



NIIT

**REIMAGINING
LEARNING**
THE NEXT WOW



Financial Results Q1 FY20
10th August 2019

Environment

World bank expects growth to slow down to 2.6% in CY2019. This is the weakest growth rate since the global financial crisis.

RBI expects India's GDP growth to be 6.9% versus earlier expectation of 7% on slowing growth, driven by sluggishness in private consumption and investment activity. Liquidity challenges impact several sectors

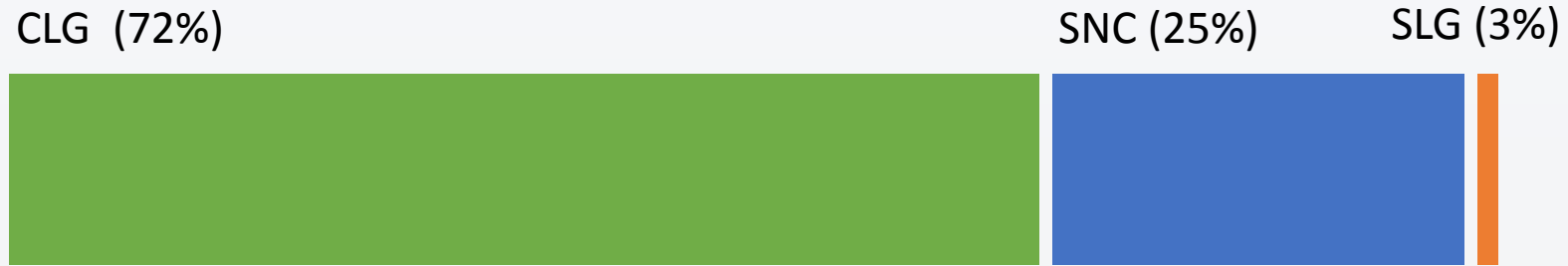
Trade uncertainty and forex volatility continue to impact decision making.

Global companies continue to look for specialist companies for Training Outsourcing. M&A activity remains key risk for near term training activity levels

Pick up in demand for talent trained in new age skills in IT Companies and Banks continues

Decision making by schools continues to remain impacted due to regulatory uncertainty

NIIT Q1 FY20 - Highlights

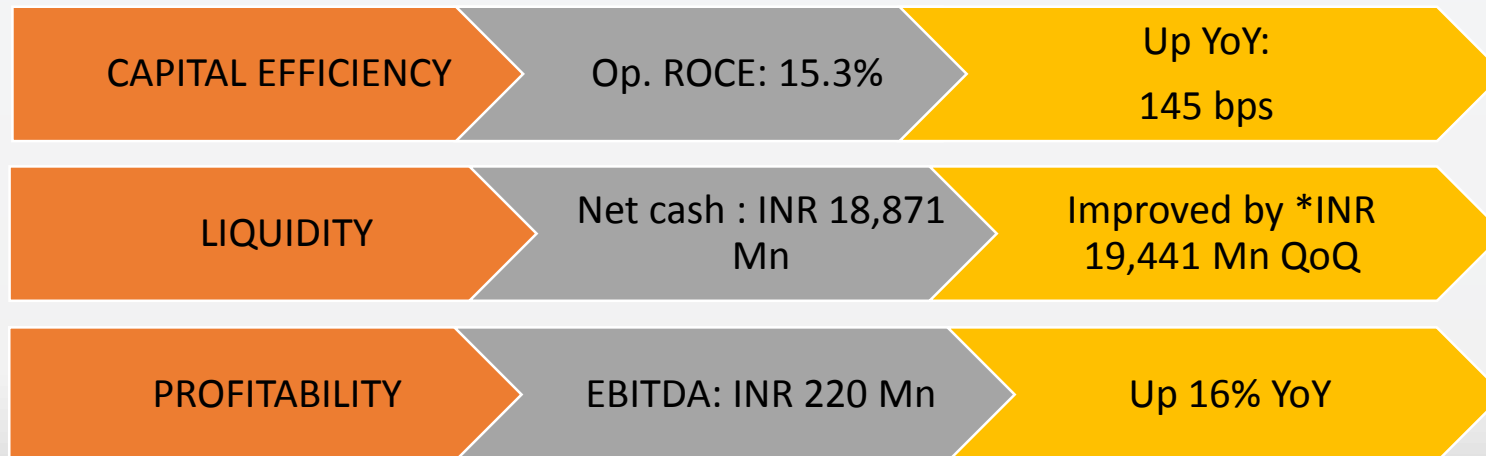


Corporate:

- MTS customer tally has reached 49
- Revenue visibility at \$ 264 million up 18% YoY

Skills & Careers:

- Go forward SNC business revenue grows @ 15% YoY
- 11 customers for StackRoute



* Including impact of NTL divestment and payment of transaction related costs & Advance tax

Q1 FY20: In Perspective

Overall NIIT

- Completed divestment of NIIT Technologies for a consideration of INR 20,204 Mn
- Revenue at INR 2,103 Mn; down 2% YoY;
- EBITDA at INR 220 Mn (OM of 10%); up 16% YoY; OM% up 159 bps YoY
- PAT at INR 10,904 Mn; EPS at INR 65.1 per share
- Operational ROCE at 15.3%; up 145 bps YoY and up 25 bps QoQ

Corporate Learning Group (CLG)

- Revenue at INR 1,524 Mn up 1% YoY;
- EBITDA margin at 15%
- Revenue Visibility at \$ 264 Mn (up 18% YoY)
- Added 5 MTS customers; 4 new logos. MTS customer tally has reached 49

Skills & Careers Group (SNC)

- Revenue at INR 517 Mn down 6% YoY. Go forward SNC business revenue grows @ 15% YoY
- EBITDA at INR 24 Mn compared to INR (9) Mn in Q1 FY19

School Learning Group (SLG)

- Revenue at INR 62 Mn down 30% YoY
- 156 school contracts signed

* Financials include impact on account of implementation of IND AS 116

Key Financials

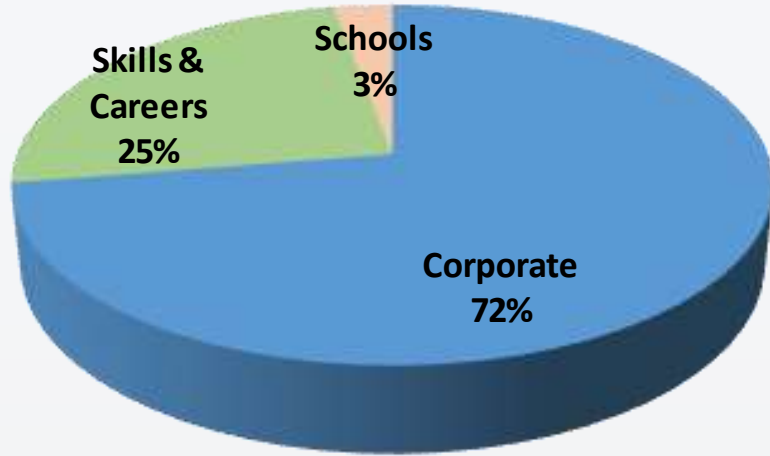
INR Mn	Q1 FY20	Q1 FY19	YoY	Q4 FY19	QoQ
System wide Revenue	3,110	3,363	-8%	2,969	5%
Net Revenue	2,103	2,143	-2%	2,397	-12%
Operating expenses	1,883	1,953	-4%	2,163	-13%
EBITDA	220	190	16%	234	-6%
EBITDA%	10%	9%	159 bps	10%	70 bps
Depreciation	128	93	37%	88	45%
Net Other Income	13,068	-59	-	-91	-
PBT	13,160	38	-	55	-
Tax *	2,252	60	-	70	-
Associate Profit & Minority Share	-4	201	-	246	-
PAT	10,904	179	-	232	-
EPS (INR)	65.1	1.1	-	1.4	-

- INDAS 116 implemented effective 1st April 2019. Impact on EBITDA : + INR 51.8 Mn, Depreciation : + INR 47.3 Mn, Interest Costs : + INR 13.2 Mn. Adverse impact on PBT : INR 8.8 Mn
- Net Other Income includes impact on account of NTL divestment

* Tax in Q1 FY20 includes reversal of Deferred tax liability related to NTL Investment

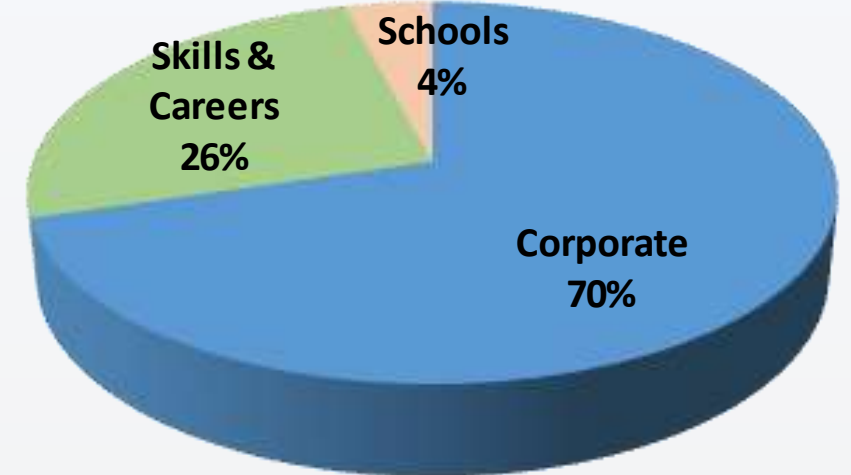
Revenue Mix

Q1 FY20

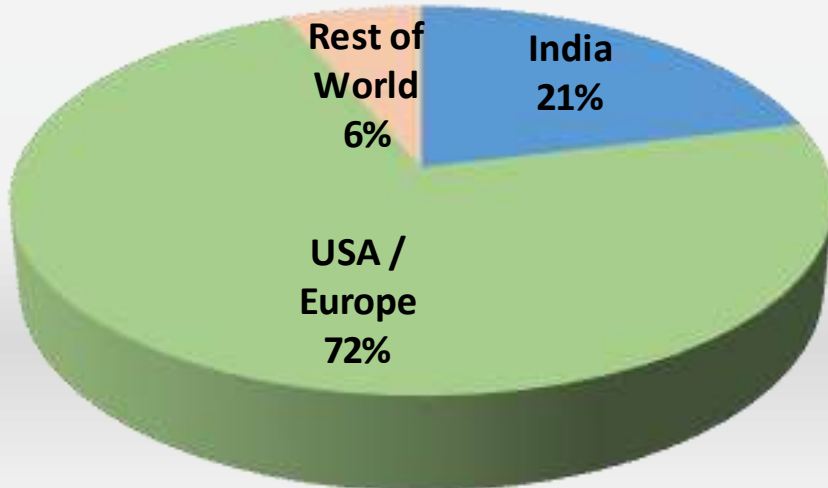


Business	Growth
Corporate	1%
Skills & Careers	-6%
Schools	-30%
NIIT	-2%

Q1 FY19

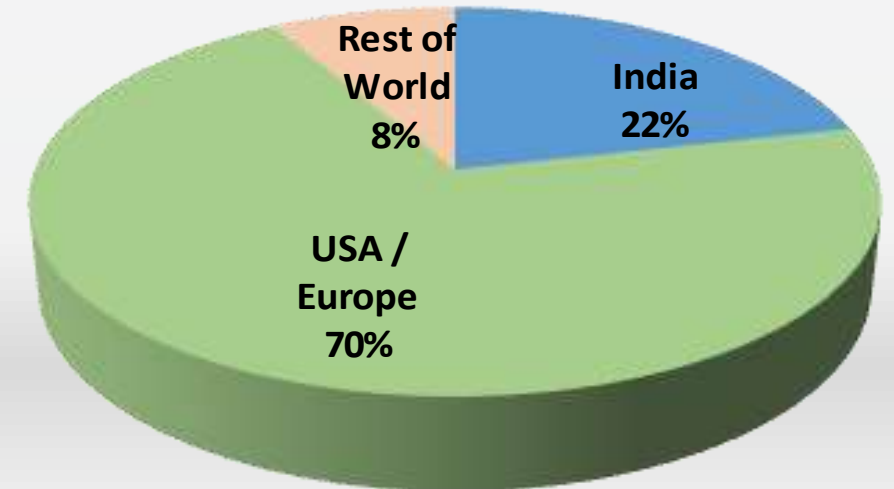


Q1 FY20



Geo	Growth
India	-3%
USA / Europe	1%
Rest of World	-24%
NIIT	-2%

Q1 FY19



Corporate Learning Group



INR Mn	Q1 FY20	Q1 FY19	YoY	Q4 FY19	QoQ
Net Revenues	1,524	1,506	1%	1,588	-4%
EBITDA	223	219	2%	215	3%
EBITDA %	15%	15%	8 bps	14%	106 bps

- Revenue at INR 1,524 Mn up 1% YoY
- Added 5 MTS customers; 4 new logos. MTS customer tally has reached 49
- Revenue visibility of \$ 264 Mn, up 18% YoY
- RECO Update : Started accepting learners and will be accruing revenue in Q2 FY20



Skills & Careers Group

INR Mn	Q1 FY20	Q1 FY19	YoY	Q4 FY19	QoQ
Net Revenues	517	548	-6%	629	-18%
EBITDA	24	-9	34 Mn	-10	35 Mn
EBITDA %	5%	-2%	641 bps	-2%	633 bps

- Revenue at INR 517 Mn down 6% YoY
- Go forward SNC business revenue grows @ 15% YoY
- SNC India business grew for the 2nd successive quarter driven by growth in Stackroute & TPaaS
- OM at 5%. Product mix change and cost rationalization offset impact of operating leverage and cost inflation
- StackRoute continues on strong growth momentum; now training Full Stack Developers for 11 IT majors & GCCs

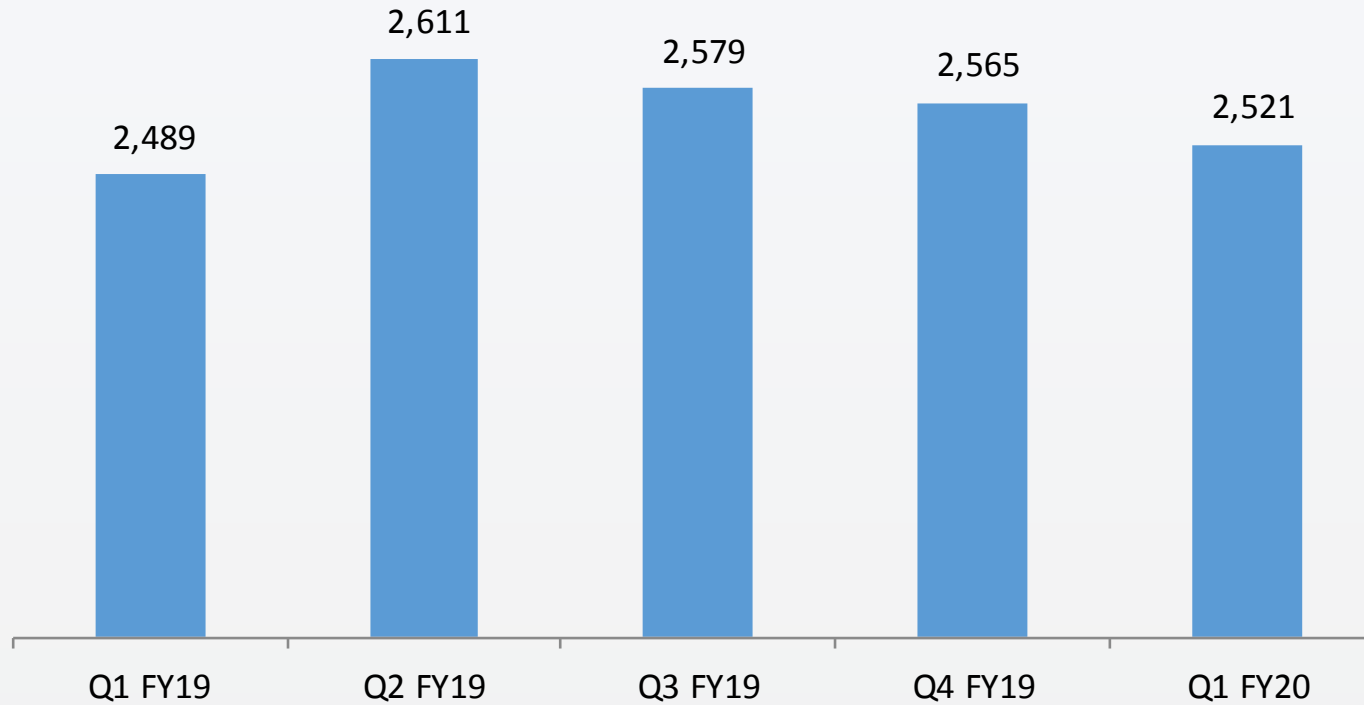
STACK
ROUTE

NIIT | AUTOMATION ANYWHERE

By 2020, the global market for RPA technologies is expected to grow to **\$5 billion**.

Source: Information Service Group, Inc.

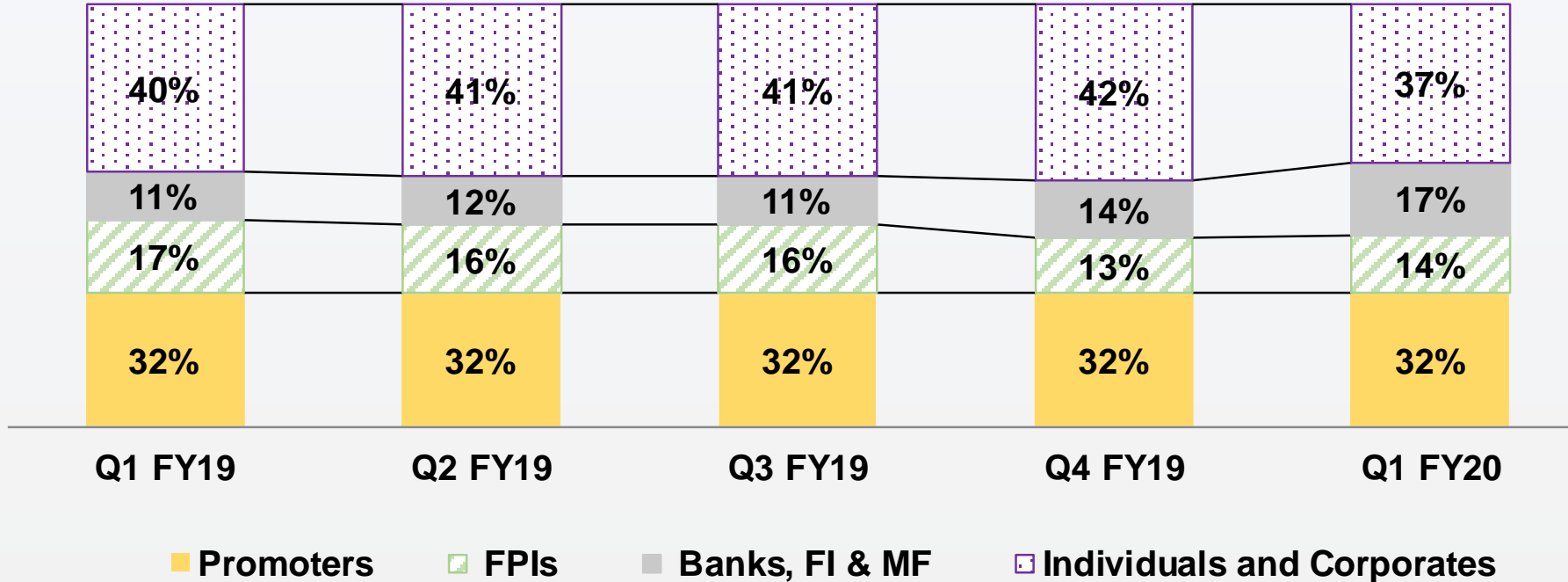
People



Headcount down 44 QoQ and up 32 YoY

* excludes project retainers

Share Holding Pattern



Percentages may not add to 100% due to rounding

Thank you



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