



NIIT Technologies

Financial Performance– Q1FY15

July 15, 2014

Outline

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

Financial Highlights for Q1 FY15

- Consolidated Revenues at INR 5,776 Mn
 - Down 1.8% QoQ, Up 6.6% YoY
 - Flat Constant currency growth
 - Hedge Gain of INR 4.7 Mn
- Operating profits at INR 775 Mn
 - Down 12.9% QoQ, Down 0.8% YoY
 - Operating Margins at 13.4%, Down 171 bps QoQ, Down 101 bps YoY
- Net Profits at INR 432 Mn
 - Down 30.1% QoQ, Down 18.7% YoY
 - Net Margins at 7.5%, Down 303 bps QoQ, Down 233 bps YoY
 - Other Income at INR 36 Mn, (LQ INR -30Mn, LY INR 206 Mn)
 - Effective Tax Rate at 26.0% of PBT (LQ 7.9%)
 - Depreciation at INR 189 Mn (LQ INR 156 Mn)
- Order intake of \$ 124Mn

Business Highlights for Q1 FY15

- BFSI Down 4.7% QoQ, Contributes 34% (LQ 35%)
 - Decline in 2 key clients in US
 - 2 New Clients Added
- Transport Up 2.3% QoQ, Contributes 39% (LQ 37%)
 - AOCC at Chennai airport goes live
 - 2 New Clients Added
 - Multimillion Dollar engagement with leading Airline
- Manufacturing & Distt Up 5.3% QoQ, Contributes 7% (LQ 7%)
 - Increase in revenues from clients with transaction pricing
- Government Up 5.0% QoQ, Contributes 5.6% (LQ 5.2%)
 - Major supplies of CCTNS completed and O&M started

Acknowledgements during the Quarter

- Pratibha Advani, CFO NIIT Technologies conferred with best CFO award in IT & ITES sector by CNBC TV18 CFO Awards 2013-14.
- NIIT Technologies BPO conferred with 'Delivering Business Value' award from Asia Outsourcing Congress in the National Awards for Excellence in Outsourcing & BPO 2014.
- The Company was awarded with Best Service Desk team project award in Call for Paper contest by the Information Technology Service Management Forum of India.

Consolidated Quarterly Income Statement

Particulars (INR Mn)	Q1FY15	Q4FY14	QoQ%	Q1FY14	YoY%
Gross Revenues	5,776	5,885	-1.8%	5,419	6.6%
Direct Cost	3,877	3,846	0.8%	3,669	5.6%
Gross Profit	1,899	2,039	-6.8%	1,750	8.6%
GM%	32.9%	34.6%	-175 Bps	32.3%	59 Bps
Selling / General And Administration	1,124	1,148	-2.1%	968	16.2%
SG&A to Revenue %	19.5%	19.5%	-4 Bps	17.9%	160 Bps
Operating Profit	775	890	-12.9%	782	-0.8%
OM%	13.4%	15.1%	-171 Bps	14.4%	-101 Bps
Depreciation and Amortization	189	156	21.0%	148	28.0%
Other Income (net)	36	(30)	-218.5%	206	-82.7%
Profit Before Tax	621	704	-11.7%	840	-26.0%
PBT %	10.8%	12.0%	-120 Bps	15.5%	-474 Bps
Provision for Tax	162	56	190.6%	296	-45.4%
Minority Interest	27	29	-6.6%	12	123.7%
Profit After Tax (after Minority Int.)	432	619	-30.1%	532	-18.7%
PAT%	7.5%	10.5%	-303 Bps	9.8%	-233 Bps
EPS - INR					
Basic	7.12	10.20	-30.2%	8.82	-19.2%

- Lower QoQ operating margin due to drop in US onsite revenues and wage increases
- Increase in depreciation due to change in useful life of asset and capitalization of assets in AAI
- QoQ increase in Tax on account of lower tax in Q4FY14 due to DTA

Balance Sheet

INR Mn

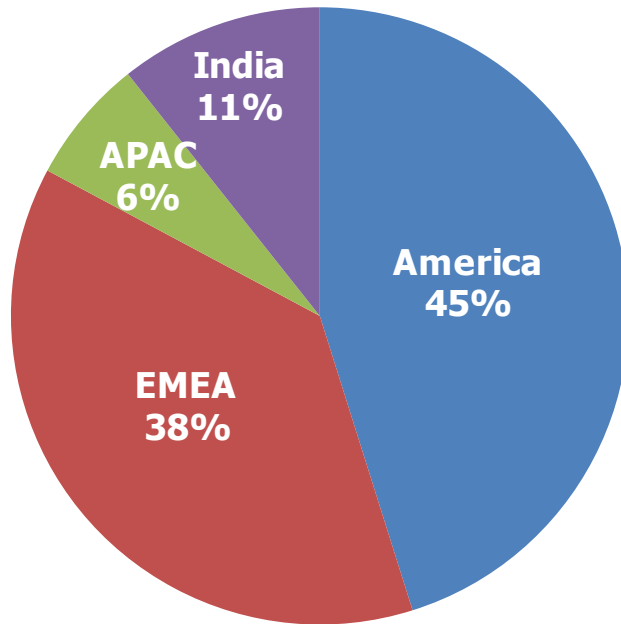
Particulars	As at Jun 30 2014	As at Mar 31 2014	As at Jun 30 2013	Particulars	As at Jun 30 2014	As at Mar 31 2014	As at Jun 30 2013
Equity	607	607	604	Net Block	5,103	4,534	4,590
Reserves & Surplus	13,127	12,632	10,961	Capital Work in Progress	1,256	1,286	343
NET Worth	13,734	13,239	11,565	Current Assets			
Borrowings	148	89	89	Cash and Cash Equivalent	1,951	2,874	2,479
Minority Interest	216	189	177	Debtors	6,105	5,643	5,822
				Other Current Assets	3,978	3,454	2,863
				Current Liabilities	(4,512)	(4,497)	(4,490)
				Defferred Tax Assets	217	223	224
	14,098	13,517	11,831		14,098	13,517	11,831

- Reserves and Surplus up 495 Mn (Profit up by INR 432Mn, CTR up by INR 42Mn, Hedge reserve up by 32 Mn)
- Borrowings up by INR 59 Mn due to working capital loan in US

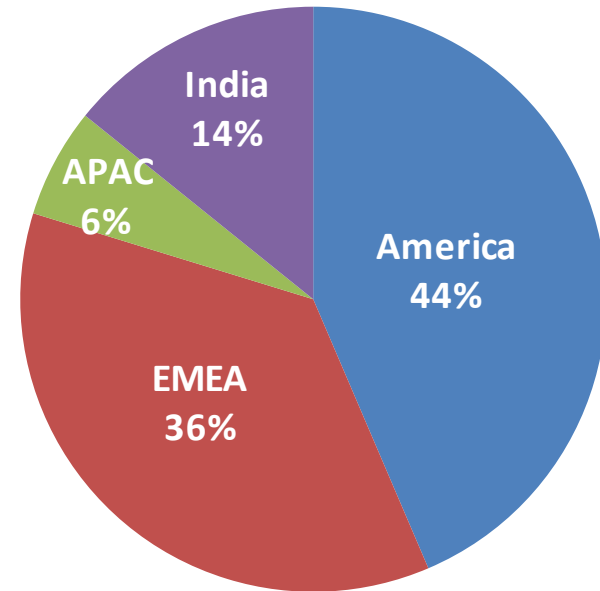
- DSO – 95 (LQ 89 days)
- Capex during the Qtr – INR 714 Mn (GNIDA – 65 Mn, AAI – 357 Mn, BAU – 292 mn)
- Cash decreased by INR 923 Mn

Geographic Revenue Mix

Q4 FY'14



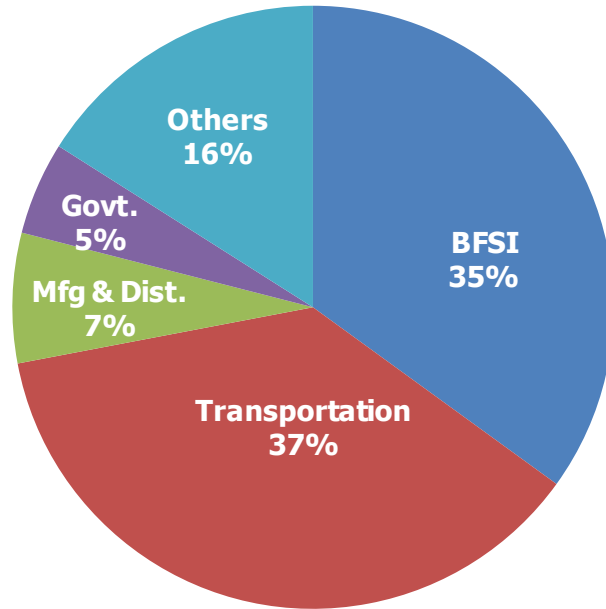
Q1 FY'15



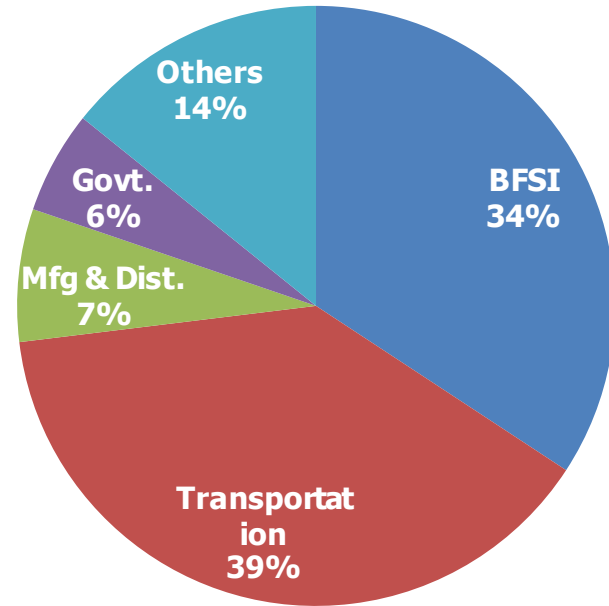
- Decline in US due to drop in onsite revenues
- Decline in EMEA due to transition of work offshore
- Growth in India due to achievement of milestones and start of O&M in major programs

Vertical Mix

Q4 FY'14



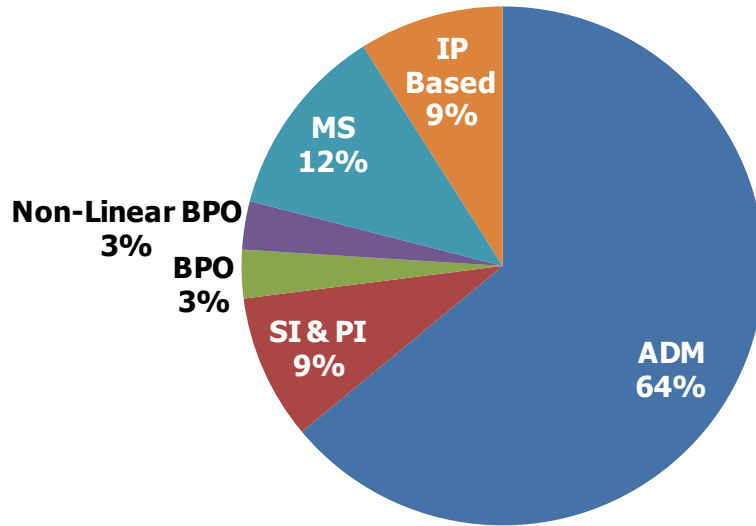
Q1 FY'15



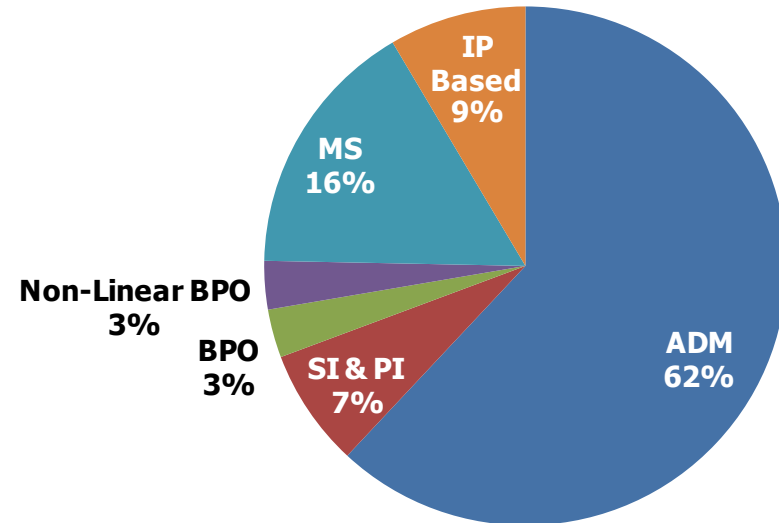
- BFSI declined due to drop in US
- Transport share increased due to go-live of AOCC at Chennai airport and movement into O&M phase
- Government increased due to milestone completion and movement to O&M phase in major CCTNS projects

Service Mix

Q4 FY'14

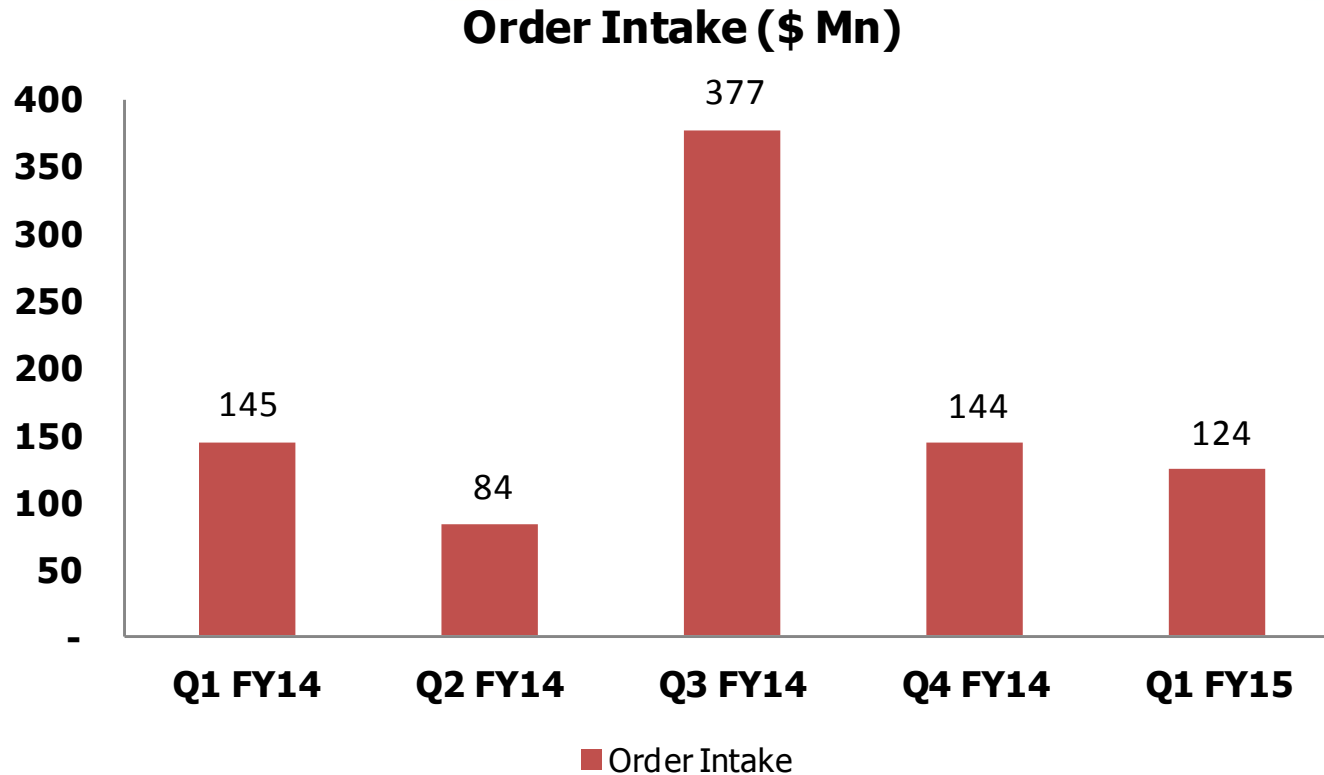


Q1 FY'15



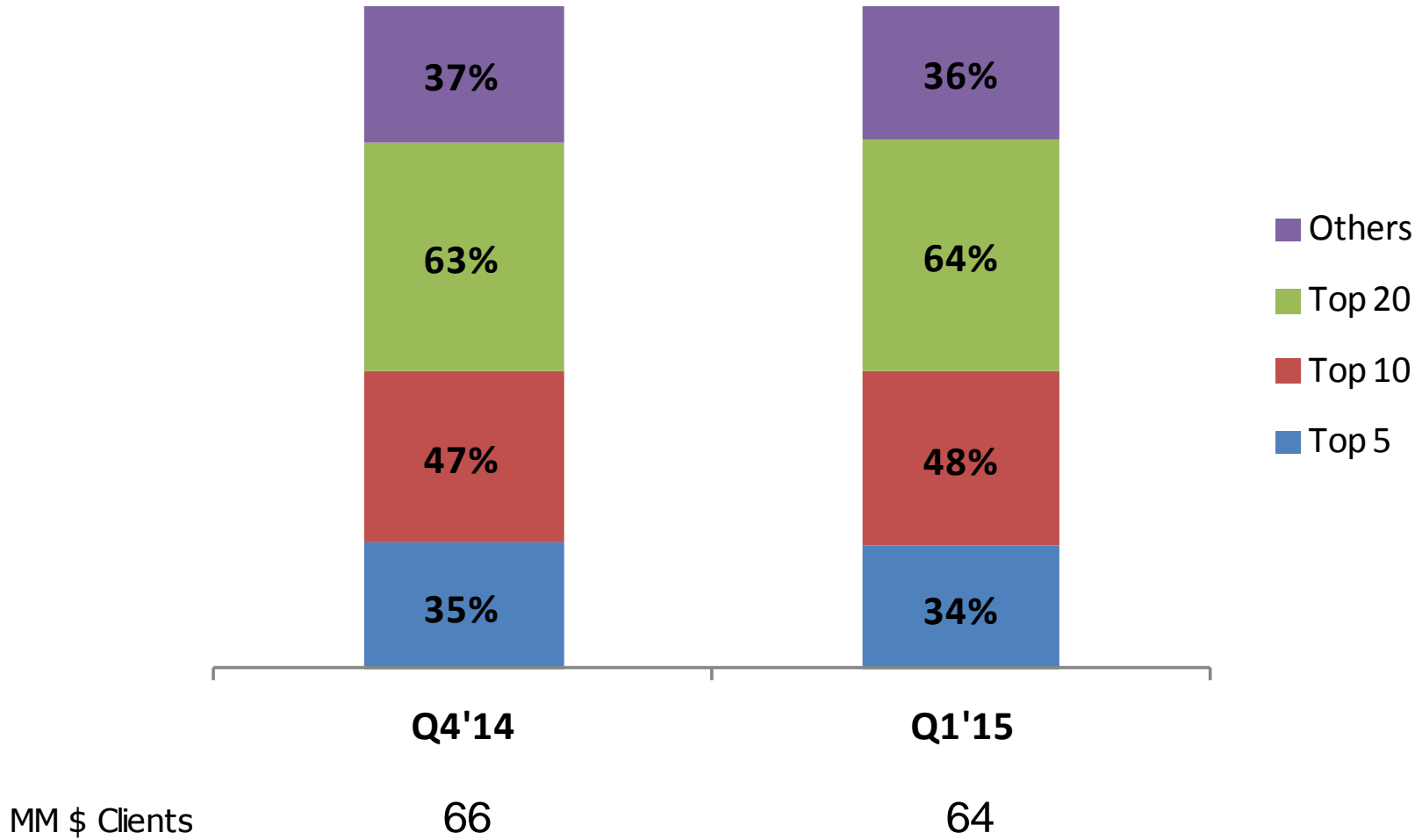
- Increase in MS revenues due to go-live of AOCC at Chennai airport and other new business
- SI & PI reduced due to seasonality in GIS and movement of Govt projects into O&M phase
- Decrease in ADM business due to drop in onsite revenues

Order Intake



- 4 new customers added during the quarter (TTL – 2, Insurance – 1, BFS – 1)
- \$124 Mn order intake in the quarter leading to \$295 Mn of firm business executable over next 12 months
- Geographical breakdown of order intake – US (34 Mn), EMEA (27 Mn), ROW (63 Mn)

Top Client Mix



MM \$ Clients

Q4'14

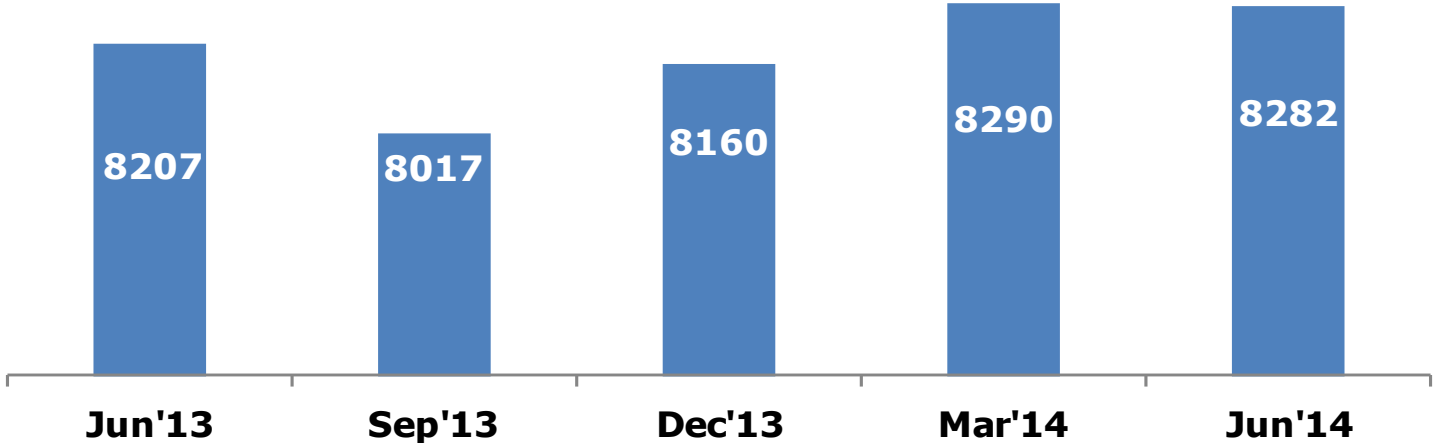
Q1'15

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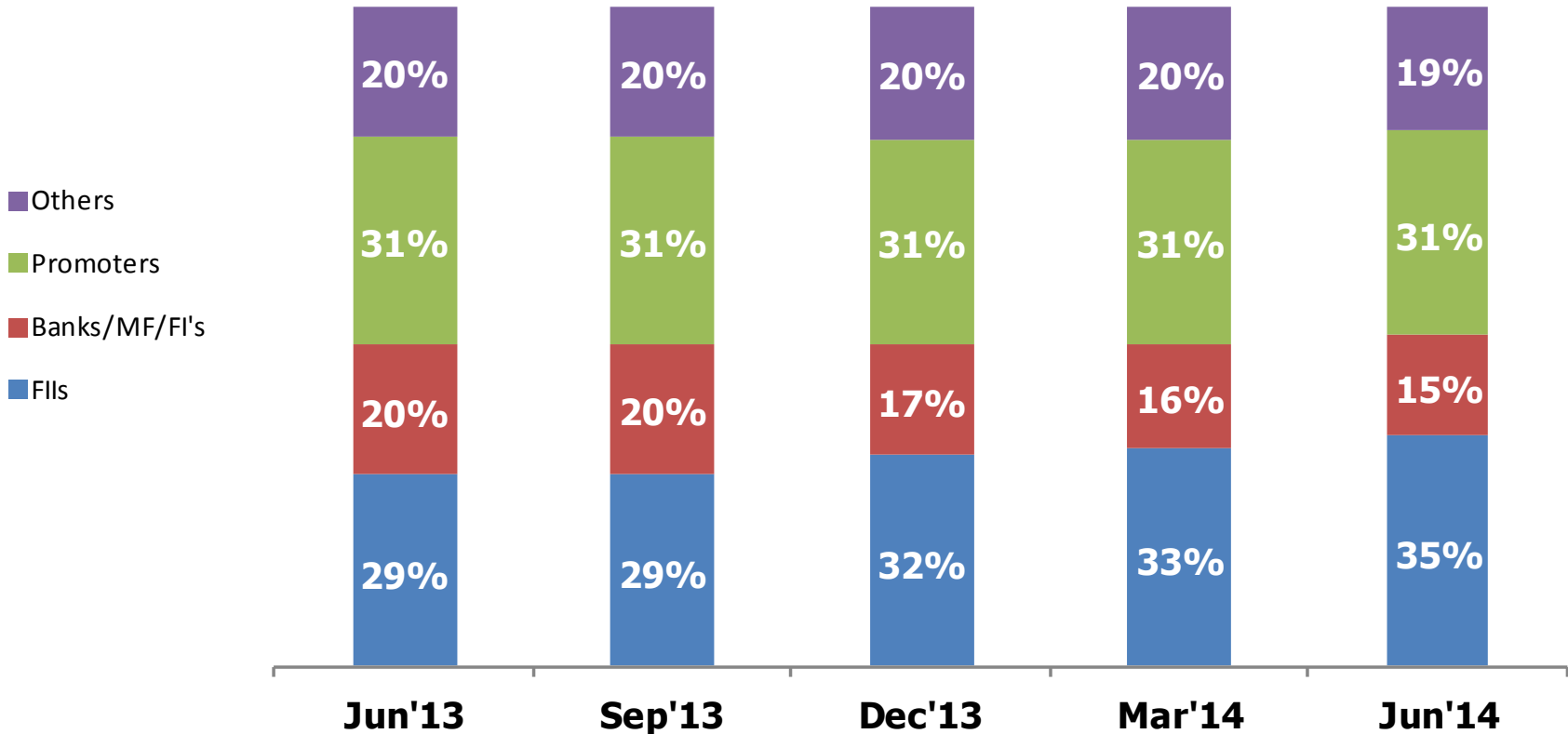
People Resources

People Data



	Jun'13	Sep'13	Dec'13	Mar'14	Jun'14
Net Additions	49	-190	143	130	-8
Attrition%	12.36%	12.44%	13.37%	14.37%	15.40%
Utilization	77.30%	80.30%	78.40%	77.30%	78.03%

Shareholding Pattern





Thank You