



NIIT Limited

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Guru Ravi Das Marg, Kalkaji
New Delhi 110 019, India
CIN: L74699DL1981PLC015865

www.niit.com

July 28, 2017

**The Manager
BSE Limited**
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

**The Manager
National Stock Exchange of India Ltd**
Listing Department
Exchange Plaza
5th Floor, Plot no C/1, G Block
Bandra Kurla Complex
Bandra (E), Mumbai – 400 051

Subject: Presentation made to the Analysts and / or Institutional Investors

Scrip Code: BSE – 500304; NSE – NIITLTD

Dear Sir,

Pursuant to the requirement of Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the presentation made to the Analysts and/or Institutional Investors on the Unaudited Financial Results of the Company for quarter ended June 30, 2017.

The same shall be available on our website i.e. www.niit.com.

This is for your information and records.

Thanking you,

Yours truly,
For **NIIT Limited**

Deepak Bansal
Company Secretary & Compliance Officer

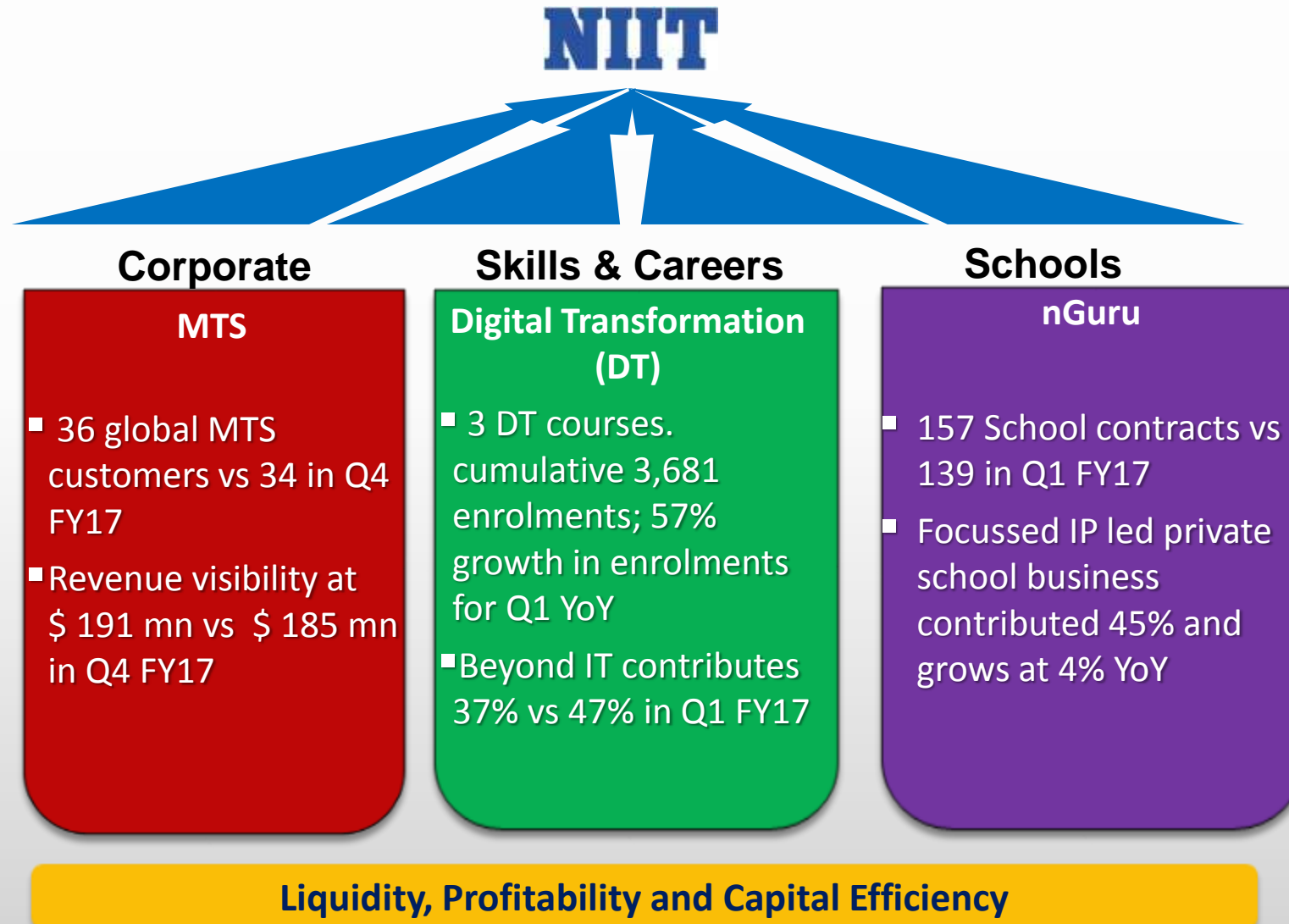
FINANCIAL RESULTS

Q1 FY18

July 28, 2017

ESCAPE
VELOCITY
THE NEXT FRONTIER

- Global GDP growth expected to improve to 3.5% in 2017 vs 3.1% in 2016. However risks remain due to monetary policy normalization, geopolitical uncertainty and increased protectionism (IMF)
- Uncertain macro environment and volatile forex rates & commodity prices continue to impact pace of decision making in global companies
- Robust growth in spending on corporate training continues. Increasing confidence in outsourcing of training among large corporations
- India GDP growth declined to 6.1% in AMJ'17 (vs 9.2% growth in AMJ'16) driven by slowdown in consumer spending. CPI Inflation hit a record low of 1.54% in June 2017
- Gross employee addition at multi quarter lows in IT companies. Banks turn cautious on hiring. Reduced volume growth and increased automation lead to reduced hiring across sectors. Increased demand for reskilling in digital skills to address digital transformation requirements
- Government continues to focus on skills development to drive sustainable and inclusive growth.
- Continuing trend of adoption of digital tools for learning in K-12 market. However, increased uncertainty on regulatory changes impacting decision making.



CONCEPTS:-

- Retrospective application of all the standards unless exempted
- Concept of Substance over Legal form of the arrangement
- Certain optional exemptions are available for the ease of transition to Ind-AS. Under this Fair Valuation of Land and Investments in Subsidiaries / Associates is under consideration.
- Multiple deliverables in a contract are to be identified based on customer's perspective and is measured at its fair value.
- Concept of Control over the entity as against majority shareholding to consolidate as subsidiary or associate.

IMPACT AREAS:-

- Recognition of Deferred Tax Liability on undistributed profits of subsidiaries/ Associates
- Strategic Sourcing Revenue is recognized on Net basis
- Recognition of Revenue basis fair value for multiple deliverables
- Provision for doubtful debts – on “Expected Credit Loss” model as against “Incurred Loss” model.
- ESOP expenses are recognized in P&L based on Fair Value as per Black Scholes method.
- Impact due to actuarial assumptions gets classified in “Other Comprehensive Income” (OCI)
- Discounting of Long Term Assets & Liabilities to present value

Corporate Learning Group (CLG): Continued Strong performance

- Revenue at INR 1,175 Mn up 7% YoY; Constant currency Revenue up 14% YoY
- EBITDA margin at 15%
- Added 2 MTS customers; 36 MTS customers now contribute 94% to CLG revenue
- Order Intake of \$ 20.6 Mn (up 23% YoY); Revenue Visibility at \$ 191 Mn (up 19% YoY)

Skills & Careers Group (SNC): Renewal phase

- Revenue at INR 681 Mn; down 8% YoY; Constant currency Revenue from Focus-Business up 1% YoY
- EBITDA margin at 1%; Constant currency EBITDA from Focus-Business @ 5%
- Cumulative 3,681 DT enrolments; 57% growth in enrolments for Q1 YoY

School Learning Group (SLG): Move towards IP led asset light business model

- Revenue at INR 232 Mn down 12% YoY due to ramp down of government school projects
- Order Intake of INR 87 Mn; 157 school contracts during the quarter (up 13% YoY)
- Focussed IP led private school business contributes 45%; up 4% YoY

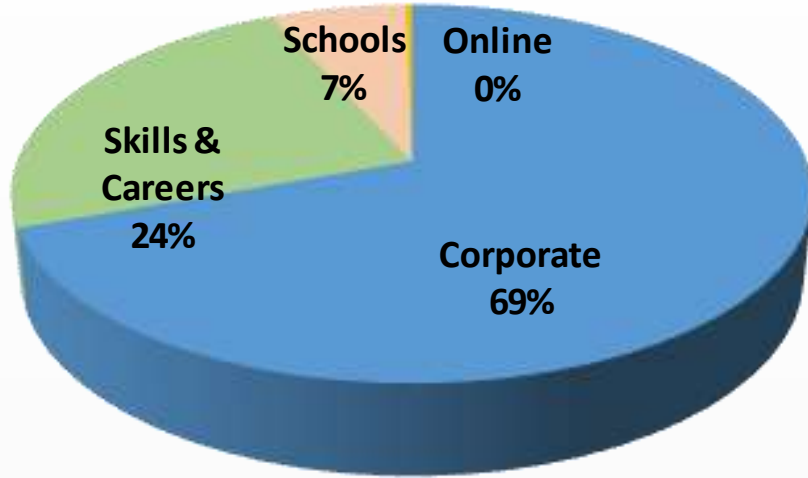
Overall NIIT

- Revenue at INR 2,099 Mn; flat YoY; Constant currency Revenue from Focus-Business up 9% YoY
- EBITDA at INR 163 Mn (8%); Constant currency EBITDA from Focus-Business @ 10%
- PAT at INR 104 Mn vs INR 8 Mn in Q1 FY17
- Net Debt at INR 402 mn down INR 17 mn compared to last quarter and down INR 902 mn YoY

INR Mn	Q1 FY18	Q1 FY17	YoY	Q4 FY17	QoQ
System wide Revenue	3,587	3,405	5%	4,011	-11%
Net Revenue	2,099	2,100	0%	2,113	-1%
Operating expenses	1,936	1,916	1%	1,945	0%
EBITDA	163	184	-11%	168	-3%
EBITDA%	8%	9%	-100 bps	8%	-19 bps
Depreciation	102	119	-14%	109	-6%
Net Other Income	-44	-93	Rs 49 mn	-11	Rs -33 mn
Operational PBT	17	-28	Rs 45 mn	48	Rs -31 mn
Share of Profits from Associates	120	65	85%	241	-50%
Tax	33	29	13%	46	-29%
PAT	104	8	1275%	242	-57%
Basic EPS (Rs.)	0.6	0.0	1272%	1.5	-57%

- System wide revenue includes Strategic sourcing (CLG) & Biz partner share (SNC)
- Growth in Corporate Learning helps offset planned ramp down of government schools business and exit from de-focussed SNC business
- Depreciation down 14% YoY reflecting planned reduction in capital intensity

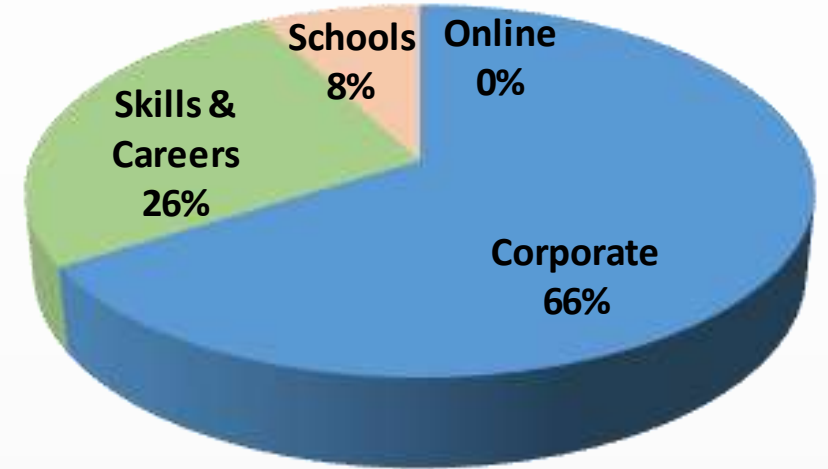
Q1 FY18



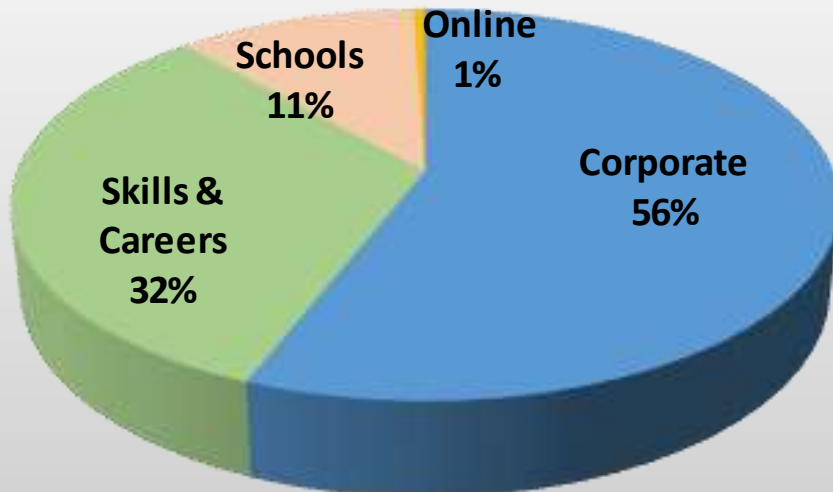
System-wide Revenue

	Growth
Corporate	11%
Skills & Careers	-5%
Schools	-12%
Online	0%
NIIT	5%

Q1 FY17



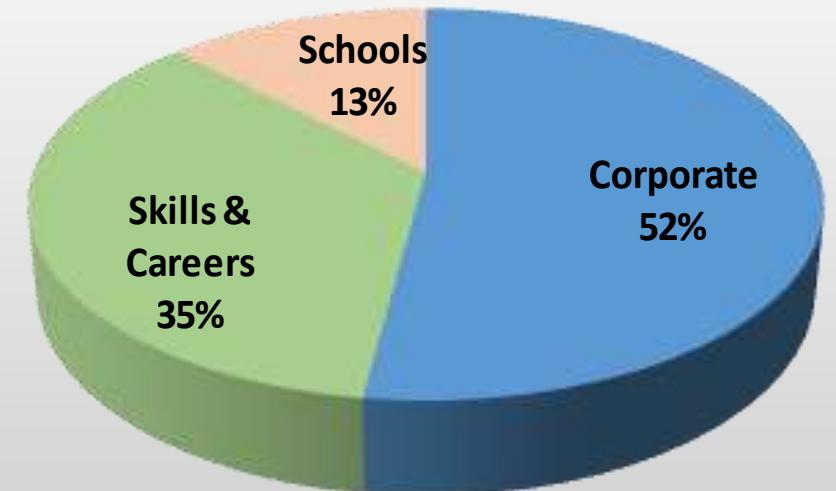
Q1 FY18



Net Revenue

	Growth
Corporate	7%
Skills & Careers	-8%
Schools	-12%
Online	0%
NIIT	0%

Q1 FY17



INR Mn	Q1 FY18	Q1 FY17	YoY	Q4 FY17	QoQ
System wide Revenues	2,490	2,247	11%	2,745	-9%
Net Revenues	1,175	1,095	7%	1,134	4%
EBITDA	172	161	6%	153	12%
EBITDA %	15%	15%	-13 bps	14%	106 bps

- Revenue at INR 1,175 Mn up 7% YoY; Constant currency Revenue growth at 14% YoY
- Signed 2 new MTS customers;
- Strong momentum on back of 36 MTS customers which now contribute 94% to CLG revenue vs 87% in Q1 FY17
- Order Intake of \$ 20.6 Mn up 23% YoY. Revenue visibility of \$ 191 Mn



NIIT
NEED-BASED LEARNING

Running Training like a Business. Proven Approach. Transformative Results.

As business leaders deal with rising customer expectations, lower productivity, and severe cost pressures, there is increased pressure on training functions to reduce costs, increase value, become more relevant, and focus on the strategic elements of the business. NIIT's managed training services are built on the principles of running training like a business and help leading global companies demonstrably transform the effectiveness and efficiency of their training. Learn how running training like a business can work for you - www.niit.com/r/lab.

2016 LEARNING INDUSTRY AWARD FOR CONTENT DEVELOPMENT
2016 LEARNING INDUSTRY AWARD FOR TRAINING OUTSOURCING
2016 LEARNING INDUSTRY AWARD FOR CURRICULUM AND CONTENT
2016 LEARNING INDUSTRY AWARD FOR LEARNING DELIVERY
2016 LEARNING INDUSTRY AWARD FOR LEARNING ADMINISTRATION
2016 LEARNING INDUSTRY AWARD FOR STRATEGIC SOURCING
2016 LEARNING INDUSTRY AWARD FOR LEARNING TECHNOLOGY

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* All financials above are as per Ind AS

INR Mn	Q1 FY18	Q1 FY17	YoY	Q4 FY17	QoQ
System wide Revenues	854	895	-5%	1,004	-15%
Net Revenues	681	741	-8%	717	-5%
EBITDA	3	11	-8 mn	16	-12 mn
EBITDA %	1%	2%	-101 bps	2%	-167 bps

- Revenue at INR 681 Mn down 8% YoY; Constant currency Revenue from focused Biz up 1%
- Beyond-IT contributes 37% to SNC revenue
- 57% growth in enrolments in DT for Q1 YoY

STACK
ROUTE

NIIT | dgNxt
BE. HERE. BUILD. BETTER.

INDIA'S
NXT
TECH
STAR

ZUCKERBERG, GATES, JOBS GAVE
THE WORLD SOMETHING TO
TALK ABOUT.
YOUR TURN NOW.

HERE'S A UNIQUE OPPORTUNITY FOR ENGINEERING GRADUATES TO
SHOWCASE REAL-APP IDEAS AND BE INDIA'S NXT GEN TECHIE.

WALK-UP TO YOUR COUNSELLOR TO KNOW MORE.

PROVIDES LEARNING | PERSONAL FEEDBACK AND SUPPORT PATHS | HR PLACEMENT ASSISTANCE

NIIT YES BANK

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TO A PROMISING CAREER
IN BANKING.

IFBI announces the Post Graduate Program in Branch Banking Services, in association with YES BANK - designed to help you gain the insights and skill-set needed to be an accomplished bank officer. Candidates who will successfully complete the program will be placed with YES BANK. Enrol today!

DURATION: 2 months | ELIGIBILITY: Graduates or Post Graduates with min. 50% marks in graduation. Age ≤ 27 years

SALARY: 2.25 - 2.5 lakhs per annum

Walk-in dates : 23rd - 25th February, 2017

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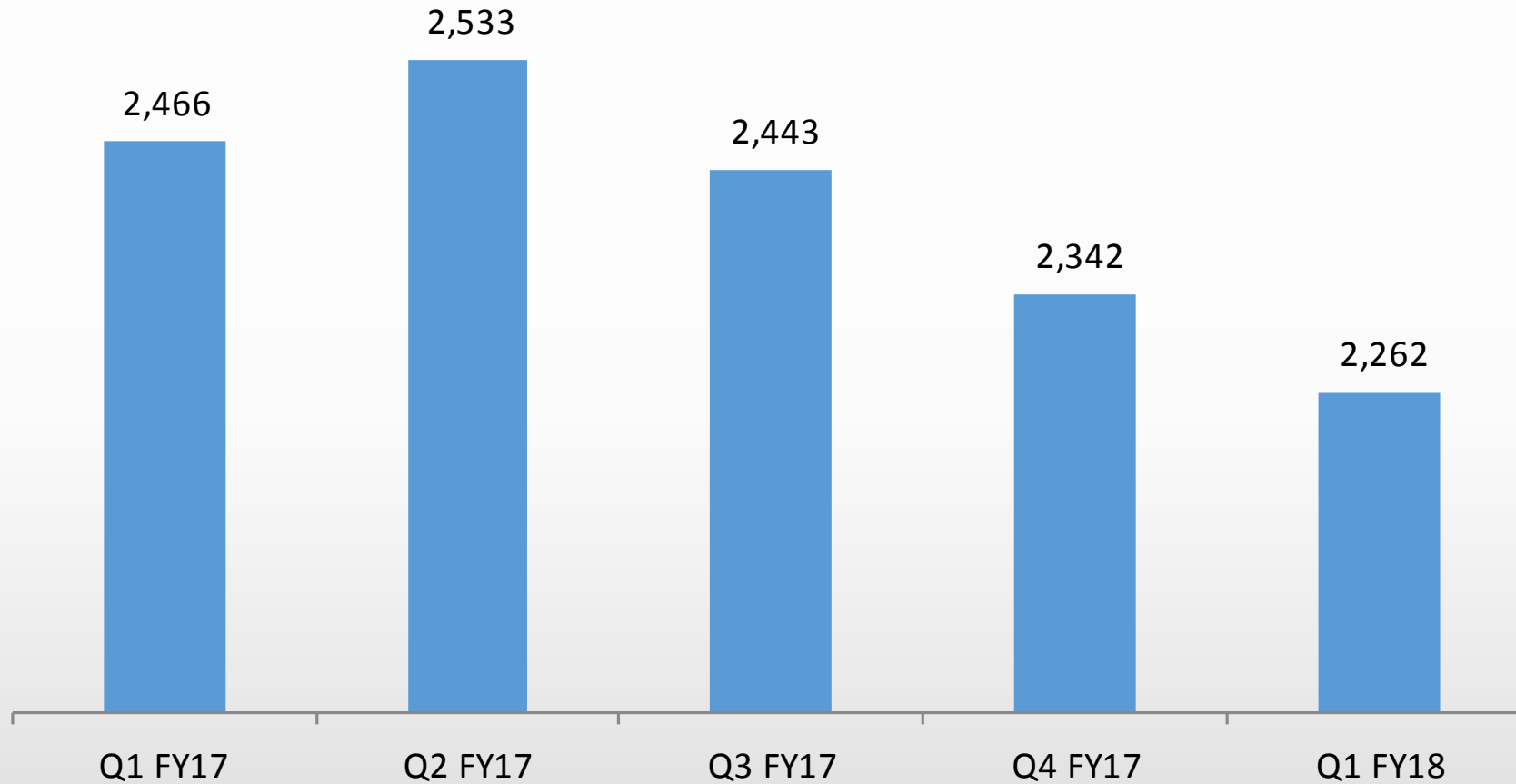
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INR Mn	Q1 FY18	Q1 FY17	YoY	Q4 FY17	QoQ
Net Revenues	232	263	-12%	258	-10%
EBITDA	18	21	-15%	28	-37%
EBITDA %	8%	8%	-26 bps	11%	-324 bps

- Revenue at INR 232 Mn down 12% YoY
- Overall revenue impacted due to planned ramp down of government school projects
- Revenue from Focussed IP led private school business contributes 45% to SLG revenue; up 4% YoY
- 157 school contracts up 13% YoY

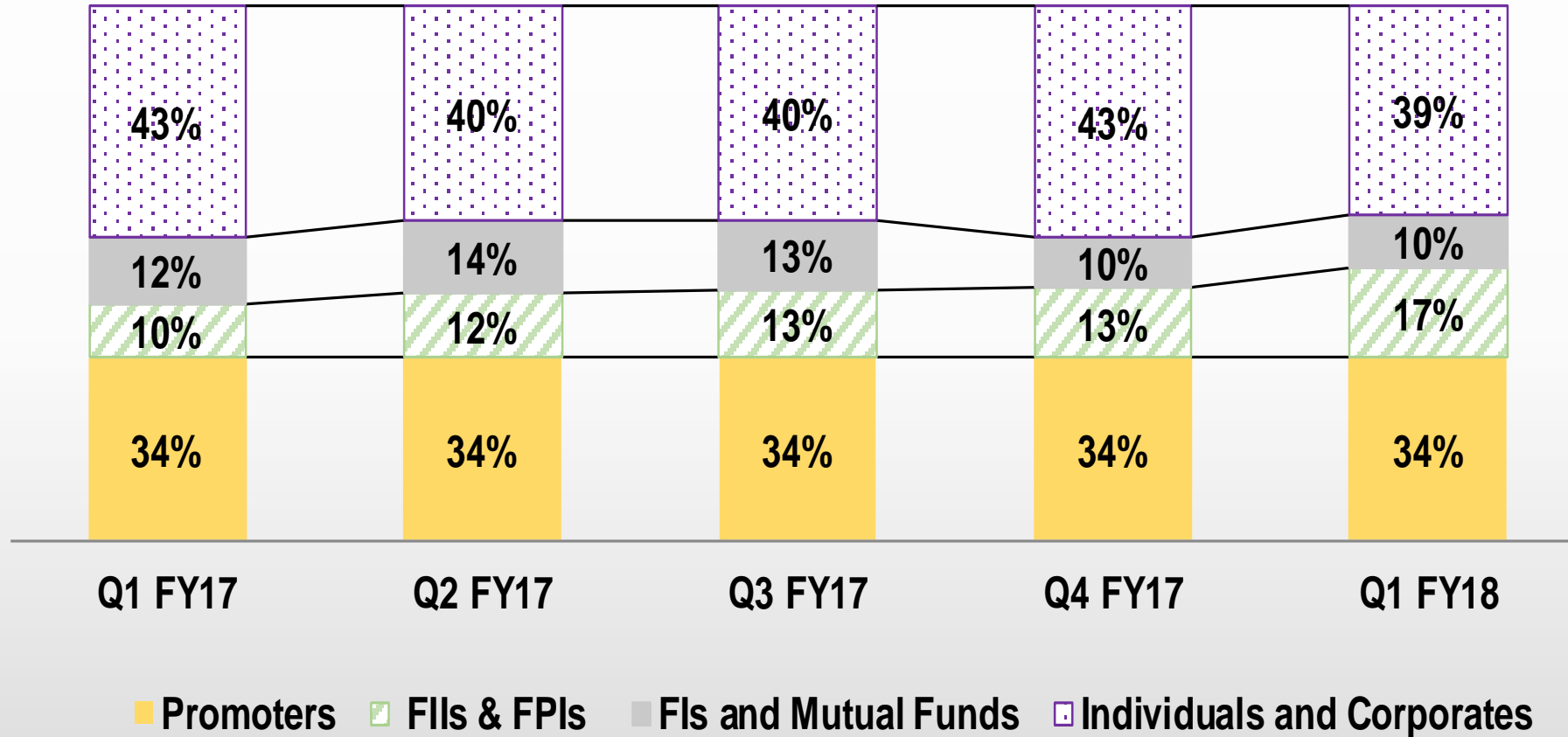
* All financials above are as per Ind AS





Headcount down 80 QoQ and down 204 YoY

** excludes project retainers*



Percentages may not add to 100% due to rounding

NiiT

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