NIIT Technologies
Financial Results Analysis

Financial Year 2008-09
Quarter 1
Outline

- Highlights
  - For the Quarter
  - Acknowledgements
  - Business Highlights for the quarter

- Financial Statements
  - Income Statement
  - Balance Sheet

- Business Analysis
  - Revenue Cuts
  - Order Intake
  - Top clients
  - People Resources

- Shareholding Pattern
Highlights for the Quarter

- Consolidated Revenues at Rs 2458mn
  - Up 7% YoY, Down 1% QoQ
  - Revenue loss on account of hedging – Rs. 46Mn

- Operating profits at Rs 456Mn
  - Up 7% YoY, Down 2% QoQ
  - Operating Margins at 19% (LQ & LY 19%)
  - Capacity utilization 78%

- Net Profits at Rs 351Mn
  - Same as last year (YoY), Up 13% QoQ
  - Net Margins at 14% (LQ 12%; LY 15%)

- Fresh order intake of $43mn
Acknowledgements

- Ranked No. 1 in the prestigious Black Book of Outsourcing 2008 Travel Industry user survey

- Ranked among the 2008 Black Book Top 50 Best Managed Outsourcing Vendor

- Ranked in the 2008 NASSCOM Top 20 IT Software and Service Exporters 07-08

- Awarded the Distinguished Services Award for initiatives and efforts in promoting business with USA by Georgia Tech Center for International Business Education & Research

- ROOM Solutions Ltd. Wins Accomplishment Award at the 2008 ACORD LOMA Insurance Systems Forum
Business Highlights for the Quarter

• Focus verticals contribute 83% to revenues

• BFSI slows down 2% YoY (Contributes 42%)
  – Repeat Orders from existing customers

• Transport grows 27% YoY (Contributes 28%)
  – Signed 3 new clients

• Manufacturing & Retail grows 22% YoY (Contributes 13%)
  – Repeat business from existing clients
  – 2 new clients

• Non-linear Business
  – New Managed Services contract with existing client
  – MSA for SaaS
## Consolidated Quarterly Income Statement

<table>
<thead>
<tr>
<th>(Rs Mn)</th>
<th>Q1’08</th>
<th>Q4’08</th>
<th>Q1’09</th>
<th>YoY (%)</th>
<th>QoQ (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>2294</td>
<td>2485</td>
<td>2458</td>
<td>7</td>
<td>-1</td>
</tr>
<tr>
<td>Cost of Revenues</td>
<td>1405</td>
<td>1543</td>
<td>1549</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>464</td>
<td>474</td>
<td>453</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>1869</td>
<td>2017</td>
<td>2002</td>
<td>7</td>
<td>-1</td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td>425</td>
<td>467</td>
<td>456</td>
<td>7</td>
<td>-2</td>
</tr>
<tr>
<td>OPM (%)</td>
<td>19%</td>
<td>19%</td>
<td>19%</td>
<td>2 Bps</td>
<td>(25) Bps</td>
</tr>
<tr>
<td>Depreciation</td>
<td>92</td>
<td>99</td>
<td>112</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Income (net of interest)</td>
<td>62</td>
<td>-56</td>
<td>62</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax</td>
<td>42</td>
<td>-8</td>
<td>51</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PAT after Minority Interest</strong></td>
<td>351</td>
<td>310</td>
<td>351</td>
<td>0</td>
<td>13</td>
</tr>
<tr>
<td>Net Margins (%)</td>
<td>15.3%</td>
<td>12.5%</td>
<td>14.3%</td>
<td>(101) Bps</td>
<td>180 Bps</td>
</tr>
<tr>
<td><strong>EPS (Rs. Basic)</strong></td>
<td>5.98</td>
<td>5.29</td>
<td>5.99</td>
<td>0</td>
<td>13</td>
</tr>
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</table>

- Other income includes loss of Rs. 63mn on account of MTM of non-effective hedges.
**Balance Sheet**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>587</td>
<td>587</td>
<td>1859</td>
<td>2195</td>
</tr>
<tr>
<td>Reserves &amp; Surplus</td>
<td>3826</td>
<td>3602</td>
<td>518</td>
<td>617</td>
</tr>
<tr>
<td>Net worth</td>
<td>4413</td>
<td>4189</td>
<td>2178</td>
<td>2013</td>
</tr>
<tr>
<td>Minority Interest</td>
<td>49</td>
<td>54</td>
<td>(2295)</td>
<td>(3010)</td>
</tr>
<tr>
<td>Loans</td>
<td>647</td>
<td>521</td>
<td>810</td>
<td>984</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td></td>
<td></td>
<td>(2295)</td>
<td>(3010)</td>
</tr>
<tr>
<td>Deferred tax Assets</td>
<td></td>
<td></td>
<td>67</td>
<td>143</td>
</tr>
<tr>
<td></td>
<td>5109</td>
<td>4764</td>
<td>5109</td>
<td>4764</td>
</tr>
</tbody>
</table>

- DSOs at 77 days Vs. 84 days LQ
- Cash & cash equivalents Rs 1822mn - Debt Repayment Rs. 150mn
- Increase in Net Block & Capital WIP due to Asset Additions & New Infra
Vertical Revenue Mix

FY'08

- Transportation: 25%
- BFSI: 44%
- Retail & Manfg.: 12%
- Others: 19%

Q4'08

- Transportation: 25%
- BFSI: 44%
- Retail & Manfg.: 13%
- Others: 18%

Q1'09

- Transportation: 28%
- BFSI: 42%
- Retail & Manfg.: 13%
- Others: 17%
Order Intake

- 6 new significant customers added during the quarter including
  - 3 regional airlines
  - Leading European supermarket operator

- $100mn of firm business executable over next 12 months
Top Client Mix

- Broad-basing of customer base
- 42 Million dollar clients
People Resources

Segmental Mix

Operations

NTL

Corp

Jun'07 Sep'07 Dec'07 Mar'08 Jun'08

4,474 4,705 4,915 5,029 4,809

80 87 89 79

4554 4789 5002 5118 4888

On-Offshore Mix

Operations

Onsite

Offshore

Jun'07 Sep'07 Dec'07 Mar'08 Jun'08

76% 78% 77% 77% 75%

24% 22% 23% 23% 25%
Shareholding Pattern

<table>
<thead>
<tr>
<th>Jun'07</th>
<th>Sep'07</th>
<th>Dec'07</th>
<th>Mar'08</th>
<th>Jun'08</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIIs</td>
<td>17</td>
<td>16</td>
<td>13</td>
<td>11</td>
</tr>
<tr>
<td>Banks/MF/FI's</td>
<td>13</td>
<td>8</td>
<td>14</td>
<td>9</td>
</tr>
<tr>
<td>Promoters</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Others</td>
<td>30</td>
<td>36</td>
<td>33</td>
<td>40</td>
</tr>
</tbody>
</table>
Thank You