



NIIT

**REIMAGINING
LEARNING**
THE NEXT WOW

Financial Results Q2 FY20
October 24, 2019



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

Q2 FY20: In Perspective



Overall 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

Key Financials

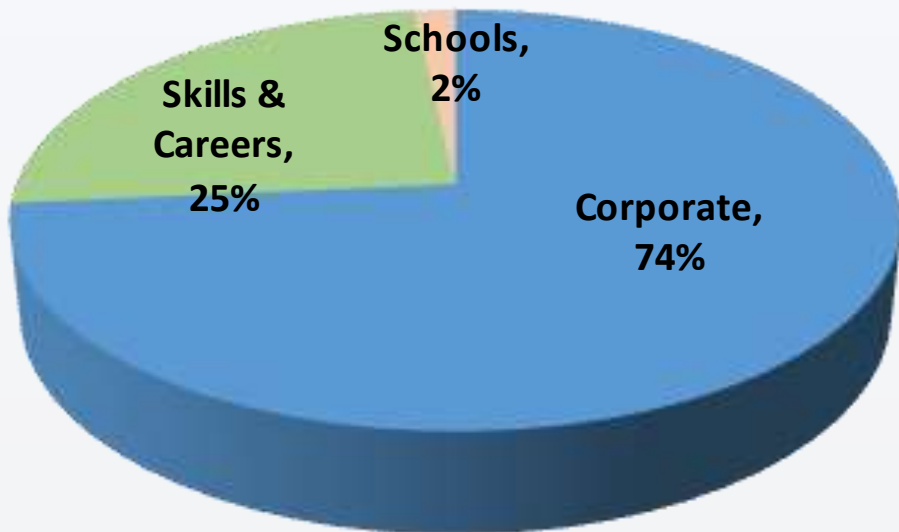
INR Mn	Q2 FY20	Q2 FY19	YoY	Q1 FY20	QoQ
Net Revenue	2,365	2,260	5%	2,080	14%
Operating expenses	2,112	2,020	5%	1,859	14%
EBITDA	254	240	6%	221	15%
EBITDA%	11%	11%	10 bps	11%	9 bps
Depreciation	137	84	64%	127	8%
Net Other Income	345	-52	Rs 397 mn	13,135	
Operational PBT	462	104	Rs 357 mn	13,229	
Tax	-1,633	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

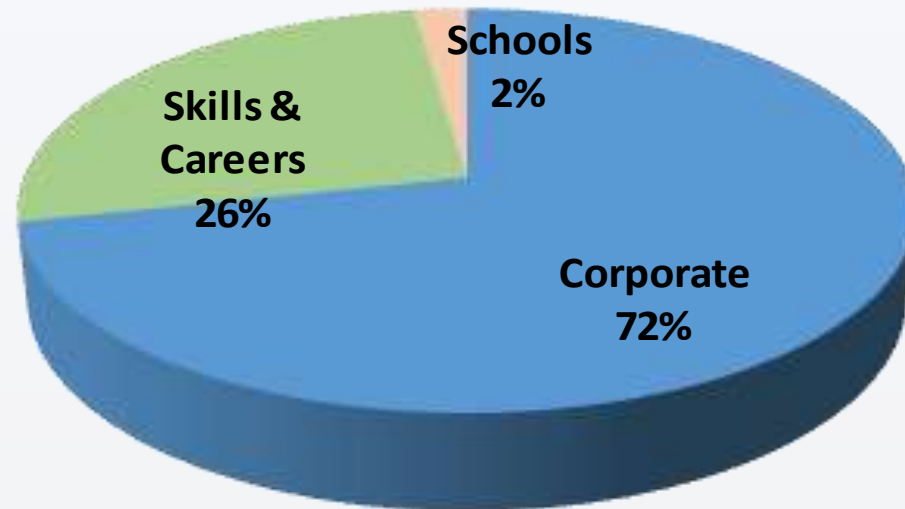
Revenue Mix

Q2 FY20

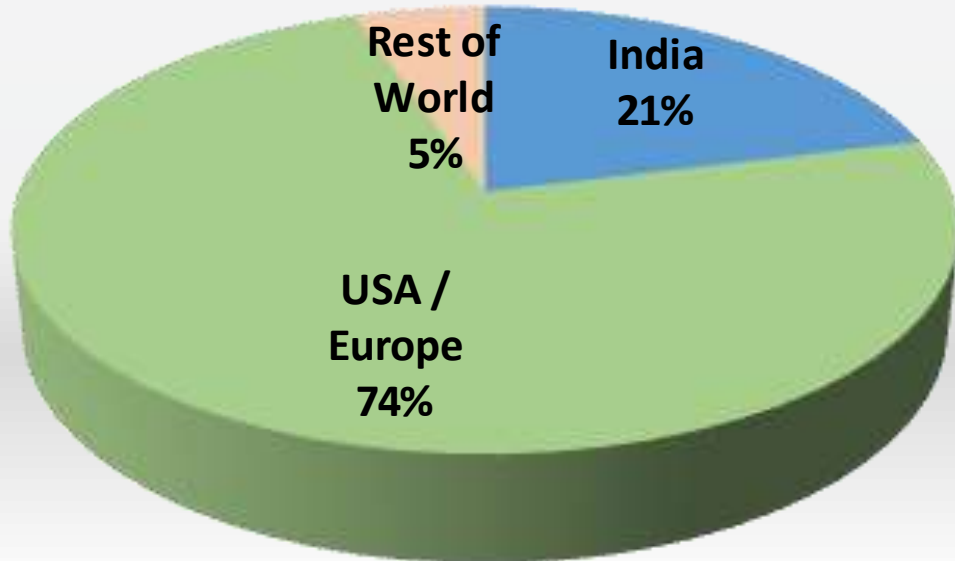


Business	Growth
Corporate	8%
Skills & Careers	-2%
Schools	-18%
NIIT	5%

Q2 FY19

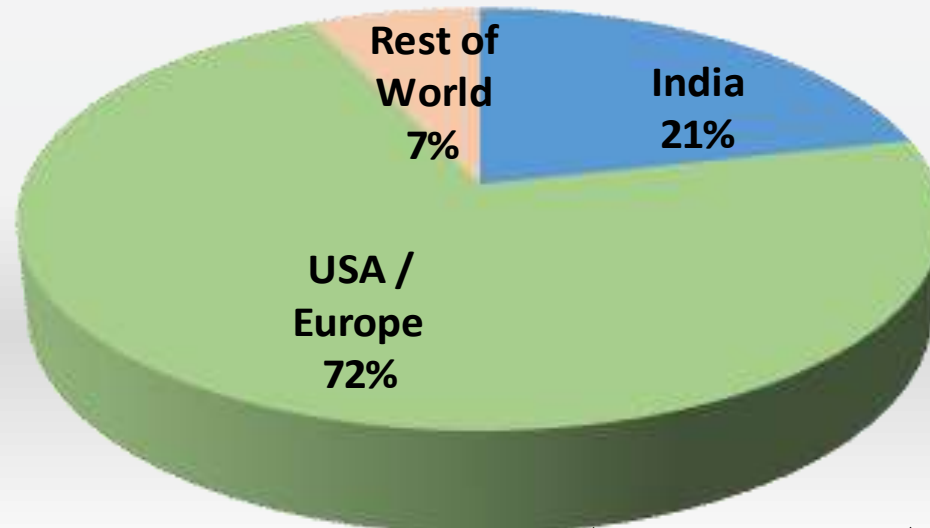


Q2 FY20



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

Q2 FY19



Corporate Learning Group

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



NIIT

Running Training like a Business.
It's not about training. It's about results.

Running training like a business is a transformational framework for L&D. At NIIT, we have helped the world's leading companies reinvent their training organizations through these principles. The framework deliberately and immediately reconnects training to core business objectives - helping organizations realize tangible value through effectiveness while bringing costs down to acceptable levels through efficiency.

Discover how you can run training like a business at www.niit.com/rliab

Skills & Careers Group

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

**STA
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ROUTE**

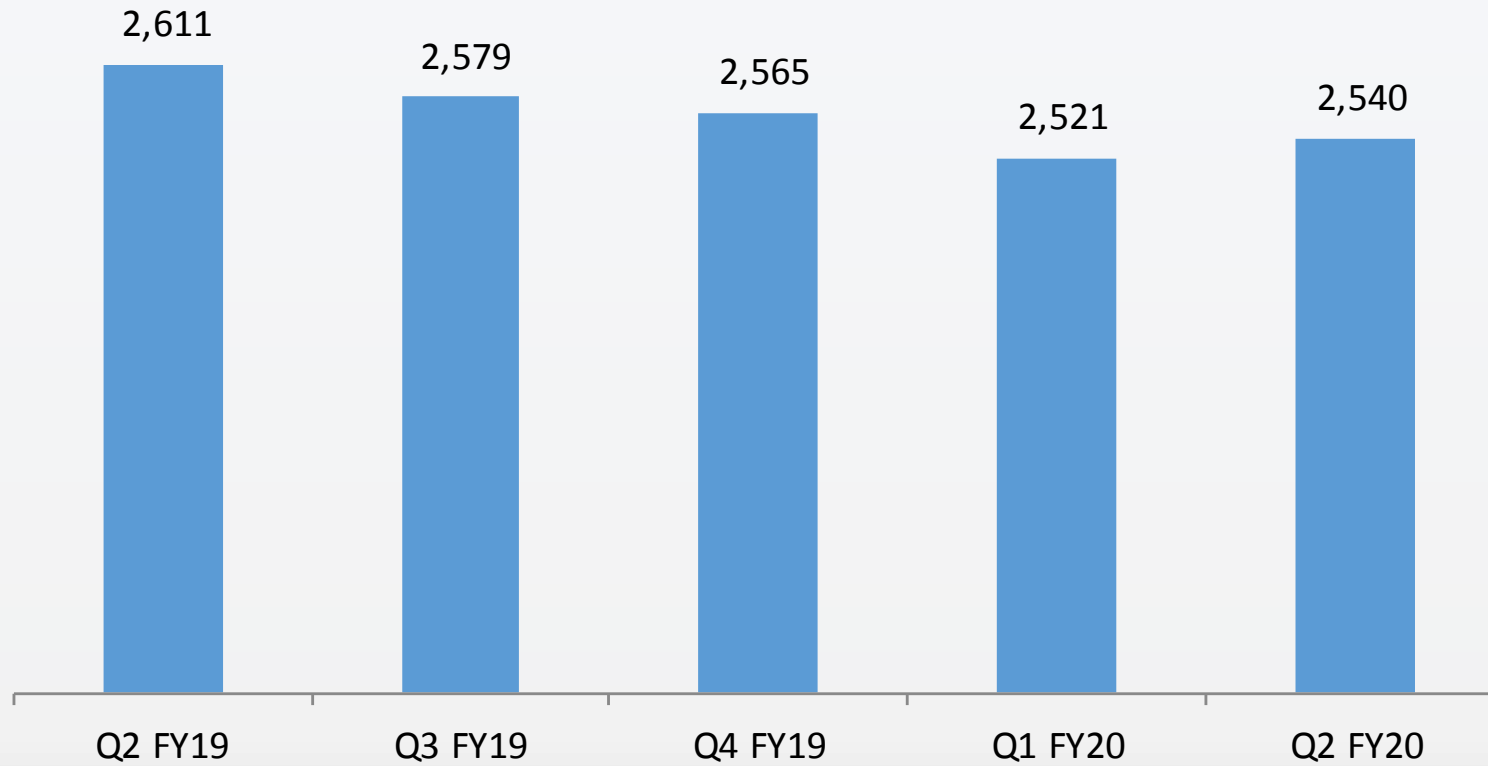


NIIT | **AUTOMATION ANYWHERE**

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

Source: Information Service Group, Inc.

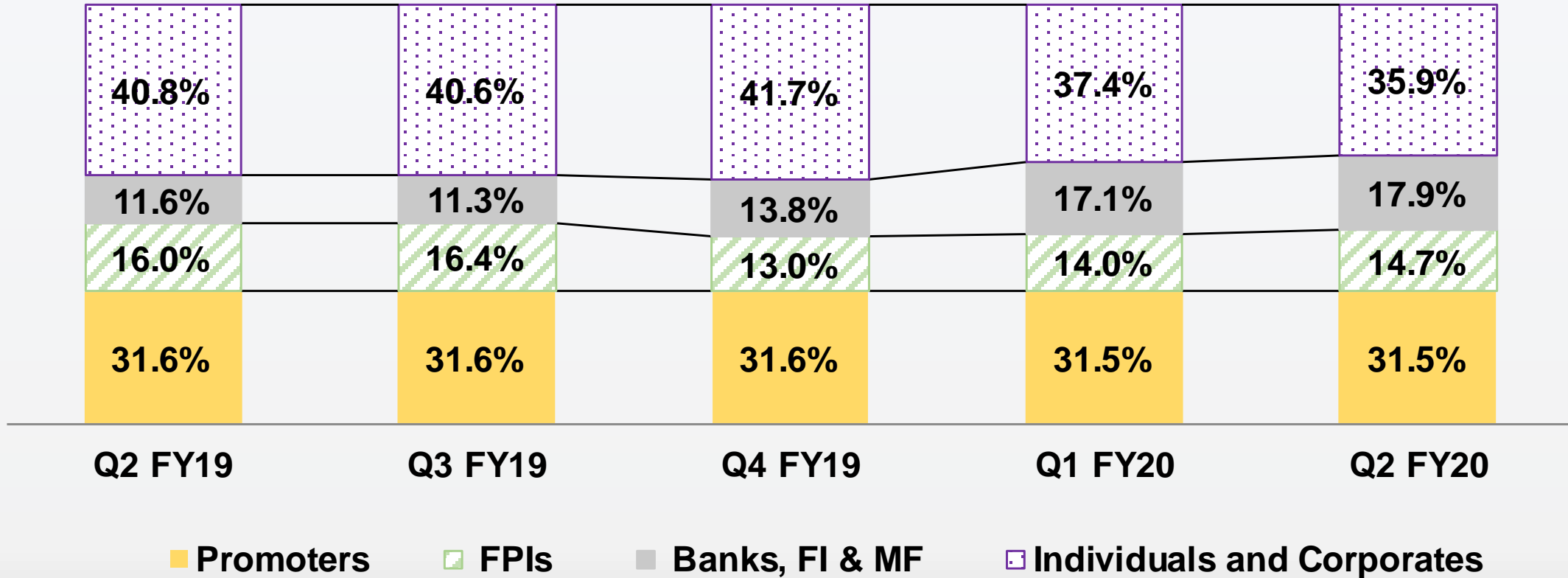
People



Headcount up 19 QoQ and down 71 YoY

* excludes project retainers

Share Holding Pattern



Thank you



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