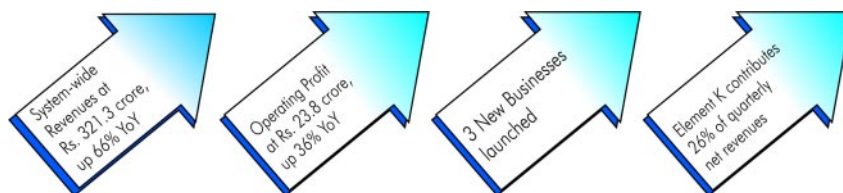


# NIIT

## CONSOLIDATED PERFORMANCE



### NIIT LIMITED

Regd Office : NIIT House, C-125 Okhla Ph-1, New Delhi-110020  
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### Unaudited Financial Results for the Quarter Ended September 30, 2006

(Rs. Lacs)

| Particulars   | Quarter Ended September 30, |              | Half Year Ended September 30, |               | Previous Year Ended 31st March, 2006 |
|---|-----------------------------|--------------|-------------------------------|---------------|--------------------------------------|
|   | 2006*                       | 2005         | 2006                          | 2005          |                                      |
|   | (Limited Review)            |              | (Limited Review)              |               |                                      |
| (1)   | (2)                         | (3)          | (4)                           | (5)           | (6)                                  |
| <b>1. Income from Operations</b>                            | <b>10,916</b>               | <b>9,189</b> | <b>18,919</b>                 | <b>16,662</b> | <b>33,777</b>                        |
| 2. Other Income   |                             |              |                               |               |                                      |
| - Interest  | 105                         | 35           | 213                           | 81            | 204                                  |
| - Others  | 13                          | 188          | 282                           | 846           | 712                                  |
| <b>3. Total Expenditure</b>                                 | <b>9,057</b>                | <b>7,742</b> | <b>16,228</b>                 | <b>14,726</b> | <b>28,821</b>                        |
| a) (Increase)/Decrease in stock                             | (137)                       | (116)        | (256)                         | (140)         | (144)                                |
| b) Personnel Cost   | 2,803                       | 2,287        | 5,179                         | 4,207         | 8,978                                |
| c) Development, Production & Execution                      | 3,038                       | 3,347        | 5,232                         | 6,343         | 11,713                               |
| d) Others   | 3,353                       | 2,224        | 6,073                         | 4,316         | 8,274                                |
| 4. Interest Expenses  | 177                         | 151          | 345                           | 289           | 558                                  |
| 5. Depreciation   | 738                         | 587          | 1,448                         | 1,156         | 2,376                                |
| <b>6. Profit before Taxes</b>                               | <b>1,062</b>                | <b>932</b>   | <b>1,393</b>                  | <b>1,418</b>  | <b>2,938</b>                         |
| 7. Provision for Taxation/ Deferred Tax                     | 33                          | 75           | (18)                          | 147           | 239                                  |
| - Current Tax   | 99                          | 23           | 142                           | 58            | 200                                  |
| - Deferred Tax Charge/ (Benefit)                            | (113)                       | -            | (113)                         | -             | (200)                                |
| - Fringe Benefit Tax  | 47                          | 52           | 85                            | 89            | 189                                  |
| - Provision/ (Write back) of tax relating to earlier years  | -                           | -            | (132)                         | -             | 50                                   |
| <b>8. Net Profit</b>  | <b>1,029</b>                | <b>857</b>   | <b>1,411</b>                  | <b>1,271</b>  | <b>2,699</b>                         |
| 9. Paid up Equity Share Capital (Face Value of Rs. 10 each) | 1,940                       | 1,932        | 1,940                         | 1,932         | 1,932                                |
| <b>10. Reserves</b>   |                             |              |                               |               | <b>26,751</b>                        |
| 11. Earnings per share (Rs.) - (not to be annualised)       |                             |              |                               |               |                                      |
| - Basic   | <b>5.32</b>                 | <b>4.43</b>  | <b>7.30</b>                   | <b>6.58</b>   | <b>13.97</b>                         |
| - Diluted   | <b>5.15</b>                 | <b>4.10</b>  | <b>7.15</b>                   | <b>6.16</b>   | <b>13.88</b>                         |
| 12. Aggregate of Non-Promoter Shareholding                  |                             |              |                               |               |                                      |
| - Number of Shares  |                             |              | 12,774,323                    | 11,515,759    | 12,731,961                           |
| - Percentage of Shareholding                                |                             |              | 66.00%                        | 59.59%        | 65.88%                               |

#### \* Notes:

- The implementation of Accounting Standard 15 (Revised 2005) Employees Benefits has resulted in an additional liability towards compensated absences up to March 31, 2006 amounting to Rs. 671 Lacs, which has been adjusted against opening reserves as on April 01, 2006 and the same stands adjusted to Rs. 26,080 Lacs. Its implementation has also resulted in decrease of personnel cost of Rs. 13.81 Lacs for the current quarter with a corresponding increase in profit before tax.
- During the quarter the Company has made an additional investment of USD 5.5 Million and granted loan of USD 2 Million to NIIT (USA) Inc. and also provided Corporate Guarantee of USD 38.5 Million to ICICI Bank, Bahrain for loan taken by NIIT (USA) Inc. for acquisition of Element K Corp. through its step down subsidiary, NIIT Ventures Inc., USA.
- During the quarter, the Company has granted further loan of Rs. 500 Lacs to NIIT Education Society, a society registered under the Societies Registration Act, XXI of 1860 with Registrar of Societies, Government of NCT of Delhi.
- The Company has invested a sum of Rs. 400 lacs, representing 80% of the paid up Equity Capital (at par) of NIIT Institute of Finance Banking and Insurance Training Limited. The subsidiary would cater to the growing needs of the training in Banking, Insurance and Financial Services Sector in India and Overseas markets.
- During the quarter, pursuant to Employees Stock Option Plan 2005, 545,400 options got vested, out of which 74,821 options have been exercised by the employees and shares have been allotted.
- During the quarter, the Company has made an additional investment of Rs. 49 lacs in the Equity Shares of its wholly owned subsidiary Company, NIIT Limited, UK.
- Development, Production and Execution expenses include course execution charges for the quarter ended September 30, 2006 amounting to Rs. 1,032 Lacs (Previous quarter and year, Rs.1,305 Lacs and Rs. 4,554 Lacs respectively). Other expenses includes advertisement expenses amounting to Rs. 1,071 Lacs for the current quarter (Previous quarter and year, Rs. 598 Lacs and Rs. 2,218 Lacs respectively).
- During the previous year the Company had issued 2.5%, 1,000 Foreign Currency Convertible Bonds of USD 10,000 each amounting to Rs. 4,379 Lacs. These bonds have not been restated at the closing exchange rate as at the respective period ends as these are convertible into equity shares of the Company within 5 years from the date of issue of such bonds at a price of Rs. 200 per share.
- The sub businesses are fully aligned to global learning business of the company and the same are being viewed by the management as a single primary segment, i.e. learning business segment.
- At the beginning of the quarter, 1 investor complaint was pending for resolution, which was resolved during the current quarter. 7 complaints were received during the current quarter, out of which 6 were disposed off during the quarter and 1 complaint was pending for resolution which was subsequently resolved.
- The figures of the previous period/ year, to the extent feasible, have been regrouped/ reclassified to conform to the current quarter's classification.
- The above results have been approved and taken on record by the Board of Directors of the Company at its meeting held on October 27, 2006.

By order of the Board  
For NIIT Limited

Sd/-  
Vijay K. Thadani  
Whole-time Director

Place : New Delhi  
Dated : October 27, 2006