



NIIT Limited

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New Delhi 110 019, India
CIN: L74899DL1981PLC015865

www.niit.com

October 25, 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 and half year ended September 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

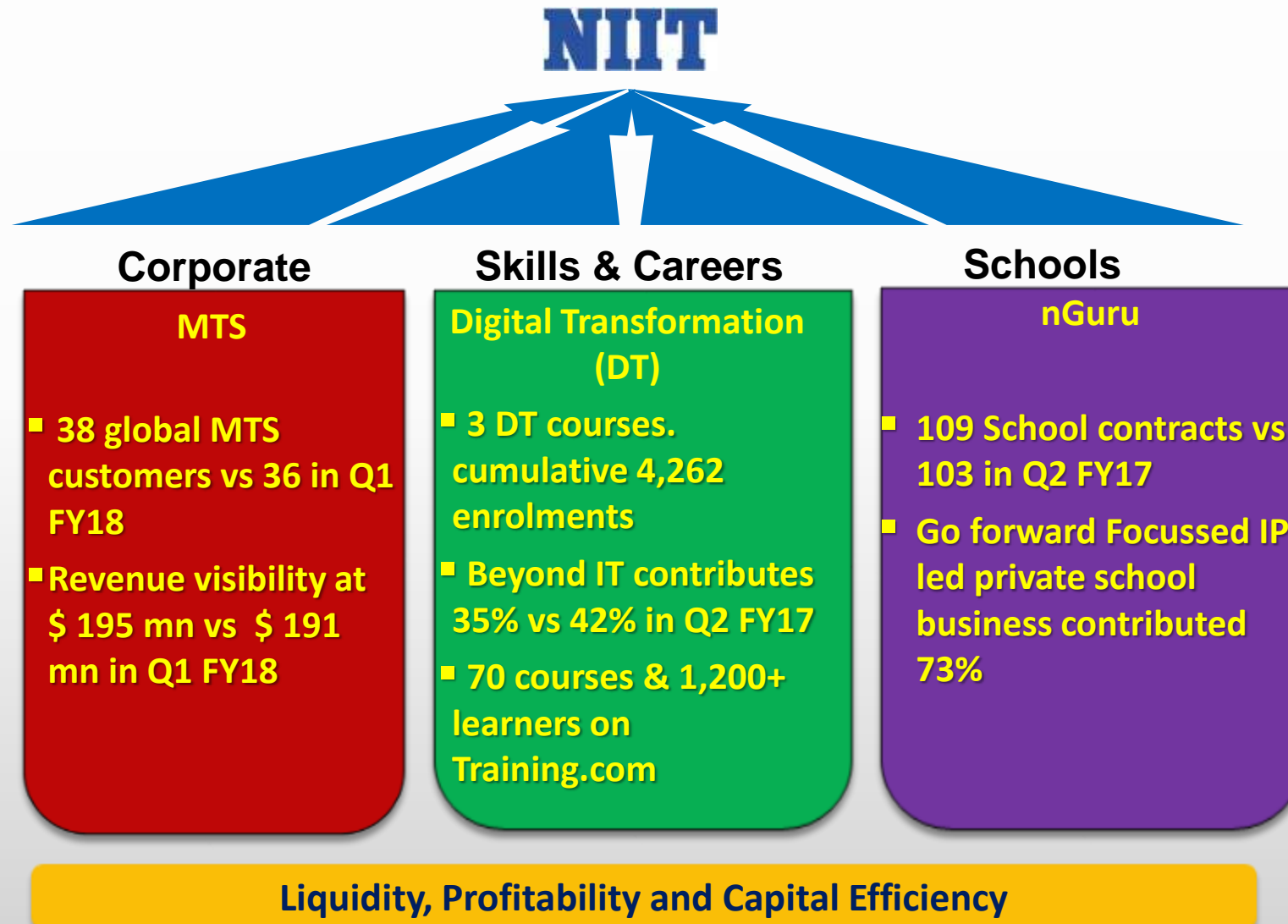
FINANCIAL RESULTS

Q2 FY18

October 25, 2017

ESCAPE
VELOCITY
THE NEXT FRONTIER

- IMF increased its forecast for Global GDP growth to 3.6% in 2017 and 3.8% in 2018. However risks remain due to policy uncertainty and increased protectionism (IMF), and fragile macro-economic environment and volatile forex rates & commodity prices continue to impact pace of decision making in global companies
- Global corporates continue to spend more on training to meet rapidly changing needs for workforce productivity and open to outsourcing training to specialist training providers
- India GDP growth declined to 5.7% in Q1 FY18 marking 5th straight quarter of decline in pace of growth, driven by weakness in consumer confidence and uncertainty. Exports picked up toward the end of Q2
- Multiple transitions in the regulatory framework driven by economic reforms (e.g. GST implementation) affected volume growth and pace of business during the quarter
- Reduced volume growth, policy uncertainty, and increased automation lead to reduced hiring across sectors.
- Hiring by IT companies remains at multi-quarter lows. Banks remain cautious on hiring & training spends. Starting to see demand for reskilling in digital skills to address digital transformation requirements. Push for financial inclusion to drive hiring in BFSI



Overall NIIT

- Revenue at INR 2,084 Mn; down 7% YoY; Constant currency Revenue from Go forward Business flat YoY
- EBITDA at INR 178 Mn (9%); up 77 bps QoQ and down 42 bps YoY
- Sustained improvement in PAT. PAT at INR 127 Mn vs INR 108 Mn in Q2 FY17
- Strong Balance sheet. Continued control on Capex & Collections. Net Debt at INR 459 mn

Corporate Learning Group (CLG): Continued Strong performance

- Revenue at INR 1,263 Mn up 10% YoY; Constant currency Revenue grows at 14%
- EBITDA margin at 16%; up 92 bps QoQ & 6 bps YoY
- Added 3 new MTS customers & expanded 2 contracts, CLG now has 38 MTS customers
- Revenue Visibility at \$ 195 Mn (up 32% YoY); Order Intake of \$ 32.9 Mn (up 94% YoY)
- Transition for the large RECO Canada contract on schedule

Skills & Careers Group (SNC): Rebuild phase

- Revenue at INR 714 Mn; down 22% YoY; India business impacted because of hiring & training slowdown in BFSI, delayed decision making in China and delays due to transition to GST framework
- EBITDA margin at 3%; up 210 bps QoQ & down 56 bps YoY

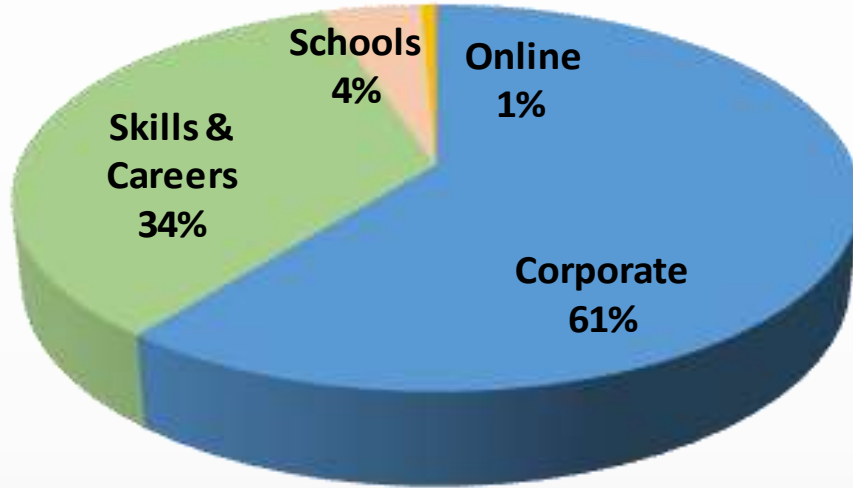
School Learning Group (SLG): Move towards IP led asset light business model

- Revenue at INR 93 Mn down 49% YoY due to ramp down of government school projects
- Order Intake of INR 57 Mn; signed 109 school contracts during the quarter (up 6% YoY)
- Focussed IP led private school business contributes 73%; up 3% YoY

INR Mn	Q2 FY18	Q2 FY17	YoY	Q1 FY18	QoQ
System wide Revenue	3,367	3,594	-6%	3,587	-6%
Net Revenue	2,084	2,238	-7%	2,099	-1%
Operating expenses	1,906	2,038	-6%	1,936	-2%
EBITDA	178	200	-11%	163	9%
EBITDA%	9%	9%	-42 bps	8%	77 bps
Depreciation	104	119	-13%	102	2%
Net Other Income	-55	-49	-6 mn	-44	-11 mn
Operational PBT	18	32	-13 mn	17	2 mn
Share of Profits from Associates	155	128	22%	120	30%
Tax	47	51	-9%	33	41%
PAT	127	108	18%	104	23%
Basic EPS (Rs.)	0.8	0.7	17%	0.6	22%

- Growth in Corporate Learning helps offset planned ramp down of government schools business and exit from de-focussed SNC business
- Depreciation down 13% YoY reflecting planned reduction in capital intensity

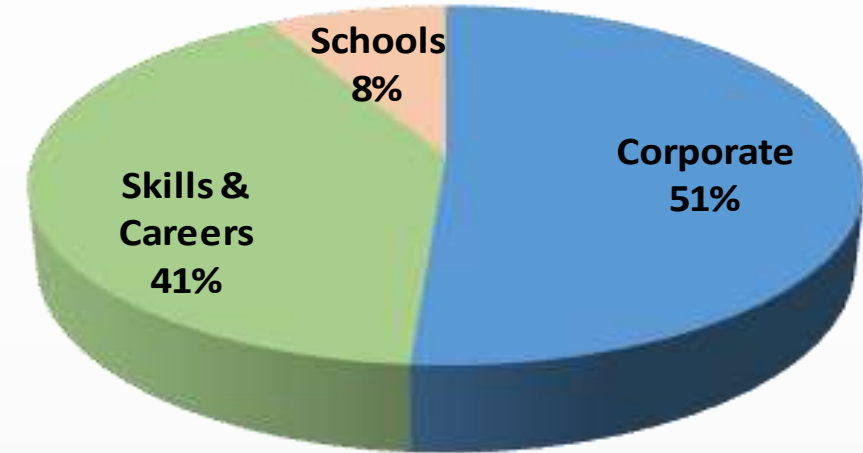
Q2 FY18



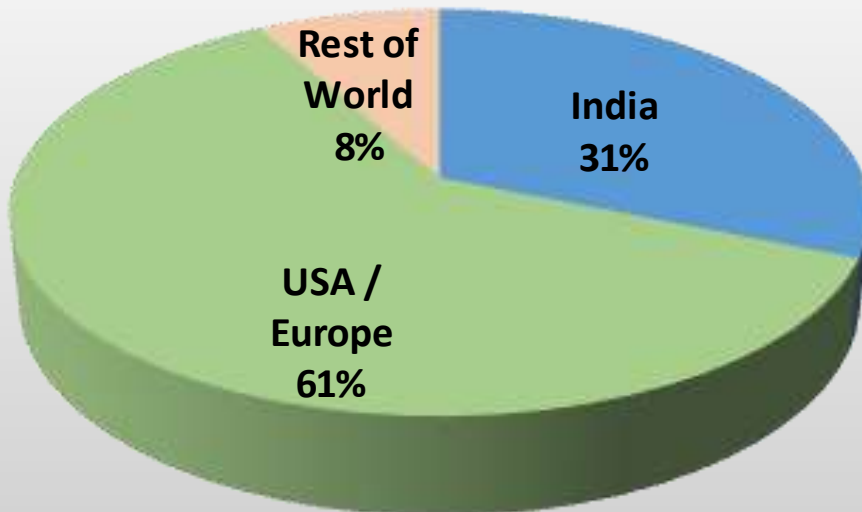
Revenue Mix - Biz

	Growth
Corporate	10%
Skills & Careers	-22%
Schools	-49%
Online	1264%
NIIT	-7%

Q2 FY17



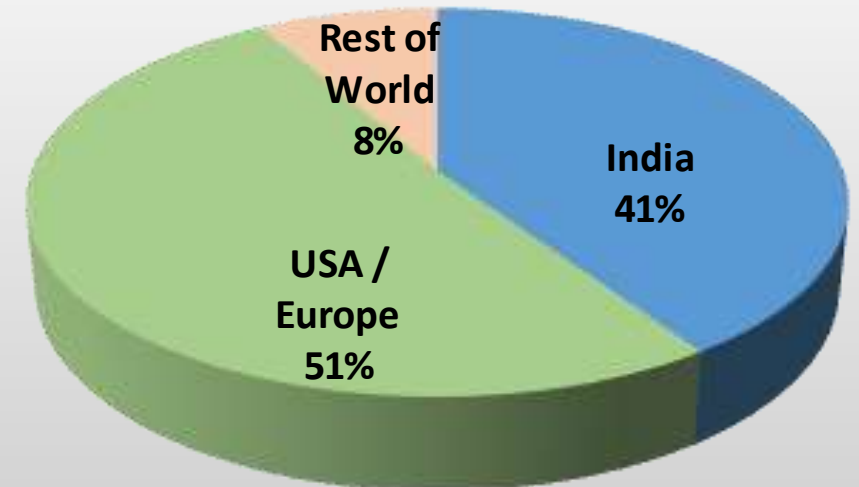
Q2 FY18



Revenue Mix - Geo

	Growth
India	-28%
USA / Europe	10%
Rest of World	-9%
NIIT	-7%

Q2 FY17



INR Mn	Q2 FY18	Q2 FY17	YoY	Q1 FY18	QoQ
Net Revenues	1,263	1,145	10%	1,175	7%
EBITDA	196	177	11%	172	14%
EBITDA %	16%	15%	6 bps	15%	92 bps



- Revenue up 14% YoY in Constant currency
- Best ever Qtr for Order Intake & Customer addition results in Order Intake of \$ 32.9 Mn up 94% YoY. Revenue Visibility increases to \$ 195 Mn
- Signed 3 new MTS customers and expanded 2 existing customers. Overall 38 MTS customers
- Strong pipeline of new deals. RECO contract progressing on schedule
- Twenty Brandon Hall Group HCM Excellence Awards



INR Mn	Q2 FY18	Q2 FY17	YoY	Q1 FY18	QoQ
Net Revenues	714	909	-22%	681	5%
EBITDA	19	29	-35%	3	437%
EBITDA %	3%	3%	-56 bps	1%	210 bps

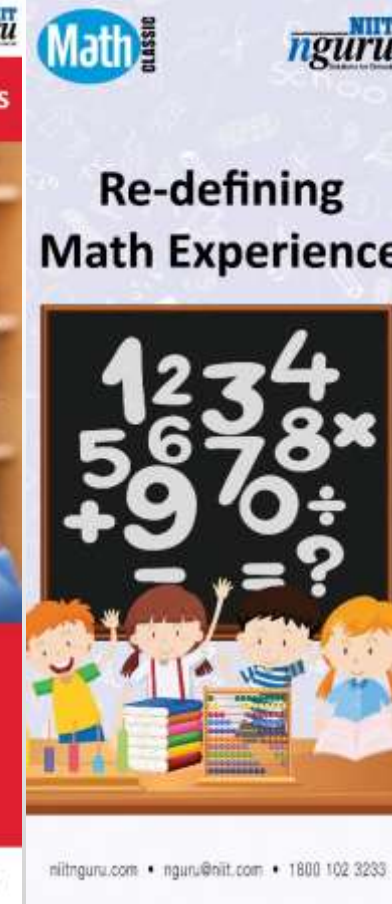


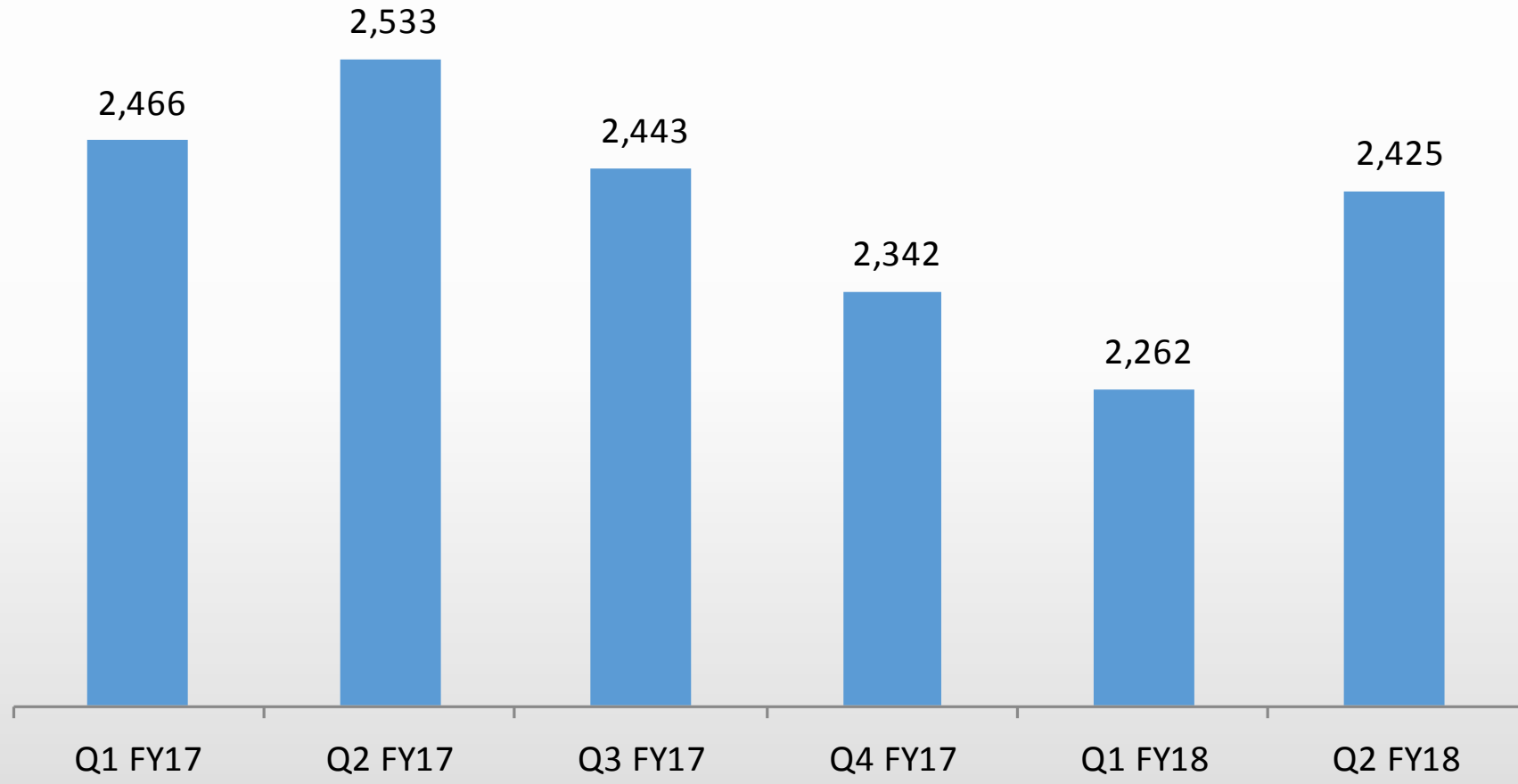
- India business impacted because of hiring & training slowdown in BFSI, delayed decision making in China and delays due to transition to GST framework
- Beyond-IT contributes 35% to SNC revenue
- Maintained profitability despite lower revenue
- Cumulative 4,262 DT enrolments
- IT shows early signs of revival especially around reskilling



INR Mn	Q2 FY18	Q2 FY17	YoY	Q1 FY18	QoQ
Net Revenues	93	183	-49%	232	-60%
EBITDA	-21	5	-540%	18	-222%
EBITDA %	-23%	3%	-2555 bps	8%	-3047 bps

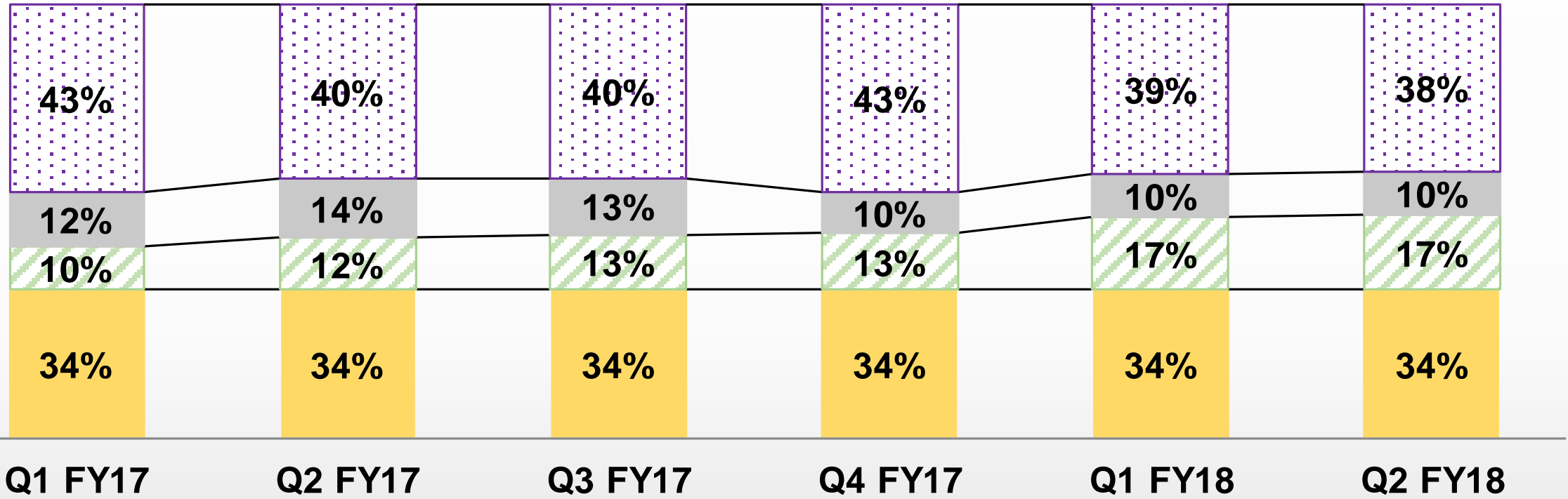
- Overall revenue impacted due to planned ramp down of government school projects
- Revenue from Go Forward IP led private school business contributes 73% to SLG revenue; up 3% YoY
- 109 school contracts signed during the Qtr; up 6% YoY
- Launched new curriculum products for – English, Math, Science & IT for grades 1-8
- Won 3 awards at the 3rd South Asia Education Summit





Headcount up 163 QoQ and down 108 YoY

* excludes project retainers



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

Percentages may not add to 100% due to rounding



Thank you

