Restructuring costs of after tax of \$1.6M were also recorded

Underlying NPAT up 19% year on year

For more information, please visit: www.3plearning.com/au/

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