NIIT Technologies
Financial Results Analysis
Quarter 2, 2008
Outline

• Highlights
  – For the Quarter
  – Business Highlights

• Financial Statements
  – Income Statement
  – Balance Sheet

• Business Analysis
  – Revenue
  – Order Book
  – Top clients
  – People Resources

• Shareholding Pattern
Highlights for the Quarter

• Consolidated Revenues at Rs 2299mn
  • Up 5% YOY, Flat QoQ
  • Volume growth 1% QoQ

• Operating profits at Rs 426Mn
  • Up 3% YoY, Flat QoQ
  • Operating Margins at 19%

• Net Profits at Rs344Mn
  • Up 28% YoY (-2% QoQ)
  • Net Margins at 15%

• Fresh order intake of USD 49Mn
Business Highlights for the Quarter

• Core IT Solutions business grows 3.6% QoQ

• BPO contributes 5%
  – Revenues down -24% QoQ
  – Key client contract restructured yielding lower revenues

• BFSI contributes 45%
  – Rooms revenues down -8% QoQ

• Transport contributes 24%
  – Excellent Pipeline conversions
    • Global Fortune 500 Travel company
    • Global aviation service provider
    • Company supporting Airport modernisation in India
  – MSA with top US Airline

• Mfg & Retail contributes 12%
  – Added new client in India
## Consolidated Qtrly Income Statement

<table>
<thead>
<tr>
<th>(Rs Mn)</th>
<th>Q2’07</th>
<th>Q1’08</th>
<th>Q2’08</th>
<th>YoY (%)</th>
<th>QoQ (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>2199</td>
<td>2294</td>
<td>2299</td>
<td>5</td>
<td>0.2</td>
</tr>
<tr>
<td>Cost of Revenues</td>
<td>1336</td>
<td>1405</td>
<td>1409</td>
<td>5</td>
<td>0.3</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>447</td>
<td>464</td>
<td>464</td>
<td>4</td>
<td>0.1</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>1783</td>
<td>1869</td>
<td>1873</td>
<td>5</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td>415</td>
<td>425</td>
<td>426</td>
<td>3</td>
<td>0.3</td>
</tr>
<tr>
<td>OPM (%)</td>
<td>19%</td>
<td>19%</td>
<td>19%</td>
<td>-35 bps</td>
<td>1 bps</td>
</tr>
<tr>
<td>Depreciation</td>
<td>112</td>
<td>92</td>
<td>103</td>
<td>-8</td>
<td>12</td>
</tr>
<tr>
<td>Other Income (net of interest)</td>
<td>24</td>
<td>62</td>
<td>69</td>
<td>190</td>
<td>11</td>
</tr>
<tr>
<td>Tax</td>
<td>52</td>
<td>42</td>
<td>47</td>
<td>-10</td>
<td>11</td>
</tr>
<tr>
<td><strong>PAT after Minority Interest</strong></td>
<td>269</td>
<td>351</td>
<td>344</td>
<td>28</td>
<td>-2</td>
</tr>
<tr>
<td>Net Margins (%)</td>
<td>12%</td>
<td>15%</td>
<td>15%</td>
<td>273 bps</td>
<td>-33 bps</td>
</tr>
</tbody>
</table>

- Volume growth 1%, Currency impact -1% QOQ
- Currency impact – 0.3% on OM
- Depreciation increase on a/c of new capacity created and fresh software licenses
### Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>391</td>
<td>587</td>
<td>Net Block</td>
<td>1587</td>
</tr>
<tr>
<td>Reserves &amp; Surplus</td>
<td>3590</td>
<td>3735</td>
<td>Capital WIP</td>
<td>141</td>
</tr>
<tr>
<td>Net worth</td>
<td>3981</td>
<td>4322</td>
<td>Debtors</td>
<td>1802</td>
</tr>
<tr>
<td>Minority Interest</td>
<td>148</td>
<td>88</td>
<td>Cash &amp; Equivalents</td>
<td>2348</td>
</tr>
<tr>
<td>Secured Loans</td>
<td>670</td>
<td>839</td>
<td>Other Current Assets</td>
<td>681</td>
</tr>
<tr>
<td>Deferred tax Liability</td>
<td>0</td>
<td>0</td>
<td>Current Liabilities</td>
<td>(1841)</td>
</tr>
<tr>
<td>Total</td>
<td>4799</td>
<td>5249</td>
<td>Total</td>
<td>4799</td>
</tr>
</tbody>
</table>

- Improvement in DSOs at 67 days from 71 days LQ,
- Cash & cash equivalents Rs 2242mn, reduced due to acquiring of balance 25% equity of ROOM and payment of dividend
- Increased capital WIP on account of campus development and new Infra
Geographic Revenue Mix

- **Q2’08**
  - Europe: 51%
  - Americas: 31%
  - APAC: 11%
  - India: 7%

- **FY’07**
  - Europe: 50%
  - Americas: 32%
  - APAC: 10%
  - India: 8%

- **Q1’08**
  - Europe: 52%
  - Americas: 31%
  - APAC: 10%
  - India: 7%
• 6 new customers added (4 Transport, 1 Manufacturing, 1 Others)
• $101mn of firm business executable over next 12 months
Top Client Mix

2 more million dollar clients take total to 37
People Resources

Segmental Mix

<table>
<thead>
<tr>
<th>Segment</th>
<th>Sep'06</th>
<th>Jun'07</th>
<th>Sep'07</th>
</tr>
</thead>
<tbody>
<tr>
<td>NTL</td>
<td>4148</td>
<td>4554</td>
<td>4789</td>
</tr>
<tr>
<td>Corp</td>
<td>74</td>
<td>80</td>
<td>84</td>
</tr>
<tr>
<td>BPO</td>
<td>946</td>
<td>857</td>
<td>800</td>
</tr>
<tr>
<td>Software</td>
<td>3128</td>
<td>3617</td>
<td>3905</td>
</tr>
</tbody>
</table>

235 people added
Attrition 16%

On-Offshore Mix

<table>
<thead>
<tr>
<th></th>
<th>Sep'06</th>
<th>Jun'07</th>
<th>Sep'07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Onsite</td>
<td>25%</td>
<td>24%</td>
<td>22%</td>
</tr>
<tr>
<td>Offshore</td>
<td>75%</td>
<td>76%</td>
<td>78%</td>
</tr>
</tbody>
</table>

Oct 25, 2007   FY '08   Q2 Results
Thank You