NIIT

SHARPENING THE EDGE

Financial Results

Quarter ended June 30,2011

July 22,2011

Environment

- GDP expected to grow at approx. 8.5%. However, tight monetary policy and sticky inflation dampening growth momentum.
- Employers remain optimistic about hiring plans; Strong hiring by employers across industries in India with Net Employment Outlook at 51% (up 13 percentage points YoY): Manpower Employment Outlook Survey
- Domestic IT firms continue strong hiring outlook based on volume pick up and higher attrition: TCS and Infosys plan to hire over 100,000 in FY12
- Banking Industry continues its hiring spree for operations and sales; PSU banks to hire over 4 lac in the next two years.(Source: Times of India)
- Education and skill development remains a top agenda for governments around the world. However, decision making and execution of government plans has been slow
- Corporate training spends recovering. However, US, Europe sovereign debt concerns weigh on corporate decision making

Q1FY12 – Financial Highlights

- Consolidated System wide revenues ₹ 4,692 million, up 17% YoY.
- Net Revenues at ₹ 3,212 million, up 16% YoY.
- EBITDA ₹ 307 million, up 7% YoY
- Profit before Tax ₹ 16 million, up 69% YoY
- Operational PAT at ₹ 29 million, up 19% YoY

Key Drivers

- Growth in Career IT and Banking enrolments in the Individual business
- Stabilizing execution of multi year Managed Training Services and Online Products

Q1FY12– Business Highlights

- Individual:
  - Net revenues at Rs.1,178 million; up 16% YoY
  - EBITDA at Rs.113 million
- Schools:
  - Net revenues at Rs. 403 million, up 5% YoY
  - EBITDA at Rs. 49 million
- Corporate:
  - Net revenues at Rs. 1,630 million ; up 18% YoY
  - EBITDA at Rs.145 million, margin at 9%, an improvement of 102 bps YoY

Overall volume & revenue growth

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Q1FY12– Business Highlights

- Individual Learning Solutions : Global enrolments grew 11% . Career IT enrolments grew 16%. Robust ILS IT placements growth at 28%

- School Learning Solutions : Order Intake of Rs. 976 million. Added 173 non Government schools. Non Government schools revenue grew by 24% YoY.

- Corporate Learning Solutions : Strong volume growth of 21% resulted in improved margin by 102 bps YoY. Order Intake of $ 25.4 million

Consolidated Financials

(Rs. in million)	Q1FY12	Q1FY11	YoY (%)
System wide Revenues	**4,692**	**4,013**	**17%**
Net Revenues	**3,212**	**2,780**	**16%**
Operating expenses	2,904	2,493	17%
EBITDA	**307**	**287**	**7%**
EBITDA%	10%	10%	-76 bps
Depreciation	227	203	12%
Net Other Income	-64	-74	10 mn
Profit before Tax	**16**	**10**	**69%**
Tax	-13	-15	-2 mn
Operational Net Profit	**29**	**25**	**19%**
Share of Profits from Associates	102	105	-3%
PAT	**131**	**130**	**1%**
Basic EPS (Rs.)	**0.8**	**0.8**	**1%**

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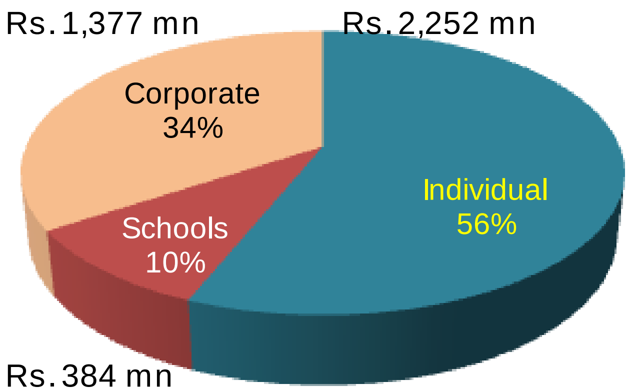
Business Mix

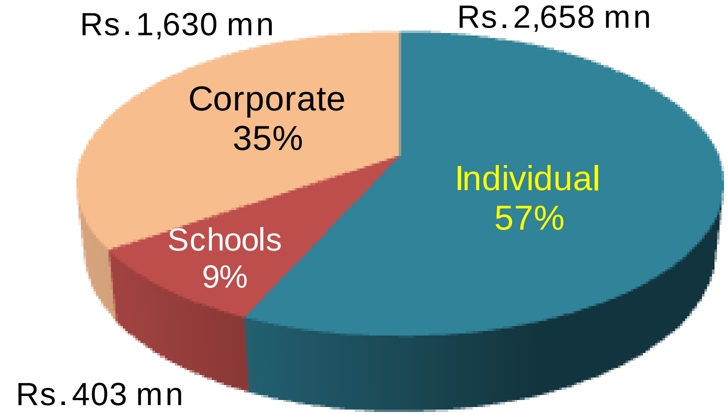
System Wide Revenues

Q1FY11



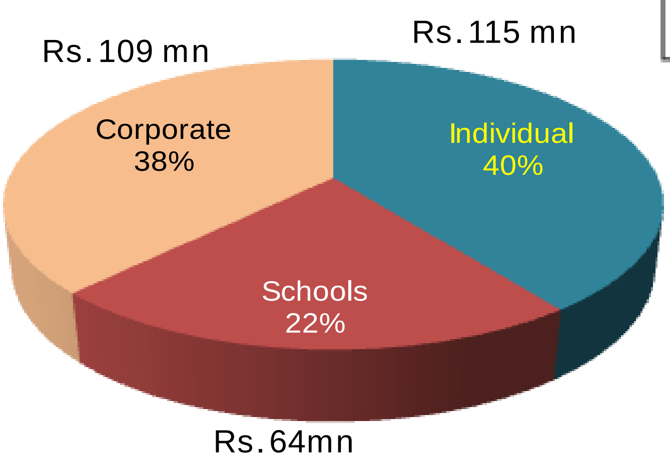
	% Change
Individual	+18%
Schools	+5%
Corporate	+18%

Q1FY12



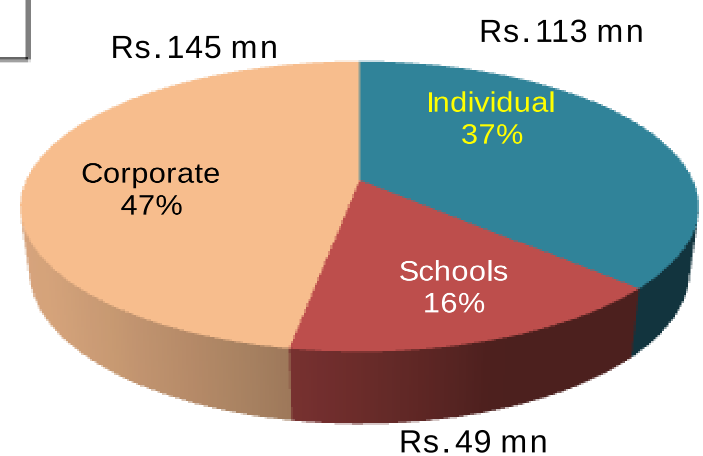
EBITDA

Q1FY11



	Change
Individual	-1%
Schools	-24%
Corporate	+34%

Q1FY12



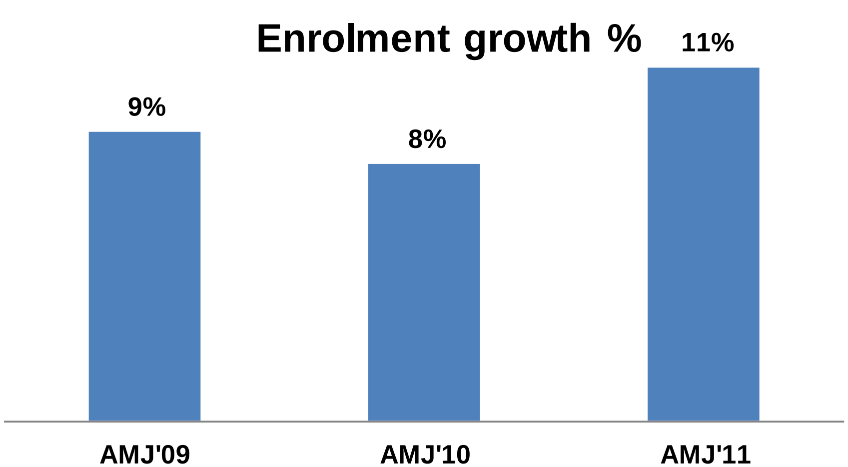
Volume growth helps improve EBITDA share of Corporate business

Individual Learning Solutions

₹ Mn	Q1FY12	Q1FY11	YoY
System wide Revenues	2,658	2,252	18%
Net Revenues	1,178	1,019	16%
EBITDA	113	115	-1%
EBITDA %	10%	11%	-162 bps

Q1FY12

- Enrolments: Global enrolment up 11%, Career IT enrolments up 16%; strong surge in banking enrolments
- Strong growth in placements; up 28% YoY
- Pending order book at Rs. 1,384 million, over 70% executable in next 12 months
- Seats capacity added 6% YoY, 8 centres added
- Cloud Campus implementation covers 50 centres



School Learning Solutions

₹ Mn	Q1FY12	Q1FY11	YoY
Net Revenues	403	384	5%
EBITDA	49	64	-24%
EBITDA %	12%	17%	-472 bps

Q1FY12

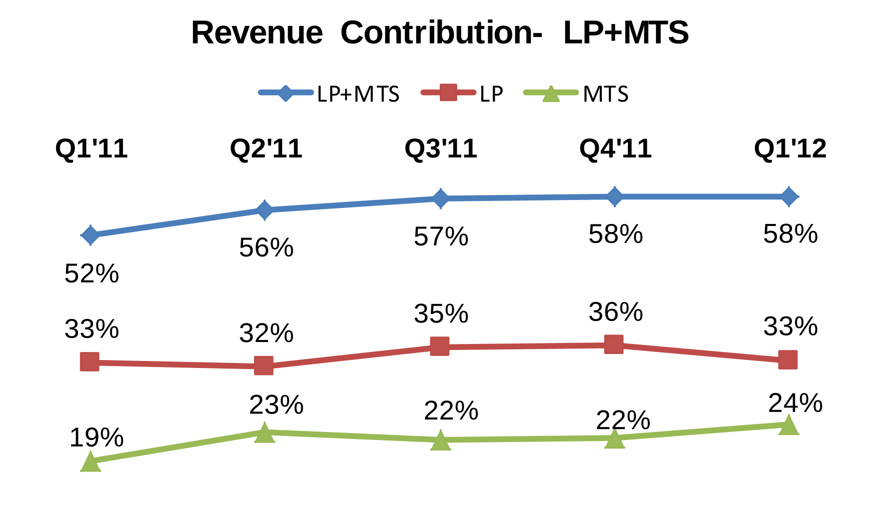
- Non Government revenue contributed 41%, up 24% YoY
- 173 Non Government schools added
- Total Order Intake of Rs. 976 million
- Pending Order book at Rs. 4,975 million, up 10%; 30% executable in next 12 months

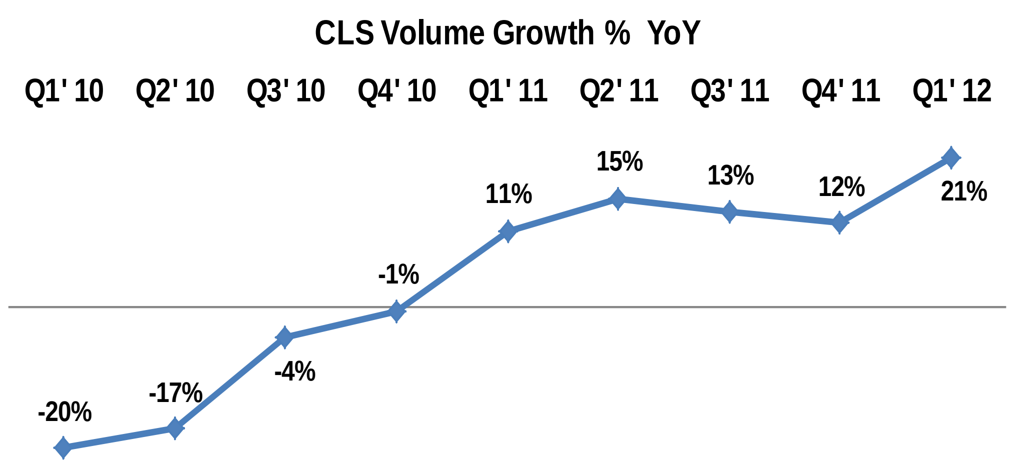
Corporate Learning Solutions

₹ Mn	Q1FY12	Q1FY11	YoY
Net Revenues	1,630	1,377	18%
EBITDA	145	109	34%
EBITDA %	9%	8%	102 bps

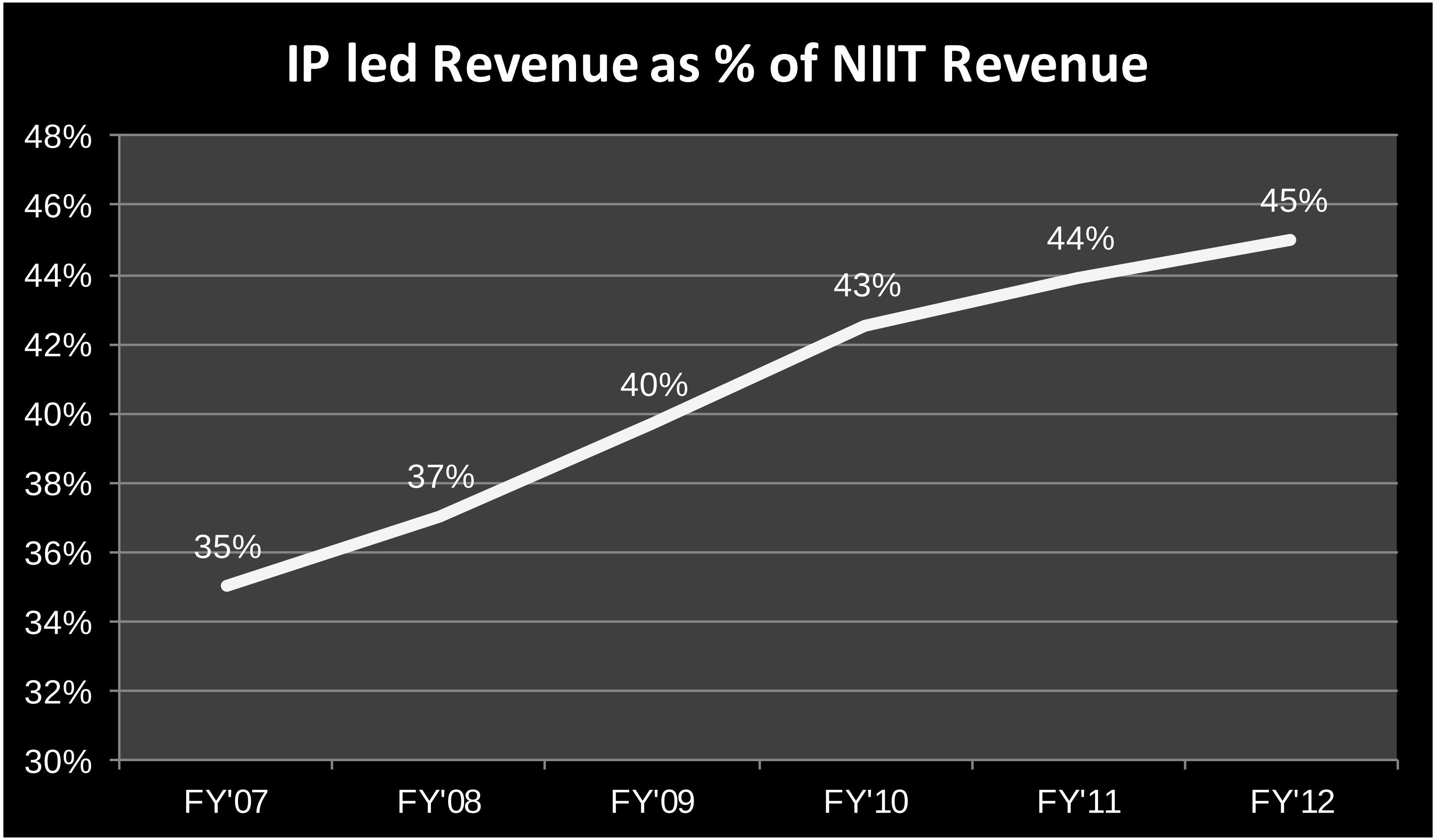
Q1FY12

- ❖ 21% Volume growth, driven by strong growth in MTS (up 56%) and Learning Products (up 22%)
- ❖ Order Intake of $ 25.4 million; Pending order book at $ 87.0 million, 61% executable in next 12 months



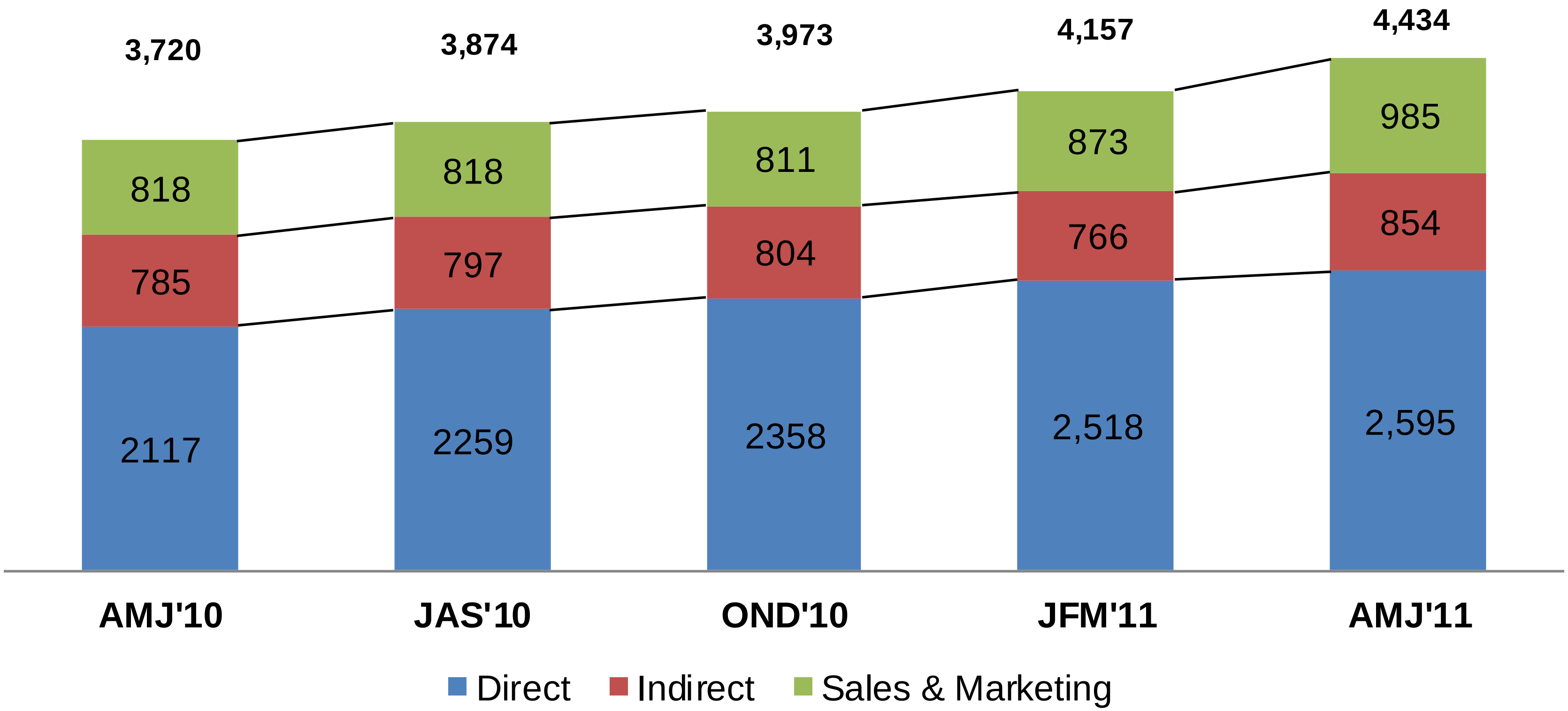


IP led Revenue



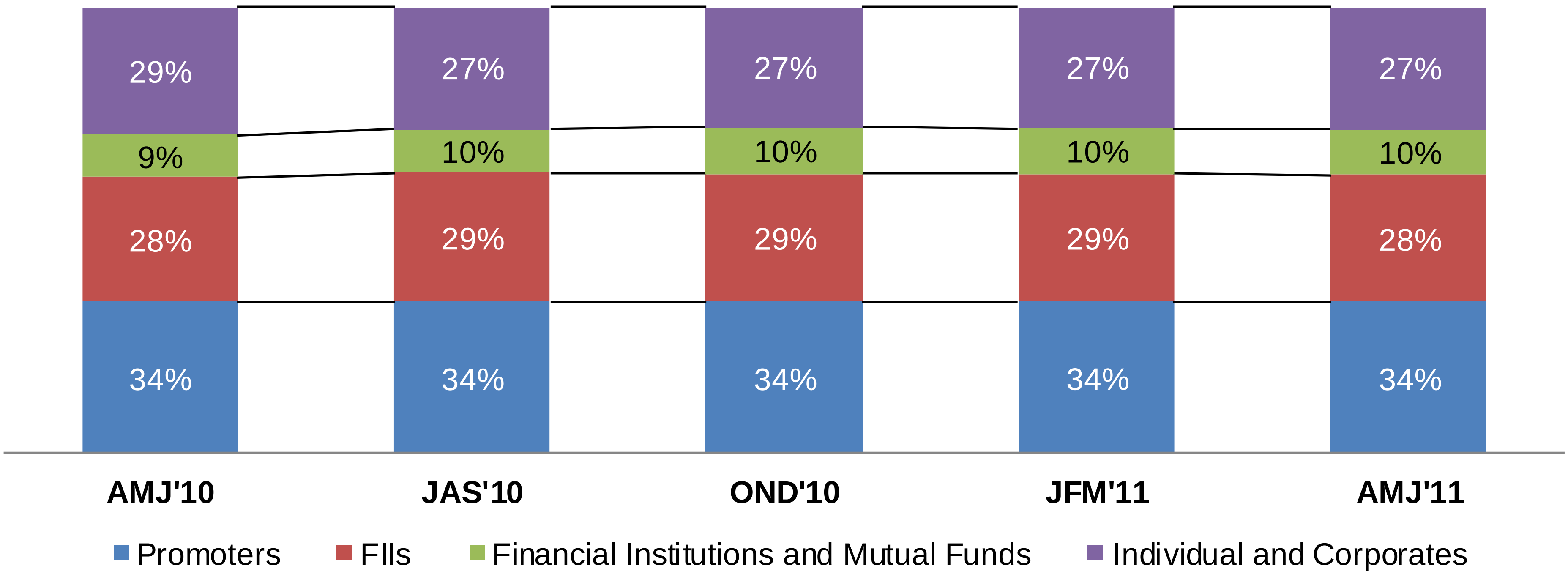
Growing contribution of IP led revenue growth

Head Count



- Net addition of 277 people in the Quarter, taking total headcount to 4,434

Shareholding Pattern



Platforms for growth

Creating platforms for growth to the next level:

Individual	Cloud Campus & NIIT One World
Schools	N Guru for Integrated offering
Corporate	Learning Products & Managed Training Services

Q1FY12- Awards & Recognitions

- NIIT ranked among Top 25 " India's best company to work for" and ranked 1st in Training and Education Industry
- NIIT's Skill development project in Republic of South Africa felicitated with "Best Vocational and Skills Initiative of the year Award"
- NIIT Imperia recognized as 'Best Training to Working Professionals'
- NIIT's Mobile Science Lab wins 'Best Innovation in Science Education of the Year Award'

Leadership in the Century of the Mind