



NIIT

**REIMAGINING
LEARNING**
THE NEXT WOW

Financial Results Q3 FY20
February 5, 2020



Environment

Global growth stabilizing but recovery expected to be sluggish. Announcement of Phase 1 US-China Deal and dovish monetary policy support recovery, but new risks including the Coronavirus outbreak lead to continuing uncertainty

IMF expects Global GDP growth to improve to 3.3% in 2020 vs 2.9% in 2019. Projection is lower vs earlier forecast of 3.5% largely due to downward revision for India

India's GDP growth expected drop to 4.8% - 5% in FY20 (vs 6.8% last year), driven by reduction in local demand and stress in NBFC sector

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

Visible trend of Centralization of L&D (esp in Pharma) to drive outsourcing

Government has asked banks to expand branch network. This will aid Bank hiring. Overall IT hiring remains positive

Q3 FY20: In Perspective



Overall NIIT

- Revenue at INR 2,476 Mn; up 10% YoY; Go forward business revenue grows @ 12% YoY
- EBITDA at INR 246 Mn (OM of 10%); up 10% YoY
- PAT at INR 271 Mn; up 40% YoY, EPS grows 65% YoY to INR 1.9 per share

Corporate Learning Group (CLG)

- Revenue at INR 1,895 Mn up 17% YoY; Constant currency revenue growth @ 18% YoY
- EBITDA at INR 294 Mn up 26% YoY; OM at 16%; up 102 bps YoY
- Added 2 MTS customers; renewed 2 contracts and expanded 2 contracts
- Revenue Visibility at \$ 265 Mn

Skills & Career Group (SNC)

- Revenue at INR 544 Mn
- Targeted growth initiatives (Stackroute and TPaaS) grow at 11% YoY
- EBITDA at INR 6 Mn

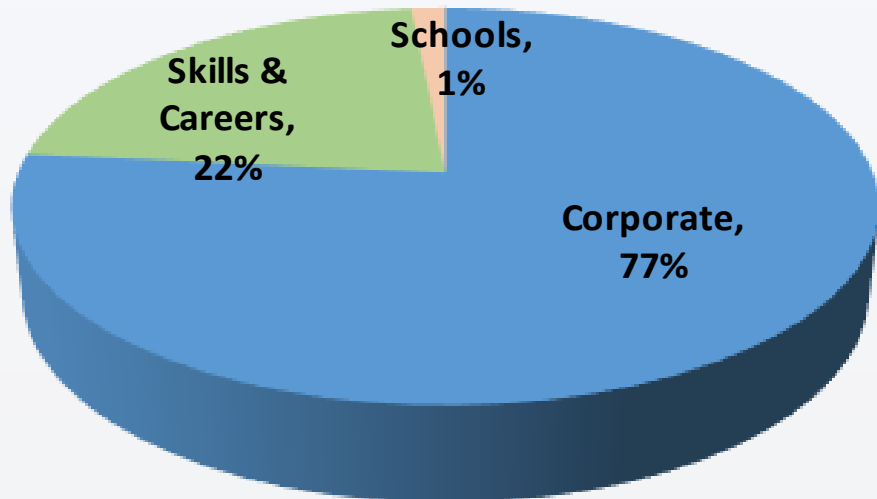
Key Financials

INR Mn	Q3 FY20	Q3 FY19	YoY	Q2 FY20	QoQ
Net Revenue	2,476	2,255	10%	2,365	5%
Operating expenses	2,230	2,032	10%	2,112	6%
EBITDA	246	224	10%	254	-3%
EBITDA%	10%	10%	2 bps	11%	-79 bps
Depreciation	178	95	88%	137	30%
Net Other Income	261	-81	Rs 342 mn	345	Rs -85 mn
Operational PBT	328	48	Rs 280 mn	462	Rs -133 mn
Tax	48	10	Rs 38 mn	-1,633	Rs 1680 mn
Profit/ (Loss) from Discontinued Operations	-11	-25	Rs 14 mn	-6	Rs -5 mn
Associate Profit & Non Controlling Interests	2	182	-99%	5	-64%
PAT	271	194	40%	2,093	-87%
EPS (INR)	1.9	1.2	65%	12.5	-85%

Depreciation includes impact of INDAS 116 including new facilities for expansion and amortisation of investments in project intangibles

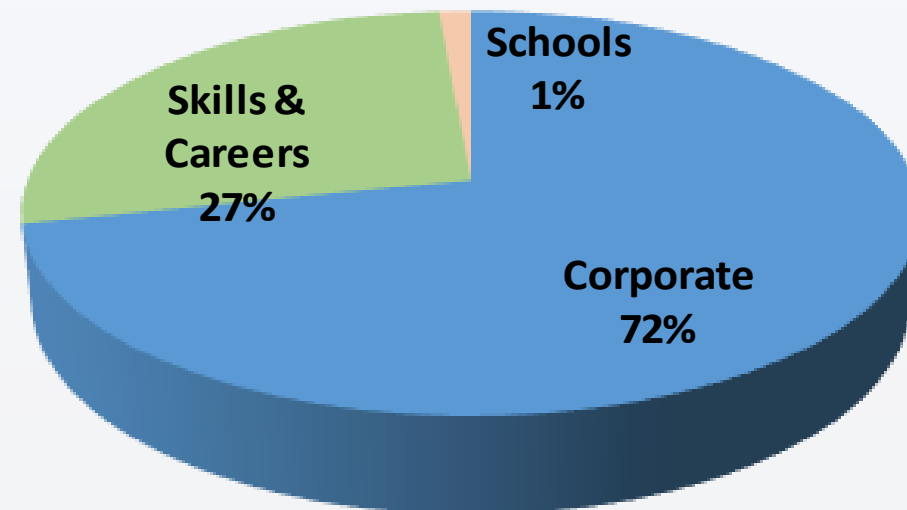
Revenue Mix

Q3 FY20

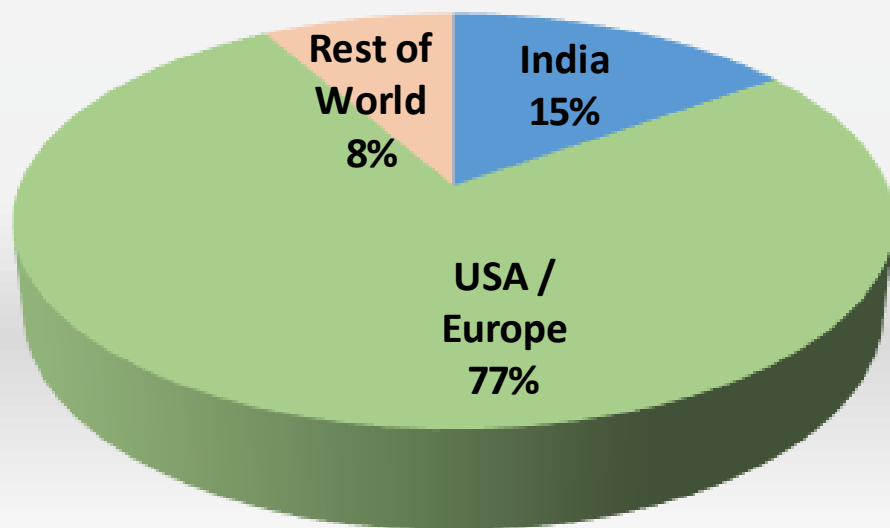


Business	Growth
Corporate	17%
Skills & Careers	-11%
Schools	22%
NIIT	10%

Q3 FY19

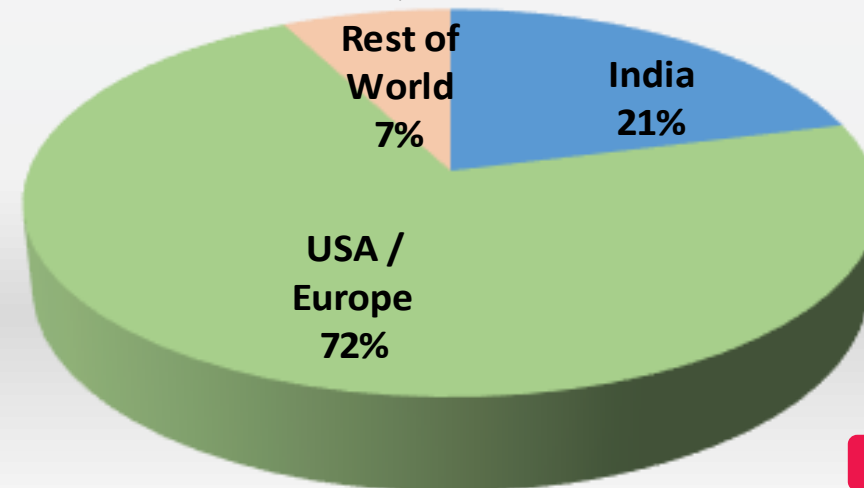


Q3 FY20



Geo	Growth
India	-21%
USA / Europe	17%
Rest of World	22%
NIIT	10%

Q3 FY19



Corporate Learning Group



INR Mn	Q3 FY20	Q3 FY19	YoY	Q2 FY20	QoQ
Net Revenues	1,895	1,614	17%	1,740	9%
EBITDA	294	234	26%	271	9%
EBITDA %	16%	15%	102 bps	16%	-3 bps

- Revenue at INR 1,895 Mn up 17% YoY. Constant currency revenue grows @ 18% YoY
- Added 2 new MTS customers, renewed 2 contracts and expanded scope of 2 contracts during Q3
- Revenue Visibility at \$ 265 Mn



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Skills & Careers Group

INR Mn	Q3 FY20	Q3 FY19	YoY	Q2 FY20	QoQ
Net Revenues	544	611	-11%	583	-7%
EBITDA	6	40	-86%	34	-83%
EBITDA %	1%	7%	-547 bps	6%	-472 bps

- Revenue at INR 544 Mn down 11% YoY
- Targeted initiatives Stackroute & TPaaS together grow at 11% YoY
- Significant investment in Stackroute Sales & Marketing



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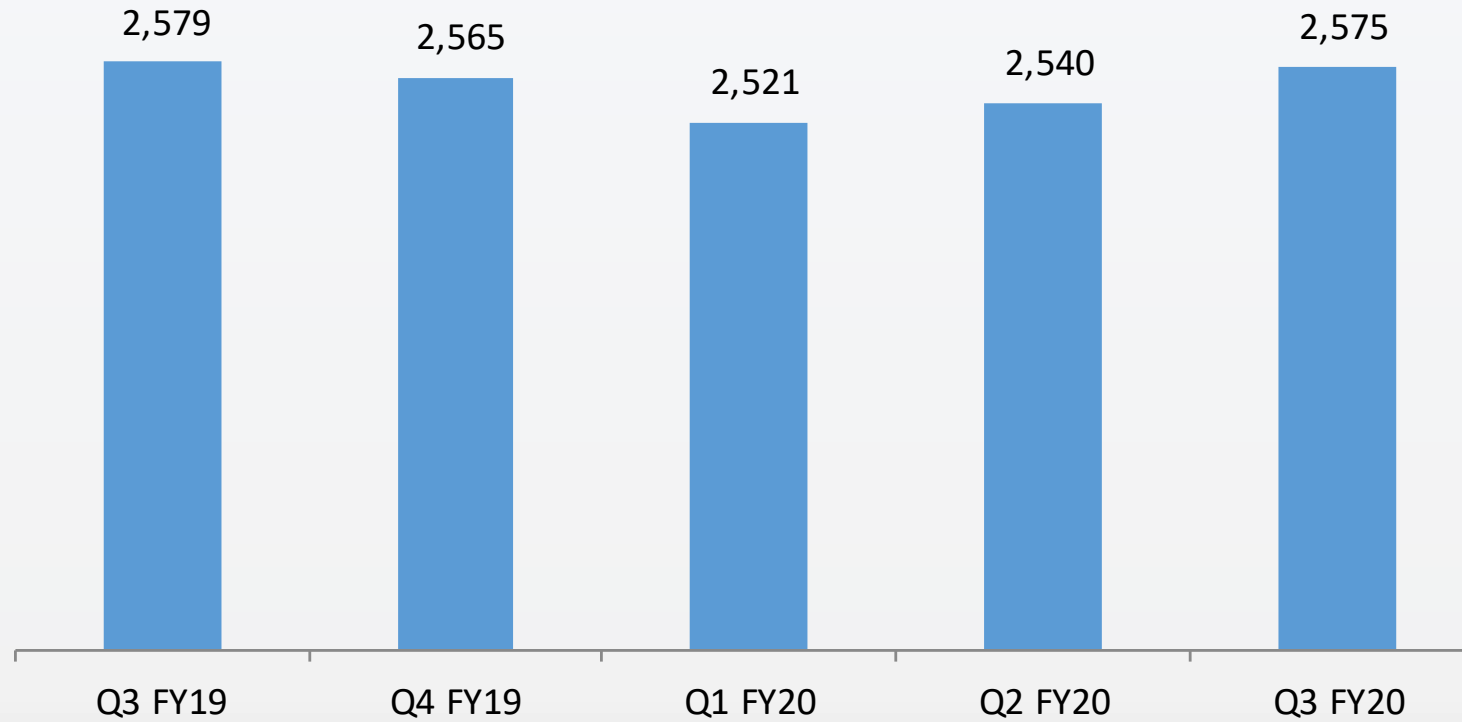
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By 2020, the global market for RPA technologies is expected to grow to **\$5 billion**.

Source: Information Service Group, Inc.

Basis recommendation by Special Committee, Net Profit/ (Loss) i.e. Revenue less Expense of discontinued business has been presented as separate line item with restatement of previous quarters

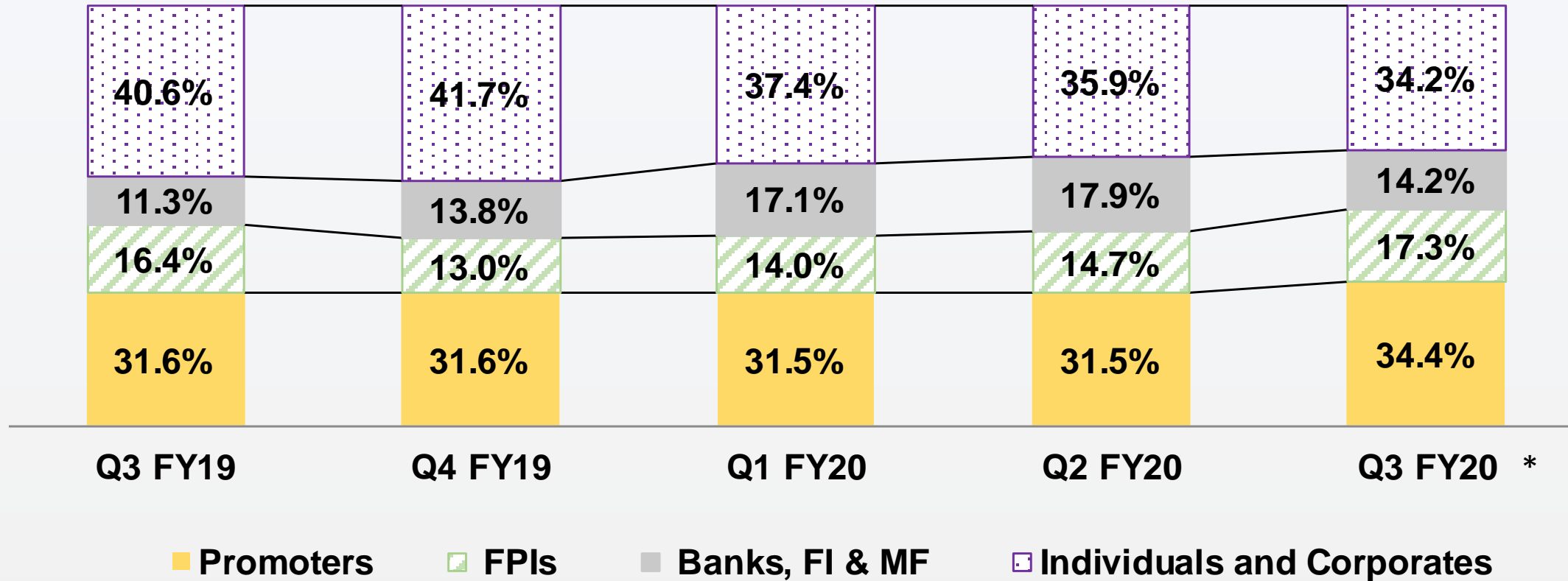
People



Headcount up 35 QoQ and down 4 YoY

* excludes project retainers

Share Holding Pattern



*Completed buyback of 26.8 million shares during Q3 FY20. Total No. of shares outstanding as on Dec 31 at 141.5 Mn

Thank you



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