


The logo for NIIT, consisting of the letters 'NIIT' in a bold, blue, sans-serif font. In the top left corner, there is a stylized sunburst or fan-like graphic with radiating lines.

**Investor  
Presentation**

**Ride the  
Winds** of **change**

Three autumn leaves are positioned between the words 'Winds' and 'of'. From left to right, they are yellow, orange, and green.

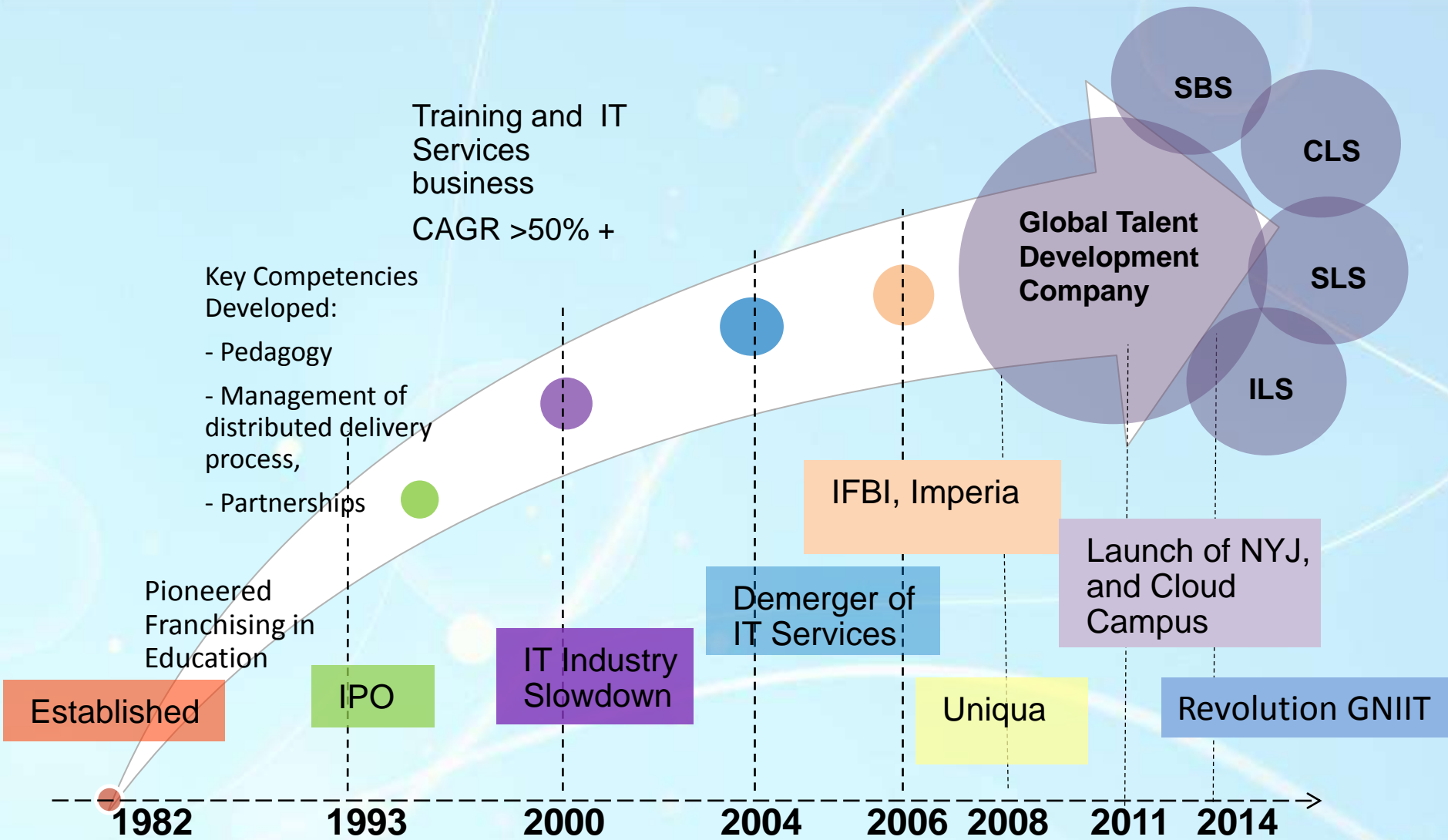
**November 2014**

- **NIIT: Company Overview**
  - **Individual Learning Solutions**
  - **Corporate Learning Solutions**
  - **School Learning Solutions**
  - **Skill Building Solutions**
- **Results Update**
- **Riding the Winds of Change**

# COMPANY OVERVIEW

**NIIT**





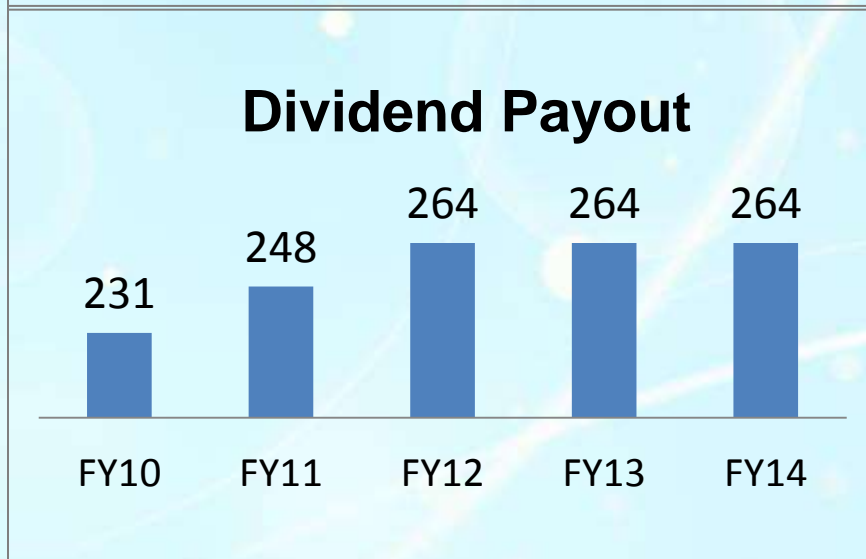
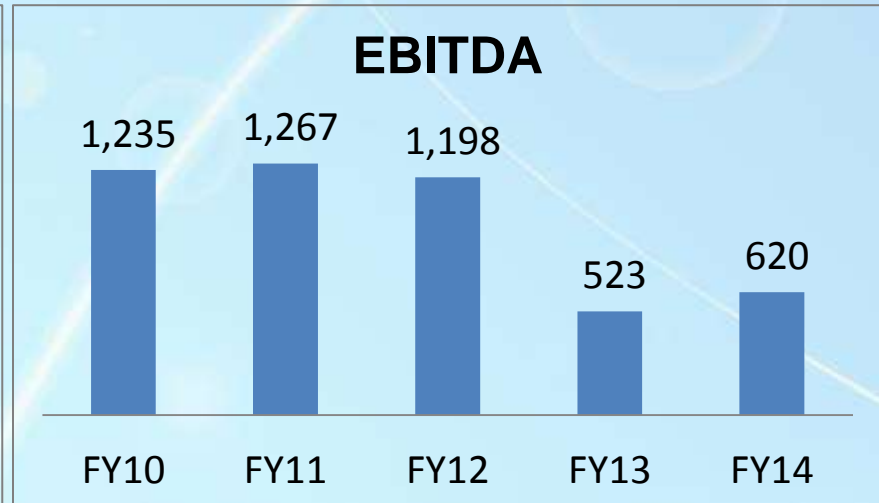
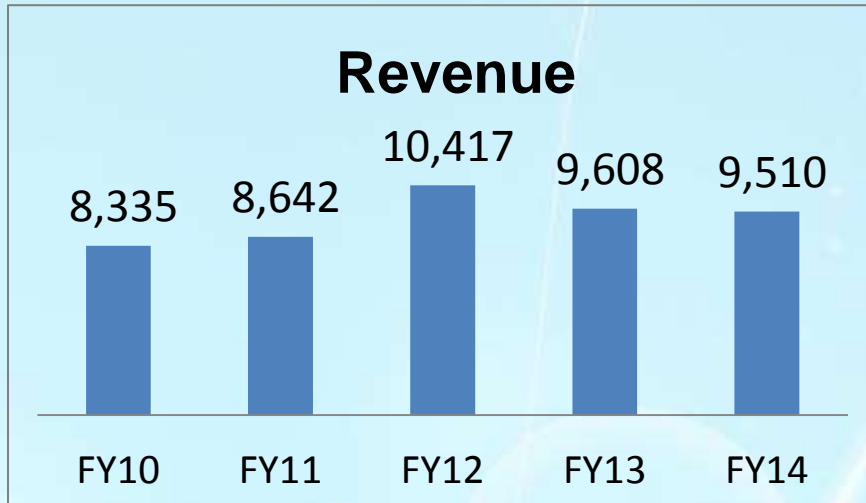
**NIIT has grown from being an IT training company to a global talent development corporation**

## NIIT

School Learning Solutions	Individual Learning Solutions	Skills Building Solutions	Corporate Learning Solutions
16%	36%	1%	47%
Academics	Employability		Productivity
<ul style="list-style-type: none"> <li>• Multimedia Teaching &amp; Learning Content</li> <li>• IT Learning</li> <li>• Teacher Training</li> <li>• School Management Services</li> </ul>	<ul style="list-style-type: none"> <li>• IT, Business Process Management, Banking &amp; Finance, Management</li> <li>• Professional Life skills</li> </ul>	<ul style="list-style-type: none"> <li>• Vocational Skills</li> <li>• 9 Service Sectors including IT/ITES, Retail, Finance, Hospitality etc</li> </ul>	<ul style="list-style-type: none"> <li>• Managed Training Services</li> <li>• Learning Delivery</li> <li>• Custom Learning Solutions</li> </ul>

**\*NIIT Limited owns 23.8% of NIIT Technologies**

Rs Mn



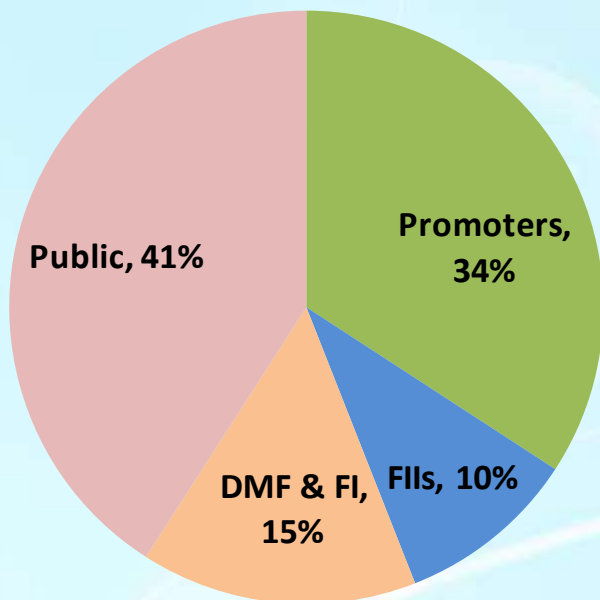
- > **Number of Shares Outstanding:** 165.1 million (FV of Rs 2 each)
- > **Last Bonus, Split:** 5:1 Split, 3:2 Bonus; Sept 2008
- > **Credit Rating:**  
 National Long-Term 'IND AA-  
 National Short-Term 'IND A1+

Proposed

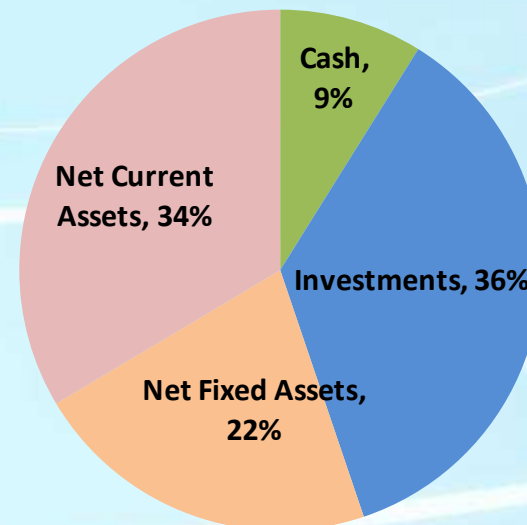
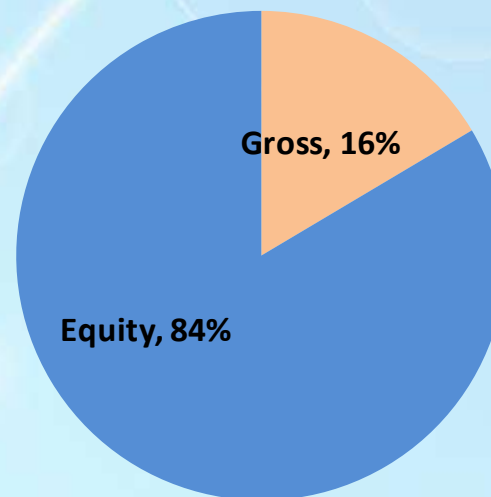
Financials exclude Element K, which was divested by the company on October 14, 2011

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

## Share Holding



Total Capital employed – Rs. 8,251 million



\* As of Sep 30, 2014

NIIT Limited owns 23.8% 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

30,000+ IT professionals for Chinese economy per annum

IT enablement for Bhutan and Maldives



Trained over 4 lac school teachers to leverage IT

Developed over 200,000 hrs of learning content

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





Highest Rated Education Brand



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



14 Brandon Hall awards for corporate training



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



NIIT received Dataquest 'Top IT Training Company' Award in 2013 for the 20<sup>th</sup> consecutive year



NIIT USA ranked among the Top 20 Companies in Training Outsourcing, 2014 by Training Industry, Inc. for the seventh 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



## 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

NIIT UNIQUA  
GENPACT

HAVE YOU EVER HAD A JOB OFFER  
RUNNING BEHIND YOU!!!

- LESS THAN A MONTH'S TRAINING
- NEED TO PAY JUST Rs. 4000/-

FOR A BOOMING CAREER WITH THE TOP BPO GENPACT

CHECK YOUR  
BPO READINESS  
IN 5 MINUTES

NIIT  
UNIQUA  
CENTRE FOR PROCESS EXCELLENCE  
AN NIIT-GENPACT VENTURE

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

## 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 sustained 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 organisation. So come to NIIT Imperia and get trained from the best.

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

**Key IFRS Advantage** – Quality working with over 100 companies in India on IFRS implementation. For more information, visit our website at [www.niitimperiacollege.com](http://www.niitimperiacollege.com)

**NIIT IMPERIA**

\*Program design and faculty by IFRS in India. IFRS is the IASB and the highest authority of IFRS standards. It is being implemented.

For further details log on to [www.niitimperiacollege.com](http://www.niitimperiacollege.com) or call at 1800 100 0000 (INDIA) or 011 0000 0000 (INDIA) or 011 0000 0000 (INDIA)



**India : 456 Centers**  
**China: 90 Centers**  
**ROW: 89 Centers**

© 2008 Tele Atlas  
© 2008 Europa Technologies  
© 2008 Basarsoft  
© 2008 Geocentre Consulting

© 2007 Google



## Over 50 Industry Awards



End to End servicing capability





Logos represented above are trademarks of respective companies

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**

## 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

# RESULTS UPDATE

**NIIT**



- Pace of recovery of global economy uneven and country-specific; increased uncertainty due to financial and geopolitical risks (IMF)
- Corporate training market in US and Europe remains robust; Organizations increasingly relying on specialists companies for their training needs; however sales cycles remain stretched
- In India, while business confidence has picked up on huge expectations, recovery remains fragile and structural reforms are yet to kick in
- A separate Ministry of Skill Development constituted; Government plans to form new policy by year end
- Recruitment activity in IT sector slightly up, driven by increased attrition;
- Hiring of fresh graduates remains weak and continues to impact sentiment towards training;
- Growing opportunities in Beyond-IT programs

**Business confidence improved but environment remains weak;  
Expect modest turn around by year end**

Rs. Mn	Q2FY'15	Q2FY'14	YoY	H1FY'15	H1FY'14	YoY
<b>Net Revenues</b>	2,604	2,624	-1%	4,857	4,845	0%
Operating expenses	2,423	2,381	2%	4,548	4,499	1%
<b>EBITDA</b>	181	243	-25%	309	347	-11%
<b>EBITDA %</b>	7%	9%	-231 bps	6%	7%	-80 bps
Depreciation	147	177	-17%	318	387	-18%
Net Other Income	-39	-77	+38 Mn	-74	-158	+84 Mn
Tax	0	17	-99%	19	50	-61%
<b>Operational Net Profit</b>	-5	-28	+22 Mn	-102	-249	+146 Mn
Share of Profits from Associates	108	147	-27%	211	275	-23%
<b>PAT</b>	103	120	-14%	109	26	317%

## Q2'FY15

- Strong growth in Corporate Learning helps overcome weakness in Individual Learning and planned ramp down in GSA business
- EBITDA impacted by operating leverage in Individual Learning partially compensated through cost management actions
- Depreciation down 17% YoY, reflecting planned reduction in capital intensity
- Reduction in Net Interest and lower forex loss contribute to Net Other Income



- **NIIT: Business Transformation and Succession Plan**
  - Rationalization of Subsidiary Company structure
  - Succession: Rahul Patwardhan appointed as CEO-Designate
  - Skills & Careers Group: Shivan Bhargava Group President inducted and Transformation initiated
- **Corporate Learning Solutions**
  - Revenue at INR 1,248 Mn up 26%; EBITDA margin at 12%
  - Strong QoQ (10%) and YoY (35%) volume growth
  - MTS revenue up 59% YoY, contributes 88% to CLS
  - 2 new MTS customers added in Q2
- **Individual Learning Solutions**
  - Good traction in the new Multi Stream, Modular RevGNIIT program - 25% enrolments for Beyond-IT streams; 25% growth in RevGNIIT enrolments at flagship centers
  - Beyond-IT products contribute 27% to revenue mix
- **School Learning Solutions**
  - NGS Revenue at INR 187 Mn; contributes 59% to revenue mix
  - Order Intake of INR 88 Mn; added 95 schools during the quarter

Rs. Mn	Q2FY'15	Q2FY'14	YoY	H1FY'15	H1FY'14	YoY
Net Revenues	1,248	993	26%	2,361	1,836	29%
EBITDA	144	124	16%	272	214	27%
EBITDA %	12%	13%	-101 bps	12%	12%	-13 bps

## Q2'FY15

- Volume growth 35% YoY and 10% QoQ
- Strong business momentum, driven by 59% growth in MTS; MTS contributes 88% to CLS revenues vs 74% LY
- Added 2 new MTS customers
- Order Intake of \$ 20.7 Mn; up 50% YoY
- Pending Order Book: \$62.3 Mn up 17% YoY; 73% executable over next 12 months
- Revenue Visibility at \$ 164 Mn



Rs. Mn	Q2FY'15	Q2FY'14	YoY	H1FY'15	H1FY'14	YoY
Net Revenues	1,004	1,269	-21%	1,730	2,216	-22%
EBITDA	44	121	-63%	45	125	-64%
EBITDA %	4%	10%	-512 bps	3%	6%	-306 bps

## Q2'FY15

- Student sentiment remains weak; limited hiring of fresh graduates in IT and Banking
- 25% growth in RevGNIIT in flagship centers; 25% of enrolments in RevGNIIT for Beyond-IT Streams
- Beyond-IT products contribute 27% to revenue mix versus 24% in Q2 FY14
- Overall Enrolments at 82,571; Beyond-IT enrolments up 23%
- Order Intake of INR 1076 Mn; Pending Order Book of INR 1953 Mn; 72% executable over next 12 months
- Overall placements at 6,821



Rs. Mn	Q2FY'15	Q2FY'14	YoY	H1FY'15	H1FY'14	YoY
Net Revenues	318	358	-11%	712	782	-9%
EBITDA	7	23	-72%	28	56	-49%
EBITDA %	2%	7%	-446 bps	4%	7%	-316 bps

## Q2'FY15

- NGSAs revenue at INR 187 Mn; contributes 59% to revenue mix
- Revenue partially impacted due to completion of one GSA contract in Q2 covering 1870 Schools
- 95 new NGSAs schools added during the quarter; Order intake of INR 88 Mn
- Pending Order Book: INR 3,950 Mn, 26% executable over next 12 months



Rs. Mn	Q2FY'15	Q2FY'14	YoY	H1FY'15	H1FY'14	YoY
Net Revenues	35	4	709%	54	10	422%
EBITDA	-13	-25	+12 mn	-36	-48	+12 mn

## Q2'FY15

- Revenue @ INR 35 Mn up 84% QoQ
- NYJ programs now available at 76 locations
- Over 3,300 enrolments during the quarter
- Business being integrated into the Skills & Careers Group

**NIIT SDC National Skill Development Corporation**

**Yuva Jyoti**  
skills for jobs

**JOB ke liye MISSED CALL**

10th/12th/ Under Graduates/ Graduates  
**CALL NOW** from your own number

**0 90193 90193**

Aur paayein TRAINING kar ke JOB paane ka mauka

- ▶ Tie up with 300+ Companies
- ▶ 25000+ Trained Students\*
- ▶ 100% JOB Assistance\*

• Retail • BPO • IT • Telecom  
• Banking & Finance

\* Terms & Conditions Apply. Till 30th June, 2014

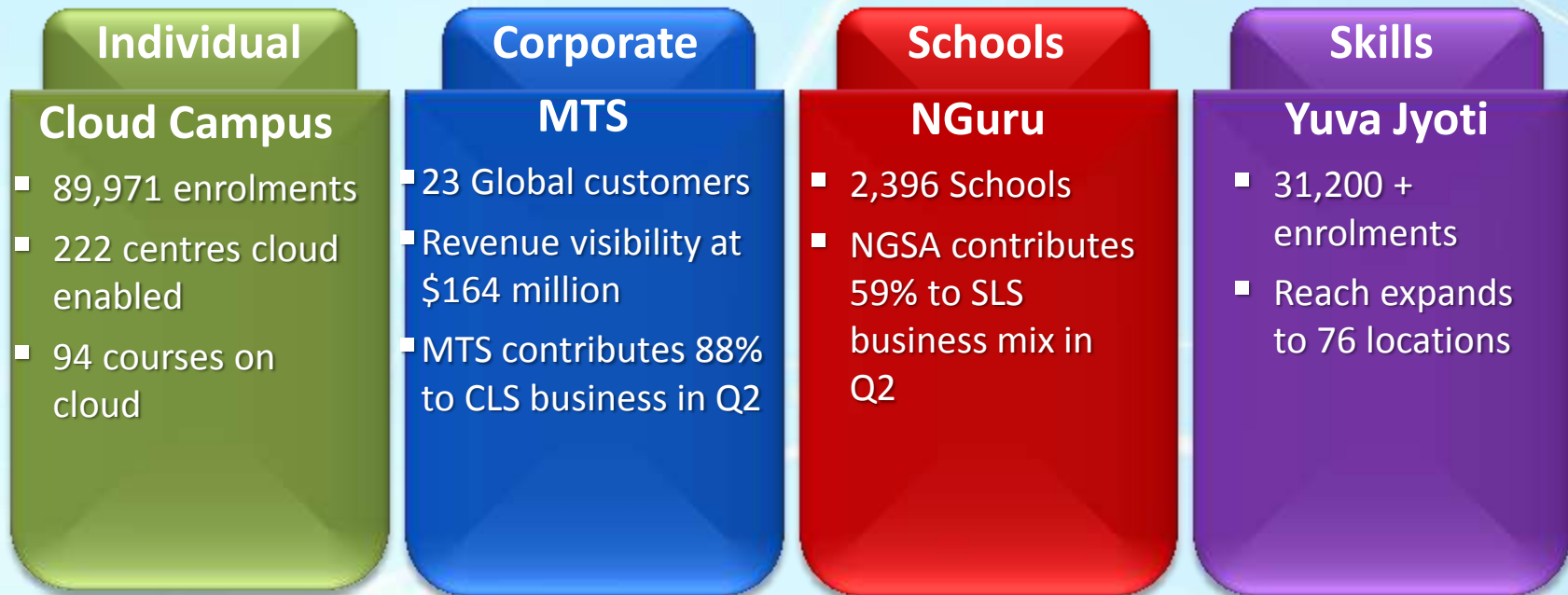
[www.niityuvajyoti.com](http://www.niityuvajyoti.com)

# RIDING THE WINDS OF CHANGE

**NIIT**

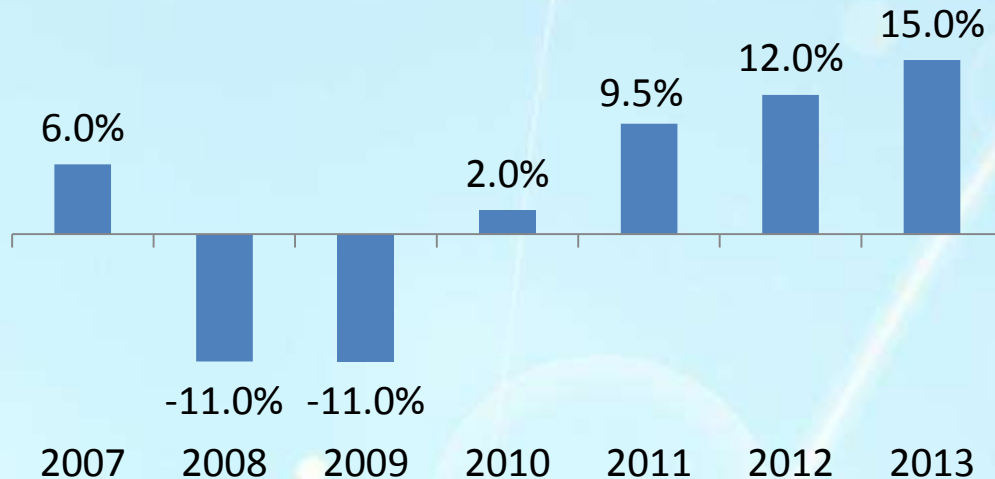


## NIIT



**Profitability, Liquidity and Capital Efficiency**

## Corporate Training Spending Growth



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

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
- In house L&D footprint continues to shrink
- Training is a specialized function and organizations are increasingly relying on specialists to outsource training



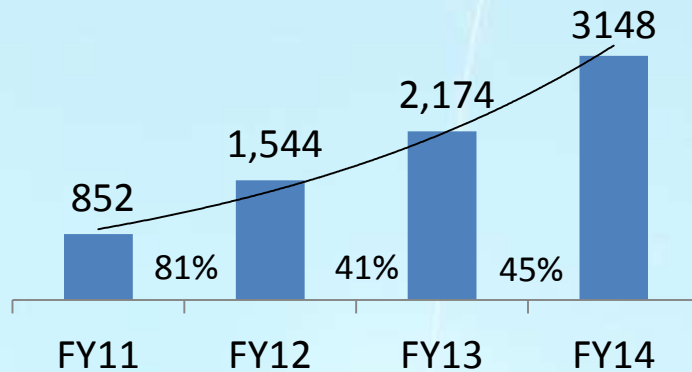




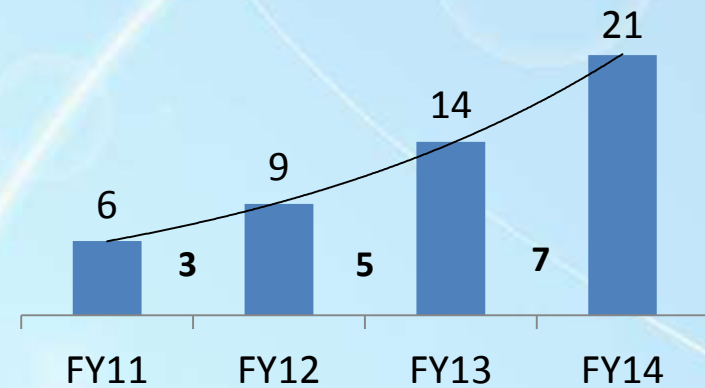
**Running Training Like a Business**  
It's Time to Transform.

NIIT's transformative learning outsourcing services are helping companies run training like a business to deliver value on both sides of the L&D equation.

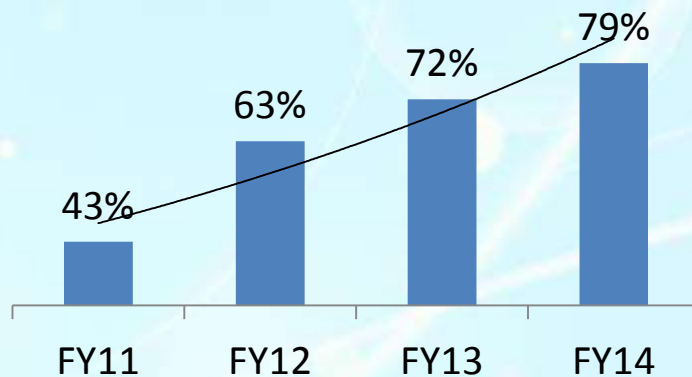
### MTS Revenue (Rs Mn)



### Number of MTS Customers



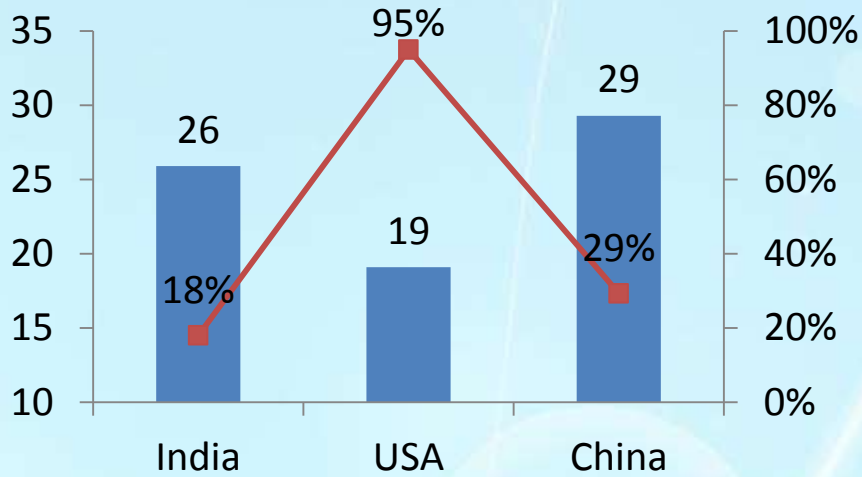
### MTS contribution to CLS



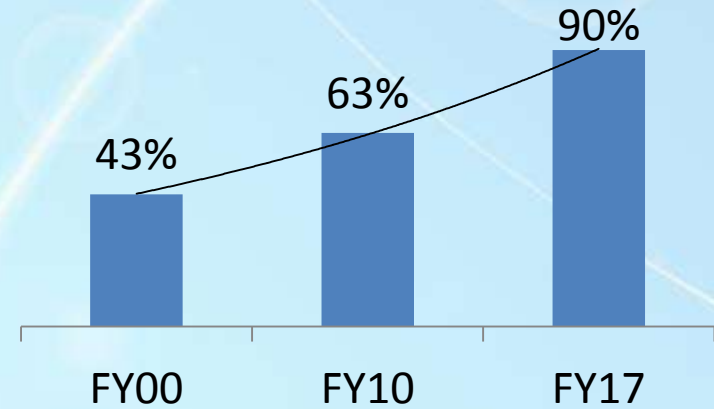
- Momentum in CLS driven by strong growth MTS. Revenue Visibility at \$164 Mn from existing contracts
- Increasing contribution from MTS
- Large market with attractive growth opportunity
- NIIT has a differentiated competitive positioning

**MTS to drive steady growth for CLS business**

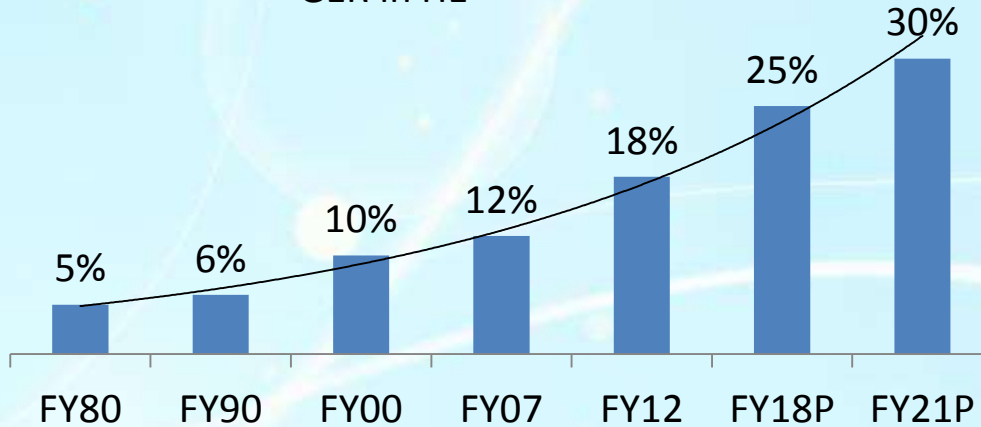
HE GER and Enrolment Comparison



GER in SE



GER in HE

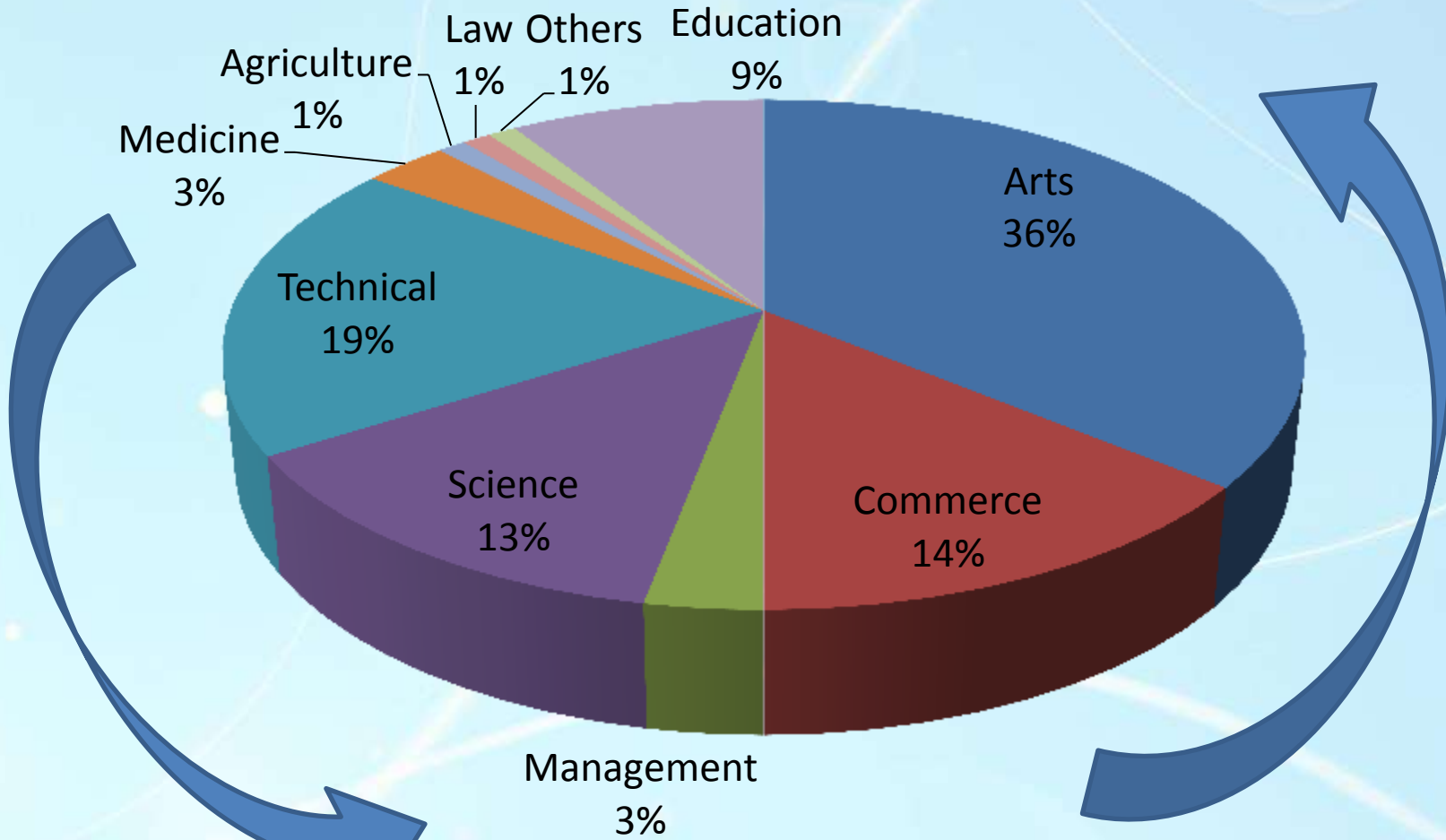


Source: Planning Commission

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

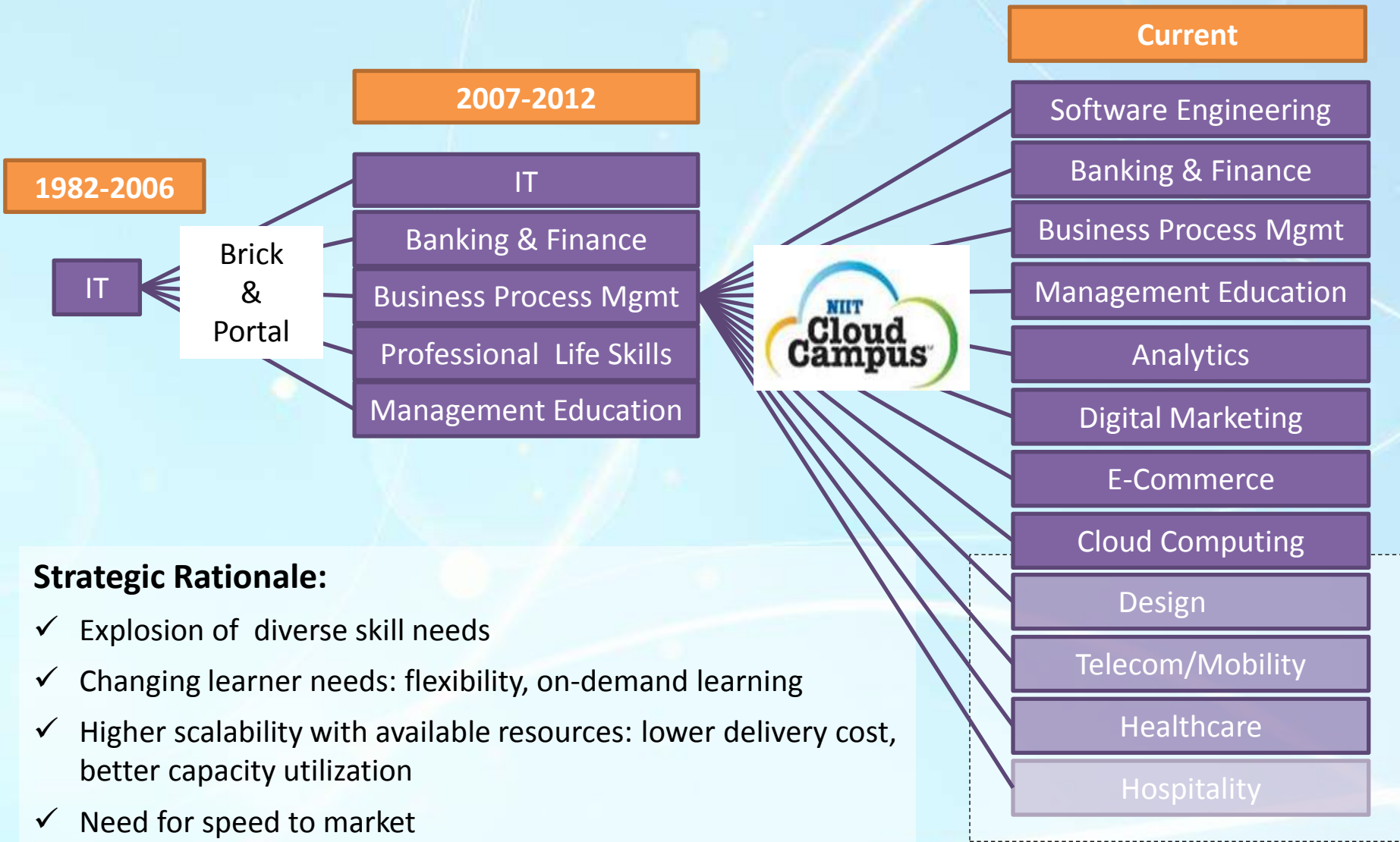
Large market with headroom for growth

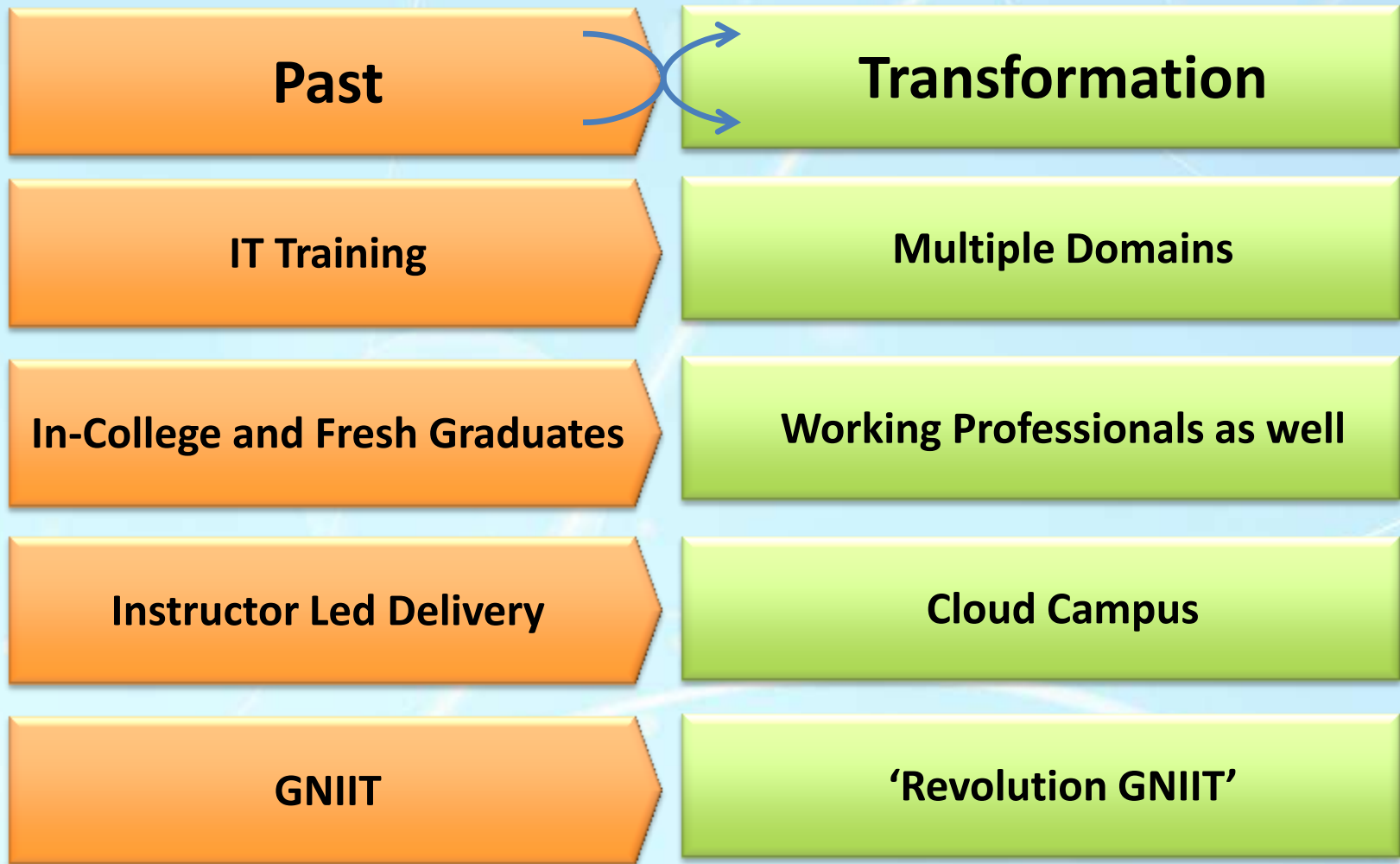
Total Under Graduate Landscape



~ 20 million students are in college

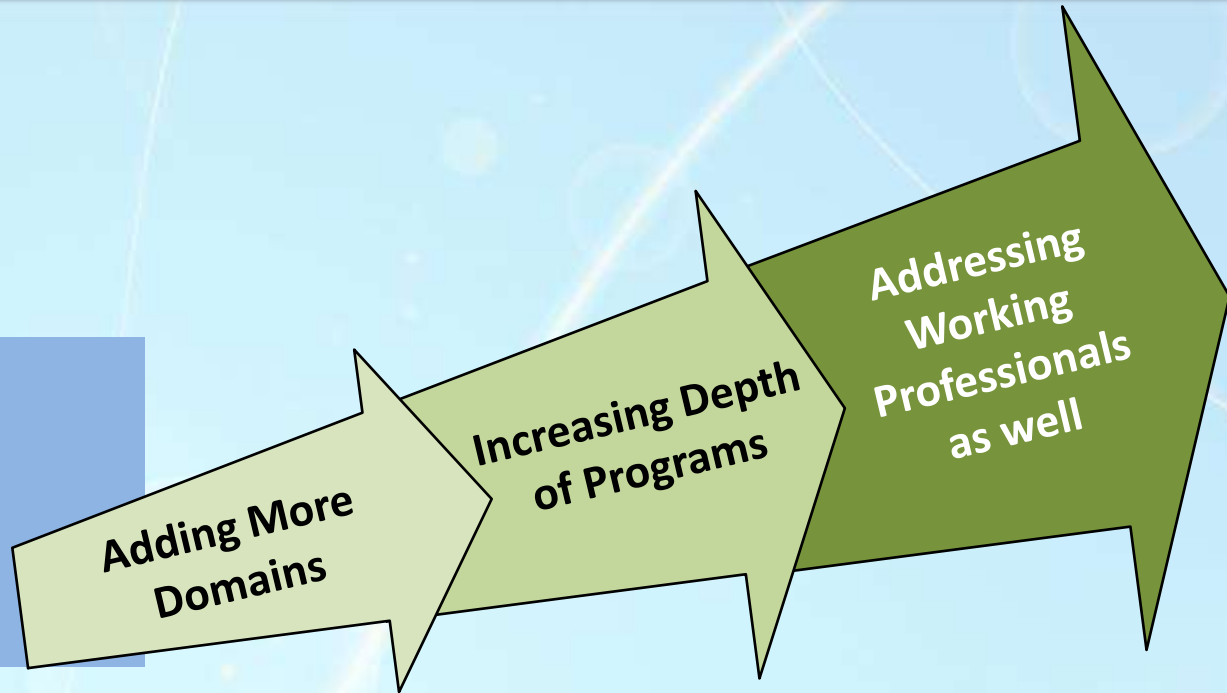
Expanding addressable market



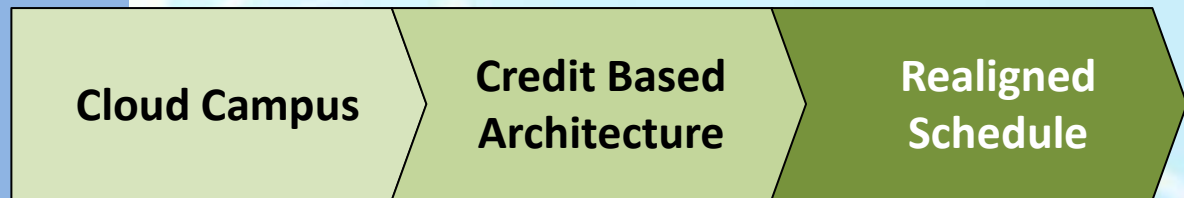


**Non-IT products and Working professionals segment to drive recovery for ILS**

## 1. Expanded Coverage



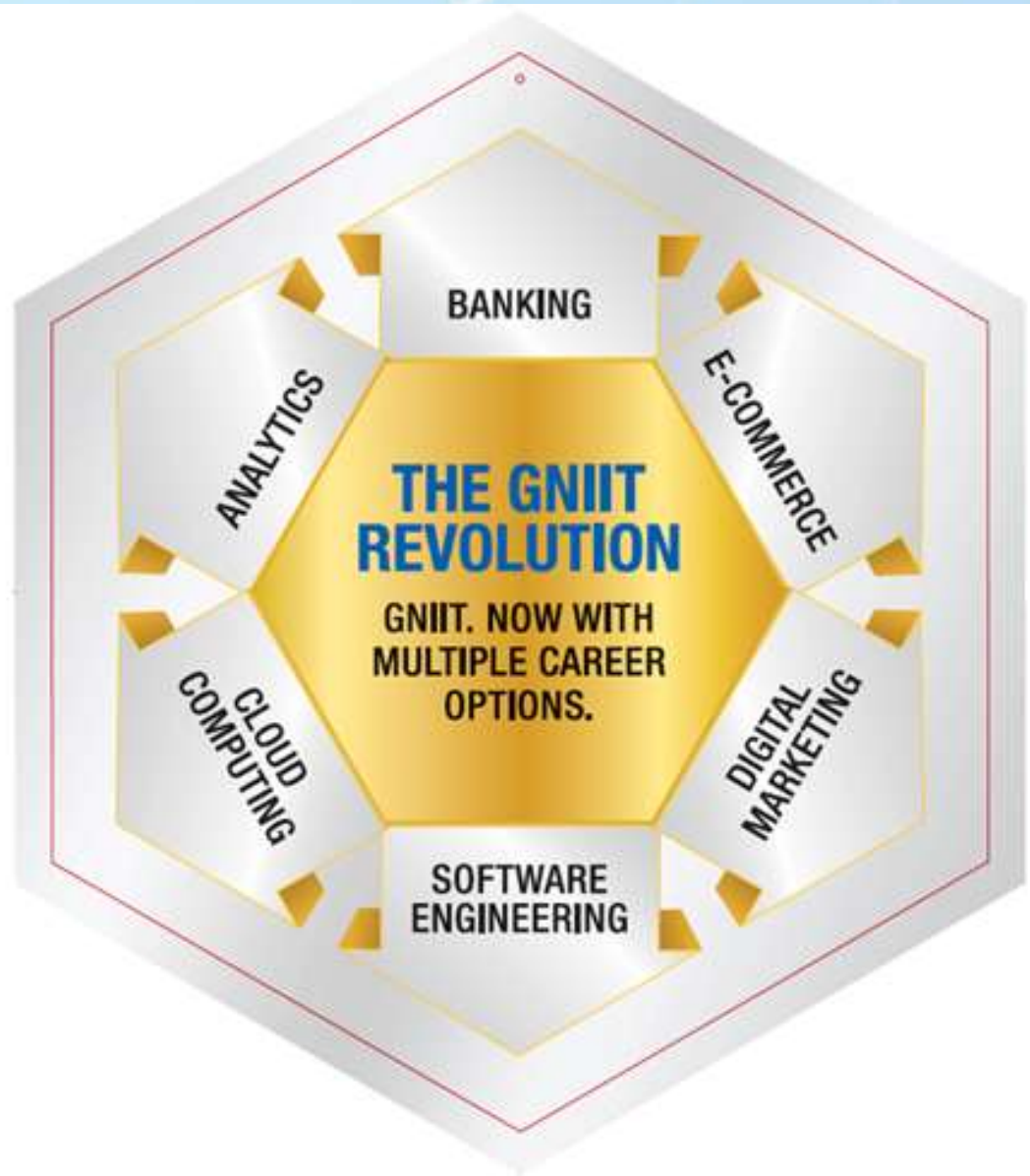
## 2. Increased Flexibility



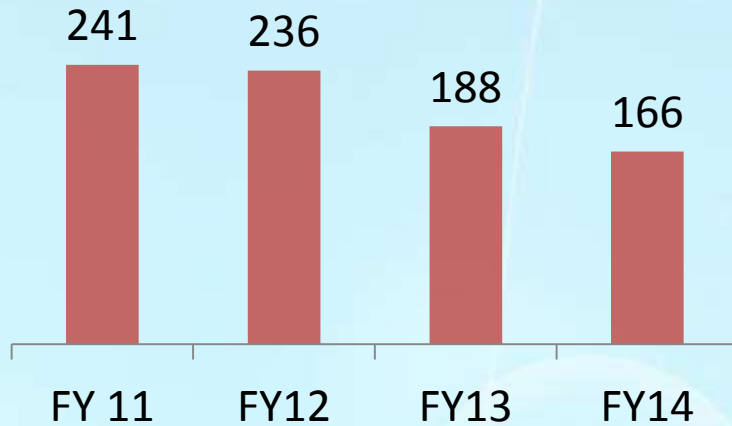


**ReVOLUTION GNIIT**  
**THE POWER TO CREATE YOUR OWN FUTURE.**

- ✓ Multiple Career Options in most sought after fields
- ✓ Future Ready skills set for careers of the future
- ✓ Dual qualification with any under graduate program
- ✓ Credit based academic architecture
- ✓ Leverage One NIIT
- ✓ Delivery on Cloud Campus

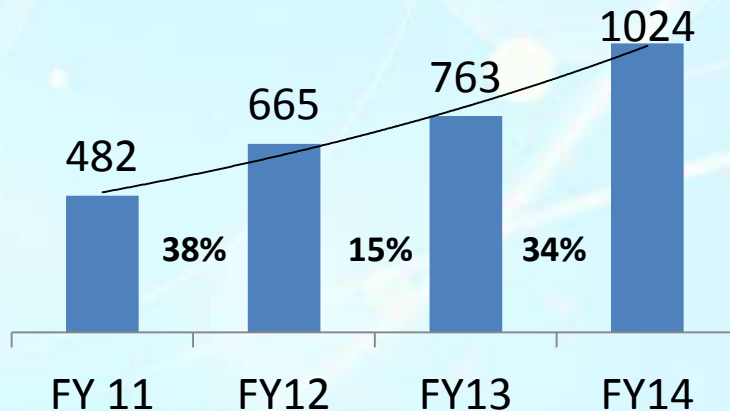


Net IT Hiring (in '000)

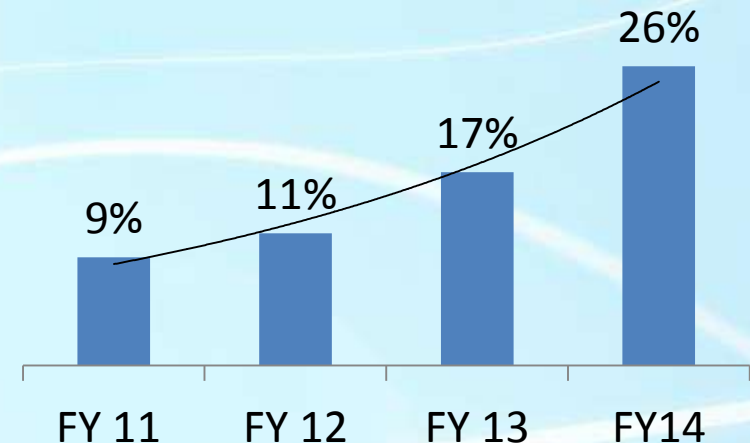


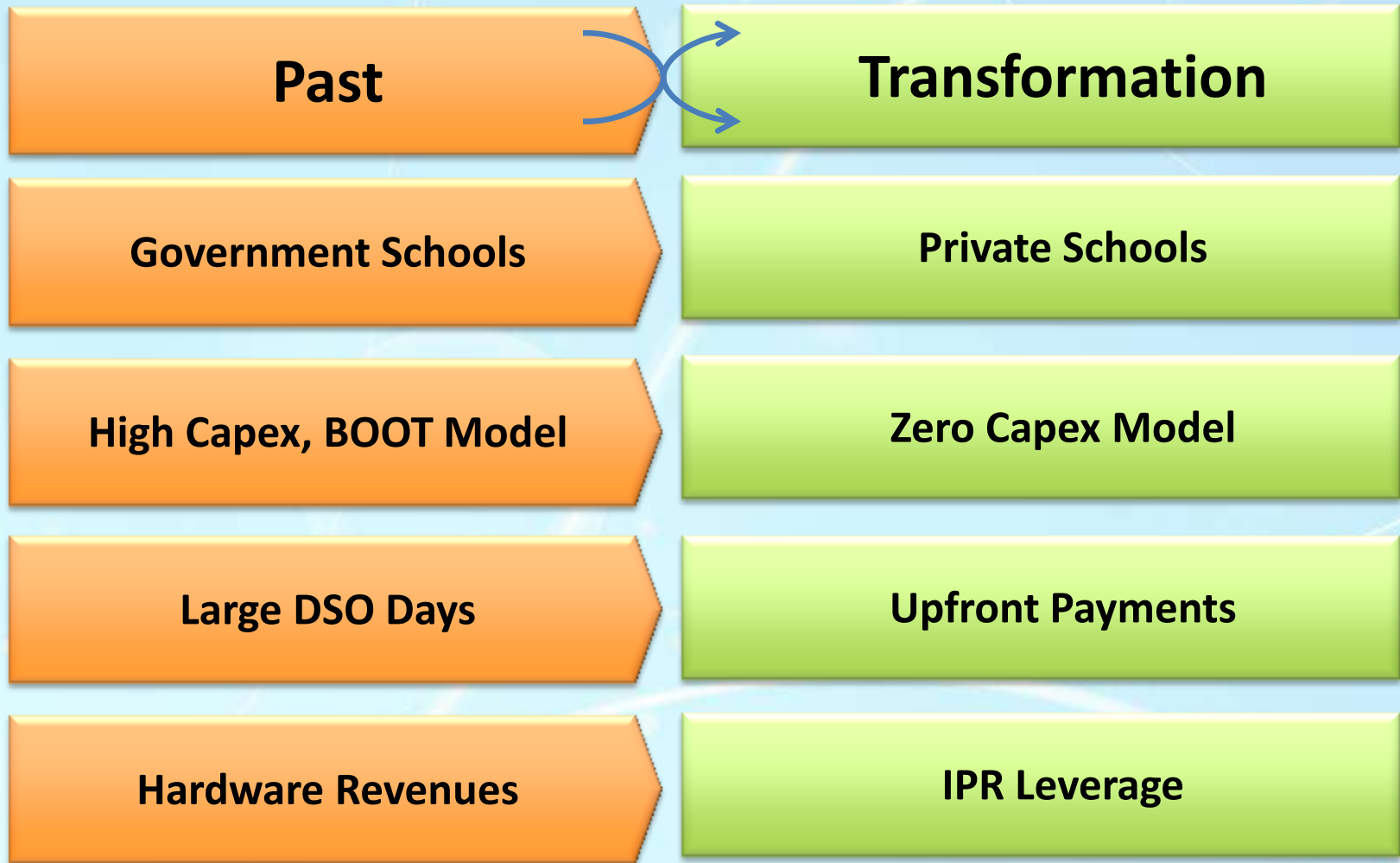
- ✓ Hiring of fresh graduates remains weak
- ✓ Large annual opportunity in skills upgrade for 3 million+ IT professionals
- ✓ Cloud campus to expand reach of new Programs
- ✓ Increasing contribution from Beyond-IT Products

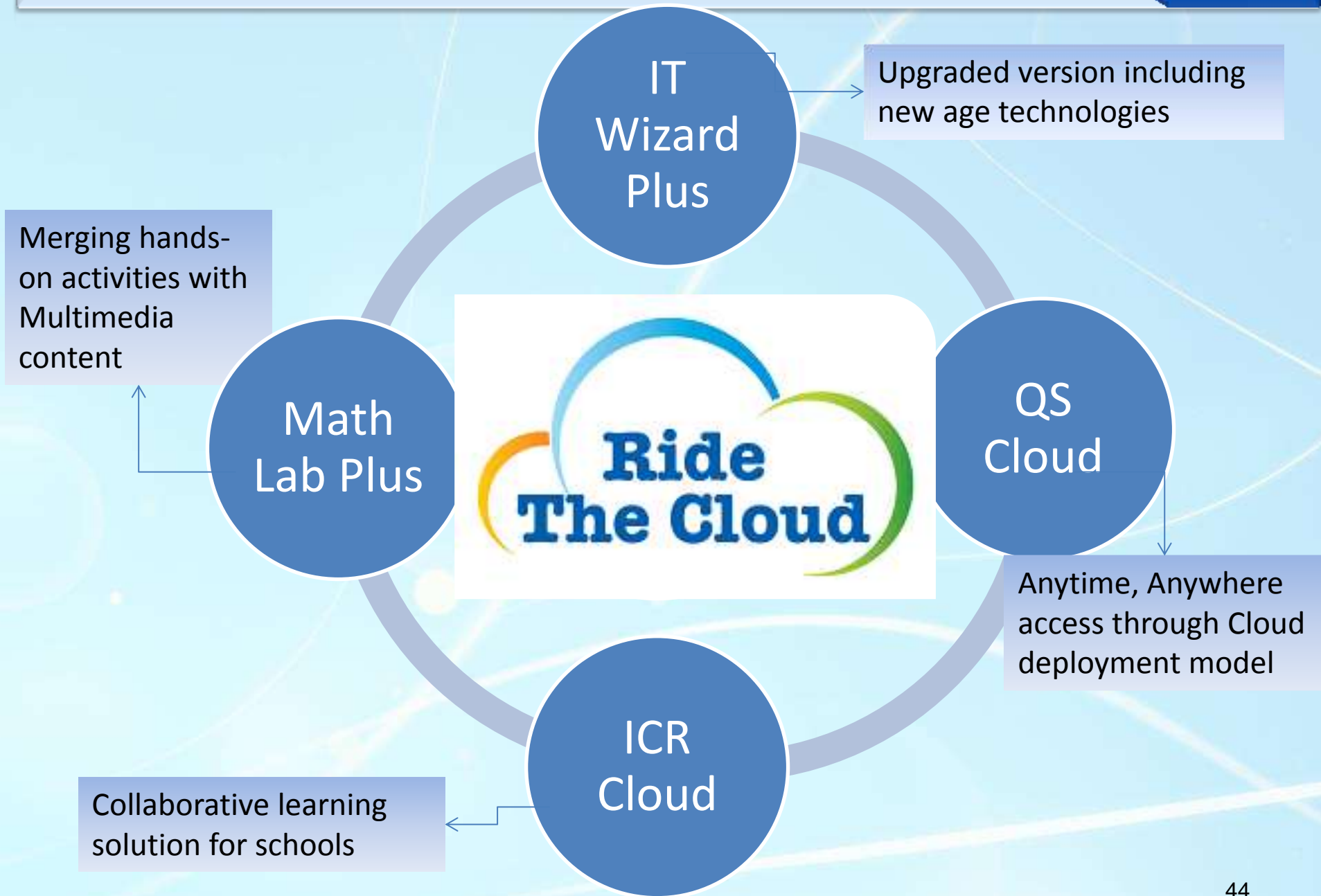
Beyond-IT Products Revenue (Rs Mn)



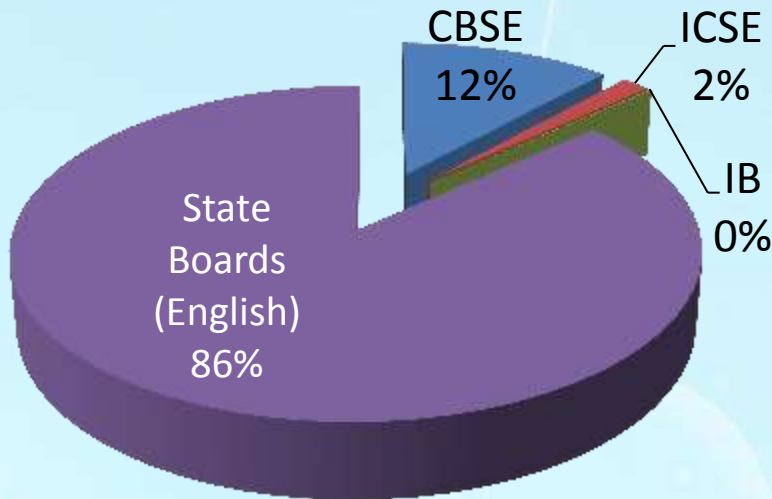
Share of Beyond-IT Products



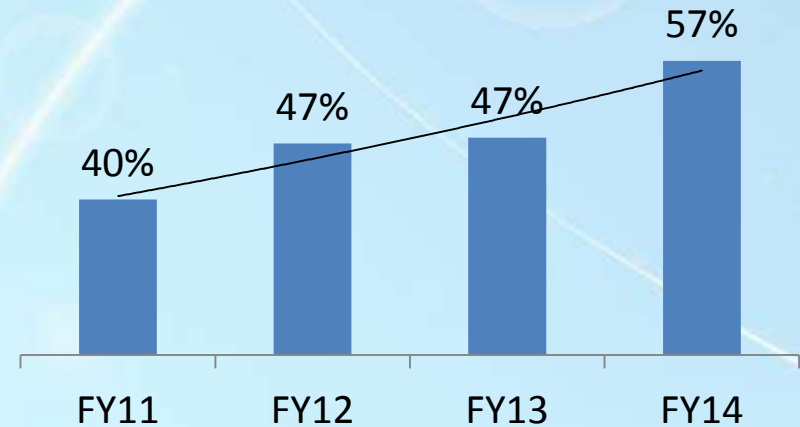




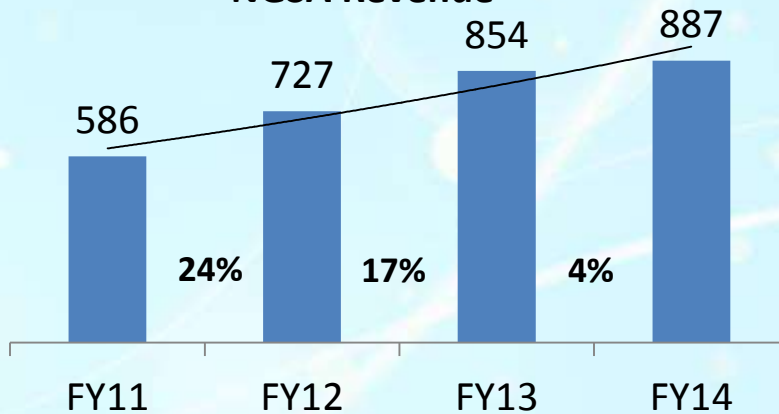
~120 K – Private Schools



Share of NGSA Revenue










NGSA Revenue



- ✓ Leadership position in white spaces (IT, Math Lab, QS etc)
- ✓ Exited from capex driven business models
- ✓ Sacrificed top line growth for quality of revenues.
- ✓ Achieved moderate growth of 5% in FY14 in NGSA

**nGuru to drive growth and margins for SLS business**

To address 9 Service Sectors offering 52.2 million jobs.

 <b>Retail</b>	 <b>BFSI</b>
 <b>IT/ITES</b>	 <b>Education Services</b>
 <b>Informal Sector</b>	
 <b>Hospitality</b>	 <b>Telecom</b>
 <b>Media &amp; Entertainment</b>	 <b>Healthcare</b>

## Target Audience

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

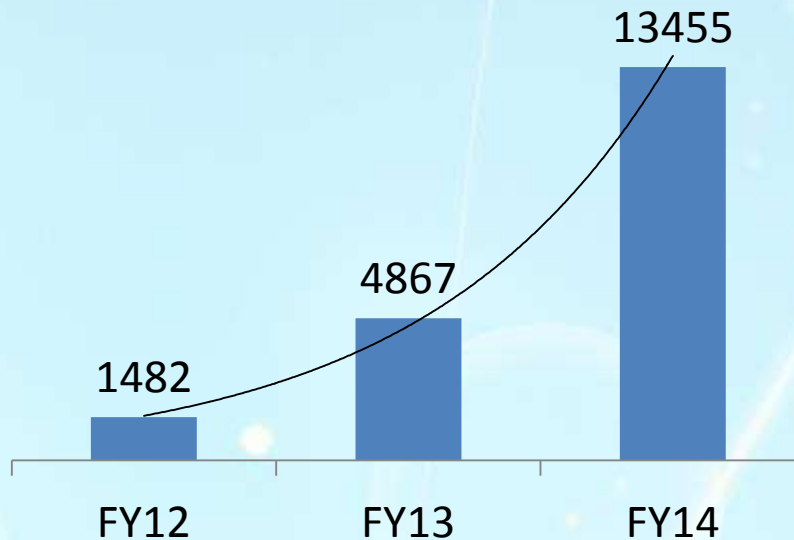
## Transformation

**Achieve scale by leveraging NIIT's reach**

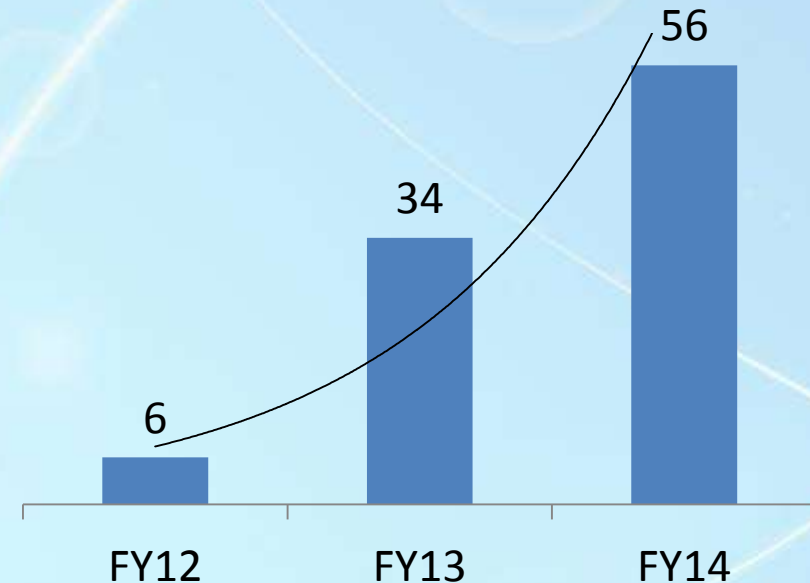
**Programs aligned to Sector Skills Councils (SSCs)**

**Courses mapped to NVEQF**

Enrolments



No of Locations



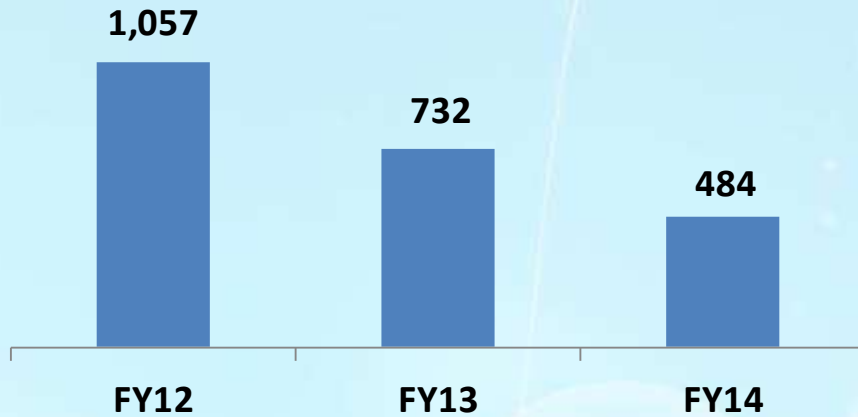
- ✓ Programs gaining traction within communities . Over 11,000 enrolments in H1FY15
- ✓ Leveraging NIIT network for expanding reach. Currently offer programs at 76 locations
- ✓ Strong order book to drive growth and margins. Execution expected to ramp up in next few quarters



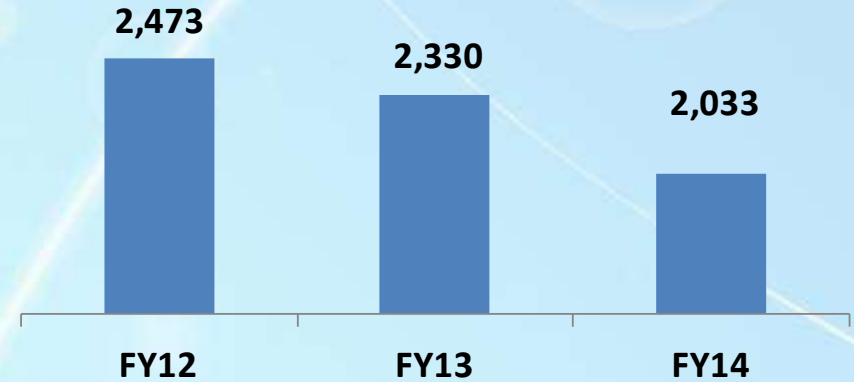


**Fundamentally stronger despite headwinds in ILS business**

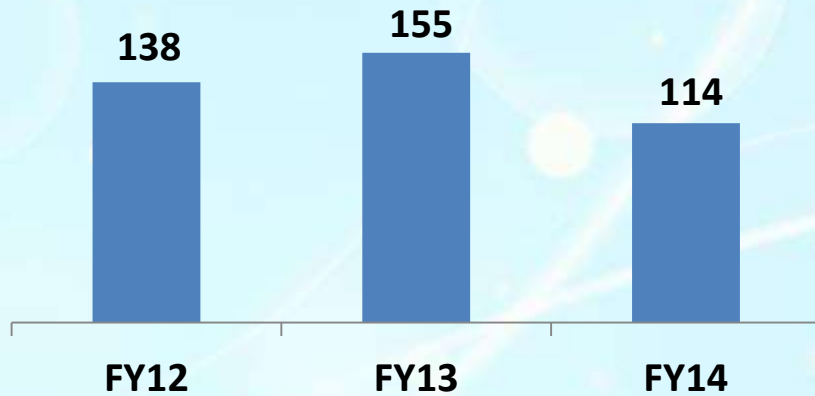
### Capex



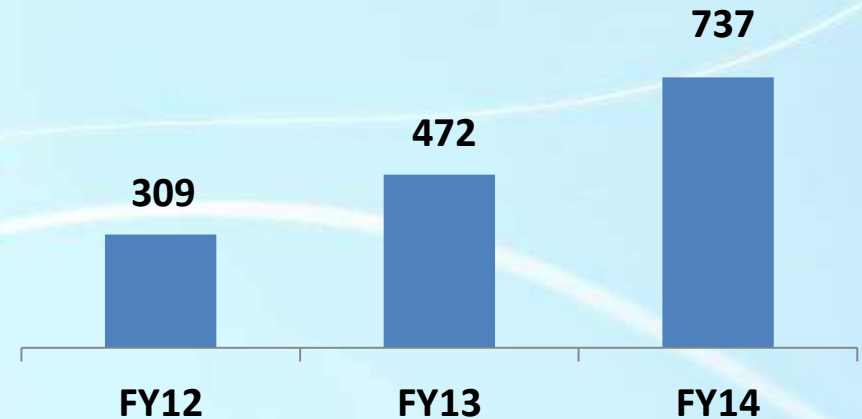
### Net Fixed Assets



### DSO



### Cash Flow from Operations



On continuing business basis

**Exited high capex driven, low ROCE business models; Increased collections focus**

## 1. Focus on four Platforms of Growth

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

## 2. Strengthening of Balance Sheet

- Releasing cash by exiting capital intensive businesses models
- Deleveraged balance sheet
- Growth through asset light business models

## 3. Business Mix Improvement

- Focus on free cash flow generation
- Improved margin and ROCE profile of continuing business
- Aligned to attractive markets, reduced dependence on single sector



**ReVOLUTION NIIT**

**THE POWER TO  
CREATE YOUR  
OWN FUTURE.**



[twitter.com/NIITLtd](https://twitter.com/NIITLtd)



[facebook.com/NIIT4u](https://facebook.com/NIIT4u)