

NIIT

NIIT Limited
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Guru Ravi Das Marg, Kalkaji
New Delhi 110 019, India
CIN: L74899DLI981PLC015865

www.niit.com

July 26, 2018

**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,

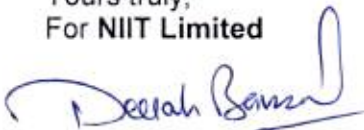
Pursuant to the requirement of Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the presentation made to the Analysts and/or Institutional Investors on the Unaudited Financial Results of the Company for the quarter ended June 30, 2018.

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**

Encls : a/a



FINANCIAL RESULTS

Q1 FY'19
July 26, 2018

Environment

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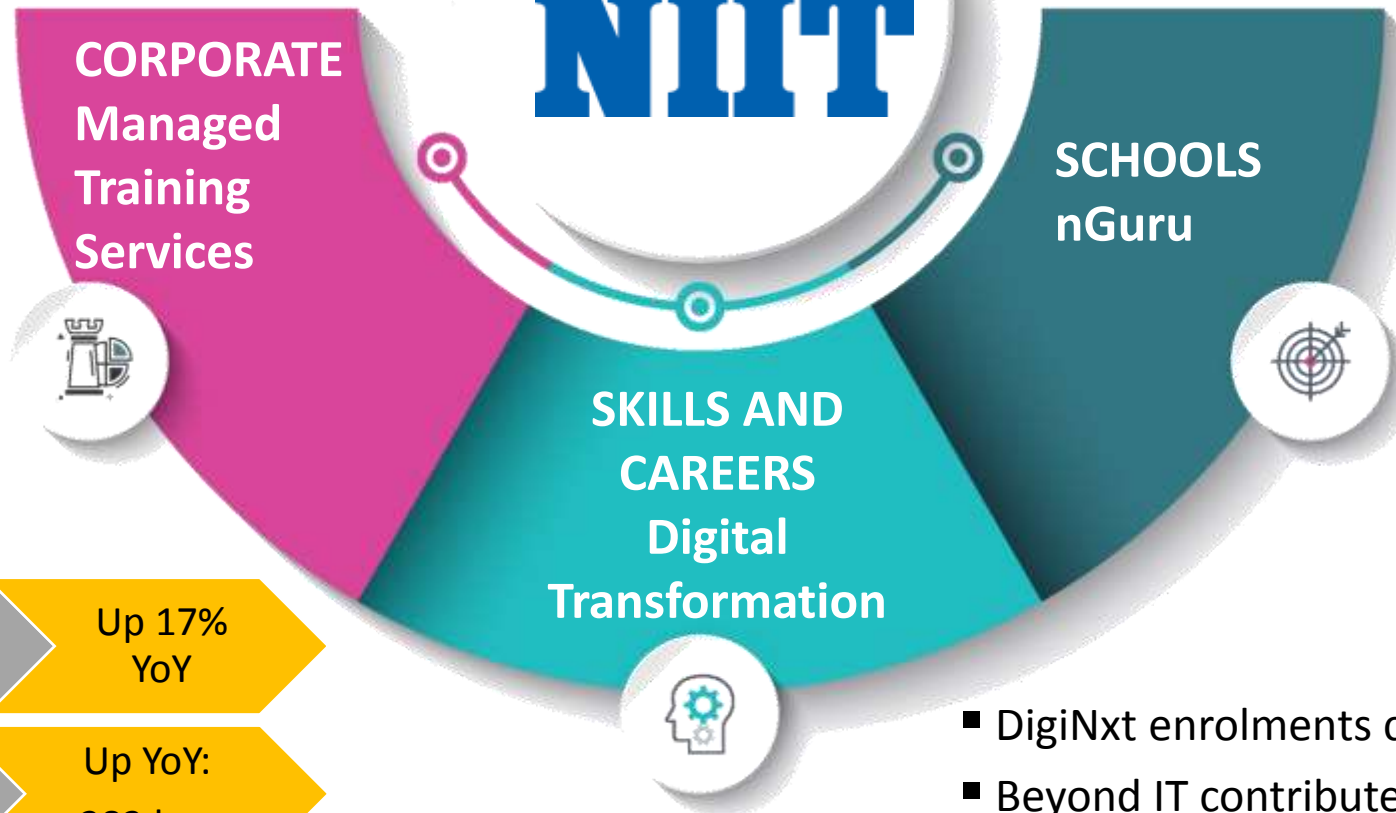
- Global GDP growth outlook remains strong at 3.9 percent in both 2018 and 2019, but expansion is becoming less even. Near term momentum has picked up in US, but has declined in Europe (IMF)
- Trade tariffs, increased protectionism and rising geopolitical tensions leading to increased risk. Focus on reforms including improvements in education and health systems, high-quality investment, and labour market essential for sustained long term growth (World Bank)
- Global corporate L&D spending continues to increase as technology disruption and regulation continues to drive demand for training. AI, Robotics and Cognitive computing are changing business at an ever increasing pace, leading to a huge war for talent. Learning Outsourcing starting to pick up steam
- India GDP growth is expected to recover to 7.3% in 2018 and 7.5% in 2019, after a successive decline over the last two years, as temporary drags from the currency exchange initiative and the introduction of the goods and services tax fade
- Gartner expects global IT spending to grow at 10 year high of 6.2% in 2018, driven by projects in Digital business, Block chain, IOT, ML and AI
- Hiring by IT sector seeing marginal pick up driven by digital technologies. Hiring to be more 'Agile' and spread through the year
- Banks remain cautious on hiring. Increased demand for Sales and Customer relationship roles across BFSI sectors
- Decision making in schools remains slow due to regulatory uncertainty

NIIT Growth Platforms

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- 39 global MTS customers
- Revenue visibility at \$ 224 million



- 123 School contracts
- Go forward Focused IP led private school business contributed 76%
- Practice Plus platform : 3.1 lac users

- DigiNxt enrolments cross 5,000
- Beyond IT contributes 36% vs 38% in Q1 FY18
- 5500+ learners on Training.com

PROFITABILITY	EBITDA: INR 190 Mn	Up 17% YoY
CAPITAL EFFICIENCY	ROCE: 11.7%	Up YoY: 283 bps
LIQUIDITY	Net Debt: INR 1,052 Mn	Up QoQ by INR 651 Mn

Q1 FY19: In Perspective

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Overall NIIT

- Revenue at INR 2,143 Mn; up 2% YoY; Revenue from Go forward Business up 7% YoY
- EBITDA at INR 190 Mn (OM of 9%) up 17% YoY; EBITDA margin up 110 bps YoY
- PAT at INR 179 Mn up 73% YoY; Profit margin up 342 bps YoY
- DSO of 69 days Vs 71 days in Q4FY18

Corporate Learning Group (CLG): Continued Strong performance

- Revenue at INR 1,506 Mn up 28% YoY; Constant currency Revenue grows at 21%
- EBITDA margin at 15%;
- Revenue Visibility at \$ 224 Mn (up 17% YoY)
- Overall 39 MTS customers; Signed 1 new contracts and expansion to one existing contract during the Qtr

Skills & Careers Group (SNC): Rebuild phase

- Revenue at INR 548 Mn; down 21% YoY;
- EBITDA at INR -9 Mn compared to a INR -26 Mn in Q1 FY18

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

- Revenue at INR 88 Mn down 62% YoY. Planned ramp down of government school projects to be completed in Q2FY19
- Signed 123 school contracts during the quarter; Focussed IP led private school business contributes 76%;

Key Financials

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INR Mn	Q1 FY19	Q1 FY18	YoY	Q4 FY18	QoQ
System wide Revenue	3,363	3,587	-6%	3,151	7%
Net Revenue	2,143	2,099	2%	2,228	-4%
Operating expenses	1,953	1,936	1%	2,007	-3%
EBITDA	190	163	17%	221	-14%
EBITDA%	9%	8%	110 bps	10%	-107 bps
Depreciation	93	102	-9%	92	1%
Net Other Income	-59	-44	Rs -15 mn	-63	Rs 5 mn
Operational PBT	38	17	Rs 21 mn	66	Rs -28 mn
Operational Tax	19	8	146%	28	-33%
Operational PAT	19	9	111%	38	-49%
Associate Profit & Minority Share	201	120	68%	200	1%
Tax on Associate Profit	41	25	63%	41	1%
PAT	179	104	73%	197	-9%
EPS (INR)	1.1	0.6	72%	1.2	-9%

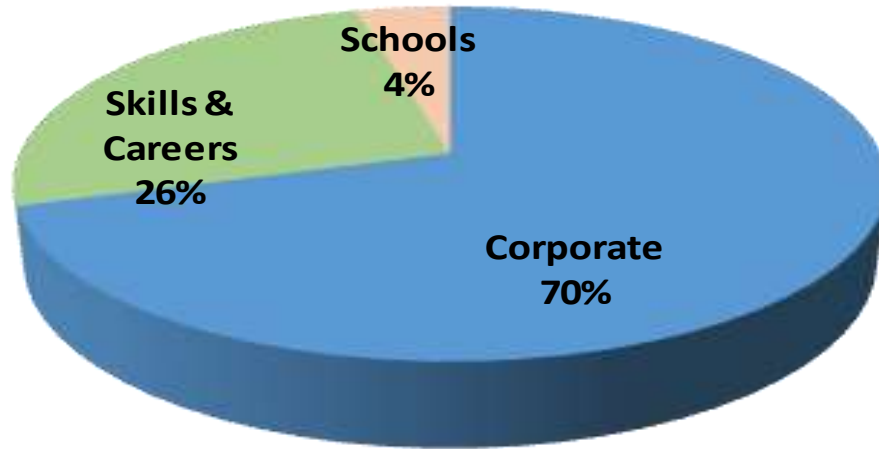
- Growth in Corporate Learning helps offset planned ramp down of government schools business and de-growth in SNC business
- EBITDA @ 9% for Q1 FY19; up 110 bps YoY
- Depreciation down 9% YoY reflecting continued reduction in capital intensity

Revenue Mix

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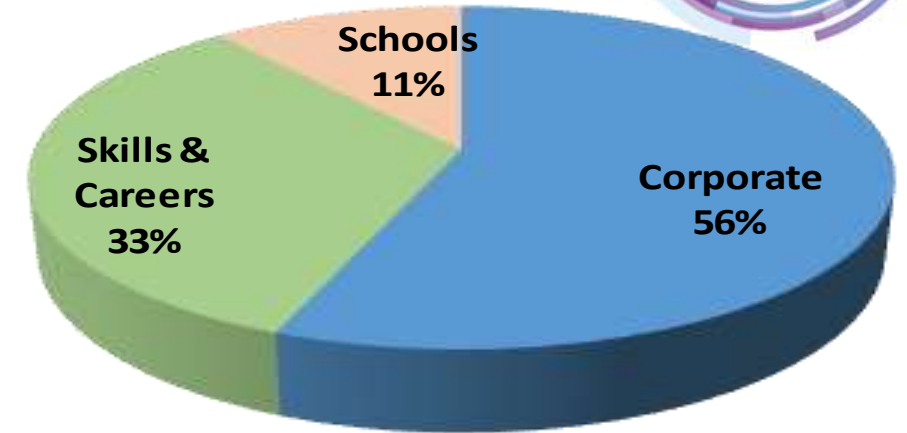


Q1 FY19

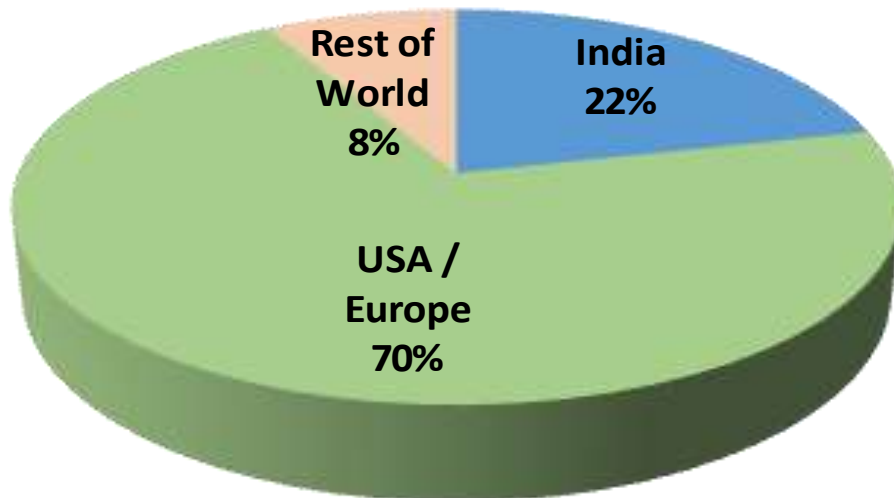


Business	Growth
Corporate	28%
Skills & Careers	-21%
Schools	-62%
NIIT	2%

Q1 FY18

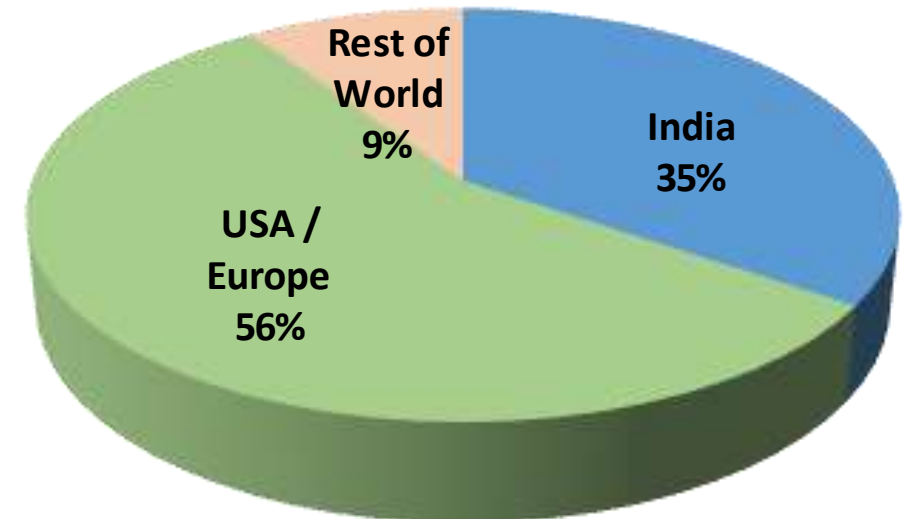


Q1 FY19



Geo	Growth
India	-37%
USA / Europe	28%
Rest of World	-11%
NIIT	2%

Q1 FY18



Corporate Learning Group

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INR Mn	Q1 FY19	Q1 FY18	YoY	Q4 FY18	QoQ
Net Revenues	1,506	1,175	28%	1,451	4%
EBITDA	219	172	28%	196	12%
EBITDA %	15%	15%	-4 bps	14%	103 bps

- Revenue at INR 1,506 Mn, up 28% YoY
- Signed 1 new MTS Logo and 1 contract expansion with existing customer during Q1
- Total 39 MTS customers at end of Q1
- Revenue visibility at \$ 224 Mn, up 17% YoY
- Order Intake of \$ 25.7 Mn, up 25% YoY



Skills & Careers Group

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INR Mn	Q1 FY19	Q1 FY18	YoY	Q4 FY18	QoQ
Net Revenues	548	692	-21%	602	-9%
EBITDA	-9	-26	17 mn	-14	5 mn
EBITDA %	-2%	-4%	207 bps	-2%	69 bps

- India business impacted because of uncertainty in hiring & training slowdown in IT & BFSI
- Reduced losses despite lower revenue due to cost rationalization
- 5 new Career Programs in Full Stack Software Engineering launched; Digital Marketing and Branding; Data Analytics and Predictive Modelling; Banking & Finance and Accounting & Business Analytics
- Introduced **TPaaS – Talent Pipeline as a Service**, which encompasses all aspects involved in on-boarding new talent, including talent acquisition, talent orientation, on-boarding & integration
- Growth initiatives (Stackroute, Online Training, TPaaS & New Career programs) continue to see traction



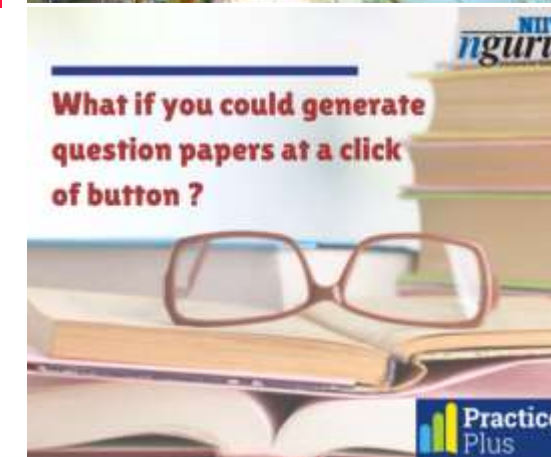
School Learning Group

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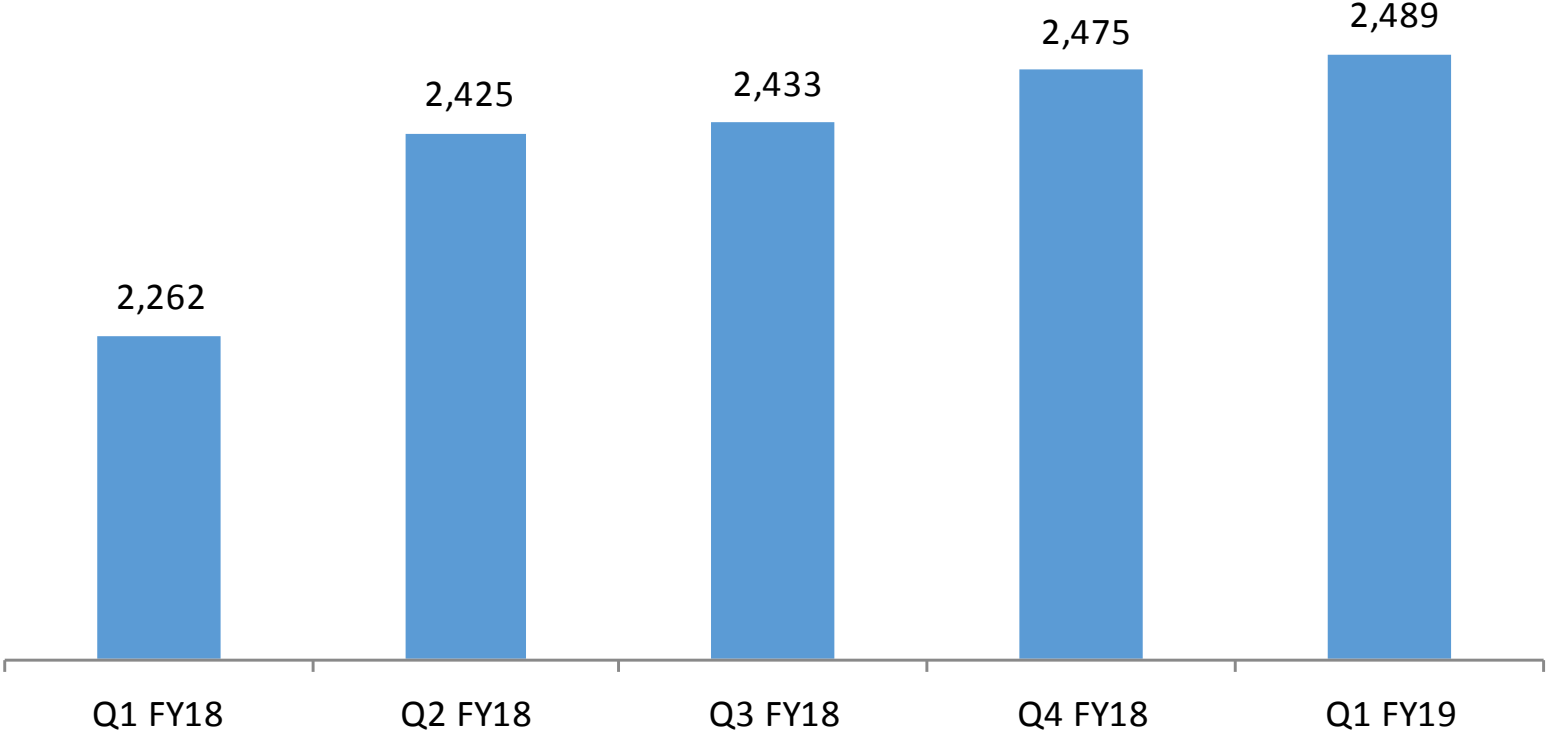
INR Mn	Q1 FY19	Q1 FY18	YoY	Q4 FY18	QoQ
Net Revenues	88	232	-62%	176	-50%
EBITDA	-20	18	-214%	40	-151%
EBITDA %	-23%	8%	-3021 bps	23%	-4518 bps

- Overall revenue impacted due to planned ramp down of government school projects. Last government project to be completed in Q2 FY19
- Revenue from Go Forward, IP led private school business contributes 76% to SLG revenue
- Released new curriculum products in Maths, Science and English
- 3.1 lacs users on Practice plus platform



People

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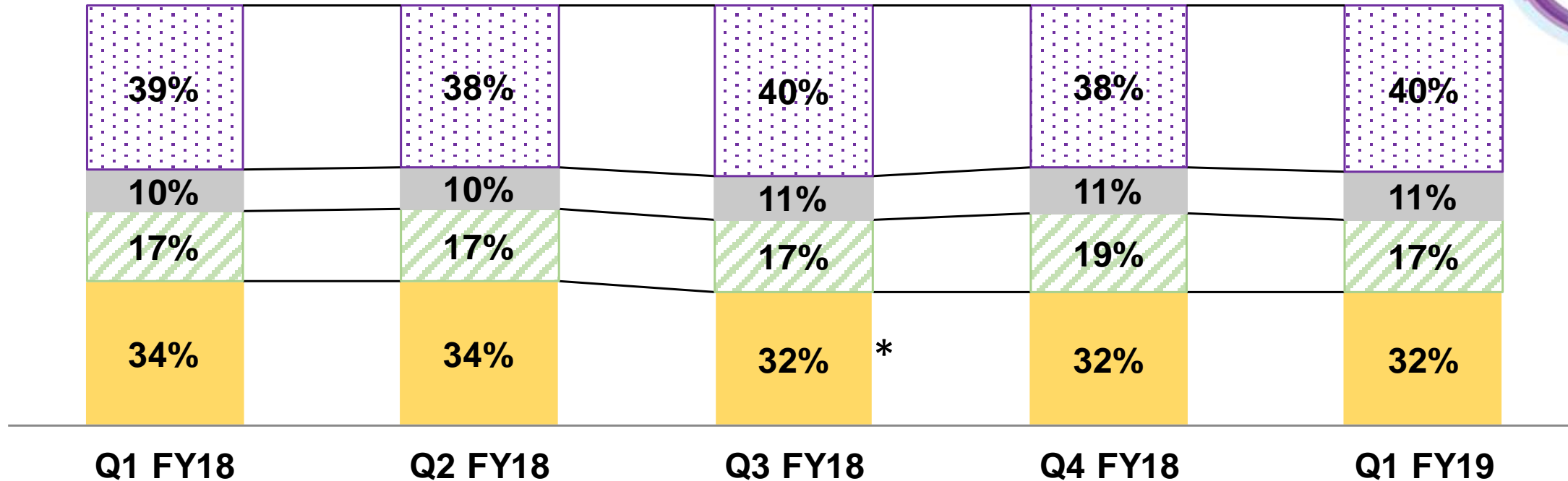


Headcount up 14 QoQ and up 227 YoY

* excludes project retainers

Share Holding Pattern

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■ Promoters
 ▨ FIs & FPIs
 ■ FIs and Mutual Funds
 ▨ Individuals and Corporates

* Change in promoter share holding only due to reclassification

Percentages may not add to 100% due to rounding



Thank you

