

NIIT Limited

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Unaudited Financial Results for the Quarter ended 30th June 2005

(Rs. Lacs)

| Particulars | Quarter Ended 30th June, 2005 (Limited Review)* | Quarter Ended 30th June, 2004 (Limited Review) | Previous Year Ended 31st March, 2005 (Audited) |
|--|---|--|--|
| (1) | (2) | (3) | (4) |
| 1. Income from Operations | 7,473 | 6,188 | 28,274 |
| 2. Other Income | | | |
| - Interest | 46 | 50 | 202 |
| - Others | 666 | 379 | 441 |
| 3. Total Expenditure | 6,991 | 5,742 | 25,048 |
| a) (Increase)/Decrease in stock | (24) | (115) | (7) |
| b) Personnel Cost | 1,920 | 1,653 | 6,886 |
| c) Development, Production & Execution | 2,996 | 2,460 | 10,785 |
| d) Others | 2,099 | 1,744 | 7,384 |
| 4. Interest Expenses | 138 | 50 | 237 |
| 5. Depreciation | 569 | 461 | 1,951 |
| Profit before Taxes | 487 | 364 | 1,681 |
| 6. Provision for Taxation/ Deferred Tax | 72 | 29 | 85 |
| - Current Tax | 35 | 29 | 85 |
| - Deferred Tax Charge/ (Benefit) | - | - | - |
| - Fringe Benefit Tax | 37 | - | - |
| 8. Net Profit | 415 | 335 | 1,596 |
| 9. Paid up Equity Share Capital (Face Value of Rs. 10 each) | 1,932 | 1,932 | 1,932 |
| 10. Reserves | | | 25,374 |
| 11. Basic EPS for the period and for the previous period/ year (in Rs.) | 2.15 | 1.73 | 8.26 |
| Diluted EPS for the period and for the previous period/ year (in Rs.) (not to be annualised) | 2.05 | 1.73 | 8.26 |
| 12. Aggregate of Non-Promoter Shareholding | | | |
| - Number of Shares | | | 12,213,016 |
| - Percentage of Shareholding | | | 63.20% |

PRICE SENSITIVE

*** Notes :-**

- 1) The company has adopted policy of proportionate completion method for recognizing revenue from knowledge solutions fixed price contracts, from delivery/dispatch of concerned services with effect from April 01, 2005. This has resulted in the company's revenue decreasing by Rs. 24 lacs in the current quarter.
- 2) During the quarter the Company has invested Rs.1,526 lacs, Rs.436 lacs and Rs.5 lacs in the Equity Shares of its wholly owned subsidiaries NIIT Antilles NV, Netherlands, NIIT (USA) Inc., USA and NIIT Multimedia Limited respectively.
- 3) During the quarter, the company has granted loan of Rs.100 lacs to NIIT Education Society, a society registered under the Societies Registration Act, XIII of 1860 with Registrar of Societies, Government of NCT of Delhi.
- 4) During the quarter the company has issued 2.5% 1000 Foreign Currency Convertible Bonds of US \$ 10,000 each amounting to Rs. 4376 lacs convertible into equity shares of the Company within 5 years from the date of issue of such bonds at a price of Rs. 200 per share.
- 5) Development, Production and Execution expenses include course execution charges for the quarter ended June 30, 2005 amounting to Rs. 1,188 lacs (Previous quarter and year, Rs.1,200 lacs and Rs. 4,860 lacs respectively).
- 6) Other Income for the quarter includes Rs. 571 lacs (net) on account of provisions written back.
- 7) The sub businesses are fully aligned to global learning business of the company and the same are being viewed by the management as a single primary segment, i.e. learning business segment. Accordingly previous quarter/year which hitherto were being reported as separate business segments post de merger for comparison purposes, are not being disclosed.
- 8) Deferred tax assets has been recognised only to the extent of deferred tax liabilities on account of prudence.
- 9) The Company had applied for delisting from Kolkata Stock Exchange on September 10, 2004. The approval for delisting is still awaited.
- 10) The Company had no pending investor complaints as on June 30, 2005. During the quarter ended June 30, 2005, 8 complaints were received and resolved.
- 11) The figures of the previous quarter/ year, to the extent feasible, have been regrouped/ reclassified to conform to the current quarter's classification.
- 12) The above results have been approved and taken on record by the Board of Directors of the Company at its meeting held on July 28, 2005.

Place: New Delhi
Dated: July 28, 2005

By order of the Board



Vijay K. Thadani
Whole-time Director



PRICE WATERHOUSE