

A decorative graphic consisting of several overlapping, wavy lines in shades of light blue and yellow, flowing across the top of the slide.

NIIT Technologies

Financial Performance – Q4FY14

May 9, 2014

Outline

- Financial Highlights
 - FY14
 - Q4FY14

- Business Update

- Financial Statements
 - Income Statement
 - Balance Sheet

- Business Analysis

Financial Highlights - FY14

- Consolidated Revenues at Rs 23,050 Mn
 - Up 14% YoY
 - Constant currency growth at 4%
- Operating profits at Rs 3,515 Mn
 - Up 6.7% YoY
 - Operating Margins at 15.2%, Down 105 bps
- Net Profits at Rs 2,305 Mn
 - Up 8.1% YoY
 - Net Margins at 10% (LY 10.5%)
 - EPS at Rs 38.13 (LY 35.53)
- Order intake of \$749 Mn

Financial Highlights – Q4FY14

- Consolidated Revenues at Rs 5,885 Mn
 - Up 9.5 % YoY, 0.2% QoQ
- Operating profits at Rs 890 Mn
 - Down 6.9% QoQ, Up 0.7 % YoY
 - Operating Margins at 15.1%, Down 116 bps QoQ, Down 132 bps YoY
- Net Profits at Rs 619 Mn
 - Up 16.7% QoQ, Up 9.5% YoY
 - Other income Loss of 30 Mn
 - Effective Tax Rate at 7.9% of PBT
- Order intake of \$144 Mn

Business Highlights for Q4FY14

- **BFSI down 0.1% QoQ, Contributes 35% (LQ 35%)**
 - ❑ 1.9% growth in BFS was offset by decline in insurance
 - ❑ Signed two \$25 Mn+ contracts with existing clients, one each in BFS and insurance space in US
- **Transport down 1.9% QoQ, Contributes 37% (LQ 38%)**
 - ❑ Ramp down in a large account in US
 - ❑ Shift in AAI milestone from Q4FY14 to Q1FY15
 - ❑ 2 New clients added
- **Manufacturing/Distt. Down 0.8% QoQ, Contributes 7% (LQ 7%)**
 - ❑ Seasonal decline in large account
 - ❑ 1 New client added
- **Government Down 13.5% QoQ, Contributes 5.0% (LQ 6%)**
 - ❑ Reduced component of PFR
 - ❑ 1 New client added in Singapore

Acknowledgements during the Quarter

- NIIT Technologies and Morris Communications secured “Best Managed Services Outsourcing Excellence Award” by Outsourcing Centre, for their strategic partnership in integrated IT and BPO services
- NIIT Technologies conferred with “Best Offshore Service Provider” award by DB Systel, the ICT subsidiary of Deutsche Bahn (German Railways) for the third consecutive year.
- Pratibha Advani, CFO NIIT Technologies Limited, secures Lifestyle Icon award from CEO India

Consolidated Qtrly Income Statement

INR Mn.

Particulars (INR Mn)	Q4FY14	Q3FY14	QoQ%	Q4FY13	YoY%
Gross Revenues	5,885	5,873	0.2%	5,372	9.5%
Direct Cost	3,846	3,758	2.4%	3,526	9.1%
Gross Profit	2,039	2,115	-3.6%	1,846	10.4%
GM%	34.6%	36.0%	-138 Bps	34.4%	28 Bps
Selling / General And Administration	1,148	1,158	-0.9%	962	19.3%
SG&A to Revenue %	19.5%	19.7%	-22 Bps	17.9%	160 Bps
Operating Profit	890	957	-6.9%	884	0.73%
OM%	15.1%	16.3%	-116 Bps	16.5%	-132 Bps
Depreciation and Amortization	156	160	-2.1%	161	-2.8%
Other Income (net)	(30)	(70)	-57.4%	(14)	112.4%
Profit Before Tax	704	727	-3.1%	709	-0.7%
PBT %	12.0%	12.4%	-41 Bps	13.2%	-123 Bps
Provision for Tax	56	182	-69.4%	129	-56.7%
Minority Interest	29	14	102.3%	15	99.2%
Profit After Tax (after Minority Int.)	619	531	16.7%	566	9.5%
PAT%	10.5%	9.0%	148 Bps	10.5%	-1 Bps
EPS - INR					
Basic	10.20	8.79	16.2%	9.40	8.6%

- Lower Gross Margin due to ramp down in US travel client and slippage of AAI milestone
- Increase in net profit due to lower tax rate on account of accelerated tax benefit in UK and recognition of DTA

Annual Income Statement

INR Mn.

Particulars	FY 14	FY 13	YoY%
Gross Revenues	23,050	20,214	14.0%
Direct Cost	15,167	13,159	15.3%
Gross Profit	7,883	7,054	11.7%
GM%	34.2%	34.9%	-70 Bps
Selling / General And Administration	4,368	3,759	16.2%
SG&A to Revenue %	18.9%	18.6%	35 Bps
Operating Profit	3,515	3,295	6.7%
OM%	15.2%	16.3%	-105 Bps
Depreciation and Amortization	619	567	9.2%
Other Income (net)	288	206	39.7%
Profit Before Tax	3,184	2,935	8.5%
PBT %	13.8%	14.5%	-70 Bps
Provision for Tax	803	750	7.0%
Minority Interest	76	52	46.7%
Profit After Tax (after Minority Int.)	2,305	2,132	8.1%
PAT%	10.0%	10.5%	-55 Bps
EPS - INR			
Basic	38.13	35.53	7.3%

- Lower margin due to higher PFR revenues

Balance Sheet

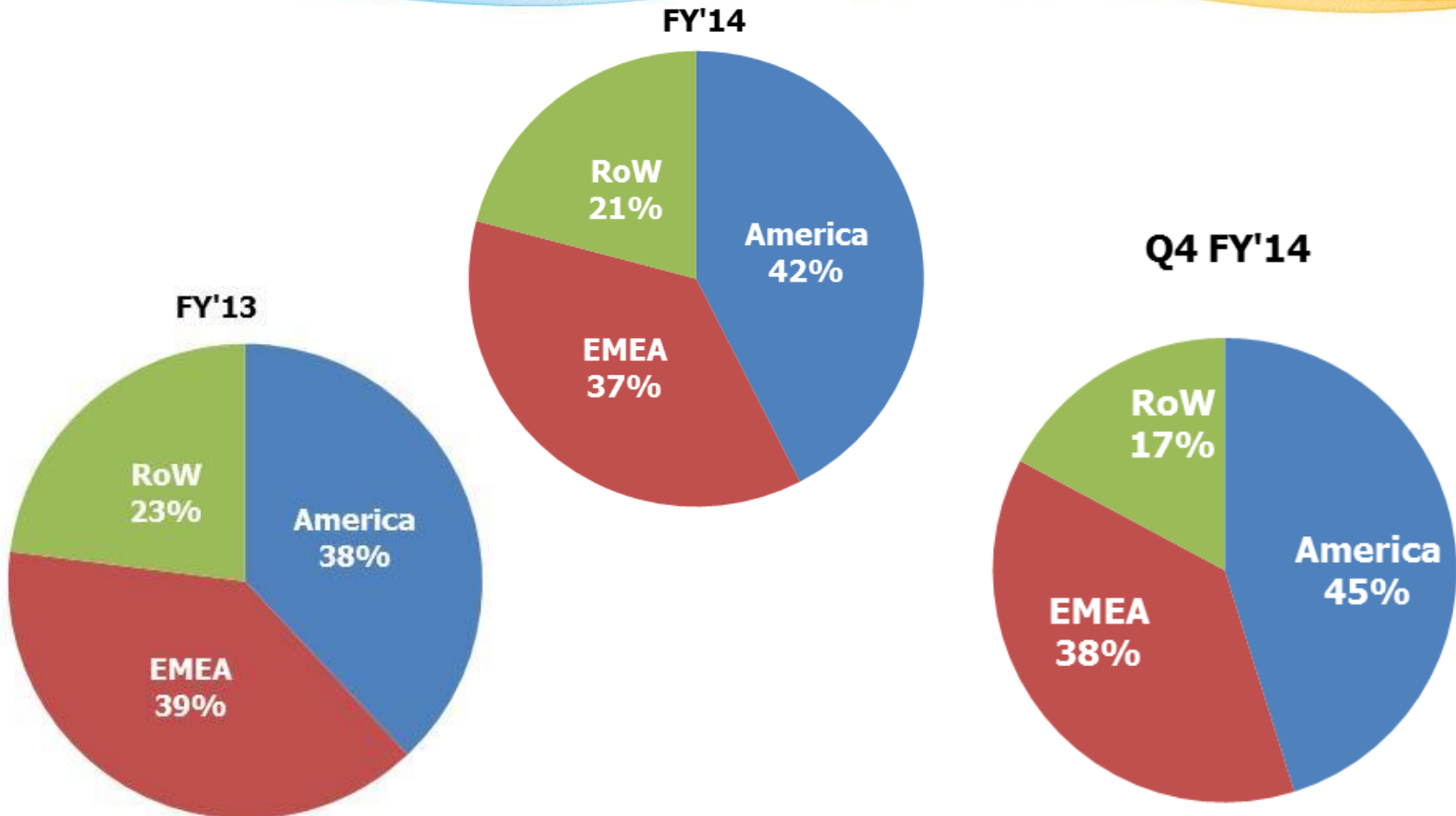
INR Mn.

Particulars	As at Mar 31 2014	As at Dec 31 2013	As at Mar 31 2013	Particulars	As at Mar 31 2014	As at Dec 31 2013	As at Mar 31 2013
Equity	607	606	602	Net Block	4,534	4,607	4,383
Reserves & Surplus	12,632	12,495	10,339	Capital Work in Progress	1,286	816	277
NET Worth	13,239	13,101	10,941	Current Assets			
Borrowings	89	281	92	Cash and Cash Equivalent	2,874	2,484	3,325
Minority Interest	189	194	173	Debtors	5,643	5,916	4,538
				Other Current Assets	3,454	3,399	2,743
				Current Liabilities	(4,497)	(3,849)	(4,182)
				Deferred Tax Assets	223	203	122
	13,517	13,576	11,206		13,517	13,576	11,206

- Reserves and Surplus up 137 Mn (Profit up by INR 619 Mn, Down due to Dividend & DDT INR 586 Mn, Hedge reserve up 195 Mn, CTR down 109 Mn and Share premium up 11 Mn)
- Borrowings at INR 89 Mn

- Cash and Bank Balances up by INR 390 Mn over LQ
- DSO – 89 (LQ – 96)
- Capex during the Qtr – INR 597 Mn including GNIDA spend of INR 105 Mn and AAI 325 Mn.

Geography Mix



FY14

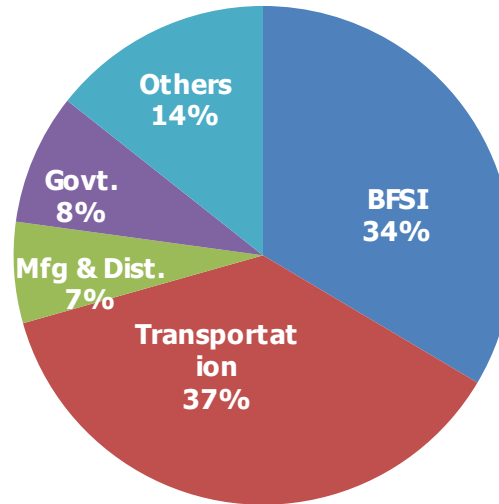
- Strong Growth in USA
- Marginal growth in EMEA
- Decline in RoW

Q4FY14

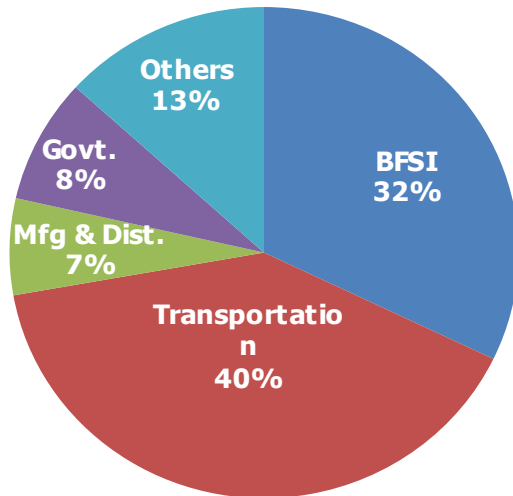
- Growth in US and EMEA
- Decline in RoW

Vertical Mix

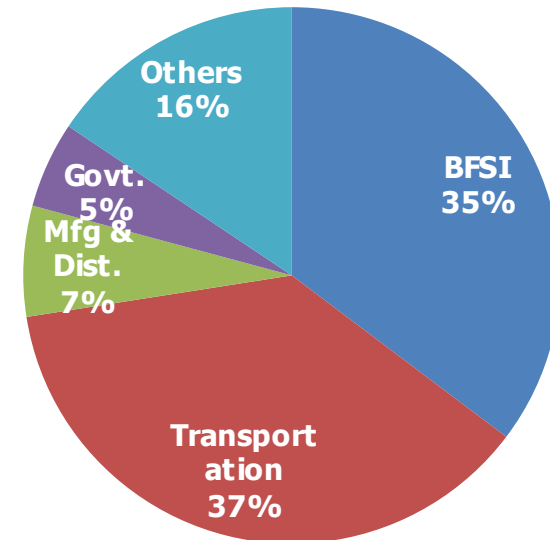
FY'14



FY'13



Q4 FY'14



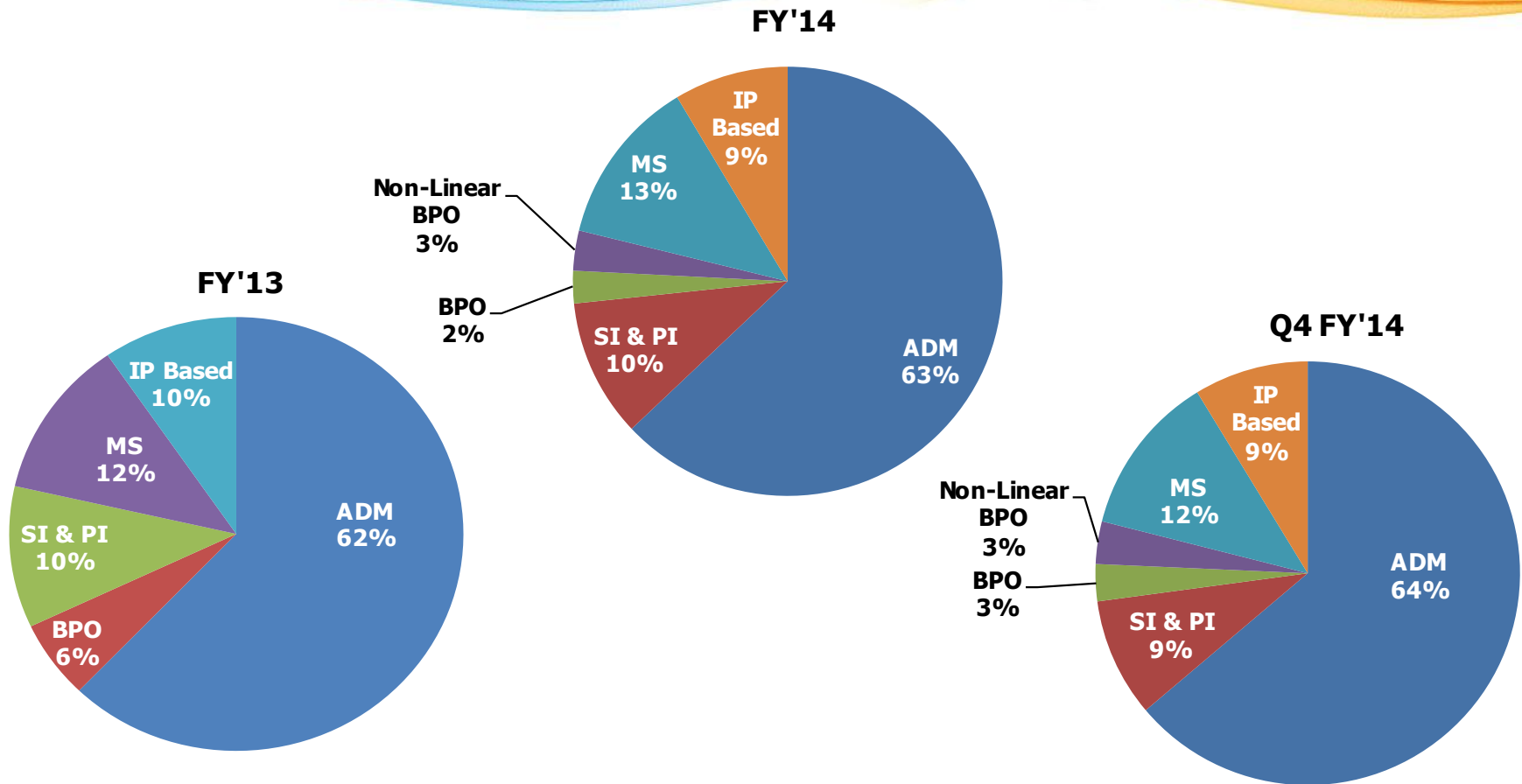
FY14

- Strong Growth in BFS
- Growth in all other segments

Q4FY14

- Growth in BFS
- Decline in other segments

Service Mix



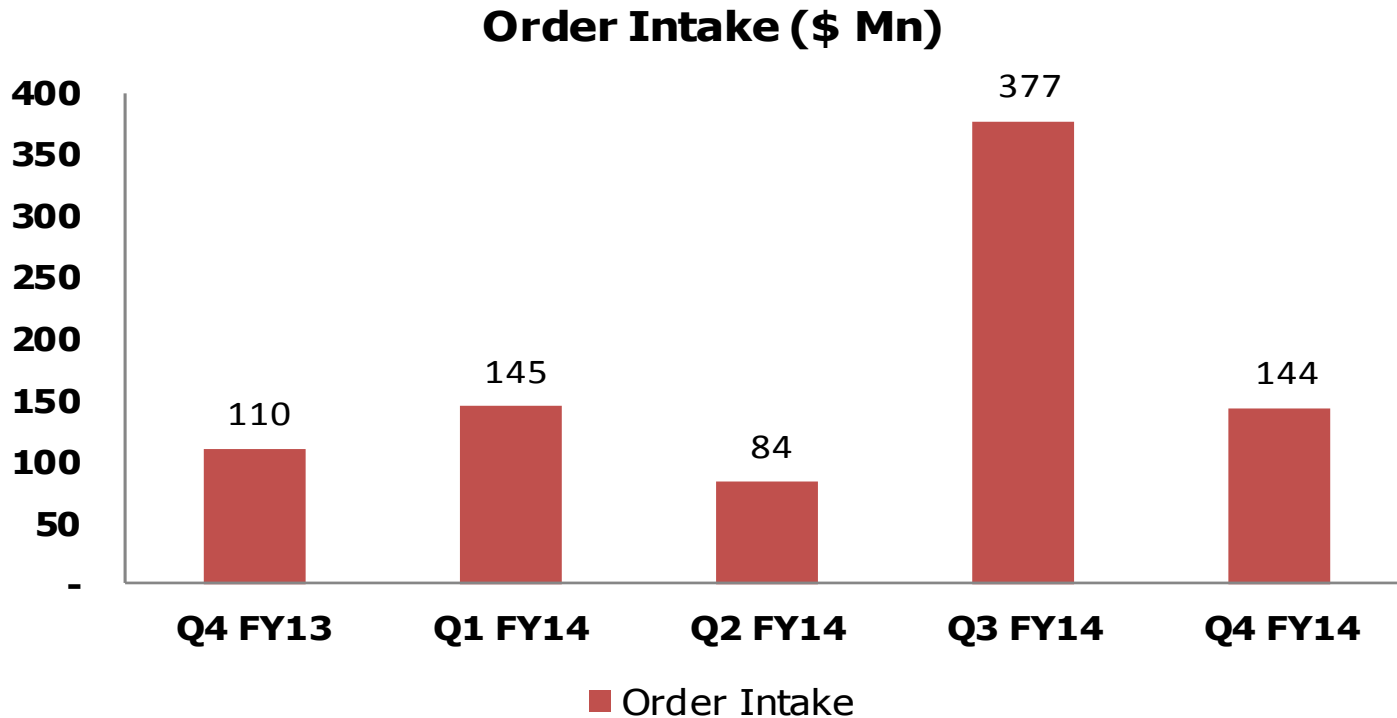
FY14

- Growth in ADM, MS and BPO
- Flat IP based revenues

Q4FY14

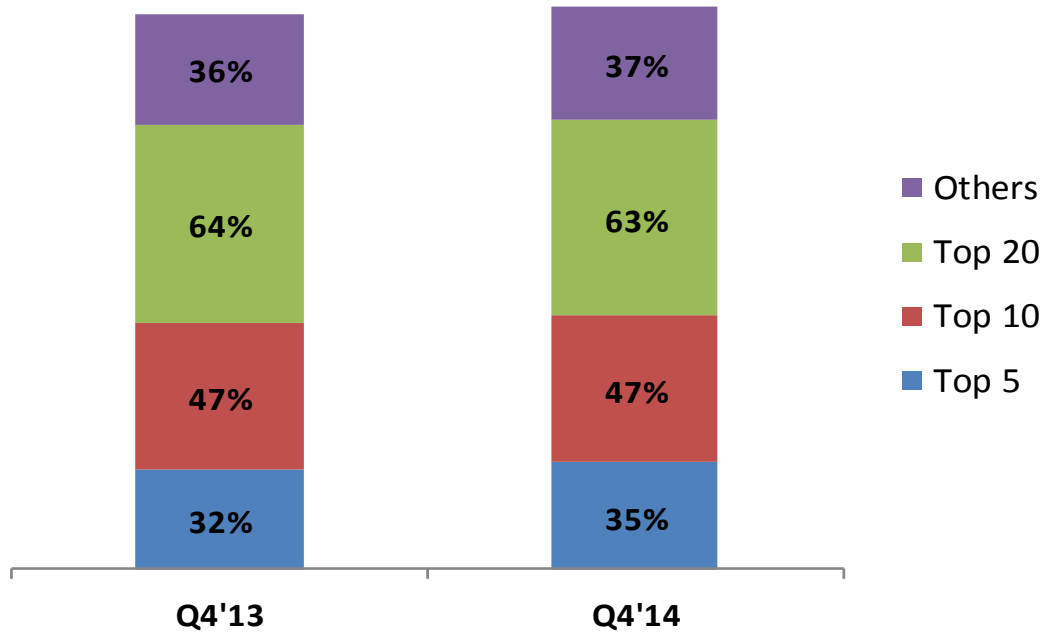
- Growth in IP and PI
- Decline in ADM and MS

Order Intake



- 4 new customers added: 2 in Travel and 1 each in Manufacturing and Government
- \$144 Mn order intake in the quarter leading to \$290 Mn of firm business executable over next 12 months
- Geographical breakdown of order intake – US (89 Mn), EMEA (30 Mn), ROW (25 Mn)

Top Client Mix



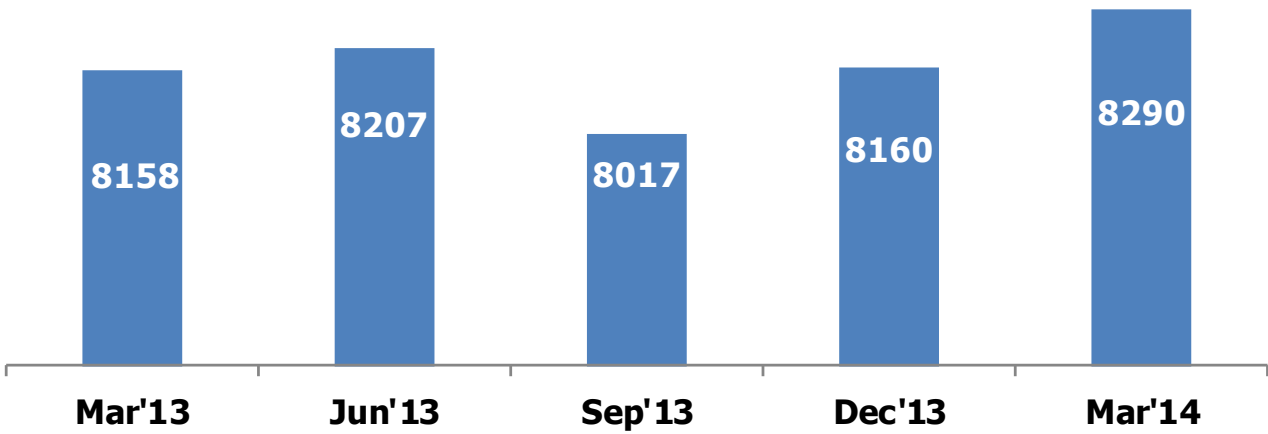
MM \$ Clients

68

66

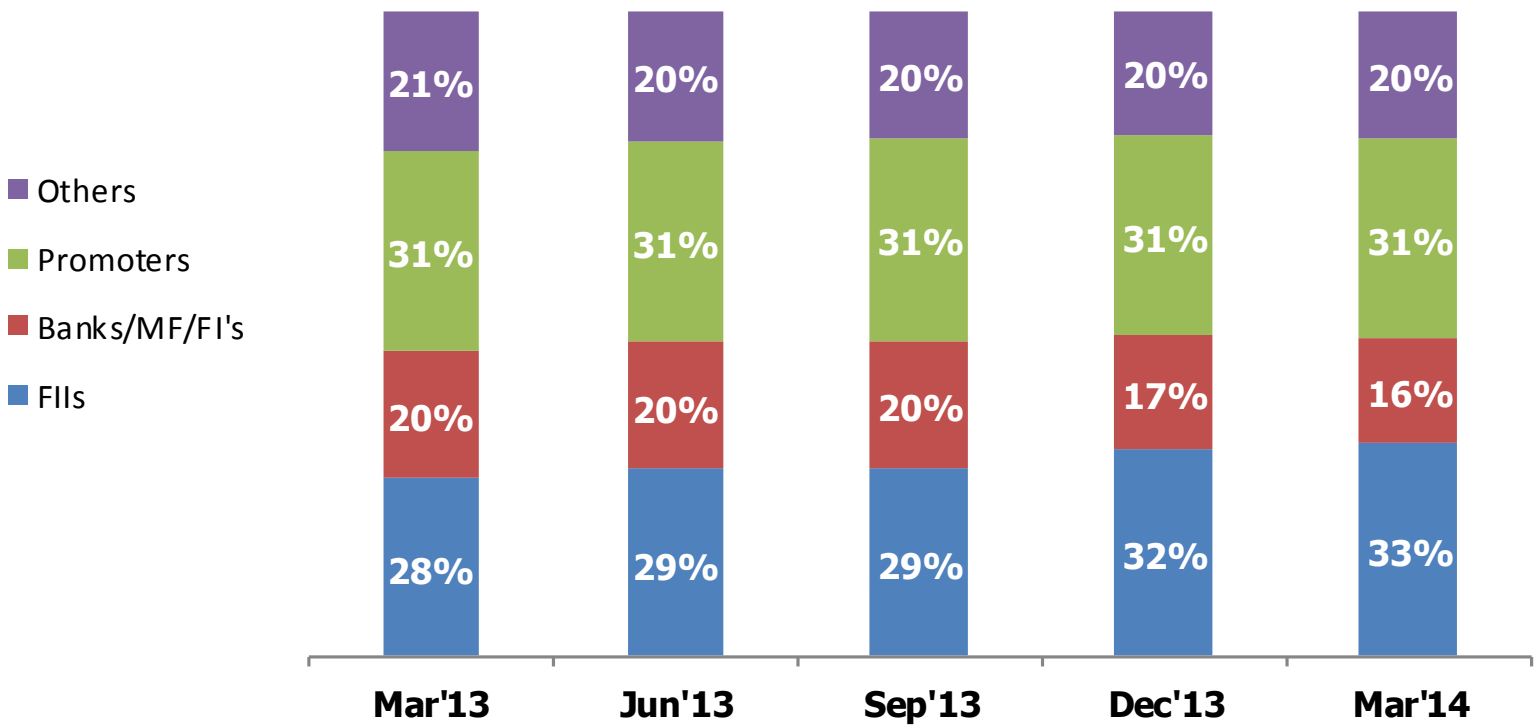
People Resources

People Data



	Mar'13	Jun'13	Sep'13	Dec'13	Mar'14
People Data	8158	8207	8017	8160	8290
Net Additions	276	49	-190	143	130
Attrition%	12.21%	12.36%	12.44%	13.37%	14.37%
Utilization	78.24%	77.30%	80.30%	78.40%	77.30%

Shareholding Pattern





Thank You