



Annual Investor Meet

MUMBAI, 2015

Agenda

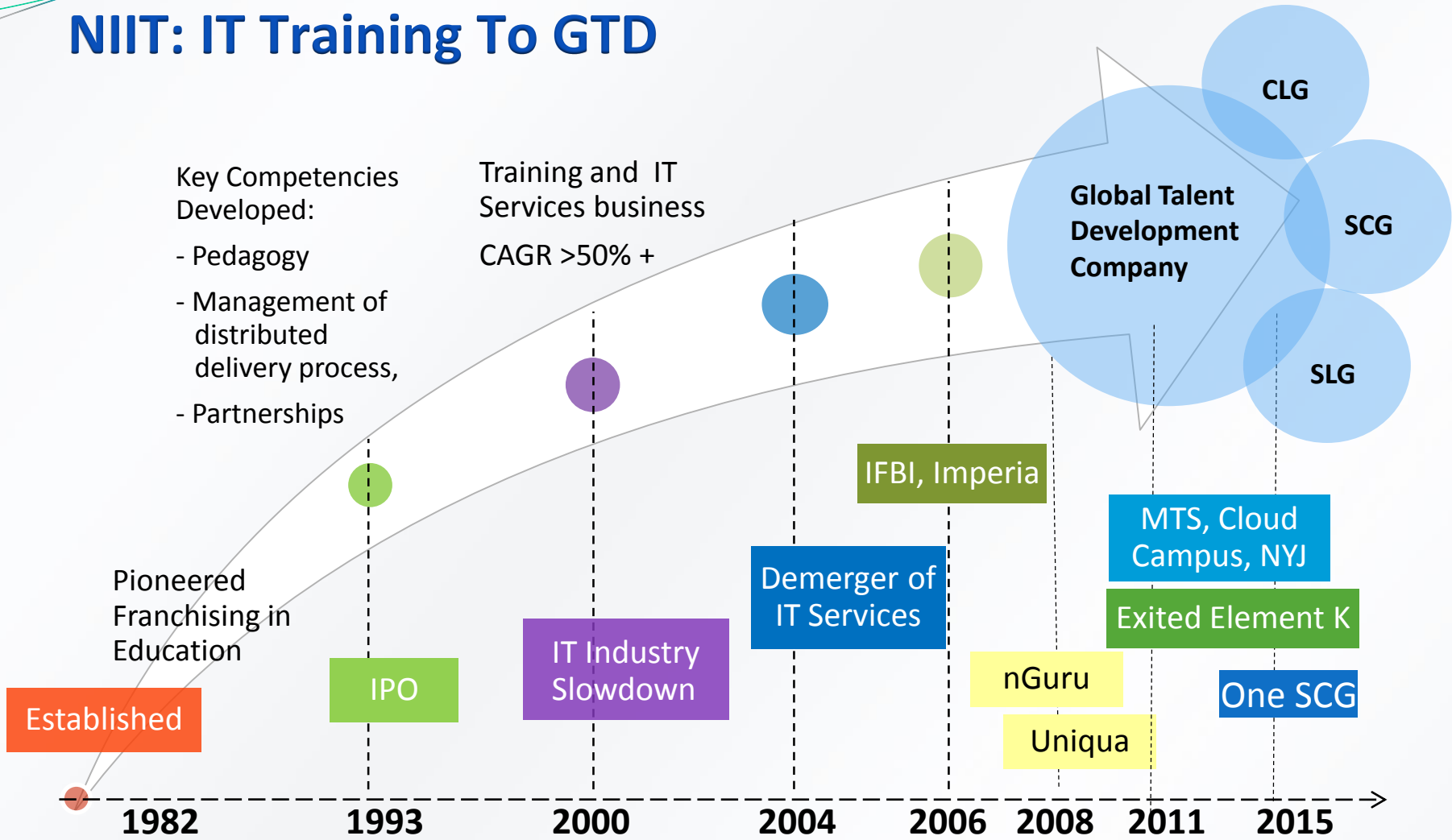
- NIIT: Company Overview
 - Corporate Learning Group
 - Skills & Careers Group
 - Schools Learning Group
- Business Transformation
- FY15 Results Update
- The Next Frontier: Future Direction

NIIT: IT Training To GTD

Key Competencies Developed:

- Pedagogy
- Management of distributed delivery process,
- Partnerships

Training and IT Services business
CAGR >50% +



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

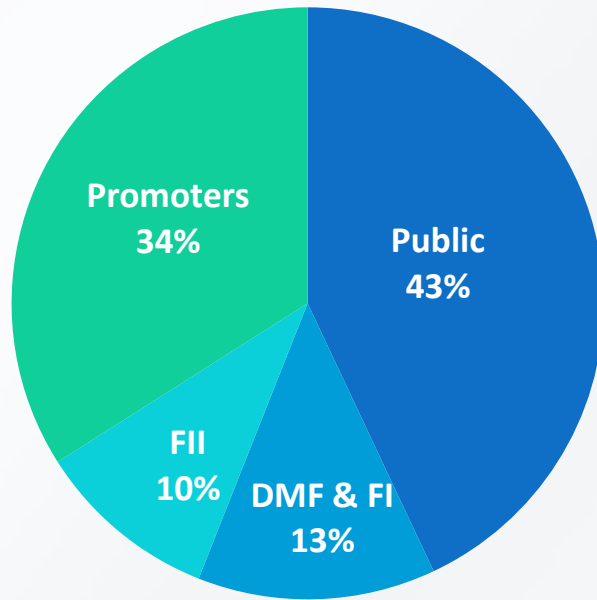
NIIT: Business Structure

Corporate Learning	Skills & Careers	Schools Learning
Rs 4,878 Mn, 51%	Rs 3,283 Mn, 34%	Rs 1,413 Mn, 15%
Productivity	Employability	Academics
US, Europe	India, China	India
<ul style="list-style-type: none"> Managed Training Services Custom Projects 	<ul style="list-style-type: none"> Service Sector skills Professional Life skills 	<ul style="list-style-type: none"> Teaching & Learning Solutions School Services

Percentages reflect share of Net Revenue for the business for FY15, and are rounded to nearest integer

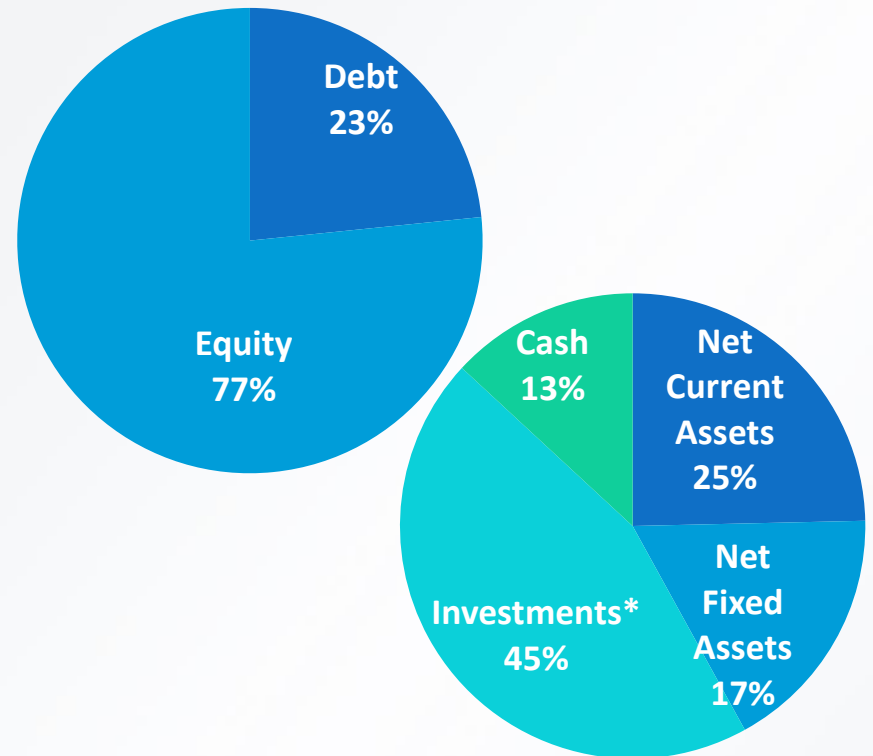
Capital Structure

Shareholding



No of Shares: 165.1 million

Total Capital Employed – Rs. 6,611 million



*NIIT Limited owns 23.8% of NIIT Technologies

* As of March 31, 2015

NIIT has made significant contribution to training and education, globally



Skilled over 4 M students over the last 10 years

Career courses in IT, ITES, BFSI, Mgmt, Retail, Telecom etc

578 B2C education centers

20% higher premiums for agents on-boarded for a leading Insurance company

Reduction of learning expenditures by 25% for a diversified Health and Well-being company

Reduced time to proficiency by 30% in 22 locations worldwide for a global Energy major



Technology enabled over 10 M school children

Trained over 400 K school teachers to leverage technology

74% students prefer learning mathematics with NIIT Math Lab

...and has received numerous recognitions and awards

Highest Rated Education Brand



Ranked 4th Best Company to work for in India. No 1 in Education and Training



NIIT USA ranked among the Top 20 Companies in Training Outsourcing. for the eighth consecutive year



23 Brandon Hall awards for Corporate Training



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

NIIT Nguru awarded as "Best Interactive Solution Provider" by ASSOCHAM



Business Overview

Corporate Learning: End to End Servicing Capability

Helping Companies
Run Training like a Business



Over 70 Industry Awards



CURRICULUM &
CONTENT

LEARNING
DELIVERY

LEARNING
ADMINISTRATION

STRATEGIC
SOURCING

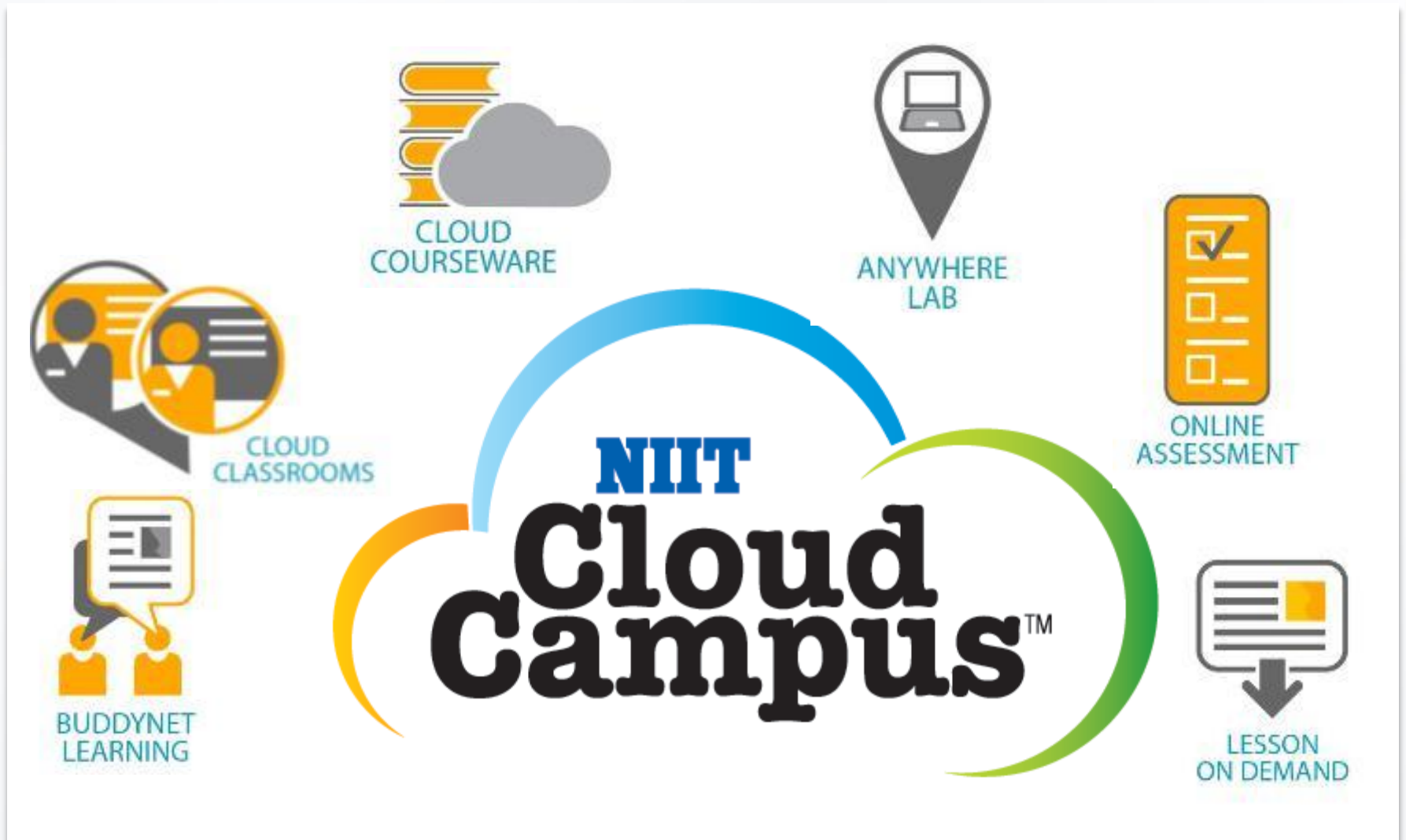
LEARNING
TECHNOLOGY

Corporate Learning: Marquee Customers

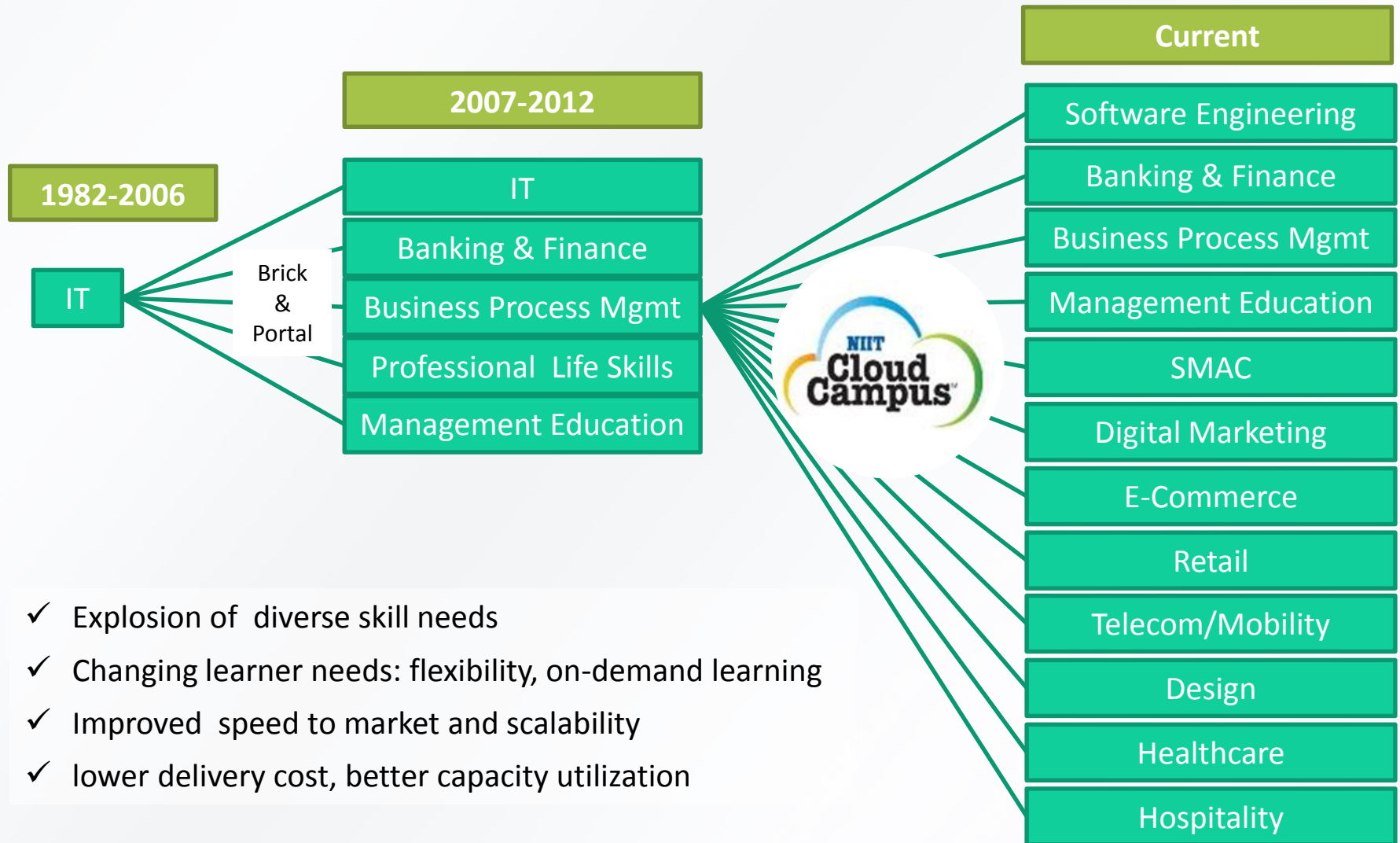


Logos represented above are trademarks of respective companies

Skills & Careers: A New Way Of Learning



Skills & Careers: Expanding Product Portfolio



- ✓ Explosion of diverse skill needs
- ✓ Changing learner needs: flexibility, on-demand learning
- ✓ Improved speed to market and scalability
- ✓ lower delivery cost, better capacity utilization

Schools Learning: nGuru Solutions Portfolio for Schools



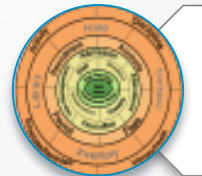
Teacher Training



Math Lab



School Consultancy



Quick School @ Cloud



IT, Web & Multimedia



Schools Learning: Credentials

10 Mn +

Students

400 k +

Teachers

100 k +

Nodes

24 k +

Hrs of Content

45 k +

Instructors

16 k +

Schools



Cumulative



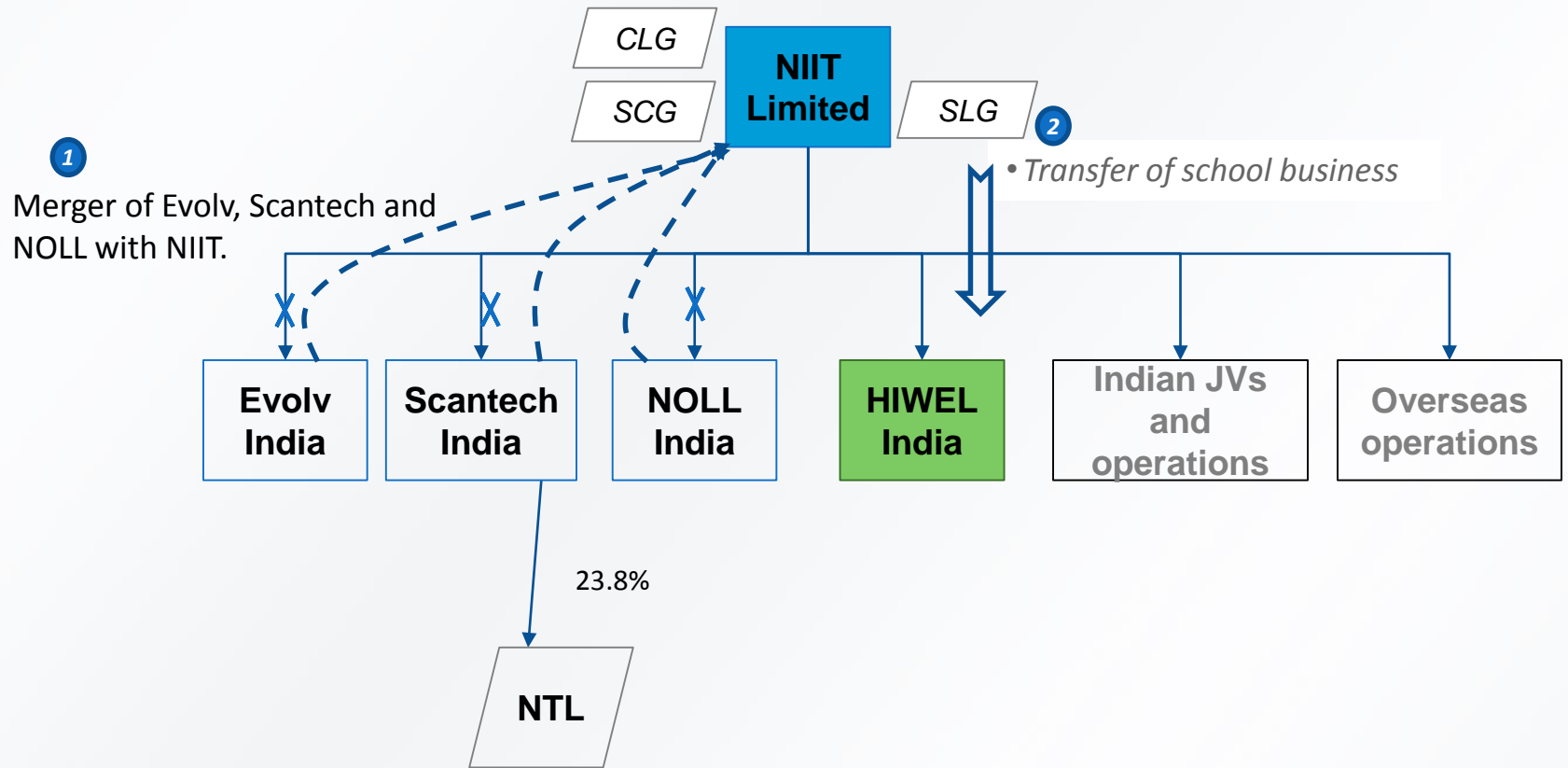
Business Transformation

Business Transformation Journey

- Top management succession and strengthening the leadership team
- Rationalization of Subsidiaries: Scheme of Arrangement
- Reassessment of existing Business/ Geographies/ Products

Focus on Asset light, Growth oriented Businesses

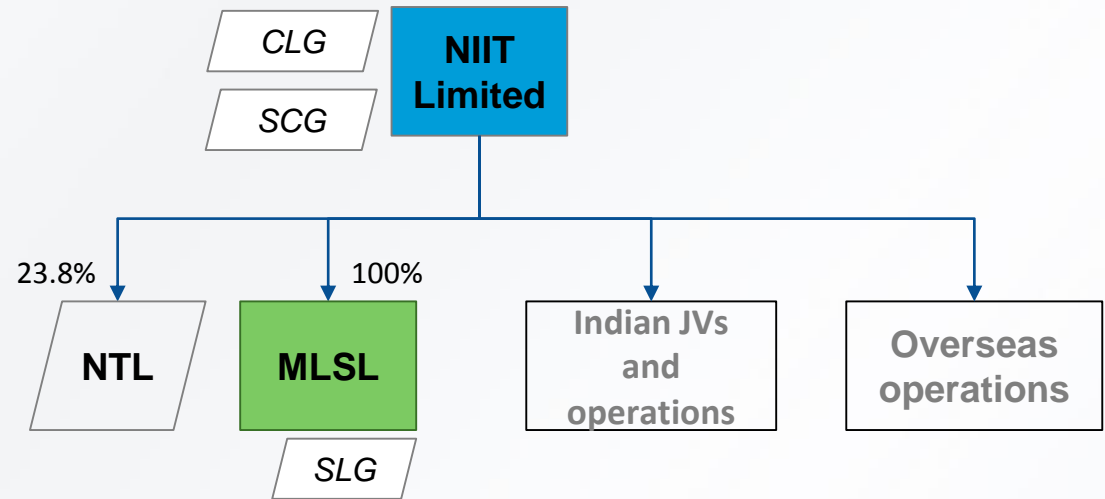
Business Transformation: Scheme of Arrangement



Appointed Date: 01 April 2014

Business Transformation: Resulting Structure

- Simplified entity structure to reflect realigned business operations
- Enabling structure for more funding opportunities for Schools business



Appointed Date: 01 April 2014

Business Transformation

Reassessment of existing Business/ Geographies/ Products

1. Exit capital intensive government businesses and capex driven models in schools
2. Sharpen focus on Skills & Careers business on the larger markets and exit other international geographies
3. Capacity & Structure consolidation of Skills & Careers business
4. Product portfolio rationalization – exit low margin products

- **Sharpen focus on Growth oriented products, businesses & geographies**
- **Annualized run rate saving of Rs 252 mn in people and premise costs**



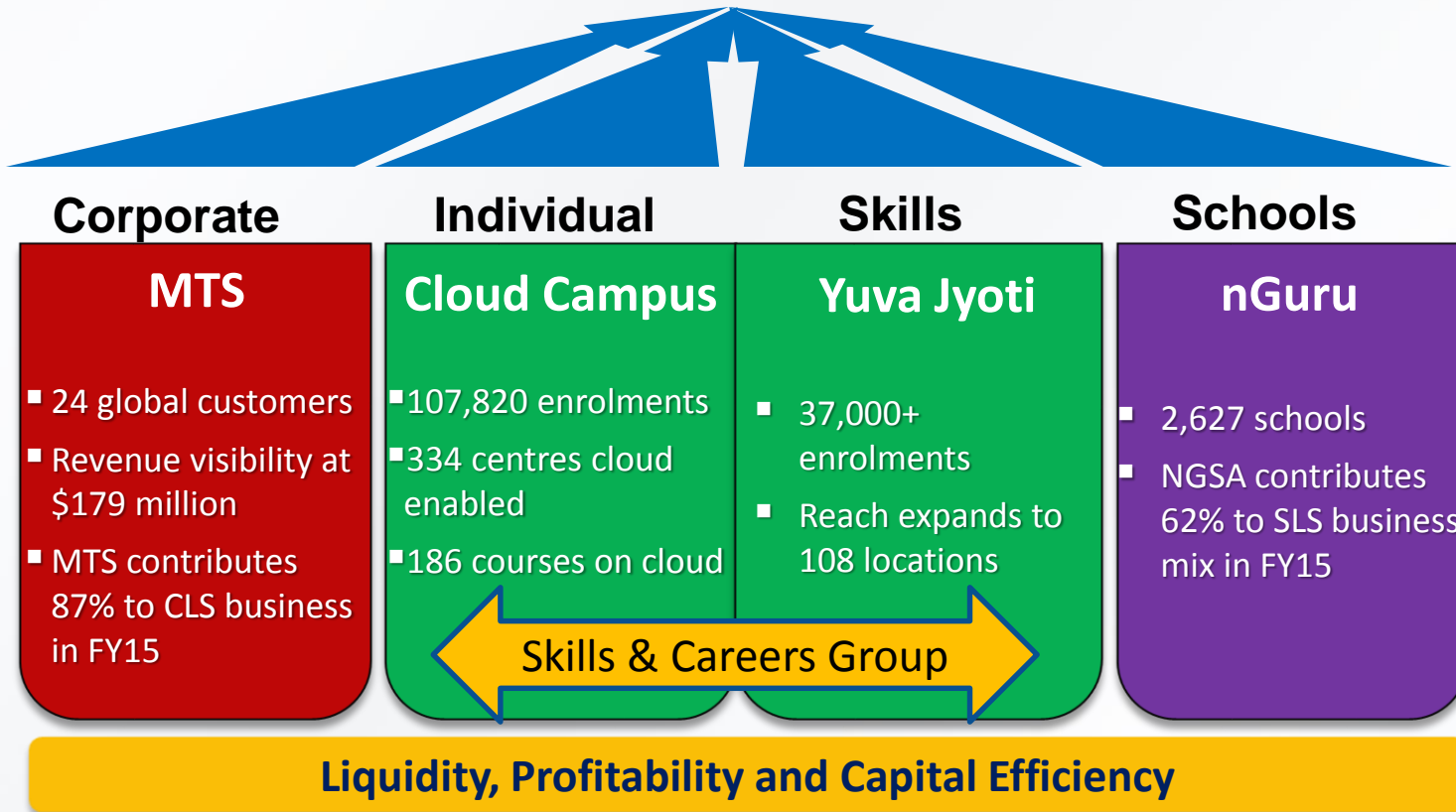
FY15 / Q4 Results Update

Environment

- Continuing global economic uncertainty due to financial and geo-political risks; Sharp volatility in commodity prices and exchange rates creates risks and opportunities
- Corporate spending on training in US and Europe remains robust; Companies are looking for ways to drive efficiency and effectiveness in training to improve business performance
- GOI planning structural reforms to improve business environment. However uncertainty on timing impacts investment sentiment
- Skills Ministry formulating a new skill development policy. Star Scheme-II (PMKVY) approved in March to provide impetus to skills development
- NASSCOM projects 13% decline in hiring in FY16; Hiring by banks expected to grow by 25%
- Increasing pace of technology transformation and disruption of traditional industries by start-ups, driving demand for niche skills across sectors

NIIT Growth Platforms

NIIT



FY15: In Perspective

Corporate Learning Group (CLG)

- Revenue at Rs 4,878 Mn (up 23% YoY); EBITDA margin at 12%
- MTS revenue up 35% YoY, contributes 87% to CLS compared to 79% in FY14
- Added 4 new MTS customers and Scope expansion for 3 existing customers
- Revenue Visibility at \$ 179 mn

Skills & Careers Group (SCG)

- Revenue at Rs 3,283 Mn (down 18% YoY)
- Beyond-IT contributes 33% to SCG revenue compared to 26% in FY14
- 13% growth in GNIIT at own centers

School Learning Group (SLG)

- Order Intake of Rs 622 Mn; added 455 schools during the year
- NGSAR Revenue at Rs 874 Mn; contributes 62% to revenue mix

NIIT

- Revenue at Rs 9,574 mn (up 1% YoY) impacted by business transformation and planned ramp down of government school contracts
- Adj. EBITDA (net of business transformation expenses) at Rs 442 Mn

Key Financials

(Excluding One Time/Business Transformation impact for comparison purposes*)

INR Mn	Q4 FY15	Q4 FY14	YoY	Q3 FY15	QoQ	FY'15	FY'14	YoY
Net Revenue	2,235	2,329	-4%	2,482	-10%	9,574	9,510	1%
Adj. EBITDA	76	131	-42%	57	32%	442	620	-29%
Adj. EBITDA %	3%	6%	-223 bps	2%	109 bps	5%	7%	-191 bps
Dep. & Amortization	151	207	-27%	152	-1%	621	779	-20%
Adj. EBIT	-75	-76	2%	-95	22%	-179	-158	-13%

**Reconciliation with GAAP accounts provided in next slide*

- Strong growth in Corporate Learning helps overcome weakness in Skills & Careers and planned ramp down of government business
- EBITDA impacted by business mix and operating leverage
- Depreciation for Q4 down 27% YoY and down 20% for FY15, driven by planned reduction in capital intensity

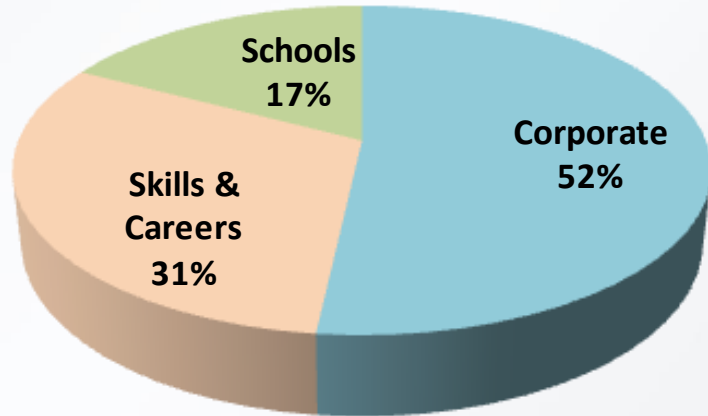
Key Financials – Reconciliation with GAAP accounts

INR Mn	Q4 FY15	FY15
Adj. EBITDA	76	442
Less: Operational Business Transformation exp	134	134
EBITDA	(58)	308
Adj. EBIT	(75)	(179)
Less: Additional provision for Dep. & Amort.	452	452
EBIT	(661)	(765)
Adj. PAT	(149)	(22)
Less: Exceptional Business Transformation exp	777	777
PAT	(1512)	(1385)
Total impact of Biz Transformation	1,363	1,363

Discussion in subsequent slides excludes One time/ Business Transformation expenses for like to like comparison of Operating performance

Business Mix

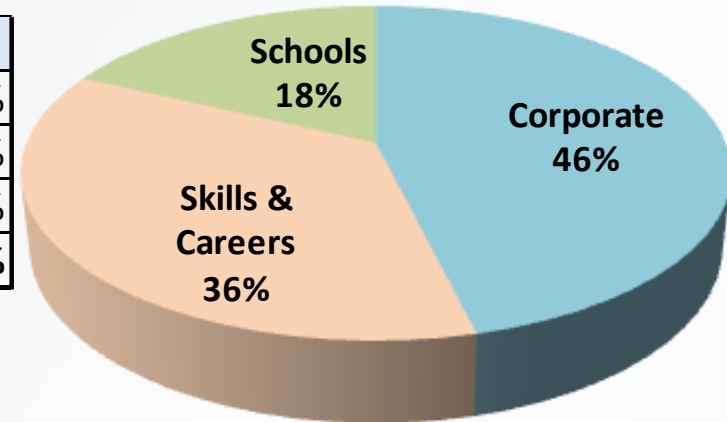
Q4 FY15



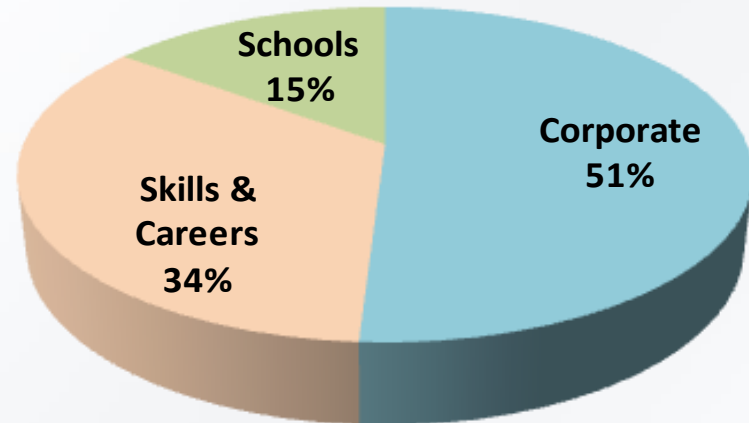
Net Revenue

	Growth
Corporate	8%
Skills & Career	-17%
Schools	-7%
NIIT	-4%

Q4 FY14

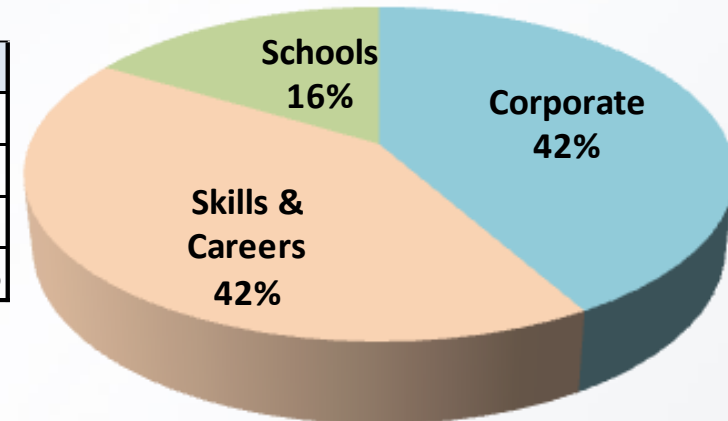


FY15



	Growth
Corporate	23%
Skills & Career	-18%
Schools	-9%
NIIT	1%

FY14



Corporate Learning Group

Rs. Mn	Q4 FY15	Q4 FY14	YoY	Q3 FY15	QoQ	FY15	FY14	YoY
Net Revenues	1,157	1,076	8%	1,360	-15%	4,878	3,971	23%
EBITDA	135	125	8%	157	-14%	565	472	20%
EBITDA %	12%	12%	6 bps	12%	12 bps	12%	12%	-31 bps

Q4 FY15

- Constant currency Revenue growth at 14% YoY
- 1 new MTS customer signed; MTS constant currency growth @ 17% YoY
- Revenue Visibility at \$ 179 Mn

FY15

- Strong business momentum, driven by 35% growth in MTS; MTS contributes 87% to CLG revenues vs 79% LY
- Added 4 new MTS customers and Scope expansion for 3 existing customers
- Order Intake of \$ 81.3 Mn , up 7% YoY



Training Top 125, 2015 – #110



CLO Learning Elite 2015 – Gold

Skills & Careers Group

Rs. Mn	Q4 FY15	Q4 FY14	YoY	Q3 FY15	QoQ	FY15	FY14	YoY
Net Revenues	692	836	-17%	808	-14%	3,283	3,985	-18%
EBITDA	-79	-17	-361%	-108	27%	-178	50	-459%
EBITDA %	-11%	-2%	-934 bps	-13%	198 bps	-5%	1%	-668 bps

Q4 FY15

- Overall Enrolments at 53,537; Order Intake of Rs 766 Mn;
- Overall placements at 5,589
- Beyond-IT contributes 34% to SCG revenue vs 29% in Q4FY14

FY15

- Initiated Industry sector demand led Product portfolio expansion
- Revitalized organization structure for next phase of growth
- On- ground consolidation including capacity recalibration and cost reduction
- Beyond-IT contributes 33% to SCG revenue vs 26% in FY14
- Overall Enrolments at 279,191; Order Intake of Rs 3,438 Mn;
- Overall placements at 25,061



NIIT IMPERIA
 YOU ARE ONE DECISION AWAY FROM MAKING A **WINNING MOVE.**
 Enrol for Executive Management Programs from Premier Institutes at NIIT Imperia

Program Highlights:

- Nationwide Classrooms via Synchronous Learning Tech.
- Flexible/weekend classes to suit working professionals
- Over 25 program offerings covering different functional areas
- Taught by faculty from premier institutes & industry experts
- Campus visits for students
- Certificates from the institute

To know more, visit: www.niitimperiam.com; email: imperiam@niit.com

Schools Learning Group

Rs. Mn	Q4 FY15	Q4 FY14	YoY	Q3 FY15	QoQ	FY15	FY14	YoY
Net Revenues	386	417	-7%	314	23%	1,413	1,554	-9%
EBITDA	19	23	-15%	8	145%	56	99	-44%
EBITDA %	5%	6%	-48 bps	3%	252 bps	4%	6%	-240 bps

Q4FY15

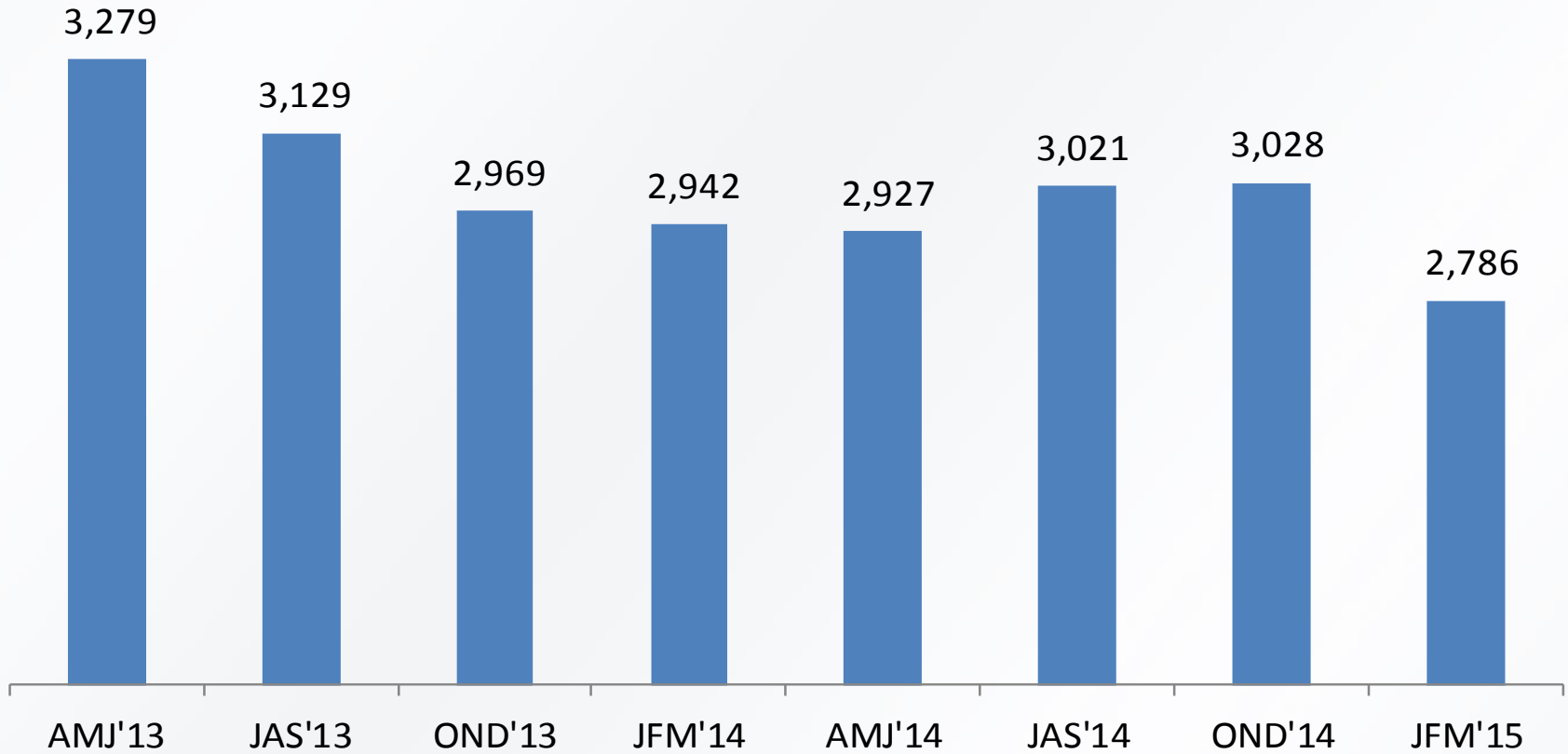
- NGSA revenue at Rs 251 Mn; contributes 65% to revenue mix
- Added 162 schools, order intake of Rs 243 Mn
- Revenue partially impacted due to completion of 2 GSA contracts covering 531 schools

FY15

- NGSA revenue at Rs 874 Mn; contributes 62% to revenue mix
- Revenue & EBITDA impacted due to planned ramp down of government business. 4 GSA contracts covering 2,541 schools completed during the year
- Order intake of Rs 622 Mn fuelled by 455 new private schools



People



** excludes project retainers*

Headcount down 242 QoQ and down 156 YoY

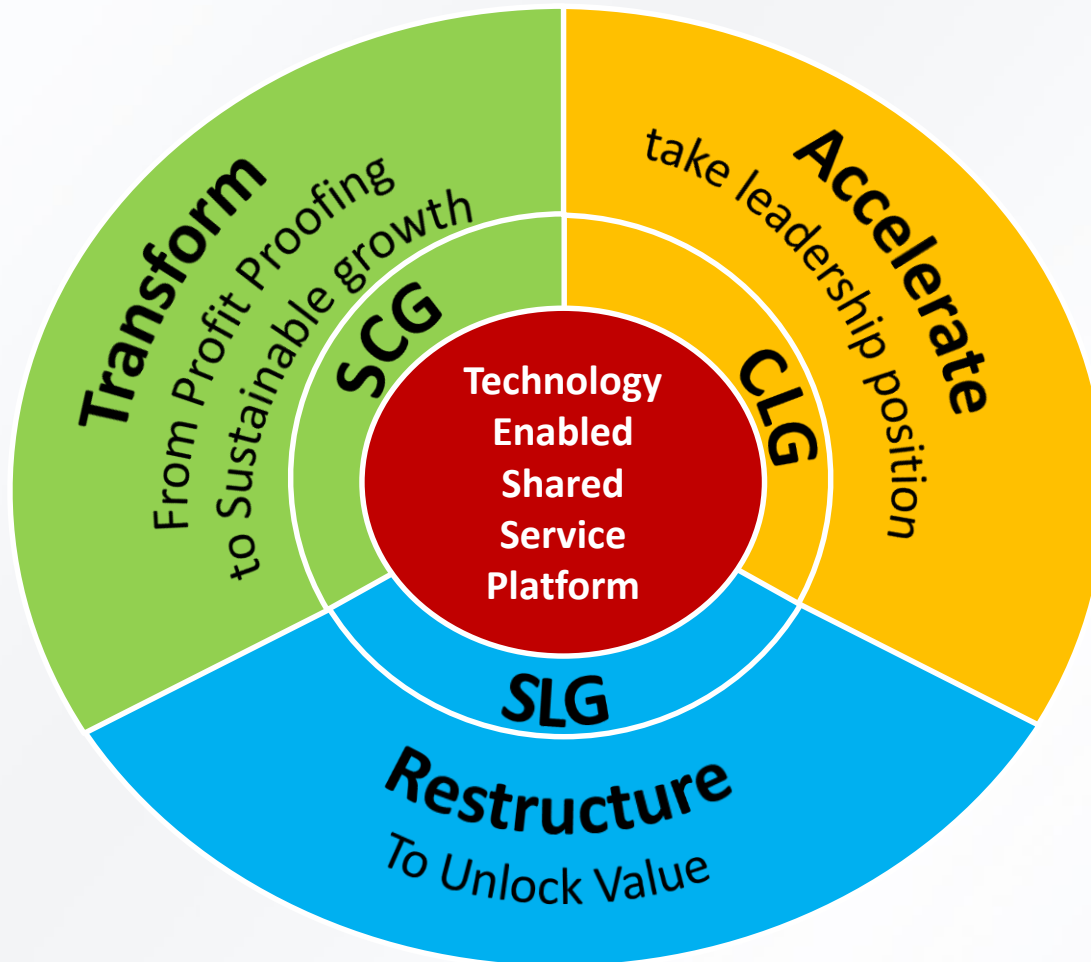


THE
NEXT
FRONTIER

— NIIT —

Future Direction

The Next Frontier: Strategic Agenda

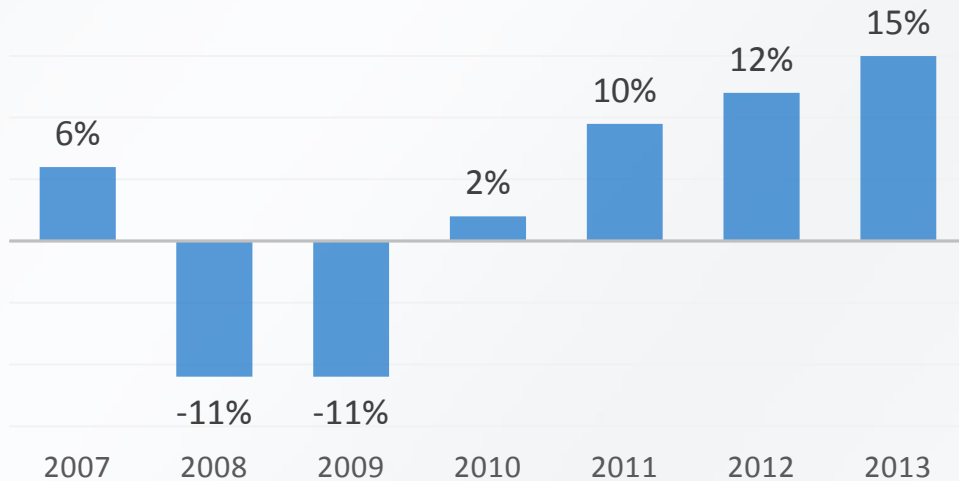




Corporate Learning Group

Future Direction

CLG: Corporate Training Spending



**Corporate Training Spend
in USA: \$85+ Bn
Global Training Spend:
\$125Bn+**

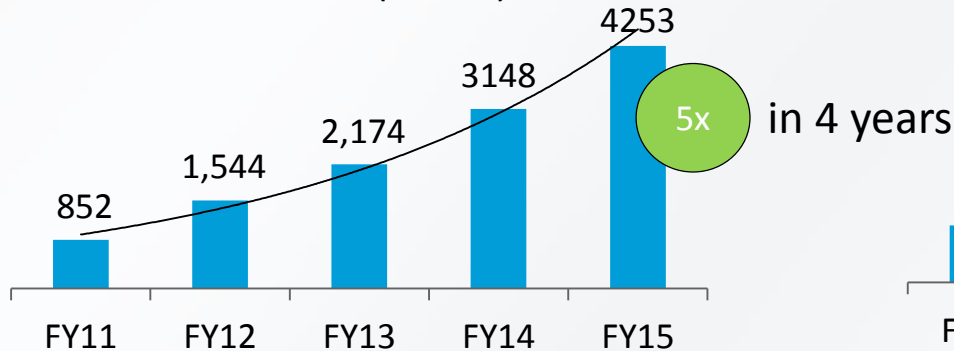
Source: Bersin By Deloitte

- Continued surge in corporate training spending, as US corporations focus on reskilling their workforce; underscores corporate commitment to training
- In house L&D footprint continues to shrink
- Training is a specialized function and organizations are increasingly relying on specialists to outsource training

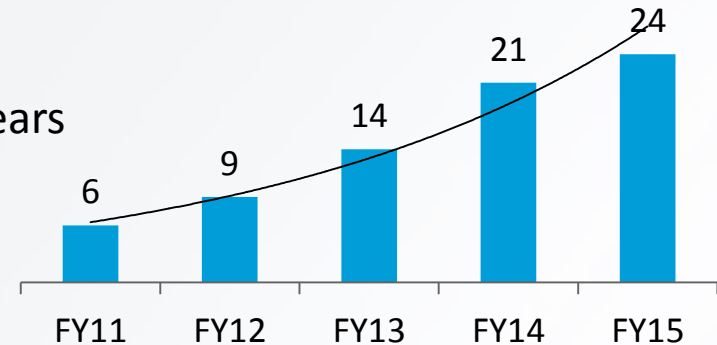
Corporate Training market represents a huge opportunity

CLG: Managed Training Services

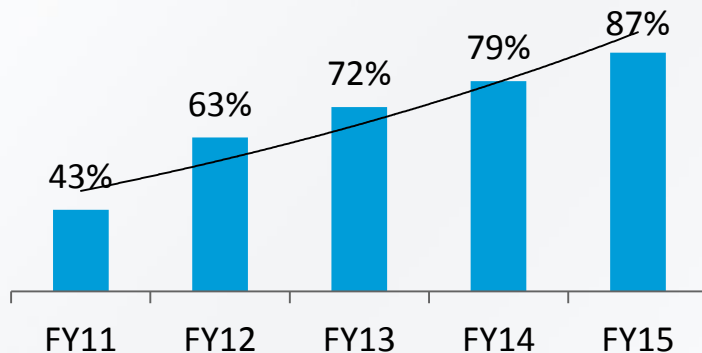
MTS Revenue (Rs Mn)



Number of MTS Customers



MTS contribution to CLS



- Large market with attractive growth opportunity; Increasing contribution from MTS
- NIIT has a differentiated competitive positioning
- Revenue Visibility at \$179 Mn from existing contracts

MTS continues drive steady growth for CLS business



CLG: Managed Training Services



Running Training Like a Business
It's Time to Transform.



Delivering Efficiency and Effectiveness In Training

CLG: Taking MTS to Next Level Of Growth



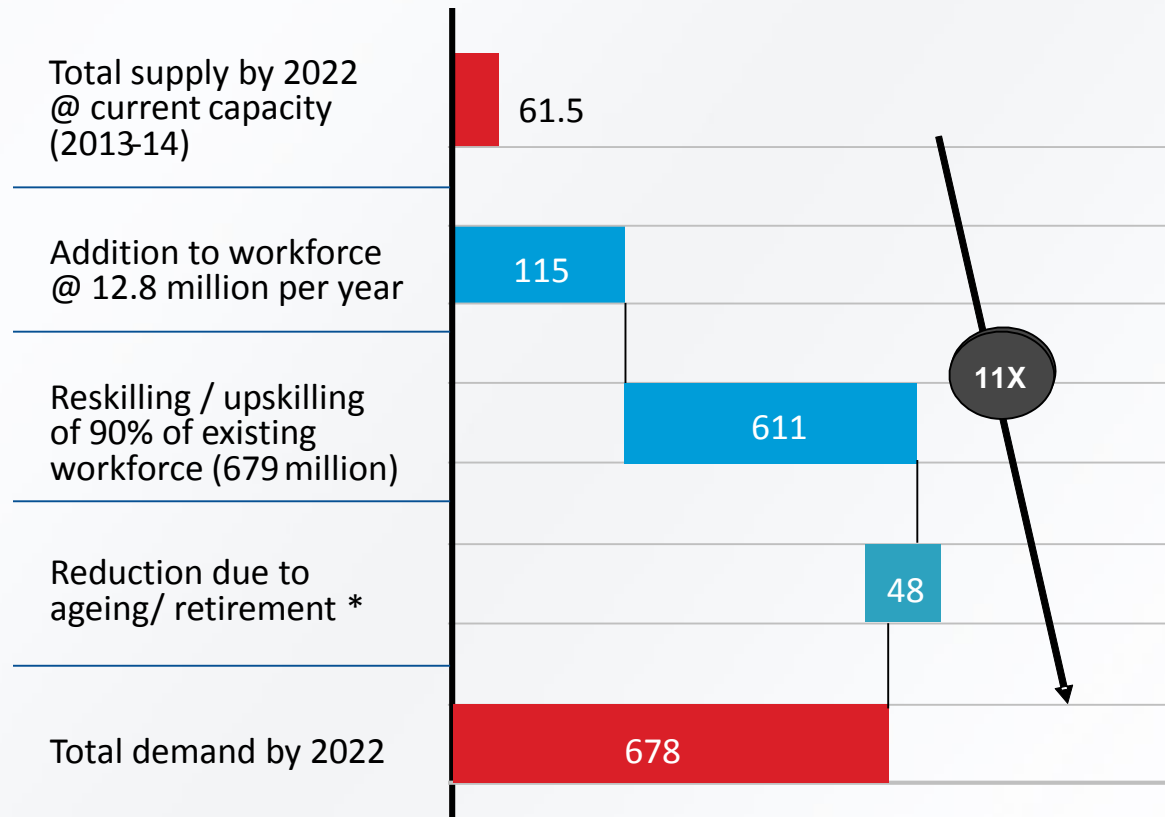
Driving Scale and Profitability For CLG



Skills & Careers Group

Future Direction

2022 Projections: Huge Capacity Creation Required



Source: McKinsey analysis; Census 2011; ILO World Development Indicators 2012, NSDA data

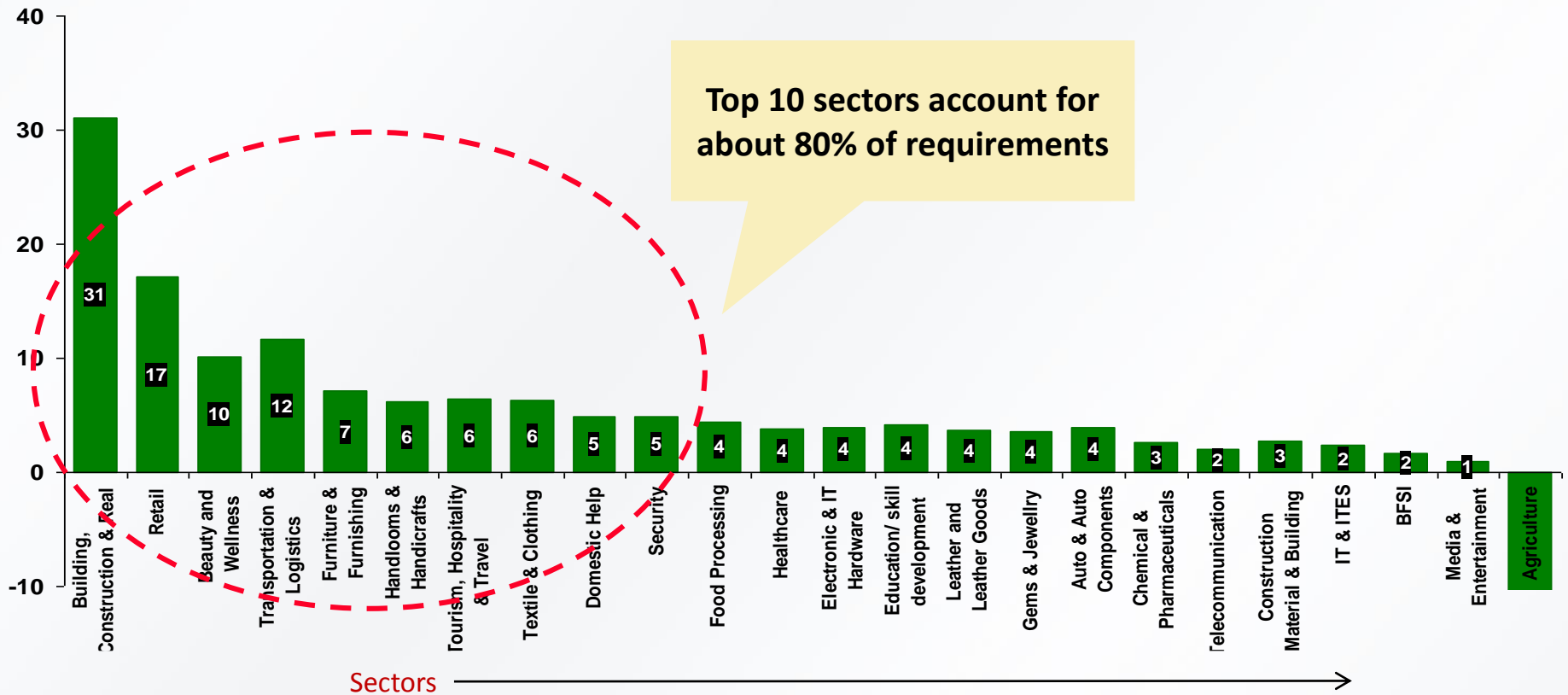
*Assuming that the existing workforce in the age group of 51-59 will not be re-skilled

Eleven-fold increase in capacity is required to meet aspirations



Skill Gaps: Sectorial Employment & Growth Opportunities

Incremental Human Resource Requirements by Sector between 2013-22 (In Million)



Source: Sector wise Human Resource and Skill Requirements Reports, 2013 – 2022; NSDC

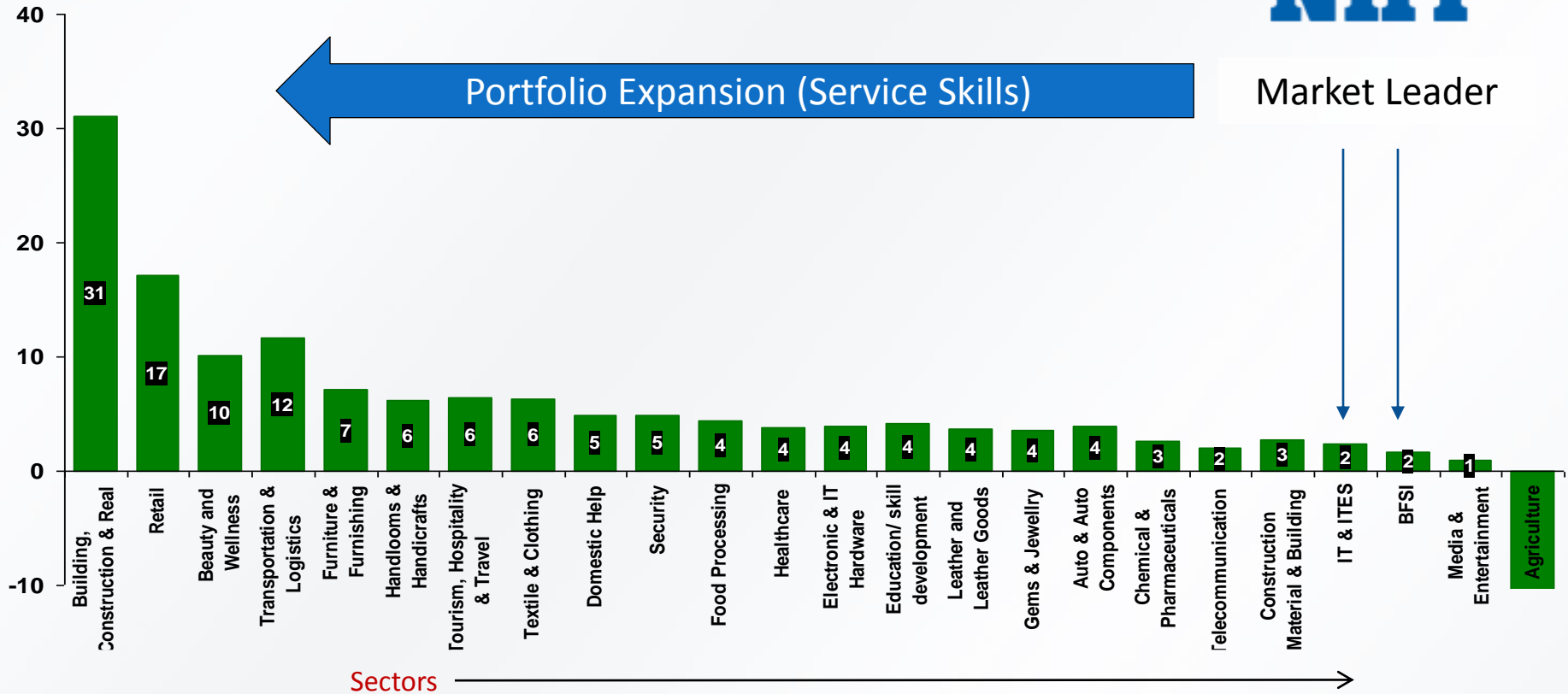
Skill Gaps: Sectorial Employment & Growth Opportunities

Incremental Human Resource Requirements by Sector between 2013-22 (In Million)



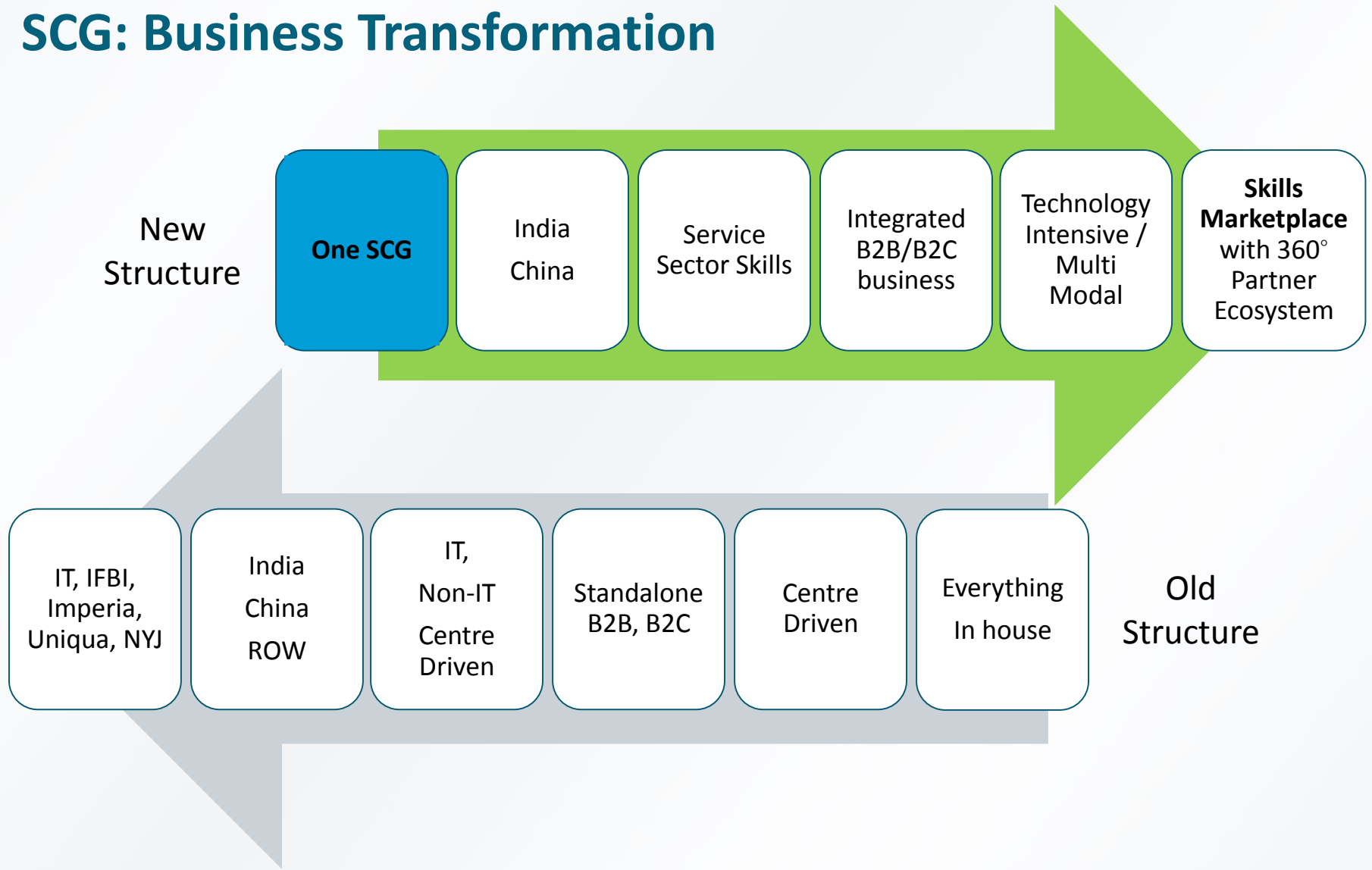
Market Leader

Portfolio Expansion (Service Skills)

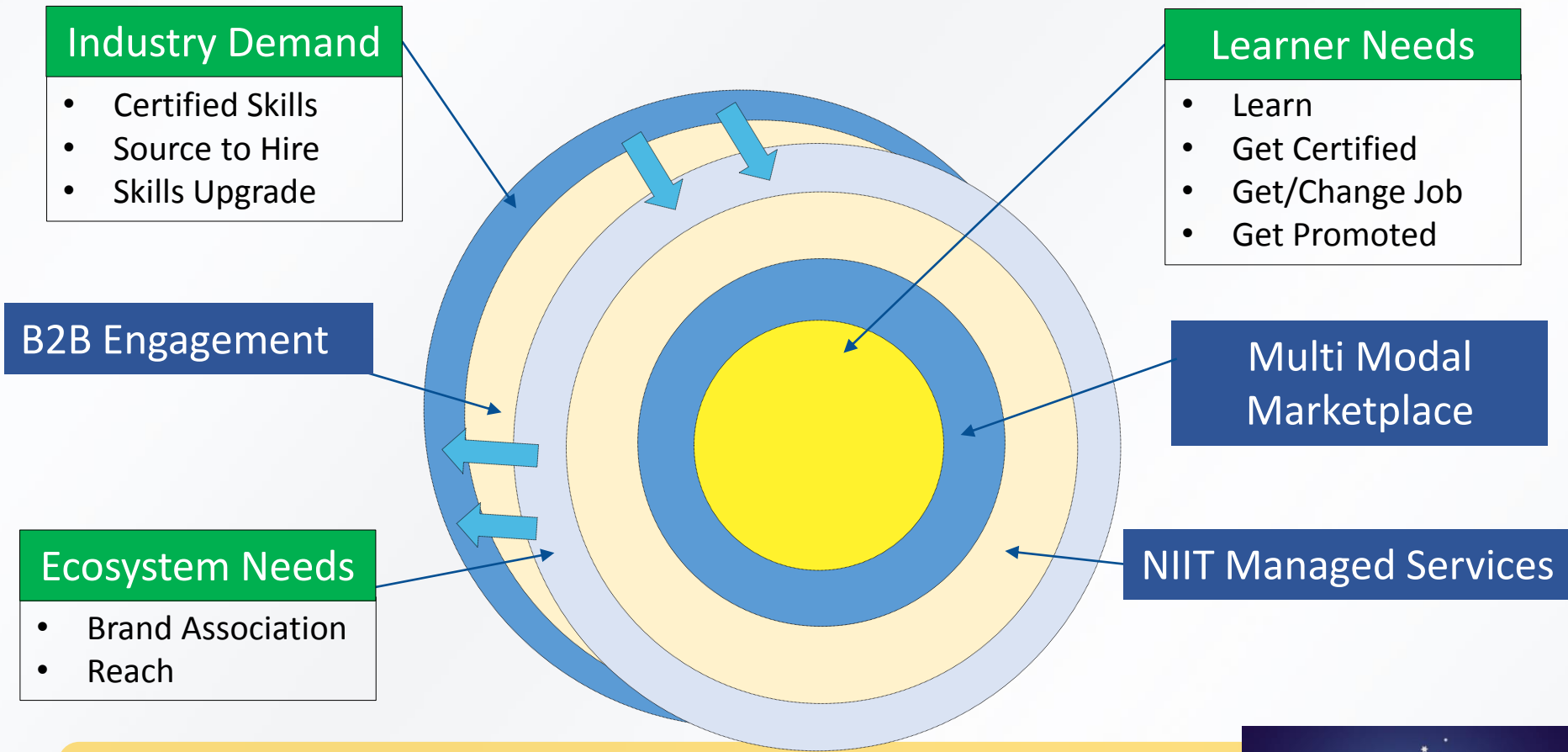


Source: Sector wise Human Resource and Skill Requirements Reports, 2013 – 2022; NSDC

SCG: Business Transformation



SCG: 360 Degree Partner Ecosystem



Building a Comprehensive Skills & Careers Ecosystem

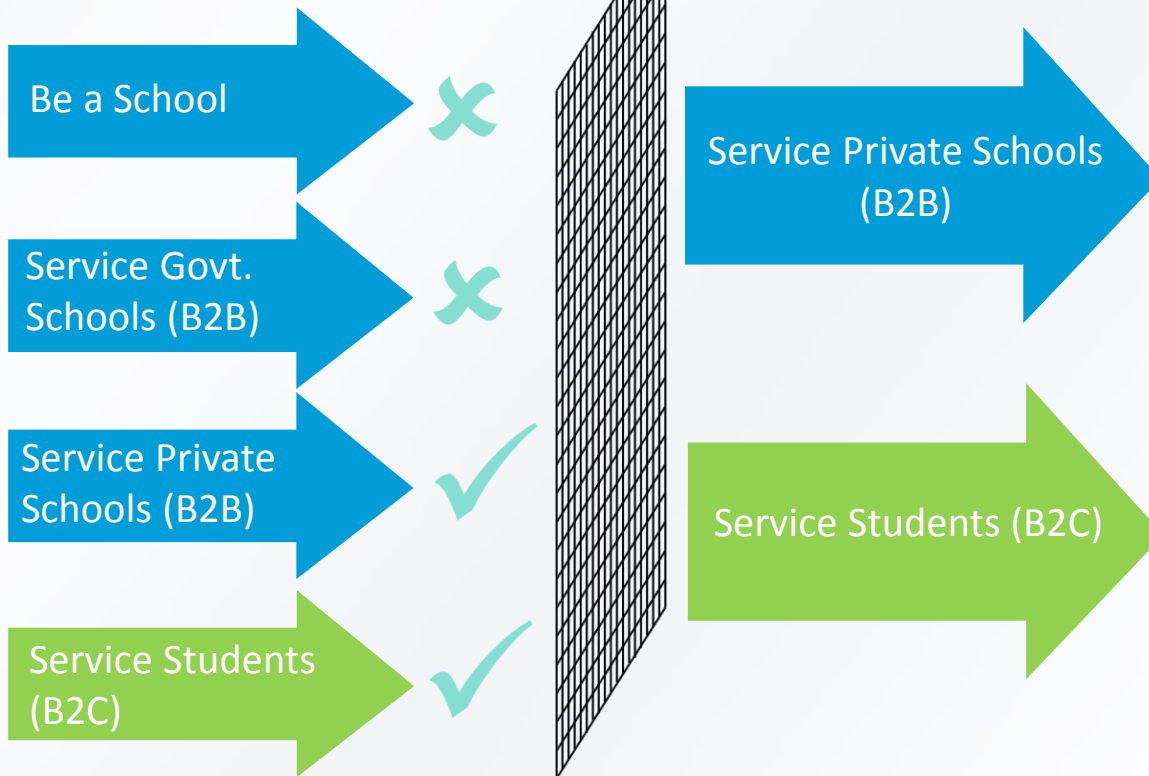




Schools Learning Group

Future Direction

SLG: Focus Areas

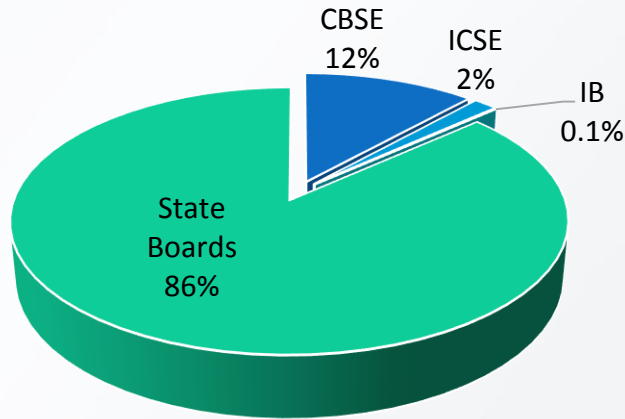


- Defocused from government schools business
- Exited capex driven business models in private schools
- No Nationally Dominant Player in private schools space with comprehensive product portfolio; Opportunity to transform and scale
- Large untapped opportunity in B2C space
- Needs separate focus at attention

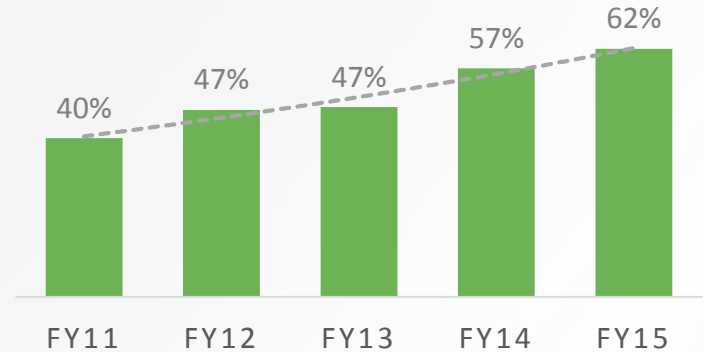
Restructured to unlock value

SLG: Current B2B Opportunity Set

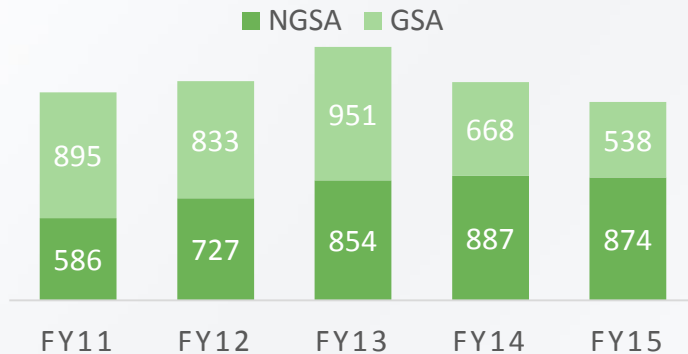
~120K Private Schools



NGSA: Share of Rev



Revenue (Rs Mn)

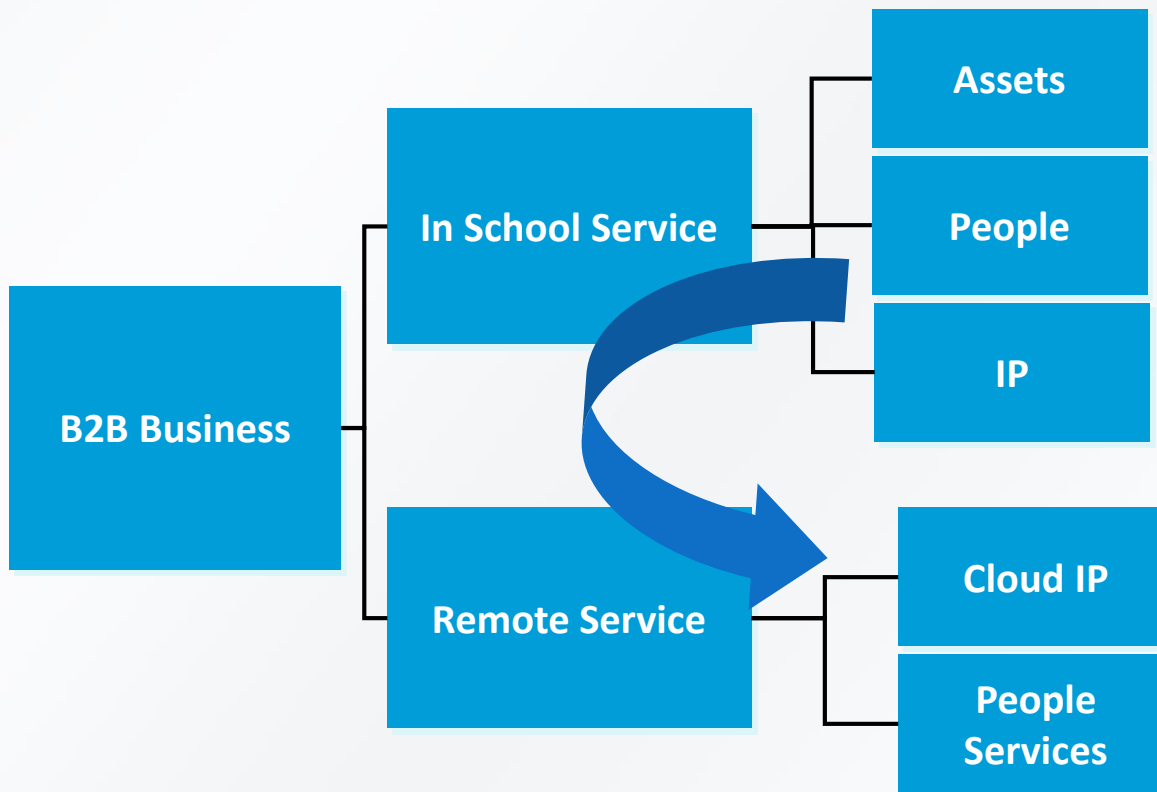


- ✓ Comprehensive product portfolio
- ✓ Leadership position in white spaces (IT, Math Lab, QS etc)
- ✓ Exit from capex driven model impacting revenue growth in short term, but quality of revenues improving

Increasing share of business from private schools



SLG: Next Frontier For B2B Business



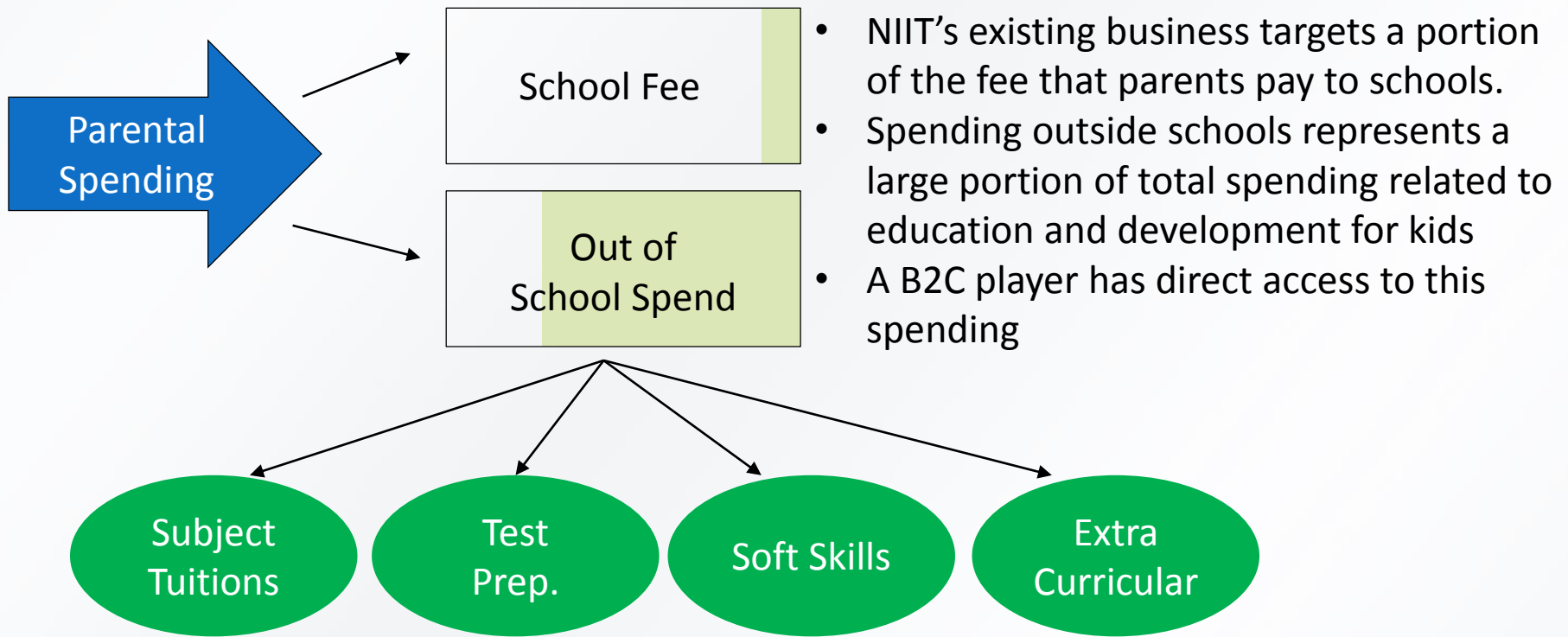
- High capital intensity
- High people dependence
- Diminished value of IP
- Linear, non-scalable

- IP driven
- Asset light
- Technology intensive
- Non linear, highly scalable

Move to asset light, technology intensive, IP driven business model



SLG: K-12 Opportunity Landscape



*Representative

Large Untapped Opportunity in B2C Segment



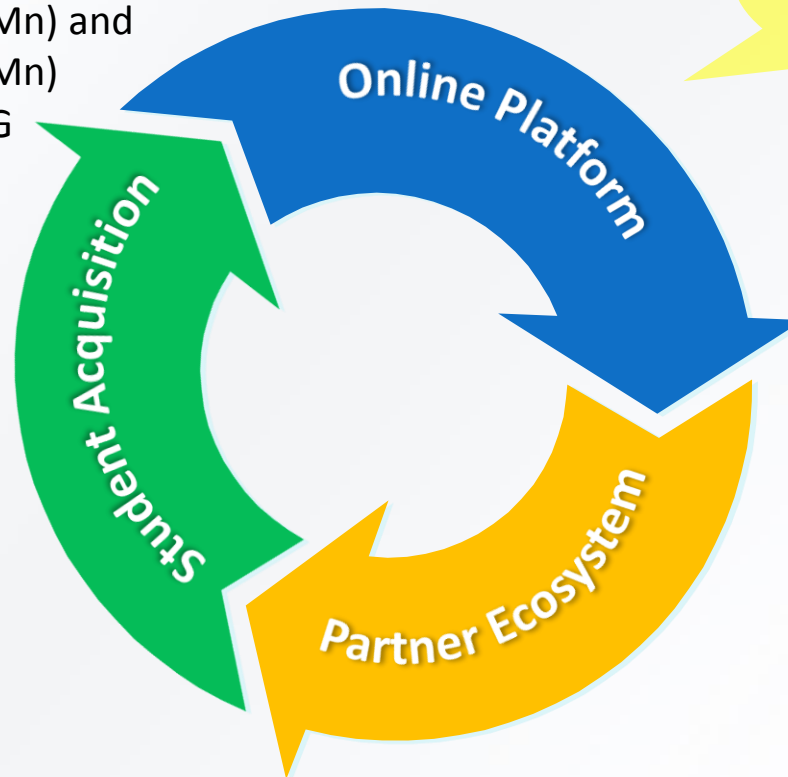
SLG: Grabbing the B2C Opportunity

Leverage Existing Assets

- Students in Private (1.5Mn) and Government schools (2Mn) students serviced by SLG
- NIIT Students/Alumni
- Schools IP
- NIIT Brand
- Offline Reach

Monetization Models

- Freemium
- Subscription
- Pay as you go
- Product specific fees



Big Data based Adaptive Learning Platform

EDUTAINMENT
USEFUL INFORMATION
SELF-PRACTICE
SELF-ASSESSMENT
COLLABORATION
SELF-LEARNING
TUTOR ACCESS
E-MARKETPLACE

Opportunity to leverage existing assets to gain scale





THE
NEXT
FRONTIER

— NIIT —

Overall

Future Direction

