



## **Financial Results**

**Quarter ended September 30,2010**

**October 22,2010**

- India GDP growth projected to remain strong (8.5%+); Robust foreign investment flows expected to continue
- “Currency Wars” lead to increased forex uncertainty as US signals another round of quantitative easing
- Employer hiring remain robust in India with Net Employment outlook at 38% (up 8 percentage points YoY): Manpower Employment Outlook Survey
- Domestic IT firms up hiring targets; As per Nasscom, Top 3 (TCS, Infosys, Wipro) to hire 90,000 in the current fiscal (vs. 20,000 last year) on better than expected volume growth and higher attrition
- Banking Industry set to hire over 50,000; short term uncertainty in the Insurance sector due to regulatory changes
- Education and Skill development remains a top agenda for governments at policy levels
- Pace of decision making in the corporate sector is reflective of improved confidence

# Q2'11 – Financial Highlights



- Consolidated System wide revenues ₹ 5,744 million (growth of 15% YoY on a like to like basis)\*
- Net Revenues at ₹ 3,458 million (growth of 14% YoY on a like to like basis)\*
- EBITDA ₹ 532 million; up 7% YoY. EBITDA margin at 15%, up 161 bps.
- Profit after Tax ₹ 285 million, up 9%

\* Normalized for one time pass through revenue last year

- Key Drivers
  - Growth in Career IT and Banking enrolments in the Individual business
  - Robust order intake of \$ 31 mn in Corporate Learning Solutions
  - Order intake of ₹ 487 million in School Learning Solutions (both Government and Private)

Volume growth. Margin improvement despite step increase in select costs

# Q2'11 – Business Highlights



- Individual – Overall System wide revenue and Net revenue up 17% YoY
  - ❖ IT
    - System wide revenues at ₹ 3,730 million; up 15% YoY
    - Net revenues at ₹ 1,475 million; up 12% YoY
    - EBITDA at ₹ 406 million , margin at 28%, an improvement of 52 bps
  - ❖ New Businesses
    - Net revenues at ₹ 136 million, up 114% YoY
- Schools:
  - ❖ Net revenues at ₹ 360 million, up 13% on a like to like basis (*Normalized for one time pass through revenue last year*)
  - ❖ EBITDA at ₹ 31 million
- Corporate:
  - ❖ Net revenues at ₹ 1,487 million ; up 11% YoY
  - ❖ EBITDA at ₹ 122 million, up 15% YoY. Margin at 8%, an improvement of 34 bps YoY (+ 72 bps at constant exchange)

# Q2'11 - Consolidated Financials



(Rs. in mn)	Q2'11	Q2'10	YoY (%)
<b>System wide Revenues</b>	<b>5,744</b>	<b>5,556</b>	<b>3%</b>
<b>Net Revenues</b>	<b>3,458</b>	<b>3,598</b>	<b>-4%</b>
Operating expenses	2,926	3,102	-6%
<b>EBITDA</b>	<b>532</b>	<b>496</b>	<b>7%</b>
EBITDA%	15%	14%	161 bps
Depreciation	216	198	9%
Other Income	-99	-78	-21 mn
<b>Profit before Tax</b>	<b>217</b>	<b>219</b>	<b>-1%</b>
Tax	37	39	-4%
Share of Profits from Associates	105	81	30%
<b>PAT</b>	<b>285</b>	<b>262</b>	<b>9%</b>
<b>Basic EPS (Rs.)</b>	<b>1.7</b>	<b>1.6</b>	<b>9%</b>

+15% on a like to like basis \*

+14% on a like to like basis \*

\* Normalized for one time pass through revenue last year

# Individual - IT



₹ Mn	Q2'11	Q2'10	YoY	Q1'11	QoQ
System wide Revenues	3,730	3,248	15%	2,114	76%
Net Revenues	1,475	1,311	12%	908	62%
EBITDA	406	354	15%	151	169%
EBITDA %	28%	27%	52 bps	17%	1094 bps

## Q2'11

- ❖ Enrolments up 5% YoY globally (like to like basis), India up 9% YoY (like to like basis)
- ❖ Placements : Q2'11 up 31% ; CYD up 22%
- ❖ Pending Order Book ₹ 1,417 million, up 20% vs. June '10. 68% executable in next 12 months
- ❖ Seat capacity added: 4% YoY.
- ❖ The “99 days Diploma” programs grew at 199% signaling strong preference for job oriented programs

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**Program Highlights**

- One year paid industry internship
- Reward of Bhavishya Jyoti Scholars made available to top IT companies
- Meritorious students eligible to apply for the 'Global Internship' programme
- Lateral entry to Semester 3 & 4 of the B.Sc. (IT), B.Sc. (ITM) degree awarded by Kuvempu University, Karnataka

**Scholarship Highlights**

- **Scholarship Details:** Merit Scholarships based on performance in Class XII
- **Selection Process:** Bhavishya Jyoti Scholarship Test, Class XII performance and Personal Interview
- **Eligibility:** College students of B.A., B.Com, B.Sc., B.M., Engineering, other recognised degree and other IT programmes
- **Application requirement:** 2 passport-sized photographs, attested copies of your Class XII mark sheet + Rs. 50 (application fee) to collect your hall ticket

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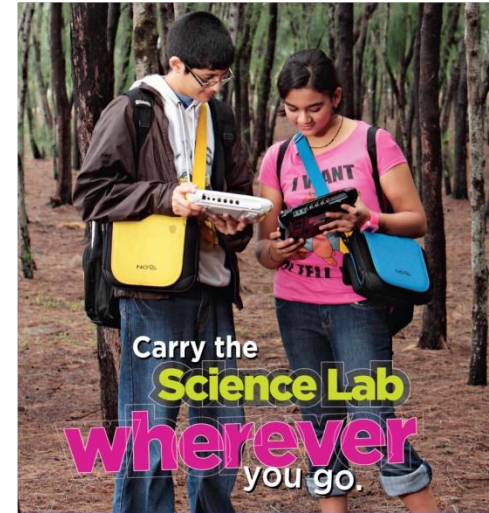
# School Learning Solutions

**NIIT**

₹ Mn	Q2'11	Q2'10	YoY	Q1'11	QoQ
Net Revenues	360	878	-59%	384	-6%
EBITDA	31	78	-61%	64	-52%
EBITDA %	9%	9%	-37 bps	17%	-830 bps

## Q2'11

- ❖ Order Intake : ₹ 487 million; Pending Order Book ₹ 4,645 million, 30% executable in next 12 months
- ❖ Schools added : 132 non Government schools added, up 61% YoY.
- ❖ H1 addition of 350 non Government schools surpassed full year FY'10 addition of 330
- ❖ Non Govt. revenue contributed 41% of revenue, grew at 24% YoY



Automatic data capture

Collaborative learning

Learning can be connected to real life

Built to handle wear and tear

**MOBILE SCIENCE LAB**



# Corporate Learning Solutions

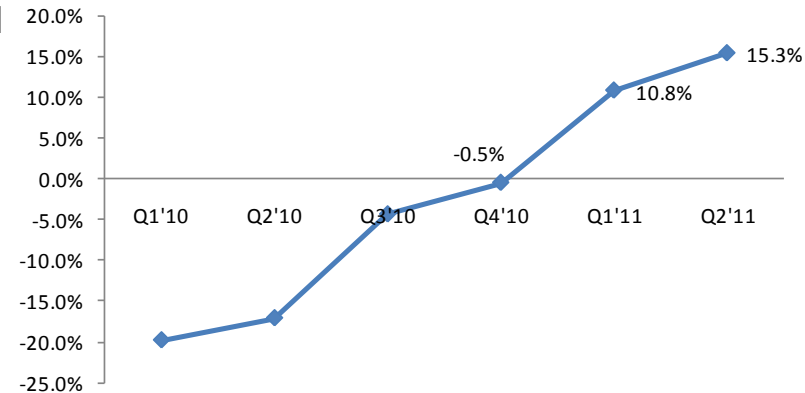


₹ Mn	Q2'11	Q2'10	YoY	Q1'11	QoQ
Net Revenues	1,487	1,345	11%	1,377	8%
EBITDA	122	106	15%	109	12%
EBITDA %	8%	8%	34 bps	8%	33 bps

## Q2'11

- ❖ 15% volume growth , driven by Training Outsourcing and Online Learning Products (up 21% YoY)
- ❖ Order Intake \$ 31.0 million
- ❖ Pending order book at \$ 92.0 million; 57% executable in next 12 months
- ❖ Adverse YoY Exchange impact : Revenue ₹ 47 million EBITDA ₹ 10 million.
- ❖ Margins retained at 8% after offsetting adverse impacts of people cost and movement in exchange rate.

## CLS Volume Growth % YoY





# New Businesses



₹ Mn	Q2'11	Q2'10	YoY	Q1'11	QoQ
System wide Revenues	167	84	98%	138	21%
Net Revenues	136	63	114%	110	23%
EBITDA	-27	-43		-36	

## Q2'11

- ❖ FMT retail enrolments grew at 172%, signaling accelerating hiring trend in the Banking sector and appetite for management programs
- ❖ Tied up with CISI for international certification in Securities and Investments
- ❖ 1<sup>st</sup> batch of Executive MBA from IGNOU commenced.
- ❖ Sale reach expanded to 40 through ILS centres.

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INTERVIEW DATE: 04<sup>th</sup> JUNE 2010 TIME: 10 A.M. - 4 P.M.

Venue: Genpact campus, J.B. Marg, Maniyeragar, Jaipur

For more details call: 01410 2127000, 4028221719 or write to: [genpact@niit.com](mailto:genpact@niit.com)

**NIIT**

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- Attractive salary
- Industry-oriented programme leading to certifications
- Confirmed placement as an on-roll employee

**> Eligibility:** Minimum of 50% marks in X and XII and an aggregate of ≥ 55% till 2nd year of graduation. The applicant should be < 25 years as on 1st Nov., 2010.

**> Application Fee:** Rs. 500/-

**> Test Date:** 17th Sept., 2010

During IBAT-2010, candidates will also be selected & offered other career programmes with 100% placement support.

\*Subject to admission guidelines and academic performance.

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# Q2'11 – Awards & Recognitions

**NIIT**

- ✓ NIIT USA wins CLO Gold for Virtual World Education
- ✓ Element K ranked among “Top 20 learning portal companies” by Training Industry Inc.
- ✓ Element K named finalist for “Best IT content 2010” by Elearning! Magazine.
- ✓ “Microsoft Partner summit” award for best learning solutions, highest revenue partner for the year 2009-10
- ✓ “Franchisor of the Year” from Franchise Plus magazine for developing and demonstrating the best business model in the field of IT education.

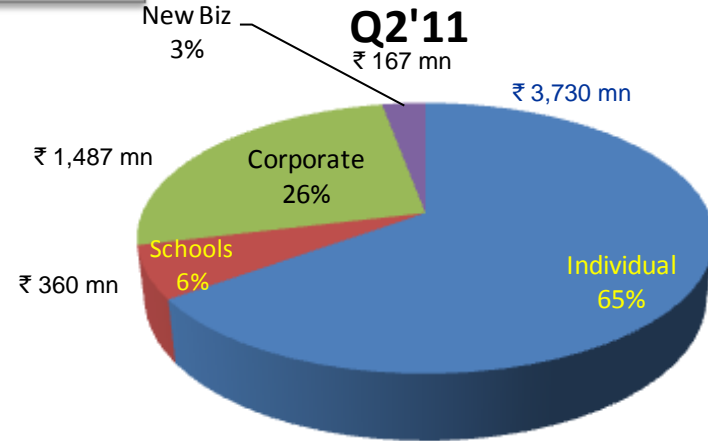
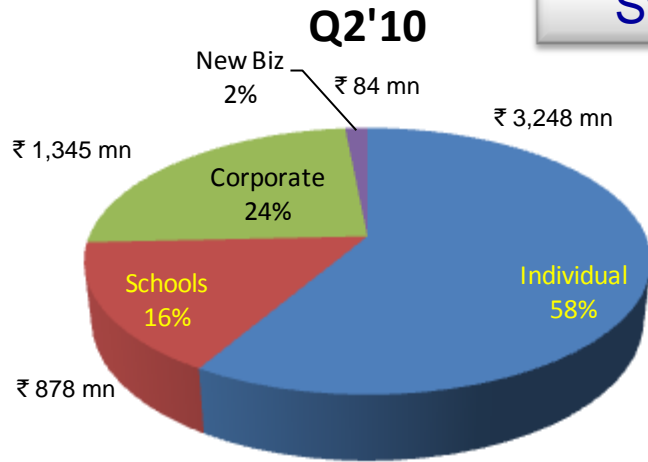


# Q2'11 – Business Mix



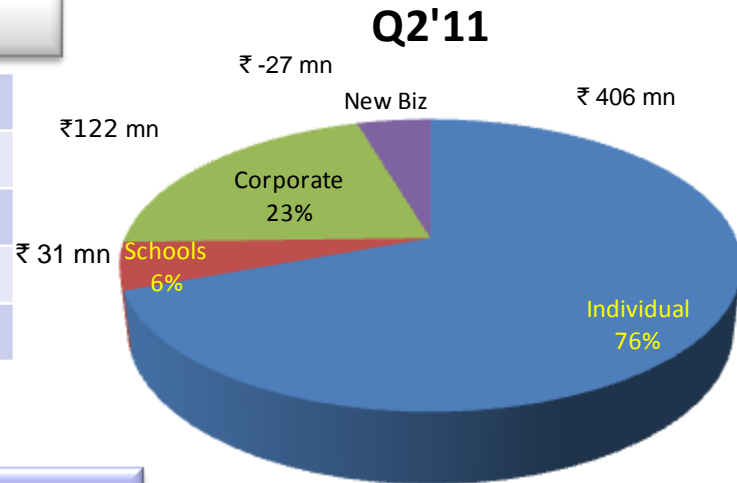
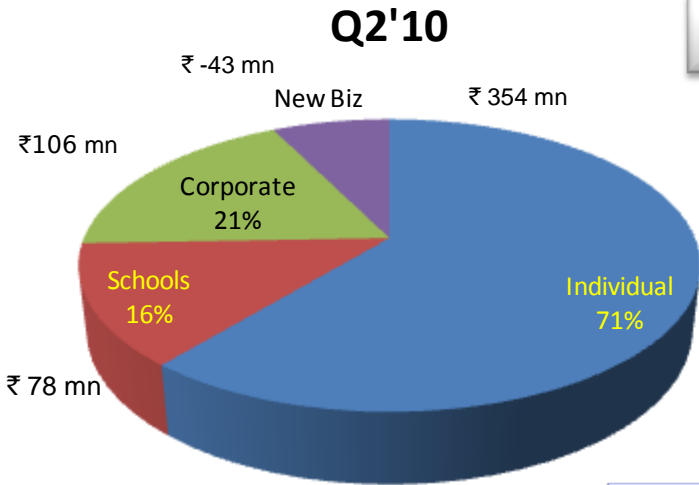
System wide revenues- up 3%

	% Change
Individual	+15%
Schools	-59%
Corporate	+11%
New Biz	+98%



EBITDA – up 7%

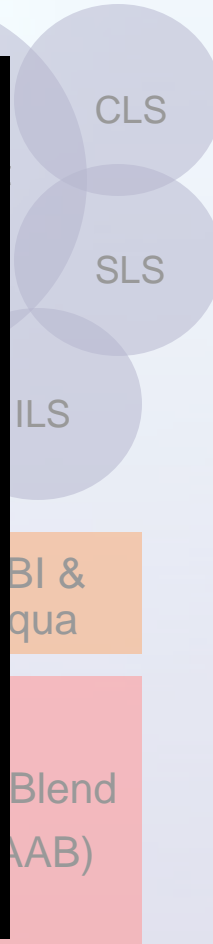
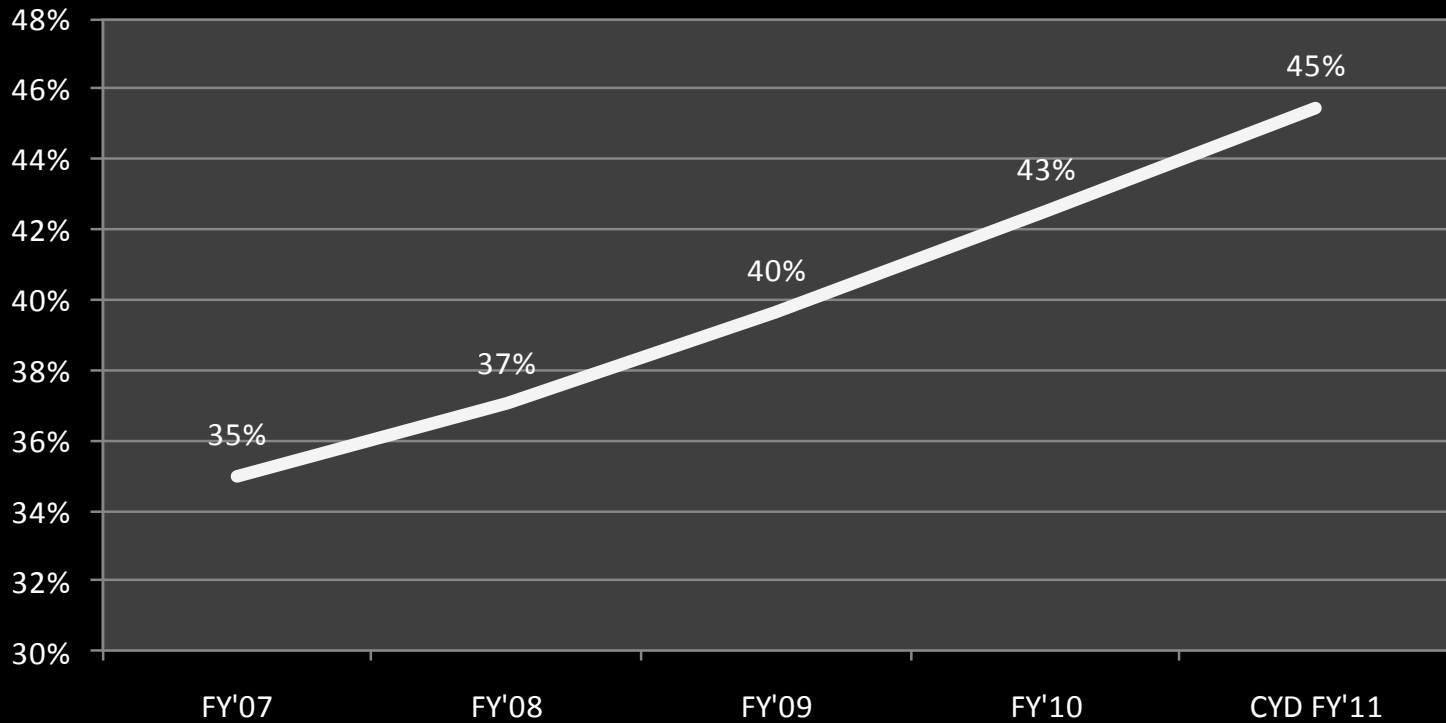
	Change
Individual	+15%
Schools	-61%
Corporate	+15%
New Biz	+16 mn



Volume growth and margin improvement help improve share of Corporate business in total EBITDA

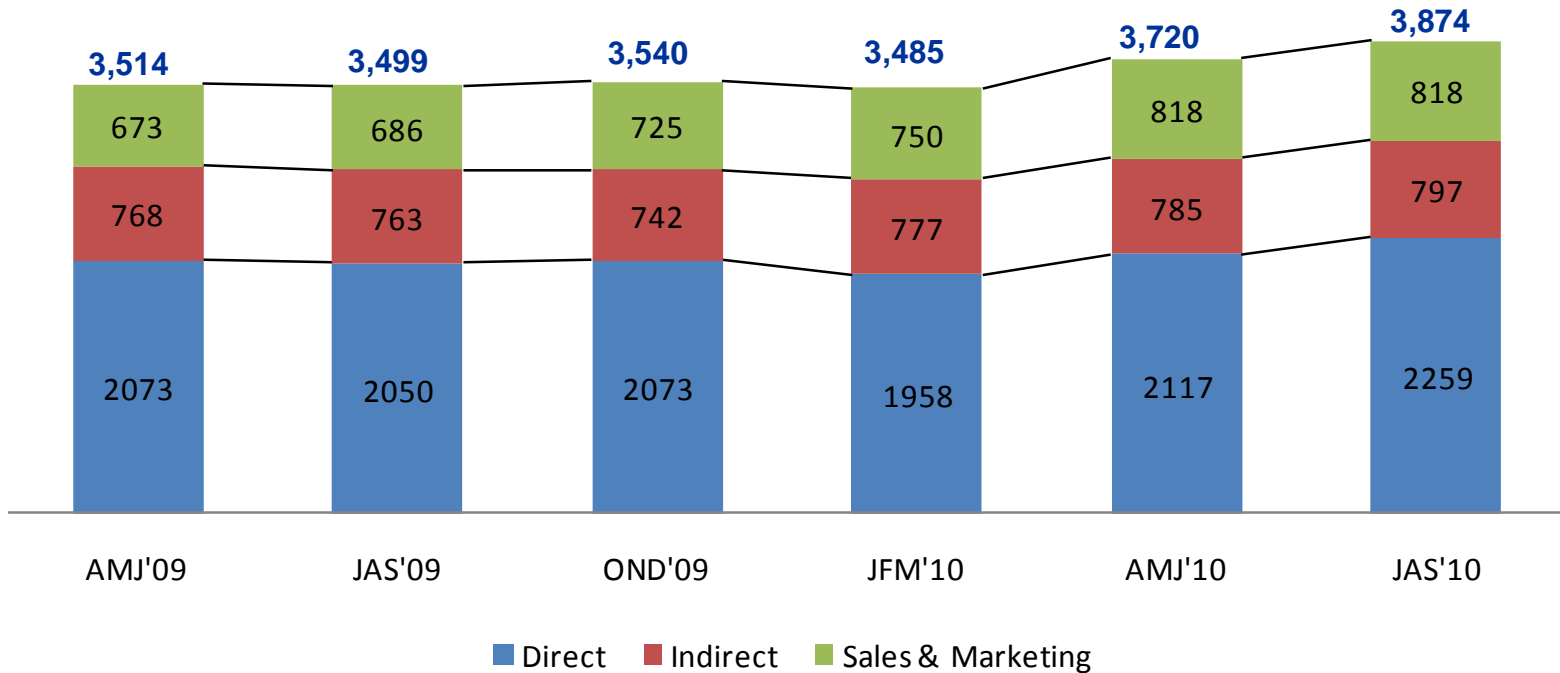
- IP for
- Non
- Read
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- Cost

## IP led Revenue as % of NIIT Revenue



1982 1991 96 2000 2004 2006 2008 2010

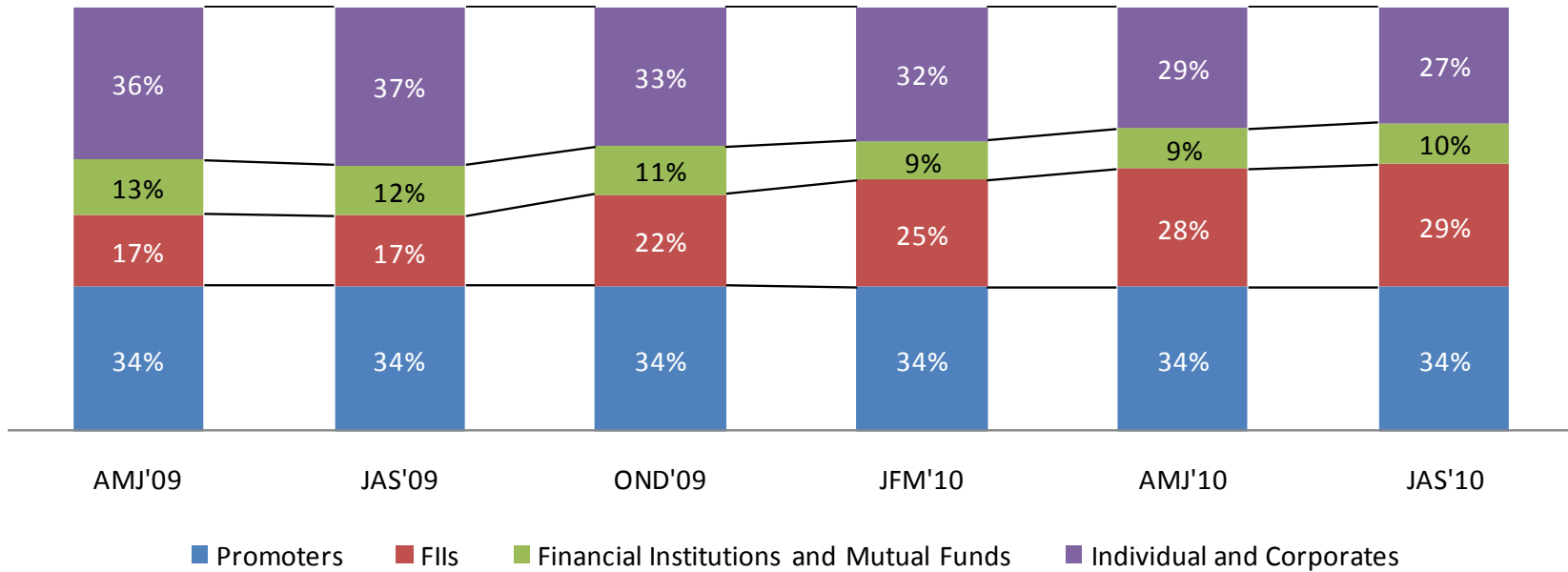
# Head Count

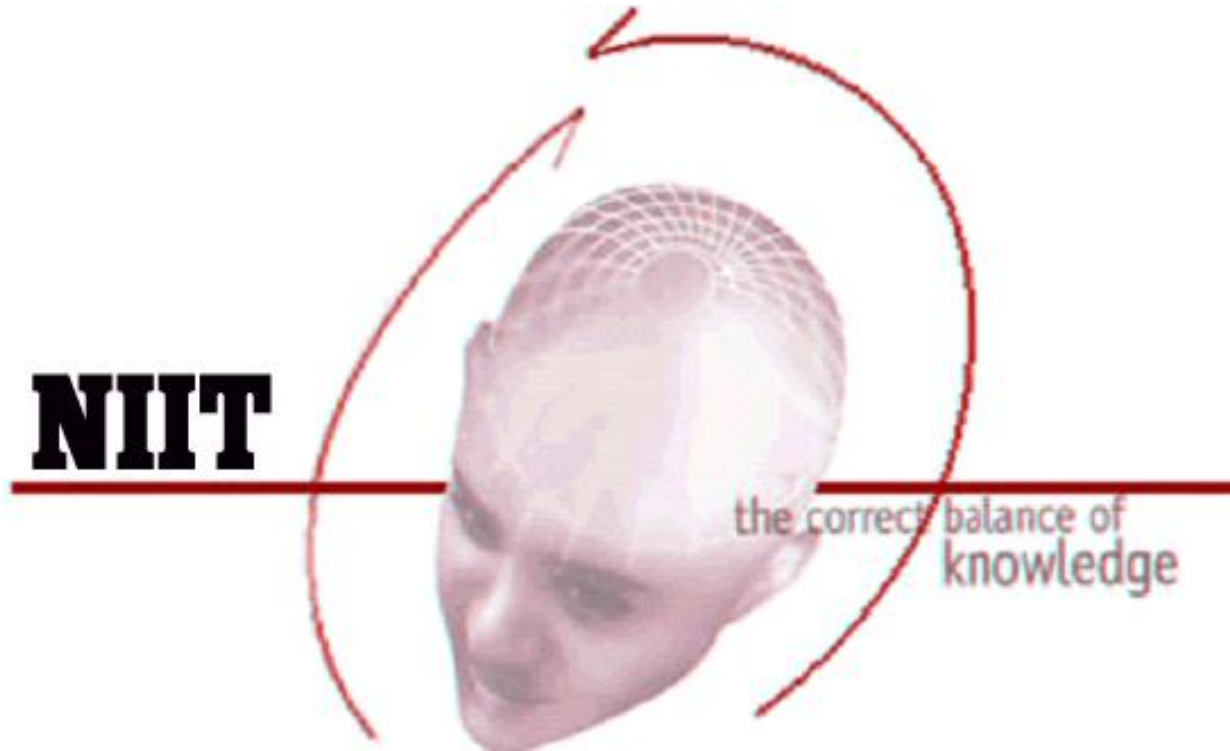


➤ Added 154 people in the Quarter, taking total headcount to 3,874

# Shareholding Pattern

NIIT





## Leadership In The Century Of The Mind