

July 20, 2010, Tuesday

NIIT Tech's Q1 net more than doubles, risks remain

New Delhi: Software services firm NIIT Technologies Ltd said on Tuesday its quarterly net profit more than doubled although currency risks remained a challenge in coming quarters. NIIT Tech's net profit rose to 408 million rupees from 176 mn rupees. Its revenues rose 34 percent to 2.91 bn rupees. NIIT Tech's profits improved on the back of lower forex losses which halved from a year earlier along with more business and efficiency, Arvind Thakur, chief executive officer told reporters. The firm posted forex losses of 78 million rupees in this quarter from 153 million rupees in the year ago quarter. NIIT's revenues jumped 34 percent on the back of a healthy order intake during the period, Thakur said. "Strong growth came on the back of a significant intake of fresh orders in the last quarter," he added.

The firm booked new orders worth \$40 million, taking the current orderbook to \$149 million, to be completed over a year. Thakur said its non-linear business such as IP assets, platform-based services and cloud computing would drive growth from the next quarter onwards. He also said emerging markets would drive growth. India's share in the overall revenue of the firm stood at 16 percent, up from 10 percent last year.

Although the firm remained optimistic about its business outlook, it said its margins may come under pressure in the coming quarters from currency risks due to the eurozone crisis. "The problem we are facing now is not on business but on realisation because of currency volatility," Thakur said. At 2.23 p.m., shares in NIIT Technologies, which the market values at about 11 billion rupees, were up 1.61 percent at 185.95 rupees in a flat Mumbai market.

Please Visit: <http://economictimes.indiatimes.com/news/news-by-company/earnings/earnings-news/NIIT-Techs-Q1-net-more-than-doubles-risks-remain/articleshow/6191236.cms>

July 20, 2010, Tuesday

NIIT Tech's Q1 net more than doubles, risks remain

Software services firm NIIT Technologies Ltd said on Tuesday its quarterly net profit more than doubled although currency risks remained a challenge in coming quarters. NIIT Tech's net profit rose to Rs 40.8 crore from Rs 17.6 crore. Its revenues rose 34 per cent to Rs 291 crore. NIIT Tech's profits improved on the back of lower forex losses which halved from a year earlier along with more business and efficiency, Arvind Thakur, chief executive officer told reporters. The firm posted forex losses of Rs 7.8 crore in this quarter from Rs 15.3 crore in the year ago quarter. NIIT's revenues jumped 34 per cent on the back of a healthy order intake during the period, Thakur said. "Strong growth came on the back of a significant intake of fresh orders in the last quarter," he added.

The firm booked new orders worth \$40 million, taking the current orderbook to \$149 million, to be completed over a year. Thakur said its non-linear business such as IP assets, platform-based services and cloud computing would drive growth from the next quarter onwards. He also said emerging markets would drive growth. India's share in the overall revenue of the firm stood at 16 per cent, up from 10 per cent last year. Although the firm remained optimistic about its business outlook, it said its margins may come under pressure in the coming quarters from currency risks due to the eurozone crisis. "The problem we are facing now is not on business but on realisation because of currency volatility," Thakur said. At 2.23 pm, shares in NIIT Technologies, which the market values at about Rs 1100 crore, were up 1.61 per cent at Rs 185.95 in a flat Mumbai market.

Please Visit: <http://www.business-standard.com/india/news/niit-tech%5Cs-q1-net-more-than-doubles-risks-remain/102085/on>



July 20, 2010, Tuesday

NIIT net profits jump over two-fold

IT firm NIIT Technologies on Tuesday said it has posted more than two-fold jump in its net profits for the quarter ended June 30, 2010 on account of reduced hedging losses and improved operational efficiency. The company generated Rs 40.8 crore in net profits, against Rs 17.6 crore for the same quarter last fiscal. "In Q1 last fiscal, we had higher forex losses at Rs 15.3 crore compared to Rs 7.8 crore in this quarter.

Also, the operating profits are up this quarter as we have seen increased business and improved efficiency, which has resulted in 131.6 per cent increase in our net profit," NIIT Technologies Chief Executive Officer Arvind Thakur told reporters here. However, on quarter-on-quarter basis, the company's net profit during April to June suffered due to increased provisions for tax on account of higher domestic revenue, he added. Its' net profit during January to March stood at Rs 41.3 crore.

Please Visit: <http://www.indianexpress.com/news/NIIT-net-profits-jump-more-than-two-fold-at-Rs-40-8-cr/649355>

July 20, 2010, Tuesday

NIIT net profit rises to Rs 41 cr

Midcap information technology (IT) firm NIIT Technologies on Tuesday reported a net profit of Rs 40.8 crore for the quarter ended June 30, 2010, which is more than double the Rs 17.6 crore profit in the corresponding period last year.

“In first quarter of previous financial year, we had higher forex losses at Rs 15.3 crore compared with Rs 7.8 crore in this quarter. Also, the operating profits are up this quarter, as we have seen increased business and improved efficiency, which has resulted in 131.6 per cent increase in our net profit,” Arvind Thakur, CEO of NIIT Technologies, said.

The company partnered with Hitachi Information Systems to leverage its infrastructure to jointly launch cloud-computing services. As per the partnership, Hitachi would own the cloud computing services and NIIT would harness the remote infrastructure management and managed services to operate the cloud and provide value-added services.

Please Visit: <http://www.mydigitalfc.com/news/niit-net-profit-rises-rs-41-cr-969>

July 20, 2010, Tuesday

Volume growth in Europe remains strong: NIIT Tech



NIIT Technologies has declared its first quarter results. The company's Q1 consolidated net sales were at Rs 291 crore. Its consolidated net profit came in at Rs 40.8 crore. The company's order book stands at USD 149 million.

The company's trailing 12-month (TTM) EPS was at Rs 16.17 per share (Mar, 2010). The stock's price-to-earnings (P/E) ratio was 11.55. The latest book value of the company is Rs 80.80 per share.

At current value, the price-to-book value of the company was 2.31. The dividend yield of the company was 3.75%.

In an interview with CNBC-TV18, Arvind Thakur, CEO, NIIT Technologies gave his perspective on the quarter gone by and the road ahead.

Q: It's been a strong quarter and I believe it's the BFSI that's really performed for you. Give us a sense of what kind of volume growth you see sequentially in this segment?

A: We saw 3% growth in the BFSI segment. We are seeing a recovery in the financial sector. But the real reason for growth this quarter actually has been the government segment where we secured a large engagement from the Border Security Force in the last quarter which got executed, rather which has started execution in this quarter.

Q: I heard you mention at the press conference though that Europe has been a problem this time primarily because of the volcanic ash issue. What exactly has the volume drop been sequentially and has it come with a drop in price realizations as well?

A: The volcanic ash issue has basically impacted European airlines. But our business in Europe actually has not been impacted on account of any volume growth. In fact volume has grown in Europe. It has got impacted because of the volatility in the currency. In fact there is a very significant drop in realizations on account of currency losses. So currency loss in the quarter when I compare it to the last quarter has been as much as 7% in Europe.



Q: How do you see that panning out in the quarters going forward both in terms of whether or not to expect volume growth to remain steady. And whether you are penciling in a little more by way of slippage on the realization front just for Europe?

A: What we are seeing is volumes growing which basically means that there is no impact on business and business activity per se because the problem in Europe is actually limited to the Southern Europe where some of the countries there are experiencing sovereign debt issues and we have no exposure to those countries at all.

However, the issue in Europe and in these southern countries is creating problems with respect to the valuation of the Europe and that is interacting realizations. Unfortunately that is something which nobody has been able to predict very accurately. So that's the volatility that we have to live with.

Q: On this Border Security Force order that you were talking about, it's a large order of almost Rs 200 crore. How much got booked in the quarter gone by itself?

A: A significant portion has been booked in this quarter and you know this is an engagement that involves complete turnkey activity which includes setting up the infrastructure, building the application, rolling it out, doing the networking, training the people and everything. So the initial part has to do with setting up the infrastructure and quite a bit of that has already happened in this quarter.

Q: The fresh order intake for the quarter gone by seems much more sluggish than the previous quarter. You are talking about USD 40 million whereas the previous quarter had USD 120 million. What would you guide to for the rest of the year in terms of revenue growth and profitability that NIIT Tech can deliver?

A: That's typically the intake we get in the first quarter of the year. If you look at the way we have been bringing in orders every year, the first quarter is normally at these levels, between USD 40 to 45 million and so it is nothing unusual. And it gradually picks up towards the end of the year with the last quarter having the best intake. So I think you will see a similar pattern emerging for this year as well

Please Visit:

http://indiaearnings.moneycontrol.com/sub_india/compnews.php?autono=471061



July 20, 2010, Tuesday

NIIT Tech Q1 net flat at Rs 41cr

MUMBAI: NIIT Technologies today reported a consolidated net profit of Rs 40.80 crore for the first quarter ended June 30, 2010 as against Rs 41.30 crore reported in the last quarter of the previous fiscal. Revenue was up 22% at Rs 291.4 crore when compared with Rs 239.2 crore in Q4 FY10. Other numbers Operating profit up 2% at Rs 54.1cr vs Rs 52.9 cr Operating profit margin down 3.50% at 18.6% vs 22.1%.

Factors at play Revenue share from US increased to 36% sequentially Revenue from Europe declined to 35% European revenue declined on lower realisation due to currency Weakening Profit declined due to increased provisioning for tax Incurred forex loss of Rs 7cr BFSI contributed to 42% of revenue Travel & Transport contributed to 30% of revenue. Three new customers added during Q1 Fresh orders worth \$40mn booked during the quarter Total order book executable over next 12 months at \$149mn. 109 net addition of staff during the quarter.

Please Visit: <http://www.bloombergutv.com/industry-news/it-industry-news/55310/niit-tech-q1-net-flat-at-rs-41cr.html>

July 20, 2010, Tuesday

NIIT Tech's Q1 net more than risks remain

Software services firm NIIT Technologies Ltd said on Tuesday its quarterly net profit more than doubled although currency risks remained a challenge in coming quarters. NIIT Tech's net profit rose to 408 million rupees from 176 million rupees as forex losses halved to 78 million rupees in this quarter against 153 million rupees in the year ago quarter.

The revenue rose 34 percent to 2.91 billion rupees.

"More business, improved efficiencies over the last four quarters that has contributed to profit. And third, less losses on account of (foreign) exchange contributed to profit," Chief Executive Arvind Thakur said. "The orderflow has increased," he said, adding that the company was optimistic about its business outlook.

The firm booked new orders worth \$40 million during April-June quarter, taking the current orderbook to \$149 million, to be completed over a year.

NIIT Technologies would focus on non-linear businesses (where headcount is not directly linked to revenue growth) such as IP assets, managed services and cloud computing that would drive growth for the coming quarters and years, Thakur said.

The IT firm aims to increase the share of non-linear businesses to 30 percent in its overall revenue by the end of 2010-11 and 35 percent next fiscal. The current share is 27 percent.

India along with other emerging markets would drive the firm's growth in the coming quarters, while Eurozone may remain difficult due to currency volatility, Thakur said. India's share in the firm's overall revenue grew to 16 percent in the April- June quarter, up from 10 percent in the year-ago period.

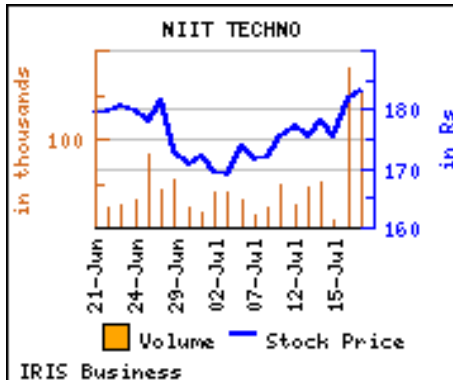
The software firm said its margins may come under pressure in the coming quarters from currency risks due to the eurozone crisis. "The problem we are facing now is not on business but on realisation because of currency volatility," Thakur said.

Shares in NIIT Technologies, which the market values at about 11 billion rupees, closed up 1.48 percent at 185.70 rupees in a flat Mumbai market.

Please Visit: <http://in.reuters.com/article/idINIndia-50259820100720>

July 20, 2010, Tuesday

NIIT Tech Q1 net stands at Rs 408 mn



NIIT Technologies, a leading IT solutions organization, continued its sequential growth momentum with its first quarter result for the quarter ended June 30, 2010, showing consolidated revenues of Rs 2.91 billion, up 21.8% over the previous quarter. Operating Profit for this quarter was Rs 541 million while Profit After Tax stood at Rs 408 million.

“Strong growth came on the back of a significant intake of fresh orders in the last quarter,” said Arvind Thakur, chief executive officer (CEO), NIIT Technologies. “There was all round sequential growth in each vertical segment”, he added.

Shares of the company gained Rs 3.10, or 1.69%, to trade at Rs 186.10. The total volume of shares traded was 264,582 at the BSE (13:41).

Please Visit:

<http://www.myiris.com/newsCentre/storyShow.php?fileR=20100720132237707&dir=2010/07/20>

July 20, 2010, Tuesday

NIIT Technologies reboots on strong Q1 outcome

NIIT Technologies rose 2.05% to Rs 186.75 at 13:47 IST after consolidated net profit rose 131.60% to Rs 40.80 crore on 33.6% increase in revenue to Rs 291.40 crore in Q1 June 2010 over Q1 June 2009.

The result was announced during trading hours today, 20 July 2010.

Meanwhile, the BSE Sensex was up 27.77 points, or 0.15%, to 17,956.97.

On BSE, 2.68 lakh shares were traded in the counter as against an average daily volume of 47,418 shares in the past one quarter.

The stock hit a high of Rs 190.80 and a low of Rs 183.80 so far during the day. The stock had hit a 52-week high of Rs 203.90 on 20 January 2010 and a 52-week low of Rs 95.10 on 30 July 2009.

The stock had outperformed the market over the past one month till 19 July 2010, gaining 3.21% compared with the Sensex's 2.04% rise. It outperformed the market in past one quarter, rising 5.75% as against 3.03% rise in the Sensex.

The mid-cap IT solution provider has an equity capital of Rs 58.87 crore. Face value per share is Rs 10.

The operating profit rose 37.3% to Rs 54.10 crore in Q1 June 2010 over Q1 June 2009. The operating profit margin rose 51 basis points to 18.6% from 18.1% in Q1 June 2009

Please Visit: <http://www.indiainfoline.com/Markets/News/NIIT-Technologies-reboots-on-strong-Q1-outcome/3183273863>

July 20, 2010, Tuesday

NIIT reports Q1 result, revenue up by 21.8 percent

Bangalore: NIIT Technologies has reported consolidated revenues of Rs. 291.4 Crore for its first quarter result for the quarter ended June 30, 2010. The revenue has increased up to 21.8 percent over the previous quarter.

NIIT's operating profit for this quarter was Rs. 54.1 Crore while Profit After Tax stood at Rs. 40.8 Crore. "Strong growth came on the back of a significant intake of fresh orders in the last quarter," said Arvind Thakur, CEO, NIIT Technologies. He further added that there was all round sequential growth in each vertical segment.

NIIT accrued maximum revenues during the quarter in the domestic market with the execution of a major turnkey project for BSF. For the purpose of subsequent revenue analysis bought out elements in the project are excluded. Revenues excluding BSF bought out saw share from India increase to 16 percent. Business in the US also experienced sequential growth increasing its revenue share to 36 percent, while EMEA declined to 35 percent on account of lower realization as a result of weakening currencies in Europe even as volumes grew.

All major verticals experienced sequential growth with BFSI contributing to 42 percent of revenues, Travel & Transport to 30 percent and Manufacturing/Distribution to 10 percent. Government revenues expanded the most representing 9 percent of revenues on the back of execution for BSF and support to the APDRP program.

NIIT's net profits has increased more than doubled improving by 131.6 percent over the same period last year to Rs.40.8 crore but declined over previous quarter due to increased provisions for tax on account of higher domestic revenue.

During the quarter the company partnered with Hitachi Information Systems to leverage their infrastructure to jointly launch Cloud Computing services.

Please Visit:

http://www.siliconindia.com/shownews/NIIT_reports_Q1_result_revenue_up_by_218_percent-nid-69868.html

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Please Visit: <http://sify.com/finance/niit-tech-s-q1-net-more-than-doubles-risks-remain-news-corporate+results-khupagggedd.html>