

# NIIT Technologies

## Financial Performance – Q4FY13

**May 17, 2013**



# Outline



- Financial Highlights
- Business Update
- Financial Statements
  - Income Statement
  - Balance Sheet
- Business Analysis
- Shareholding Pattern



- Consolidated Revenues at Rs 20,214 Mn
  - Up 28.2% YoY
  - Constant currency growth at 16.5%
  
- Operating profits at Rs 3,295 Mn
  - Up 22.8% YoY
  - Operating Margins at 16.3%, Down 72 bps
  
- Net Profits at Rs 2,132 Mn
  - Up 8.1% YoY
  - Net Margins at 10.5% (LY 12.5%)
  - EPS at Rs 35.53 (LY 33.21)
  
- Order intake of \$369 Mn



- Consolidated Revenues at Rs 5372 Mn
  - Up 4.4% QoQ, Up 21.1% YoY
  - Constant currency growth at 3.3%
  
- Operating profits at Rs 884 Mn
  - Up 8.8% QoQ, Up 18.7% YoY
  - Operating Margins at 16.5%, UP 66 bps QoQ, Down 34 bps YoY
  
- Net Profits at Rs 566 Mn
  - Up 1.0% QoQ, Up 22.4% YoY
  - Other income loss 14 Mn (LQ Gain 126 Mn)
  - Net Margins at 10.5%, Down 36 bps QoQ, Up 11 bps YoY
  - Effective Tax Rate at 18.13% of PBT
  
- Order intake of \$110 Mn



- **BFSI Up 3% QoQ, Contributes 31% (LQ 31%)**
  - Growth in top accounts
  - \$10 Mn+ Contract Renewal with large BFSI client
  
- **Transport Down 7% QoQ, Contributes 37% (LQ 42%)**
  - Successful cut-over of two large projects in APAC
  - 2 new clients added
  
- **Manufacturing Up 4% QoQ, Contributes 6% (LQ 6%)**
  - Growth in existing accounts
  - 1 new client added
  
- **Government Up 47% QoQ, Contributes 11% (LQ 8%)**
  - On track in execution
  - 2 New customers added

- NIIT Technologies awarded “Solution Partner of the Year 2012” by the Motorola Partner Conference for its innovative solutions across various projects.
- Pilot Project of Odisha CCTNS won Best “**Government to Citizen (G2C) Initiative**” award at the eOdisha Summit.
- Pratibha K. Advani, Chief Financial Officer was included in the CFO 100 2013 ‘Roll of Honour’ list for the second consecutive year, in the category ‘Winning Edge in Use of Technology’.
- NIIT GIS Ltd, Vice Chairman, Rajesh C. Mathur conferred with the ISG fellowship by the Indian Society of Geomatics (ISG).

# Consolidated Qtrly Income Statement

Particulars	Q4FY13	Q3FY13	QoQ%	Q4FY12	YoY%
<b>Gross Revenues</b>	<b>5,372</b>	<b>5,144</b>	<b>4.4%</b>	<b>4,435</b>	<b>21.1%</b>
Direct Cost	3,526	3,383	4.2%	2,824	24.9%
<b>Gross Profit</b>	<b>1,846</b>	<b>1,761</b>	<b>4.9%</b>	<b>1,611</b>	<b>14.6%</b>
GM%	34.4%	34.2%	13 Bps	36.3%	-197 Bps
Selling / General And Administration	962	948	1.5%	867	11.0%
<b>SG&amp;A to Revenue %</b>	<b>17.9%</b>	<b>18.4%</b>	<b>-53 Bps</b>	<b>19.5%</b>	<b>-163 Bps</b>
<b>Operating Profit</b>	<b>884</b>	<b>812</b>	<b>8.8%</b>	<b>745</b>	<b>18.7%</b>
OM%	16.5%	15.8%	66 Bps	16.8%	-34 Bps
Depreciation and Amortization	161	142	13.7%	111	45.3%
Other Income (net)	(14)	126	-111.2%	(46)	-69.7%
<b>Profit Before Tax</b>	<b>709</b>	<b>796</b>	<b>-11.0%</b>	<b>588</b>	<b>20.6%</b>
PBT %	13.2%	15.5%	-229 Bps	13.2%	-5 Bps
Provision for Tax	129	230	-44.2%	111	16.1%
Minority Interest	15	6	143.7%	15	0.2%
<b>Profit After Tax (after Minority Int.)</b>	<b>566</b>	<b>560</b>	<b>1.0%</b>	<b>462</b>	<b>22.4%</b>
PAT%	10.5%	10.9%	-36 Bps	10.4%	11 Bps
<b>EPS - INR</b>					
Basic	9.40	9.31	0.9%	7.76	21.0%

- Strong revenue growth QoQ and YoY
- Operating margins improve due to recovery in GIS
- Decrease in tax expenses in Q4 as a result of loss in other income due to currency fluctuation
- Net margins decline due to loss in other income (INR 31 Mn) as against gain in previous qtr (INR 126 Mn) on account of revaluation of foreign currency assets and liabilities

# Annual Income Statement



Particulars	FY 13	FY 12	YoY%
<b>Gross Revenues</b>	<b>20,214</b>	<b>15,765</b>	<b>28.2%</b>
Direct Cost	13,159	9,877	33.2%
<b>Gross Profit</b>	<b>7,054</b>	<b>5,888</b>	<b>19.8%</b>
GM%	34.9%	37.4%	-245 Bps
Selling / General And Administration	3,759	3,204	17.3%
SG&A to Revenue %	<b>18.6%</b>	<b>20.3%</b>	<b>-173 Bps</b>
<b>Operating Profit</b>	<b>3,295</b>	<b>2,684</b>	22.8%
OM%	16.3%	17.0%	-72 Bps
Depreciation and Amortization	567	364	55.5%
Other Income (net)	206	282	-26.9%
<b>Profit Before Tax</b>	<b>2,935</b>	<b>2,602</b>	<b>12.8%</b>
PBT %	14.5%	16.5%	-198 Bps
Provision for Tax	750	638	17.7%
Minority Interest	52	(8)	-748.7%
<b>Profit After Tax (after Minority Int.)</b>	<b>2,132</b>	<b>1,972</b>	<b>8.1%</b>
PAT%	10.5%	12.5%	-196 Bps
<b>EPS - INR</b>			
Basic	35.53	33.21	7.0%

- Steady QoQ growth through out the year
- Lower operating margins vs LY mainly due to lower margins from GIS and lower revenues from Insurance business in UK
- Lower net margins due to:
  - Higher depreciation on account of full year impact of Greater Noida facility
  - Lower other income due to lower gain on revaluation of foreign currency assets and liabilities
  - Higher tax due to DTA and one time expenses in previous year





INR Mn.

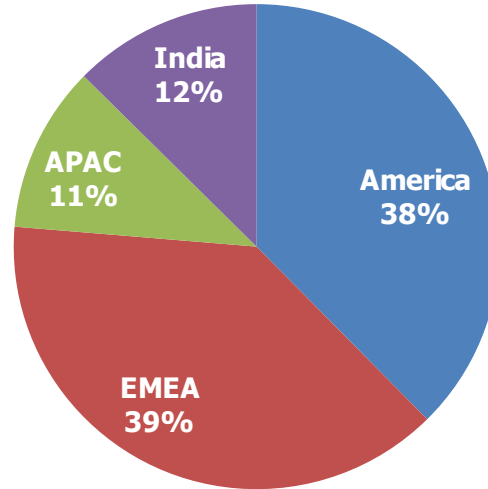
Particulars	As at Mar 31 2013	As at Dec 31 2012	As at Mar 31 2012	Particulars	As at Mar 31 2013	As at Dec 31 2012	As at Mar 31 2012
Equity	602	602	596	Net Block	4,383	4,490	4,231
Reserves & Surplus	10,339	10,387	8,505	Capital Work in Progress	277	79	2
<b>NET Worth</b>	<b>10,941</b>	<b>10,989</b>	<b>9,101</b>	<b>Current Assets</b>			
Borrowings	92	92	506	Cash and Cash Equivalent	3,325	2,856	2,871
Minority Interest	173	160	123	Debtors	4,538	4,290	3,492
				Other Current Assets	2,743	2,407	2,459
				Current Liabilities	(4,182)	(3,094)	(3,533)
				Defferred Tax Assets	122	213	207
	<b>11,206</b>	<b>11,241</b>	<b>9,730</b>		<b>11,206</b>	<b>11,241</b>	<b>9,730</b>

- Reserves and Surplus up 1834 Mn (Profit up by INR 2132 Mn, Hedge reserve up INR 150 Mn, CTR up INR 74 Mn and Share premium up INR 74 Mn, Dividend & Dividend tax – INR 599 Mn)
- Borrowings at INR 92 Mn

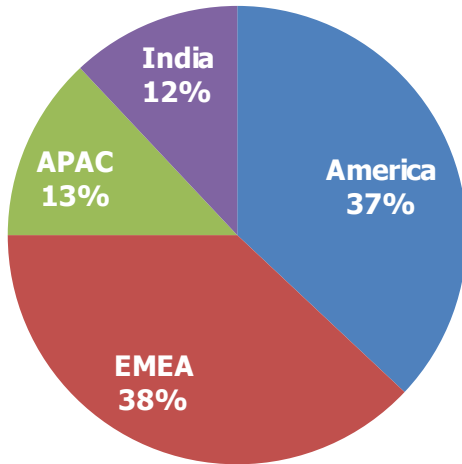
- Cash and Bank Balances up by INR 454 Mn YoY
- DSO – 82 (LY – 81)
- Capex during the year – INR 980 Mn including GNIDA spend of INR 336 Mn



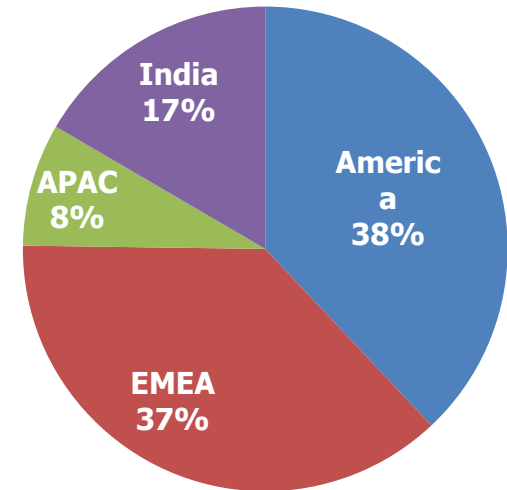
**FY'13**



**FY'12**



**Q4 FY'13**



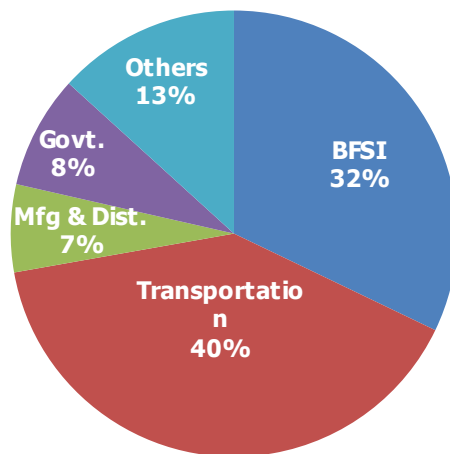
## **FY13**

- All round growth in every geography

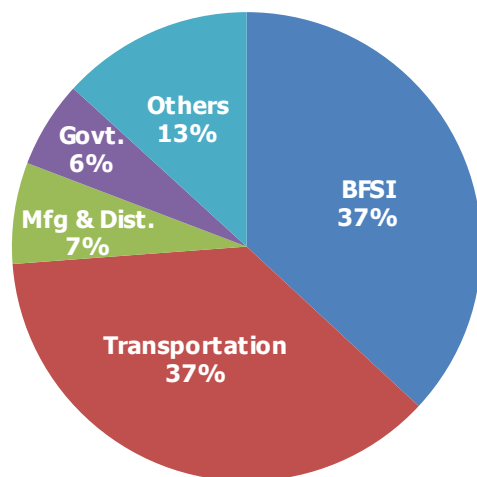
## **Q4FY13**

- Continuing momentum in Americas
- Decline in EMEA and APAC
- Strong growth in India

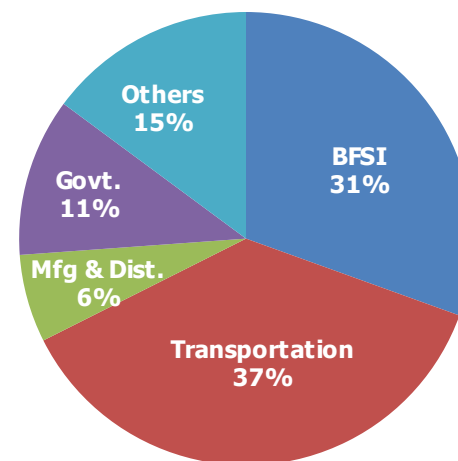
**FY'13**



**FY'12**



**Q4 FY'13**



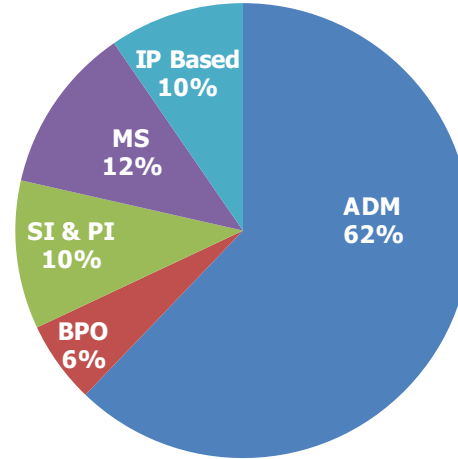
## **FY13**

- All round growth in every industry segment of focus

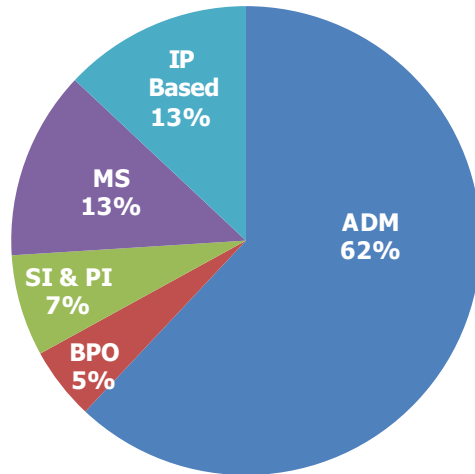
## **Q4FY13**

- Growth in BFSI and Manufacturing
- Decline in TTL due to go-live of large projects
- Strong growth in Govt segment

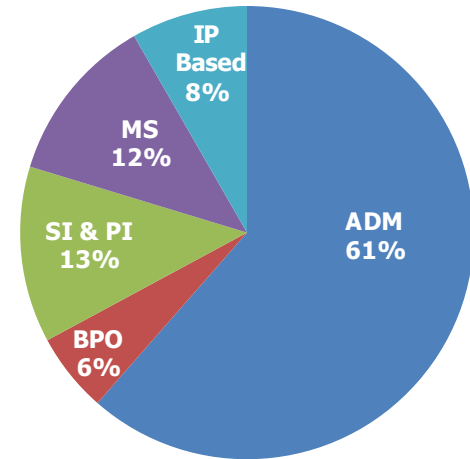
**FY'13**



**FY'12**



**Q4 FY'13**



**FY13**

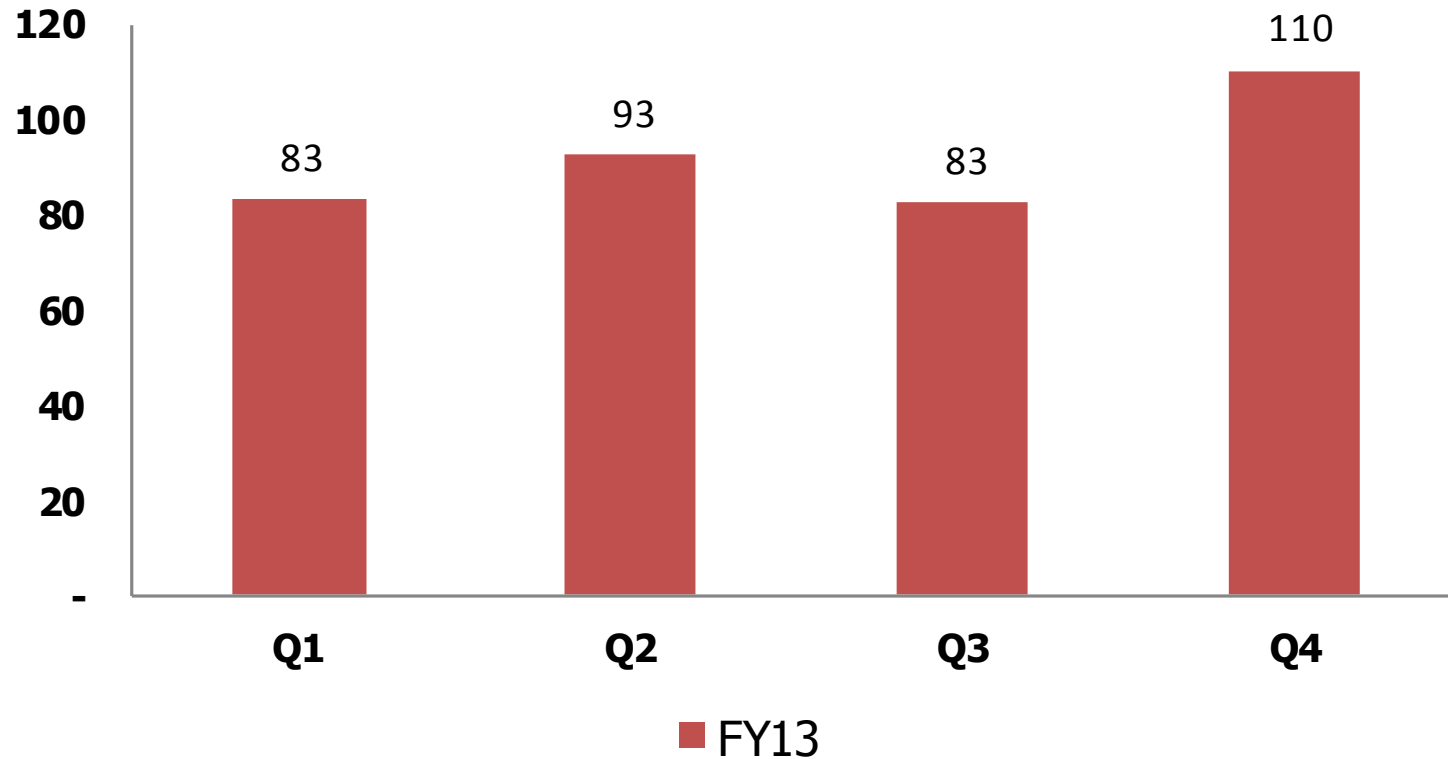
- Growth in ADM (28%) & MS (21%)
- Decline in IP based revenue due to lower revenues in NITL

**Q4FY13**

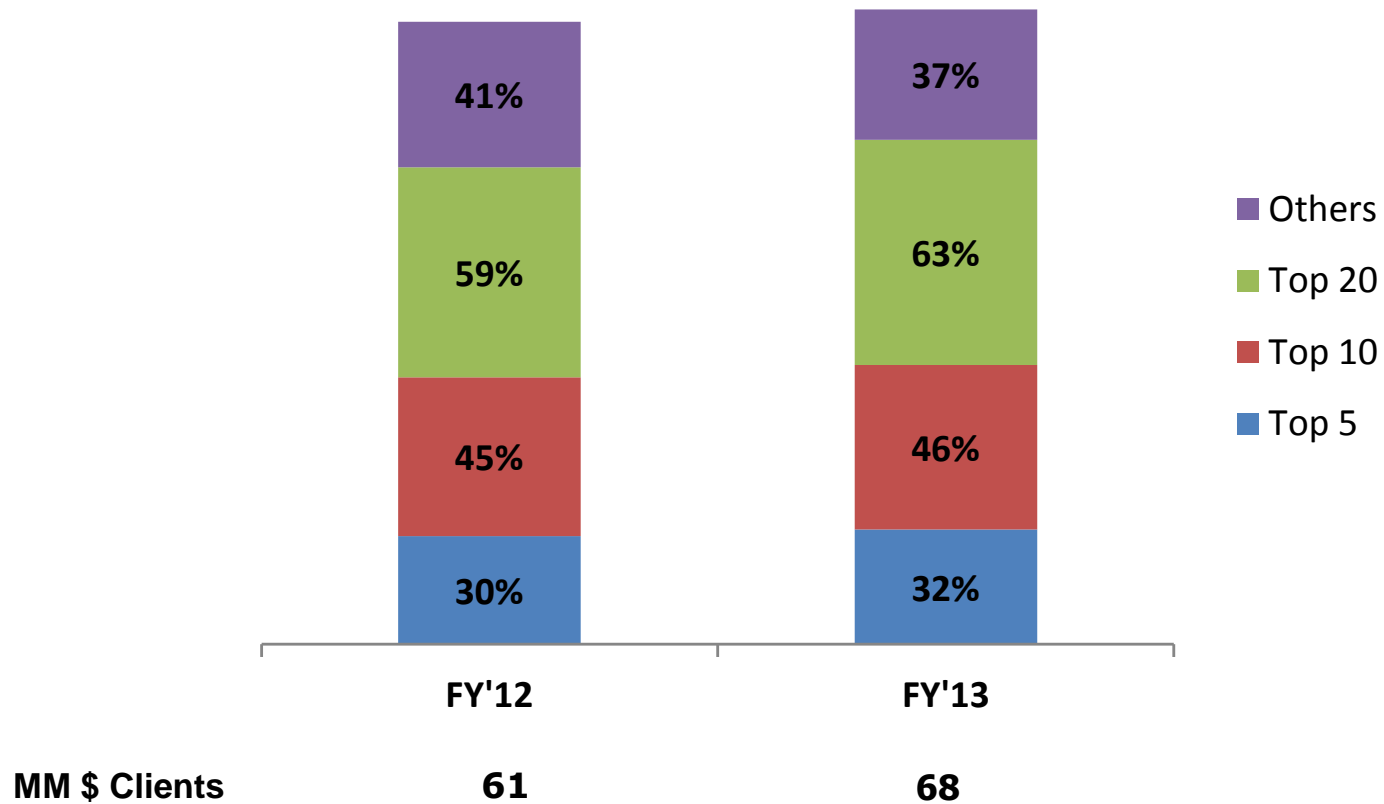
- All round growth in all service lines



## Order Intake (\$ Mn)



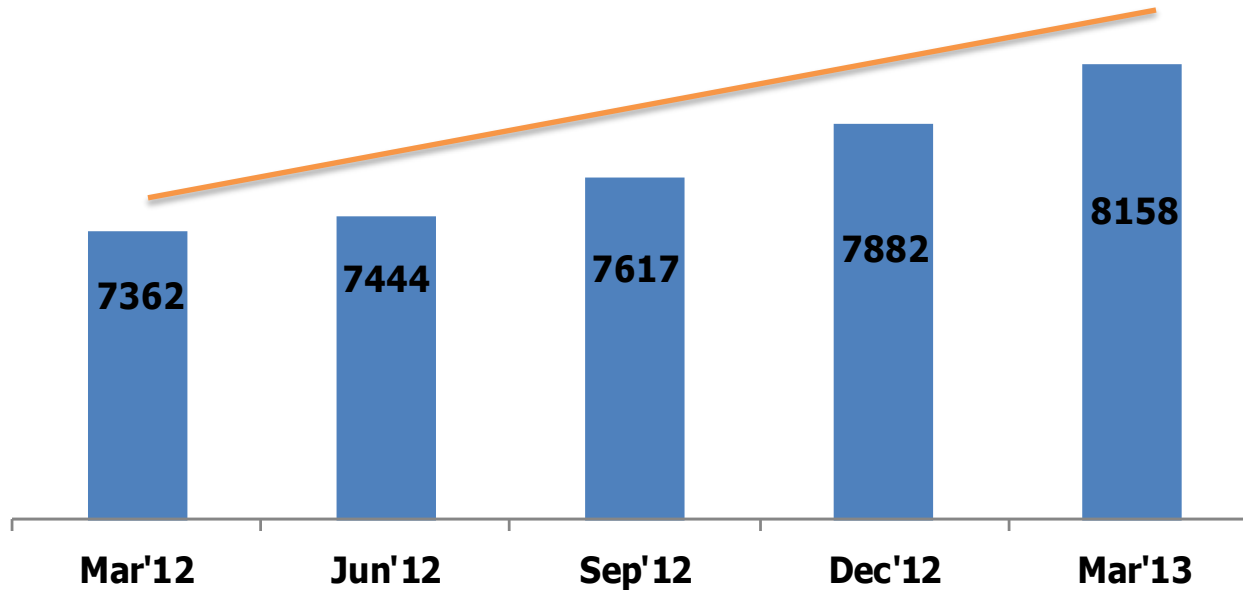
- 5 new customers added during the quarter (Travel – 2; Govt – 2, Manuf - 1)
- \$110 Mn order intake in the quarter leading to \$252 Mn of firm business executable over next 12 months
- Geographical breakdown of order intake – US (42 Mn), EMEA (30 Mn), ROW (38 Mn)



**Top 5 accounts grow by 37%, each account exceeds \$20 Mn**

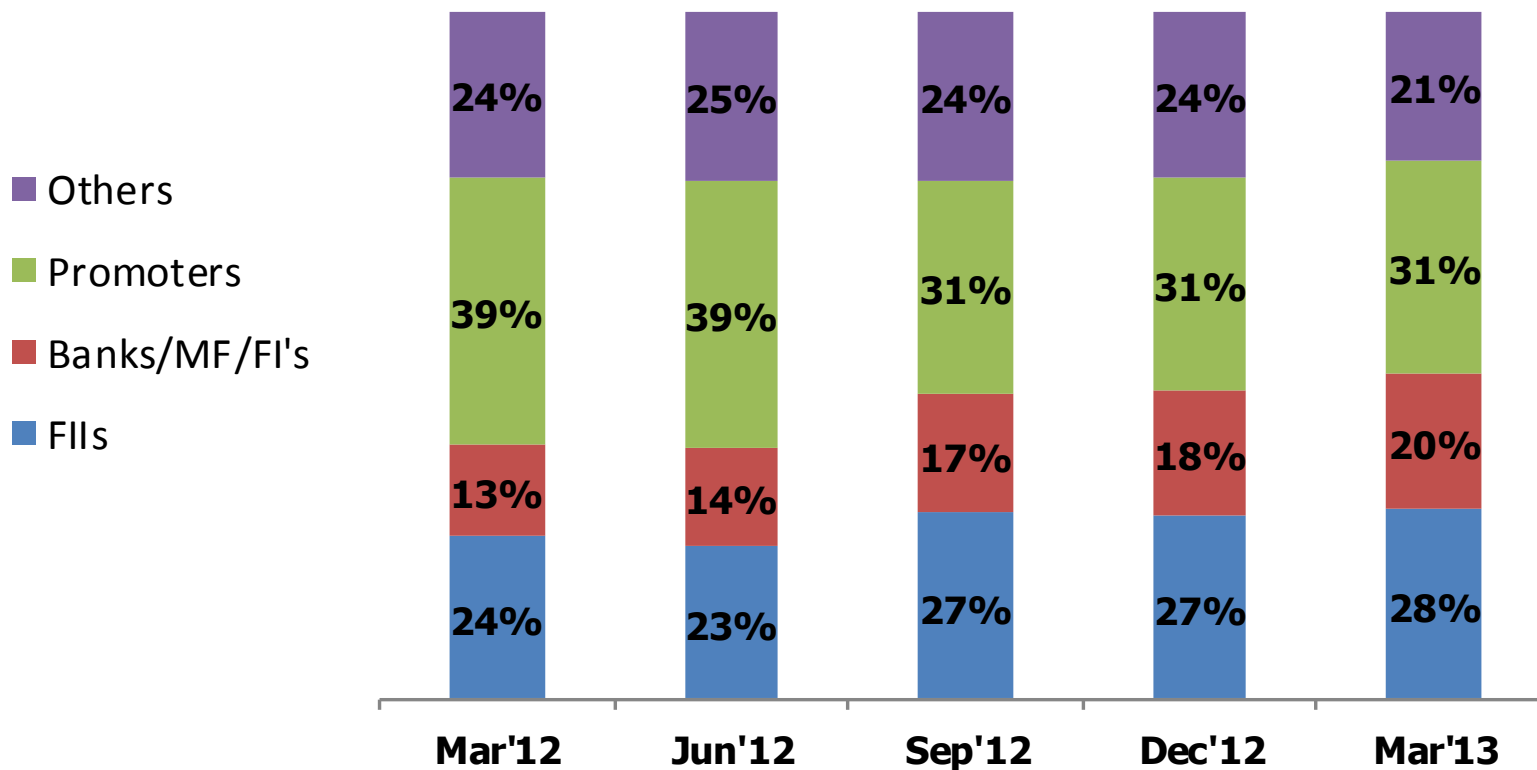


## People Data



	Mar'12	Jun'12	Sep'12	Dec'12	Mar'13
Net Additions	384	82	173	265	276
Attrition%	12.08%	12.36%	12.67%	12.51%	12.21%
Utilization	79.00%	78.54%	79.80%	78.44%	78.24%

# Shareholding Pattern





# Thank You

