

NIIT Limited Consolidated Annual Results 2004-05

- **PAT for the year up 88%, to Rs 35.6 crores**
- Operating Profit up 106% to Rs 49 crores
- **Operating Margin grows by 567 basis points to 12%**
- Global System-wide Revenues up 11%, to Rs 636.3 crores
- **Board recommends enhanced dividend of 55%**

New Delhi, June 10, 2005:

For the year ended March 31, 2005, global system-wide revenues of NIIT Limited and its subsidiaries grew 11% to Rs 636.3 crores. The consolidated net revenues of NIIT Limited during the 12-month period increased 11% to Rs 398.3 crores.

Operating Profit for the year went up 106% to Rs 49 crores leading to an Operating Margin of 12%. The operating margin improved by 567 basis points. Profit After Tax was up 88% to Rs 35.5 crores leading to an Earning Per Share of Rs 18. The Board of Directors have recommended an enhanced dividend of Rs 5.50 for every equity share of Rs 10 each.

Consolidated Financials--At A Glance			
	<i>Yr ended Mar 31, '05</i>	<i>Yr ended Mar 31, '04</i>	<i>Growth</i>
Global Systemwide Revenues (Rs Crores)	636.3	574.9	11%
Operating Profit (Rs Crores)	49.0	23.8	106%
Operating Margin (%)	12	7	567 bps
Profit After Tax (Rs Crores)	35.6	18.9	88%

The results were taken on record at the meeting of the Board of Directors of NIIT Limited in New Delhi today.

International business contributed to 53% of NIIT's annual revenues at Rs 334.8 crores while the remaining Rs 301.5 crores was contributed by India geography. In India Rs 167.5 crores of the business came from the Individuals while the order book of the Institutional business contributed the remaining Rs. 139.9 crores.

Announcing the annual results, Mr Rajendra S Pawar, Chairman, NIIT Limited said, **"We have seen healthy growth of 21.7% from Career and High-end programs that contribute directly to the growth of the IT Industry."**

After the successful launch of NIIT's industry-endorsed GNIIT program with 4 specialisation tracks, the company introduced a range of specialized education programs for Engineering and IT students.

“Net Profit grew by 88% as a result of volume growth across all business lines and better operating efficiencies,” commented Mr Vijay K Thadani, CEO, NIIT Limited while announcing the improved financial performance for the year.

NIIT’s education operations in China recorded a 20% growth in business through NIIT education centres and academic alliances with over 20 Chinese Universities and three software parks. NIIT’s GNIIT Software Engineering program in China is being sought after for its software engineering and project management skills.

Talking about NIIT's strategies that contributed to improved business, Mr P Rajendran, COO, NIIT Limited said, **“We introduced a range of new products which now constitute more than one-third of our portfolio.”**

NIIT’s Knowledge Solutions Practice executed e-learning, content creation and services engagements from leading clients in the USA. The company commissioned a 250-person offshore development centre for its Knowledge Solutions Practice in New Delhi. NIIT is building a Centre for Excellence in new technologies for its Knowledge Solutions Practice for 500 people.

In an engagement from the Assam government, NIIT completed the 2 Phases of Rajiv Gandhi Computer Literacy Programme covering nearly 1,50,000 students in 340 schools.

In the second half of the year, NIIT and Intel signed a MoU to significantly enhance the usage of technology-assisted learning in schools. As part of this MoU, Intel and NIIT are aspiring to grow the number of Indian schools benefiting from computer-assisted education to 80,000 by 2010. The company issued Foreign Currency Convertible Bonds (FCCB) of US\$ 10 million to Intel Corporation arm, Intel Capital, to fund its growth plans.

Jan-Mar '05 performance

For the 3-month period ended March 31, 2005, global system-wide revenues of NIIT Limited grew 12% YoY to Rs 165.6 crores (Rs 147.9 crores). Operating Margin improved to 12% during the quarter. A fresh order intake of US\$ 9.59 million (Rs. 41.99 crores) during the JFM'05 quarter helped the pending order book for International business grow to US\$ 18.48 million (Rs. 80.92 crores) as on March 31, 2005.

A number of institutional orders, including one from Meghalaya government shored up the pending order book from Institutional clients in India to Rs. 157.5 crores.

Acknowledgements

India’s Minister for Communications and IT Mr Dayanidhi Maran presented the prestigious Dewang Mehta Award to NIIT Chief Scientist Dr Sugata Mitra for Innovation in IT for his pinnacle achievement popularly known as Hole-In-the Wall experiment.

TrainingOutsourcing.com listed NIIT among the ‘Top 20 Companies in the Training Outsourcing Industry’.

Delhi Management Association and the global human capital consulting company, Watson Wyatt World, presented Award for Excellence in Innovative HR practices to NIIT for its innovative HR practises.

About NIIT Limited

NIIT Limited, an acknowledged leader in IT and IT-assisted training, provides Learning and Knowledge Solutions in 33 countries. With 500,000 students on rolls, NIIT is the first and the only Asian Education and Training Organization to feature among the IDC Top 20 Global IT Training market leaders.

NIIT's classroom programs include: **GNIT**--An industry endorsed curriculum for IT career seekers; **CATS**--for training on advanced technologies, **NFE/ANIIT**—a series of programs for Engineering & IT students; **NetVarsity**--the e-learning portal offers a distinctive blend of content, technology and services, while **NIIT@School** provides IT education to over 1.2 million students in over 2500 government and private schools.

NIIT's SEI CMM Level 5 assessed Knowledge Solutions Practise has emerged as a clear leader in the field of Knowledge Management and e-learning. It offers integrated learning solutions ranging from strategy and design to development, implementation and administration. Its customers include 4 out of the Top 10 Fortune Companies, 3 of the top 4 Technology Creators, and 2 of the top 3 Publishing Houses.

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