



October 14, 2011

Dear Valued Customer,

We are very excited to report that SkillSoft has acquired Element K from NIIT. SkillSoft's acquisition of Element K creates a combined company that will be able to offer a significantly broader range of learning solutions, increased service levels and a greater value proposition to your organization.

We are happy to welcome our new customers from Element K and we look forward to learning more about your business in the months ahead. We also want to reassure all customers that this change will not disrupt the high level of service you have come to expect from us. We know that you have made a significant investment in our solutions and rely on them to support your organization's learning strategy. With the expanded resources and experience of the new combined company, we are confident that we will be able to achieve even higher levels of performance in all aspects of our business.

This is an exciting time to be in the learning industry. Learning is taking on an increasingly visible role in talent optimization and creating competitive advantage. New forms of online learning content are coming to market that engage learners with rich media, social collaboration and mobile delivery options. Technology advances have made it possible for learning to be tailored to the needs of employees and delivered directly to their work environments. We're looking forward to innovating this ever-evolving learning landscape with you.

Undoubtedly you have many questions about how this change will affect your business, and we'll do our best to answer these questions as quickly as possible. However, we're sure you'll understand that some issues will require detailed investigation before we can arrive at the right decisions. Much of the investigation we need to accomplish can only start now that we have become one company.

This much we do know at this point. While the e-learning courseware libraries offered by SkillSoft and Element K both offer coverage of business, IT and compliance subjects, there are important and complementary differences in the specific subjects offered by each company. As a result, you as a customer of the combined company will have hundreds of additional courseware subjects to choose from.

SkillSoft will also begin offering Element K's vLab hardware/software virtual labs as a new content collection. vLab virtual labs will expand our ability to support learners in preparing for certification exams from Cisco, Microsoft, CompTIA and other certification sponsors.

SkillSoft plans to support Element K e-learning courses and vLabs on our flagship learning management system SkillPort™ and our OLSA integration platform. Our preliminary thoughts are that we will also integrate selected SkillSoft content with Element K's KnowledgeHub LMS, including SkillSoft courseware, Books24x7 on-demand content collections and our Leadership Development Channel and 50 Lessons video products. We need to conduct further technical analysis of KnowledgeHub to make sure whether this integration with SkillSoft content is practical to pursue. We'll conduct that analysis as quickly as possible and communicate our firm intentions to you.

Our objective with these product integration efforts is to enable you to receive timely access to the content offered by both companies, while SkillSoft executes toward our long-term goal of offering a single unified learning platform. We will announce our intended schedules for these integration efforts as soon as possible. There are additional Element K products and innovations that we are just now able to start



assessing, and we look forward to communicating further intentions about product additions in the months ahead.

You will also benefit from the economies of scale of the combined company. Currently SkillSoft and Element K, as separate companies, each invest considerable R&D creating redundant coverage of many IT, business and compliance subjects. Size and scale will allow the combined company to eliminate these redundant investments. Portions of these savings will be re-invested to produce new courses covering more subjects than either provider has been able to produce as a stand-alone company. The combined company's resources will also allow us to channel greater R&D investments toward new product innovations and customer-facing assets including more support to help ensure customer success with SkillSoft solutions.

I should add that this acquisition will in no way alter or defocus SkillSoft's attention on the critical development priorities that we've heard from you, and that we have communicated our intent to deliver through SkillSoft's published Product Development Roadmap and Content Development Roadmap documents.

While this acquisition has enriched SkillSoft's portfolio of products, it doesn't change our commitment to providing our depth and breadth of high-quality content; technology solutions that are flexible and easy-to-use; and services that ensure alignment with our customers' evolving needs. We also remain strongly committed to listening to our customers' input, and using that information to guide our near and far term development plans.

I fully believe this acquisition has tremendous positive value to our customers and the overall learning industry. We will be posting new information on <http://www.skillsoft.com/> as it becomes available, so please check back frequently for updates. Your account executive will also be contacting you to share further details.

Again, we value your business and look forward to working with you.

Regards,

Chuck Moran  
CEO  
SkillSoft