



NIIT Limited: Investor Presentation

November 2019



NIIT: Company Overview

Q2 FY20 Results Update

Future Direction

NIIT: At a Glance



38

YEARS OF
EXPERIENCE

30+

COUNTRIES
WORLDWIDE

2540

NIITIANS

3

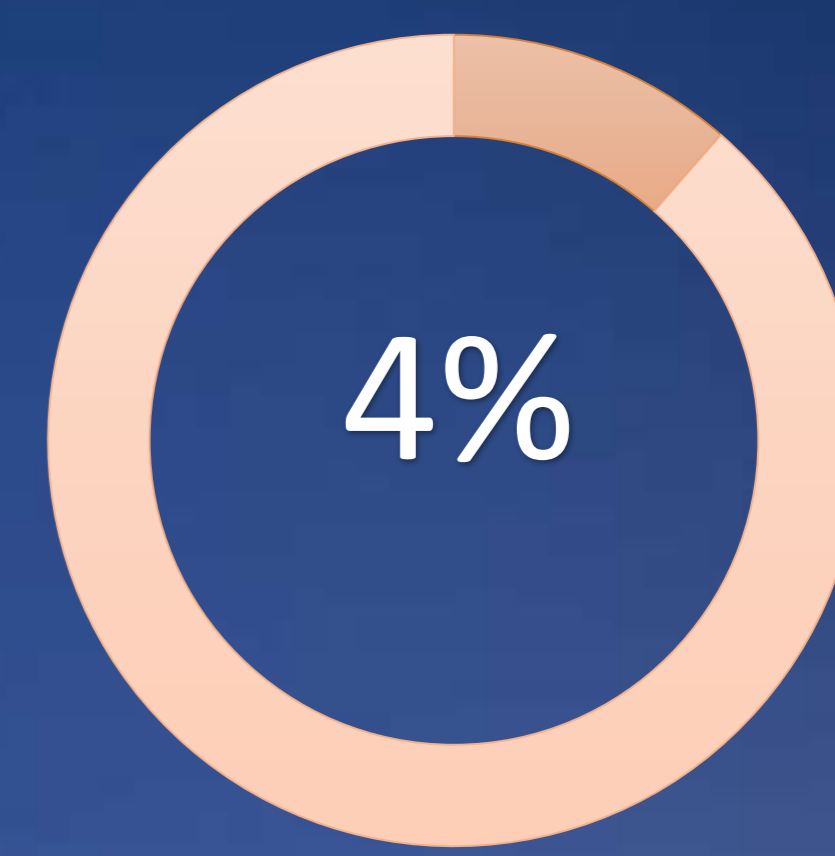
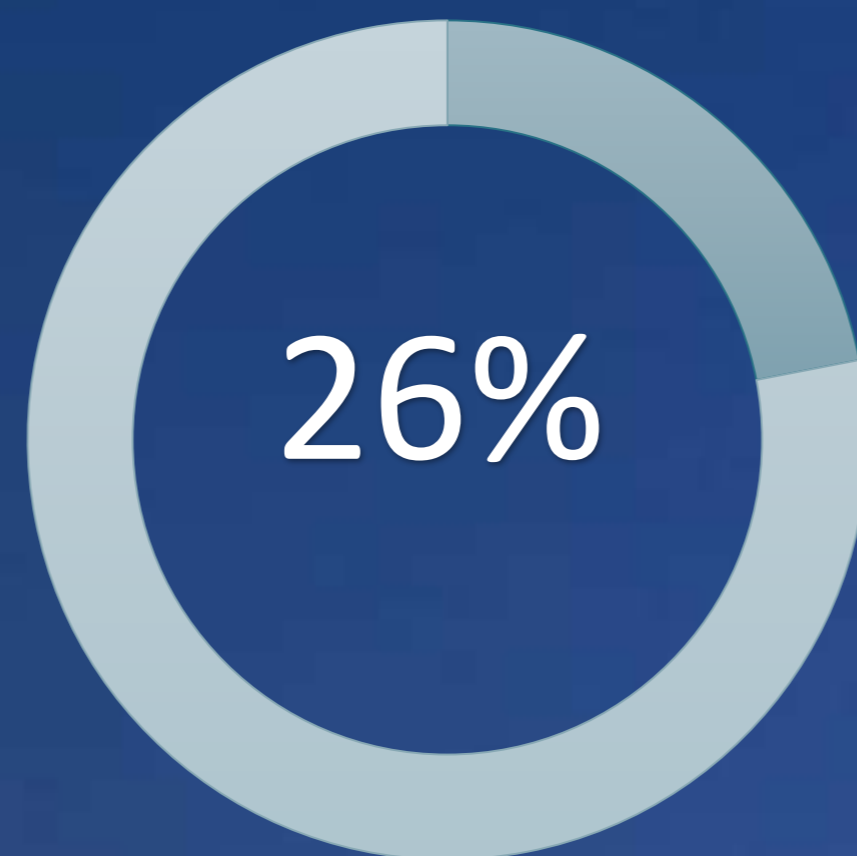
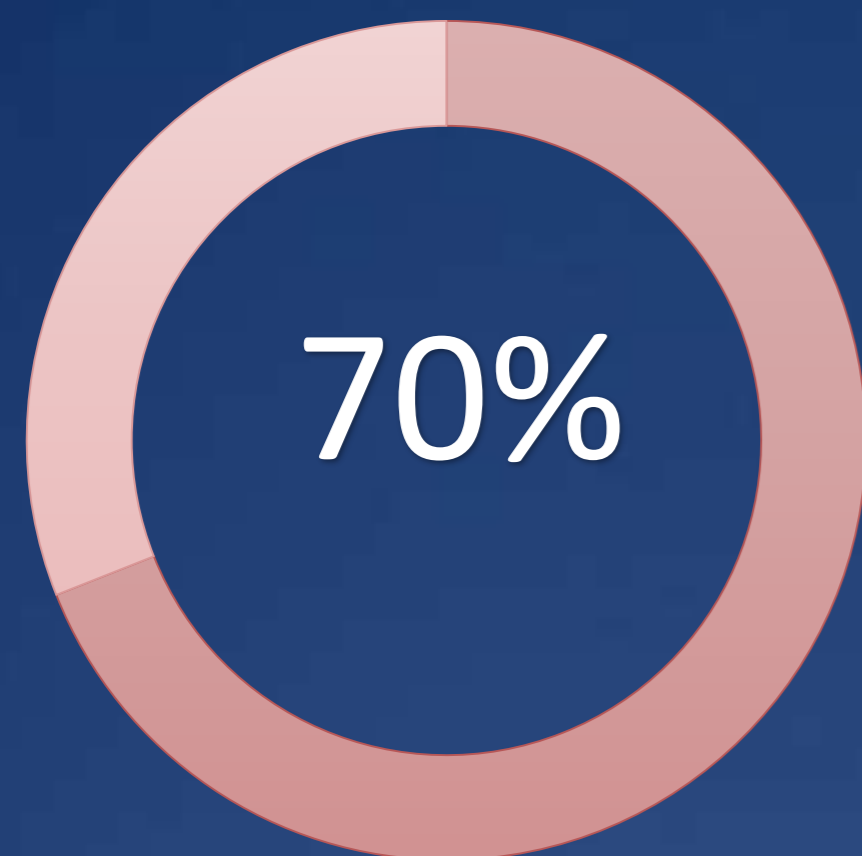
LINES OF BUSINESS

38+

MILLION
LEARNERS
TRAINED

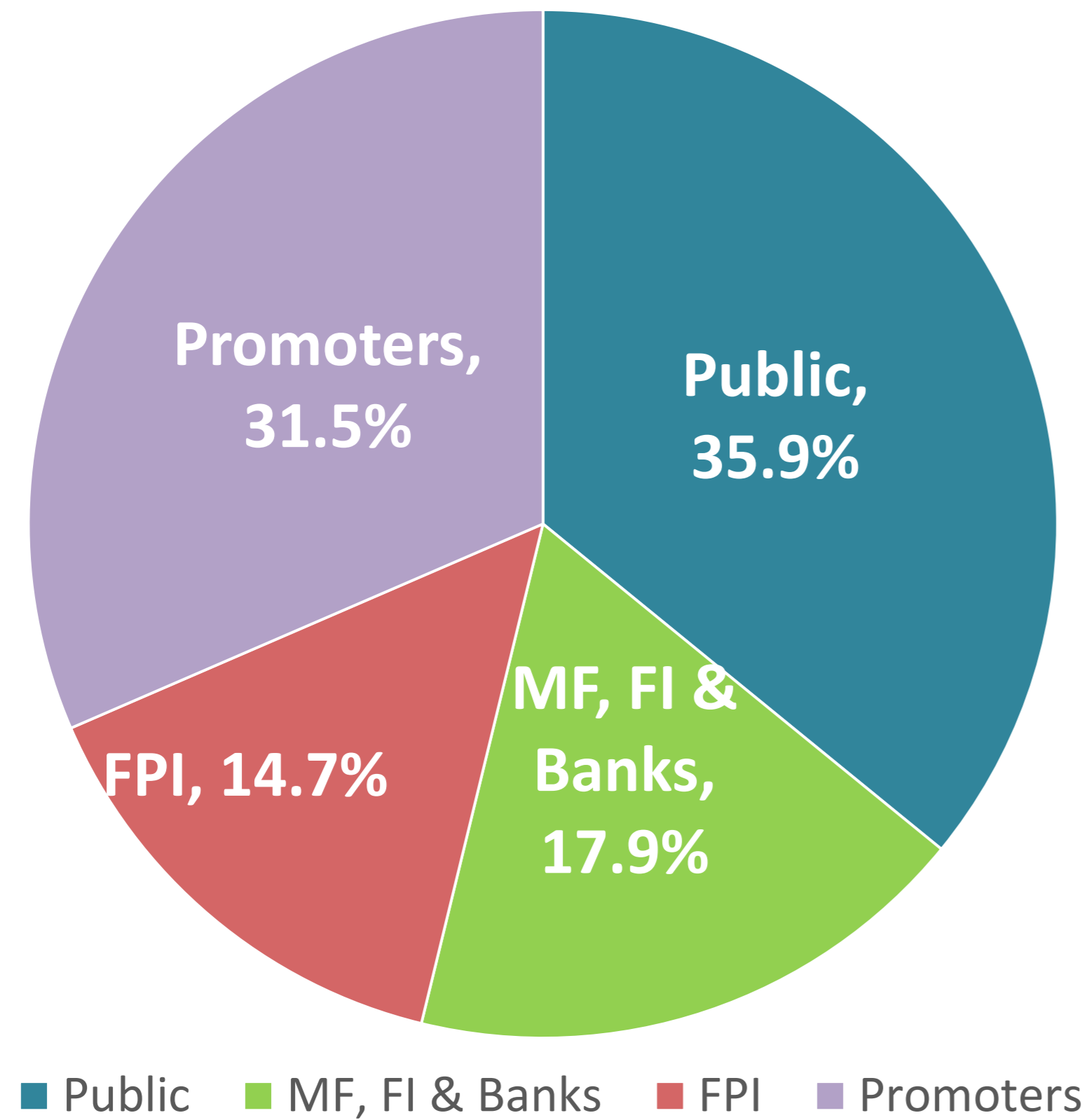


HQ IN GURGAON,
INDIA



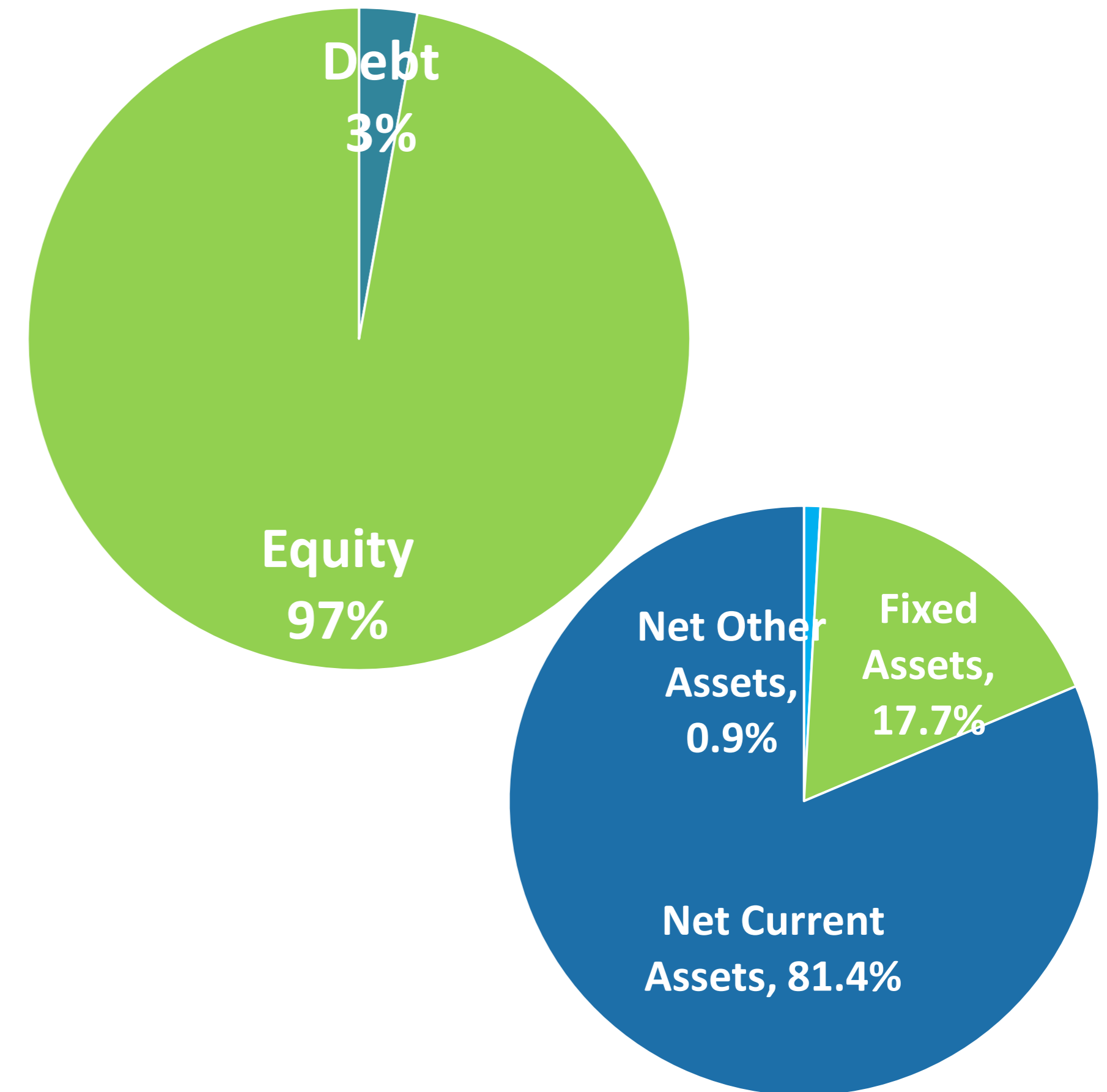
CORPORATE LEARNING GROUP (CLG)	SKILLS & CAREERS GROUP (SNC)	SCHOOL LEARNING GROUP (SLG)
INR 6,324 MILLION	INR 2,329 MILLION*	INR 350 MILLION
Productivity	Employability	Academics
North America, Europe, Oceania	India, China, Africa	India
<ul style="list-style-type: none"> Managed Training Services Application Rollout Training Learning Advisory Custom Projects 	<ul style="list-style-type: none"> Service Sector Skills Professional Life Skills StackRoute TPaaS 	<ul style="list-style-type: none"> Teaching and Learning Solutions School Services School-ERP Assessments

SHAREHOLDING



No of Shares: 167.9 million

TOTAL CAPITAL 21,032 MILLION



Net Current Assets include Cash and Bank Balances of Rs 17,256 million

CORPORATE LEARNING



20% higher premiums for agents on-boarded for a leading Insurance company



Reduction of learning expenditures by 25% for a diversified Health and Well-being company



Reduced time to proficiency by 30% in 22 locations worldwide for a global Energy major.

SKILLS AND CAREERS



We've trained 1/3rd of the IT workforce in India.



Skilled over 4M students over the last 10 years across IT, ITES, BFSI, Management, Retail, Telecom sectors



270 B2C education centers

SCHOOL LEARNING



Technology enabled over 10 M school children



Trained over 400 K school teachers to leverage technology



74% students prefer learning mathematics with NIIT Math Lab

NIIT: Awards and Recognition



77 BRANDON HALL AWARDS
28 GOLD | 25 SILVER | 25 BRONZE



8 CHIEF LEARNING OFFICER LEARNING IN PRACTICE AWARDS



3 LEARNING TECHNOLOGIES UK AWARD



2 ATD EXCELLENCE IN PRACTICE AWARDS



LPI ACCREDITED LEARNING PROVIDER GOLD STANDARD - 2016-2018



LEADER IN NELSON HALL LEARNING BPS NEAT EVALUATION



FOSWAY 9-GRID DIGITAL LEARNING STRATEGIC CHALLENGER 2019



TOP 20 COMPANIES IN TRAINING OUTSOURCING 2008-2019



TOP 20 COMPANIES IN CONTENT DEVELOPMENT 2011-2018



TOP 20 COMPANIES IN GAMIFICATION 2014-2018



TOP 20 COMPANIES IN IT TRAINING 2008-2010, 2013-2018



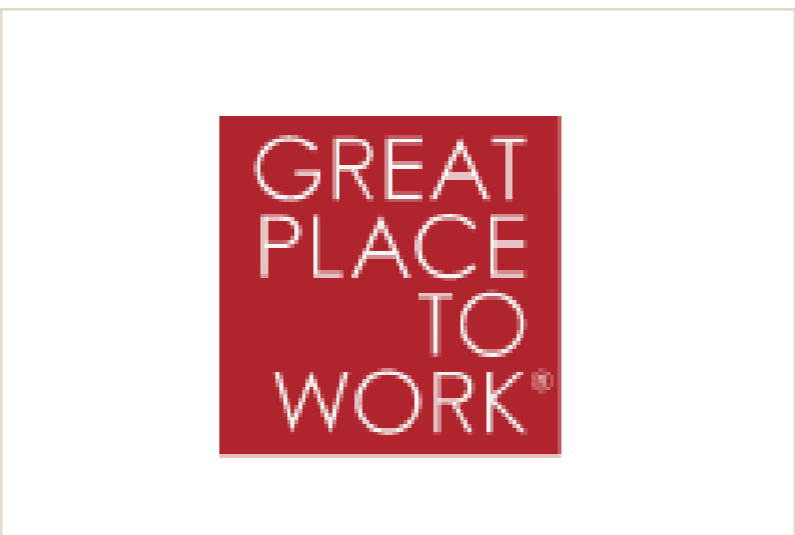
CLO LEARNING ELITE 2014-2018



DATAQUEST 'TOP IT TRAINING COMPANY' AWARD FOR THE 20TH CONSECUTIVE YEAR



NIIT NGURU AWARDED AS "BEST INTERACTIVE SOLUTION PROVIDER" BY ASSOCHAM



RANKED 4TH BEST COMPANY TO WORK FOR IN INDIA. NO 1 IN EDUCATION AND TRAINING



HIGHEST RATED TRAINING BRAND IN THE BRAND TRUST REPORT



TIMES ASCENT T&D AWARD FOR THE MOST INNOVATIVE LEARNING PARTNER FOR ENTERPRISES.



MOST INNOVATIVE LEARNING PARTNER FOR ENTERPRISES AT "EDUMEET 2018 & EDUCATION EXCELLENCE AWARDS" ASSOCHAM, INDIA



**CUSTOM CONTENT
AND CURRICULUM
DESIGN**



**LEARNING
DELIVERY**



**LEARNING
ADMINISTRATION**

**STRATEGIC
SOURCING**



**LEARNING
TECHNOLOGY**



**ADVISORY
SERVICES**



8.75K

Hours of custom programs developed annually

500

Full time instructional designers

25

Localization Services in 25 Languages

21K

Hours of custom content delivered annually

150K

Training Days delivered annually

40

Global training delivery in 40+ countries in 15 languages

2500

Global Network of 2500 instructors

130+

Industry Honors and Awards

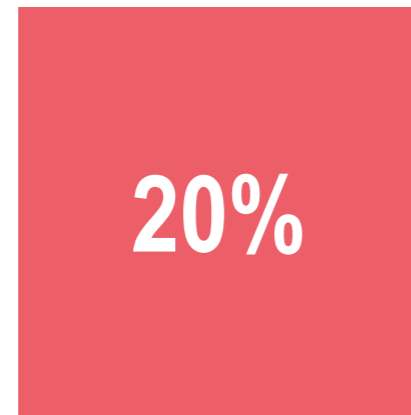
CLG: Marquee Customers



CLG: Proven Business Impact



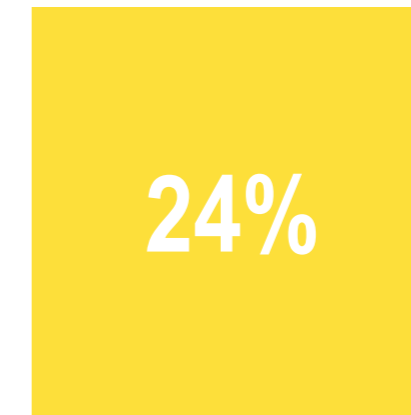
NIIT's application rollout training for Shell Primavera has helped reduce time to proficiency in application training for planners by 30% in 22 locations worldwide.



20% increase in average productivity and ticket size of business sold across 30 countries with 10% higher retention over 1 year for Sales Associates supported by the NIIT enabled Global Partner Learning Solutions program.



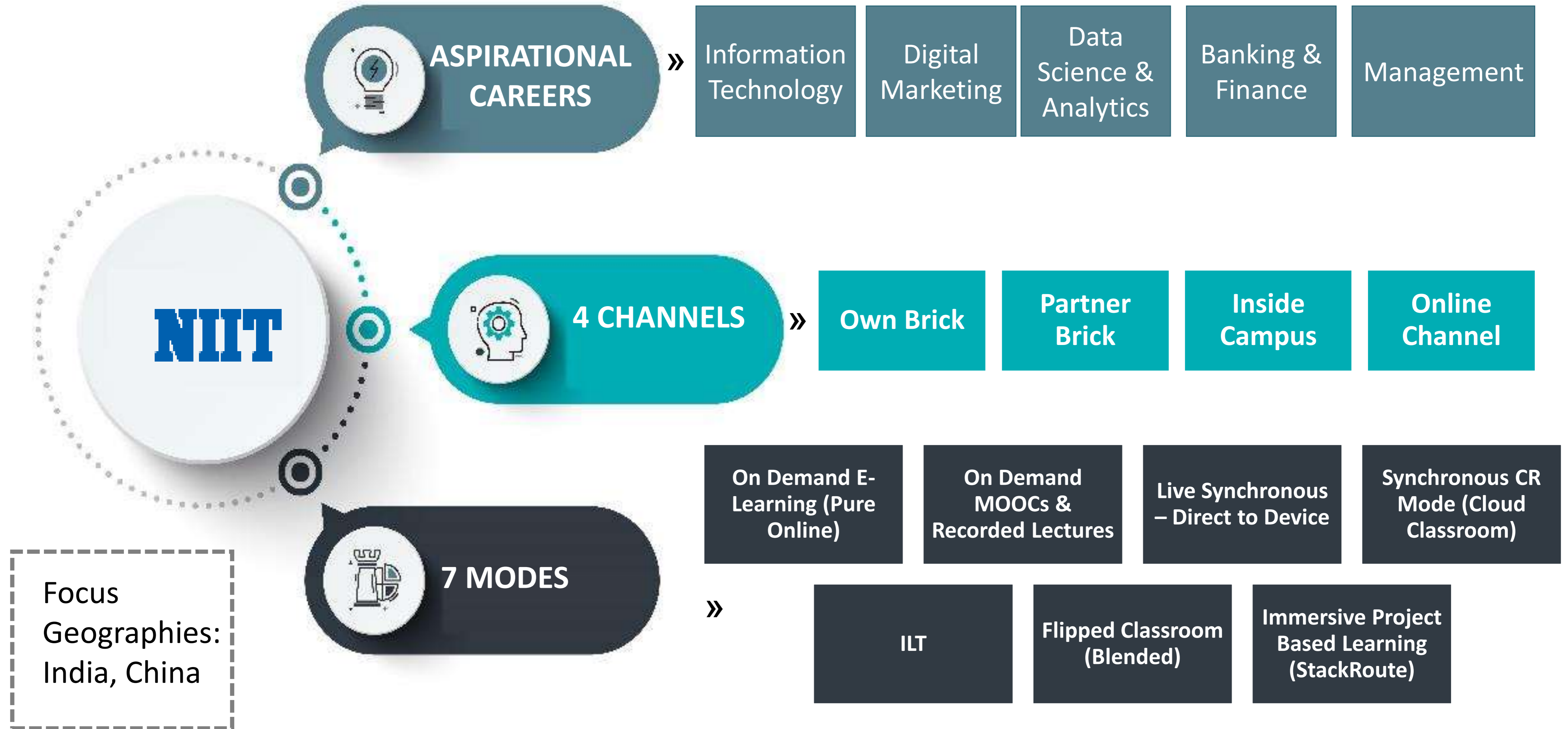
29.4% reduction in course length with a 16 Day reduction in time to proficiency for NIIT's Auto New-Hire Pipeline Reinvention course. The cost of labor redirected to productivity gains is \$4.3 million in total to date with projected savings of \$15 million over 12 months.



24% reduction in time to competency and 48% reduction in the direct cost to company on compensation because of NIIT's onboarding program for IQVIA.



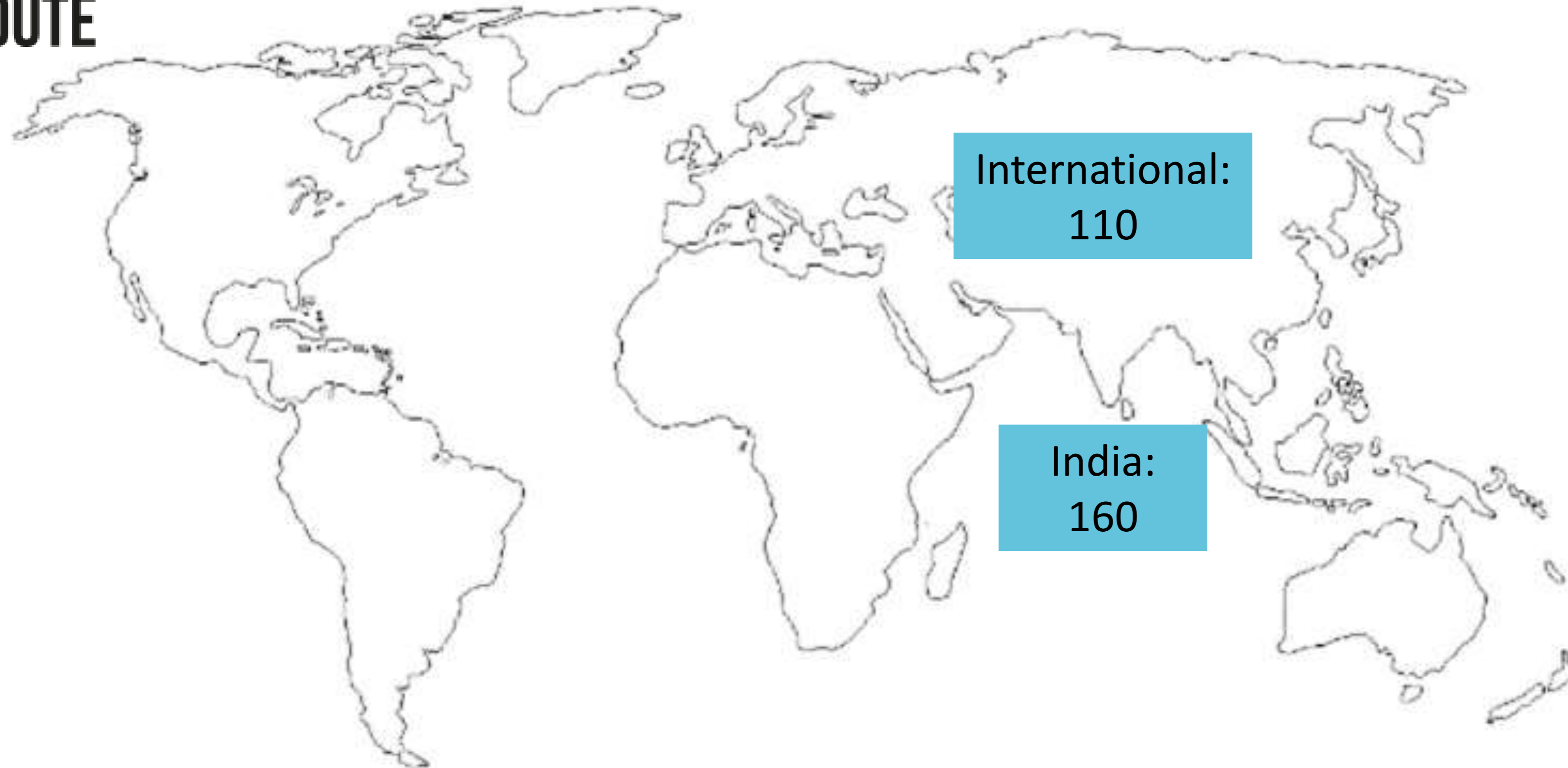
NIIT's Rails blended learning program for mine train drivers in Australia has returned over 4 million dollars in reduced training costs.



**STA
CK
ROUTE**

NiIT | **digiNxt**

training.com





10 Mn+ STUDENTS



400K+ TEACHERS



100K+ NODES



24K+ HOURS OF CONTENT

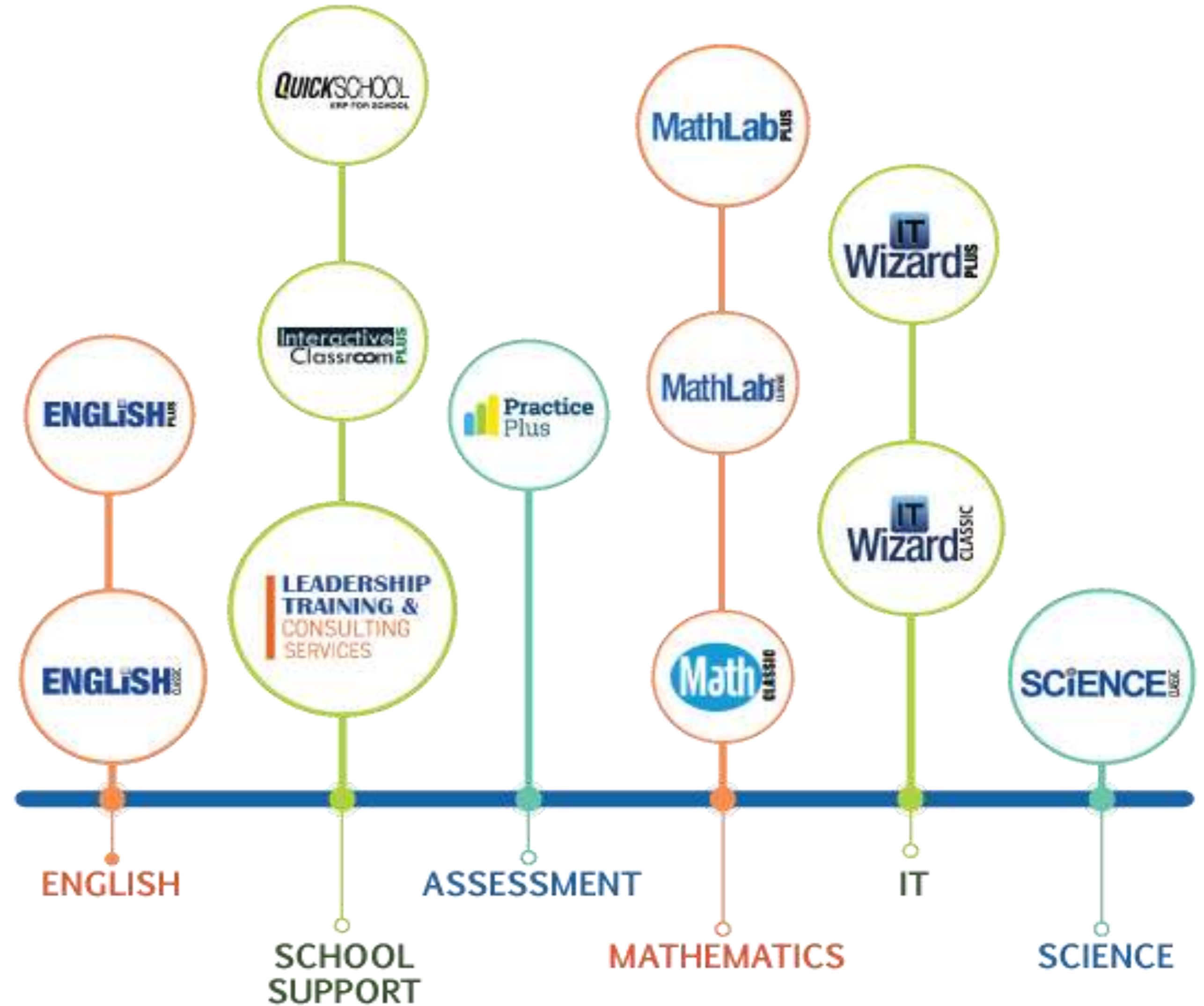


45K+ INSTRUCTORS

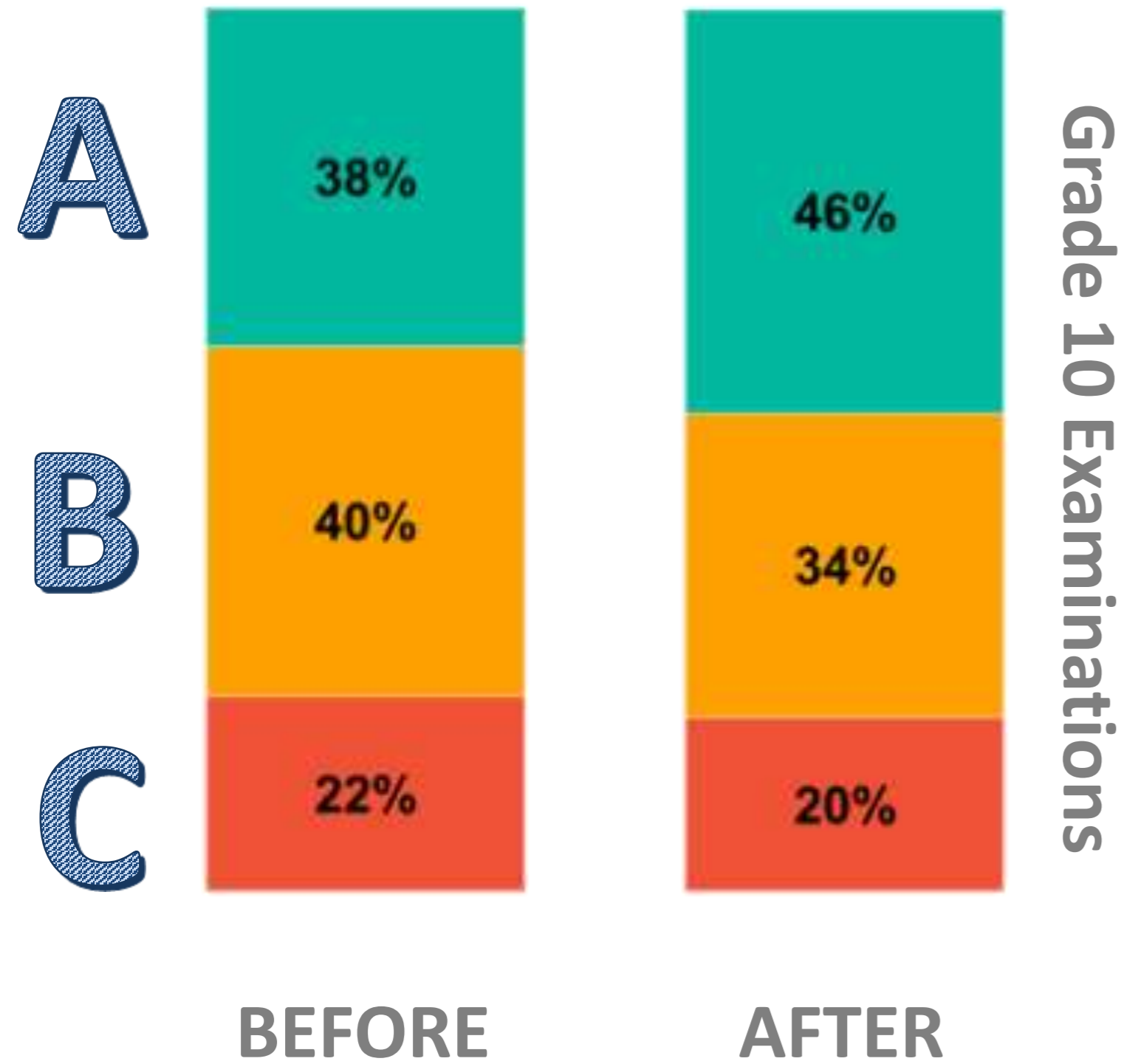


17K+ SCHOOLS

Cumulative



Share of A grade increased from 38% to 46% after nGuru MathLab implementation



MathLab PLUS

Impact Study Conducted by
STUDENTS TEACHERS

Deloitte.

PRINCIPALS



Students



Teachers



Principals

% Respondents with positive rating on overall experience with MathLab

Q2 FY20
RESULTS
UPDATE



Environment

IMF cut Global GDP growth forecast by 0.3% to 3%. This is the weakest growth rate since the global financial crisis

RBI expects India's GDP growth to be 6.1% versus previous expectation of 6.9%, driven by continuing sluggishness in private consumption and investment activity. Liquidity challenges impact several sectors

Geo-political tensions, 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

Strong demand for hiring by IT companies for people with new age skills. BFSI hiring remains mixed despite robust demand by leading private banks

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

NIIT

- Revenue at INR 2,365 Mn; up 5% YoY; Go forward business revenue grows @ 6% YoY
- EBITDA at INR 254 Mn (OM of 11%); up 6% YoY; OM% up 10 bps YoY
- PAT at INR 2,093 Mn; EPS at INR 12.5 per share
- Operational ROCE at 15.3%

Corporate Learning Group (CLG)

- Revenue at INR 1,740 Mn up 8% YoY;
- EBITDA margin at 16%; up 86 bps YoY
- Revenue Visibility at \$ 250 Mn (up 11% YoY)
- Added 2 MTS customers. MTS customer tally has reached 51

Skills & Careers Group (SNC)

- Revenue at INR 583 Mn down 2% YoY. Go forward SNC business revenue grows @ 4% YoY
- EBITDA at INR 34 Mn compared to INR 31 Mn in Q2 FY19

School Learning Group (SLG)

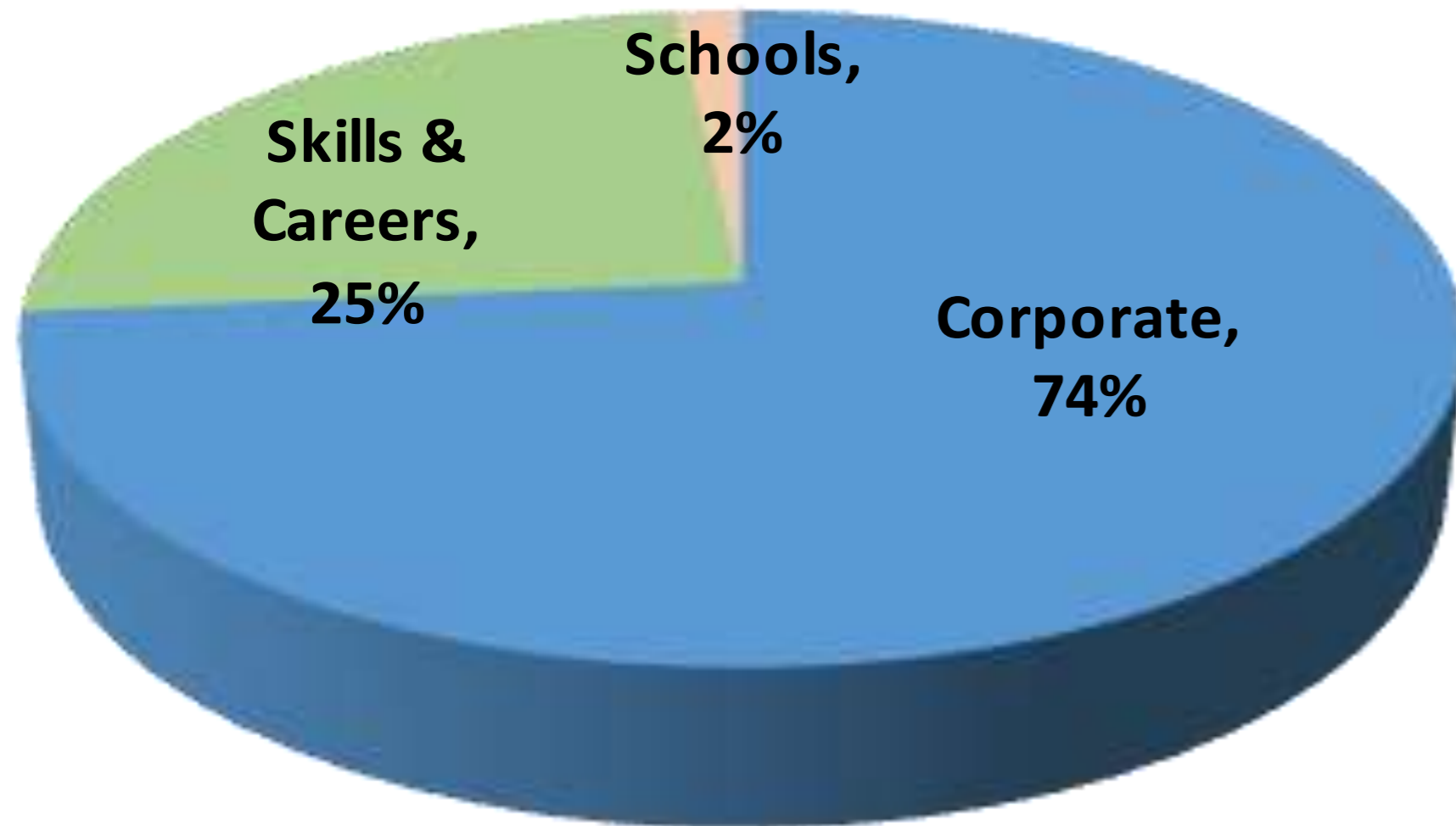
- Revenue at INR 42
- 80 school contracts signed in Q2 Vs 51 LY; Order intake at INR 39 Mn up 41% YoY

INR Mn	Q2 FY20	Q2 FY19	YoY	Q1 FY20	QoQ
Net Revenue	2,365	2,260	5%	2,080	14%
Operating expenses	2,112	2,020	5%	1,859	14%
EBITDA	254	240	6%	221	15%
EBITDA%	11%	11%	10 bps	11%	9 bps
Depreciation	137	84	64%	127	8%
Net Other Income	345	-52	Rs 397 mn	13,135	
Operational PBT	462	104	Rs 357 mn	13,229	
Tax	-1,633	83		2,252	
Profit/ (Loss) from Discontinued Operations	-6	-23	74%	-69	
Associate Profit & Non Controlling Interests	5	261	-98%	-4	
PAT	2,093	259	707%	10,904	
EPS (INR)	12.5	1.6	703%	65.1	-81%

Net result (revenue minus expenses) of discontinued operations reclassified as 'Profit/(Loss) from Discontinued Operations' as per Accounting Standard 105

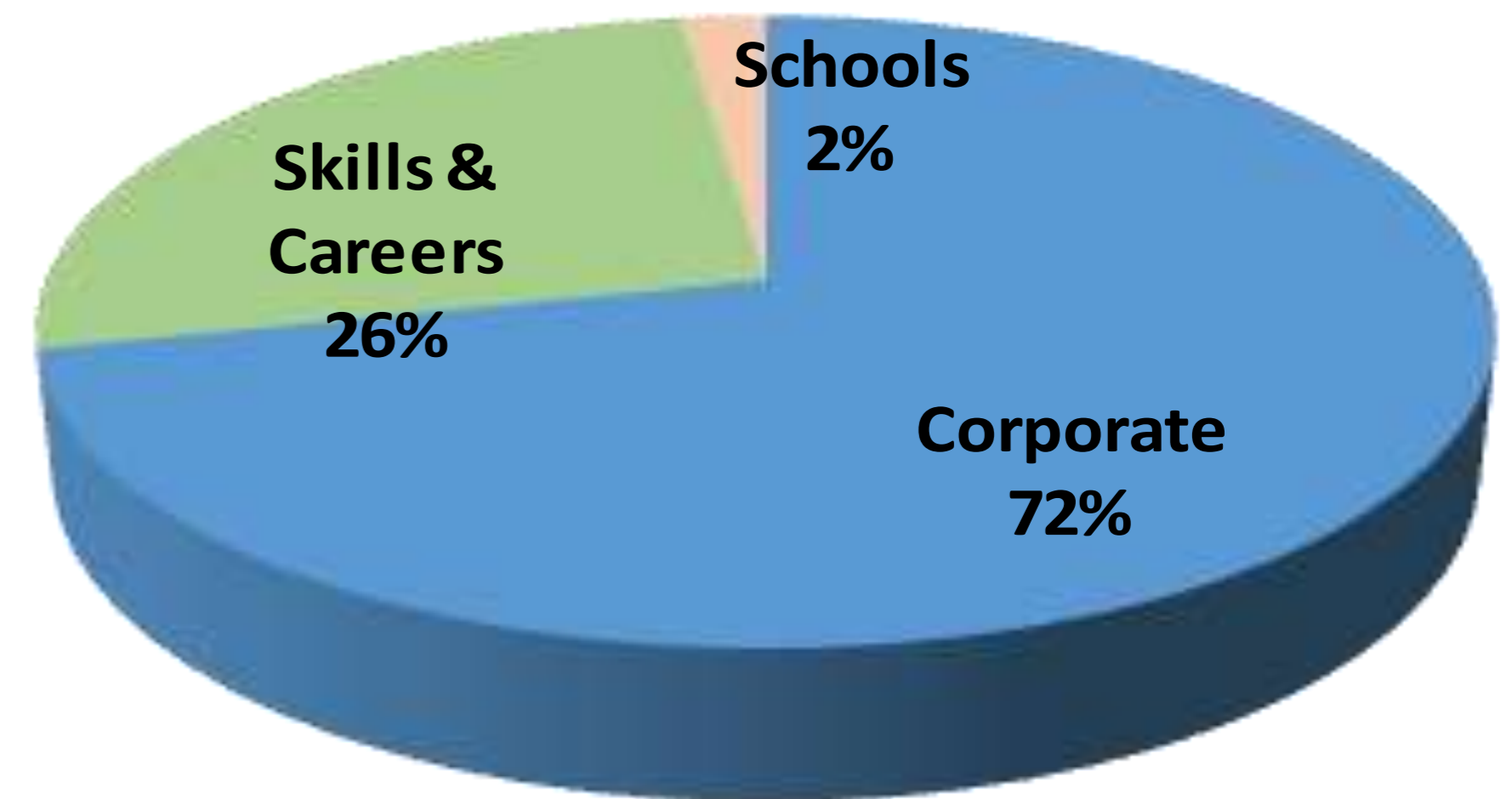
- Revenue growth driven by Corporate Learning business
- Tax benefit due to recent changes in income tax rules

Q2 FY20

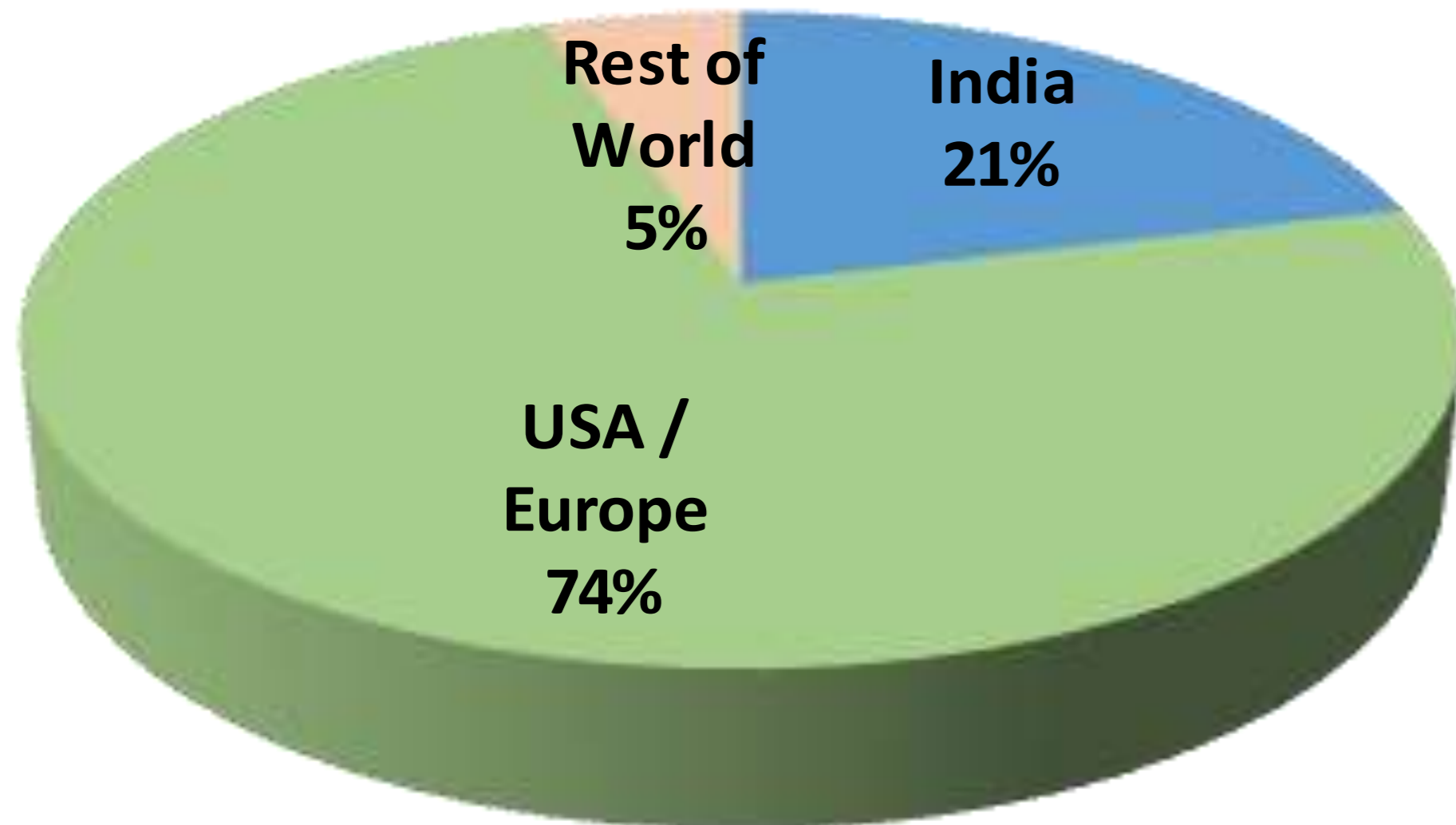


Business	Growth
Corporate	8%
Skills & Careers	-2%
Schools	-18%
NIIT	5%

Q2 FY19

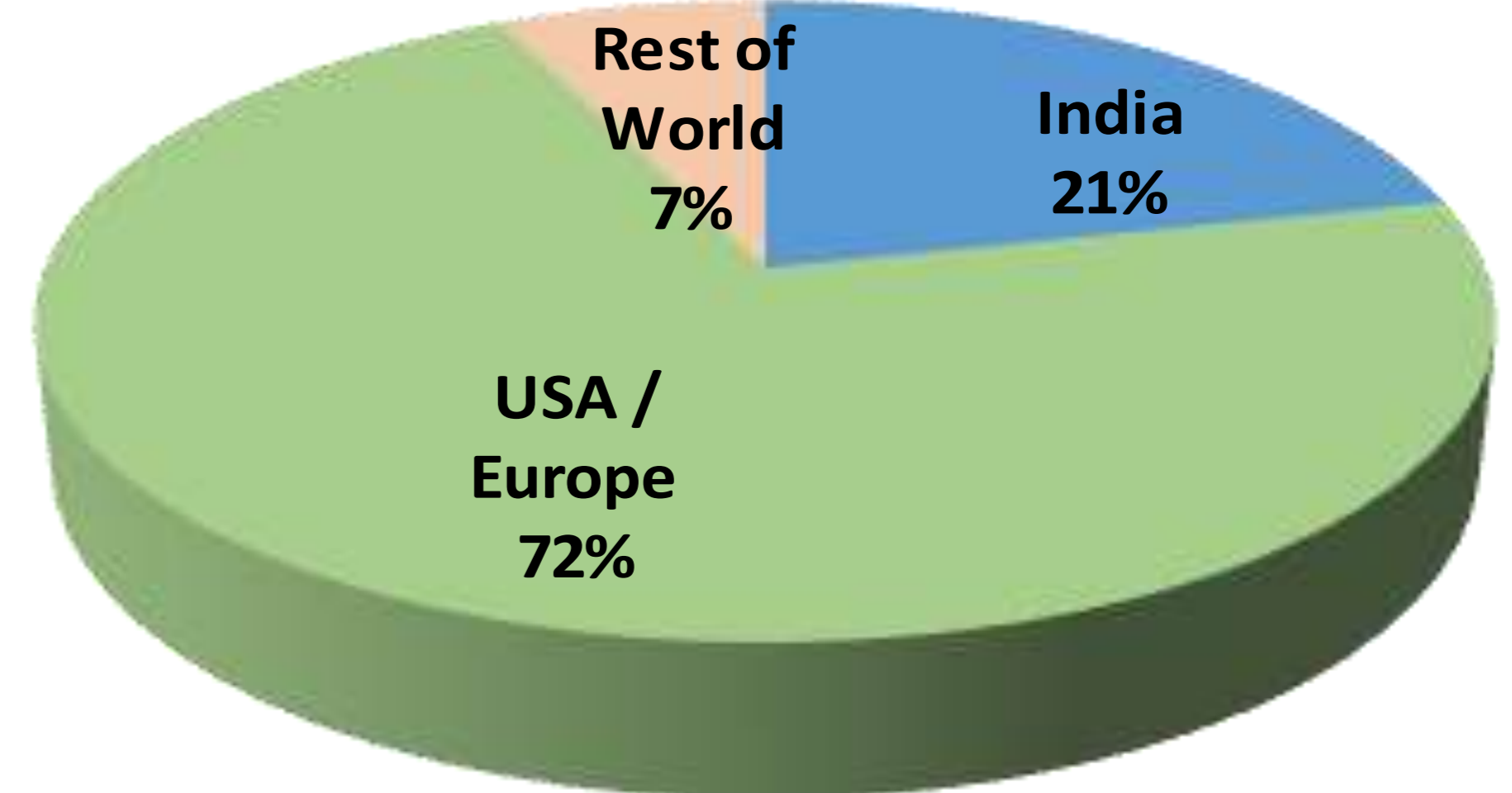


Q2 FY20



Geo	Growth
India	3%
USA / Europe	8%
Rest of World	-21%
NIIT	5%

Q2 FY19



INR Mn	Q2 FY20	Q2 FY19	YoY	Q1 FY20	QoQ
Net Revenues	1,740	1,616	8%	1,524	14%
EBITDA	271	238	14%	223	21%
EBITDA %	16%	15%	86 bps	15%	92 bps

- Revenue at INR 1,740 Mn up 8% YoY (constant currency growth at 8% YoY). 14% QoQ
- Added 2 MTS customers; 2 contract expansions. MTS customer tally at 51.
- Revenue visibility of USD 250 Mn, up 11% YoY
- RECO Update – Training delivery started from September 16, 2019
- 37 Brandon Hall HCM Excellence awards jointly with customers



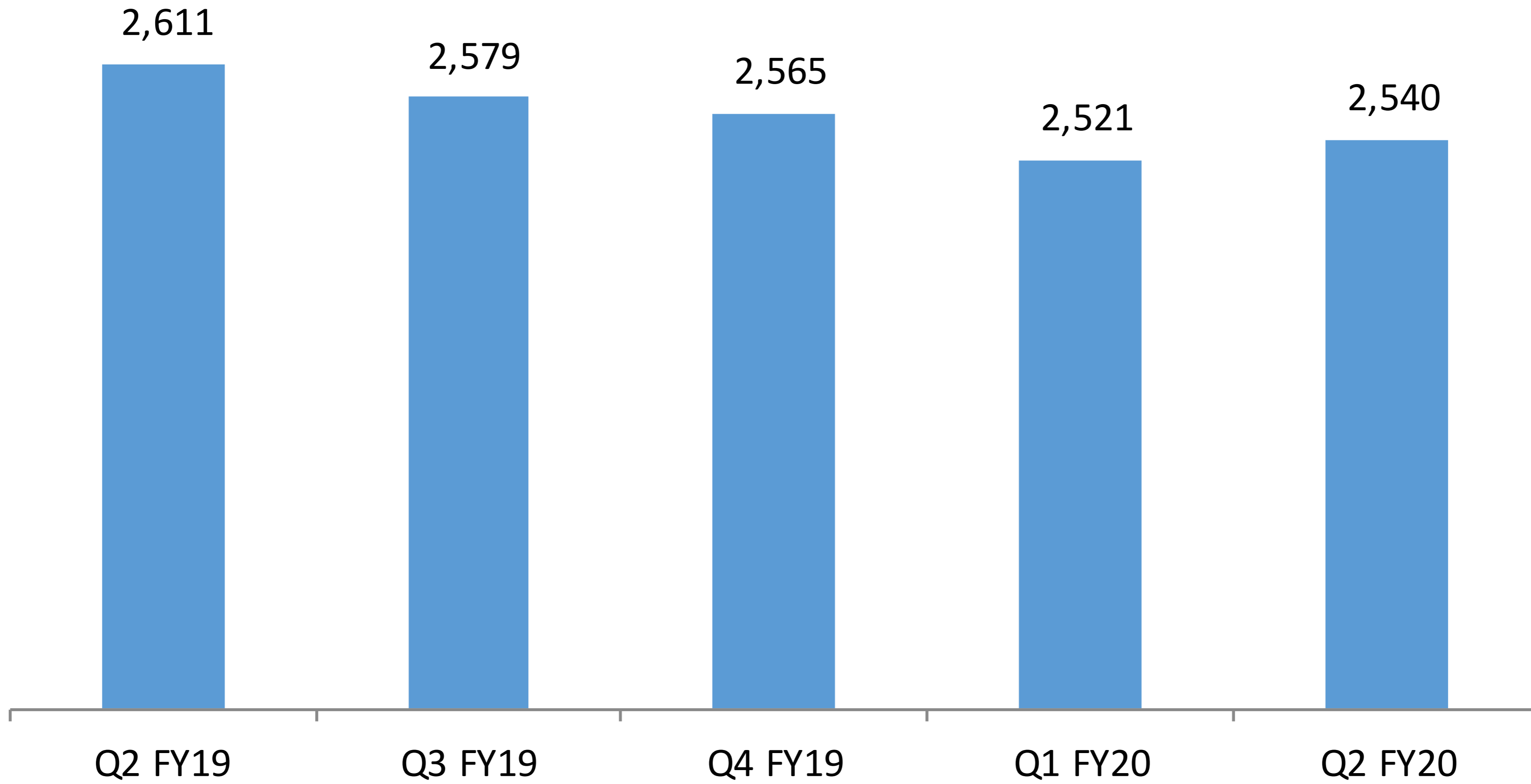
INR Mn	Q2 FY20	Q2 FY19	YoY	Q1 FY20	QoQ
Net Revenues	583	593	-2%	494	18%
EBITDA	34	31	9%	26	30%
EBITDA %	6%	5%	57 bps	5%	53 bps

- Revenue at INR 583 MN down 2% YoY
- Go forward SNC business revenue grows @ 4% YoY
- SNC India business grew driven by growth in Stackroute & TPaaS
- OM at 6%. 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 14 IT majors & GCCs



STACKROUTE





Headcount up 19 QoQ and down 71 YoY

FUTURE DIRECTION.



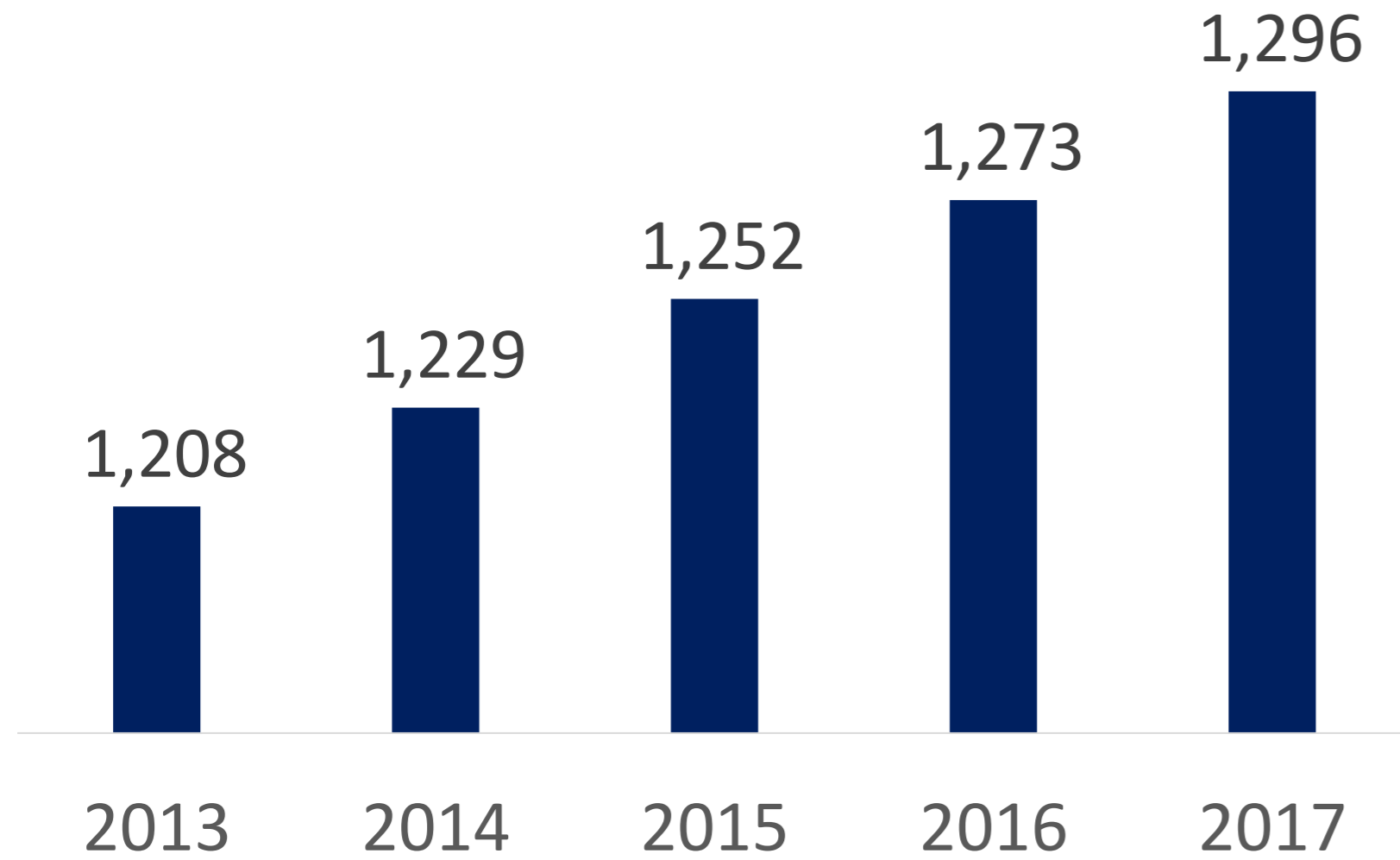
NIIT CORPORATE LEARNING
GROUP

We help clients
run training
like a business.

A Vision for Transforming L&D



Average Annual Spending Per Employee (USD)



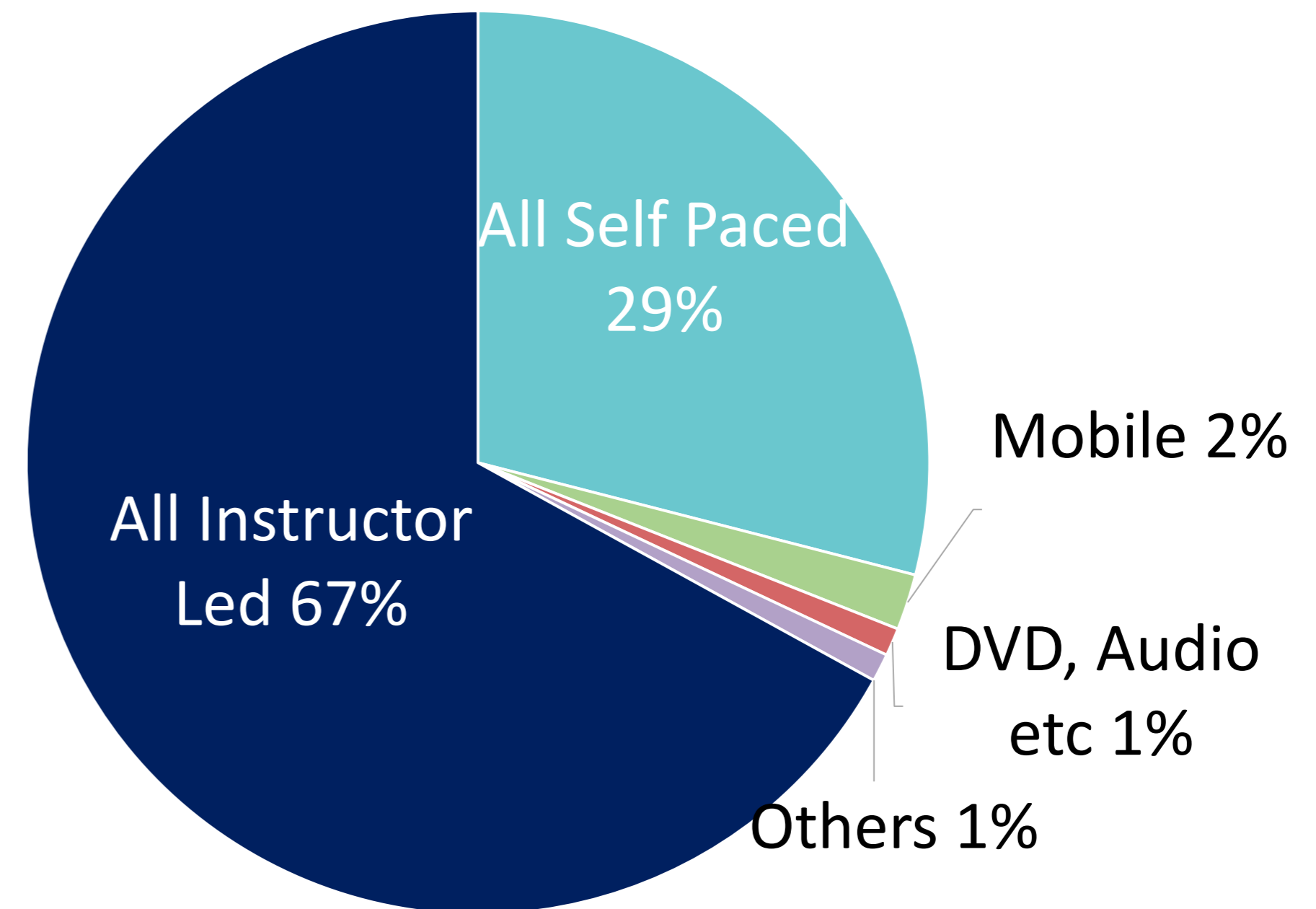
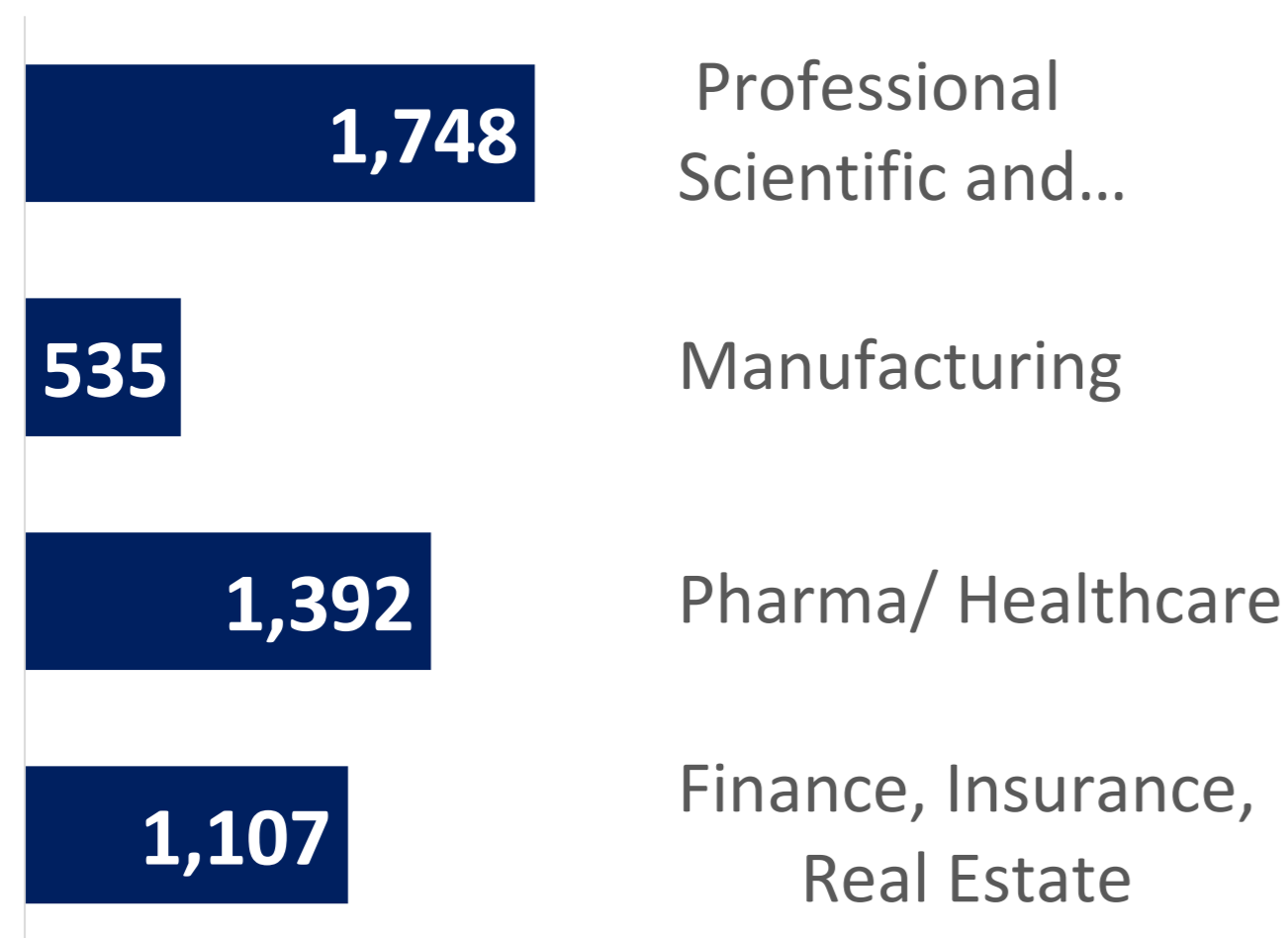
Direct Expenditure As Percentage of Revenue

1.16%

Direct Expenditure As Percentage of Payroll

3.3%

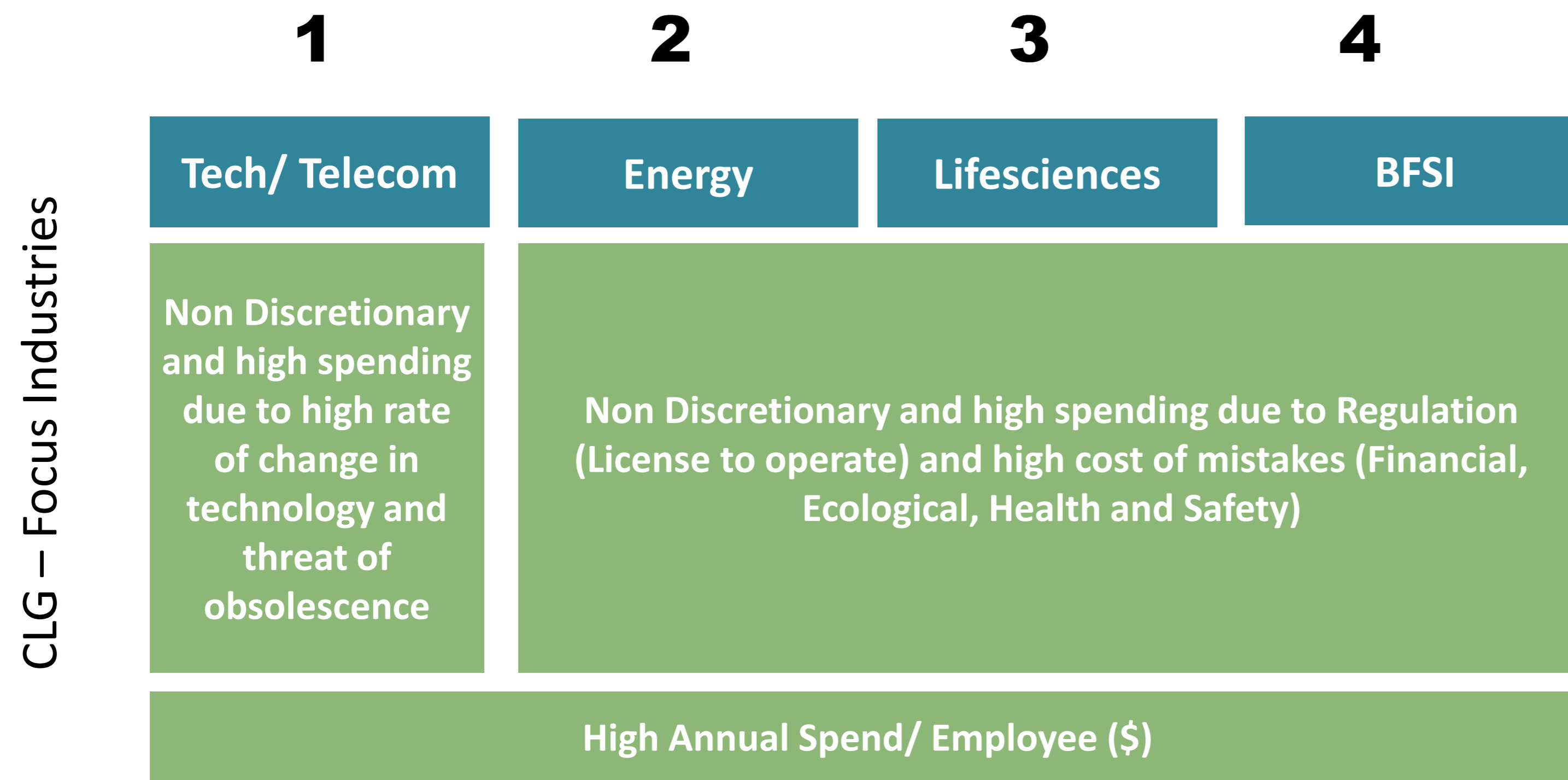
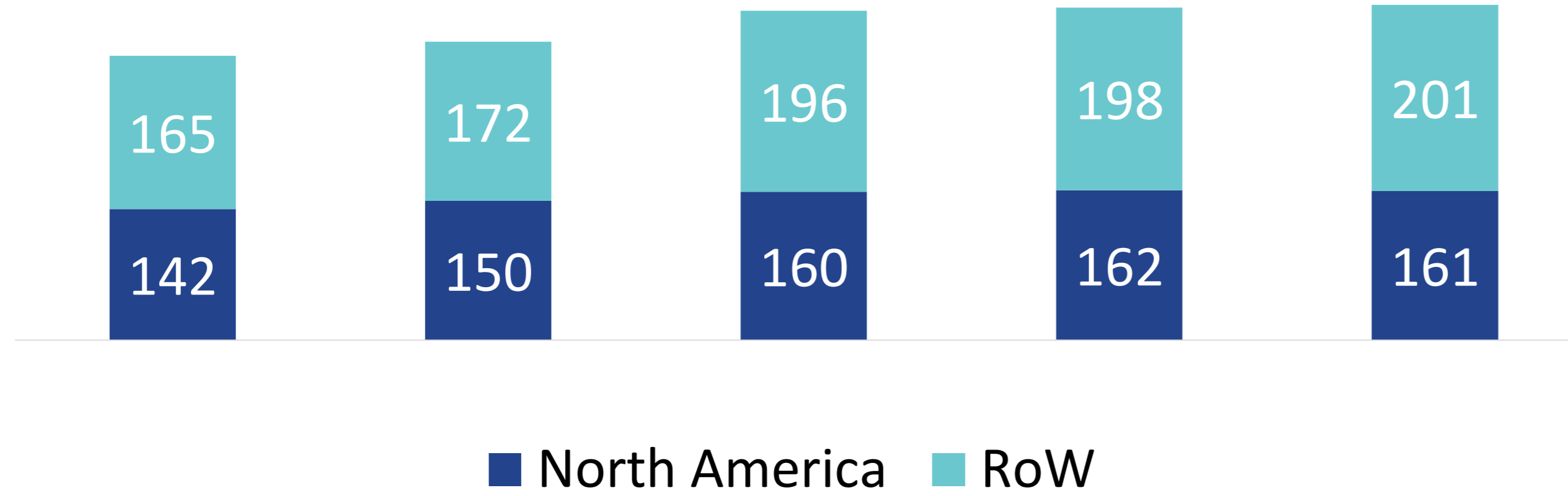
Average Spend Per Employee by Industry (USD)



CLG: Corporate Training Spending



Spending On Training (US\$ Billion)



The Corporate Training market represents \$360+ billion opportunity

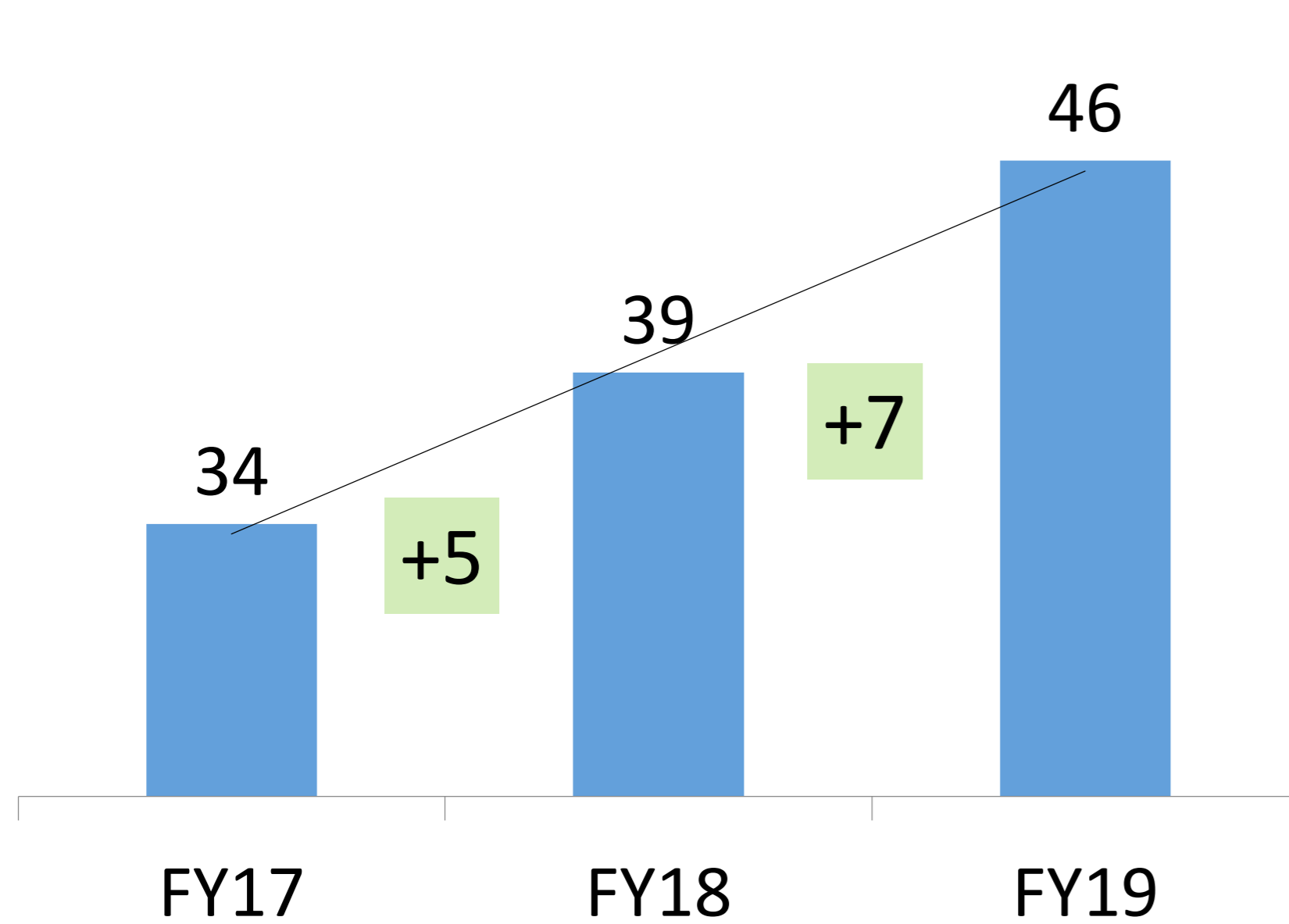
Spending on Training Continues to Grow

Increasing trend towards outsourcing. Less than 5% penetration

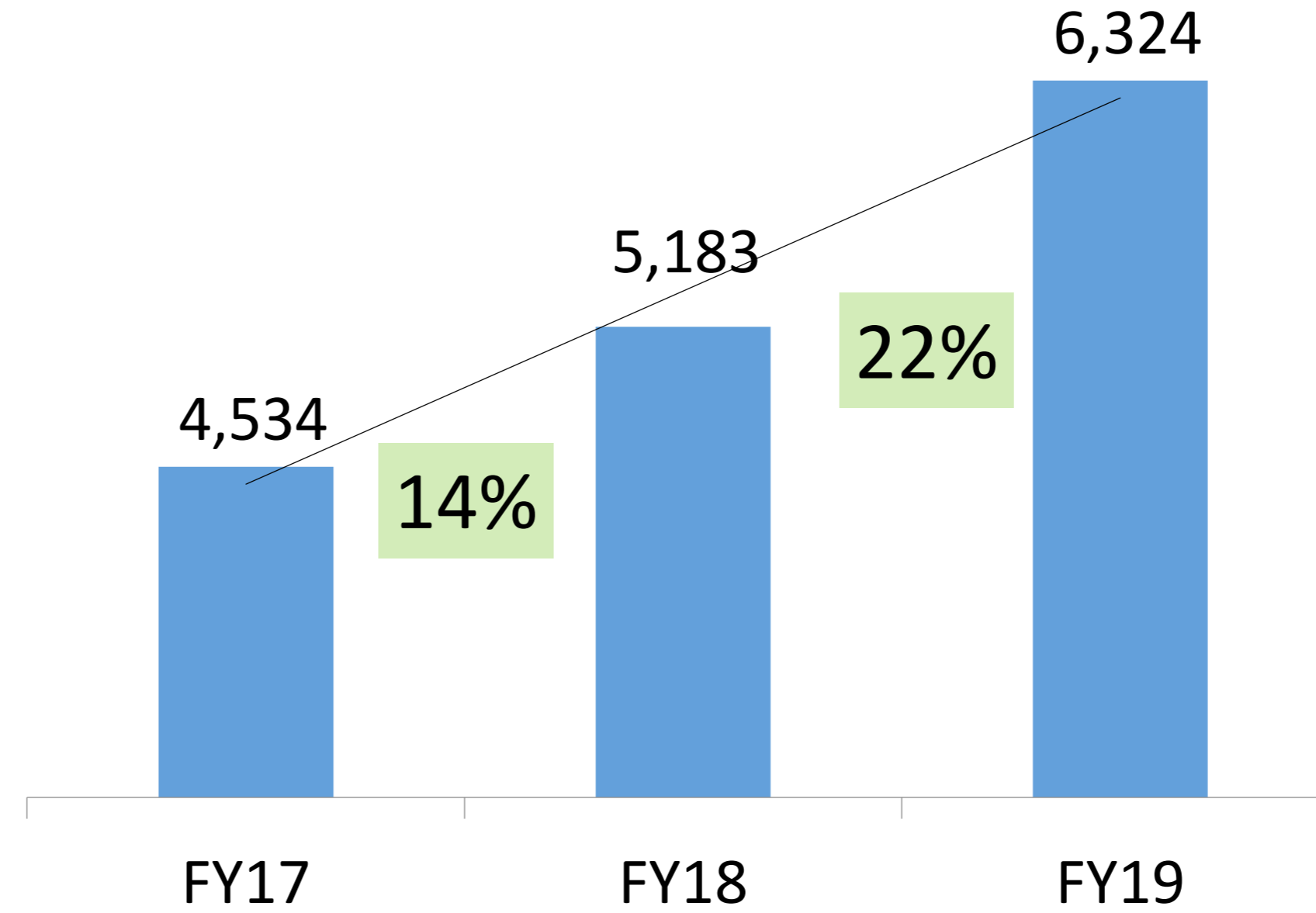
Focus on Technology/Telecom Energy, Lifesciences and BFSI Industries

Source: Statista.com Bersin By Deloitte, ATD

No of MTS Customers



CLG Revenue (Rs Mn)



16%

Revenue CAGR over last 7 years

Steady Addition of New Logos (9 new logos in FY19, 7 in H1 FY20)

Differentiated competitive positioning

Strong revenue Visibility. \$250 Mn* from existing contracts

*as of Sept 30, 2019



PRODUCTIVITY

Step up people productivity and optimization of effort & resources through automation and tools

Improve margins for NIIT



ACCELERATE DEAL FLOW

Investments in S&M
Contract Expansion with Existing Customers
Improve Win Rates

Higher Sales Productivity



COMPREHENSIVE ENGAGEMENTS

Domain expertise
Global delivery capability
High Capability and Service Maturity
Big ticket annuity contracts

Improve Book to Bill ratio

Driving Scale and Profitability For CLG

Customer Demand

“I need a one-stop shop to get all my data so that I can make business decisions. My LMS won’t give me this.”

NIIT Solution



NIIT SKILLS AND CAREERS

Shaping Future Skills And Careers

Transforming the Workforce of Tomorrow



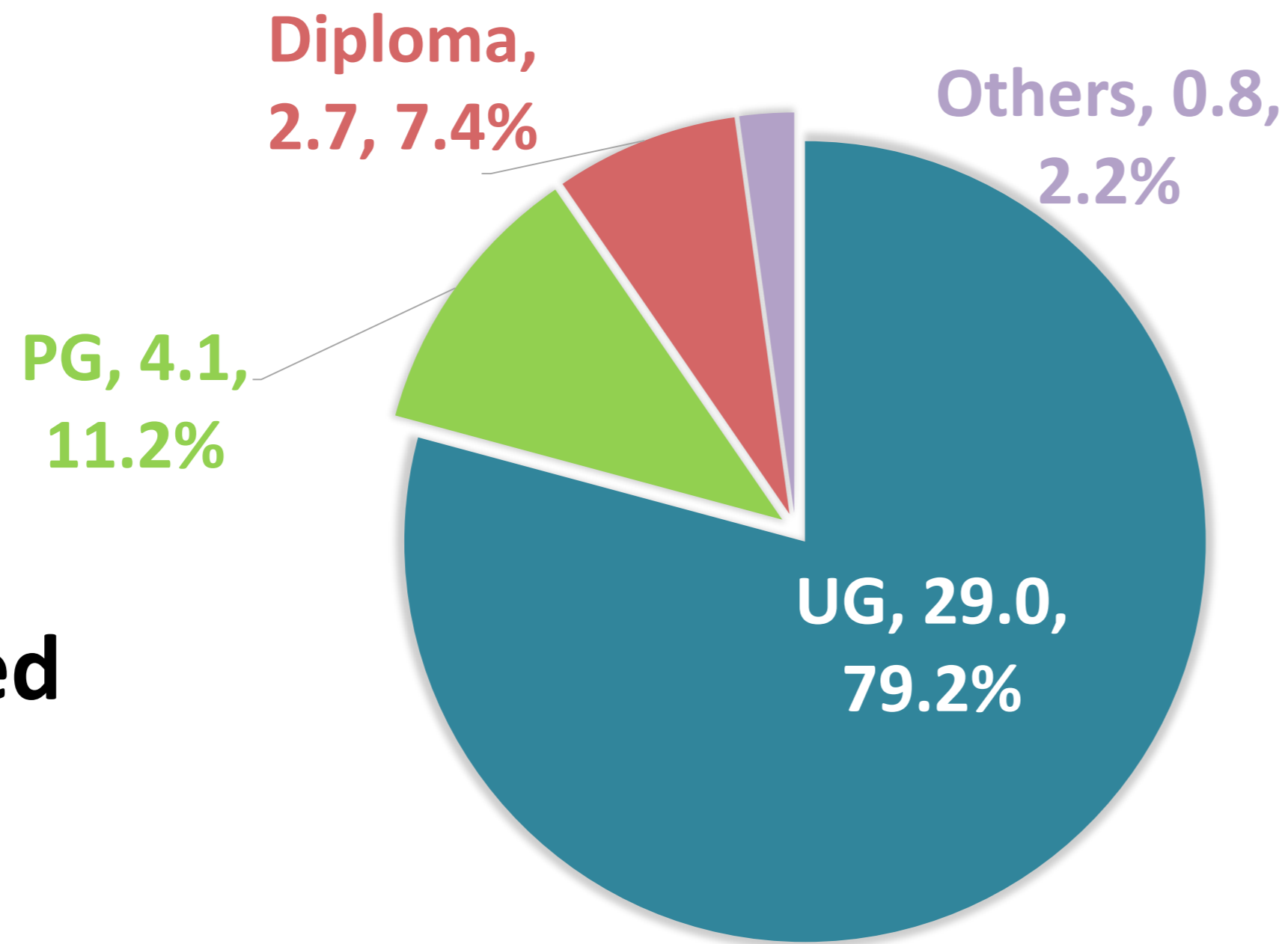
39,050
Colleges

903
Universities

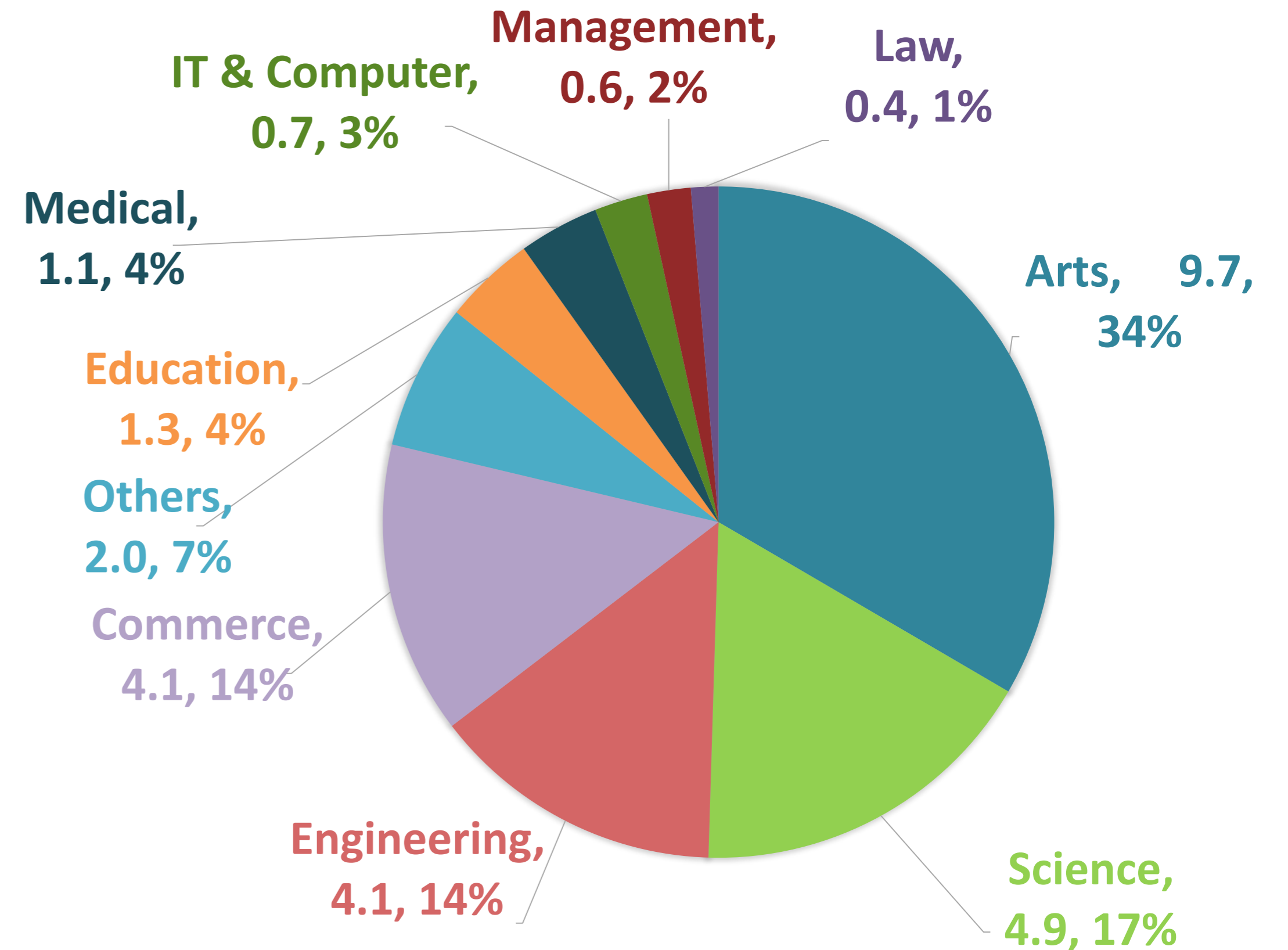
36.6 million
Students Enrolled

25.8%
GER

Enrollment by Level



UG Enrollments by Stream

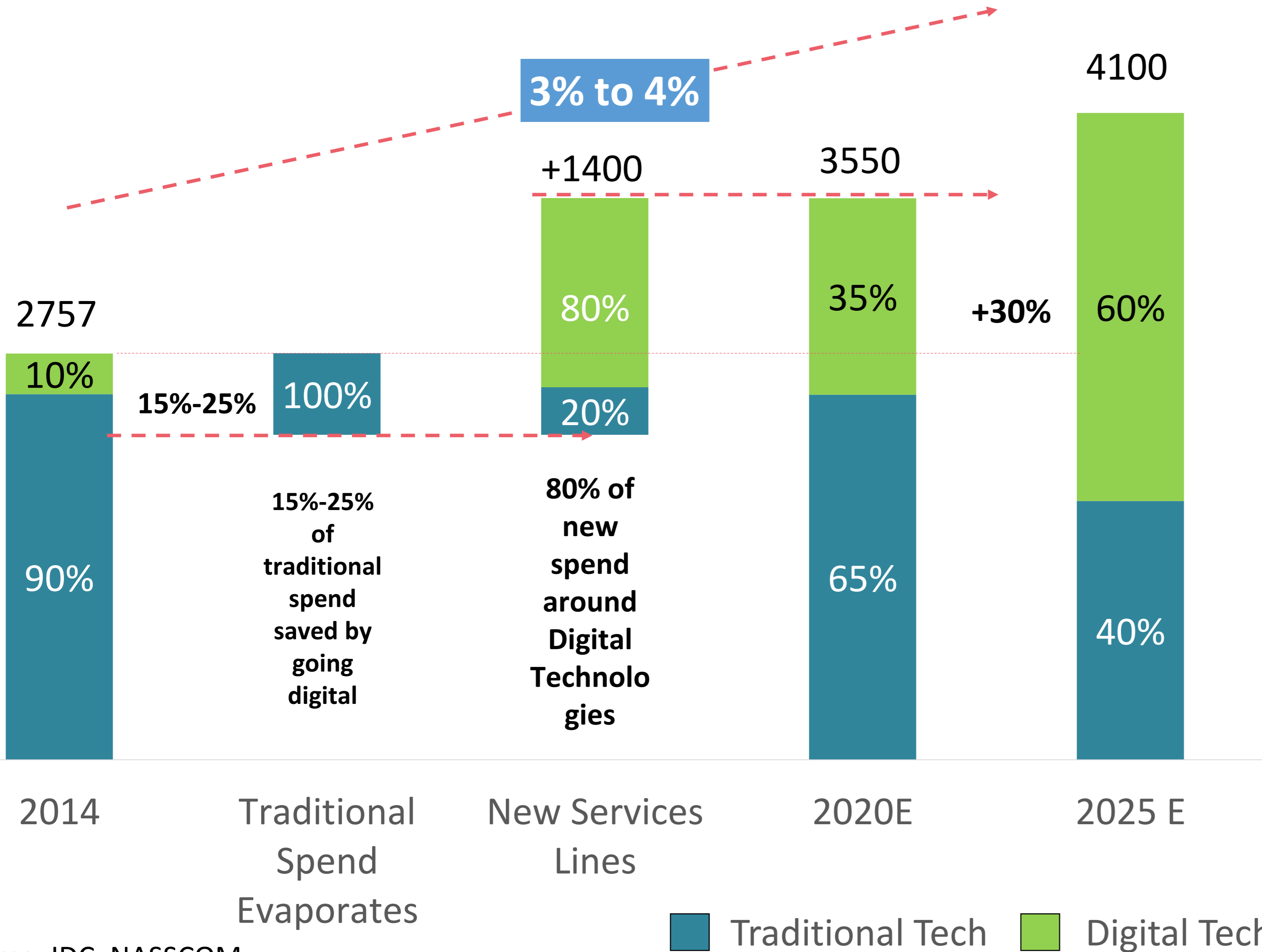


Source: AISHE 2017-18

SNC: Digital Transformation – IT Sector



Global Technology and Business Services Spend \$ Bn



India digital services experts growing at +30% (1.5x faster than global digital growth rates) and now ~20% of Industry Exports.

Global Technology and Business Services to Touch USD 4 Trillion by 2025

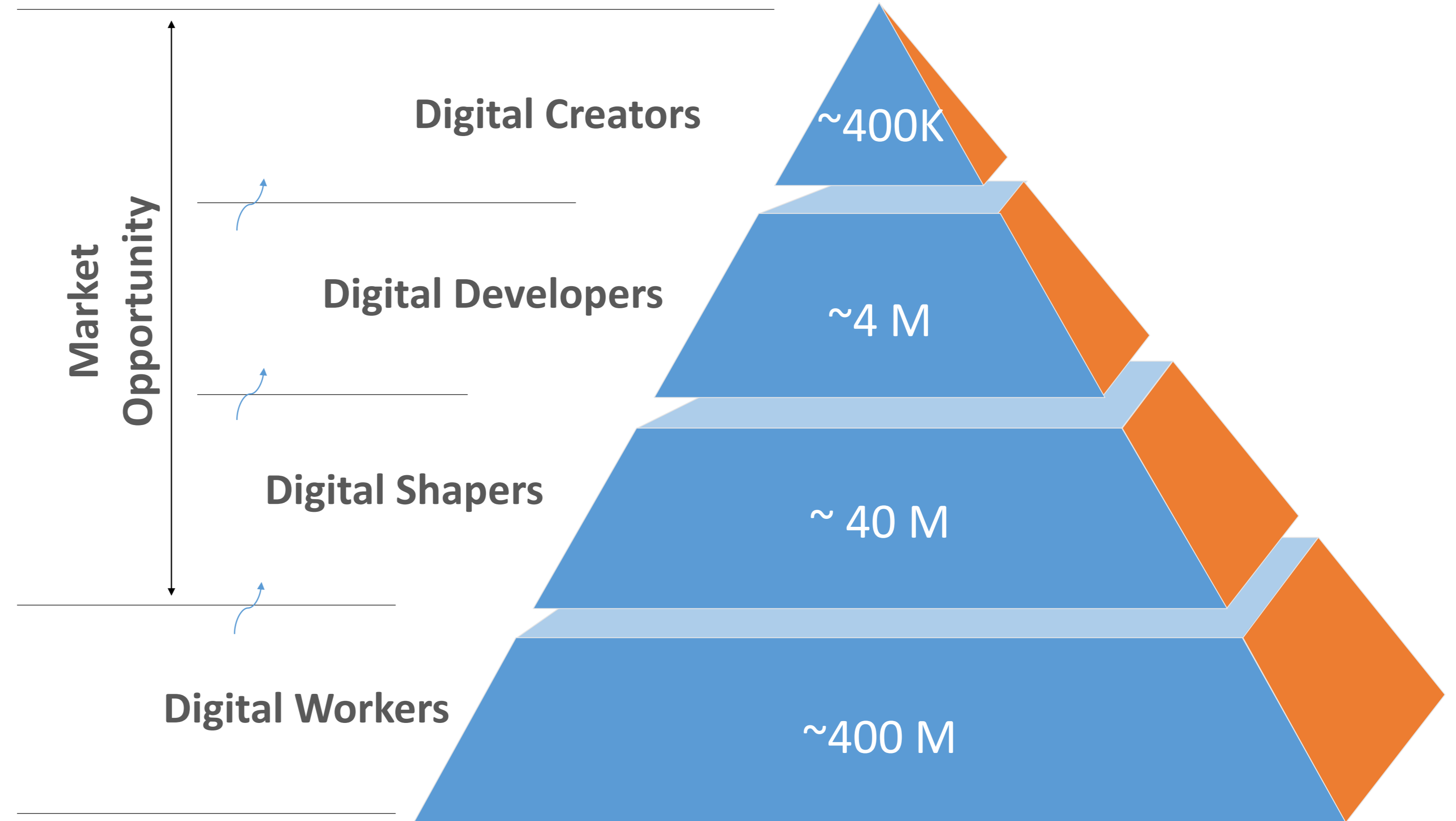
Share of Digital Technologies to increase to 60%

50% - 60% of today's workforce needs to be reskilled to be relevant

Source: IDC, NASSCOM

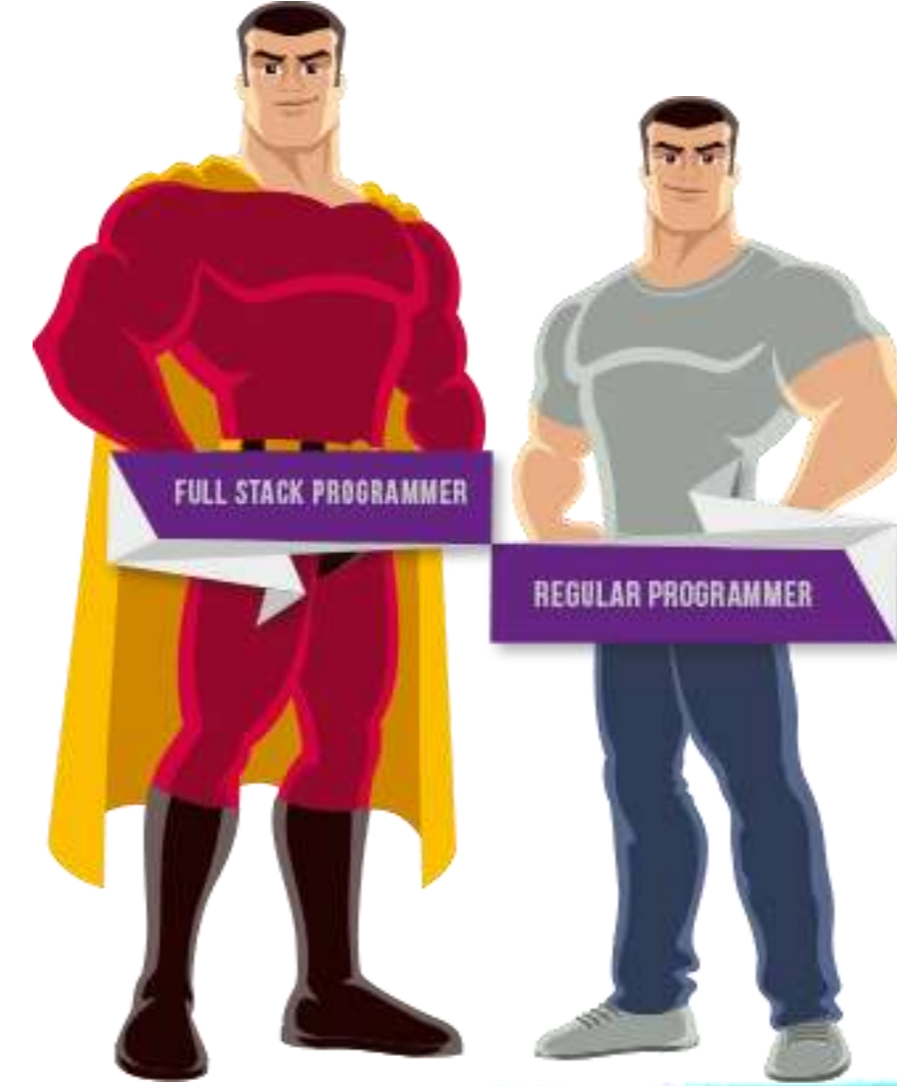
- Future is “Digital@Scale”
- Digital becoming all pervasive, blurring IT industry sector boundaries
- Digital projects more skill intensive than people intensive
- People need continuous reskilling with consulting and design capabilities
- Accelerating influx of new GICs; 1140+ nos.
- India emerging as key hub for Digital@scale

Source: NASSCOM





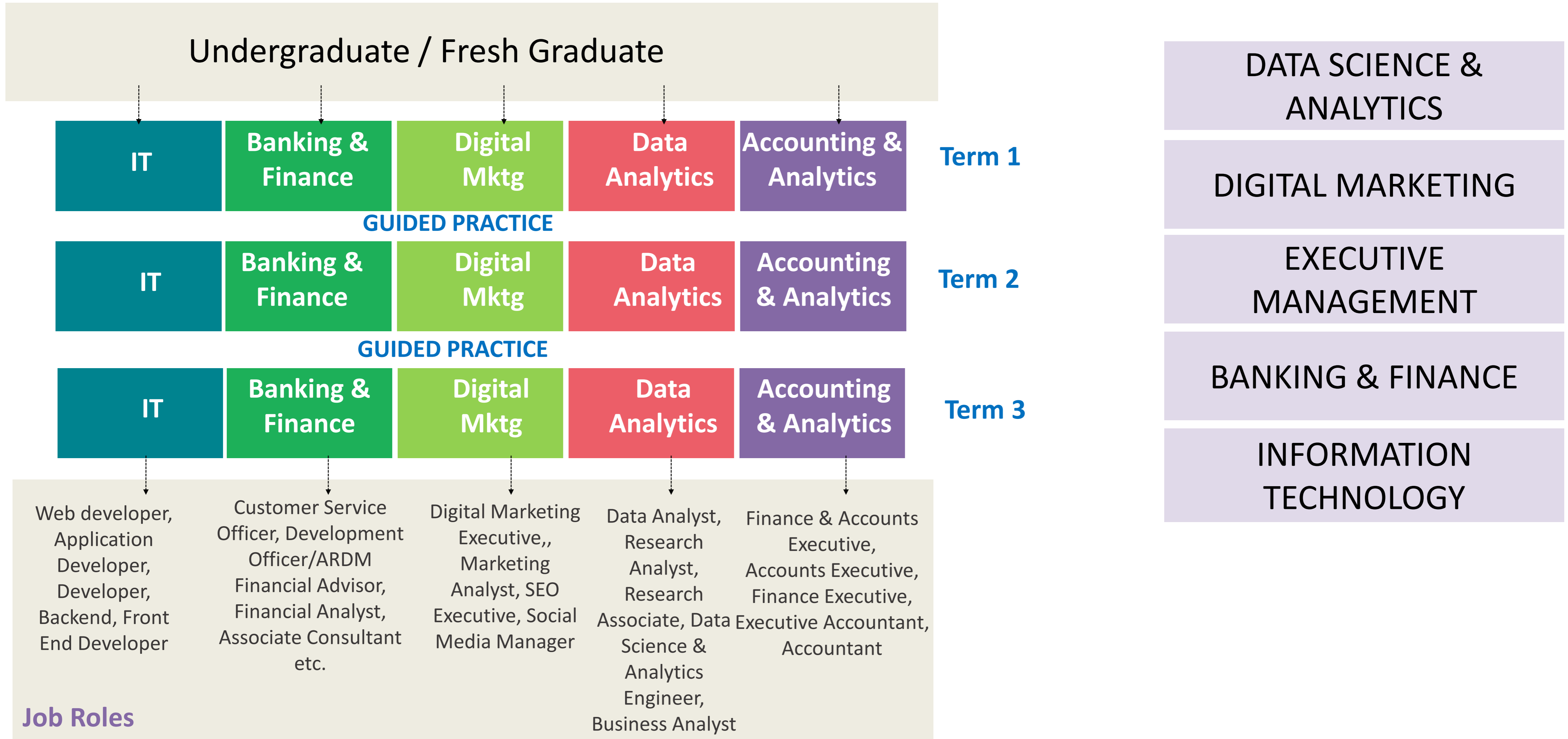
**STACK
ROUTE**



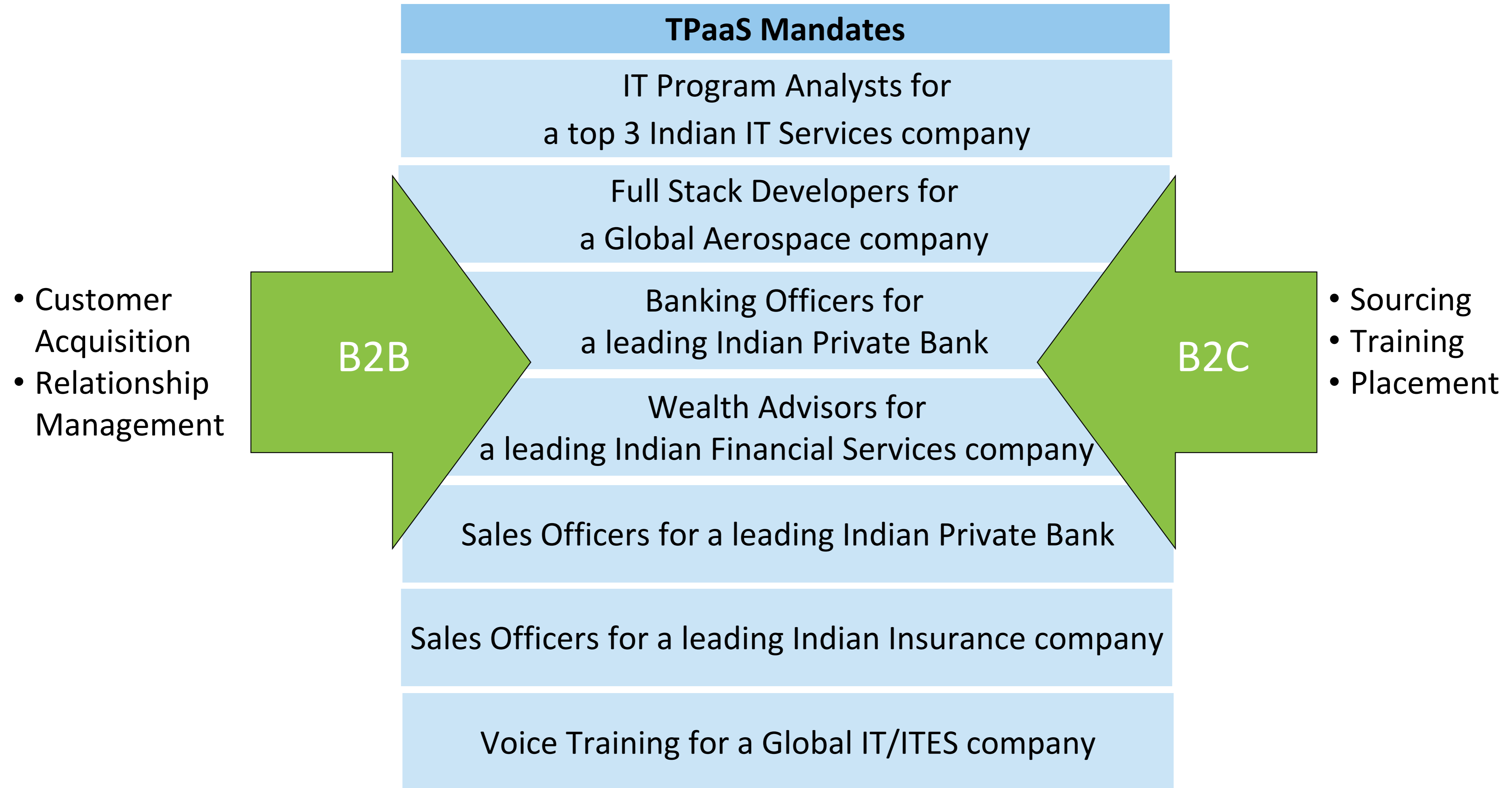
- JAVA ENTERPRISE WITH DEVOPS
- BIG DATA AND DATA SCIENCES
- MEAN STACK
- CLOUD STACK
- INTERNET OF THINGS (IOT)
- ROBOTICS
- VIRTUAL REALITY

Expanded Portfolio of Career Programs

+ JIT Skills for Aspirational Careers



SNC: Talent Pipeline as a Service (TPaaS)



The logo consists of the letters "NIIT" in a bold, white, sans-serif font, centered within a dark blue circular background. The background of the entire slide is a blue-tinted cityscape at night, featuring a prominent skyscraper with a golden spire and various other illuminated buildings and a highway interchange in the foreground.

NIIT

You can't spell TRAINING without NIIT.