

NIIT Technologies

Financial Performance – Q3FY13

January 15, 2013



Outline



- Financial Highlights
- Business Update
- Financial Statements
 - Income Statement
 - Balance Sheet
- Business Analysis
- Shareholding Pattern

- **Consolidated Revenues at INR 5144 Mn**
 - Up 2.9% QoQ, Up 18.8% YoY
 - Constant currency growth at 4.4%
 - Hedge loss of INR 22.5 Mn (LQ hedge loss of INR 90.2 Mn)
- **Operating profits at INR 812 Mn**
 - Down 4.2% QoQ, Up 4.1% YoY
 - Operating Margins at 15.8%, Down 117 bps QoQ, Down 222 bps YoY
 - Constant currency Operating Margin – 15.8%
- **Net Profits at INR 560 Mn**
 - Up 30% QoQ, Down 12.5% YoY
 - Net Margins at 10.9%, Up 227 bps QoQ, Down 389 bps YoY
 - Effective Tax Rate at 28.9% of PBT
- **Order intake of \$ 83Mn**



- **BFSI Down 5.1% QoQ, Contributes 31% (LQ 33%)**
 - Decline in NITL revenues
- **Transport Up 1.8% QoQ, Contributes 42% (LQ 42%)**
 - Scale up in top accounts
 - \$ 10 Mn+ renewal from existing client
 - 1 new client added
- **Manufacturing & Distt Up 4.9% QoQ, Contributes 6% (LQ 6%)**
 - Revenue up due to increase in revenues in accounts added in recent Qtrs.
 - 2 new client added
- **Government Up 56.2% QoQ, Contributes 8% (LQ 5%)**
 - CCTNS execution on track
 - 1 new client added with order intake of \$10 Mn

- NIIT Technologies ranked No. 6 in DQ-CMR Best IT Employer Survey 2012

Consolidated Quarterly Income Statement

Particulars	Q3FY13	Q2FY13	QoQ%	Q3FY11	YoY%
Gross Revenues	5,144	5,001	2.9%	4,330	18.8%
Direct Cost	3,383	3,203	5.6%	2,736	23.6%
Gross Profit	1,761	1,798	-2.1%	1,594	10.5%
GM%	34.2%	36.0%	-173 Bps	36.8%	-258 Bps
Selling / General And Administration	948	950	-0.2%	814	16.5%
SG&A to Revenue %	18.4%	19.0%	-57 Bps	18.8%	-36 Bps
Operating Profit	812	848	-4.3%	780	4.1%
OM%	15.8%	17.0%	-117 Bps	18.0%	-222 Bps
Depreciation and Amortization	142	138	2.6%	92	54.0%
Other Income (net)	126	(115)	-209.2%	174	-27.9%
Profit Before Tax	796	595	33.8%	863	-7.7%
PBT %	15.5%	11.9%	358 Bps	19.9%	-444 Bps
Provision for Tax	230	146	57.6%	224	2.7%
Minority Interest	6	18	-66.2%	(2)	-457.4%
Profit After Tax (after Minority Int.)	560	431	29.9%	640	-12.5%
PAT%	10.9%	8.6%	203 Bps	14.8%	-389 Bps
EPS - INR					
Basic	9.31	7.18	29.7%	10.77	-13.5%

- Lower QoQ operating margin due to slowdown in GIS, NITL and transition of new project in Morris.
- QoQ increase in other income as a result of gain on revaluation of current assets and liabilities resulting in higher net margins.



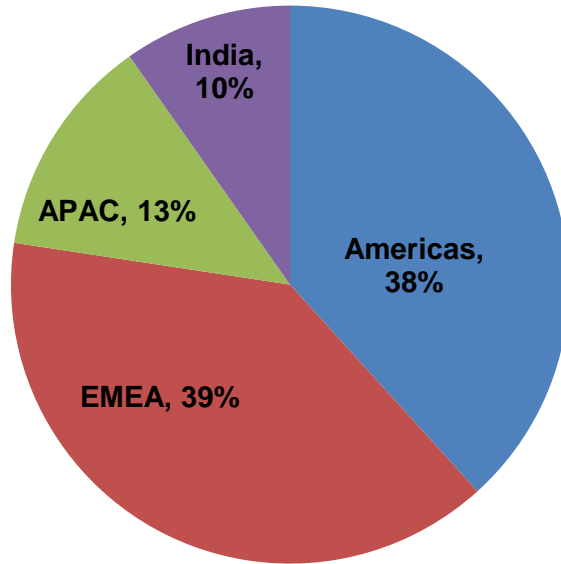
Particulars	Dec 31, 2012	Sep 30, 2012	Dec 31, 2011	Particulars	Dec 31, 2012	Sep 30, 2012	Dec 31, 2011
Equity	602	601	594	Net Block	4,490	4,431	3,931
Reserves & Surplus	10,387	9,692	8,502	Capital Work in Progress	79	35	233
NET Worth	10,989	10,293	9,096	Current Assets			
				Cash and Cash Equivalent	2,856	2,320	2,083
				Debtors	4,290	4,079	3,689
Borrowings	92	307	599	Other Current Assets	2,407	2,633	2,532
Minority Interest	160	154	121	Current Liabilities	(3,094)	(2,936)	(2,865)
				Deferred Tax Assets	213	192	213
	11,241	10,754	9,816		11,241	10,754	9,816

- Reserves and Surplus up 695 Mn (Profit up by INR 560Mn, CTR up by INR 178Mn, Hedge Loss increase by 54Mn)
- Borrowings down by INR 215 Mn due to repayment of GBP denominated loan taken in UK

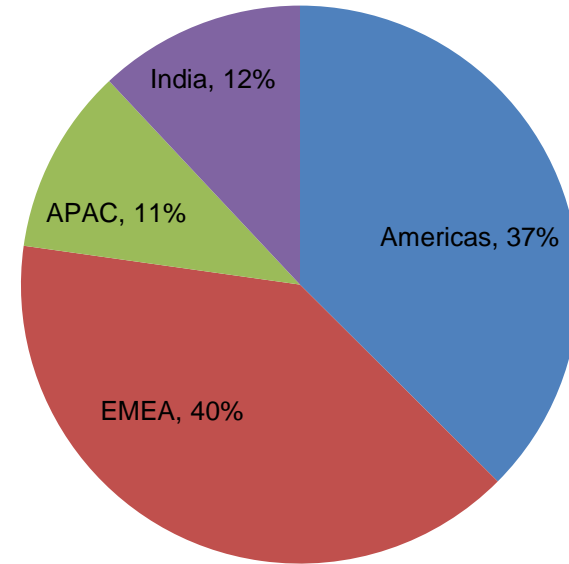
- DSO – 76 (LQ 75 days)
- Capex during the Qtr – INR 180 Mn (GNIDA – 62 Mn, BAU – 118 Mn)
- Cash increased by INR 536 Mn



Q2 FY'13



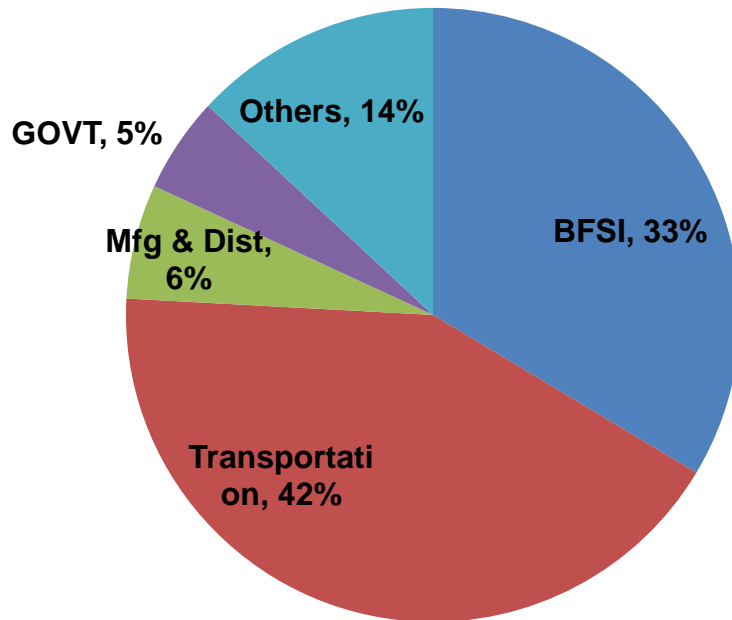
Q3 FY'13



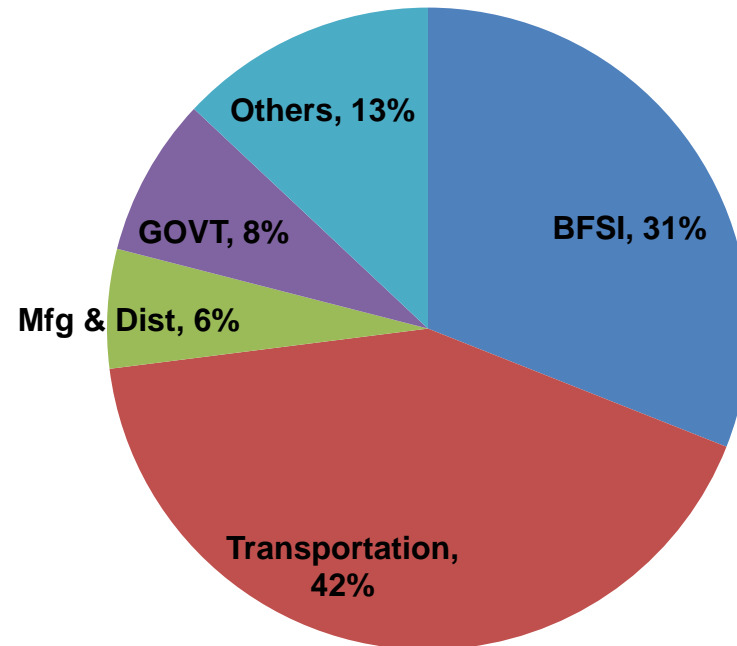
- Strong growth in domestic business
- Growth in EMEA & US
- Decline in APAC due to projects going live



Q2 FY'13



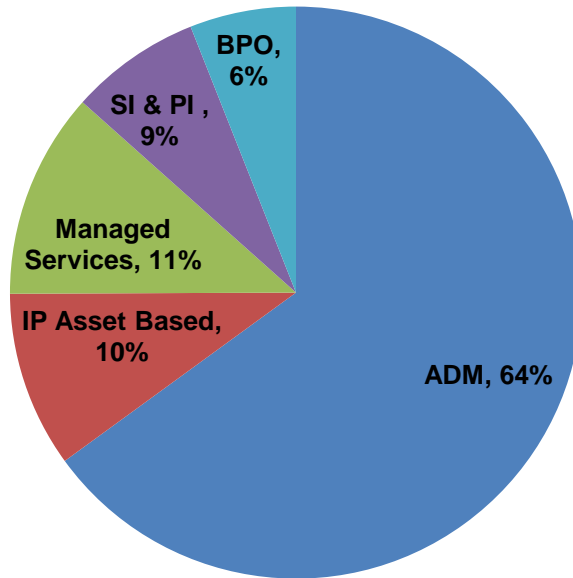
Q3 FY'13



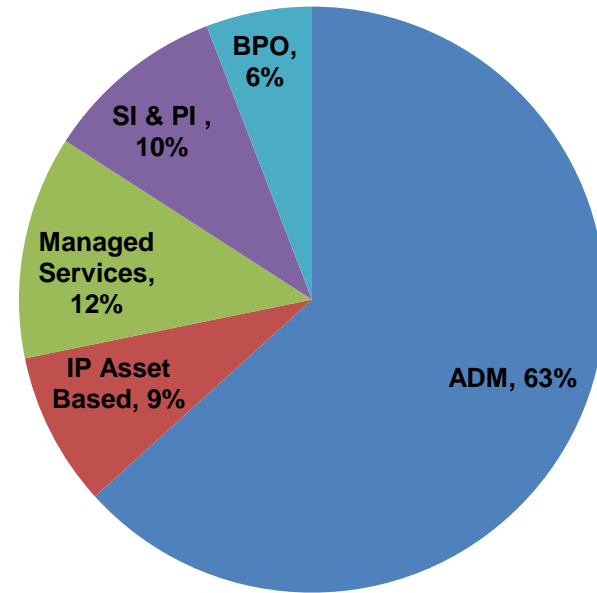
- Continued traction in Transport vertical
- BFSI segment continues to be soft
- Strong traction in domestic government business



Q2 FY'13



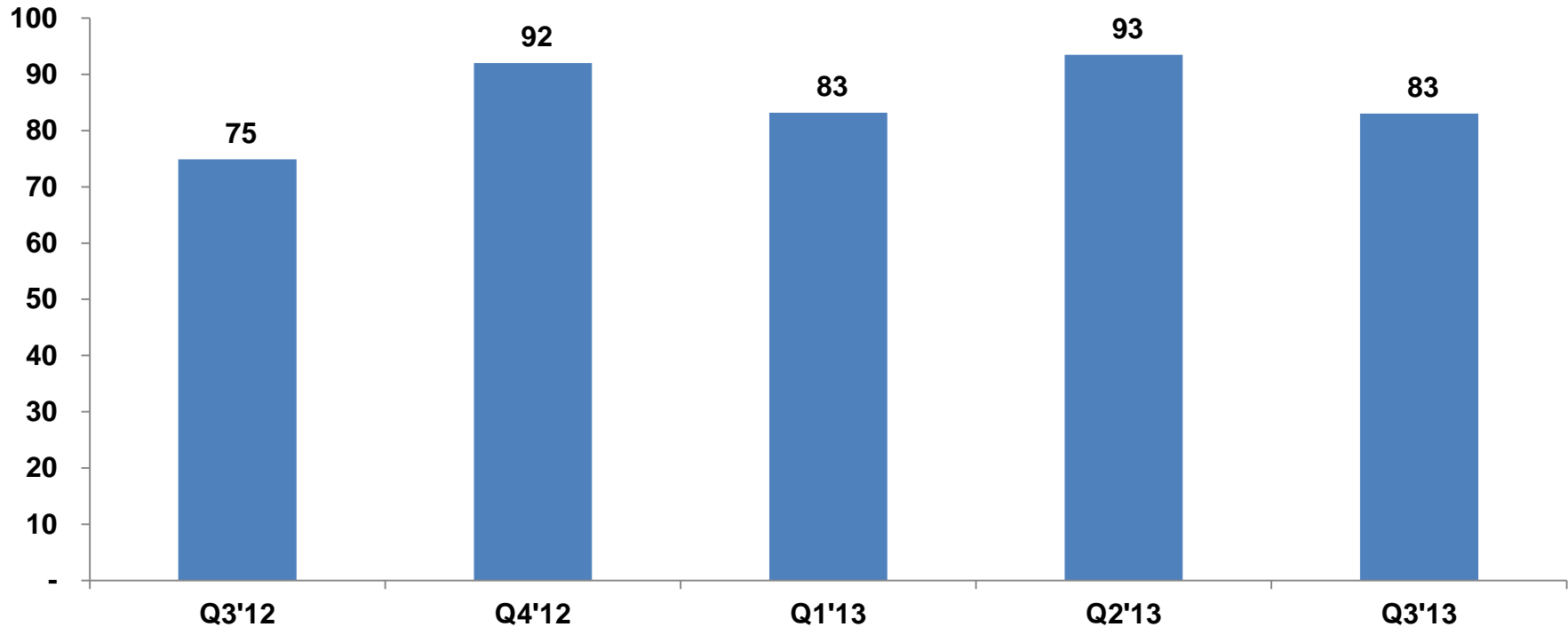
Q3 FY'13



- Reduction in IP asset revenue due to lower NITL revenues
- MS revenues increase due to new business execution in Morris

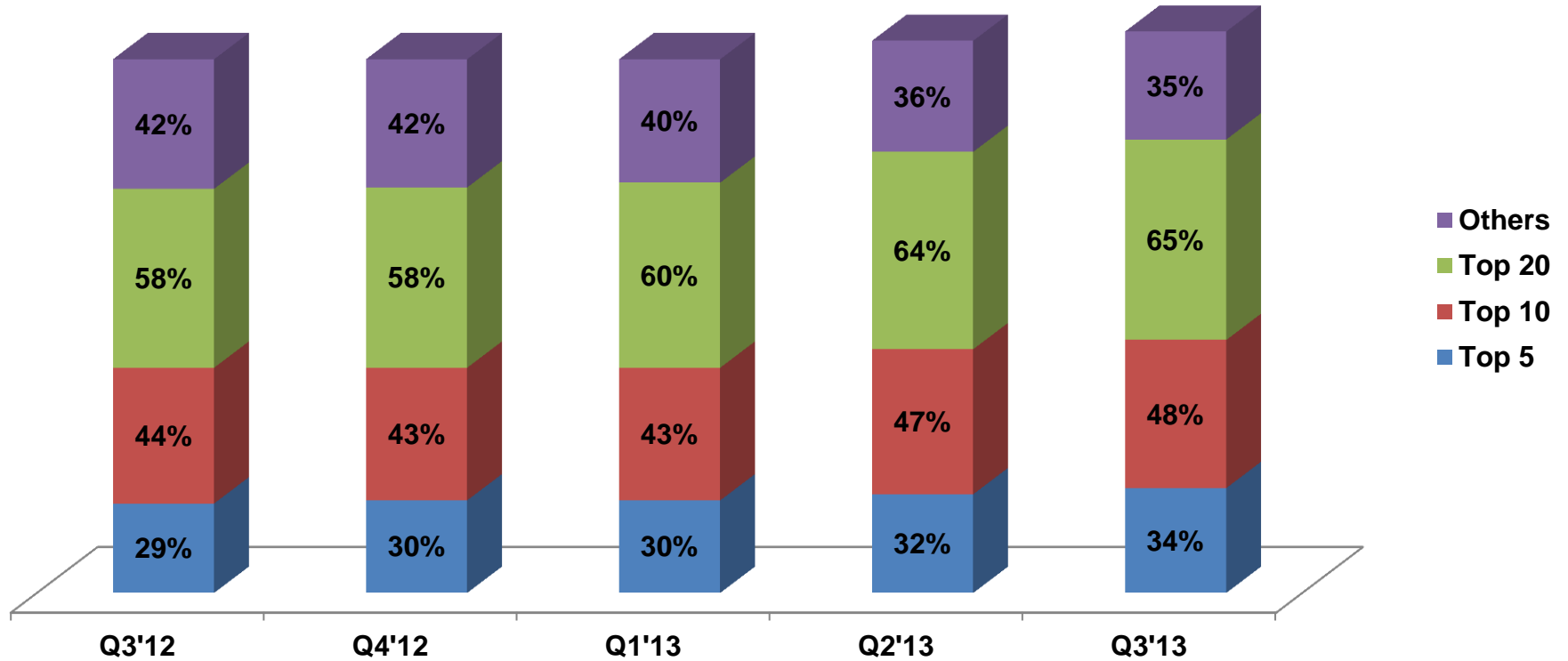


Order Intake (\$ Mn.)



- 4 new customers added during the quarter (Travel – 1; Manuf – 2, Govt – 1)
- \$83 Mn order intake in the quarter leading to \$242 Mn of firm business executable over next 12 months
- Geographical breakdown of order intake – US (31 Mn), EMEA (34 Mn), ROW (18 Mn)

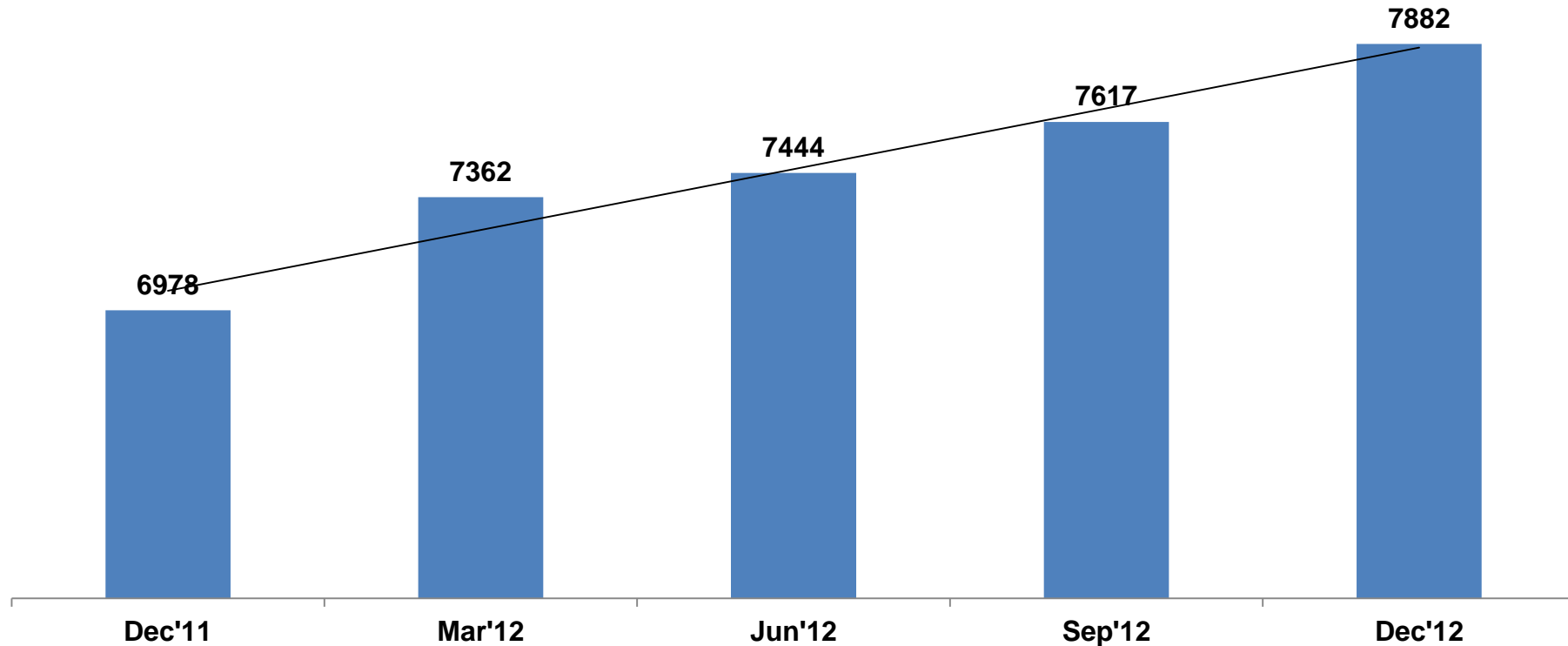
Top Client Mix



Increase in \$5 Mn+ clients

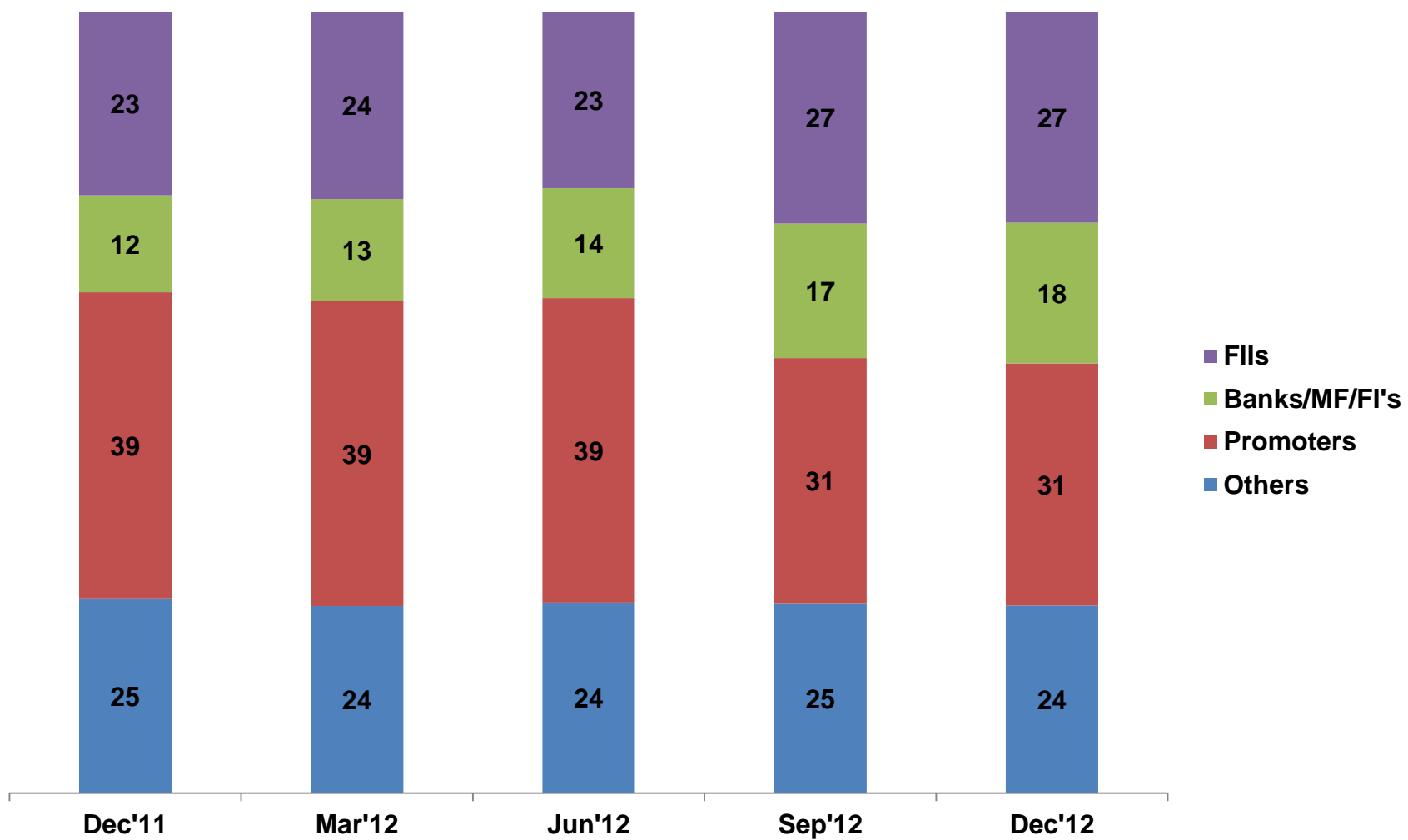


People Data



	Dec'11	Mar'12	Jun'12	Sep'12	Dec'12
Net Additions	245	384	82	173	265
Attrition%	12.46%	12.08%	12.36%	12.67%	12.51%
Utilization	80.17%	79.00%	78.54%	79.80%	78.40%

Shareholding Pattern



Thank You

