Investor Meet
Mumbai: May 10, 2010
Agenda

• Education & Training: Landscape
• Company Overview
  – Individual Learning Solutions
  – School Learning Solutions
  – Corporate Learning Solutions
• Year 2009-10
• Future Direction
EDUCATION & TRAINING: LANDSCAPE
India’s “Demographic Dividend”

India’s advantage will arise from demographics and productivity enhancement

Source: United Nations Population Division

- Young population
- India to have the largest working age group population

Proportion Of Working Age Group

<table>
<thead>
<tr>
<th>Year</th>
<th>India</th>
<th>China</th>
<th>UK</th>
<th>USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>59.9</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2010</td>
<td>61.6</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2015</td>
<td>62.6</td>
<td></td>
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<tr>
<td>2020</td>
<td>63.5</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2025</td>
<td>64.2</td>
<td></td>
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<tr>
<td>2030</td>
<td>64.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2035</td>
<td>65.0</td>
<td></td>
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</tbody>
</table>

Median Age

<table>
<thead>
<tr>
<th>Country</th>
<th>2010</th>
<th>2020</th>
<th>2035</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>25</td>
<td>34</td>
<td>40</td>
</tr>
<tr>
<td>China</td>
<td>34</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>UK</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>USA</td>
<td>37</td>
<td>37</td>
<td>37</td>
</tr>
</tbody>
</table>

Working Age Group Population (Mn)

<table>
<thead>
<tr>
<th>Year</th>
<th>India</th>
<th>China</th>
<th>UK</th>
<th>USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>918</td>
<td>923</td>
<td>868</td>
<td>846</td>
</tr>
<tr>
<td>2020</td>
<td>994</td>
<td>994</td>
<td>994</td>
<td>994</td>
</tr>
<tr>
<td>2035</td>
<td>196</td>
<td>202</td>
<td>215</td>
<td>215</td>
</tr>
</tbody>
</table>

Source: United Nations Population Division
Education & Training In India: The Challenge

- Initial Enrolment: 100%
- Class I-V: -26%
- Class VI-VIII: -24%
- Class IX-X: -12%
- High School: 38%

Gross Enrolment Ratio (GER) In Tertiary Education:
- USA: 100%
- Norway: 76%
- UK: 59%
- Brazil: 30%
- China: 23%
- India: 12%

Source: Planning Commission, CII, UIS Data Center

Challenge: Low enrolment and High drop out rates
India has the largest uneducated and untrained population
Education & Training: The Emerging Environment

**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 has emerged as the strongest brand in education and training.
NIIT has created a unique positioning in the education space

NIIT’s Strengths

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

Current Engagement

- Tie up with 60+ 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 largest 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
IT Training To GTD

NIIT has grown from being an IT training company to a global talent development corporation.

Key Competencies Developed:
- Pedagogy
- Management of distributed delivery process,
- Partnerships

NIIT

Established

Pioneered Franchising in Education

1982

IPO

1993

IT Industry Slowdown

2000

Demerger of IT Services

2004

Acquisition of EK

Launch of IFBI & Imperia

Global Talent Development Company

2006

2008

2010

Launch of NEP & Training.com

Launch of Uniqua

CAGR >50% +
## Servicing The Full Labor Supply Chain

<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 Training  
• BPO, KPO Training  
• BFSI Training  
• Management Education  
• English Language  
• Professional Life skills  
| • Online & Print Learning Products  
• Training Delivery  
• Custom Content Development  
• Managed Training Services  |
| Geographic Coverage | India, Emerging Economies | India, China, Emerging Economies | India, USA, Europe |
NIIT: Last 5 Year Financial Track Record

Number of Shares Outstanding: 165 million (FV of Rs 2 each)

Last Bonus, Split: 5:1 Split, 3:2 Bonus; Sept 2008

Growth in Market Cap: 2.7x (over last 5 years); CAGR: 22%

Revenue

<table>
<thead>
<tr>
<th>FY06</th>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,507</td>
<td>7,951</td>
<td>10,068</td>
<td>11,486</td>
<td>11,993</td>
</tr>
</tbody>
</table>

CAGR: 28%

EBITDA

<table>
<thead>
<tr>
<th>FY06</th>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
</tr>
</thead>
<tbody>
<tr>
<td>603</td>
<td>774</td>
<td>1,036</td>
<td>1,186</td>
<td>1,569</td>
</tr>
</tbody>
</table>

CAGR: 27%

Dividend Payout

<table>
<thead>
<tr>
<th>FY06</th>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10*</th>
</tr>
</thead>
<tbody>
<tr>
<td>116</td>
<td>143</td>
<td>214</td>
<td>214</td>
<td>231</td>
</tr>
</tbody>
</table>

Proposed
Capital Structure

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

**Total Capital employed – Rs. 9,110 Mn**

- **Reserves** 52%
- **Equity** 4%
- **Unsecured Debt** 16%
- **Secured Debt** 28%

**Promoters, 34%**

- **Public, 34%**
- **DMF and FI, 4%**
- **FII, 28%**

**Net Fixed Assets** 69%

- **Net Current Assets** 20%
- **Cash** 7%
- **Investments** 12%

*Including CWIP*
BUSINESSES
INDIVIDUAL LEARNING SOLUTIONS
Employability training is a huge opportunity
ILS: Our Reach

- India: 558 Centers
- China: 192 Centers
- ROW: 159 Centers
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

IT-ITES Industry Outlook

<table>
<thead>
<tr>
<th></th>
<th>FY09</th>
<th>FY11E</th>
<th>FY16E</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.23</td>
<td>2.5 Mn</td>
<td>4.0 Mn</td>
<td></td>
</tr>
<tr>
<td>47</td>
<td>57</td>
<td>120</td>
<td></td>
</tr>
</tbody>
</table>

Nasscom

NIIT is Asia’s No.1 IT training company
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
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

Partnerships*

*Selected

Creating skilled workforce for the ITES sector
NIIT English Plus

• Aimed at rural and semi-urban youth of India
• Provide basic English and professional life skills
• Embedded modules on professional life skills
• Effective learning through ‘Immersive Learning’ methodology
• Personal Digital Tutor for learning outside the classroom hours

English language and professional life skills training are building blocks for skills development and employability
Courses in IT, sales, finance, banking, design, leadership, project management, professional development, European languages
- Global online and hybrid delivery
- Anytime, anywhere access
- 24X7 delivery support system
- Online mentors, forums/communities

World’s largest digital content library
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

Number of schools:
- 3,000 schools
- 100,000 schools
- 1 Mn schools
NIIT has the widest reach in the market
NIIT eGuru 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

Corporate training outsourcing represents a huge opportunity

Global training spend $100Bn+

- 14% decline in overall training spend in 2009
- Outsourcing saw a lower decline, as more companies chose to outsource
- Recovery underway as organizations move from crisis management to future planning

Source: IDC, Bersin & Associates

US Corporate Training Spending

<table>
<thead>
<tr>
<th>Year</th>
<th>$Bn</th>
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</thead>
<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>
</tbody>
</table>

US: Spending On Outsourced Training

<table>
<thead>
<tr>
<th>Year</th>
<th>$Bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>13.5</td>
</tr>
<tr>
<td>2006</td>
<td>15.8</td>
</tr>
<tr>
<td>2007</td>
<td>16.8</td>
</tr>
<tr>
<td>2008</td>
<td>15.4</td>
</tr>
<tr>
<td>2009</td>
<td>13.8</td>
</tr>
</tbody>
</table>
Our Credentials

Most comprehensive and global, training outsourcing capability

Largest e-Learning Content Library
- 50,000 Hrs of e-Learning
- 1500+ print catalog
- 3500+ e-learning library
- 29,000+ Mentoring Hours

12000+ Person Years of Experience
- 20,000+ Training Days per Year
- 150+ University Courses
- 285,000+ Student Learning Hours
- 20,000 Hours of ILT

1500+ Professionals: Largest Content Development Facility in the world
- 50,000 Hrs of e-Learning
- 500,000 Hosted Users
- 297,000 Transactions/mo

Over 2000 Customers globally
- 1500+ print catalog
- 3500+ e-learning library
- 29,000+ Mentoring Hours
- 500,000 Hosted Users
- 297,000 Transactions/mo
Corporate Learning Solutions

Learning Products (SAAS)
- 3500+ titles; SAAS model
- 3.5 Mn+ learners on Khub
- Largest print & eLearning library

Training Outsourcing
- 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

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Strong competitive position in the market
YEAR 2009-10
2009-10: The Year That Was…

Beginning Of Year

- Global economic turmoil; widespread fear of economic collapse
- Recessionary trends in many economies; extreme risk aversion
- Cut back on investments and recruitment across sectors

End Of Year

- Signs of economic recovery, globally
- Return of business confidence; projections of robust recruitment across sectors
- Robust growth projections for India, China and other EMs

NIIT

- Flat to negative YoY growth in Q1 for most businesses of NIIT
- Focus on profitability through efficient cost management
- Scale back of investments

- Positive growth returns in most business segments
- Aggressive push to growth and profitability
- Renewed focus on new products and new initiatives

Steady improvement in business environment through the year
NIIT’s Initiatives In The Difficult Year

- Introduction of new product lines including hardware & networking, business intelligence, and ERP training to expand its market
- Re-alignment of products with changing market demand, such as job focused short duration courses for ILS
- Extended partnerships across domains, including IBM & SAP in IT, 4 new management institutes, 14 banks and other financial institutions
- Thrust on government sponsored business, India and neighboring countries
- Strengthening the online learning library for corporate training
- Aggressive cost and capex management

The difficult environment was countered with a host of initiatives
The Initiatives Led To Steady Improvement In Business Parameters

**ILS IT - Growth**

<table>
<thead>
<tr>
<th></th>
<th>Q1'10</th>
<th>Q2'10</th>
<th>Q3'10</th>
<th>Q4'10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>0%</td>
<td>7%</td>
<td>11%</td>
<td>11%</td>
</tr>
</tbody>
</table>

**CLS - Margins**

<table>
<thead>
<tr>
<th></th>
<th>Q1'10</th>
<th>Q2'10</th>
<th>Q3'10</th>
<th>Q4'10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin</td>
<td>8%</td>
<td>8%</td>
<td>7%</td>
<td>10%</td>
</tr>
</tbody>
</table>

**Overall Margin Improvement YoY (bps)**

<table>
<thead>
<tr>
<th></th>
<th>Q1'10</th>
<th>Q2'10</th>
<th>Q3'10</th>
<th>Q4'10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvement</td>
<td>373</td>
<td>67</td>
<td>278</td>
<td>401</td>
</tr>
</tbody>
</table>

**Other lead indicators**

- Accelerating pace of enrolments growth - H1: 7% , H2: 20%
- Closing order book - Rs 8418 Mn
- EBITDA growth - 32%
53 Awards During The Year

<table>
<thead>
<tr>
<th>Award</th>
<th>Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIO 100 Award 2009</td>
<td>BCG 50 Local Dynamos</td>
</tr>
<tr>
<td>Business Superbrands 2008</td>
<td>ICT Enabled School of the Year</td>
</tr>
<tr>
<td>Best Learning Partner Award</td>
<td>Civil Society / Development Agency Initiative of the Year</td>
</tr>
<tr>
<td>The Best Green IT Project</td>
<td>Government / Policy Initiative of the Year</td>
</tr>
<tr>
<td>India’s Most Customer Responsive Educational Institution</td>
<td>Most Influential IT Training in China</td>
</tr>
<tr>
<td>Innovation in ICT in Education</td>
<td>Brandon Hall Excellence in Learning Award</td>
</tr>
<tr>
<td>Indian Franchisor of the Year</td>
<td>Top IT Training Company Award</td>
</tr>
<tr>
<td>The Gold for Excellence in E-Learning Award</td>
<td>The ICT Gold Medal (Vietnam)</td>
</tr>
<tr>
<td>NIIT e-Guru among top 100 franchise</td>
<td></td>
</tr>
</tbody>
</table>

Wide Recognition of Core Competencies
## FY’10: Consolidated Financials

<table>
<thead>
<tr>
<th></th>
<th>FY'10</th>
<th>FY'09</th>
<th>YoY (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>System wide Revenues</td>
<td>17,964</td>
<td>16,893</td>
<td>6%</td>
</tr>
<tr>
<td>Net Revenues</td>
<td>11,993</td>
<td>11,486</td>
<td>4%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>10,425</td>
<td>10,300</td>
<td>1%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,569</td>
<td>1,186</td>
<td>32%</td>
</tr>
<tr>
<td>EBITDA%</td>
<td>13%</td>
<td>10%</td>
<td>275 bps</td>
</tr>
<tr>
<td>Depreciation</td>
<td>751</td>
<td>647</td>
<td>16%</td>
</tr>
<tr>
<td>Other Income</td>
<td>-329</td>
<td>-45</td>
<td>-284 mn</td>
</tr>
<tr>
<td>Profit before Tax</td>
<td>488</td>
<td>493</td>
<td>-1%</td>
</tr>
<tr>
<td>Tax</td>
<td>108</td>
<td>104</td>
<td>4%</td>
</tr>
<tr>
<td>Operational Net Profit</td>
<td>380</td>
<td>389</td>
<td>-2%</td>
</tr>
<tr>
<td>Share of Profits from Associates</td>
<td>322</td>
<td>309</td>
<td>4%</td>
</tr>
<tr>
<td>PAT</td>
<td>702</td>
<td>698</td>
<td>1%</td>
</tr>
<tr>
<td>Basic EPS (Rs.)</td>
<td>4.3</td>
<td>4.2</td>
<td>1%</td>
</tr>
</tbody>
</table>
FY’10: Financial Highlights

- Consolidated System wide revenues Rs. 17,964 mn, up 6% YoY
- Net Revenues at Rs. 11,993 mn, up 4% YoY
- EBITDA Rs. 1,569 million; up 32% YoY, EBITDA margin at 13% improved by 275 bps YoY.
- Net Profit Rs. 702 million
- EPS of 4.3 per share; Board recommends dividend of 70%, Rs. 1.40 per share

Key Drivers

- Improved IP based product mix. Continued benefit of cost management actions

Improved profitability in a challenged environment
FY’10: Business Highlights

**Individual:**
- Net revenues at Rs. 4,275 million; Up 7.4% YoY
- EBITDA at Rs. 987 million, up 14%. EBITDA margin at 23%, up 136 bps YoY

**Schools:**
- Net revenues at Rs. 2,000 million, up 45% YoY
- EBITDA at Rs. 296 mn, up 38% YoY

**Corporate:**
- Net Revenues at Rs 5,422 million
- EBITDA at Rs. 437 million, up 139%. EBITDA margin improvement of 490 bps YoY

All round EBITDA improvements
FY’10: Business Highlights

- Individual Learning Solutions (ILS -IT): Enrolments grew 12% with 24% growth in Edgeineers range of programs and 64% in Infrastructure Management Services courses. Placements continued to be strong, taking the growth to 25%.

- School Learning Solutions: 2,812 new schools added. Addition of 334 schools contributed Non Govt. revenue growth of 24%. SLS revenue growth of 45% contributed by orders from Gujarat and repeat order from Andhra Pradesh.

- Corporate Learning Solutions (CLS): Volume growth of 7% in Learning Products. Key customers wins and early cost actions helped improved margins.
Business Mix

System wide revenues - up 6%

<table>
<thead>
<tr>
<th></th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>9%</td>
</tr>
<tr>
<td>Schools</td>
<td>45%</td>
</tr>
<tr>
<td>Corporate</td>
<td>-6%</td>
</tr>
</tbody>
</table>

EBITDA – Up 32%

<table>
<thead>
<tr>
<th></th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>+14%</td>
</tr>
<tr>
<td>Schools</td>
<td>+38%</td>
</tr>
<tr>
<td>Corporate</td>
<td>+139%</td>
</tr>
<tr>
<td>New Biz</td>
<td>-77 mn</td>
</tr>
</tbody>
</table>

Cost management helped Corporate business improve profitability despite revenue contraction
Individual - IT

<table>
<thead>
<tr>
<th>Rs. Mn</th>
<th>Q4’10</th>
<th>Q4’09</th>
<th>% G, YoY</th>
<th>FY’10</th>
<th>% G, YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>System wide Revenues</td>
<td>2,929</td>
<td>2,662</td>
<td>10%</td>
<td>10,163</td>
<td>9%</td>
</tr>
<tr>
<td>Net Revenues</td>
<td>1,144</td>
<td>1,035</td>
<td>11%</td>
<td>4,275</td>
<td>7%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>282</td>
<td>237</td>
<td>19%</td>
<td>987</td>
<td>14%</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>25%</td>
<td>23%</td>
<td>177 bps</td>
<td>23%</td>
<td>136 bps</td>
</tr>
</tbody>
</table>

**FY’10**
- SWR Geo Mix: India 58%, ROW 25%, China 17%
- Enrolments - Overall up 12%
- IMS enrolments up 64%
- Placements up 25%
- Pending Order Book Rs. 982 million, 70% executable in 12 months
- Launched SAP, IBM, Tally & comprehensive IMS programs
- Seat capacity added: 4% YOY

**Q4’10**
- Enrolments - Overall up 18% YoY. IMS +88% and Edgeineers +33%
- Placements up 13%
- MOU signed with IGNOU for joint programs
- Capacity utilization higher by 2% YoY
School Learning Solutions

<table>
<thead>
<tr>
<th>Rs. Mn</th>
<th>Q4’10</th>
<th>Q4’09</th>
<th>% G, YoY</th>
<th>FY’10</th>
<th>% G, YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenues</td>
<td>321</td>
<td>442</td>
<td>-27%</td>
<td>2,000</td>
<td>45%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>74</td>
<td>80</td>
<td>-7%</td>
<td>296</td>
<td>38%</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>23%</td>
<td>18%</td>
<td>499 bps</td>
<td>15%</td>
<td>-66 bps</td>
</tr>
</tbody>
</table>

**FY’10**

- Order Intake: Rs. 2,062 Mn
- Schools added: 2,812 (334 non Govt. schools added)
- Non Govt. revenue grew 24% YoY, Govt. revenue grew by 52%

**Q4’10**

- 101 non Govt. schools added with an order intake of Rs. 153 Mn
- Non Govt. contributed 41% of revenue, grew at 16% YoY.
- Margin improvement due to better business mix and Non Govt. business growth

- Total numbers of schools serviced has reached 15,000
- Pending order book at Rs 3,316 Mn
- 31% executable in next 12 months
# Corporate Learning Solutions

<table>
<thead>
<tr>
<th></th>
<th>Q4’10</th>
<th>Q4’09</th>
<th>% G, YoY</th>
<th>FY’10</th>
<th>% G, YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenues</td>
<td>1,393</td>
<td>1,481</td>
<td>-6%</td>
<td>5,422</td>
<td>-6%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>141</td>
<td>95</td>
<td>48%</td>
<td>437</td>
<td>139%</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>10%</td>
<td>6%</td>
<td>371 bps</td>
<td>8%</td>
<td>490 bps</td>
</tr>
</tbody>
</table>

**FY’10**

- Online Learning Products business grew at 7% YoY
- Order intake for the year at $127.5 Mn
- 3 Multi million dollar deals signed during the year

**Q4’10**

- USA revenues – flat in volume terms after de-growth in the last few quarters
- Online Learning Products business grew at 15% YoY
- Product mix change and cost management helped margin growth. Learning Products now 33% of product mix.
- Order Intake $ 30.9 Mn, up 2% YoY; indicative of improving fundamentals
- Pending order book at $ 90.3 Mn; 58% executable in next 12 months

**CLS Volume Growth % YoY**

- Q1’10: -10.1%
- Q2’10: 1.3%
- Q3’10: 2.5%
- Q4’10: 6.2%
New Businesses

- FMT enrolments grew at 58% for the quarter, signaling an improving trend
- 14 more placement partners added by IFBI (Total: 24)
- 3 large BPO’s added for New Hire Training business
- Q 4 Order Intake grew by 97% and enrolments grew by 61%. Overall enrolments over 4,000

<table>
<thead>
<tr>
<th>Rs. Mn</th>
<th>Q4'10</th>
<th>Q4'09</th>
<th>% G, YoY</th>
<th>FY'10</th>
<th>% G, YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>System wide Revenues</td>
<td>112</td>
<td>67</td>
<td>66%</td>
<td>379</td>
<td>-7%</td>
</tr>
<tr>
<td>Net Revenues</td>
<td>92</td>
<td>50</td>
<td>82%</td>
<td>296</td>
<td>-11%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>-22</td>
<td>-48</td>
<td></td>
<td>-152</td>
<td></td>
</tr>
</tbody>
</table>
FUTURE DIRECTION
The Building Blocks For NIIT’s Future Are In Place

- NIIT’s core competencies
- New capabilities
- Macro Trends
- Lead Business indicators
NIIT’s core competencies, acquired over its 3 decades of existence, will remain foundational to its future

**Pedagogy**
- Creation of quality learning materials

**Technology**
- Management of distributed delivery of education

**Partnerships**
- Building sustainable partnerships
New Capabilities Added Will Propel Business Forward

- Learning libraries - EK, SLS
- New Delivery models – SLT, Vlabs
- Online assessment systems
- School Management System
- Online Learning Library
- Low cost training centers – CLC, DLC
- University partnerships
- ‘NIIT Inside’ model
Macro Trends & Business Indicators Are Favorable

Trends
• Accelerating GDP growth
• Increased government spending
• Increasing profits of the corporate sector
• Indications of large hiring plans across sectors
• Increase in employee salaries

Indicators
• Enrolments growth
• Growth in placements
• Strong Order Book
• Competitive wins
• Profitability improvement
A Renewed Focus On Growth

Multi dimensional growth strategy

Increase Depth
- New products - SAP, SAS, IBM
- New tie ups & partnerships - IGNOU
- Greater alignment to industry needs

Grow Horizontally
- New Verticals and Segments addressed
- English Plus
- Training Dot Com

Expand Coverage
- Expanded geographic coverage
- Expanded demographic coverage e.g. District Learning Centers,
- New Delivery Formats – Synchronous Delivery, Training.com
Increasing IP Led And Annuity Based Revenue, And Contribution From New Businesses

- Non-linear revenue growth will support profit growth

- Increasing proportion of annuity based order book

- New business expected to achieve critical size and profitability
**ILS - Future Direction**

**Key Business Challenges**
- Although improved, decision making by potential students continues to be slow
- Cost-effective growth of enrolments

**NIIT’s Initiatives and Responses**
- Continued focus on IMS domain, entry into ERP space
- Increased feet on the street and mass contact programs (seminars, College Placement Officers meets)
- Channel capability building

**Business Outlook**
- Continued growth in IMS enrolments
- Entry into higher-end training opportunities
- Entry into new areas like IBM technologies
- Margin expansion due to growth in revenue, Cost control & product mix

**Positive Business Trends**
- Increasing enrollments in specific segments: Edgeineers (35%) and IMS (88%) Q4FY10
- ILS- IT placements continue to grow (25% FY 10)
- Sustained growth in International business
SLS - Future Direction

Key Business Challenges
- Rapid scale up of private schools business
- Capital requirement in government schools

NIIT’s Initiatives and Responses
- Selectivity in government schools business; developing models to increase scope beyond ICT
- Increasing reach and sales force for eGuru
- Leverage School management services and teachers training

Positive Business Trends
- Government focus on education translating in to increased number of projects
- Increase in number of deployments of Interactive Class Room product and greater acceptance of Quick School ERP solution

Business Outlook
- Growth in GSA segment to remain strong
- Growth in Private schools on improved offering set
- Assured annuity revenue from existing order book
Future Direction

Key Business Challenges / Opportunities
- Rapid scale up of e-Learning Products business
- Softness in Custom Content development and in Print & Publishing
- IT companies looking at outsourcing customer education in Europe and APAC

NIIT’s Initiatives and Responses
- Increased sales force and support for e-Learning Products Library
- Restructuring & cost rationalization to protect profitability
- Focused sales effort towards Governments and IT companies

Positive Business Trends
- Steady growth in e-Learning Products business (15% Q4FY10)
- Growing pipeline of deals for Training Outsourcing
- Economic upswing leads to higher spending on training and skill building in India

Business Outlook
- e-Learning Products, Training outsourcing and Govt. Projects to contribute to volume growth
- Margins improvement
- Forex Volatility may affect metrics
New Business- Future Direction

Key Business Challenges
• Leveraging Recruitment plans of Banks, Insurance Companies and BPO Companies into student enrolment through cost-effective customer acquisition

NIIT’s Initiatives and Responses
• More tie-ups with Banks, Insurance Companies and Management Institutes and BPO Companies
• Leveraging ILS footprint for College students segment

Business Outlook
• Expected to recover further on the back of strong hiring plans by Banks and Insurance Companies
• Executive Management education to gain momentum
• Skill development spends of Govt. to contribute

Positive Business Trends
• 58% growth in Q4 FMT enrolments and strong talent requirements
• Successful placements of students in select Banks & BPO Companies
• Successful pilot of low cost delivery models
Summarizing

• The emerging environment for Education and Training presents a huge opportunity
• NIIT is strongly positioned to take advantage of the emerging opportunities
• Our current businesses and competencies are aligned to attractive markets
• We have a strong financial track record, and in the past have successfully dealt with market adversities and uncertainties
• Our recent and continuing initiatives to enhance growth and returns will lead to a greatly improved performance in the coming years
Leadership In The Century Of The Mind