



NIIT Technologies

Financial Performance – Q1FY16

July 14, 2015

Agenda

- Financial Highlights

- Business Update

- Financial Statements
 - Income Statement
 - Balance Sheet

- Business Analysis

Financial Highlights – Q1FY16

- Consolidated Revenues at Rs 6,411 Mn
 - Up 11% YoY, up 4.9% QoQ
 - International Geos grow by 8.9% QoQ
- Operating Profit at Rs 1,042 Mn
 - Up 34.5 % YoY, Up 4.5% QoQ
 - Operating Margins at 16.3%, Up 284 bps YoY, Flat QoQ
- Net Profits at INR 585 Mn
 - Up 35.5% YoY
 - Net Margin at 9.1%
 - Effective Tax Rate at 26% of PBT
- Order intake of \$97 Mn

Business Highlights for Q1FY16

- BFSI up 15% QoQ, Contributes 36% (LQ 33%)
 - New insurance accounts scale up
 - Growth in NITL
 - Boost to BFS with integration of Incessant
 - 15 New clients added
- Transport up 1.5% QoQ, Contributes 37% (LQ 38%)
 - Growth in all international top accounts
 - Lower revenues in India post AAI go-live
 - 2 New Clients added
- Manufacturing/Distt. down 15% QoQ, Contributes 6% (LQ 8%)
 - Lower revenues due to delay in contract closure with a client
 - Hybrid Cloud at Large APAC goes live ahead of schedule
- Government down 14% QoQ, Contributes 5% (LQ 6.5%)
 - Lower revenues on account of lower PFR

Acknowledgements during the Quarter

- NIIT Technologies ranked #5 amongst on overall satisfaction with outsourcing providers and their services in 2015 United Kingdom IT Outsourcing Study by PA Consulting Group and Whitelane Research.
- NIIT Technologies positioned amongst top vendors under the Innovation category in 2015 Enterprise Mobility Services Blueprint Report by HfS Research.

Consolidated Qtrly Income Statement

INR Mn.

Particulars (INR Mn)	Q1FY16	Q4FY15	QoQ%	Q1FY15	YoY%
Gross Revenues	6,411	6,112	4.9%	5,776	11.0%
Direct Cost	4,080	3,933	3.7%	3,877	5.2%
Gross Profit	2,330	2,179	6.9%	1,899	22.7%
GM%	36.4%	35.7%	70 Bps	32.9%	348 Bps
Selling / General And Administration	1,288	1,182	9.0%	1,124	14.7%
SG&A to Revenue %	20.1%	19.3%	76 Bps	19.5%	64 Bps
Operating Profit	1,042	997	4.5%	775	34.5%
OM%	16.3%	16.3%	-6 Bps	13.4%	284 Bps
Depreciation and Amortization	276	242	14.2%	189	46.2%
Other Income (net)	79	(66)	NA	36	118.6%
Profit Before Tax (Before exceptional items)	844	689	22.5%	621	36.0%
PBT % (Before exceptional items)	13.2%	11.3%	190 Bps	10.8%	242 Bps
Exceptional items	-	800	NA	-	NA
Profit Before Tax	844	(110)	NA	621	36.0%
PBT %	13.2%	-1.8%	1498 Bps	10.8%	242 Bps
Provision for Tax	219	47	367.0%	162	35.5%
Minority Interest	40	18	119.5%	27	46.3%
Profit After Tax (after Minority Int.)	585	(175)	NA	432	35.5%
PAT%	9.1%	-2.9%	1200 Bps	7.5%	165 Bps
EPS - INR					
Basic	9.6	-2.9	NA	7.12	34.6%

- Margins impacted by wage hike; partially offset by improved margins as a result of increased business from International Geos
- Incessant business is margin and EPS accretive; contributed 70 bps to OM and 0.46 INR to EPS.

Balance Sheet

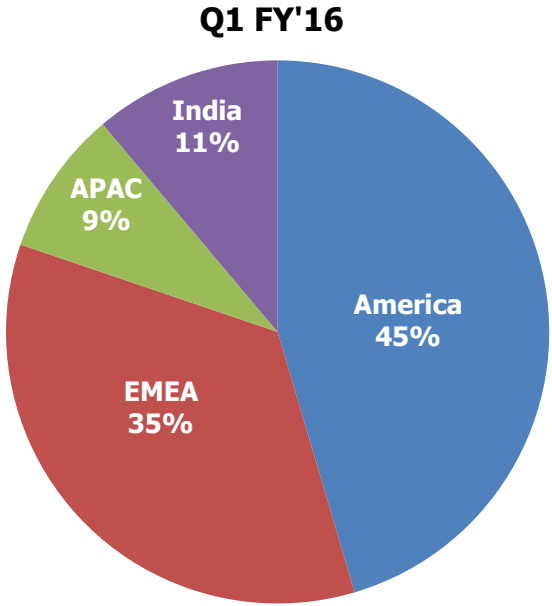
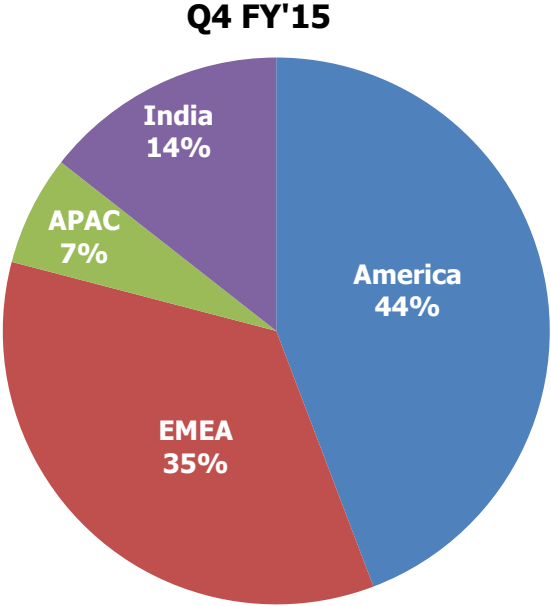
INR Mn.

Particulars	As at Jun 30 2015	As at Mar 31 2015	As at Jun 30 2014	Particulars	As at Jun 30 2015	As at Mar 31 2015	As at Jun 30 2014
Equity	611	610	607	Net Block	6,784	5,579	5,103
Reserves & Surplus	13,673	12,964	13,127	Capital Work in Progress	1,420	1,203	1,256
NET Worth	14,284	13,574	13,734	Current Assets			
Borrowings	84	84	148	Cash and Cash Equivalent	2,624	3,375	1,951
Minority Interest	468	189	216	Debtors	6,385	6,060	6,105
				Other Current Assets	3,350	3,165	3,978
				Current Liabilities	(6,197)	(5,921)	(4,512)
				Deferred Tax Assets	470	386	217
	14,836	13,847	14,098		14,836	13,847	14,098

- Reserves and Surplus up INR 709 Mn. Profit up INR 585 Mn
- Increase in Minority Interest due to Incessant acquisition

- DSO – 92 days (LQ – 93 days)
- Cash & Bank Balance decreased by INR 751 Mn primarily on account of investment in Incessant
- Net Block increased due to creation of Goodwill on account of investment in Incessant
- Capex during the Qtr – INR 482 Mn (GNIDA Phase II – 207 Mn, BAU - 275 Mn)

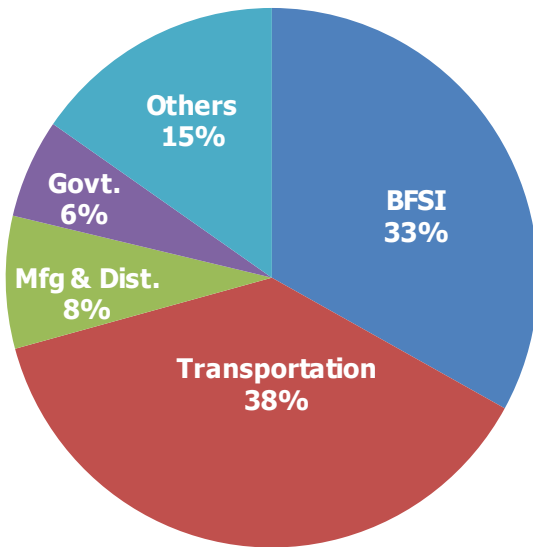
Geography Mix



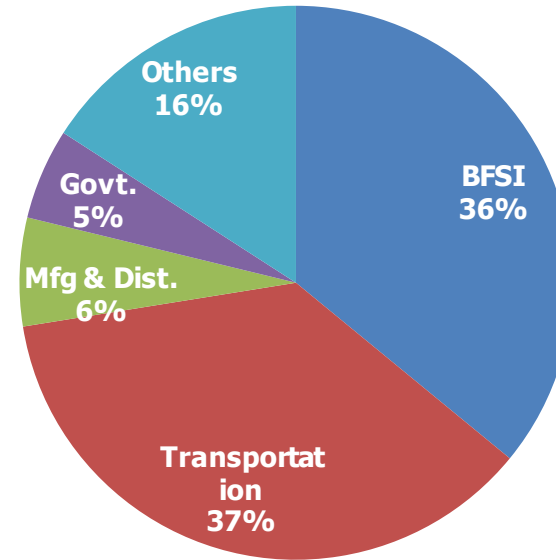
- Strong growth in international geos on back of growth in BFSI & TTL
- Decline in India on account of major programs going live & seasonality in GIS

Vertical Mix

Q4 FY'15



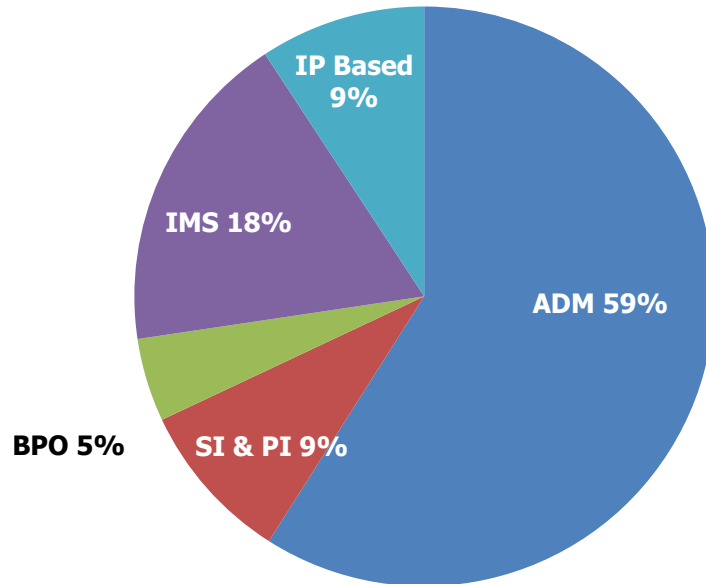
Q1 FY'16



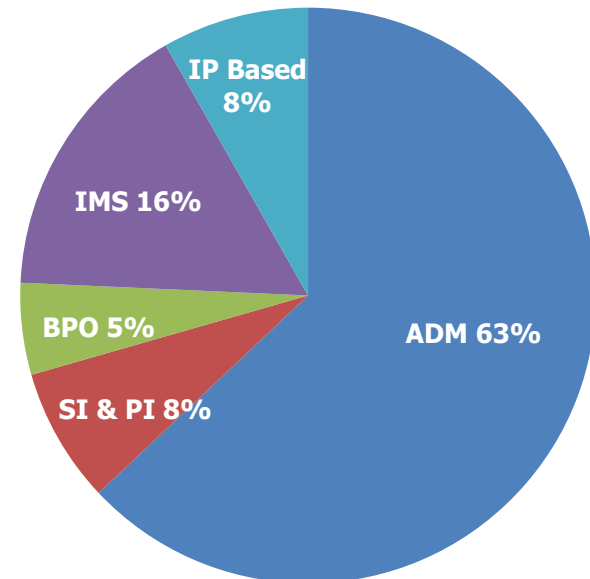
- Strong growth in Insurance
- Boost to BFS with Incessant
- Growth in TTL in international geos
- Decline in Govt and Mfg

Service Mix

Q4FY15

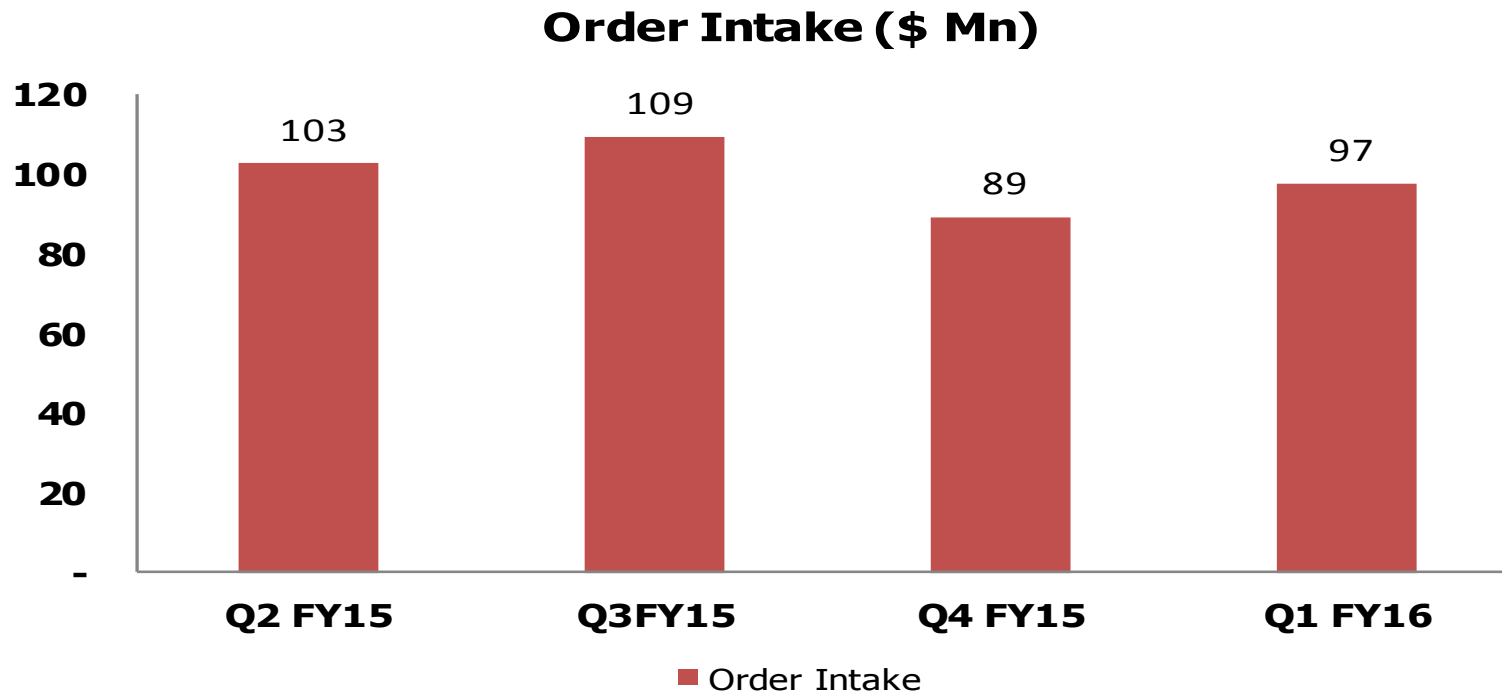


Q1FY16



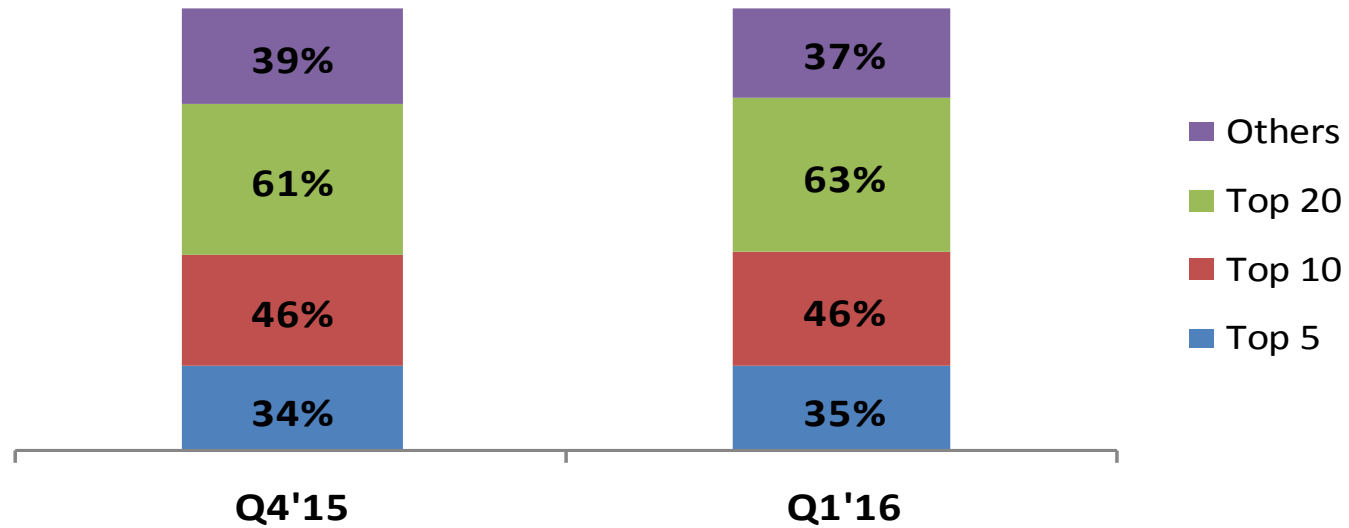
- Growth in ADM due to scale up in accounts in international geos
- Decline in IMS because of all airports gone live in AAI
- 14% Digital revenue share

Order Intake



- 17 significant new customers added including those acquired with integration of Incessant
- Vertical break down of new customers BFSI - 15, TTL - 2
- \$97 Mn order intake leading to \$300 Mn of firm business executable over next 12 months
- Geographical breakdown of order intake – US (43 Mn), EMEA (31 Mn), ROW (23 Mn)

Top Client Mix



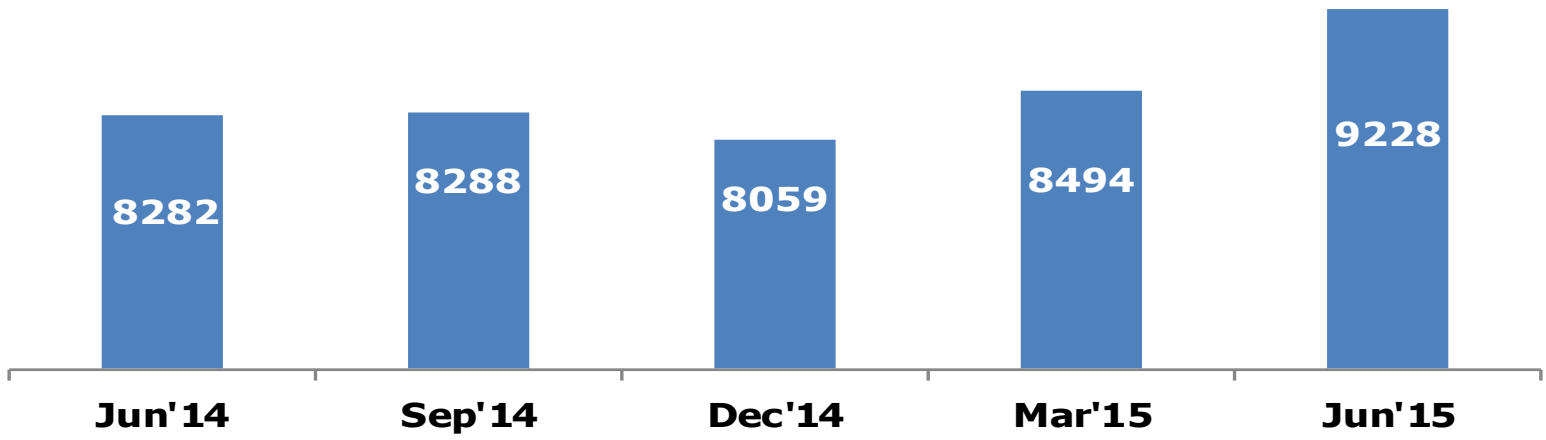
MM \$ Clients

66

71

People Resources

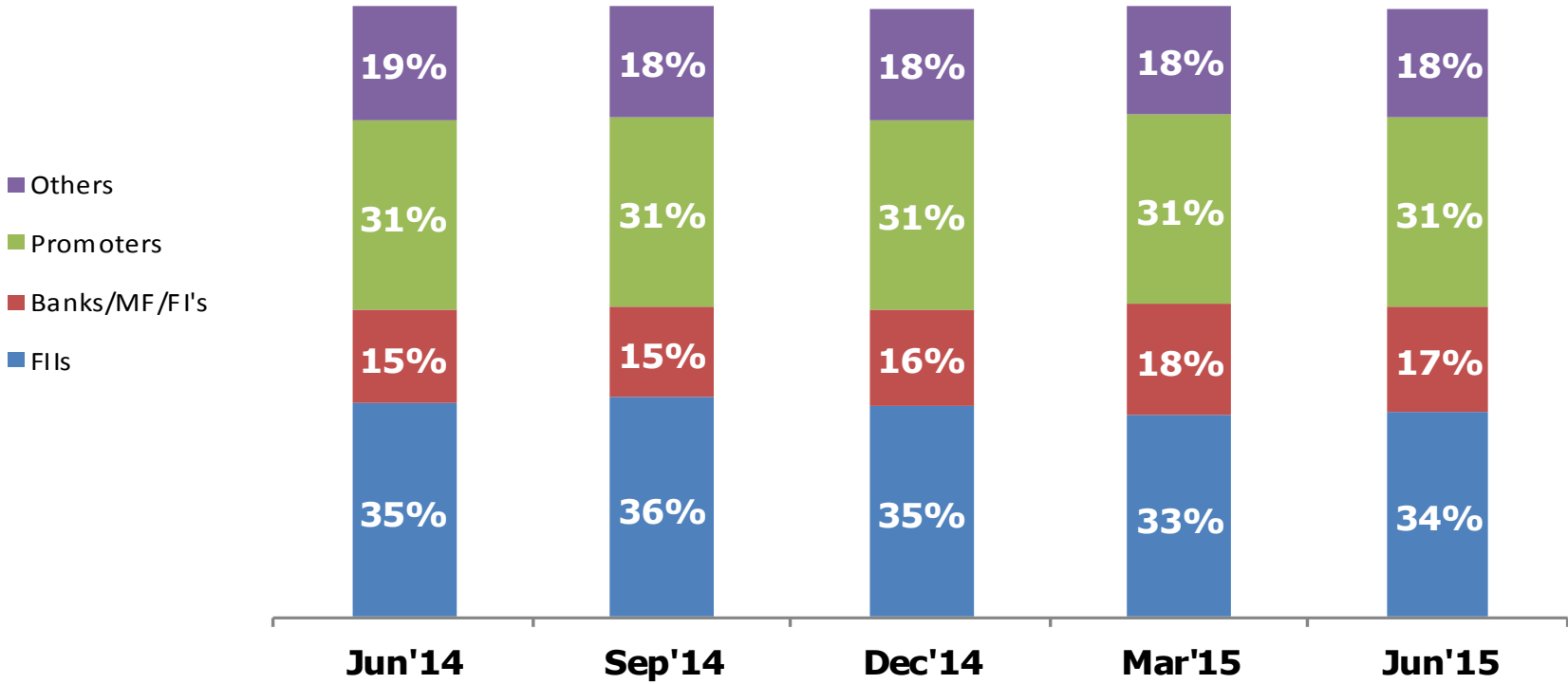
People Data



People Data	Jun'14	Sep'14	Dec'14	Mar'15	Jun'15
Net Additions	-8	6	-229	435	734
Attrition%	15.40%	15.83%	15.83%	15.75%	14.31%
Utilization	78.03%	78.60%	78.80%	79.00%	79.50%

* Attrition excluding Incessant – 14.9%
 # Headcount addition excluding Incessant - 382

Shareholding Pattern





Thank You