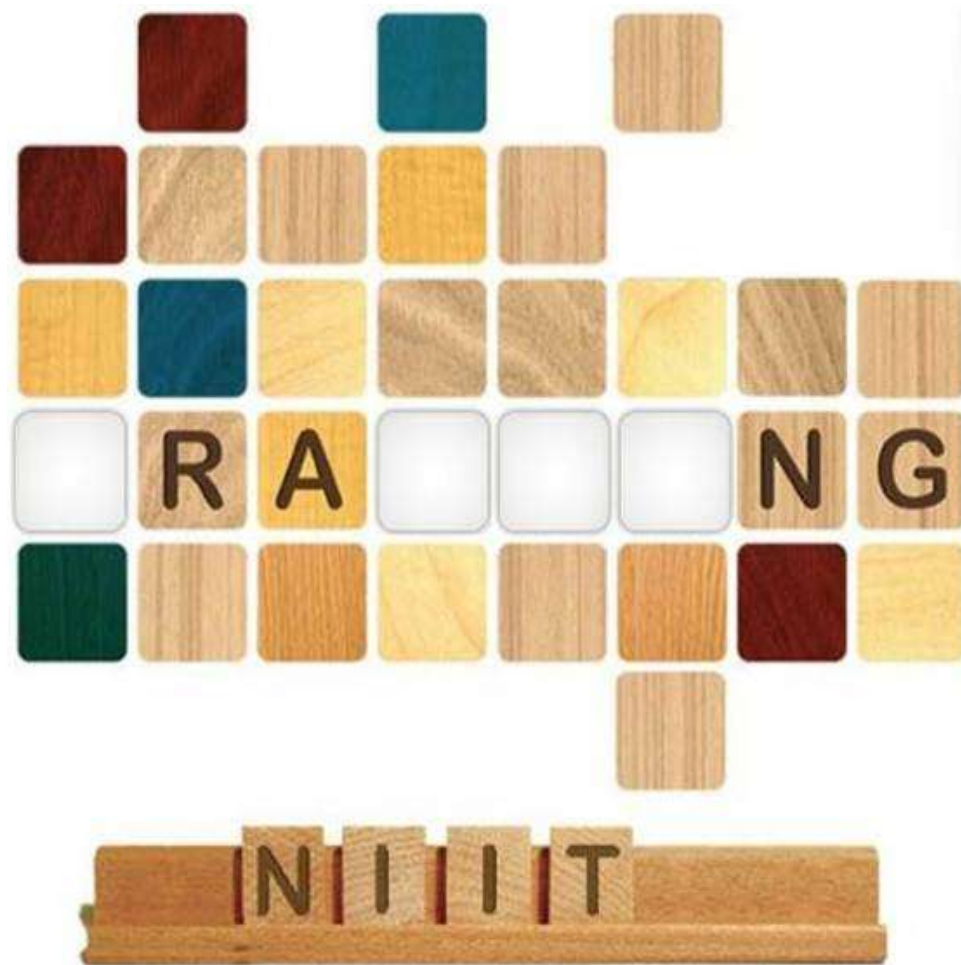


NIIT Limited
Financial Results
Q3FY'13

January 18, 2013



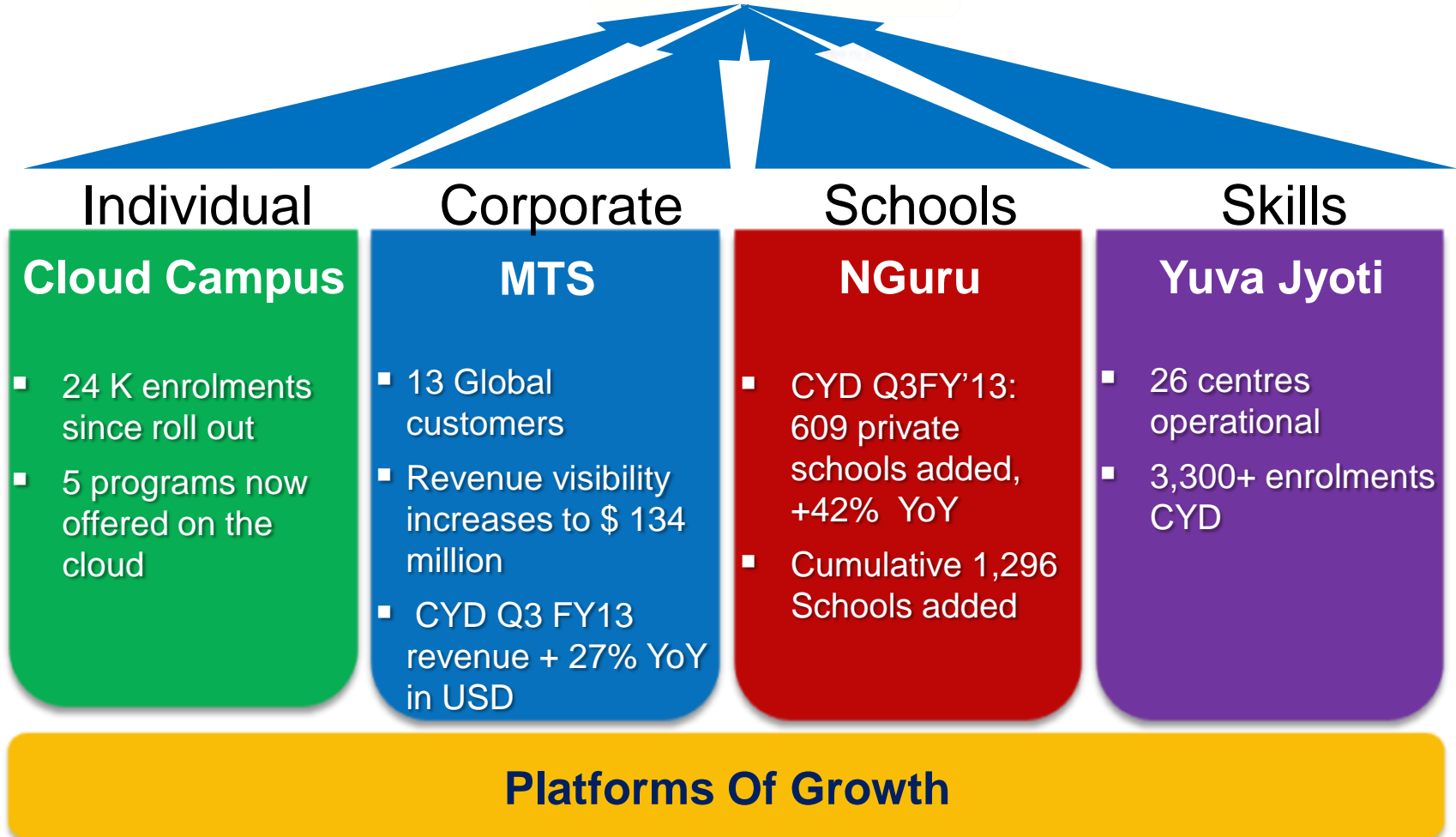
You can't spell TRAINING without NIIT

Environment

- ❑ Economy headed for lowest growth in a decade; continues to be weighed down by both global and local factors; HSBC further lowered India's GDP growth outlook for FY13 to 5.2%
- ❑ Hiring sentiment in India witnessed a sharp weakening across sectors with Net Employment Outlook falling 18 percentage points to +27% YoY (as per Manpower Employment Outlook Survey). Year over year decline in India sharpest amongst all countries covered by MEOS
- ❑ Slower volume growth, attempt to increase utilization and low attrition continue to squeeze hiring plans; Net hiring down over 40% among top IT companies
- ❑ Customer sentiment for IT training weakened further on slow hiring and further delays in joining dates
- ❑ Private schools are increasingly adopting new technology and products to improve teaching & learning to remain competitive in the market
- ❑ Focus on driving efficiency and effectiveness is driving increase in Corporate engagement with specialised training firms

Pronounced business challenges continue

NIIT : Growth Platforms



Q3 FY13 – In Perspective

- ❑ **Corporate Learning Solutions (On a continuing business basis)**
 - Revenues up 14% YoY; EBITDA margin improved to 12% (vs 10% in Q3 FY12, on continuing business basis); Revenues are up 11% QoQ (in USD terms)
 - High growth in Managed Training Services (MTS) continued, up 23% YoY; MTS now contributes 70% of CLS business.

- ❑ **Schools Learning Solutions**
 - Revenues grow 35% YoY
 - Non GSA business grew 13% YoY; Added 137 schools during the quarter (up 11% YoY).
 - OM at 8%

- ❑ **Individual Learning Solutions**
 - Revenue down 22% YoY
 - Overall enrolments 75 K; Enrolments contracted 21 % due to poor student sentiment as a result of slow hiring by the industry
 - IT Short-term technology courses grew 9% YoY
 - China revenue grew @ 36%
 - Fresh career enrolments in Banking grew by 33% YoY
 - Placed 8,879 NIIT graduates; cumulative 26,700 CYD Q3, down 6%

- ❑ **Skills Building Solutions**
 - 26 Centers operational, with addition of 5 centers during the quarter (20 added in CYD FY13); Enrolments ramping up ~ 1,500 registrations in Q3

Key Financials-On Continuing Business Basis

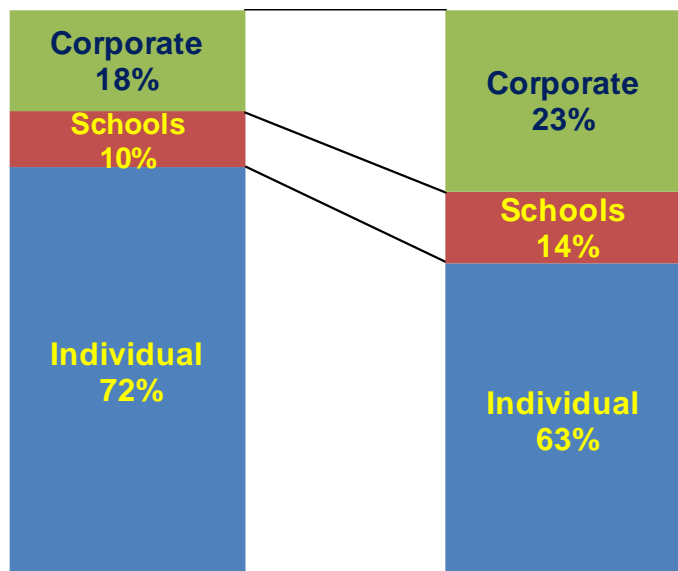
(Rs. in mn)	Q3 FY13	Q3 FY12	YoY (%)
System wide Revenues	3,985	3,844	4%
Net Revenues	2,327	2,390	-3%
Operating expenses	2,250	2,146	5%
EBITDA	77	244	-68%
EBITDA%	3%	10%	-690 bps
Depreciation	215	198	9%
Net Other Income	-41	-379	338 mn
Tax	-53	-10	44 mn
Share of Profits from Associates	131	154	-15%
PAT	5	-169	103%
Basic EPS (Rs.)	0.0	-1.0	103%

Aggressive cost management initiatives in Q3 result in reduction of fixed costs run-rate

Business Mix

System-Wide Revenue on a continuing business basis

Business Mix

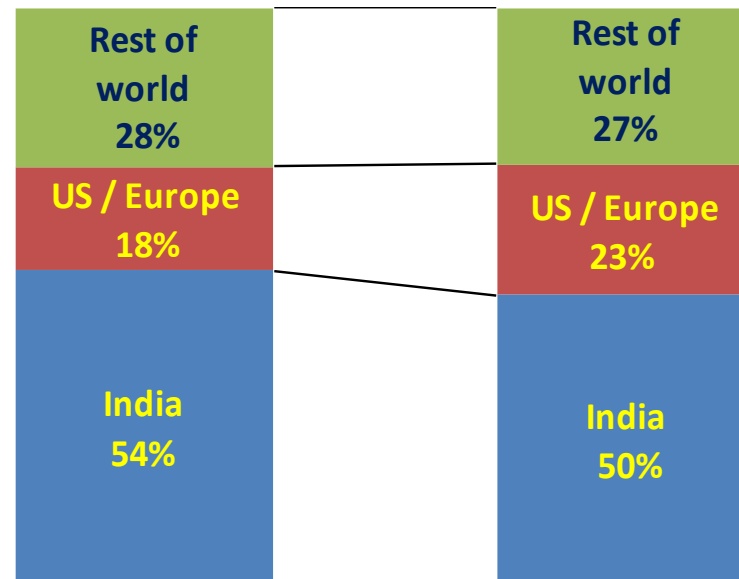


Q3FY12

Q3FY13

	Growth
Individual Learning	-21%
Schools Learning	+35%
Corporate Learning	+85%

Geo Mix



Q3FY12

Q3FY13

	Growth
India	-16%
US / Europe	+85%
Rest of World	-10%

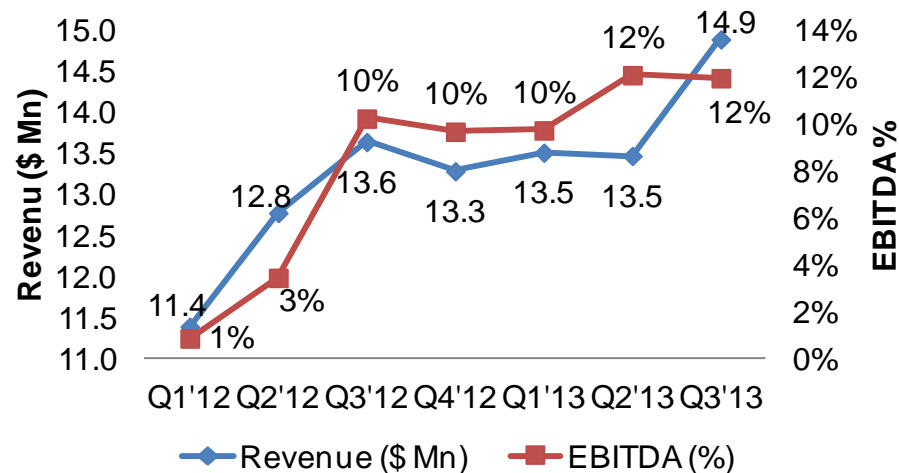
Corporate Learning Solutions

On a continuing business basis

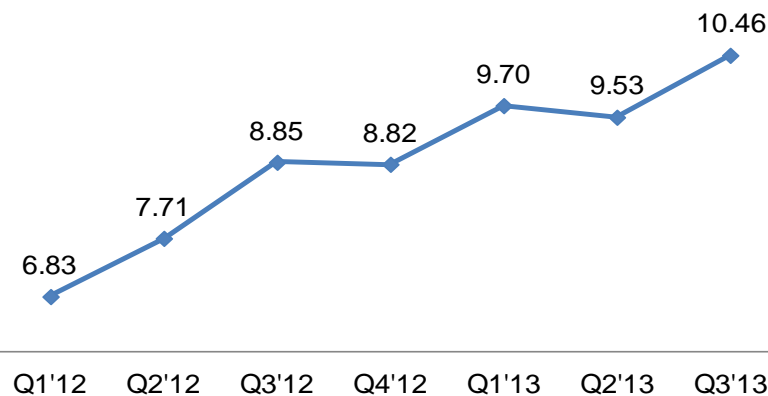
Rs. Mn	Q3'13	Q3'12	YoY	Q2'13	QoQ
Net Revenues	792	694	14%	754	5%
EBITDA	95	71	33%	91	4%
EBITDA %	12%	10%	172 bps	12%	-13 bps

- ❑ MTS revenues grow 23% YoY; contributes 70% to Corporate Learning Solutions revenue
- ❑ 6 MTS deals in Q3, including 3 new, 1 upgrade and 2 expansions
- ❑ Order Intake of \$21.5 million, up 56% QoQ (+13% YoY)
- ❑ Pending order Book stood at USD 53.3 million, 61% executable in next 12 months
- ❑ Overall revenue visibility of USD 134 million

CLS Revenue & EBITDA %



MTS Revenue (\$ Mn)



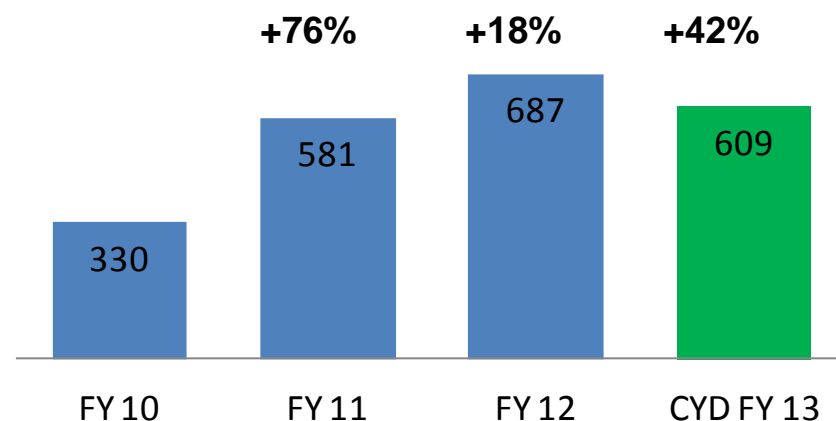
Schools Learning Solutions

Rs. Mn	Q3'13	Q3'12	YoY	Q2'13	QoQ
Net Revenues	498	368	35%	541 *	-8%
EBITDA	38	14	180%	38	0%
EBITDA %	8%	4%	398 bps	7%	62 bps

* Includes pass through revenue of Rs 138 million

- ❑ Non GSA revenue up 13% YoY , contributes 45% to SLS business mix
- ❑ Overall Revenue up 24% on QoQ basis, excluding pass through revenue
- ❑ Added 137 schools during Q3, up 11% YoY
- ❑ Order Intake of Rs. 160 million
- ❑ Pending Order book stood at Rs. 5,272 million, 26% executable in next 12 months

Private School additions



Individual Learning Solutions

Rs. Mn	Q3'13	Q3'12	YoY	Q2'13	QoQ
System wide Rev	2,201	2,781	-21%	3,401	-35%
Net Revenues	1,034	1,327	-22%	1,494	-31%
EBITDA	-34	173	-	152	-
EBITDA %	-3%	13%	-1,640 bps	10%	-1351 bps

- ❑ Revenue impacted by lower enrolments
- ❑ EBITDA down due to throughput drop; cost savings offset inflation substantially
- ❑ Strategic alliance with NASSCOM to enhance Skill Development for college students
- ❑ Tied up with Digital Marketing Institute (DMI) for launching courses in Digital Marketing
- ❑ China revenue up 36% in an otherwise challenged quarter all around
- ❑ MOU signed to participate in a large project of China's NDRC (National Development & Reforms Committee) supported project in Hainan
- ❑ Pending order book at Rs. 1,883 million, over 2/3rd executable in next 12 months



Skill Building Solutions

Rs. Mn	Q3'13	Q3'12	YoY	Q2'13	QoQ
System wide Revenues	3	0	3 mn	2	69%
Net Revenues	3	0	3 mn	2	69%
EBITDA	-21	-14	-7 mn	-20	-1 mn

- ❑ Added 5 centers during the quarter, taking total number of operational centers to 26
- ❑ ~ 1,500 enrolments during Q3 FY13, CYD enrolments 3,300+ .
- ❑ Overall placements at 74%

नए ज़माने के नए JOBS
 NIIT Yuva Jyoti की ट्रेनिंग के साथ
 • Retail • Banking & Finance • Hospitality • IT & IITES
 • Media & Entertainment • Healthcare • Education & Training • Telecom
 100+ (संस्थान) Industry Training to (संस्थान) 100% (संस्थान) (संस्थान)

तुरन्त सम्पर्क करें 1800 103 2020 (लेन श्री)
 NIIT Yuva Jyoti: L1E: A Joint Venture of NIIT and NSDC (a PPP initiative of Government of India)

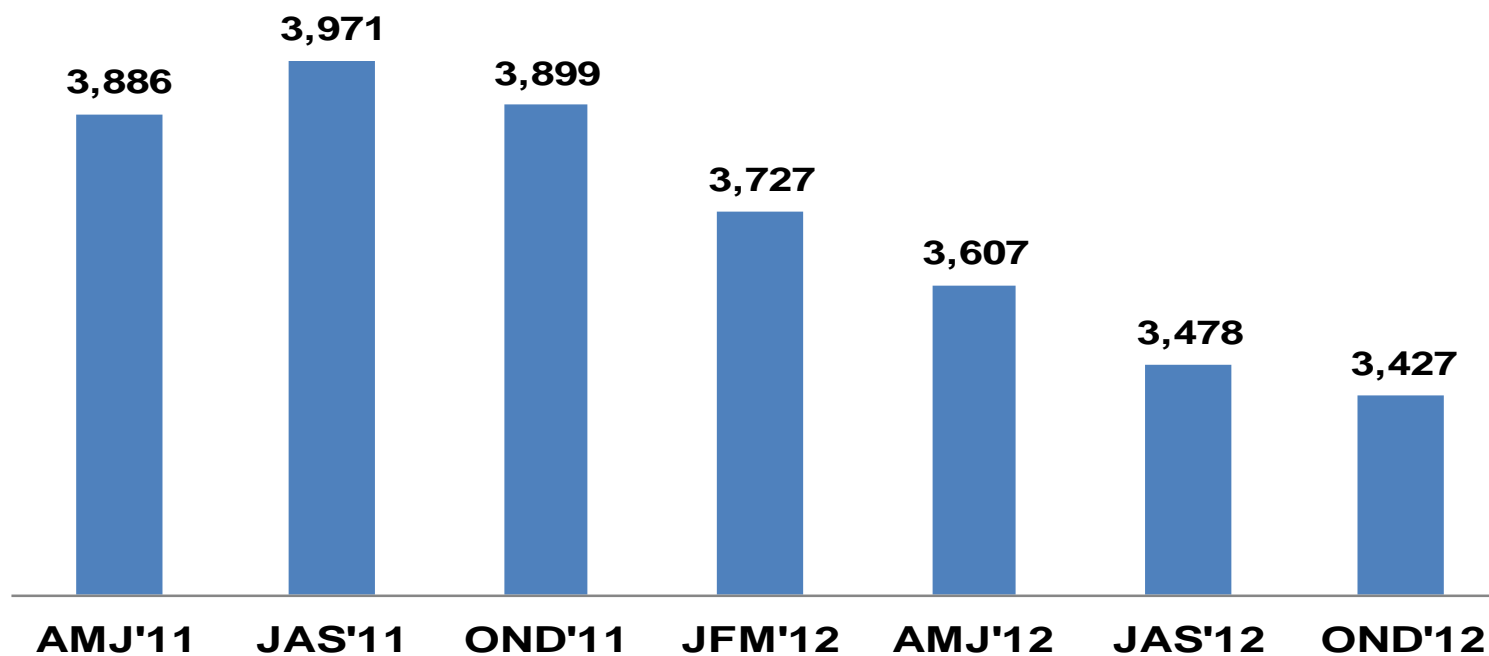
नये ज़माने के नये JOBS
 NIIT Yuva Jyoti की ट्रेनिंग के साथ पाइए नौकरी के अवसर
 Retail, Auto, Showroom, BPO, Accounting और Telecom में

SORAL Anglax Retail Holdings (Retail - Mumbai) Salary: ₹1,700 per month	HARDESH SBI Ltd (Customer Service) Salary: ₹1,200 per month	PAWAN Express Fashion (Retail - Gurgaon) Salary: ₹1,800 per month	VINOD ITC (Retail - Gurgaon) Salary: ₹1,500 per month
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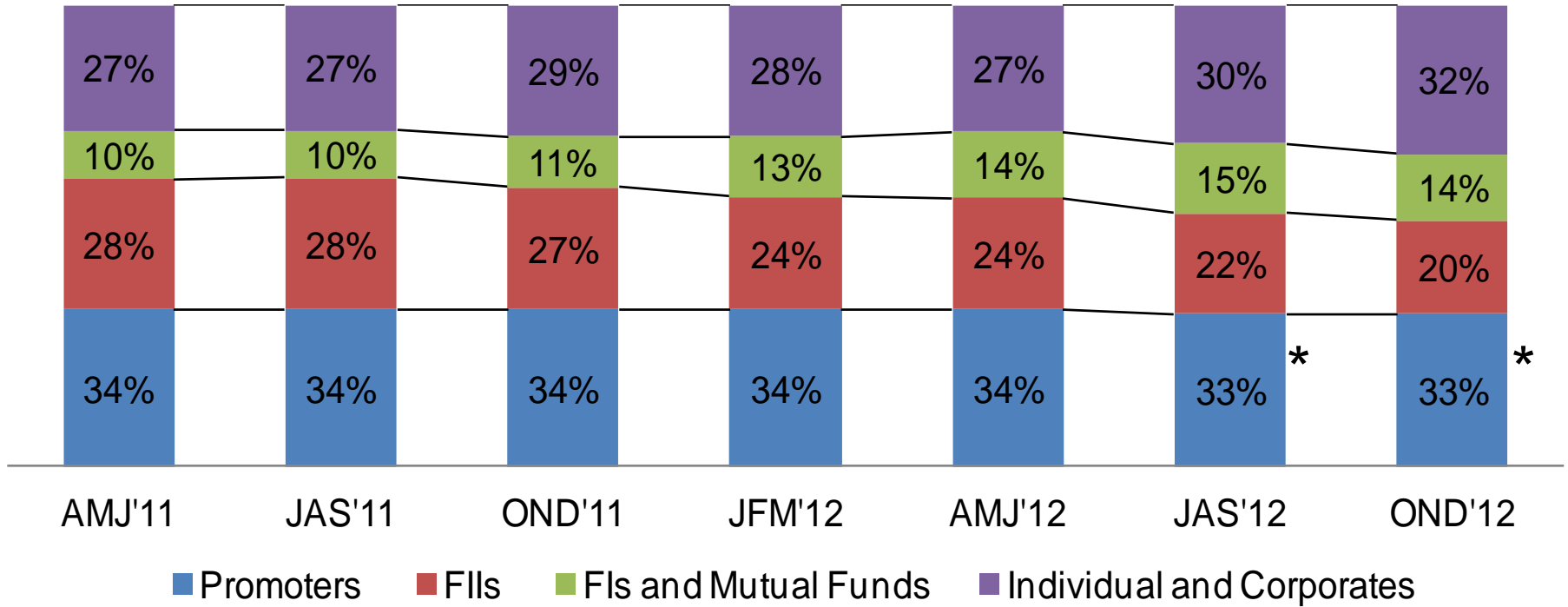
People

On a continuing business basis



Net reduction of 472 people YoY (12% of headcount)

Share Holding Pattern



* Due to technical reclassification

Future Direction

- **Individual:** Taking steps to align to changing market realities. Plan to recover growth through
 - Growth in New Age IT programs: Analytics, Cloud, Apps Development etc.
 - Growth in Additional Domains: Applied Finance, Digital Marketing, etc.

Margin improvement through lower structural cost through Re-sized head-count, Rationalized businesses / functions, One NIIT and significant efficiency through Cloud Campus

- **Corporate :** Growth expected to continue on strength of significant order book and strong growth in Managed Training Services businesses. Forex volatility expected to continue. Improved product mix in Corporate business should contribute to margin expansion.
- **Schools:** Continuing momentum in non-GSA school addition, IP based orders and pending order book expected to support business growth. Selectivity in participation in Government schools and IP led orders will help margin expansion and Cash release
- **Skill Building:** Continued ramp up of centers during the year coupled with aggressive mobilization efforts
- **Overall :** Business impacted by temporary squeeze in hiring by IT sector; Long term fundamentals remain intact with increasing enrolment in higher education (GER has increased from 12.4 % to 18.8 % with enrolments increasing by over 50% in the last 4 years)
- Consistent pursuit of the four Platforms of growth in the context of market realities should consolidate our strength in the Industry

Thank you