

NIIT Limited

Financial Results Q1 FY'14

July 19, 2013



A New Way of Learning

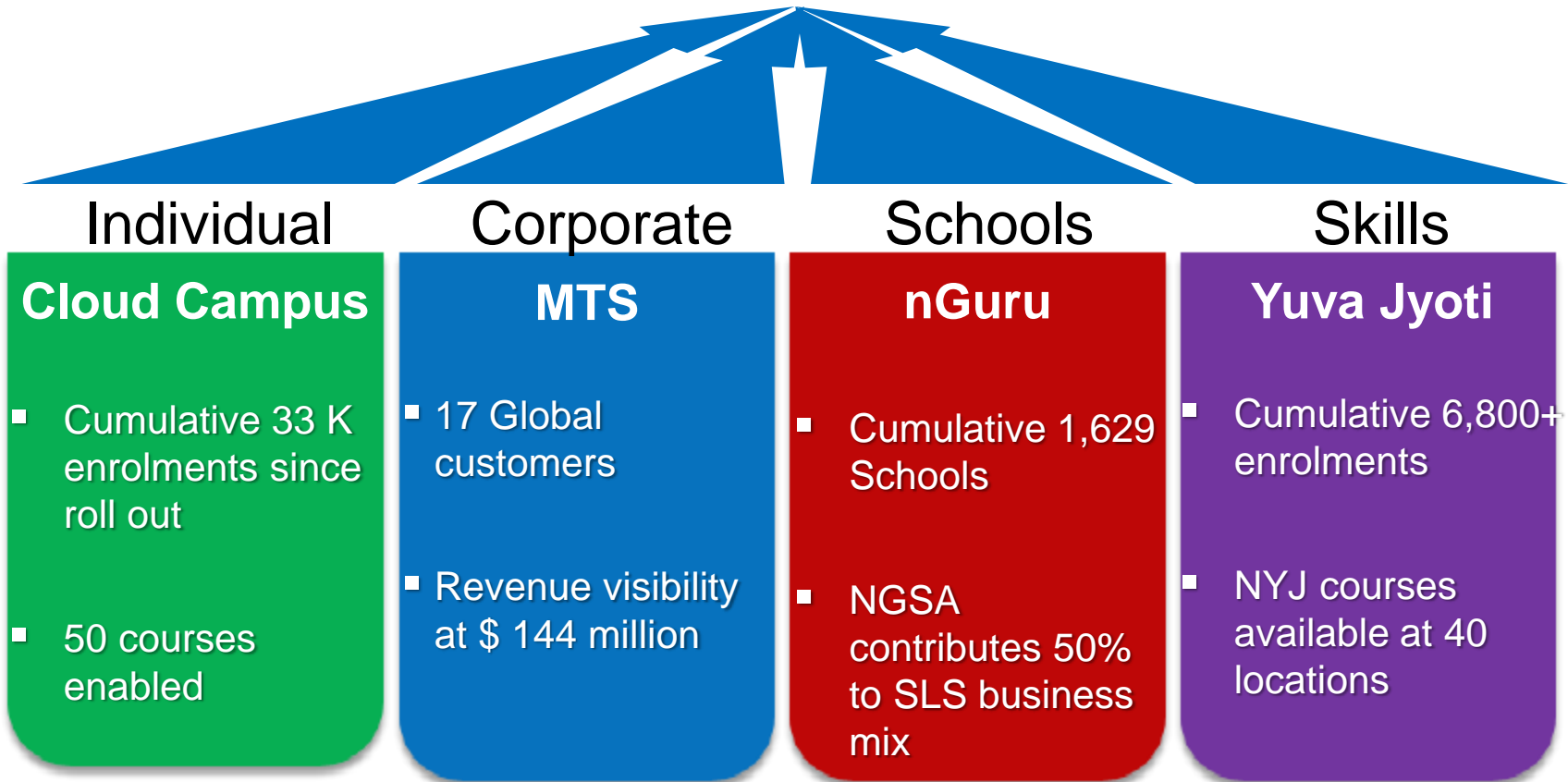
Environment

- While the economy is expected to see a pickup in FY14, macro headwinds continue to drag pace of recovery
- Hiring outlook sees sharpest decline in India, amongst all countries surveyed by Manpower Employment Outlook Survey (Down 28 percentage points to +18%); Outlook weakest since 2005
- Absorption of fresh graduates by IT sector remains generally weak; Sustained pick up over next 1-2 quarters will help improve student sentiment for IT training
- Waning interest in Engineering in favor of Arts, Sciences & Commerce degrees
- Bank hiring on a rise with strong demand from both Public and Private banks
- Companies hiring skilled workers, just in time, positive for NIIT's placements and business in the long term
- Spending on Corporate Training in USA & Europe continues to be strong; However economic uncertainty affects sales cycles and transition periods

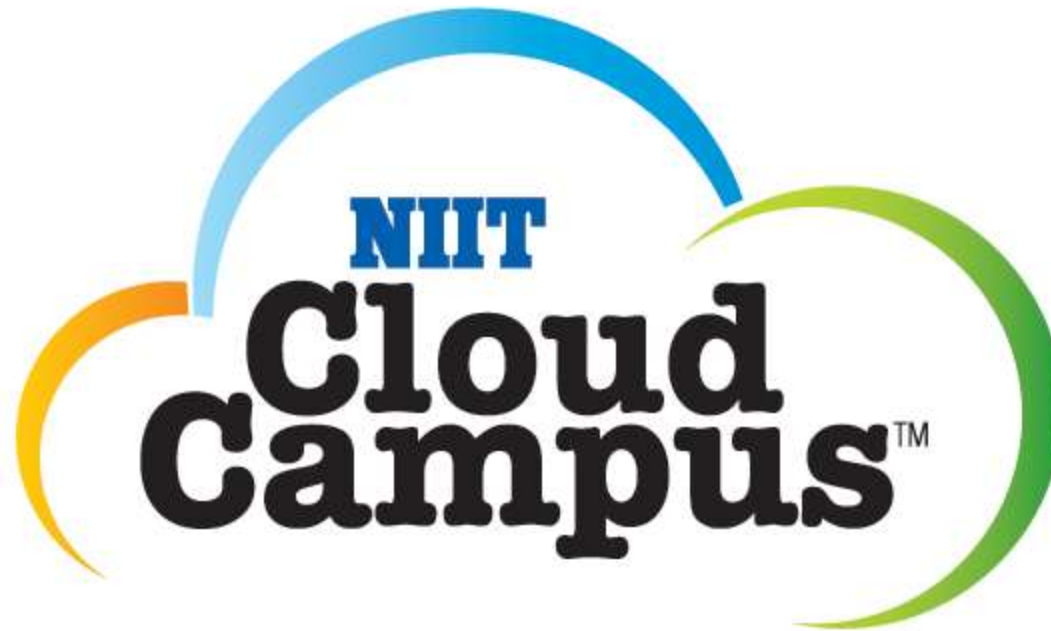
Macro headwinds continue; but certain segments poised for growth

NIIT

India's **4th** Best Company to Work for...
by: Great Place to Work Institute Survey - 2013



Profitability, Liquidity and Capital Efficiency



A New Way of Learning



Q1 FY'14 – In Perspective

- **Corporate Learning Solutions**
 - 4 new global contracts including 3 for MTS
 - Revenue visibility at \$ 144 mn
 - Revenues up 16% YoY; EBITDA margin at 11% (up 89 bps YoY)
 - MTS grows 19% YoY; contributed 74% to CLS revenues

- **Schools Learning Solutions**
 - Revenues down 2% YoY contributed by completion of a 500 school government contract
 - NGSAs contribution increases to 50% in Q1 FY'14 from 46% in Q1 FY'13

- **Individual Learning Solutions**
 - GNIT enrolments grow by 9%; Banking enrolments up 41%, Management program enrolment up 29%
 - Non IT products grew 42%; contribute 24% to ILS revenues
 - Overall Revenues down 12% YoY

- **Skills Building Solutions**
 - NYJ courses available at 40 locations
 - Over 1,900 enrolments in Q1 FY'14

* All comparisons on a like to like basis excluding pass thru revenues



Key Financials*

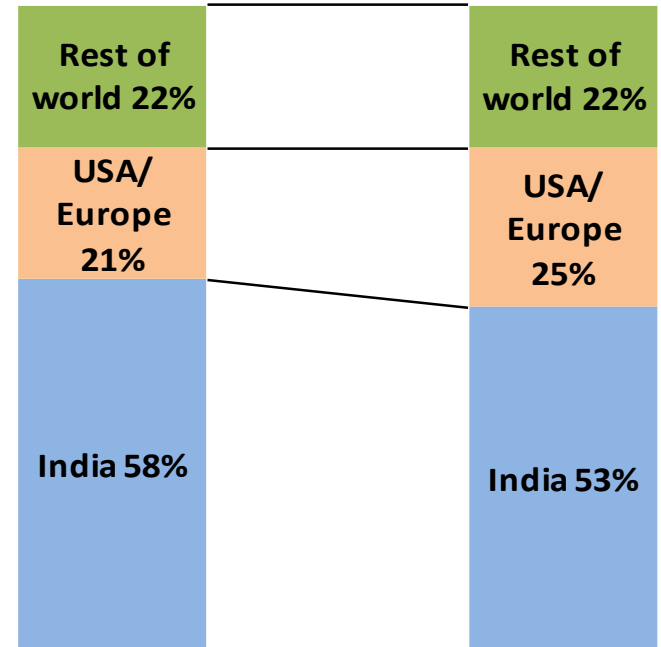
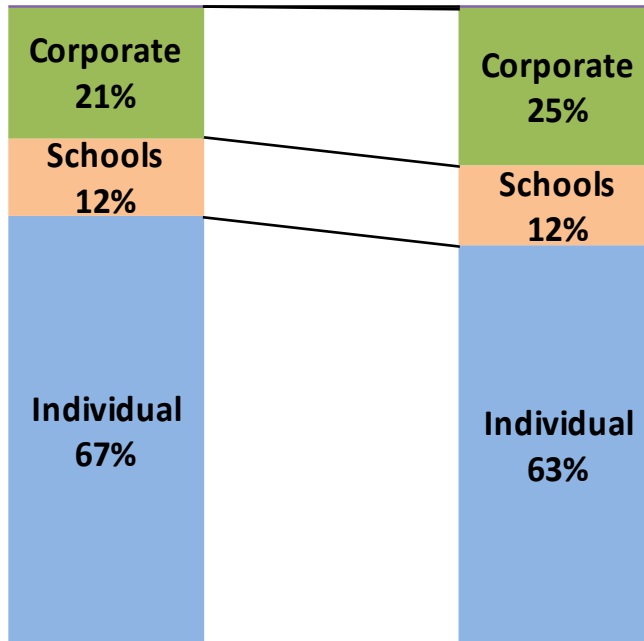
(Rs. mn)	Q1 FY14	Q1 FY13	YoY (%)
System wide Revenues	3,398	3,540	-4%
Net Revenues	2,222	2,238	-1%
Operating expenses	2,118	2,124	0%
EBITDA	104	114	-9%
EBITDA%	5%	5%	-42 bps
Depreciation	210	203	4%
Net Other Income	-81	-276	194 mn
Profit before Tax	-188	-365	177 mn
Tax	33	-341	-374 mn
Operational Net Profit	-221	-23	-841%
Share of Profits from Associates	128	138	-8%
PAT	-94	115	-181%

Business Mix

System-Wide Revenue

Business Mix

Geo Mix



Q1 FY13

Q1 FY14

Q1 FY13

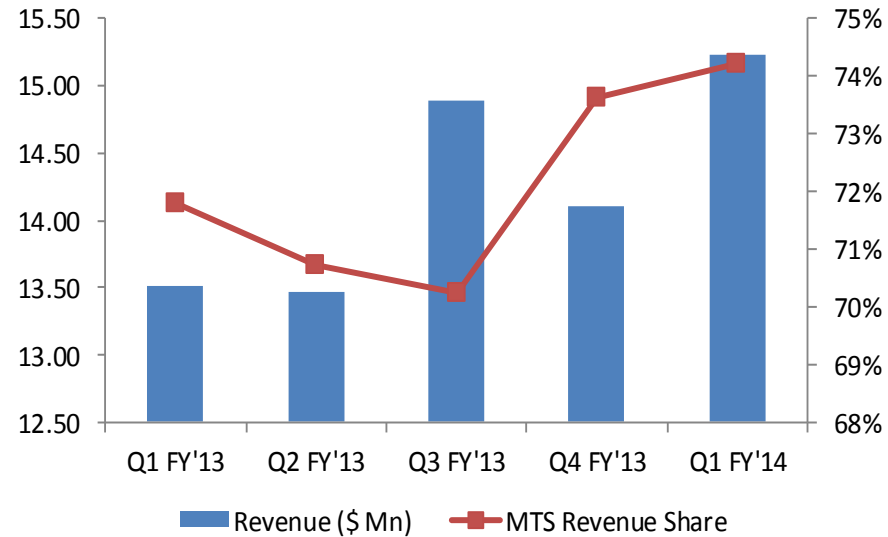
Q1 FY14



* All comparisons on a like to like basis excluding pass thru revenues

Rs. Mn	Q1 FY'14	Q1 FY'13	YoY	Q4 FY'13	QoQ
Net Revenues	844	730	16%	761	11%
EBITDA	90	71	26%	82	9%
EBITDA %	11%	10%	89 bps	11%	-15 bps

- MTS grows 19% YoY; Contributes 74% to CLS revenues
- Number of MTS customers increases to 17 vs 14 at end of FY13
- Order Intake of \$16.2 Mn, up 26% YoY
- Pending Order Book: \$ 54.6 Mn; 68% executable over next 12 months
- Revenue Visibility @ \$ 144 Mn



Running Training Like A Business.
It's time to Transform.
 Learn more at niit.com/mts



Rs. Mn	Q1 FY'14	Q1 FY'13	YoY	Q4 FY'13	QoQ
Net Revenues	424	433	-2%	470	-10%
EBITDA	32	43	-25%	37	-11%
EBITDA %	8%	10%	-231 bps	8%	-14 bps

- GSA revenues down 10% contributed by completion of a 500 school government contract
- NGSA revenue up 7% YoY; contributes 50% to SLS revenue mix
- Added 125 schools in Q1 FY'14
- Order Intake of Rs. 165 mn
- Pending Order Book: Rs 4,800 ; 26% executable over next 12 months

NIIT

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INTERACTIVE CLASSROOM CLOUD	A world winning classroom solution that makes the subjects more alive with interactive, multimedia content, digital feedback, quizzes and parents connect and collaborate.
MATH LAB	A system world full of fun; each and every child learns the concepts of Math to make learning more interesting using such fun technology applications: videos, manipulatives, interactive etc.
IT WIZARD NEXT	A leading IT education solution by NIIT. The IT education specialist, it imparts the IT knowledge, basic subjects and the skills in a novel way.
QUICK SCHOOL	QS is an integrated Education Resource Planning software that provides complete decision support system and financial automation for school management.

• Processes 1,700+ schools • Reaching more than 18 million students nationwide • Complete support and training

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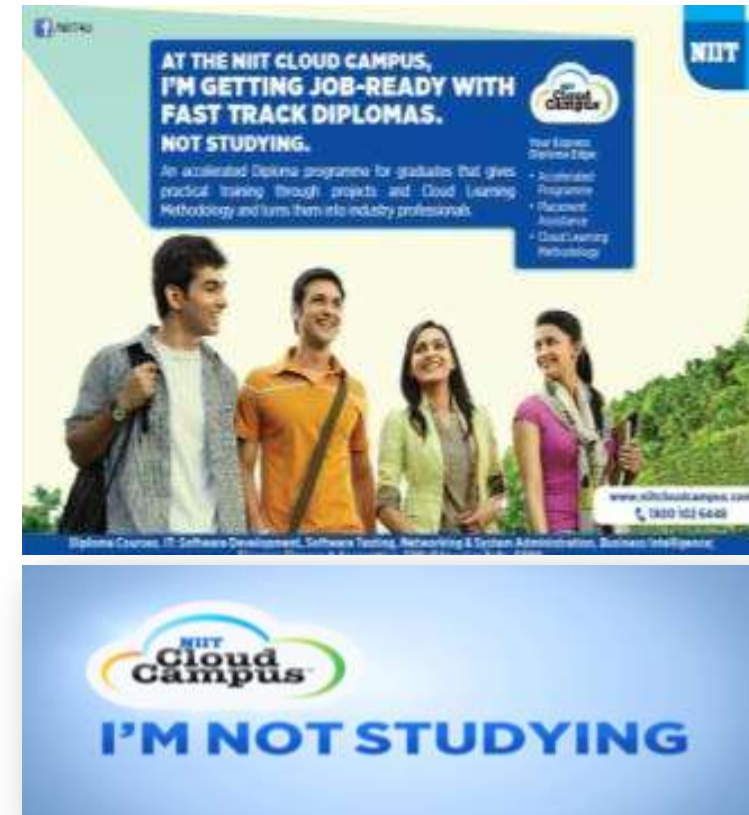
NIIT
nguru
 Solutions for Schools

* All comparisons on a like to like basis excluding pass thru revenues

Individual Learning Solutions

Rs. Mn	Q1 FY'14	Q1 FY'13	YoY	Q4 FY'13	QoQ
System wide Revenues	2,124	2,376	-11%	1,940	9%
Net Revenues	948	1,074	-12%	981	-3%
EBITDA	5	25	-82%	-24	119%
EBITDA %	0%	2%	-188 bps	-2%	290 bps

- Non IT revenues up 42% driven by sharp growth in Banking products; Non-IT products contribute 24% to net revenues
- GNIIT enrolments grow @ 9%; Banking enrolments up 41%; Management enrolments up 29%; Overall enrolments at 103K down 20% YoY
- EBITDA down YoY due to operating leverage and additional marketing spend on cloud campus; partially offset by cost savings
- Overall placements stood at 8,028 for Q1, down 7% YoY
- Pending order book at Rs 1,974 mn; 65% executable over next 12 months



Skill Building Solutions

Rs. Mn	Q1 FY'14	Q1 FY'13	YoY	Q4 FY'13	QoQ
System wide Revenues	6	1	5 mn	4	57%
Net Revenues	6	1	5 mn	4	57%
EBITDA	-23	-26	2 mn	-24	1 mn

- NYJ courses available at 40 locations
- Over 1,900 enrolments in Q1 FY'14

N.S.D.C. National Skill Development Corporation

NIIT Yuva Jyoti

नए ज़माने के नए JOBS

NIIT Yuva Jyoti की ट्रेनिंग के साथ

• Retail • Banking & Finance • Hospitality • IT & ITES
• Media & Entertainment • Healthcare • Education & Training • Telecom

100+ मास्टर्स | 100% प्रैक्टिकल ट्रेनिंग | 100% जॉब्स & सपोर्ट

तुरन्त सम्पर्क करें 1800 103 2020 (टोल फ्री)

NIIT Yuva Jyoti Ltd. A Joint Venture of NIIT and NSDC (a PPP initiative of Government of India)

N.S.D.C. National Skill Development Corporation

NIIT Yuva Jyoti

नये ज़माने के नये JOBS

NIIT Yuva Jyoti की ट्रेनिंग के साथ पाइए नौकरी के अवसर
Retail, Auto, Showroom, BPO, Accounting और Telecom में

<p>SONAL Mobile Sales Strategy (Retail Management) (3 Months) (100%) Age: 18 years Salary: ₹1.70 lakh per month</p>	<p>HARSHITH BPO Call Center (Customer Service) (3 Months) (100%) Age: 18 years Salary: ₹1.20 lakh per month</p>	<p>PAWAN Customer Service (Showroom Retail) (3 Months) (100%) Age: 18 years Salary: ₹1.50 lakh per month</p>	<p>VISHAL Customer Service (BPO) (3 Months) (100%) Age: 18 years Salary: ₹1.50 lakh per month</p>
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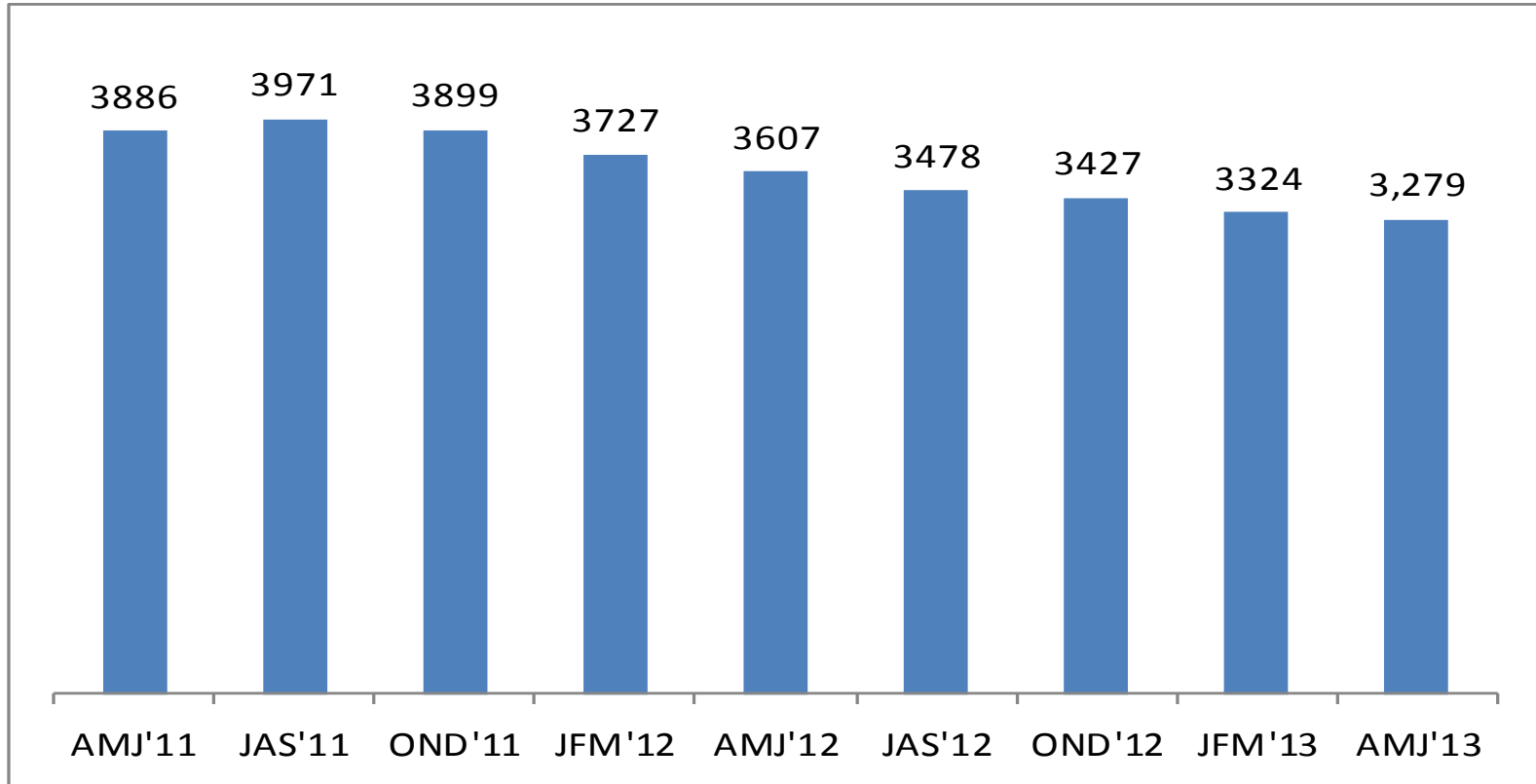
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People

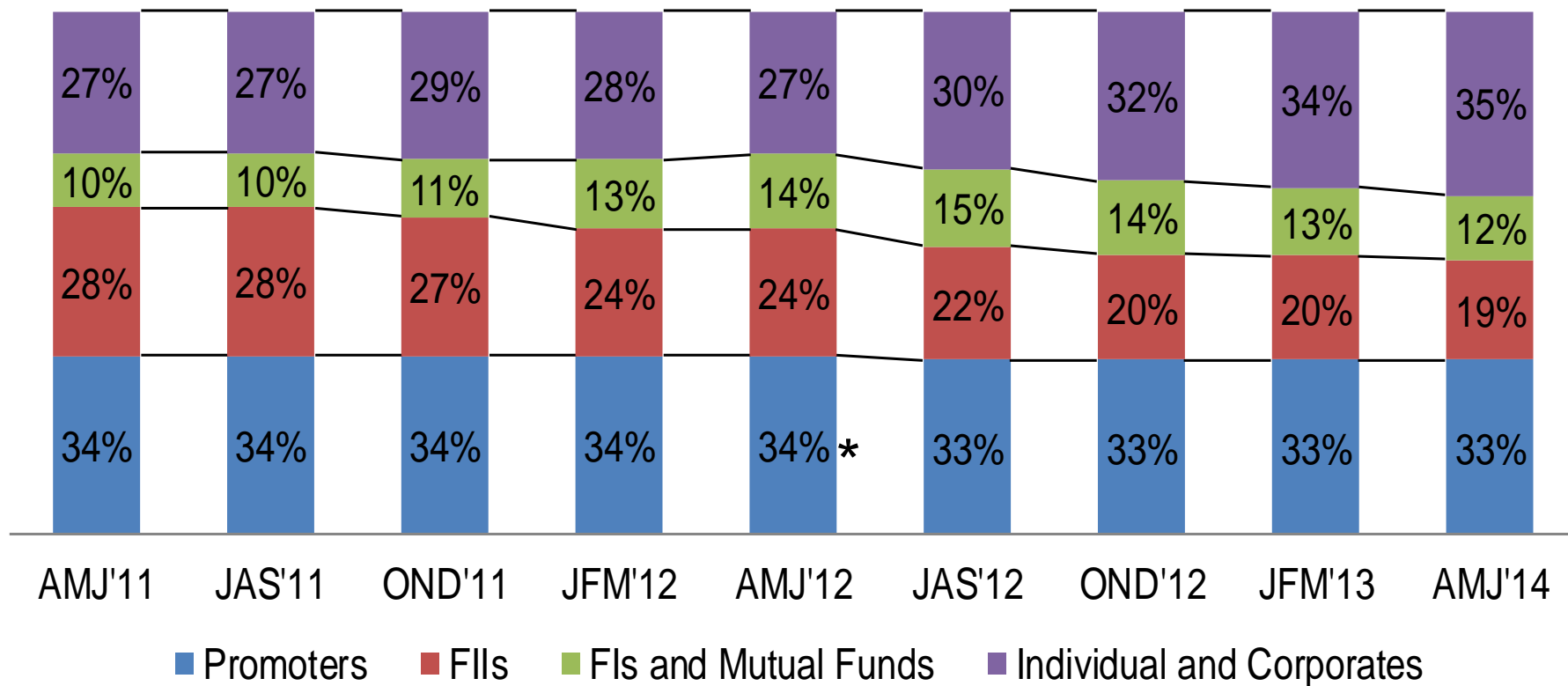
On a continuing business basis



45 resources reduced QoQ and 328 on YoY basis



Share Holding Pattern



* Due to technical reclassification

In Summary

- **Corporate** : Growth expected to continue on strength of significant order book and strong growth in Managed Training Services businesses. Forex volatility expected to continue. Volume growth and IP leverage to drive margin improvement.
- **Schools**: Continued selectivity in GSA contract to results in significant improvement in business mix in favor of non-GSA. nGuru to drive growth and margin improvement
- **Individual**: Business impacted by continuing squeeze in hiring by IT sector. Growth in Non-IT portfolio and in New Age IT programs to help recover growth. Cloud campus to expand reach and drive efficiency in the business
- **Skill Building**: Focus on capacity utilization and on introduction of new products.
- **Overall** : Consistent pursuit of the four Platforms of growth in the context of market realities should consolidate our strength in the Industry. Products and Services on Cloud to drive growth and profitability. Remain committed to reducing capital intensity and improving the return profile of the business.



Thank you