



Financial Performance – Q3FY17

Jan 17, 2017

Agenda

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

Financial Highlights – Q3FY17

Consolidated Revenues at INR 6,938 Mn

- Up 0.1% QoQ, Up 2.0% YoY
- Constant currency revenues Up 0.6% QoQ

Operating profits at INR 1,162 Mn

- Up 1.5% QoQ, Down 6.4% YoY
- Operating Margins at 16.8%, Up 23 bps QoQ, Down 150 bps YoY

Net Profits at INR 624 Mn

- Up 5.9% QoQ, Down 10% YoY
- ETR at 25.3%

Order Intake at \$101 Mn

- \$311 Mn of firm business executable over next 12 months

Business Highlights for Q3FY17

- **BFSI flat QoQ, Contributes 42% (LQ 42%)**
 - Growth in top Insurance accounts
 - Decline in BFS
 - Ramp up in recent total outsourcing engagements
- **T&T down 2.8% QoQ, Contributes 32% (LQ 33%)**
 - Ramp down in large T&T account in US
 - Growth in top accounts in EMEA
 - 2 New Client added
- **Manufacturing, Media and Others up 4.8% QoQ, Contributes 26% (LQ 25%)**
 - Increase in revenues in Manuf & Media
 - Expansion in revenues in GIS
 - 1 new customer added

Acknowledgements during the Quarter

- Won 'Award for Innovation' in Outsourcing from Global Sourcing Association
- Conferred with 'Best in Culture Transformation' and 'Best in Rewards and Recognitions' awards from Hindustan Times Mint and The Guild
- NIIT Technologies has been named as a Strong Performer in Application Outsourcing Capabilities in the report "The Forrester Wave(tm): Application Outsourcing Capabilities of Midsize Offshore Vendors, Q4 2016"
- Positioned as a 'Major Contender' on Everest Group's PEAK (Performance, Experience, Ability and Knowledge) Matrix™ for IT Application Outsourcing Services in Insurance, 2016

Consolidated Qtrly Income Statement – Ind AS

Particulars (INR Mn)	Q3FY17	Q2FY17	QoQ%	Q3FY16	YoY%
Gross Revenues	6,938	6,929	0.1%	6,802	2.0%
Direct Cost	4,441	4,481	-0.9%	4,265	4.1%
Gross Profit	2,497	2,448	2.0%	2,538	-1.6%
GM%	36.0%	35.3%	66 Bps	37.3%	-132 Bps
Selling / General And Administration	1,335	1,303	2.4%	1,296	3.1%
SG&A to Revenue %	19.2%	18.8%	43 Bps	19.1%	18 Bps
Operating Profit	1,162	1,145	1.5%	1,242	-6.4%
OM%	16.8%	16.5%	23 Bps	18.3%	-150 Bps
Depreciation and Amortization	321	317	1.3%	308	4.4%
Other Income (net)	59	29	105.3%	45	30.5%
Profit Before Tax (Before exceptional items)	900	856	5.1%	979	-8.1%
PBT % (Before exceptional items)	13.0%	12.4%	61 Bps	14.4%	-142 Bps
Exceptional items	-	-	NA	13	NA
Profit Before Tax	900	856	5.1%	966	-6.8%
PBT %	13.0%	12.4%	61 Bps	14.2%	-123 Bps
Provision for Tax	228	213	7.0%	224	1.6%
Minority Interest	48	54	-11.0%	48	0.1%
Profit After Tax (after Minority Int.)	624	589	5.9%	694	-10.0%
PAT%	9.0%	8.5%	49 Bps	10.2%	-120 Bps
EPS - INR					
Basic	10.1	9.6	5.9%	11.3	-10.3%

- Improvement in operating margins due to higher offshore revenues
- Marginal increase in ETR to 25.3% from 24.9% in previous qtr due to higher other income

Consolidated Qtrly Income Statement – iGAAP

Particulars (INR Mn)	Q3FY17	Q2FY17	QoQ%	Q3FY16	YoY%
Gross Revenues	6,922	6,913	0.1%	6,787	2.0%
Direct Cost	4,419	4,476	-1.3%	4,256	3.8%
Gross Profit	2,503	2,437	2.7%	2,532	-1.1%
GM%	36.2%	35.3%	90 Bps	37.3%	-114 Bps
Selling / General And Administration	1,335	1,315	1.5%	1,296	3.1%
SG&A to Revenue %	19.3%	19.0%	26 Bps	19.1%	18 Bps
Operating Profit	1,169	1,123	4.1%	1,236	-5.4%
OM%	16.9%	16.2%	64 Bps	18.2%	-132 Bps
Depreciation and Amortization	288	292	-1.5%	273	5.6%
Other Income (net)	45	27	69.2%	52	-12.8%
Profit Before Tax (Before exceptional items)	926	857	8.0%	1,015	-8.8%
PBT % (Before exceptional items)	13.4%	12.4%	98 Bps	15.0%	-157 Bps
Exceptional items	-	-	NA	13	NA
Profit Before Tax	926	857	8.0%	1,002	-7.6%
PBT %	13.4%	12.4%	98 Bps	14.8%	-138 Bps
Provision for Tax	224	207	8.2%	212	5.6%
Minority Interest	48	54	-10.1%	48	0.6%
Profit After Tax (after Minority Int.)	654	596	9.6%	742	-11.9%
PAT%	9.4%	8.6%	82 Bps	10.9%	-148 Bps
EPS - INR					
Basic	10.6	9.7	9.6%	12.1	-12.1%

Balance Sheet - IndAs

INR Mn.

Particulars	As at Dec 31 2016	As at Sep 30 2016	As at Dec 31 2015	Particulars	As at Dec 31 2016	As at Sep 30 2016	As at Dec 31 2015
Equity	614	614	611	Fixed Assets	4,738	4,878	4,811
Reserves & Surplus	16,477	15,944	15,074	Capital Work in Progress	369	232	191
NET Worth	17,090	16,558	15,685	Intangible Assets	3,601	3,760	4,128
				Current Assets			
				Cash and Cash Equivalent	5,686	4,603	3,118
Borrowings	112	114	93	Debtors	5,155	5,470	6,493
Deferred Tax Liability	101	137	230	Other Current Assets	3,489	3,627	3,335
Minority Interest	1,177	1,128	955	Current Liabilities	(4,558)	(4,634)	(5,113)
	18,480	17,937	16,963		18,480	17,937	16,963

• Reserves and Surplus up INR 1,405 Mn over PY

• Cash and Bank Balances up by 2,568 Mn over PY and up 1,083 Mn over LQ
 • DSO – 69 days (PQ – 73 days)
 • Capex during the Qtr – INR 190 Mn

Balance Sheet - iGAAP

INR Mn.

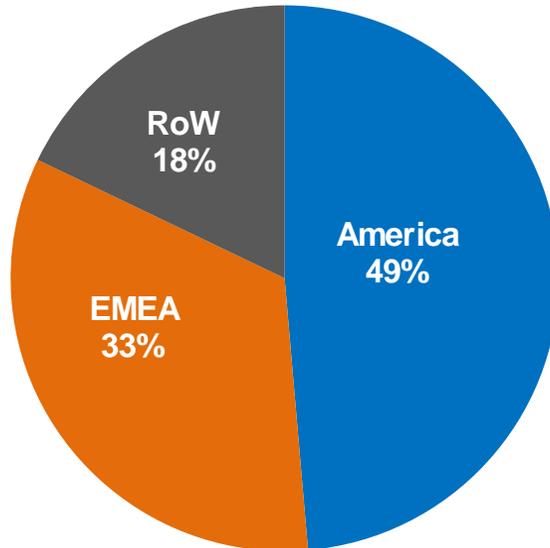
Particulars	As at Dec 31 2016	As at Sep 30 2016	As at Dec 31 2015	Particulars	As at Dec 31 2016	As at Sep 30 2016	As at Dec 31 2015
Equity	614	614	611	Net Block	5,353	5,601	5,599
Reserves & Surplus	16,660	16,132	15,176	Goodwill	2,261	2,297	2,492
NET Worth	17,274	16,746	15,788	Capital Work in Progress	369	232	191
Borrowings	112	114	93	Current Assets			
Minority Interest	793	745	572	Cash and Cash Equivalent	5,686	4,603	3,118
				Debtors	5,155	5,470	6,493
				Other Current Assets	3,438	3,589	3,303
				Current Liabilities	(4,462)	(4,534)	(4,987)
				Deferred Tax Assets	378	347	242
	18,179	17,605	16,452		18,179	17,605	16,452

• Reserves and Surplus up INR 1,486 Mn over PY

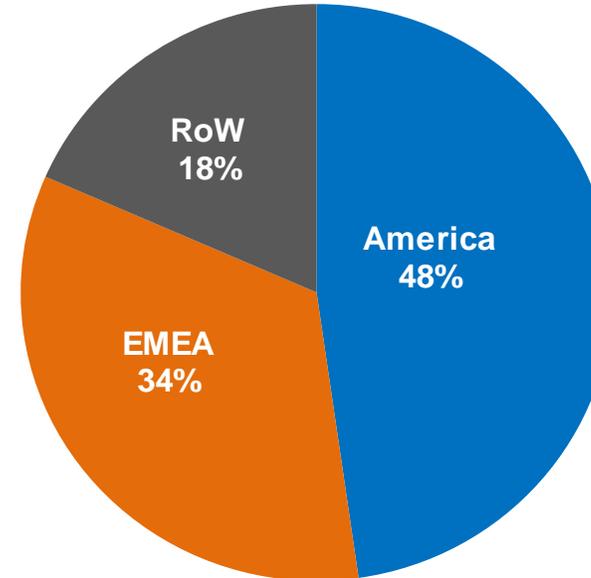
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 • Capex during the Qtr – INR 190 Mn

Geography Mix

Q2 FY'17



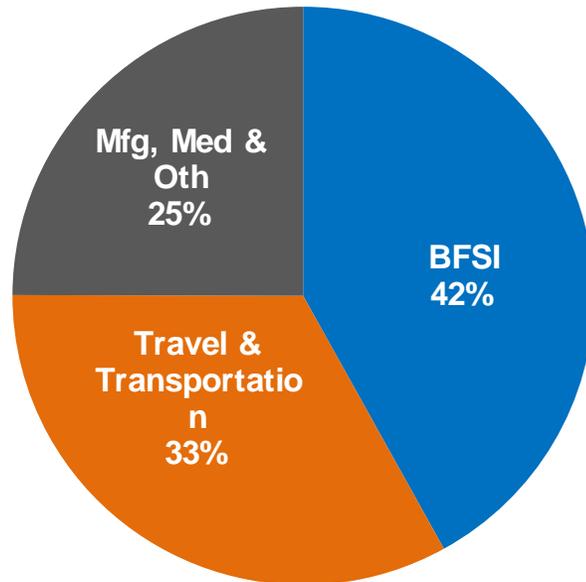
Q3 FY'17



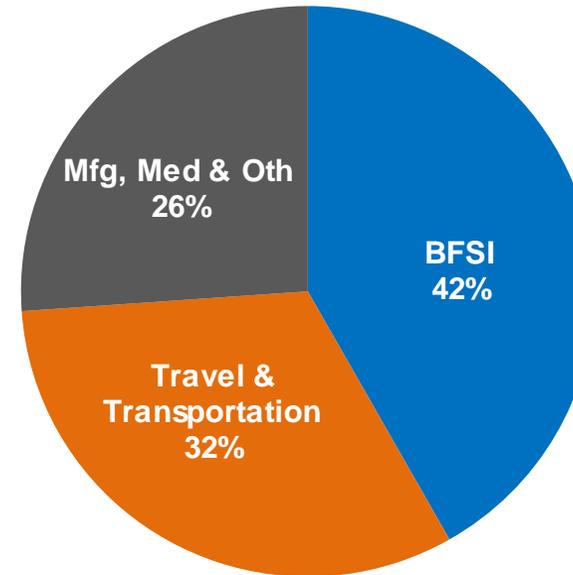
- Decline in US due to ramp down in large T&T account
- Growth in EMEA due to ramp up in recent total outsourcing engagements

Vertical Mix

Q2FY17

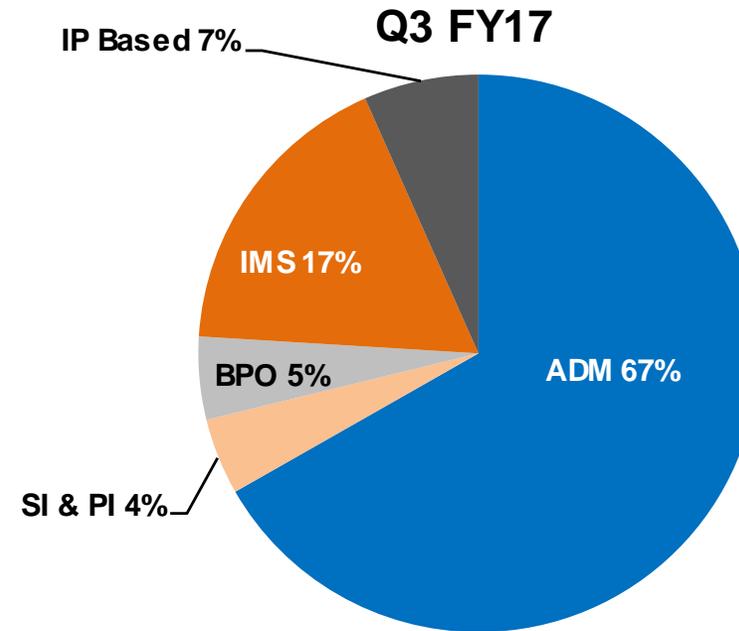
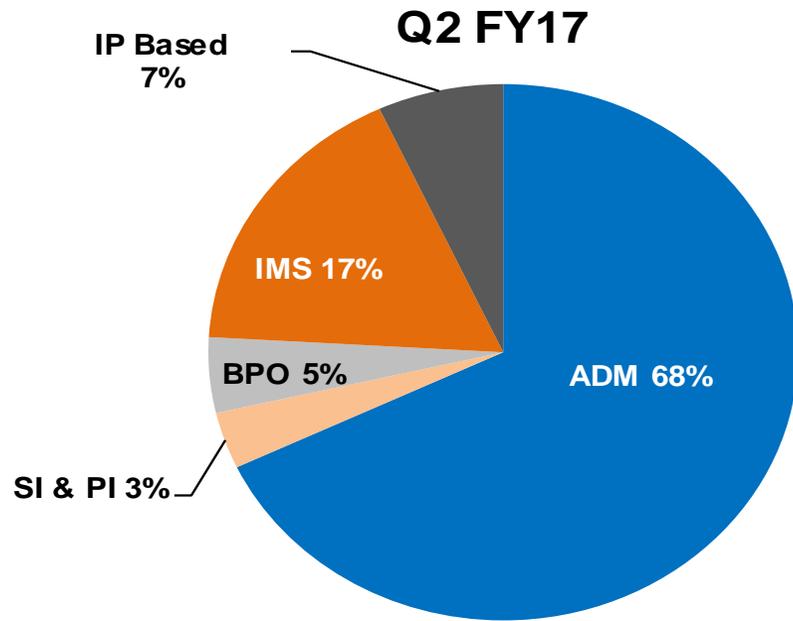


Q3FY17



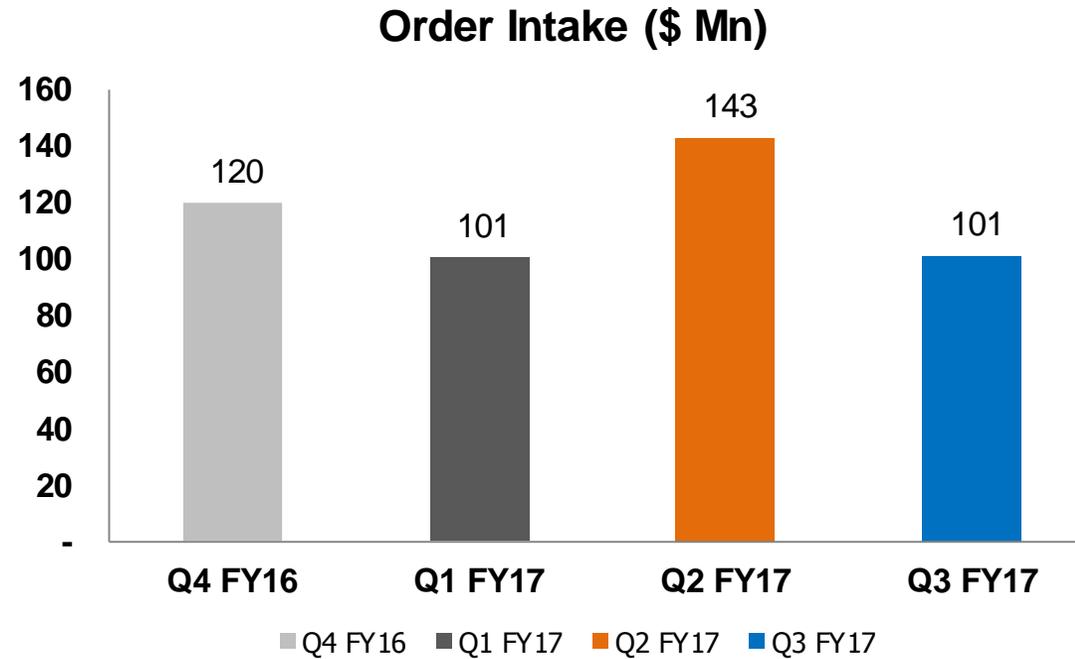
- BFSI Flat – Growth in Insurance offset by decline in BFS
- Decline in T&T due to ramp down in North American Travel client
- Growth in Mfg, Med and GIS

Service Mix



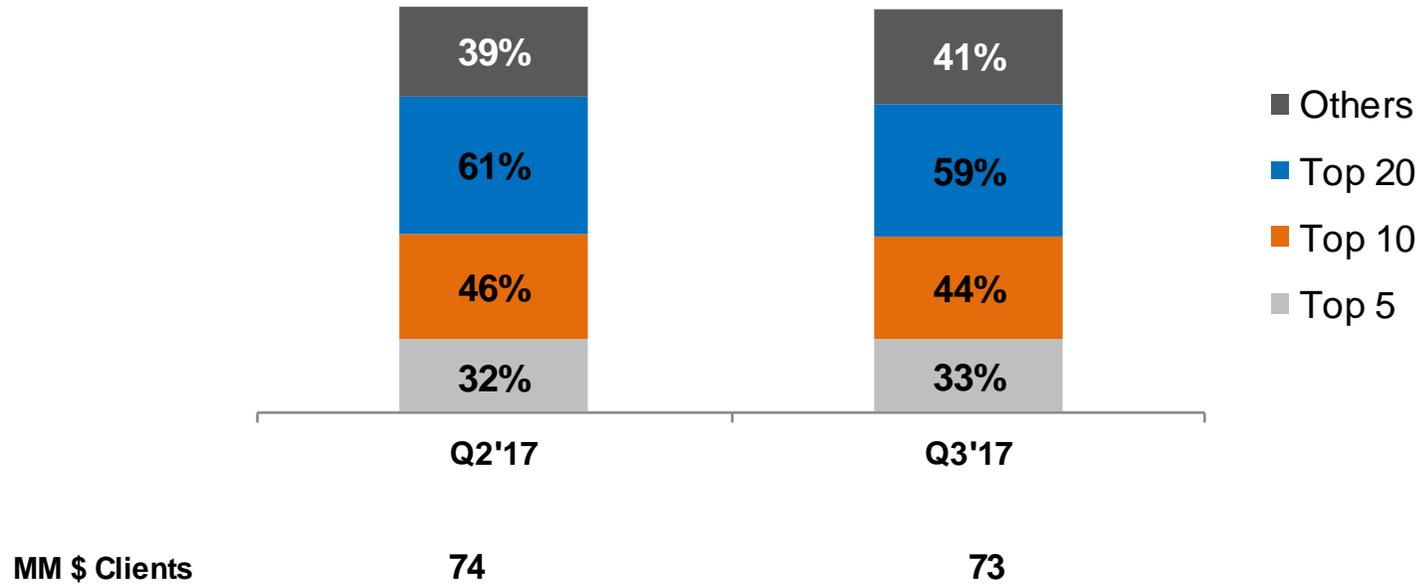
- Decline in ADM revenues primarily on account of lower revenues in T&T
- Digital revenues at 19%

Order Intake

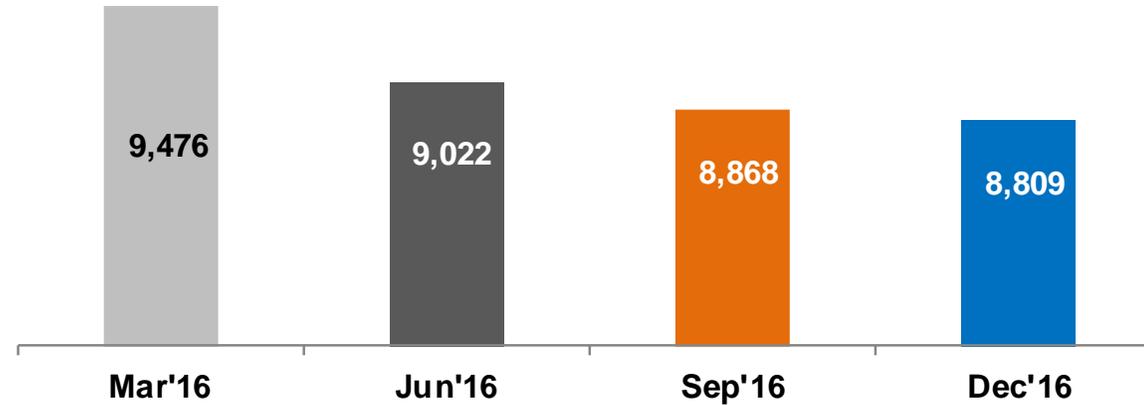


- 3 new customers added - 2 in T&T and 1 in Others
- \$101 Mn order intake in the quarter leading to \$311 Mn of firm business executable over next 12 months
- Geographical breakdown of order intake – US (38 Mn), EMEA (51 Mn), ROW (12 Mn)

Top Client Mix

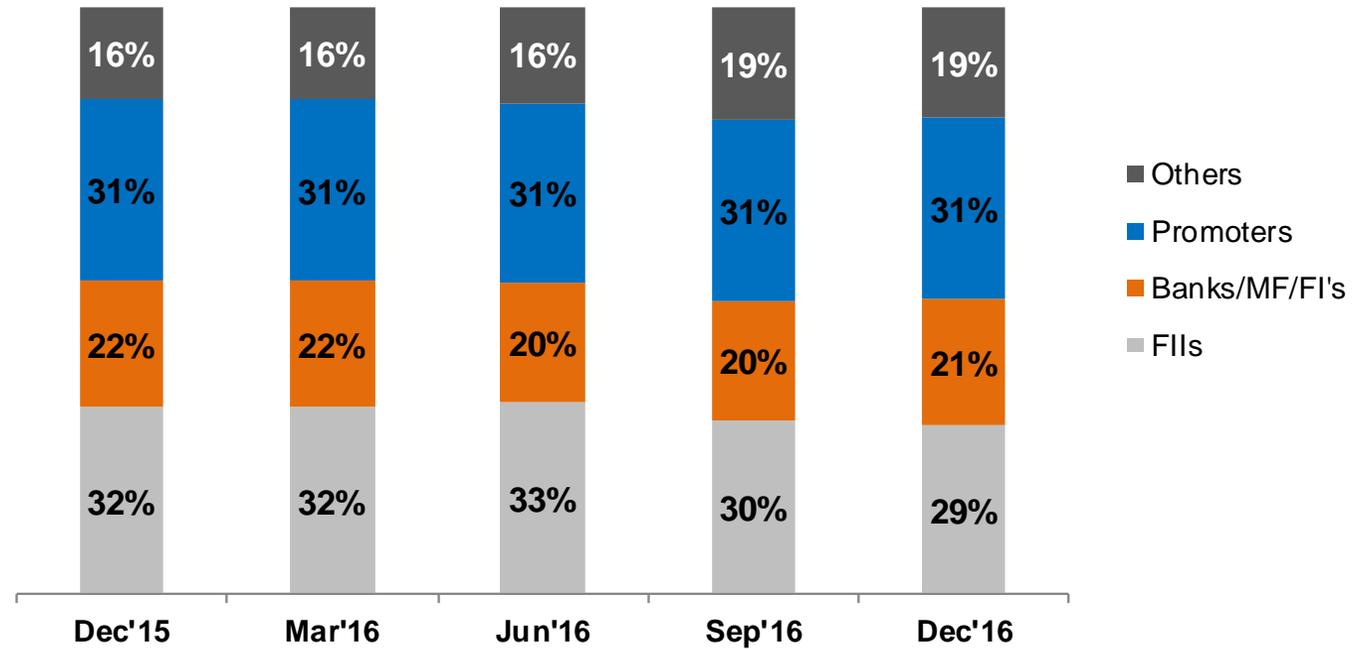


People Data



	Mar'16	Jun'16	Sep'16	Dec'16
Net Additions	-41	-454	-154	-59
Attrition%	12.73%	13.38%	12.86%	12.58%
Utilization	79.00%	79.80%	81.00%	80.00%

Shareholding Pattern





Thank You