Financial Performance – Q4FY16

May 6, 2016
Agenda

- Financial Highlights
- Business Update
- Financial Statements
  - Income Statement
  - Balance Sheet
- Business Analysis
Financial Highlights – Q4FY16

- **Consolidated Revenues at Rs 6,847 Mn**
  - Up 12% YoY, 0.9% QoQ
  - Constant currency revenues are flat during the quarter

- **Operating profits at Rs 1,261 Mn**
  - Up 2% QoQ, Up 26.5% YoY
  - Operating Margins at 18.4%, up 20 bps QoQ, up 210 bps YoY

- **Net profit at INR 790 Mn**
  - Up 6.4% QoQ
  - Other income of 39 Mn
  - ETR at 18.2%

- **Order intake of $120 Mn**
Financial Highlights - FY16

- Consolidated Revenues at Rs 26,824 Mn
  - Up 13.1% YoY
  - Constant currency revenues 11.5% during the year

- Operating profits at Rs 4,733 Mn
  - Up 36.9% YoY
  - Operating Margins at 17.6%, Up 308 bps

- Net Profits at Rs 2,800 Mn
  - Up 145.4% YoY
  - Net Margins at 10.4% (LY 4.8%)
  - EPS at Rs. 45.8 (LY 18.7)

- Order intake of $420 Mn
Business Highlights for Q4FY16

- BFSI up 6% QoQ, Contributes 40% (LQ 38%)
  - Ramp up in top accounts in US and APAC
  - 1 New Customer Added in US

- Transport down 8.2% QoQ, Contributes 32% (LQ 36%)
  - Ramp down in top accounts in EMEA
  - 1 New Customer Added in US

- Manufacturing/Distt. Down 7.1% QoQ, Contributes 8% (LQ 9%)
  - Go-live in Siam City Cement in Q3
  - 1 New Customer Added in APAC

- Government up 6.1% QoQ, Contributes 3.6% (LQ 3.4%)
  - CCTNS UP goes live
  - Major milestones signed off in MSTD
Acknowledgements during the Quarter

- Secured Best Service Provider Award from ICT Subsidiary of German Railways

- Conferred with the ‘RB Investor Communication’ award in the “Technology – Emerging Corporates” category

- NIIT Technologies wins HRO Today Services and Technology Awards 2016 for Excellence in Business Partnership in US
## Consolidated Qtrly Income Statement

<table>
<thead>
<tr>
<th>Particulars (INR Mn)</th>
<th>Q4FY16</th>
<th>Q3FY16</th>
<th>QoQ%</th>
<th>Q4FY15</th>
<th>YoY%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Revenues</td>
<td>6,847</td>
<td>6,787</td>
<td>0.9%</td>
<td>6,112</td>
<td>12.0%</td>
</tr>
<tr>
<td>Direct Cost</td>
<td>4,304</td>
<td>4,256</td>
<td>1.1%</td>
<td>3,933</td>
<td>9.4%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>2,543</td>
<td>2,532</td>
<td>0.4%</td>
<td>2,179</td>
<td>16.7%</td>
</tr>
<tr>
<td>GM%</td>
<td>37.1%</td>
<td>37.3%</td>
<td>-17 Bps</td>
<td>35.7%</td>
<td>148 Bps</td>
</tr>
<tr>
<td>Selling / General And Administration</td>
<td>1,282</td>
<td>1,296</td>
<td>-1.1%</td>
<td>1,182</td>
<td>8.5%</td>
</tr>
<tr>
<td>SG&amp;A to Revenue %</td>
<td>18.7%</td>
<td>19.1%</td>
<td>-37 Bps</td>
<td>19.3%</td>
<td>-62 Bps</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>1,261</td>
<td>1,236</td>
<td>2.0%</td>
<td>997</td>
<td>26.5%</td>
</tr>
<tr>
<td>OM%</td>
<td>18.4%</td>
<td>18.2%</td>
<td>20 Bps</td>
<td>16.3%</td>
<td>210 Bps</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>287</td>
<td>273</td>
<td>5.4%</td>
<td>242</td>
<td>18.8%</td>
</tr>
<tr>
<td>Other Income (net)</td>
<td>39</td>
<td>52</td>
<td>-23.5%</td>
<td>(66)</td>
<td>NA</td>
</tr>
<tr>
<td>Profit Before Tax (Before exceptional items)</td>
<td>1,013</td>
<td>1,015</td>
<td>-0.2%</td>
<td>689</td>
<td>47.0%</td>
</tr>
<tr>
<td>PBT % (Before exceptional items)</td>
<td>14.8%</td>
<td>15.0%</td>
<td>-16 Bps</td>
<td>11.3%</td>
<td>352 Bps</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>-</td>
<td>13</td>
<td>NA</td>
<td>800</td>
<td>-100.0%</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>1,013</td>
<td>1,002</td>
<td>1.1%</td>
<td>(110)</td>
<td>NA</td>
</tr>
<tr>
<td>PBT %</td>
<td>14.8%</td>
<td>14.8%</td>
<td>3 Bps</td>
<td>-1.8%</td>
<td>1660 Bps</td>
</tr>
<tr>
<td>Provision for Tax</td>
<td>184</td>
<td>212</td>
<td>-13.3%</td>
<td>47</td>
<td>295.4%</td>
</tr>
<tr>
<td>Minority Interest</td>
<td>39</td>
<td>48</td>
<td>-18.2%</td>
<td>18</td>
<td>119.0%</td>
</tr>
<tr>
<td>Profit After Tax (after Minority Int.)</td>
<td>790</td>
<td>742</td>
<td>6.4%</td>
<td>(175)</td>
<td>NA</td>
</tr>
<tr>
<td>EPS - INR</td>
<td>12.9</td>
<td>12.1</td>
<td>6.3%</td>
<td>(2.9)</td>
<td>NA</td>
</tr>
</tbody>
</table>

- Revenues and Operating Margins are up by 0.9% and 2% (QoQ) respectively.
- Increase in PAT due to improved OM and lower tax rate.
Annual Income Statement

<table>
<thead>
<tr>
<th>Particulars (Amount in INR Mn)</th>
<th>FY 16</th>
<th>FY 15</th>
<th>YoY%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Revenues</td>
<td>26,824</td>
<td>23,725</td>
<td>13.1%</td>
</tr>
<tr>
<td>Direct Cost</td>
<td>16,903</td>
<td>15,655</td>
<td>8.0%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>9,921</td>
<td>8,070</td>
<td>22.9%</td>
</tr>
<tr>
<td>GM%</td>
<td>37.0%</td>
<td>34.0%</td>
<td>297 Bps</td>
</tr>
<tr>
<td>Selling / General And Administration</td>
<td>5,188</td>
<td>4,613</td>
<td>12.5%</td>
</tr>
<tr>
<td>SG&amp;A to Revenue %</td>
<td>19.3%</td>
<td>19.4%</td>
<td>-10 Bps</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>4,733</td>
<td>3,457</td>
<td>36.9%</td>
</tr>
<tr>
<td>OM%</td>
<td>17.6%</td>
<td>14.6%</td>
<td>308 Bps</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>1,101</td>
<td>916</td>
<td>20.2%</td>
</tr>
<tr>
<td>Other Income (net)</td>
<td>182</td>
<td>18</td>
<td>890.5%</td>
</tr>
<tr>
<td>Profit Before Tax (Before exceptional items)</td>
<td>3,815</td>
<td>2,559</td>
<td>49.1%</td>
</tr>
<tr>
<td>PBT % (Before exceptional items)</td>
<td>14.2%</td>
<td>10.8%</td>
<td>344 Bps</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>13</td>
<td>800</td>
<td>-98.3%</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>3,801</td>
<td>1,759</td>
<td>116.1%</td>
</tr>
<tr>
<td>PBT %</td>
<td>14.2%</td>
<td>7.4%</td>
<td>676 Bps</td>
</tr>
<tr>
<td>Provision for Tax</td>
<td>832</td>
<td>540</td>
<td>54.0%</td>
</tr>
<tr>
<td>Minority Interest</td>
<td>170</td>
<td>79</td>
<td>116.4%</td>
</tr>
<tr>
<td>Profit After Tax (after Minority Int.)</td>
<td>2,800</td>
<td>1,141</td>
<td>145.4%</td>
</tr>
<tr>
<td>PAT%</td>
<td>10.4%</td>
<td>4.8%</td>
<td>563 Bps</td>
</tr>
<tr>
<td>EPS - INR</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>45.8</td>
<td>18.7</td>
<td>144.4%</td>
</tr>
</tbody>
</table>

- Operating margins improved due to increased business from International geos
**Balance Sheet**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at Mar 31 2016</th>
<th>As at Dec 31 2015</th>
<th>As at Mar 31 2015</th>
<th>Particulars</th>
<th>As at Mar 31 2016</th>
<th>As at Dec 31 2015</th>
<th>As at Mar 31 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>612</td>
<td>611</td>
<td>610</td>
<td>Net Block</td>
<td>8,205</td>
<td>8,091</td>
<td>5,579</td>
</tr>
<tr>
<td>Reserves &amp; Surplus</td>
<td>15,296</td>
<td>15,176</td>
<td>12,964</td>
<td>Capital Work in Progress</td>
<td>167</td>
<td>191</td>
<td>1,203</td>
</tr>
<tr>
<td><strong>NET Worth</strong></td>
<td><strong>15,907</strong></td>
<td><strong>15,788</strong></td>
<td><strong>13,574</strong></td>
<td><strong>Cash and Cash Equivalent</strong></td>
<td>4,241</td>
<td>3,118</td>
<td>3,375</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>Debtors</strong></td>
<td>5,901</td>
<td>6,493</td>
<td>6,060</td>
</tr>
<tr>
<td>Borrowings</td>
<td>102</td>
<td>93</td>
<td>84</td>
<td><strong>Other Current Assets</strong></td>
<td>3,719</td>
<td>3,303</td>
<td>3,165</td>
</tr>
<tr>
<td>Minority Interest</td>
<td>645</td>
<td>572</td>
<td>189</td>
<td><strong>Current Liabilities</strong></td>
<td>(5,837)</td>
<td>(4,987)</td>
<td>(5,921)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>Deferred Tax Assets</strong></td>
<td>259</td>
<td>242</td>
<td>386</td>
</tr>
<tr>
<td></td>
<td><strong>16,654</strong></td>
<td><strong>16,452</strong></td>
<td><strong>13,847</strong></td>
<td></td>
<td><strong>16,654</strong></td>
<td><strong>16,452</strong></td>
<td><strong>13,847</strong></td>
</tr>
</tbody>
</table>

- Reserves and Surplus up 2332 Mn over PY (Profit INR 2800 Mn, Dividend and Dividend tax of INR 714 Mn)
- Minority up by 456 Mn over PY due to 51% stake in Incessant
- Cash and Bank Balances up by INR 866 Mn over PY and up INR 1123 Mn over LQ
- DSO – 80 days
- Capex during the Qtr – INR 425 Mn including GNIDA spend of INR 167 Mn and project related capex of 170 Mn

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Geography Mix

FY'15
- America 44%
- EMEA 36%
- RoW 20%

FY'16
- America 46%
- EMEA 34%
- RoW 20%

Q4 FY'16
- America 45%
- EMEA 33%
- RoW 22%

FY16
- Growth in International Geos

Q4 FY16
- Growth in ROW
- Marginal decline in EMEA
**Vertical Mix**

**FY'15**
- BFSI: 33%
- Transportation: 40%
- Mfg & Dist.: 7%
- Govt.: 5%
- Others: 15%

**FY'16**
- BFSI: 38%
- Transportation: 35%
- Mfg & Dist.: 8%
- Govt.: 4%
- Others: 15%

**Q4 FY'16**
- BFSI: 40%
- Transportation: 32%
- Mfg & Dist.: 8%
- Govt.: 4%
- Others: 16%

**FY16**
- Strong growth in BFSI
- TTL remained flat

**Q4 FY16**
- Growth in BFSI
- Decline in TTL in EMEA
Service Mix

FY16
- Strong Growth in ADM due to higher Digital revenues
- Digital revenues at 15%

Q4 FY16
- Decline in ADM revenues due to decline in T&T in EMEA
- Growth in IMS
- Digital revenues at 16%
Order Intake

- 4 new customers added: 1 in Insurance, 1 in Travel and 1 in Manufacturing/Distt., 1 in OTH
- $120 Mn order intake in the quarter leading to $301 Mn of firm business executable over next 12 months
- Geographical breakdown of order intake – US (30 Mn), EMEA (61 Mn), ROW (29 Mn)
Top Client Mix

MM $ Clients

Q3'16
- Others: 40%
- Top 20: 60%
- Top 10: 45%
- Top 5: 33%

Q4'16
- Others: 42%
- Top 20: 58%
- Top 10: 43%
- Top 5: 31%

73 clients in both Q3'16 and Q4'16.
## People Resources

### People Data

<table>
<thead>
<tr>
<th></th>
<th>Mar'15</th>
<th>Jun'15</th>
<th>Sep'15</th>
<th>Dec'15</th>
<th>Mar'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>People</td>
<td>8494</td>
<td>9228</td>
<td>9592</td>
<td>9517</td>
<td>9476</td>
</tr>
<tr>
<td>Net Additions</td>
<td>435</td>
<td>734</td>
<td>364</td>
<td>-75</td>
<td>-41</td>
</tr>
<tr>
<td>Attrition%</td>
<td>15.75%</td>
<td>14.31%</td>
<td>13.73%</td>
<td>13.61%</td>
<td>12.73%</td>
</tr>
<tr>
<td>Utilization</td>
<td>79.00%</td>
<td>79.50%</td>
<td>79.70%</td>
<td>78.70%</td>
<td>79.00%</td>
</tr>
</tbody>
</table>
Shareholding Pattern

Mar'15 | Jun'15 | Sep'15 | Dec'15 | Mar'16
---|---|---|---|---
Others | 18% | 18% | 17% | 16% | 16%
Promoters | 31% | 31% | 31% | 31% | 31%
Banks/MF/FI's | 18% | 17% | 20% | 22% | 22%
FIIs | 33% | 34% | 32% | 32% | 32%

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