



NIIT

**REIMAGINING
LEARNING**
THE NEXT WOW

Financial Results Q1 FY21
July 31, 2020



Environment

Covid-19 has delivered an enormous shock to global economy. World bank expects global GDP to decline 5.2% in 2020 with shrinking per capita incomes in most emerging & developing economies

Centrals banks and Governments have announced unprecedented stimulus measures to revive economic activity. Despite this, global GDP is expected to contract sharply in CY 2020 vs expectations of 3.3% growth at the start of the year (IMF)

India's GDP growth dropped to 3.1% in Q4 FY20 as Covid-19 related restrictions impacted economic activity. FY20 growth declined to 4.2% (vs 6.1% in FY19)

Corporates adjusting to new normal. After initial shock, many companies working on continuity and transformation plans for training. Many plan to continue WFH for substantial proportion of workforce

Hiring has been impacted across sectors. Increased demand for technology adoption is likely to drive demand for Digital skills

Learners have adopted online learning, with VILT replacing ILT in majority of the cases. May result in behavioral change towards Technology driven immersive learning.

Covid-19 : Sudden and Extraordinarily Intense Impact

Full quarter impact in Q1

- Learning centers have remained under lockdown in accordance with government regulations and safety requirements. No in-person instructor led learning activity has been conducted since early March
- B2B business worldwide saw cancellations and deferrals by corporates of planned in-person instructor led training events starting early March. In India, the impact is higher due to slower adoption of Digital and slow pace of hiring

Global slowdown expected in FY21; business volume impacted in near term. However...

- Recessionary pressures likely to increase propensity to Outsource in the medium term
- Compression of adoption cycle for Digital Learning

Our Response has been Agile and Decisive

- Transition to Digital Delivery and Customer Acquisition
- New Offers and New Customer Segments
- Move to global WFH protocol
- Continuous and intense focus on Cash conservation & cost control
- Rationalization of key initiatives
- Decision to exit School business and accelerated digital transformation of Career Education Business

Q1 FY21: In Perspective



Corporate Learning Group (CLG)

- Revenue at INR 1,785 Mn up 17% YoY & up 2% QoQ; Constant currency revenue growth @ 8% YoY
- OM at 17%; sharp recovery vs Q4; up 933 bps QoQ and up 283 bps YoY
- EBITDA at INR 312 Mn; up 40% YoY and up 118% QoQ
- Added 3 MTS customers and expanded one existing contract; MTS customer tally at 55
- Revenue Visibility at \$ 263 Mn; Strong pipeline

Skills & Career Group (SNC)

- Accelerated Digital transformation
- Revenue at INR 233 Mn; down 53% YoY and down 35% QoQ
- EBITDA at INR (68) Mn; improved QoQ by INR 32 Mn due to cost actions

Overall NIIT

- Revenue at INR 2,018 Mn; flat YoY and down 4% QoQ
- EBITDA at INR 243 Mn vs INR 31 Mn in Q4 FY20; OM at 12%
- PAT at INR 290 Mn
- Net Cash improves to INR 12,061 Mn from INR 11,428 Mn in LQ

Sustained Deal Velocity Counters Lower than Run-Rate Volumes Leading to Stable Outlook

Key Financials

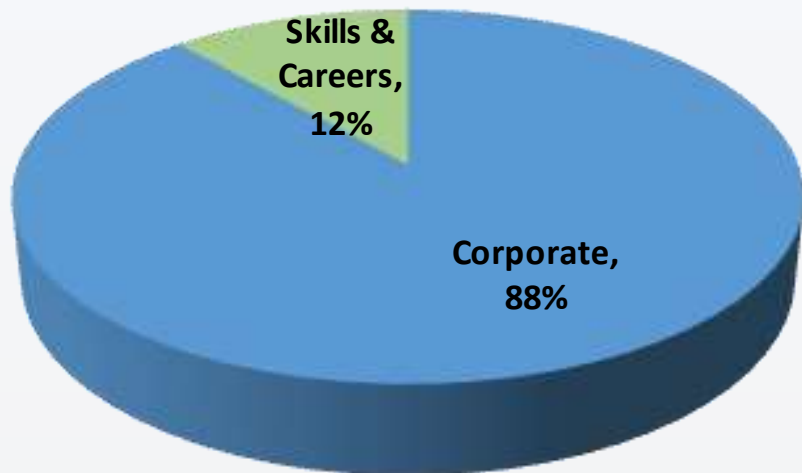
INR Mn	Q1 FY21	Q1 FY20	YoY	Q4 FY20	QoQ	Q1 FY20 Like to Like*
Net Revenue	2,018	2,018	0%	2,112	-4%	2,018
Operating expenses	1,774	1,775	0%	2,081	-15%	1,775
EBITDA	243	243	0%	31	682%	243
EBITDA%	12%	12%	2 bps	1%	1059 bps	12%
Depreciation	161	118	36%	182	-11%	118
Net Other Income/ (Expense)	308	13,164	NA	112	196 mn	47
Operational PBT	390	13,289	NA	(39)	429 mn	172
Tax	(58)	(2,252)	NA	112	-170 mn	(54)
Profit/ (loss) from discontinued Operations & Assets held for Sale	(38)	(129)	71%	(66)	43%	(129)
Associate Profit & Non Controlling Interests	(4)	(4)	-8%	-	0%	(4)
PAT	290	10,904	NA	6	NA	(15)
EPS (INR)	2.1	67.7	NA	0.0	NA	(0.1)

* Excluding One time Capital gain & related Tax thereon in Q1 FY20, for like to like comparison

- Depreciation at INR 161 Mn up 36% YoY primarily on account of amortisation of project related IP investments. Depreciation lower QoQ due to capacity rationalization.
- Net Other Income includes Interest & treasury income of INR 323 Mn (includes MTM gains in Mutual Funds due to reduction in Interest rates during the quarter)

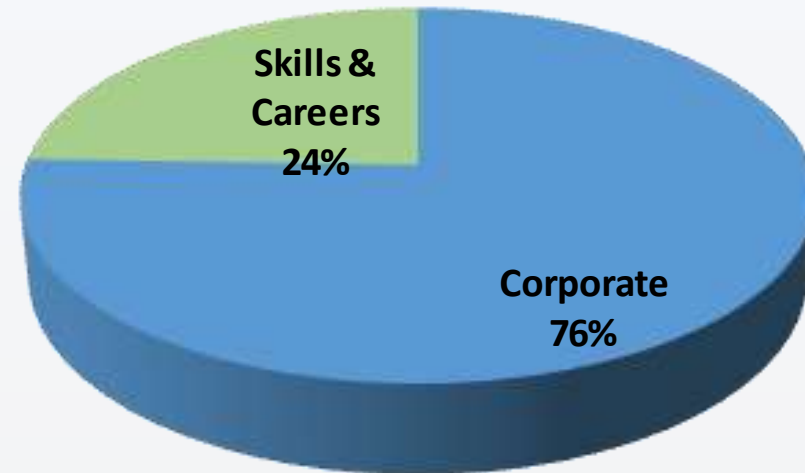
Revenue Mix

Q1 FY21

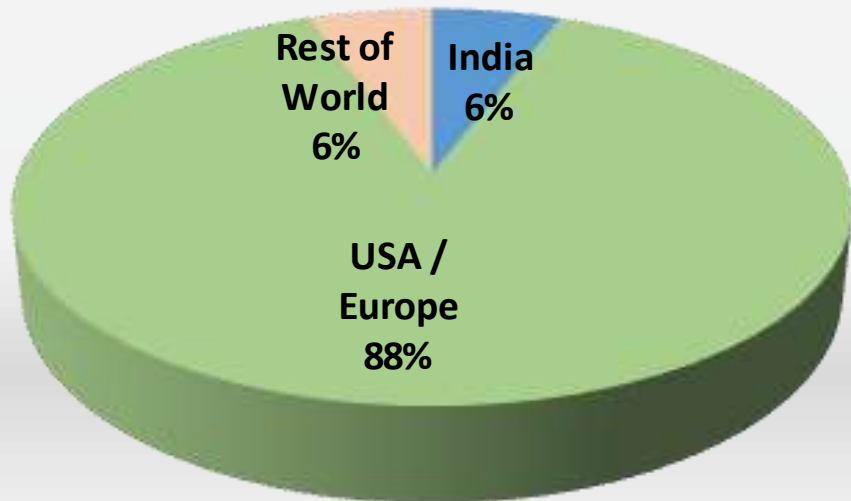


Business	Growth YoY
Corporate	17%
Skills & Careers	-53%
NIIT	0%

Q1 FY20

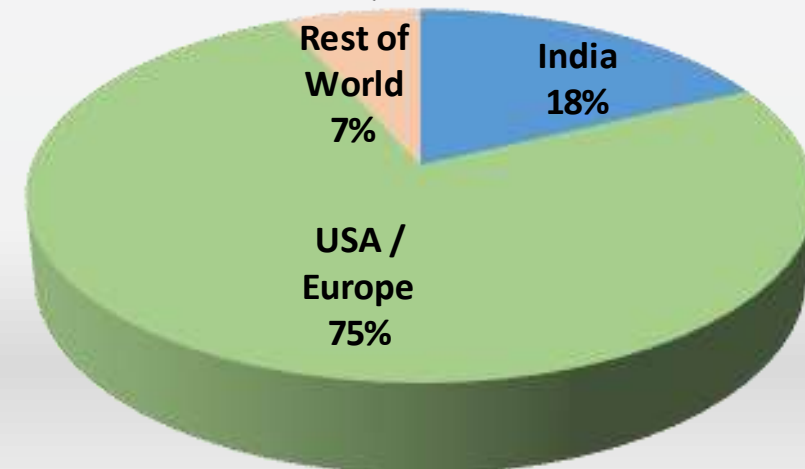


Q1 FY21



Geo	Growth YoY
India	-67%
USA / Europe	17%
Rest of World	-15%
NIIT	0%

Q1 FY20



Corporate Learning Group



INR Mn	Q1 FY21	Q1 FY20	YoY	Q4 FY20	QoQ
Net Revenues	1,785	1,524	17%	1,754	2%
EBITDA	312	223	40%	143	118%
EBITDA %	17%	15%	283 bps	8%	933 bps

- Revenue at INR 1,785 Mn up 17% YoY; Constant currency growth at 8% YoY
- OM at 17% sharp recovery vs Q4; up 933 bps QoQ and up 283 bps YoY
- Added 3 MTS customers and expanded 1 existing contract during Q1 FY21. Customer tally reaches 55
- Revenue Visibility at \$ 263 Mn



Skills & Careers Group

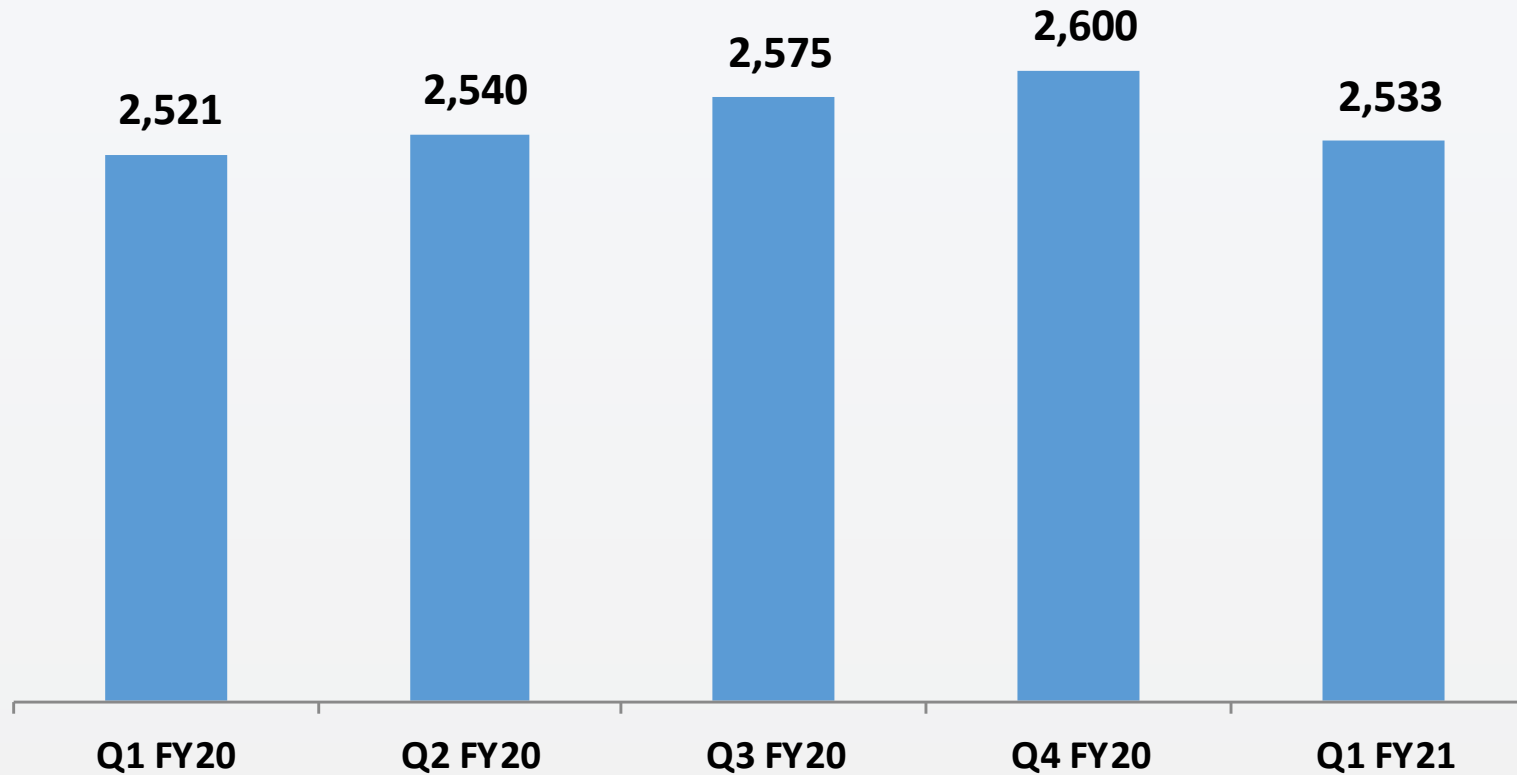


INR Mn	Q1 FY21	Q1 FY20	YoY	Q4 FY20	QoQ
Net Revenues	233	494	-53%	358	-35%
EBITDA	-68	26	-94 Mn	-100	31 Mn
EBITDA %	-29%	5%	-3,465 bps	-28%	-158 bps

- Revenue at INR 233 Mn, down 35% QoQ; Full quarter impact of Covid-19
- EBITDA at INR (68) Mn; improved QoQ by INR 32 Mn due to cost actions
- Business impacted during the quarter as learning centers have remained closed due to government regulations and safety requirements
- Digital Transformation of SNC initiated



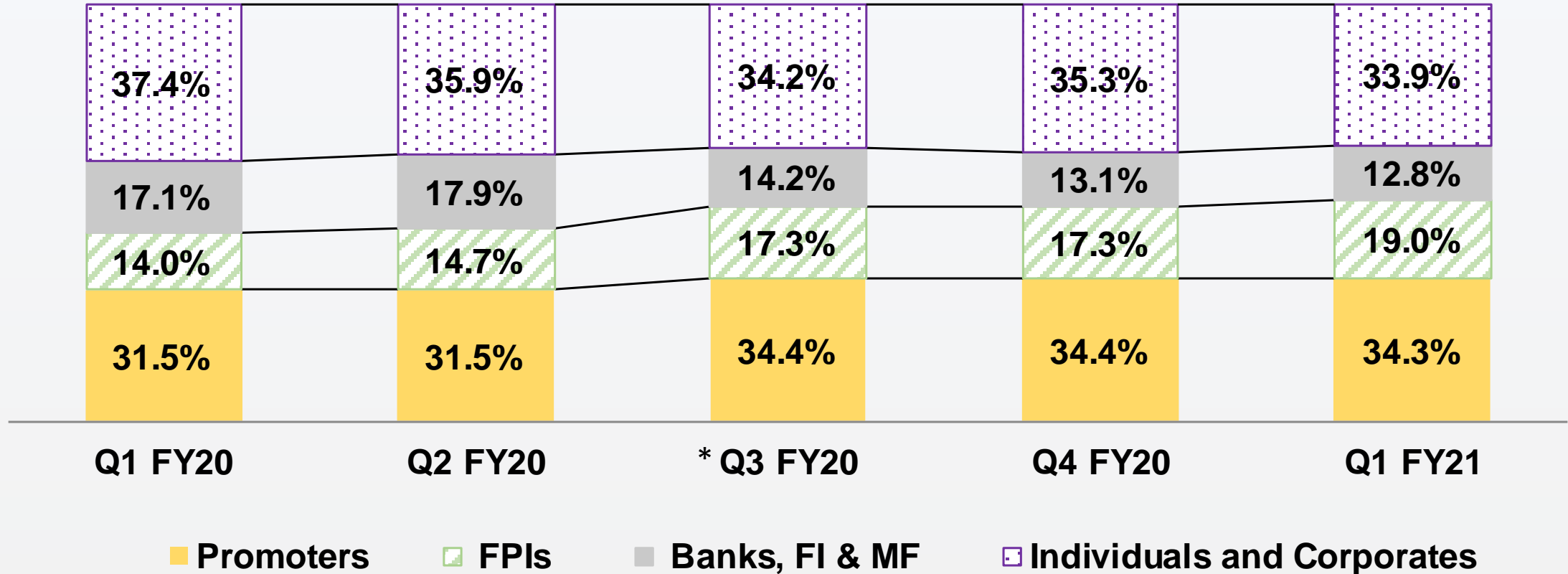
People



Headcount down 67 QoQ and up 12 YoY

** excludes project retainers*

Share Holding Pattern



*Completed buyback of 26.8 million shares during Q3 FY20

Thank you



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