



A New Way of Learning

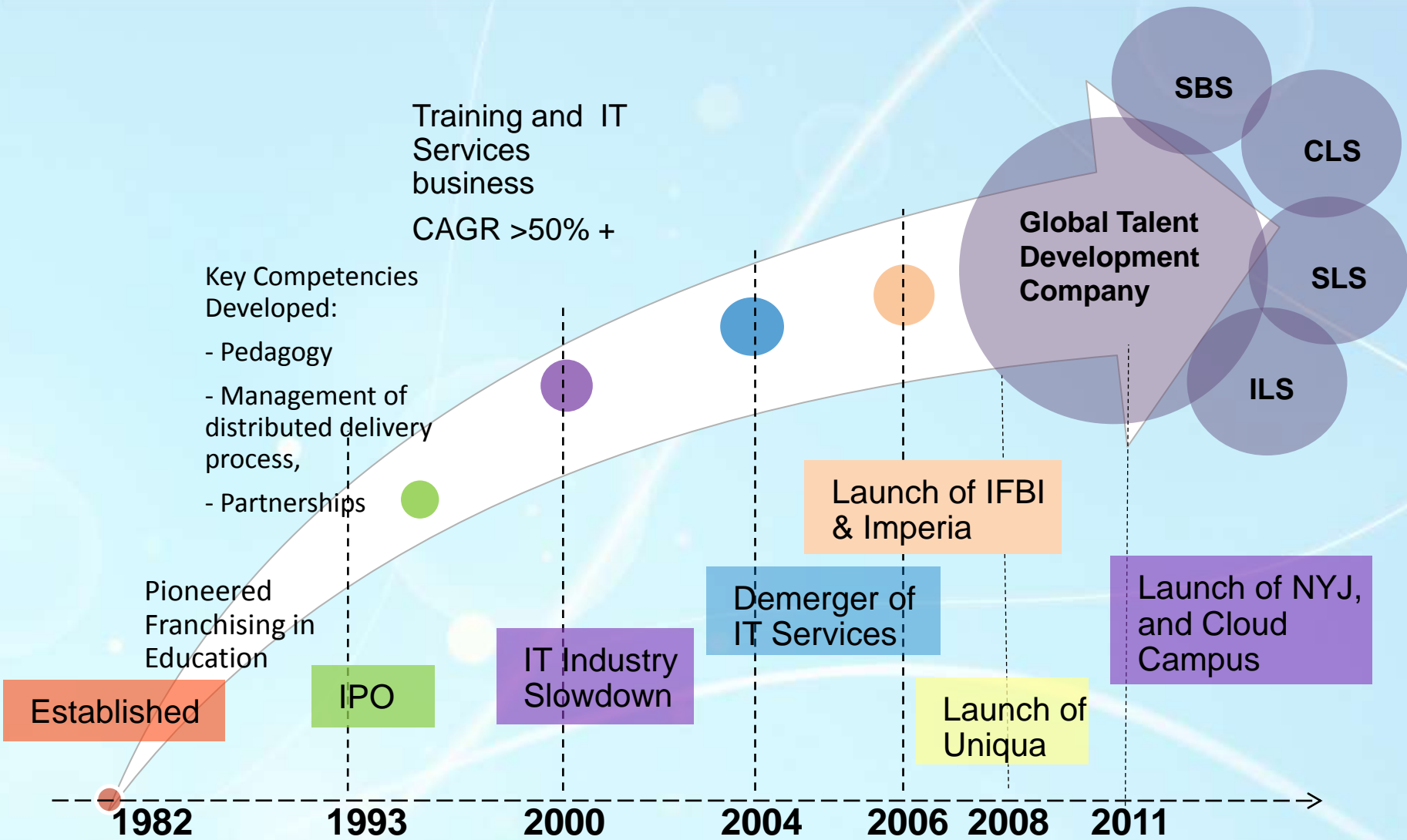
Investor Presentation – May 2013

- **NIIT: Company Overview**
 - **Individual Learning Solutions**
 - **Corporate Learning Solutions**
 - **School Learning Solutions**
 - **Skill Building Solutions**
- **Results Update**
- **Future Direction**

COMPANY OVERVIEW

NIIT





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

NIIT

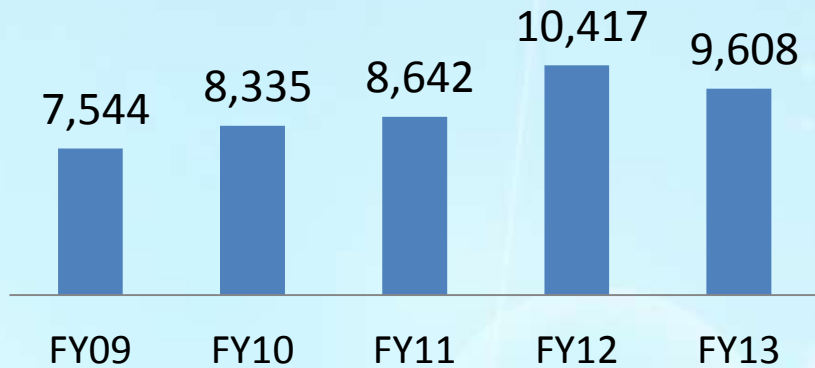
School Learning Solutions	Individual Learning Solutions	Skills Building Solutions	Corporate Learning Solutions
19%	49%	New Business	32%
Academics	Employability		Productivity
<ul style="list-style-type: none"> • Multimedia Teaching & Learning Content • IT Learning • Teacher Training • School Management Services 	<ul style="list-style-type: none"> • IT, Business Process Management, Banking & Finance, Management Education • Professional Life skills 	<ul style="list-style-type: none"> • Vocational Skills • 9 Service Sectors including IT/ITES, Retail, Finance, Hospitality etc 	<ul style="list-style-type: none"> • Managed Training Services • Learning Delivery • Custom Learning Solutions

NIIT: Last 5 Year Financial Track Record

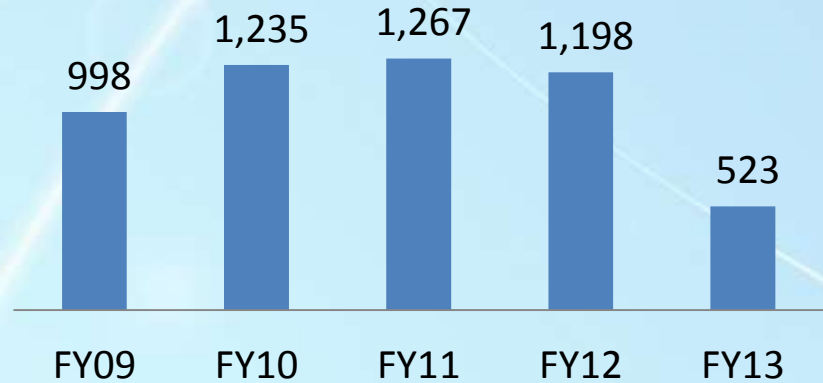
NIIT

Rs Mn

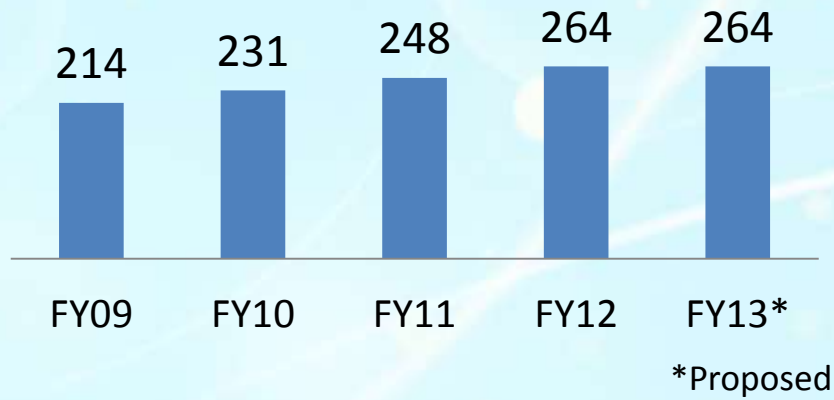
Revenue



EBITDA



Dividend Payout

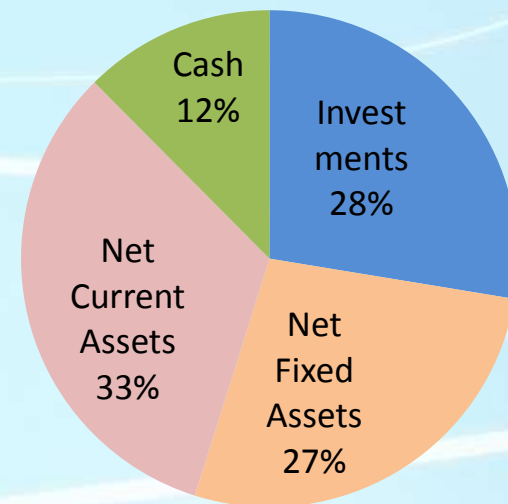
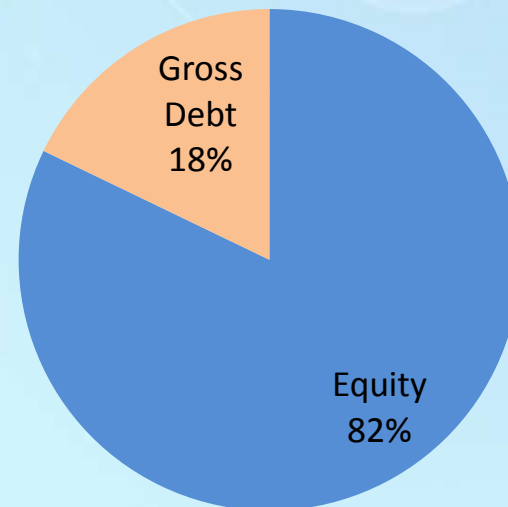
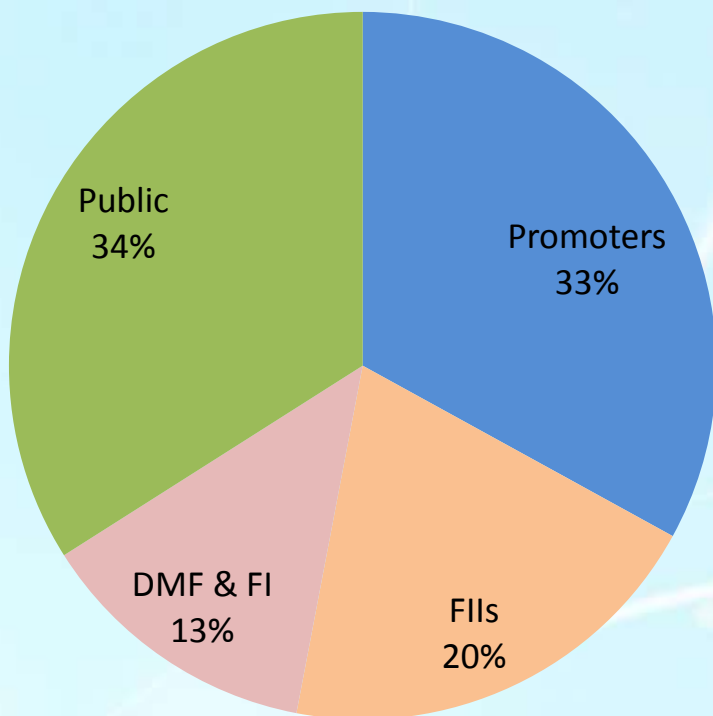


- > **Number of Shares Outstanding:** 165 million (FV of Rs 2 each)
- > **Last Bonus, Split:** 5:1 Split, 3:2 Bonus; Sept 2008
- > **Credit Rating:**
 - National Long-Term 'IND AA-
 - National Short-Term 'IND A1+

Financials exclude Element K, which was divested by the company on October 14, 2011

Total Capital employed – Rs. 8,544 million

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



*NIIT Limited owns 24.1% of NIIT Technologies

NIIT has made significant contribution to training and education, globally ...over 30 million learners

NIIT



Nurtured over 2000 entrepreneurs



IT Enabled **>10 Mn** school children

Helped over **4 Mn** individuals perform better at their jobs



IT enablement for Bhutan and Maldives

Developed over 200,000 hrs of learning content



Enhanced income for more than **75,000 BPL** families

30,000+ IT professionals for Chinese economy per annum

Trained over 4 lac school teachers to leverage IT



Highest Rated Education Brand



Amongst 'Top 10 India's Best Companies To Work For' , rated No. 1 in Education and Training



NIIT received Dataquest 'Top IT Training Company' Award in 2012 for the 20th consecutive year



14 Brandon Hall awards for corporate training



NIIT Nguru ICR@Home received Award for best "Use of Assistive Technology for Education"



NIIT USA ranked among the Top 20 Companies in Training Outsourcing, 2012 by Training Industry, Inc. for the sixth consecutive time since 2008

BUSINESS OVERVIEW

NIIT



- 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, enhanced through cloud based solutions
- India, China, Developing World



Technology Partnerships*



*Selected

- In equity partnership with ICICI Bank
- Career, Career-edge and Skills upgrade courses for individuals
- For graduates and working professionals
- Instructor-led, supplemented by e-learning



IFBI: Partnerships*



*Selected

- 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
- Onboarding, On-the-job Skills & Productivity enhancement and Leadership Development

Partnerships*



*Selected



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

Imperia: Partnerships*



*Selected



Certified by Google™

ADVANCED ONLINE ADVERTISING PROGRAM

Now in India

SIGN UP HERE

Delivered by IMPERIA

NIIT IMPERIA

CENTRE FOR ADVANCED LEARNING

KPMG

1400 GLOBAL COMPANIES HAVE BEEN ADVISED BY KPMG FIRMS ON IFRS.

JOIN THE LEAGUE.

PRESENTING ADVANCED CERTIFICATE PROGRAM* ON IFRS IMPLEMENTATION AND COMPLIANCE BY KPMG IN INDIA AT NIIT IMPERIA.

NIIT Imperia Centre for Advanced Learning, has been created to provide standardized learning solutions for corporates and professionals through the Synchronous Learning Platform. It offers you an IFRS course by KPMG in India, part of a leading global professional services organization. So come to NIIT Imperia and get trained from the best.

Eligibility Criteria – Graduates with minimum 2 years of experience. Experience requirement to be waived off for CA, CL, CMA, MBA (Finance) and for corporate executives.

Key IFRS Advantage – Quality working with over 100 companies in India on IFRS implementation. Early work experience in implementing IFRS in implementation oriented courses.

NIIT IMPERIA

*Program design and faculty by IFRS in India. IFRS are the IFRS used in Europe and Australia. IFRS (International Financial Reporting Standards) is being implemented.

For Further Details log on to www.niitimperiacollege.com or call at 1800 100 0000 (INTL/0182) or 011 0000 0000 (INDIA) or 011 0000 0000 (INDIA)



India : 597 Centers
China: 124 Centers
ROW: 129 Centers

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Over 50 Industry Awards



End to End servicing capability



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Customers across various industries



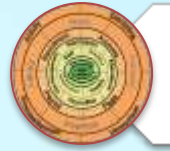
ICR Cloud



Math Lab



Science Lab



Quick School @ Cloud



Web & Multimedia curriculum



Shared computing



NIIT has the widest range of offerings

10 mn +

Students

400 k +

Teachers

100 k +

Nodes

24 k +

Hrs of Content

45 k +

Instructors

16 k +

Schools



Cumulative

NIIT has the widest reach in the market

- In equity partnership, and funding support from NSDC
- To set up over 1,500 centers in 1,000 cities, over 10 years
- To Transform over 7 million unskilled youth into readily employable professionals
- Segments: IT/ITES, Media & Entertainment, Education & Training Services, BFSI, Retail, Hospitality, Healthcare, Telecom & select informal sectors



NIIT has the right credentials to deliver on the large opportunity

RESULTS UPDATE

NIIT



- India's GDP growth slowed to lowest in a decade at ~5%; However economy expected to see a moderate pickup in F14
- Hiring sentiment in India witnessed a sharp decline across sectors with Net Employment Outlook falling 19 percentage points YoY (Source: MEOS)
- Hiring in IT sector dropped over 20% in FY13; Proposed changes in Immigration Bill on temporary worker visas add further uncertainty to industry demand
- Companies hiring skilled workers, just in time, positive for NIIT's placements and business in the long term
- Demand for training for bank jobs remains strong and expected to pick up on new bank licenses
- Pace of government collections remains slow; However private schools increasingly demanding differentiated offerings to remain competitive in the market; Technology solutions entering phase of mass adoption
- Increased outsourcing to specialized training firms as companies demand both efficiency and effectiveness from their training function; However economic uncertainty affects sales cycles and transition periods

Macro headwinds continue; but certain segments poised for growth

*On a continuing business basis**

(Rs. mn)	FY'13	FY'12	YoY (%)
System wide Revenues	15,260	17,293	-12%
Net Revenues	9,433	9,935	-5%
Operating expenses	8,910	8,737	2%
EBITDA	523	1,198	-56%
EBITDA%	6%	12%	-651 bps

- Despite robust performance by Corporate and Schools Learning Solutions business, overall business impacted by weak performance of Individual Learning Solutions
- EBITDA impacted by operating leverage and change in business mix

**excluding EK and pass through revenues in SLS*

Rs Mn	As on Mar'12	As on Mar'13
Equity	330	330
Reserves and Surplus	6,329	6,396
Net Worth	6,659	6,726
Debt	1,087	1,525
Total Sources of Funds	7,746	8,251
Net Fixed Assets (incl. CWIP)	2,473	2,330
Investments	1,950	2,357
Deferred Tax Assets	67	153
Cash and Cash Equivalent	1,020	1,063
Net Current Assets (ex Cash)	2,237	2,348
Total Application of Funds	7,746	8,251
Debt / Equity	0.16	0.23
BV/Share	40.3	40.7

- Reduction in net fixed assets of Rs 143 million in FY13
- DSO increased to 141 days, versus 125 last year.
- Net Debt at Rs 462 million, up YoY; however down Rs 271 million in Q4 FY13

Corporate Learning Solutions

- FY13: Revenues up 19%, EBITDA Rs 339 mn, up 111% YoY, EBITDA margin at 11% (up 485 bps YoY)
- MTS grows 41% YoY; contributed 72% to CLS revenues

Schools Learning Solutions

- FY13: Revenues up 16% YoY, non-GSA up 17% YoY
- non-GSA contribution increases to 43% for FY13 vs 36% LY

Individual Learning Solutions

- FY13: Revenues down 21% YoY, overall enrolments down 20%; Non-IT enrolments up 48%,

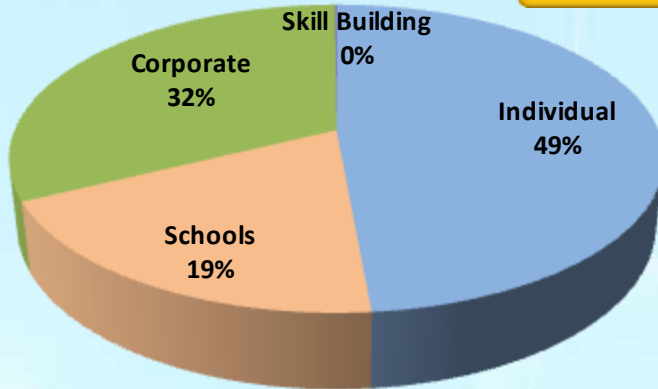
Skills Building Solutions

- 34 Centers operational
- Over 4800 registrations for the year

NIIT ranked 10th amongst Top 50 companies, by Great Places to work

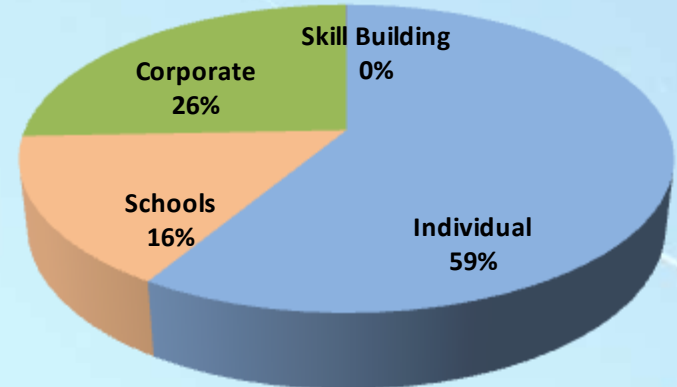
On Continuing business basis, excluding pass through revenues

Net Revenue



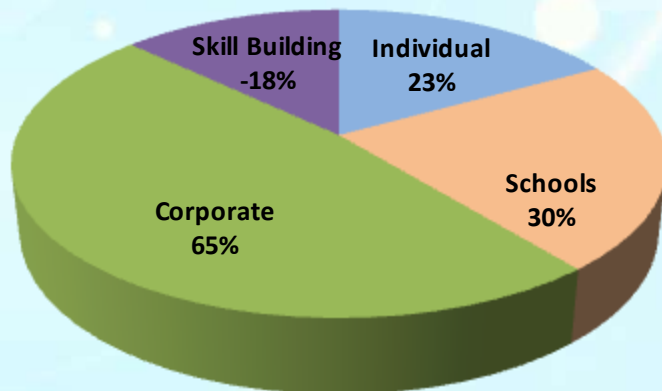
FY13

	Growth
Individual	-21%
Schools	16%
Corporate	19%



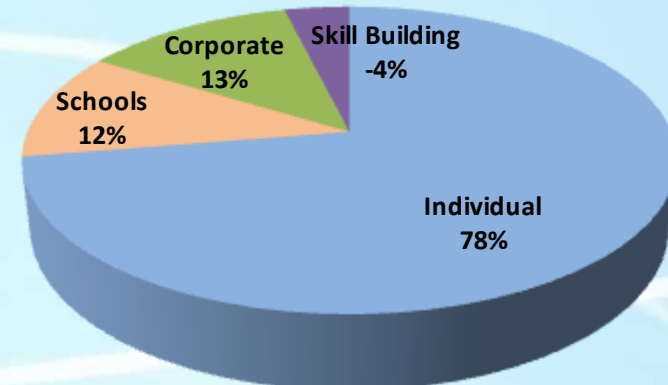
FY12

EBITDA



FY13

	Change
Individual	-812 mn
Schools	+9 mn
Corporate	+177 mn
Skill Building	-43 mn

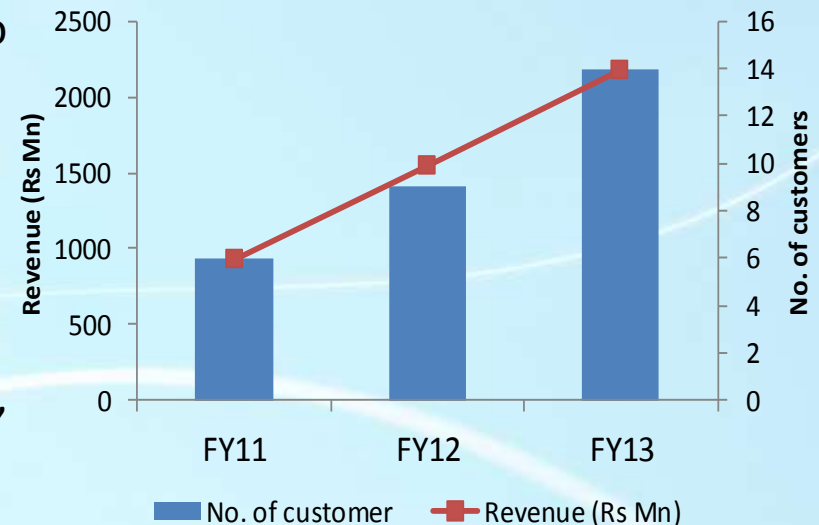


FY12

On a continuing business basis

Rs. Mn	FY 13	FY 12	YoY
Net Revenues	3,037	2,543	19%
EBITDA	339	160	111%
EBITDA %	11%	6%	485 bps

- MTS revenues up 41% YoY; contributes 72% to CLS mix
- 5 MTS customers added in FY13, end year with 14 customers
- Order Intake of USD 62.5 mn, up 16% YoY
- Pending order Book stood at USD 53.6 million, 66% executable in next 12 months
- Overall revenue visibility of USD 143 mn



**Excluding pass through revenues*

Rs. Mn	FY 13	FY 12	YoY
Net Revenues*	1,805	1,560	16%
EBITDA	156	146	7%
EBITDA %	9%	9%	-72 bps

- Non GSA revenue up 17% YoY , contributes 47% to SLS mix*
- Added 817 schools; up 19% YoY
- Order Intake of Rs. 916 mn
- Pending Order book stood at Rs. 5,059 mn, 27% executable in next 12 months



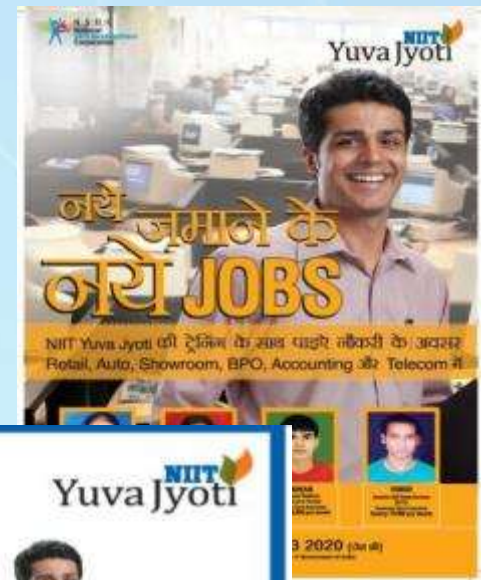
Rs. Mn	FY 13	FY 12	YoY
Net Revenues	4,582	5,829	-21%
EBITDA	119	936	-87%
EBITDA %	3%	16%	-1,345 bps

- Overall enrolments at 448K down 17% on like to like basis; Non-IT enrolments up 48% YoY
- Record participation in NITAT; up 22% YoY
- Placements at 36,890; down 4% YoY
- 50 Courses launched on Cloud Campus, over 150 centers
- New programs: Diploma in Applied Finance, Infrastructure Management , Digital Marketing, Sales Officers for Banks
- Pending order book at Rs. 1,733 mn, 66% executable in next 12 months



Rs. Mn	FY 13	FY 12	YoY
System wide Revenues	10	2	8 mn
Net Revenues	10	2	7 mn
EBITDA	-92	-50	-42 mn

- Overall 34 centers in 5 states
- Over 4,800 enrolments in FY 13
- Tie-ups with over 250 employers



THOUGHT PROCESS

FUNCTION

FUTURE DIRECTION: KEY INITIATIVES & STRATEGIES

NIIT

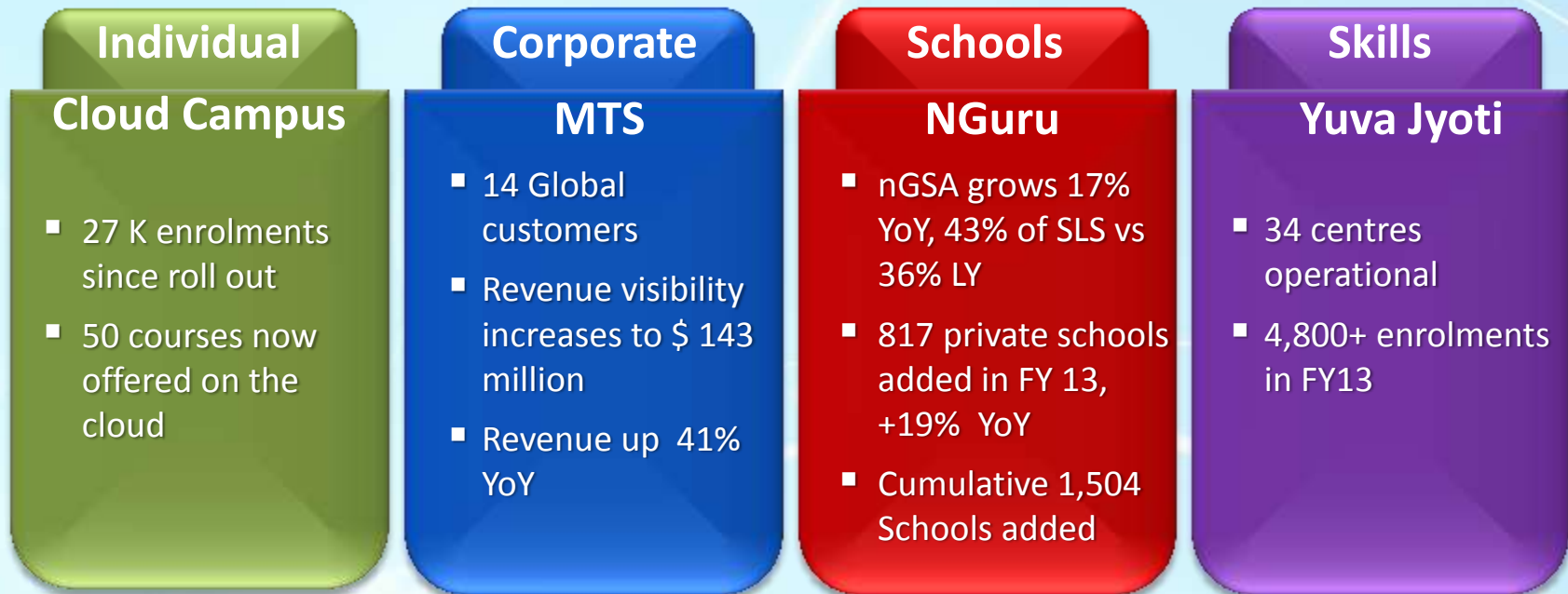
strategy

market

VISUAL RESPONSE

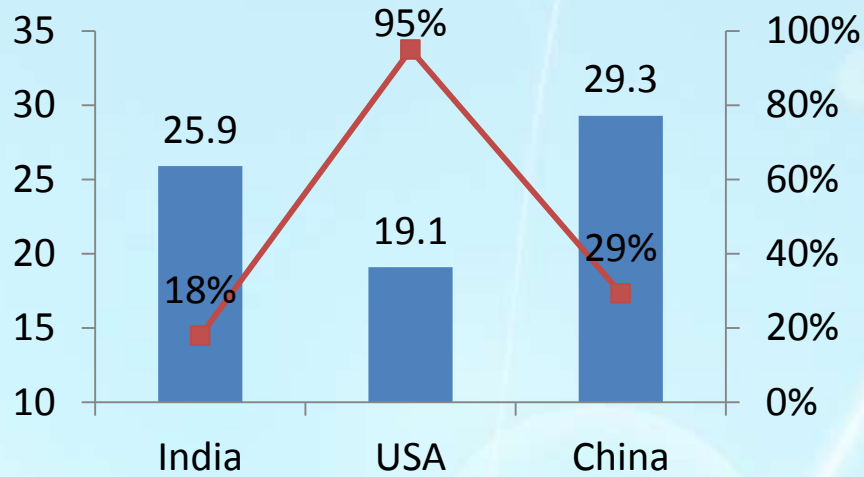


NIIT

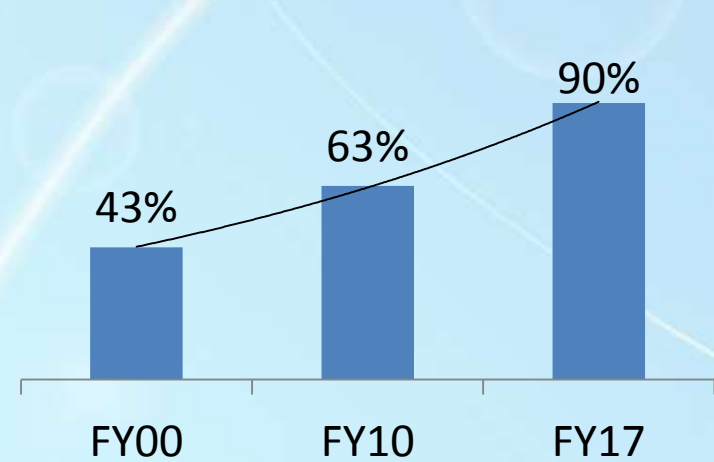


Platforms of Growth

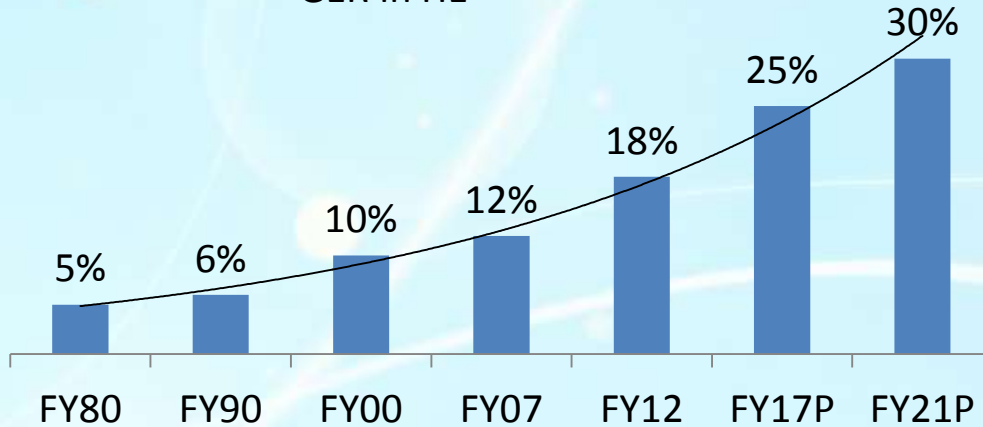
HE GER and Enrolment Comparison



GER in SE



GER in HE



Source: Planning Commission

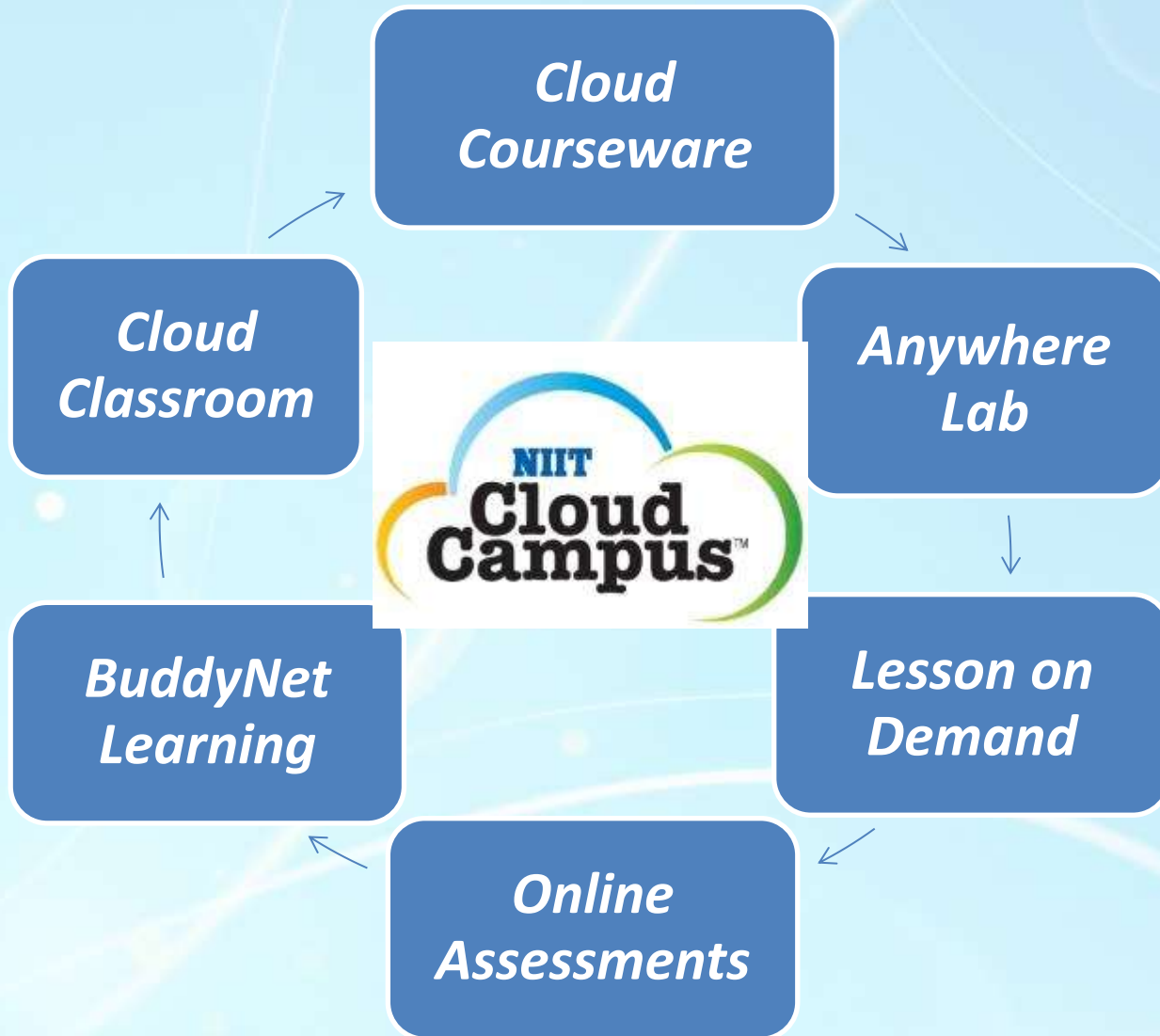
✓ Over 35 million students enrolled by FY17 (GER 25.2%) , and over 42 million by FY21 (GER 30%)

Large market with headroom for growth

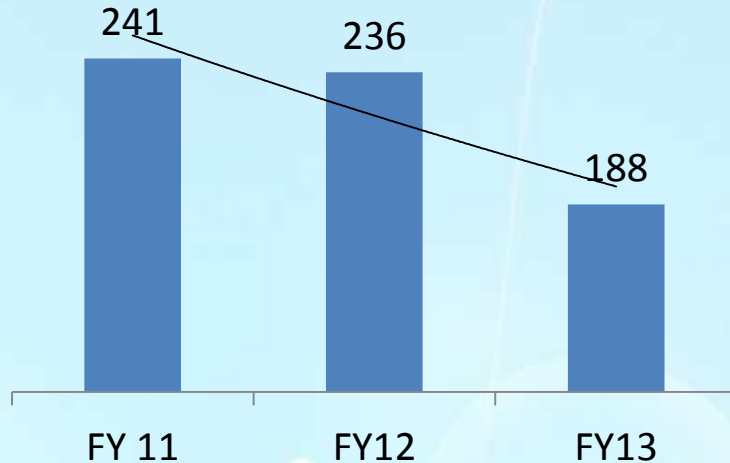


Strategic Rationale:

- ✓ Explosion of diverse skill needs
- ✓ Changing learner needs: flexibility, on –demand learning
- ✓ Higher scalability with available resources: lower delivery cost, better capacity utilization
- ✓ Need for speed to market

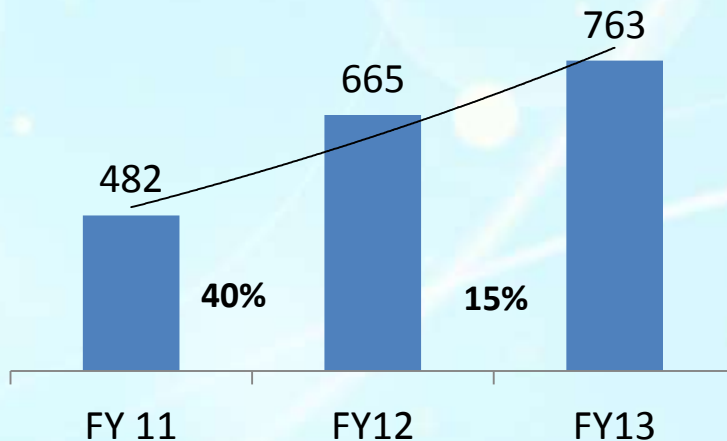


IT Hiring (in '000)

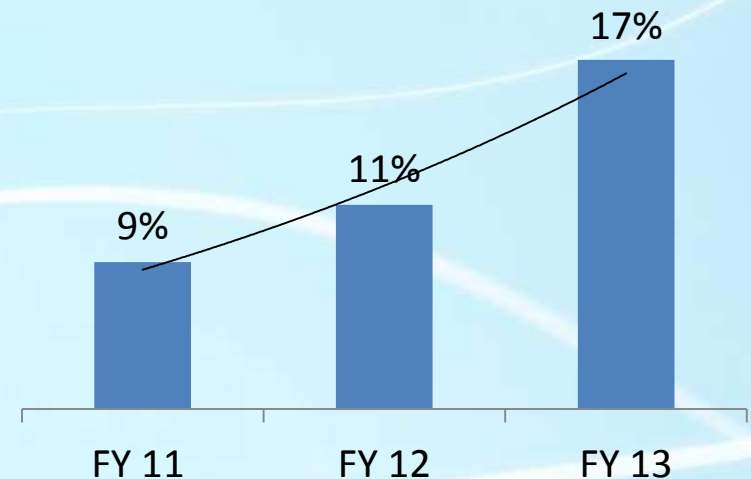


- ✓ Weakness in hiring sentiment expected to continue for 2-3 quarters
- ✓ However, sentiment expected to improve as backlog of candidates with jobs offers get absorbed
- ✓ Non-IT training picking up momentum
- ✓ Cloud campus to expand reach of non-IT

Non-IT Revenue (Rs Mn)



Share of Non-IT



Non-IT Portfolio to drive growth for ILS

Key Trends

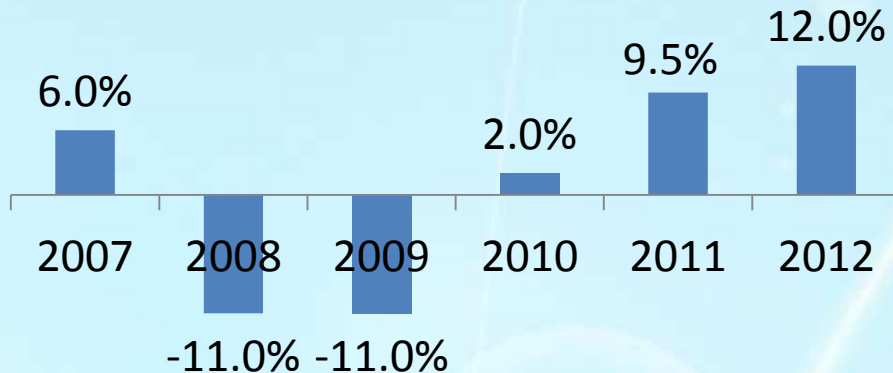
- Opportunity large and growing with increasing enrolment in higher education
- Cautious environment in IT hiring affects near term consumer sentiments
- Strong growth in Non-IT segment training segment



Key Initiatives and Direction

- **Cloud Campus:** Expand reach for new product portfolio and increase efficiency
- **Cost Consolidation:** Rationalize operations, product portfolio and capacity
- **New Age Courses in IT:** Business Analytics, Cloud Computing and Mobility, Digital Marketing
- **'NIIT One World' Centers:** Integrating IT, BPM, Finance and Management offerings; expand portfolio of non-IT programs
- **Focus on non-IT and higher realization courses**

US Corporate Training Spending

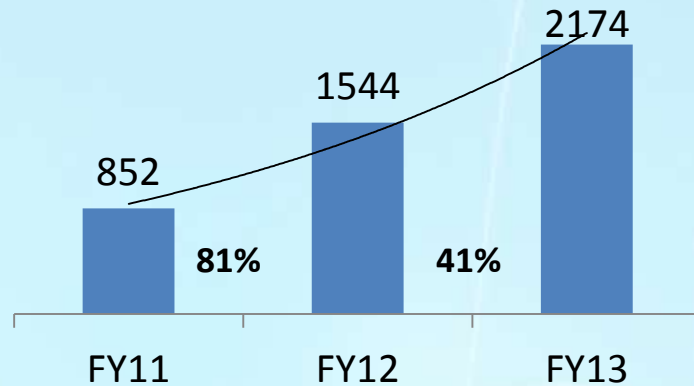


US spending at \$75 Bn
Global training spend
\$100Bn+

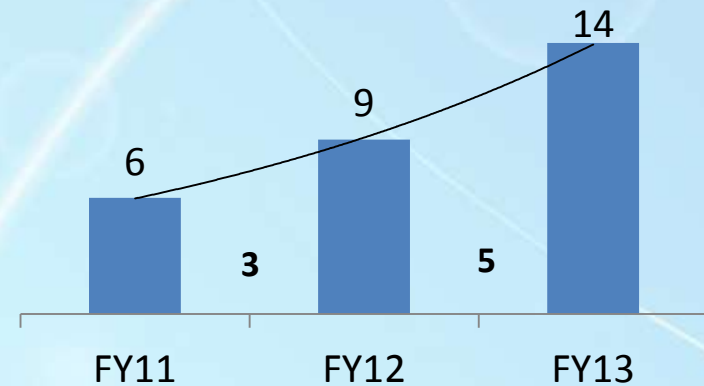
Source: Bersin

- Skill development expertise is the new arsenal for business success
- Continued surge in corporate training spending as US corporations focus on reskilling their workforce; underscores corporate commitment to training
- The L&D footprint Continues to shrink (5 per 1000 in 2012 vs 6.7 in 2006)
- Training is a specialized function and organizations are increasingly relying on specialists to outsource training

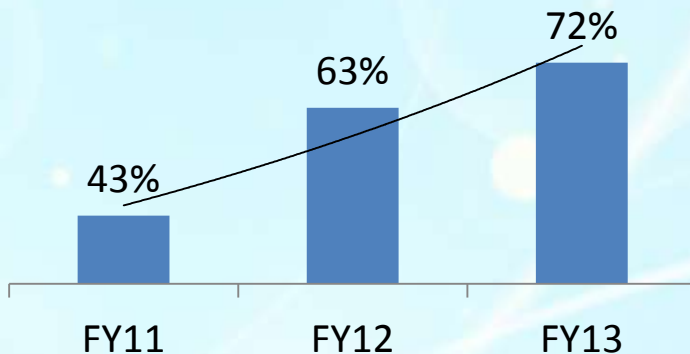
MTS Revenue (Rs Mn)



Number of MTS Customers



MTS contribution to CLS



- Large market with attractive growth opportunity
- Multimillion dollar annuity contracts provide step growth opportunity
- NIIT has a differentiated competitive positioning
- Margin upside potential due to improved leverage and operational efficiencies

MTS to drive steady growth for CLS business

Key Trends

- Continuing surge in spending in corporate training
- Increased attractiveness of managed services evidenced by large number of RFPs
- Economic uncertainty impacting deal closure

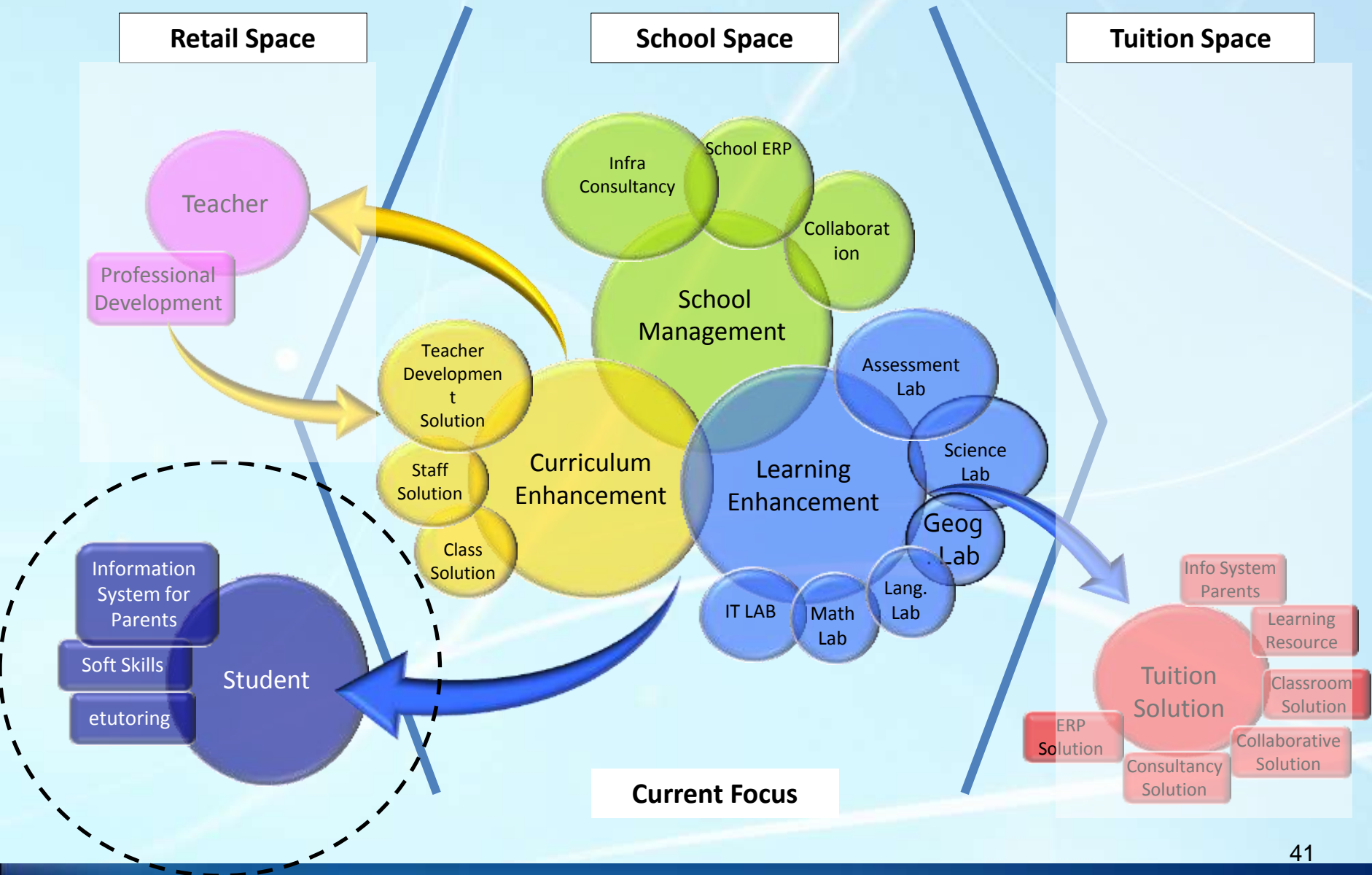
Size of Deal	Large			
	Medium			
	Small			
		Small	Medium	Large

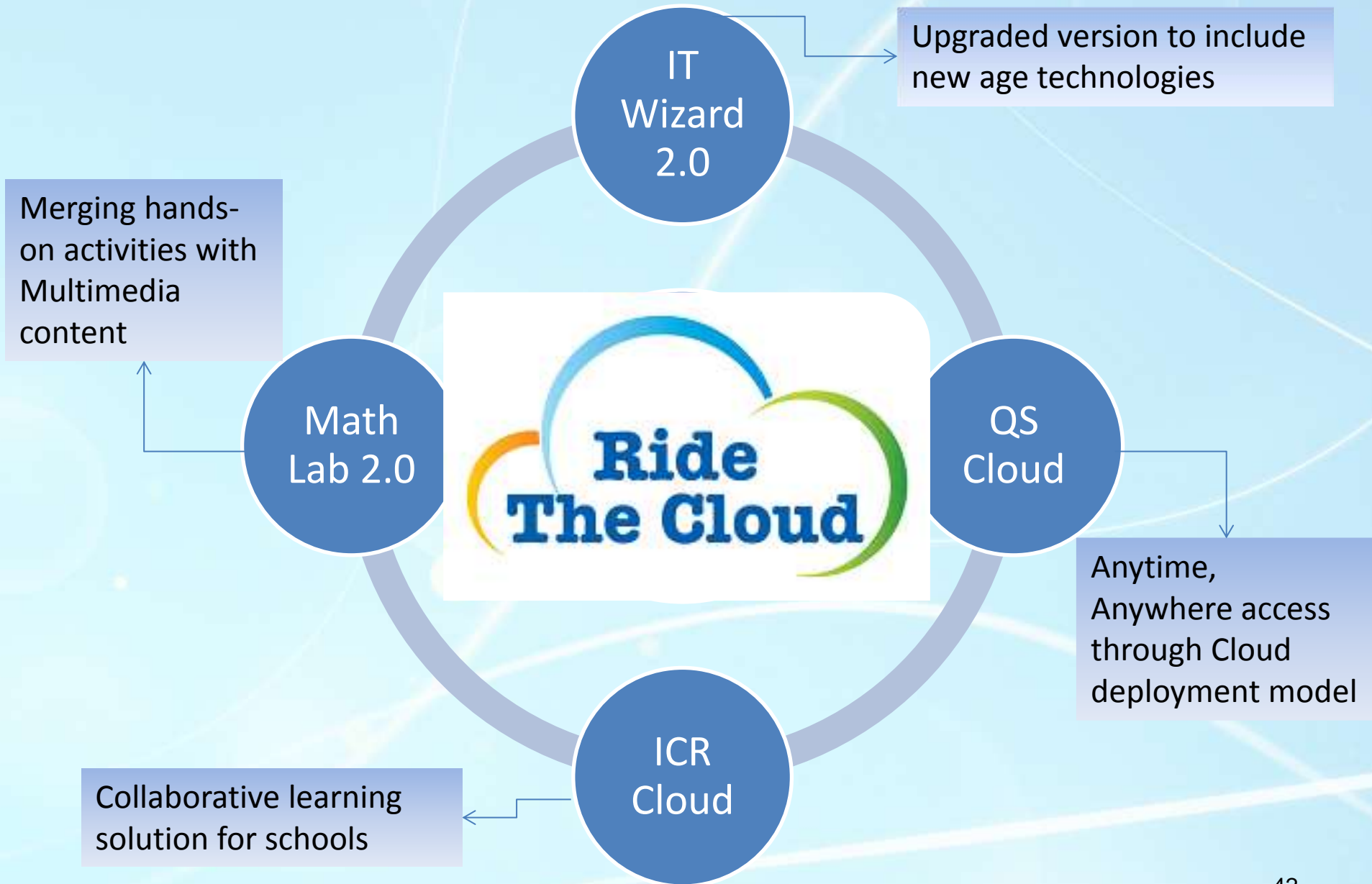
Size of Company

Key Initiatives and Direction

- Improve win rates in MTS RFPs with sharpened value proposition
- Go deep in identified segments and mine existing customers
- Improve productivity through innovation









ICR@Web
Students, Parents, Teachers,
Management
Analytics
Assessment Engine
Collaboration
Notifications



ICR@School

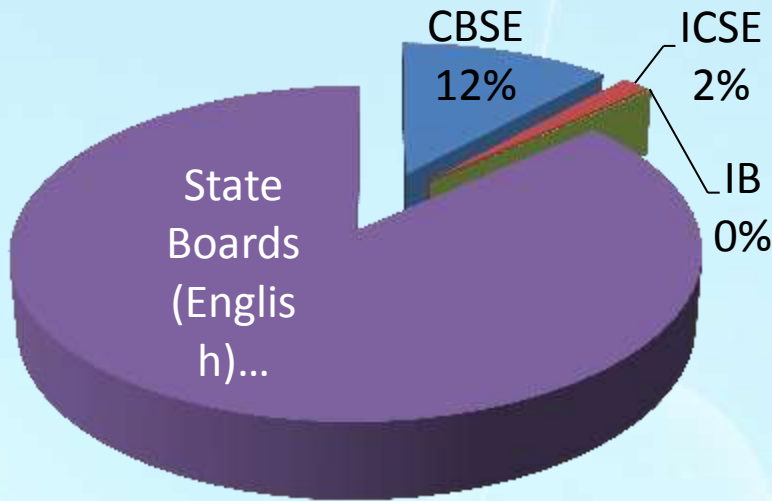
- Teaching Learning Content
- Assessment Engine
- CCE Grade Book
- Reports
- Analytics

ICR Cloud

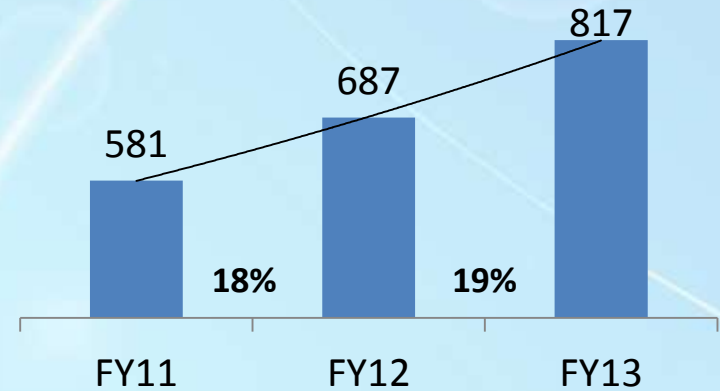
ICR@Home

- Students, Parents
- Learning Content
- Performance Reports
- Notification Services

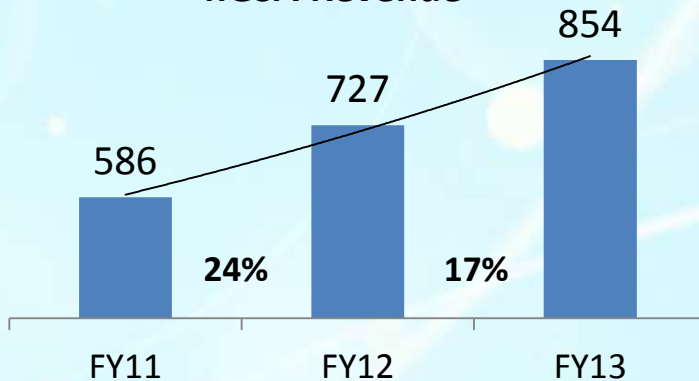
~110 K – Private Schools



Private Schools Signups



nGSA Revenue



- ✓ Technology based solutions seeing mass adoption in private schools
- ✓ nGuru is pedagogically superior and is the broadest suite of offerings in the market
- ✓ Large upsell opportunity with higher margins

nGuru to drive growth and margin improvement for SLS business

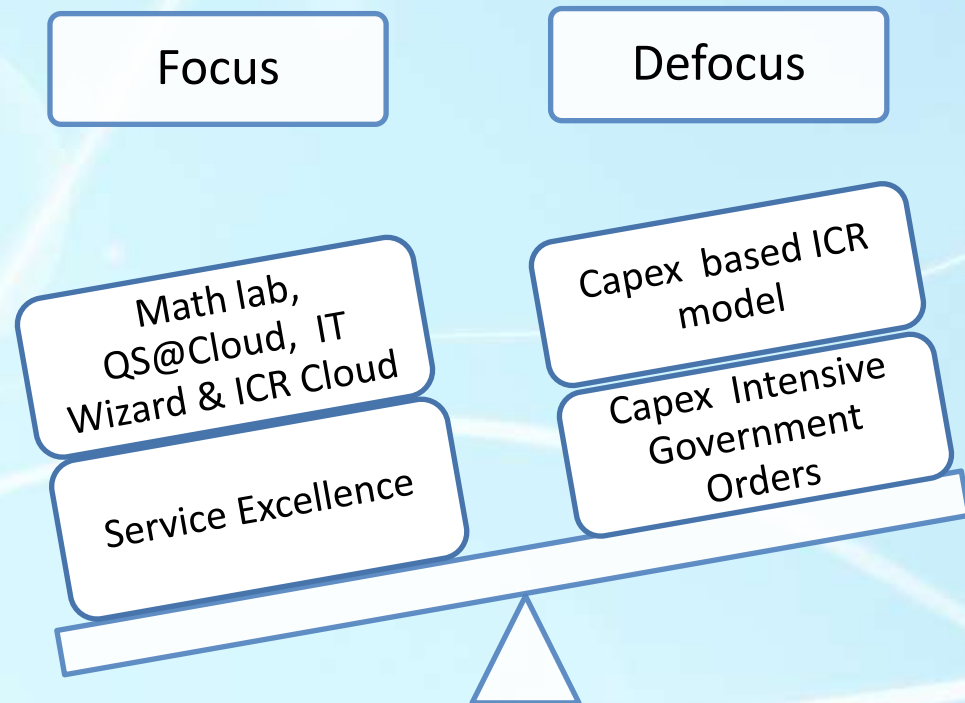
Key Trends

- Slow pace of improvement in Government collections
- Increased competition in ICR segment, lower scalability due to model being capex driven












Key Initiatives and Direction

- Exiting capital intensive business model
- Focus on receivables in government space
- Focus on products in white spaces and value added products and services



To address 9 Service Sectors offering 52.2 million jobs.

 Retail	 BFSI
 IT/ITES	 Education Services
 Informal Sector	
 Hospitality	 Telecom
 Media & Entertainment	 Healthcare

Target Audience

- Educational Profile:
 - Class X Completed
 - Non-Graduate
- Demographic Profile
 - Middle/Low Income Households.
 - Under employed Service Sector Workers

FOUNDATION MODULES



VIDEOLOG 1
Pre-test



VIDEOLOG 2
Post-test



VIDEOLOG 3
Mock Interview



Classroom Learning

Using the mobile as an assessment tool



Computer Lab

IT and Self-Paced learning



Skills Lab

Facilitate occupational skill building



Synchronous Learning

Two way expert interaction



CCTV and Biometric devices to aid student management

Key Trends

- Large demand for skilled workforce and large supply pool
- Low awareness and ability to pay



Key Initiatives and Direction

- Innovative use of technology to reduce delivery costs
- Optimizing center specifications with experience
- Innovative sales and marketing to create awareness at low cost; 360 degree thrust on mobilization through
 - mass counseling/ job fairs
 - local alliances
- Strategic employment tie-ups in each sector
- **Focus on increasing capacity utilization**

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

Pedagogy

Creation of quality learning materials

Technology

Distributed education process management

Partnerships

Building sustainable partnerships

1. Focus on four Platforms of Growth

- Individual: Cloud Campus
- Schools: nGuru
- Corporate: Managed Training Services
- Skills: Yuva Jyoti

2. Strengthening of Balance Sheet

- Most of investments in growth platforms completed
- Exiting capital intensive businesses models
- Deleveraged balance sheet
- Focus on free cash flow generation

3. Business Mix Improvement

- Improved margin and ROCE profile of continuing businesses
- Aligned to attractive markets, reduced dependence on single sector

Leadership in the Century of the Mind

NIIT

NIIT



the correct balance of
knowledge



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