NIIT Technologies
Financial Results Analysis

Financial Year 2009-10
Quarter 3, 2010
Outline

• Highlights
  – For the Quarter
  – 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 2301Mn
  - Up 2% QoQ, Down 7% YoY
  - Revenue loss on account of hedging – Rs. 128 Mn

- Operating profits at Rs 507Mn
  - Up 11% QoQ, Up 14% YoY
  - Operating Margins at 22% (LQ 20%; LY 18%)
  - Capacity utilization 84% (LQ 82%; LY 85%)

- Net Profits at Rs 353Mn
  - Up 10% QoQ, Up 111% YoY
  - Other income (-)15mn (LQ 15Mn; LY (-)101Mn)
  - Net Margins at 15% (LQ 14%, LY 7%)

- Fresh order intake of $ 57Mn
Business Highlights for the Quarter

• BFSI grows 1% QoQ, (44% contribution)
  – Further improvement in IP-Asset based revenues.
  – One new client added.
  – Ramp up in some Insurance clients.
  – Extension of BPO engagement with Insurance client.

• TTL up 15% QoQ, (34% contribution)
  – Two new clients added.
  – Significant ramp up in a client in APAC.
  – Extension of engagement with a client.

• Retail & Mfg. down 19% QoQ (9% contribution)
  – European client ramp down complete, account closed.
  – One new client added in US.
## Consolidated Qtrly Income Statement

<table>
<thead>
<tr>
<th>(Rs Mn)</th>
<th>Q3’09</th>
<th>Q2’10</th>
<th>Q3’10</th>
<th>YoY (%)</th>
<th>QoQ (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>2485</td>
<td>2263</td>
<td>2301</td>
<td>-7</td>
<td>2</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>2039</td>
<td>1804</td>
<td>1794</td>
<td>-12</td>
<td>-1</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>446</td>
<td>458</td>
<td>507</td>
<td>14</td>
<td>11</td>
</tr>
<tr>
<td>OPM (%)</td>
<td>18%</td>
<td>20%</td>
<td>22%</td>
<td>408 Bps</td>
<td>178 Bps</td>
</tr>
<tr>
<td>Depreciation</td>
<td>107</td>
<td>90</td>
<td>89</td>
<td>-17</td>
<td>-1</td>
</tr>
<tr>
<td>Other Income (net of interest)</td>
<td>-101</td>
<td>15</td>
<td>-15</td>
<td>-85</td>
<td>-199</td>
</tr>
<tr>
<td>Tax</td>
<td>69</td>
<td>62</td>
<td>48</td>
<td>-30</td>
<td>-23</td>
</tr>
<tr>
<td>PAT after Minority Interest</td>
<td>168</td>
<td>321</td>
<td>353</td>
<td>111</td>
<td>10</td>
</tr>
<tr>
<td>Net Margins (%)</td>
<td>7%</td>
<td>14%</td>
<td>15%</td>
<td>862 Bps</td>
<td>116 Bps</td>
</tr>
<tr>
<td>EPS (Rs. Basic)</td>
<td>2.85</td>
<td>5.47</td>
<td>6.01</td>
<td>111</td>
<td>10</td>
</tr>
</tbody>
</table>

- Improved Operating Margin by 178 Bps QoQ and 408 Bps YoY on account of improved utilization and better realization from fixed bid engagements.
### Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>587</td>
<td>588</td>
<td>Net Block</td>
<td>2018</td>
</tr>
<tr>
<td>Reserves &amp; Surplus</td>
<td>4429</td>
<td>5047</td>
<td>Capital WIP</td>
<td>1193</td>
</tr>
<tr>
<td><strong>Net worth</strong></td>
<td>5016</td>
<td>5634</td>
<td>Debtors</td>
<td>1817</td>
</tr>
<tr>
<td>Minority Interest</td>
<td>25</td>
<td>27</td>
<td>Cash &amp; Equivalents</td>
<td>1415</td>
</tr>
<tr>
<td><strong>Loans</strong></td>
<td>315</td>
<td>309</td>
<td>Other Current Assets</td>
<td>942</td>
</tr>
<tr>
<td>Deferred tax Liability</td>
<td>0</td>
<td>0</td>
<td>Current Liabilities</td>
<td>(2133)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Deferred tax Assets</td>
<td>104</td>
</tr>
<tr>
<td></td>
<td><strong>5356</strong></td>
<td><strong>5970</strong></td>
<td></td>
<td><strong>5356</strong></td>
</tr>
</tbody>
</table>

- Reserves and Surplus up due to improved Profit and reduction in hedge reserve loss
- Normal Capex Rs 48mn
- CWIP Rs 45mn in GNIDA campus
- Cash and Bank balance at Rs 1663 mn
- DSO at 76 days
Geographic Revenue Mix

Q2’10
- EMEA 46%
- Americas 33%
- APAC 11%
- India 10%

Q3’10
- EMEA 42%
- Americas 34%
- APAC 15%
- India 9%

- Improved traction in APAC with increased revenue for Travel and Transport segment.
- Decline in Europe due to closure of Retail client and net loss on currency.
Focus Verticals contribute 87% of revenues (LQ 86%)
Substantial surge in Travel and Transport business
• 4 new significant customers added during the quarter
  (Travel –2; BFSI –1; Manufacturing-1 )

• $ 57mn intake in the quarter leading to $106 mn of firm business executable over next 12 months
• 33 Million dollar clients
• 3 clients scale into Top 10
People Resources

Dec'08  Mar'09  Jun'09  Sep'09  Dec'09

Onsite-Mix  22%  24%  24%  24%  23%

Offshore-Mix  78%  76%  76%  76%  77%
Thank You