

New Dynamic Education Group Completes Second Round of Financing and Successfully Enters South China Market

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New Dynamic Education Group, one of the leading English training groups in China, announced that the company has completed its second round of financing, totaling \$10,000,000, from two well-known venture capital firms, Matrix Partners China and WI Harper Group. This second round of financing was led by Matrix Partners China, and was joined by WI Harper Group, who led the first round of investment. Separately, the company also announced the acquisition of certain businesses of Linguaphone Guangzhou, and as a result, has added three new New Dynamic Institute centers that have successfully commenced operations in the Guangzhou area.

The CEO of New Dynamic Education Group, Sheila Yu, said that the capital raised will be used in two areas; firstly, for research and development of new curriculums that will increase the efficiency and fun factor of learning English, and secondly, to continue and reinforce the expansion program into new markets. She also indicated that over the coming months a number of new centers will be opening across China, all of which will be directly operated by New Dynamic Education Group.

Ian Goh, a partner at Matrix Partners China, expressed great confidence in the prospects for New Dynamic Education Group, noting the Company's the rapid development and progress it has achieved over the past five years. Mr. Goh also commented, "I am extremely pleased with the company's leading market positioning, which will be further strengthened through this transaction with Linguaphone." Wayne Shiong, a partner at WI Harper Group, also commented, saying, "Our investment into New Dynamic was our first in the educational field of mainland China, and our continued investment in the company demonstrates the deep insight and professionalism shown by the team and the promising market of high-end English training in China."

Raymond Yung, the former Chairman of Linguaphone Guangzhou, expressed his confidence in the management team of New Dynamic Institute, saying, "I am extremely impressed with the team, and in particular their sense of social responsibility and professionalism, especially their respect for the students and employees of Linguaphone."

New Dynamic Education Group has won many awards over the past several years, including being selected as one of "China's Top Ten Most Influential Brands" in the English training industry during the general appraisal announcement of Tencent Educational Network in 2008. It was also honored as one of the "Top Ten Brands of Summer Vacation Educational Institutions" and one of the "Top 100 Most Potential Enterprises in China in 2009" by China Venture, where it was ranked as the top company in the education industry. In the five years since its founding, New Dynamic Education Group has opened 33 centers and trained over 50,000 students.

About New Dynamic Education Group:

New Dynamic Education Group was established in 2004, focusing on providing quality English training, including high-end adult English education, through its outstanding staff with high

educational backgrounds and good skills. Through its philosophy, “Language is a skill. Practice makes perfect”, the company has successfully launched a large number of training centers in many cities throughout China. Every year, thousands of students are enrolled and trained both through the company’s “New Dynamic Institute” and “eNDI Online Education” brands. The group has many extensive social resources, including long-term partnerships with more than 40 large and medium-sized foreign-owned enterprises and foreign trade enterprises.

Media contact:

Peter Liu

Marketing Manager from New Dynamic Institute

027 59501688

Peter.liu@ndi.com.cn