Agenda

• Education & Training: Landscape

• Company Overview
  – Individual Learning Solutions
  – School Learning Solutions
  – Corporate Learning Solutions
  – Skill Building Solutions

• H1FY12: Results Update

• Sharpening The Edge
India: Long Term Outlook

<table>
<thead>
<tr>
<th>Demographic Dividend</th>
<th>• Young nation with 54% of population under 25 years of age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growing Economy</td>
<td>• Trillion dollar economy expected to grow @ 7% - 8% pa</td>
</tr>
<tr>
<td></td>
<td>• Expected to cross $27 Trillion in 2050</td>
</tr>
<tr>
<td>Global Workforce requirement</td>
<td>• Global shortfall of 56 million by 2020</td>
</tr>
<tr>
<td></td>
<td>• India will have 47 million excess</td>
</tr>
<tr>
<td>Government Spending on Education and training</td>
<td>• Rs. 2.7 Trillion (5x) committed for the 11th Five Year plan for education</td>
</tr>
<tr>
<td></td>
<td>• Rs 120 Billion allocated to NSDC for skills development</td>
</tr>
</tbody>
</table>

India story is here to stay, however….
Massive Gaps Exist In Access & Quality

- Low workforce productivity
- Low capacity for skills training
- Acute skills shortage & unemployment
- Low employability
- Low coverage of vocational skills taught

Education & Training will remain and important
Education & Training: The Emerging Environment

Education and training scenario is undergoing a transformation

**Skills Development**
- National Skills Development Corporation
- Target: vocational skills to 500 Mn people by 2022

**Schools Education**
- Right To Education
- National Curriculum Framework
- Education through ICT

**Higher Education**
- New regulatory framework: NCHER, NARA, Foreign Education Providers
- GER of 30% by 2020 vs current GER of 12.4%

**Planned Outcomes**
- 10,000 new vocational schools
- 50,000 skill development centers
- Revamp of ITIs
- Public Private Partnerships
- ICT@Schools, SSA, RMSA
- PPP for Model Schools
- Skills training in schools
- Technology enabled teaching
- Polytechnics, Community Colleges
- Technology enabled teaching
- Professional skills training

Education and training scenario is undergoing a transformation
NIIT In The Emerging Environment

NIIT’s Strengths

- Long standing brand
- Best in class domain partnerships
- Content creation capability
- Processes & tools for distributed delivery of education
- Width and depth of reach
- Innovative pedagogical solutions
- Operations & Project Management
- Teaching/learning content
- Scalable delivery capability

Current Engagement

- ILS-IT: IT and Soft Skills
- IFBI: Banking, Finance, Insurance
- Uniqua: BPO/KPO Skills
- Imperia: Management education
- NYJ: Vocational training for the service sector
- Training.com: Online learning
- 870+ global delivery centers
- Government sponsored opportunities
- Govt: BOOT contracts
- NIIT eGuru suite
- Interactive classrooms
- Math Lab, Science Station
- Teachers Training
- School ERP
- HIWEL Learning Stations
NIIT In The Emerging Environment

**NIIT’s Strengths**

- Institutional alliances models
- Global linkages
- Best in class custom content capability
- End-to-End Training outsourcing capability
- Partnership with all major technology companies

**Current Engagement**

- Tie up with 100+ universities
- Joint certification and dual qualification programs
- IGNOU partnership for degree programs
- NIIT Inside solutions
- Provider of products and services to
  - Leading technology companies
  - Major Fortune 500 companies
  - Governments
NIIT: Market Leader with Strong Credentials

• One of the largest providers of vocational and professional skills worldwide across various service sectors. Acknowledged market leader in India

• Leading player in the school education segment in India. Positioned to take strong advantage of the emerging environment

• One of the leading providers of corporate training in the world. Uniquely positioned to take maximum advantage of the growing training outsourcing trend, in India and internationally

Demonstrated ability to build viable, scalable and sustainable education & training businesses
COMPANY OVERVIEW
NIIT has grown from being an IT training company to a global talent development corporation.
<table>
<thead>
<tr>
<th>Target Audience</th>
<th>School children</th>
<th>Young adults</th>
<th>Working professionals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value Proposition</td>
<td>Academics</td>
<td>Employability</td>
<td>Productivity</td>
</tr>
<tr>
<td>Customer</td>
<td>School</td>
<td>Individual</td>
<td>Corporate</td>
</tr>
</tbody>
</table>
| Coverage | • Multimedia Teaching & Learning Content  
• IT Learning  
• Teacher Training  
• School Management Services | • IT, BPO, KPO, BFSI, Management Education in ILS  
• Vocational training for service sector in SBS  
• Professional Life skills | • Managed Training Services  
• Training Delivery  
• Custom Content Development |
| Geographic Coverage | India, Emerging Economies | India, China, Emerging Economies | India, USA, Europe |
> **Number of Shares Outstanding:** 165 million (FV of Rs 2 each)

> **Last Bonus, Split:** 5:1 Split, 3:2 Bonus; Sept 2008
Capital Structure

- No of Shares – 165.1 Mn
- Face Value – Rs. 2 per share

Total Capital employed – Rs. 10,232 million

- Promoters, 34%
- Public, 27%
- FII, 28%
- DMF and FI, 10%

Net Fixed Assets*: 60%
Net Current Assets 19%
Investments 18%
Cash 4%

- Reserves 58%
- Secured Debt 28%
- Unsecured Debt 11%
- Equity 3%

* Including CWIP
BUSINESSES

SHARPENING THE EDGE
INDIVIDUAL LEARNING SOLUTIONS
IT Training

- Improving individual employability in IT Sector
- Career, Career-edge and skills upgrade courses for individuals
- For Engineers, Science / Arts / Commerce graduates, working professionals
- Instructor-led, supplemented by e-learning
- India, China, Developing World

NIIT is Asia’s No.1 IT training company

Technology Partnerships*

*Selected
IFBI - Finance, Banking & Insurance Training

- Career, Career-edge and Skills upgrade courses for individuals
- For graduates and working professionals
- Instructor-led, supplemented by e-learning

IFBI: Partnerships*

*Selected

Creating job ready professionals for banking, insurance & financial services industry
NIIT Imperia - Management Education

- Executive management education for individuals
- Career upgrade courses for working professionals
- Synchronous learning delivery model
- Instructor-led, supplemented by e-learning

Enhancing reach of quality management education

Imperia: Partnerships*
NIIT Uniqua - Business Process Training

• Joint venture between Genpact & NIIT
• Career, skills upgrade courses
• Offers training to meet the growing requirement for professionals skilled in business/knowledge process outsourcing sectors

Creating skilled workforce for the ITES sector
ILS: Our Reach

- India: 631 Centers
- China: 192 Centers
- ROW: 159 Centers
SCHOOL LEARNING SOLUTIONS
Schools: Opportunity Space

- Teachers Training: 10 million Teachers
- Vocational Education: an emerging area

Products and services for improving school education:
- Class Room
- IT Education
- Math LAB & Science LAB
- ERP
- Portal
- Collaboration
- 24x7
- PPP in Model Schools
- ICT @ School
- SSA, RMSA

3,000 schools
100,000 schools
1 Mn schools
NIIT has the widest reach in the market.
NIIT nGuru Solutions Portfolio

- Interactive Class Room
- Math Lab
- Science Lab
- Quick School (ERP)
- Web & Multimedia curriculum
- Shared computing

Widest range of offerings
CORPORATE LEARNING SOLUTIONS
Corporate Training Market

US Corporate Training Spending

<table>
<thead>
<tr>
<th>Year</th>
<th>$Bn</th>
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<tbody>
<tr>
<td>2005</td>
<td>51.1</td>
</tr>
<tr>
<td>2006</td>
<td>55.8</td>
</tr>
<tr>
<td>2007</td>
<td>58.5</td>
</tr>
<tr>
<td>2008</td>
<td>56.2</td>
</tr>
<tr>
<td>2009</td>
<td>48.2</td>
</tr>
<tr>
<td>2010</td>
<td>48.9</td>
</tr>
</tbody>
</table>

Global training spend $100Bn+

Source: IDC, Bersin & Associates

- Recovery underway as organizations move from crisis management to future planning
- Increased share of E-Learning and Virtual-ILT in total training spend
- Payroll costs as a percentage of Total training expenditure have gone down from 73% in 2003 to 56% in 2010
- Training is a specialized function and organizations are increasingly relying on specialists to outsource training
- Europe outsourcing activity is accelerating faster than United States

Corporate training represents a huge opportunity
Corporate Learning Solutions

Managed Training Services
- Recurring revenues, long term partnerships
- Multi year, multi geography relationships
- Opportunities in India growth sectors

Custom Projects
- 150+ customers; 49 in Fortune 500
- Continue to maintain leadership position in content development
- Establish ‘curriculum-led’ development model to increase order size and value

End to End servicing capability
What are the top three brands you think about when considering a vendor for learning products and services?

Unaided; CLO Magazine
SHARPENING THE EDGE

SKILL BUILDING SOLUTIONS
Skills Development: Emerging New Area For NIIT

India needs 500M people to be skilled by 2022; current capacity <5M p.a.

Vocational Education
- 50M
- Only 3% (9,600 schools) coverage against the plan of 25%
- Responsibility of the respective 31 boards
- Policy being formulated by HRD Ministry

Vocational Training
- 175M
- Driven by Ministry. Of Labor & Employment
- PPP for ITIs did not Meet targets
- Min. of Rural Development has come out with scheme for rural youths
- Remedial Training by the Industry

Specialized Training
- 125M
- Each ministry is having its own intervention – Textile, Gems etc.
- The schemes are in the early stages of implementation
- Industry specific interventions, NOKIA, Maruti-Suzuki

National Skills Development Corporation
- 150M
- Established to fund Private Sector for Skills Groundswell
- Has fund allocation of Rs. 120,000 Mn
- Will assume the role of an Umbrella organization for all agencies

NIIT plans to establish a large presence in skills development
NIIT Yuva Jyoti

- Incorporated NIIT Yuva Jyoti in 90:10 equity partnership with NSDC
- To Transform over 7 million unskilled youth into readily employable professionals
- Segments addressed: IT/ITES, Media & Entertainment, Education & Training Services, BFSI, Retail, Hospitality, Healthcare, Telecom & select Informal sectors
- To set up over 1,500 centers in 1,000 cities, over 10 years
Environment

- Tight monetary policy and sticky inflation dampening growth momentum. India GDP growth projected to slow to ~7.5%

- Global volatility affects hiring outlook across sectors in India. Net Employment Outlook at 30% (down 8 percentage points YoY): Manpower Employment Outlook Survey

- Domestic IT firms continue to maintain their hiring outlook. TCS and Infosys reaffirm plans to hire over 100,000 in FY12. However, sporadic reports of delays in joining dates are seen.

- Banking Industry continues its hiring spree for operations and sales; PSU banks to hire over 4 lac in the next two years

- Education and skill development remains a top agenda for governments around the world. However, decision making and execution of government plans continues to be slow

- Global Economic uncertainty and socio-political instability lead to erosion of business confidence

- Corporate training spends recovering; US, Europe sovereign debt concerns weigh on corporate decision making

- Volatility in Forex affects business results
H1FY’12 – Financial Highlights

- Consolidated System wide revenues Rs 10,927 million, up 12% YoY.
- Net Revenues at Rs 7,050 million, up 13% YoY.
- EBITDA Rs 867 million, up 6% YoY.
- Profit before Tax Rs 234 million.
- Operational PAT at Rs 226 million, up 11% YoY.
- Profit after Tax Rs. 433 million.

Key Drivers
- Growth in Career IT and Banking enrolments in the Individual business
- Execution of large size MTS deals
- Non Govt. Schools growth
H1FY12- Awards & Recognitions

- NIIT recognised as India’s second most trusted education brand by Brand Equity-Nielsen survey 2011
- NIIT ranked among Top 25 “India’s best company to work for” and ranked 1st in Training and Education Industry
- NIIT’s Skill development project in Republic of South Africa felicitated with “Best Vocational and Skills initiative of the year Award”
- NIIT Imperia recognized as ‘Best Training to Working Professionals’
- NIIT’s Mobile Science Lab wins ‘Best Innovation in Science Education of the Year Award’
- NIIT Ghana adjudged the Best Result Oriented School
H1FY12 Consolidated Financials

<table>
<thead>
<tr>
<th>(Rs. in million)</th>
<th>H1FY12</th>
<th>H1FY11</th>
<th>YoY (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>System wide Revenues</td>
<td>10,927</td>
<td>9,757</td>
<td>12%</td>
</tr>
<tr>
<td>Net Revenues</td>
<td>7,050</td>
<td>6,238</td>
<td>13%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>6,183</td>
<td>5,420</td>
<td>14%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>867</td>
<td>819</td>
<td>6%</td>
</tr>
<tr>
<td>EBITDA%</td>
<td>12%</td>
<td>13%</td>
<td>-82 bps</td>
</tr>
<tr>
<td>Depreciation</td>
<td>477</td>
<td>419</td>
<td>14%</td>
</tr>
<tr>
<td>Net Other Income</td>
<td>-156</td>
<td>-174</td>
<td>18 mn</td>
</tr>
<tr>
<td>Profit before Tax</td>
<td>234</td>
<td>226</td>
<td>3%</td>
</tr>
<tr>
<td>Tax</td>
<td>8</td>
<td>22</td>
<td>14 mn</td>
</tr>
<tr>
<td>Operational Net Profit</td>
<td>226</td>
<td>204</td>
<td>11%</td>
</tr>
<tr>
<td>Share of Profits from Associates</td>
<td>207</td>
<td>210</td>
<td>-2%</td>
</tr>
<tr>
<td>PAT</td>
<td>433</td>
<td>415</td>
<td>4%</td>
</tr>
<tr>
<td>Basic EPS (Rs.)</td>
<td>2.6</td>
<td>2.5</td>
<td>4%</td>
</tr>
</tbody>
</table>

- Adverse Forex impact on Revenue : 139 bps
- EBITDA impacted by Forex Rs. 20 million, Premises Overlap/Rentals Rs. 46 million, People cost rationalization /Cloud Campus readiness Rs. 99 million and SBS pre-operative Rs. 13 million contributing 249 bps erosion
Volume growth helps improve EBITDA share of Corporate business
Individual Learning Solutions

<table>
<thead>
<tr>
<th>Rs. Mn</th>
<th>H1FY12</th>
<th>H1FY11</th>
<th>YoY</th>
<th>FY'11</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>System wide Revenues</td>
<td>6,858</td>
<td>6,149</td>
<td>12%</td>
<td>11,153</td>
<td>10%</td>
</tr>
<tr>
<td>Net Revenues</td>
<td>2,981</td>
<td>2,630</td>
<td>13%</td>
<td>4,681</td>
<td>10%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>489</td>
<td>494</td>
<td>-1%</td>
<td>1,061</td>
<td>7%</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>16%</td>
<td>19%</td>
<td>-239 bps</td>
<td>23%</td>
<td>-43 bps</td>
</tr>
</tbody>
</table>

**H1FY12**

- Enrolments: Global enrolment up 7%, Career enrolments grow 9%, Banking enrolments up 218%
- Placements grow 18% YoY
- Order Intake grows 16% for ILS IT
- Pending order book at Rs. 1,452 million, 70% executable in next 12 months
- Seat Capacity up 6% YoY, 32 centres added
School Learning Solutions

<table>
<thead>
<tr>
<th>Rs. Mn</th>
<th>H1FY12</th>
<th>H1FY11</th>
<th>YoY</th>
<th>FY'11</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net revenues</td>
<td>808</td>
<td>744</td>
<td>9%</td>
<td>1,481</td>
<td>-26%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>96</td>
<td>95</td>
<td>1%</td>
<td>169</td>
<td>-43%</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>12%</td>
<td>13%</td>
<td>-95 bps</td>
<td>11%</td>
<td>-336 bps</td>
</tr>
</tbody>
</table>

**H1FY12**

- Non GSA revenue up 24% YoY, contributed 43% of the revenue mix
- 306 Non Government schools added
- Total Order Intake of Rs. 1,125 million
- Pending Order book at Rs. 4,718 million, 31% executable in next 12 months
Corporate Learning Solutions

<table>
<thead>
<tr>
<th>Rs. Mn</th>
<th>H1FY12</th>
<th>H1FY11</th>
<th>YoY</th>
<th>FY'11</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenues</td>
<td>3,260</td>
<td>2,864</td>
<td>14%</td>
<td>5,835</td>
<td>8%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>296</td>
<td>231</td>
<td>28%</td>
<td>471</td>
<td>8%</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>9%</td>
<td>8%</td>
<td>102 bps</td>
<td>8%</td>
<td>1 bps</td>
</tr>
</tbody>
</table>

**H1FY12**

- 17% Volume growth, MTS grows 59%
- Adverse exchange impact in revenue of Rs. 81 million (~3% of revenue YoY) and adverse exchange impact on EBITDA for Rs. 16 million (26 bps YoY)
- Order Intake of $ 53.3 million; Pending order book at $ 77.8 million, 62% executable in next 12 months
Skill Building Solutions-pending

<table>
<thead>
<tr>
<th></th>
<th>H1FY12</th>
<th>H1FY11</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenues</td>
<td>1</td>
<td>0</td>
<td>1 mn</td>
</tr>
<tr>
<td>EBITDA</td>
<td>-13</td>
<td>0</td>
<td>-13 mn</td>
</tr>
</tbody>
</table>

**H1FY12**
- NIIT entered into joint venture with National Skills Development Corporation (NSDC)
- Largest Public Private Partnership for skill building
- To train 7 million students in 1,500 centres across 1,000 cities over 10 years
- NSDC to hold 10% equity in NIIT Yuva Jyoti Limited
SHARPENING THE EDGE
ILS: Realigning For Higher Growth

- **Cloud Campus**: Embedding VSAT based delivery, across centers and online portal to expand reach and increase efficiency
- **New products** to address changing preferences
- **Higher end segment**: New products (ERP, business analytics etc) launched to cater to this segment
- ‘One NIIT’: Integrating IT, FMT and Uniqua
- **NIIT Inside**: Separate team with focus on in College delivery
- **Stronger placement push**: Placements up 18% in H1FY12
SLS: Reprioritization Of Portfolio

• Restricted participation in fresh ICT contracts along with aggressive receivables follow up

• Increased attention on private schools
  – Increased size of sales force during the year
  – New comprehensive solution launched
  – Strengthened the leadership team

• These steps have led to positive changes in the business
  – Steady growth in non-government revenues (up 24% YoY)

• Strong order book (Rs. 4,718 million, 31% executable in next 12 months) to provide steady revenue base; Growth to be spearheaded by private schools
Focus on higher margin annuity based businesses
- Managed Training Services: sharpened the value proposition of the offering

Significant improvement in business volume and profitability
- Volume growth 17%
- Share of MTS increased to 23% of CLS revenues in H1 FY12 from 21% in H1 FY11

MTS to provide accelerated revenue growth with improving margins
NIIT: Overall

NIIT’s core competencies, acquired over its 3 decades of existence, will remain foundational to its future

<table>
<thead>
<tr>
<th>Pedagogy</th>
<th>Creation of quality learning materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>Distributed education process management</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Building sustainable partnerships</td>
</tr>
</tbody>
</table>
1. Higher Margins through:
   - Volume growth
   - Product mix change
   - Shared capacity
   - New delivery models

2. ROCE improvement due to:
   - Better margins
   - Capital redeployment

4. Creating Platforms For Growth
   To build on NIIT’s existing strengths
   - **ILS**: Cloud Campus
   - **SLS**: Private Schools
   - **CLS**: Managed Training Services
   - **Skill Building Solutions**: An attractive opportunity
Growth Platforms Gain Momentum

**Platforms Of Growth**

**Cloud Campus**
- Rolled out to 190 Centers
- Enrolments cross 11k

**MTS**
- 6 global customers
- Revenue potential of 110 million
- MTS revenue grows 62%

**NGuru**
- NGuru reaches 46% of SLS revenue
- SLS surpasses 10 million student mark

**SBS**
- Joint venture with NSDC to train 7 million students
- To set up 1,500 centres across 1,000 cities

Most Trusted Brands in Education: Economic Times – Nielsen Survey

1. K Vidyalaya
2. NIIT
3. DPS
4. IIM
5. IIT
Leadership in the Century of the Mind