



# Financial Performance – Q3FY19

Jan 18, 2019

# Agenda

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

## Financial Highlights – Q3FY19

### Consolidated Revenues at INR 9,717 Mn

- Up 28.5% YoY, Up 7.1% QoQ
- Constant currency revenue growth 4.2%

### Operating profits at INR 1,805 Mn

- Up 39.4% YoY, Up 10.4% QoQ
- Operating Margins at 18.6%, Up 145 bps YoY, Up 56 bps QoQ

### Net Profits at INR 1,002 Mn

- Up 32.6% YoY, down 10.3% QoQ
- Net Profit at 10.3%

### Order Intake at \$165 Mn

- \$375 Mn of firm business executable over next 12 months

# Business Highlights for Q2FY19

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- **T&T up 5.4% QoQ, Contributes 26.5% (LQ 26.9%)**
  - Growth in Top accounts in Europe and US
  - 2 New logos added
- **Insurance up 9.8% QoQ, Contributes 29.6% (LQ 28.8%)**
  - Growth in large customers in US, and NITL
  - Signed a large \$ 20 Mn+ deal in US
  - 3 New logos added
- **BFS up 1.7% QoQ, Contributes 15.4% (LQ 16.2%)**
  - 1 Large Deal of \$20 mn+ signed with large BFS client in US
  - 1 New logo added
- **Others up 8.9% QoQ, Contribute 28.5% (LQ 28.0%)**
  - Scale up in GIS business
  - 4 New logos added

# Consolidated Qtrly Income Statement

Particulars (INR Mn)	Q3FY19	Q2FY19	QoQ%	Q3FY18	YoY%
<b>Gross Revenues</b>	<b>9,717</b>	<b>9,074</b>	<b>7.1%</b>	<b>7,565</b>	<b>28.5%</b>
Direct Cost	6,280	5,897	6.5%	4,811	30.5%
<b>Gross Profit</b>	<b>3,437</b>	<b>3,177</b>	<b>8.2%</b>	<b>2,753</b>	<b>24.8%</b>
GM%	35.4%	35.0%	36 Bps	36.4%	-103 Bps
Selling / General And Administration	1,632	1,543	5.8%	1,458	11.9%
<b>SG&amp;A to Revenue %</b>	<b>16.8%</b>	<b>17.0%</b>	<b>-20 Bps</b>	<b>19.3%</b>	<b>-248 Bps</b>
<b>Operating Profit</b>	<b>1,805</b>	<b>1,634</b>	<b>10.4%</b>	<b>1,295</b>	<b>39.4%</b>
OM%	18.6%	18.0%	56 Bps	17.1%	145 Bps
Depreciation and Amortization	314	319	-1.8%	311	0.6%
Other Income (net)	5	215	-97.8%	5	-6.6%
<b>Profit Before Tax</b>	<b>1,496</b>	<b>1,530</b>	<b>-2.2%</b>	<b>989</b>	<b>51.3%</b>
PBT %	15.4%	16.9%	-146 Bps	13.1%	233 Bps
Provision for Tax	445	363	22.7%	163	173.8%
Minority Interest	49	49	-1.5%	70	-30.4%
<b>Profit After Tax (after Minority Int.)</b>	<b>1,002</b>	<b>1,118</b>	<b>-10.3%</b>	<b>756</b>	<b>32.6%</b>
PAT%	10.3%	12.3%	-200 Bps	10.0%	32 Bps
<b>EPS - INR</b>					
Basic	16.3	18.2	-10.3%	12.3	32.5%

- Growth across all business units resulted in higher margins
- Other income reflects loss on account of revaluation of current assets and liabilities at the qtr end
- ETR increased to 29.7% due to tax on dividend income from our foreign subsidiary. The normalized tax rate stood at 24.2%

# Balance Sheet

INR Mn.

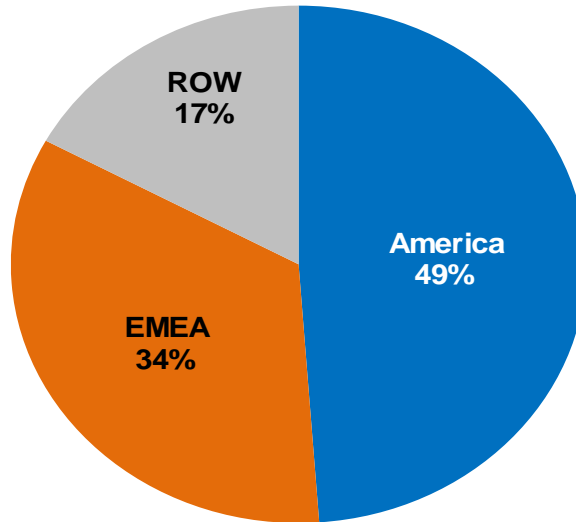
Particulars	As at Dec 31 2018	As at Sep 30 2018	As at Dec 31 2017	Particulars	As at Dec 31 2018	As at Sep 30 2018	As at Dec 31 2017
Equity	616	616	614	Fixed Assets	4,267	4,352	4,471
Reserves & Surplus	18,979	18,080	16,881	Capital Work in Progress	12	11	57
<b>NET Worth</b>	<b>19,596</b>	<b>18,696</b>	<b>17,495</b>	Intangible Assets	4,107	4,353	4,289
Borrowings	155	187	233	<b>Current Assets</b>			
Deferred Tax Liability	448	470	460	Cash and Cash Equivalent	8,260	7,556	6,906
Minority Interest	80	193	197	Debtors	6,628	6,526	5,672
				Other Current Assets	2,866	2,465	2,644
				Current Liabilities	(5,168)	(5,215)	(4,752)
				Future Acquisition Liability	(1,850)	(1,835)	(2,059)
				Deferred Tax Assets	1,157	1,333	1,156
	<b>20,278</b>	<b>19,546</b>	<b>18,385</b>		<b>20,278</b>	<b>19,546</b>	<b>18,385</b>

- Reserves and Surplus up INR 899 Mn over LQ.

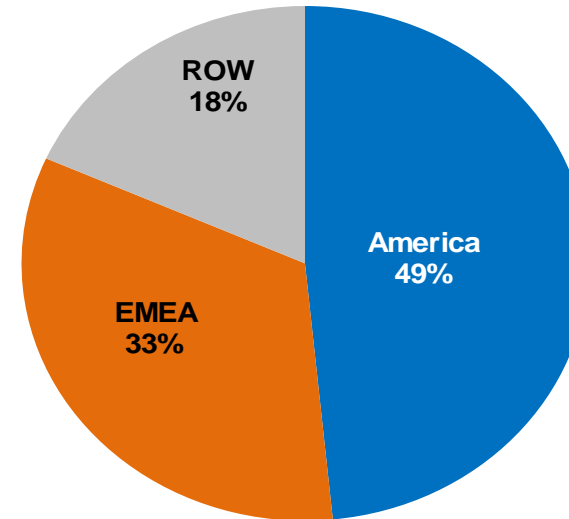
- Cash and Bank Balances up by INR 704 Mn over LQ
- DSO – 69 days (LQ 73 days).
- Capex during the Qtr – INR 130 Mn

# Geography Mix

Q2 FY19



Q3 FY19

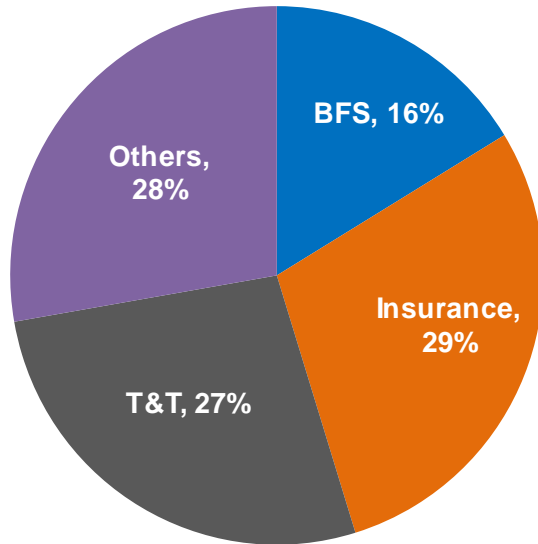


## Q3FY19:

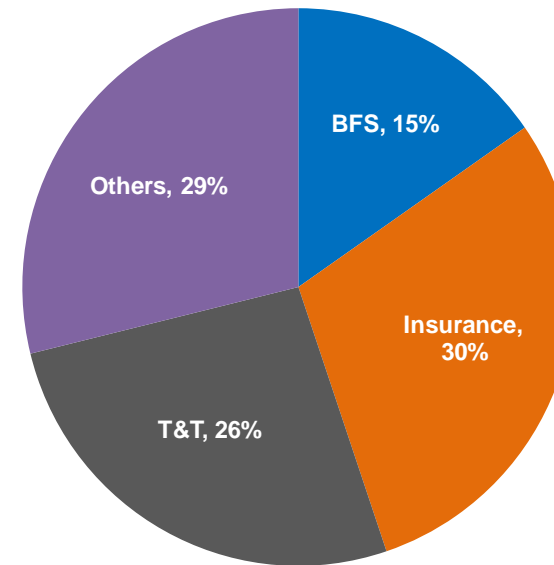
- Strong Growth in US due to growth across all major verticals
- Strong Growth in EMEA due to Digital engagements & IMS execution
- Scale up in GIS

# Vertical Mix

Q2 FY19



Q3 FY19



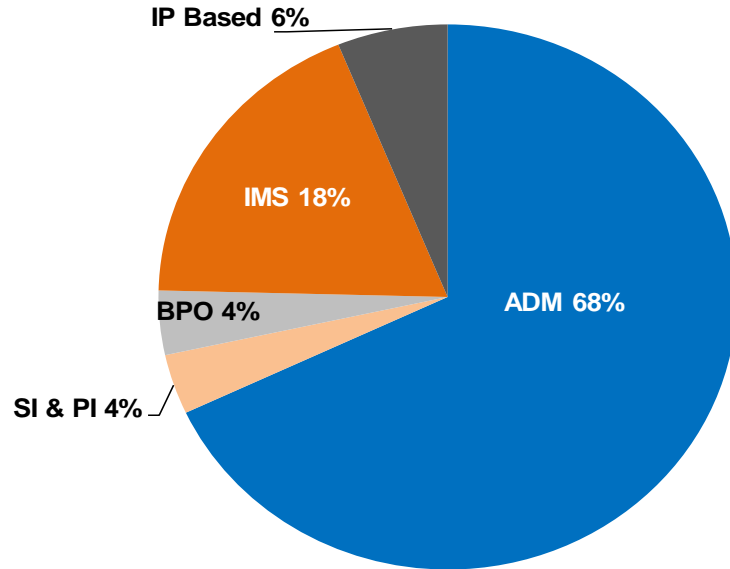
## Q3FY19:

- Growth in TTL due to continued ramp up in top accounts in US and EMEA
- Growth in BFS on account of higher revenue in US and EMEA
- Growth in Insurance on account of key accounts across US & Europe and Digital engagements
- Revenues from Others segment increased due to GIS and IMS accounts in EMEA

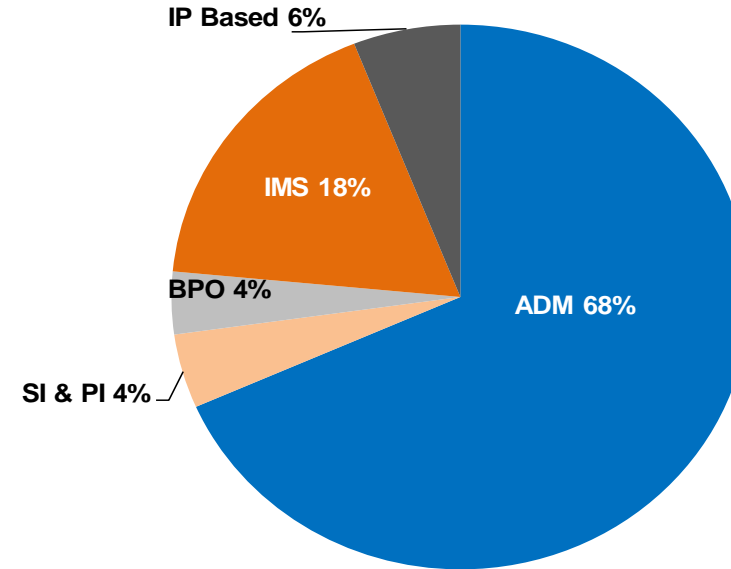


# Service Mix

Q2 FY19



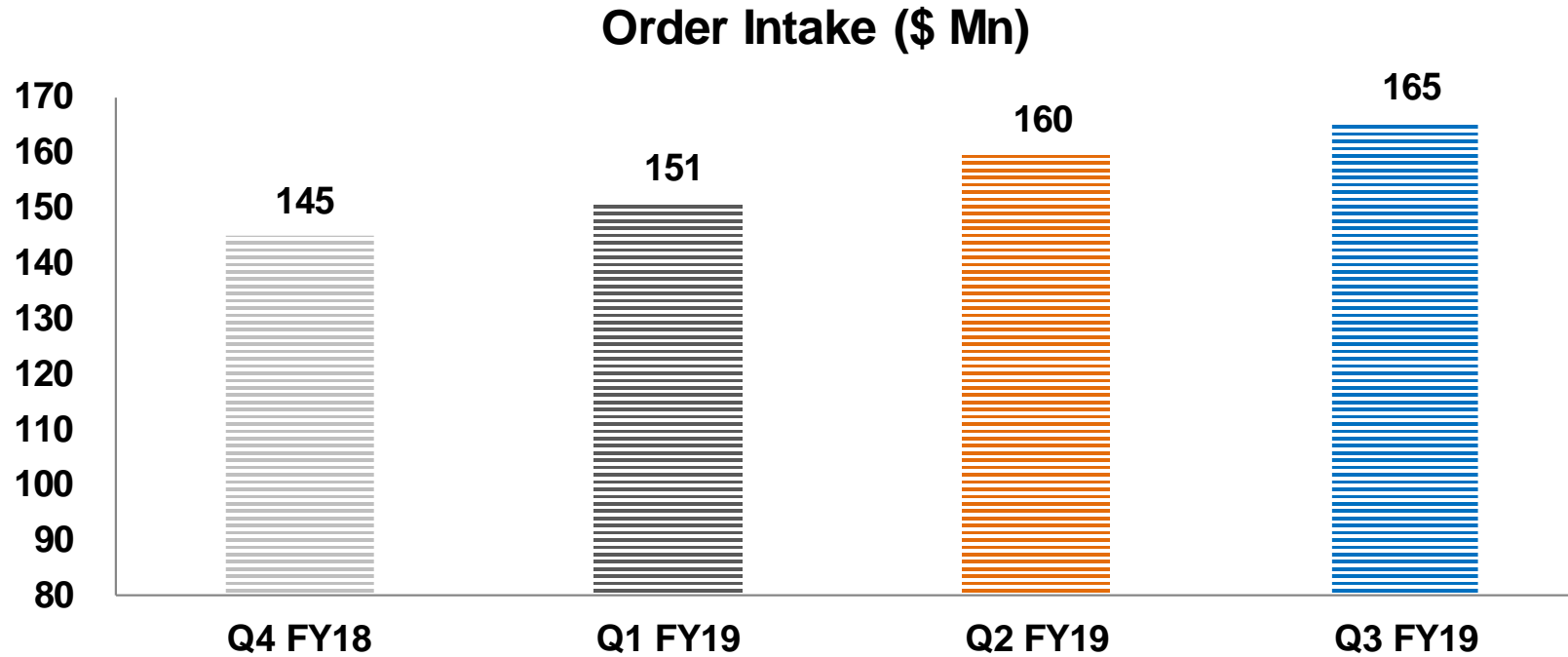
Q3 FY19



**Q3FY19:**

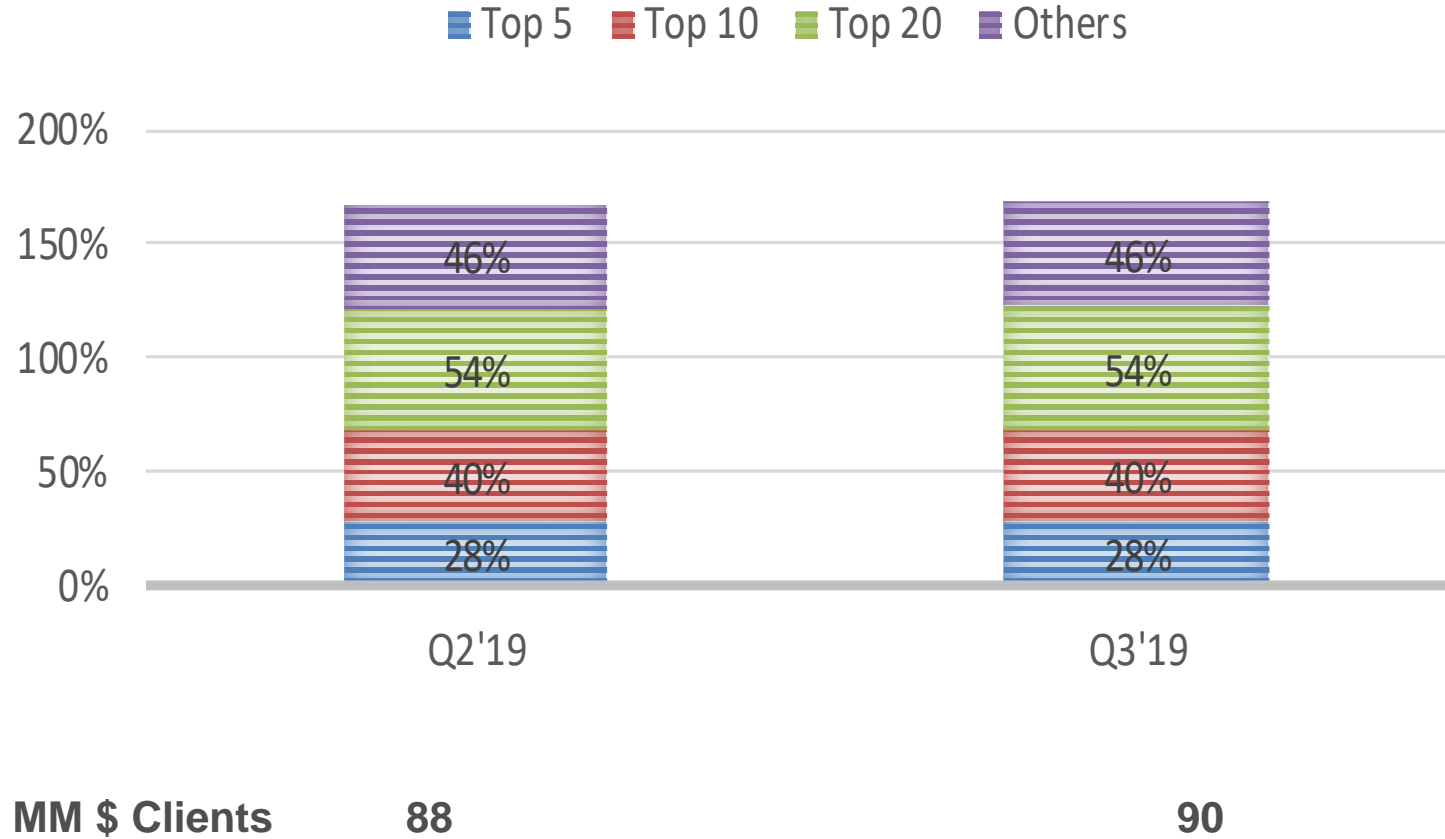
- Digital revenues at 29%, reflecting sequential growth of 12% and YoY growth of 52%
- Growth in ADM due to all round growth in major verticals (BFS, Insurance & T&T)
- Growth in IMS due to ramp up in recent acquired accounts in EMEA

# Order Intake

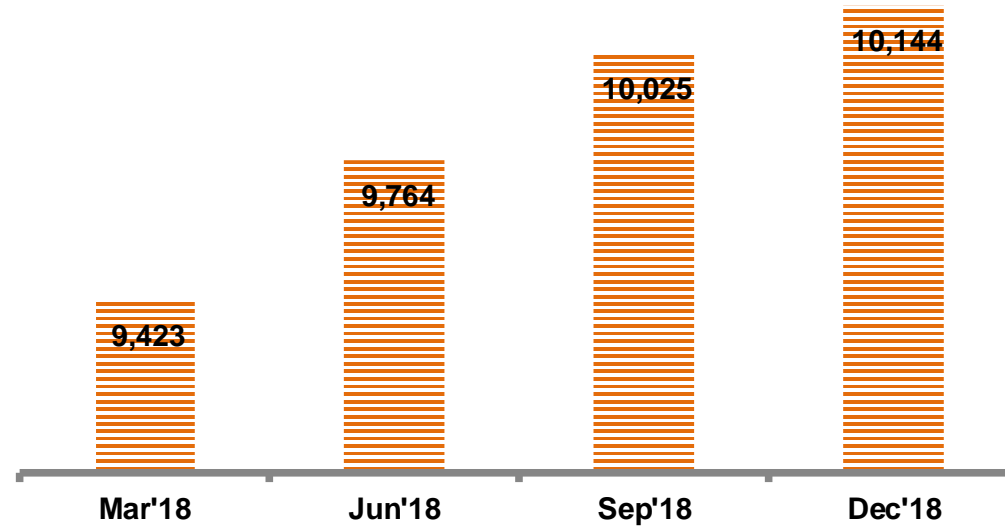


- 10 new customers added: 8 in US and 2 in ROW
- \$165 Mn order intake in the quarter leading to \$ 375 Mn of firm business executable over next 12 months
- Geographical breakdown of order intake – US (96 Mn), EMEA (42Mn), ROW (27 Mn)

# Top Client Mix

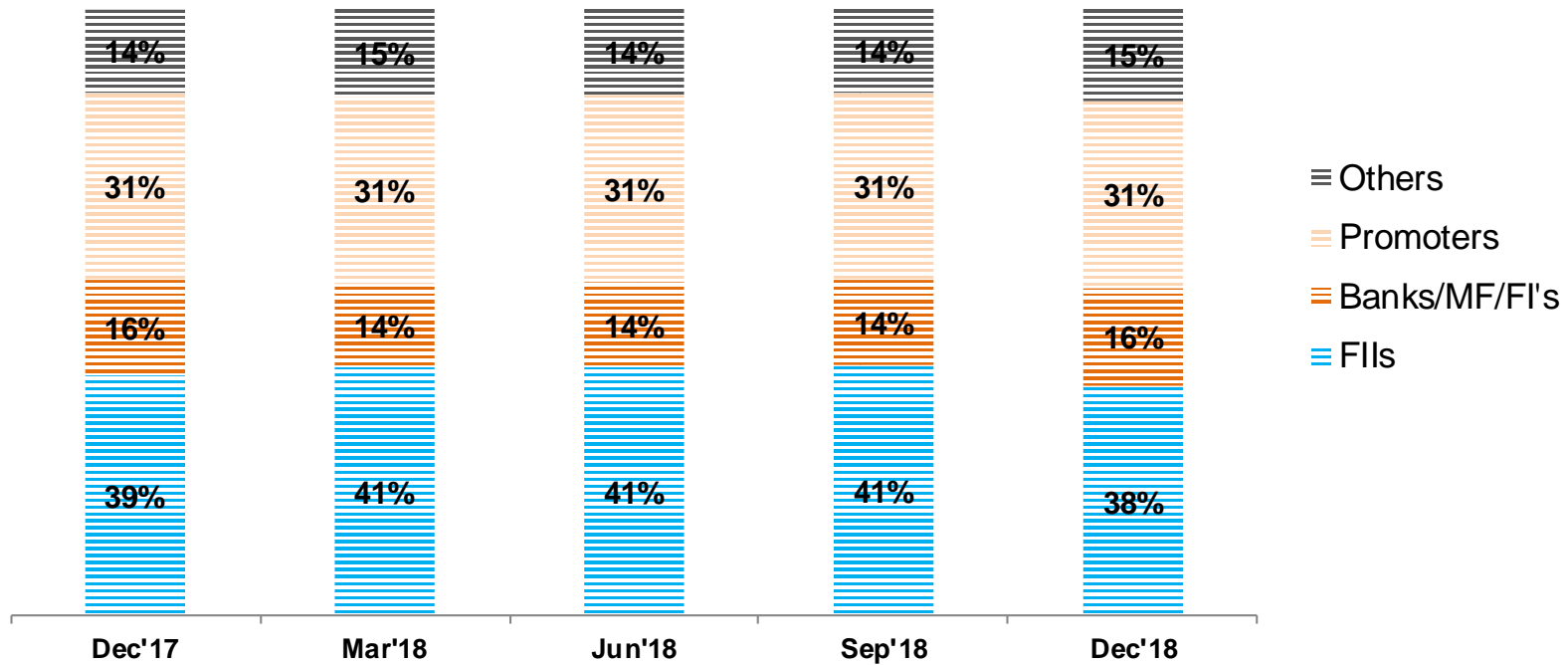


## People Data



<b>Net Additions</b>	342	341	261	119
<b>Attrition%</b>	10.47%	10.08%	10.78%	11.65 %
<b>Utilization</b>	79.50%	80.10%	80.40%	79.00%

# Shareholding Pattern





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**Thank You**