

# **NIIT Technologies Financial Results Analysis**

**Financial Year 2010-11 & Q4**

- Financial Highlights
- Business Update
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- Financial Statements
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- Business Analysis
- Shareholding Pattern

- Consolidated Revenues at Rs 12,323 Mn
  - Up 34.9% YoY
- Operating profits at Rs 2,404 Mn
  - Up 27.3% YoY
  - Operating Margins at 19.5%, Down 116 bps
- Net Profits at Rs 1,822 Mn
  - Up 44.2% YoY
  - Net Margins at 14.8% Up 95 bps
  - EPS at Rs 30.9 (LY 21.5)
- Board recommends dividend of Rs. 7.50 per share

- Consolidated Revenues at Rs 3157 Mn
  - Up 5.0% QoQ, Up 32.0% YoY
  - Up 9.3% QoQ, Up 30.6% YoY without cost of BSF bought outs
  - Volume growth at 7.8% net of BSF bought outs
- Operating profits at Rs 648 Mn
  - Up 4.1% QoQ, Up 22.5% YoY
  - Operating Margins at 20.5%, Down 19 bps QoQ, Down 160 bps YoY
- Net Profits at Rs 500 Mn
  - Up 4.5% QoQ, Up 21.1% YoY
  - Net Margins at 15.8%, Down 8 bps QoQ, Down 142 bps YoY
  - Net Tax Rate at 11.5% of PBT
  - EPS at 8.49, Up 4.9% QoQ, Up 20.8% YoY
- Fresh order intake of \$116 Mn

- **BFSI Up 8% QoQ, Contributes 40%**
  - Large renewals in US from existing clients
  - One New customer added
  - Partnership with Process Unity for risk management solutions.
- **Transport Up 17% QoQ, Contributes 34%**
  - All key accounts ramped up
  - 2 new clients added
  - Completed 15 years of partnership with British Airways
- **Manufacturing Down 10% QoQ, Contributes 7%**
  - Slower recovery in the segment
  - One new customer added
  - Large implementation of Procure Easy
- **Government Down 18% QoQ, Contributes 8%**
  - BSF nearing completion
  - With exception of data entry all other major items of program complete
- **Non-linear revenues up 8% QoQ, Contributes 27%**
  - Asset based services grow 29%
  - Acquired client in the Travel space for cloud services

## During the Quarter

- NIIT Technologies was Ranked No. 3 globally among all IT outsourcers in Datamonitor's Black Book of Outsourcing 2010 survey
- Ranked No.1 globally among all IT Outsourcers, in Datamonitor's Black Book of Outsourcing 2010 Travel industry survey
- Mr. Rajendra S. Pawar, Chairman & Mr. Surendra Singh, Director were conferred the Padma Bhushan

## For the Year

- NIIT Technologies was ranked among the top 3 globally by the American Society for Training and Development (ASTD) in the 2010 ASTD BEST Awards
- Among the Top 10 Emerging ADM Vendors, by the Global Services Survey 2010
- OVUM, an independent, UK-based analyst recognized NIIT Technologies as a global organization of adequate size and maturity, that could deal with the requirements of large organizations with its unique Managed Infrastructure Services
- Ms. Pratibha K. Advani, Chief Financial Officer, secured the "Leading Woman Chief Financial Officer" 2010 award, instituted by iGroup.

# Annual Income Statement

(Rs Mn)	FY10	Q1'11	Q2'11	Q3'11	Q4'11	FY11	YoY (%)
<b>Revenues</b>	<b>9137</b>	<b>2914</b>	<b>3246</b>	<b>3006</b>	<b>3157</b>	<b>12323</b>	<b>35%</b>
Expenses	7249	2373	2653	2383	2510	9919	37%
<b>Operating Profit</b>	<b>1888</b>	<b>541</b>	<b>593</b>	<b>622</b>	<b>648</b>	<b>2404</b>	<b>27%</b>
OPM (%)	20.7%	18.6%	18.3%	20.7%	20.5%	19.5%	-116 Bps
Depreciation	358	80	72	71	92	315	-12%
Other Income (net of interest)	(109)	24	17	27	21	88	181%
Tax	144	70	97	90	66	323	124%
<b>PAT after Minority Interest</b>	<b>1264</b>	<b>408</b>	<b>435</b>	<b>478</b>	<b>500</b>	<b>1822</b>	<b>44%</b>
Net Margins (%)	13.8%	14.0%	13.4%	15.9%	15.8%	14.8%	95 Bps
<b>EPS</b>	<b>21.51</b>	<b>6.94</b>	<b>7.40</b>	<b>8.09</b>	<b>8.49</b>	<b>30.91</b>	<b>44%</b>

- Consistent improvement in operating profits and net profits through the year
- Other income +ve at Rs. 88 Mn mainly on account of lower exchange losses
- Operating margins lower for FY 11 due to large proportion of bought outs in BSF contract

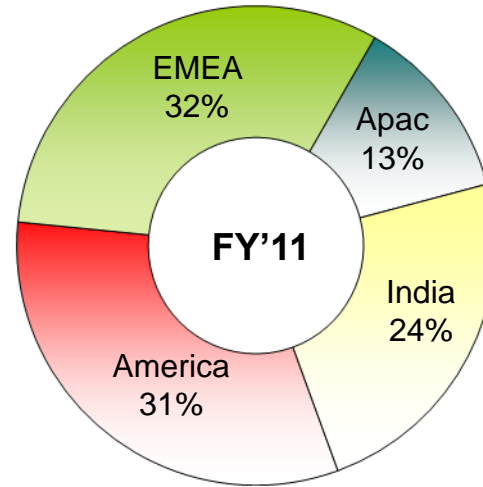
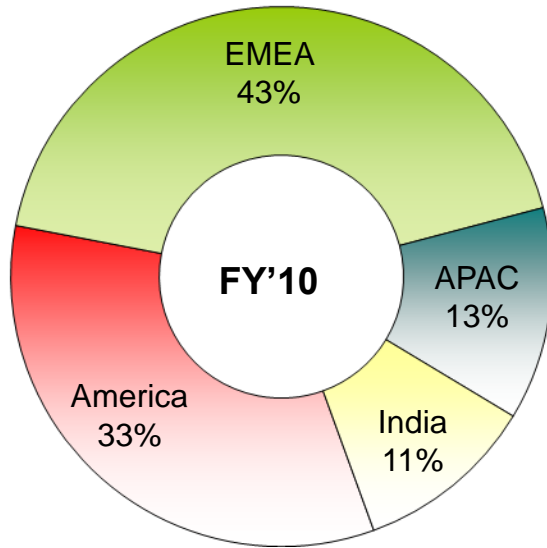
# Balance Sheet

(Rs in mn)	Mar 31, 2010	Mar 31, 2011		Mar 31, 2010	Mar 31, 2011
Equity	588	593	Net Block	1853	1893
Reserves & Surplus	<b>5210</b>	<b>6885</b>	Capital WIP	1287	1437
<b>Net worth</b>	<b>5798</b>	<b>7478</b>	<b>Debtors</b>	<b>1851</b>	<b>2871</b>
Minority Interest	28	43	<b>Cash &amp; Equivalents</b>	<b>1895</b>	<b>1637</b>
<b>Loans</b>	<b>217</b>	<b>110</b>	Other Current Assets (OCA)	1250	2157
Deferred tax			Current Liabilities	(2200)	(2508)
			Deferred tax Assets (DTA)	107	143
	<b>6043</b>	<b>7631</b>		<b>6043</b>	<b>7631</b>

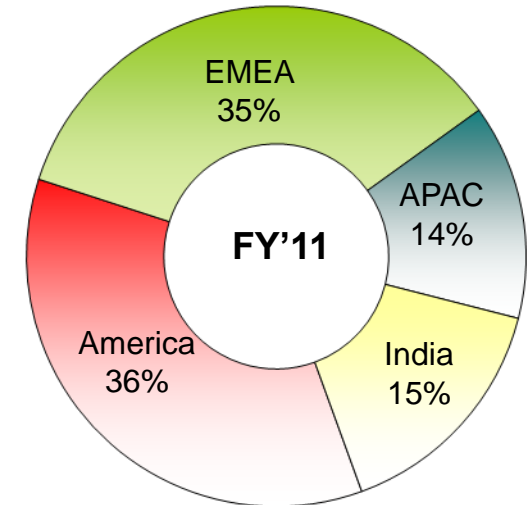
- Hedge reserve losses decrease by Rs. 265mn
- Debtors at 85 days of sales outstanding



# Geographic Revenue Mix



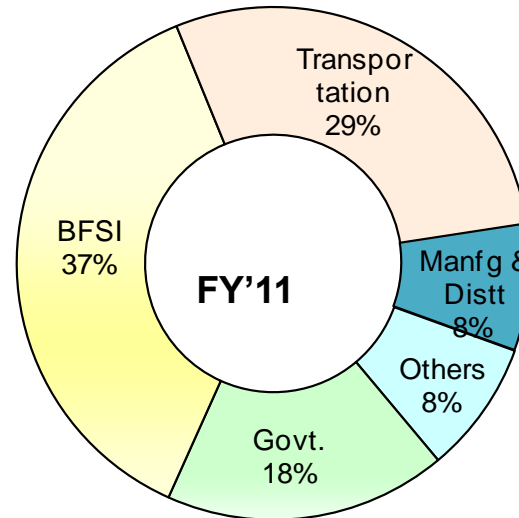
**Including BSF Bought Outs**



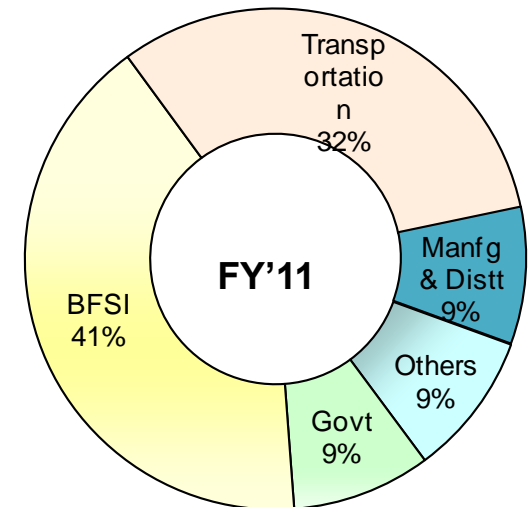
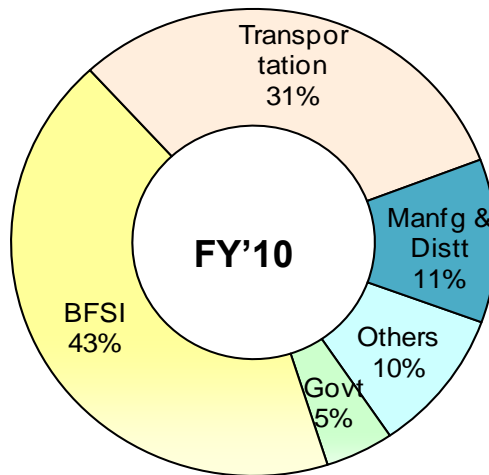
**Excluding BSF Bought Outs**

- Consistent QoQ growth through the year in the US
- Slowdown in Q1 in EMEA but sequential growth thereafter in every quarter
- Strong growth in APAC through the year
- Exceptional growth in India on back of large government engagements

# Vertical Revenue Mix

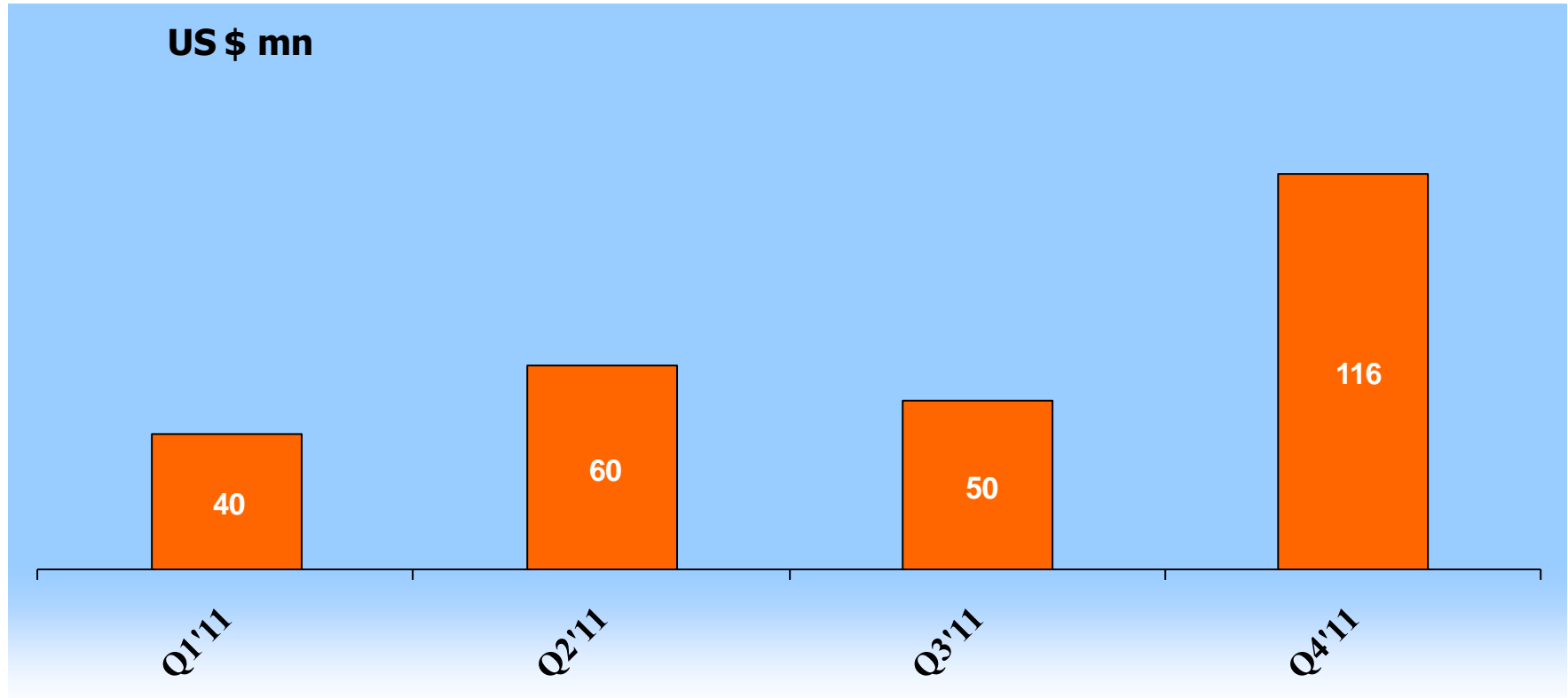


**Including BSF Bought Outs**



**Excluding BSF Bought Outs**

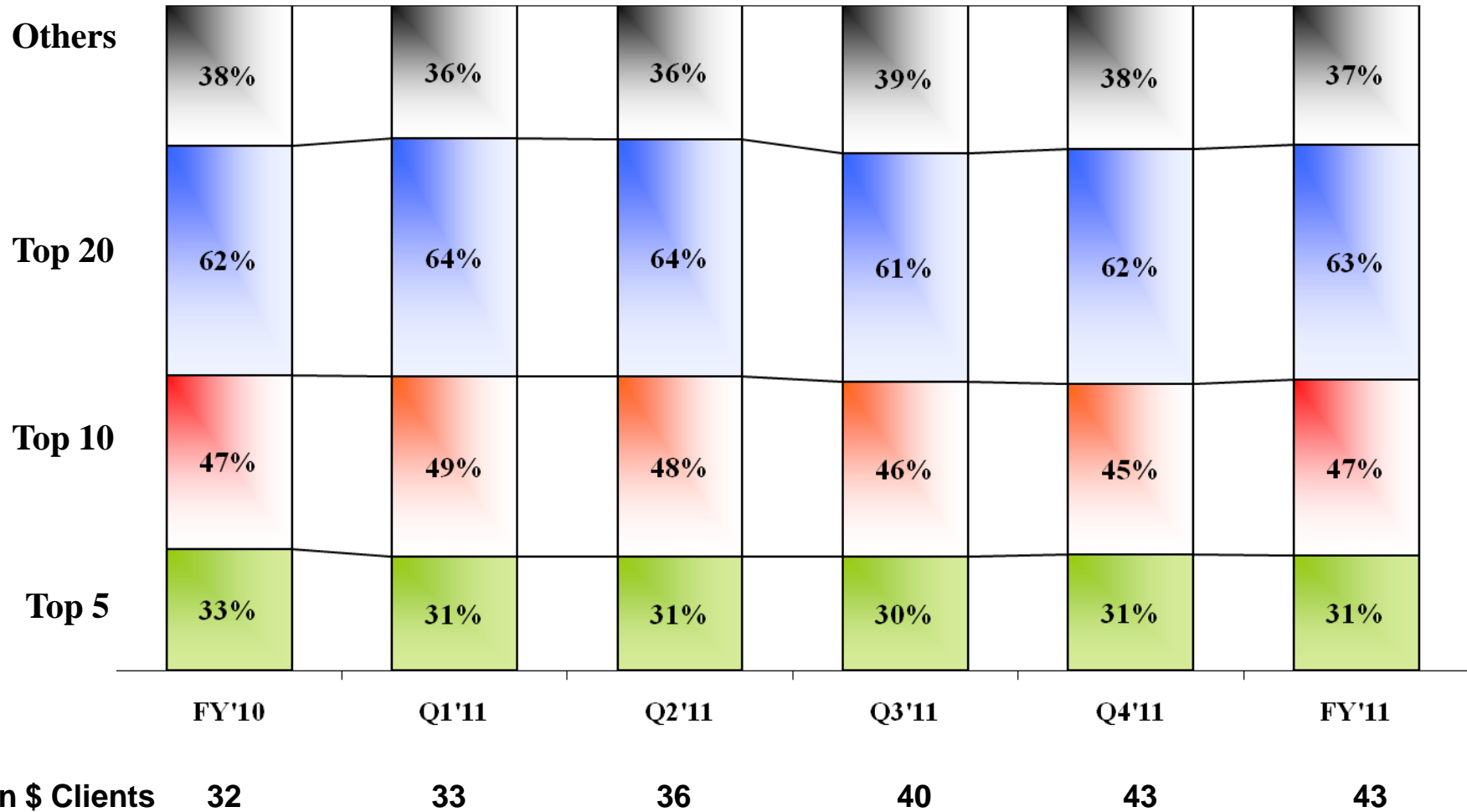
- Strong traction in Transportation and BFSI
- Scale up in domestic government business



- 4 new customers added during the quarter (Travel - 2; BFSI- 1, Manuf & Distt - 1)
- \$116 Mn order intake in the quarter leading to \$169 Mn of firm business executable over next 12 months

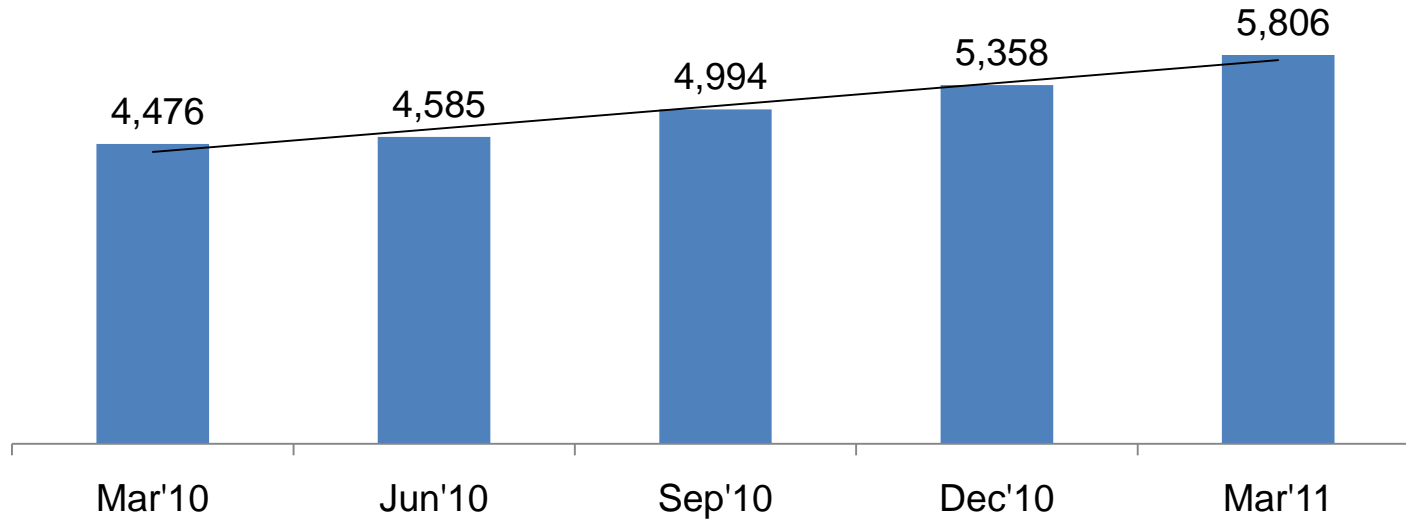
# Top Client Mix (Excl BSF Bought Outs)

(%)



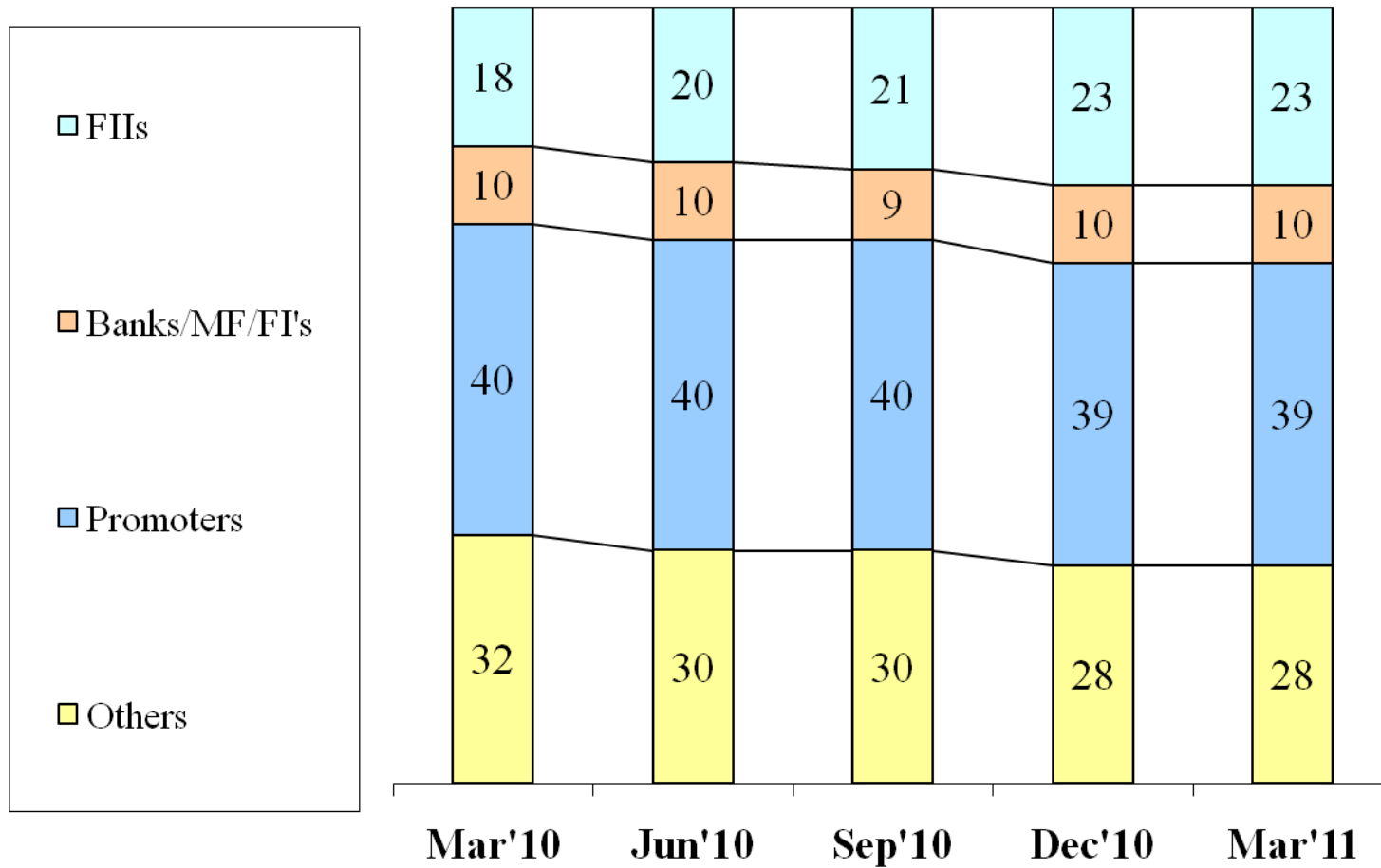
**Steady increase in Million \$ Clients**

# People Resources



Net Additions	362	109	409	364	448
Attrition%	16.1%	18.1%	18.6%	18.4%	17.5%
Utilization	82.0%	82.0%	83.4%	84.4%	83.6%

# Shareholding Pattern



**Thank You**