



**OUTPACE CHANGE WITH
LEARNING**

Financial Results Q3 FY25

January 22, 2025



MANAGED
TRAINING
SERVICES

Environment

US Fed has reduced rates by 100 bps since Sept'24. However, rate cut trajectory remains uncertain on mixed economic indicators, geo-political tensions and continuing regional conflicts.

While business confidence has seen some improvement, macro uncertainty continues to weigh on discretionary investments. Volume of training consumption remains impacted as companies target further cost reduction.

Outsourcing conversations seeing an increase driven by cost pressures. Companies open to consolidation of spends especially in Transversal Skills for cost rationalization.

Use of AI expected to create opportunities to drive greater efficiency and effectiveness in training. Rapid transformation driving increasing gap in internal capability versus specialist providers.

In times of uncertainty "Cost is King"

Q3 FY25: In Perspective

- Revenue at INR 4,189 Mn; up 7% YoY and up 5% QoQ
- In CC, Revenue up 5% YoY and up 5% QoQ
- EBITDA at INR 946 Mn, up 1% YoY and up 1% QoQ
- OM at 23%, down 129 bps YoY and down 97 bps QoQ
- PAT at INR 617 Mn up 9% YoY; EPS of INR 4.5
- Net Cash at INR 6,999 Mn; higher by INR 445 Mn QoQ
- 2 new MTS clients added during the quarter; 3 contract renewals; 2 Scope expansions
- Number of MTS customers at 92; Revenue Visibility at \$ 391 Mn vs \$ 368 Mn last qtr
- Business continues to invest in growth initiatives

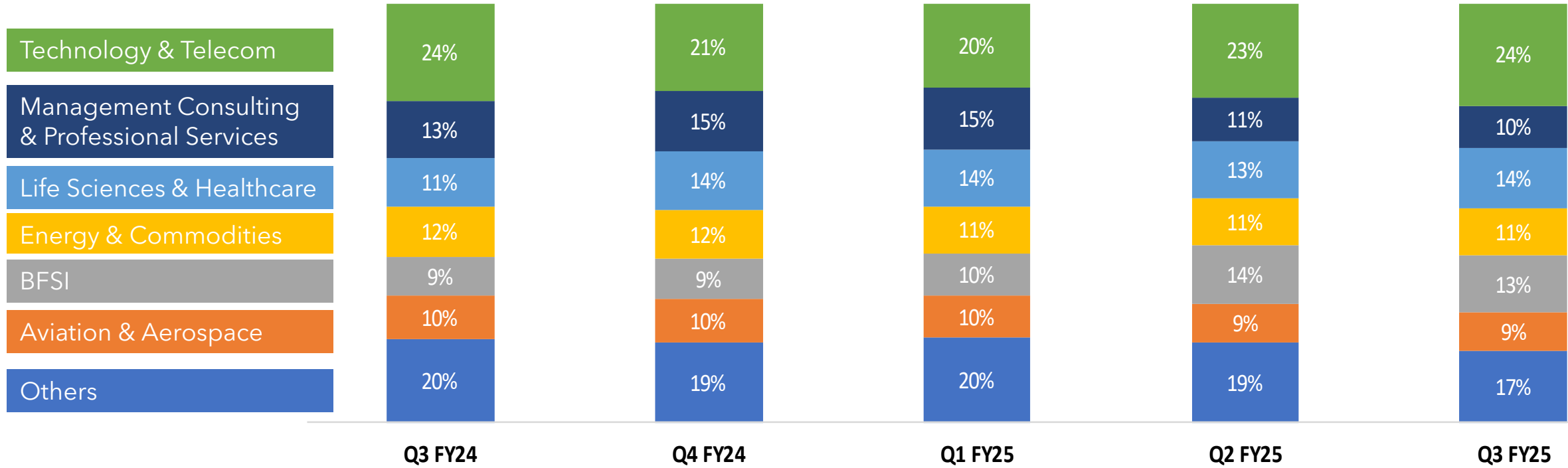
Resilient growth due to new customers ramping up and wallet share increase in existing clients.

Key Financials

INR Mn	Q3 FY25	Q2 FY25	QoQ	Q3 FY24	YoY
Net Revenue	4,189	3,974	5%	3,913	7%
Operating expenses	3,243	3,039	7%	2,979	9%
EBITDA	946	936	1%	934	1%
EBITDA%	23%	24%	-97 bps	24%	-129 bps
Depreciation & Amortisation	159	153	4%	143	12%
Net Other Income/ (Expense)	26	(38)	170%	(16)	266%
- Treasury Income/ (Expense)	95	117	-23 mn	65	29 mn
- Scheme related (Expense)	(5)	(7)	2 mn	(11)	6 mn
- Strategic growth & Acq. (Expense)	(33)	(91)	59 mn	(48)	16 mn
- Others Income/ (Expense)	(30)	(57)	26 mn	(22)	-8 mn
Operational PBT	813	745	9%	776	5%
Tax	195	175	12%	208	-6%
PAT	617	570	8%	568	9%
EPS (INR)	4.5	4.2	8%	4.2	8%

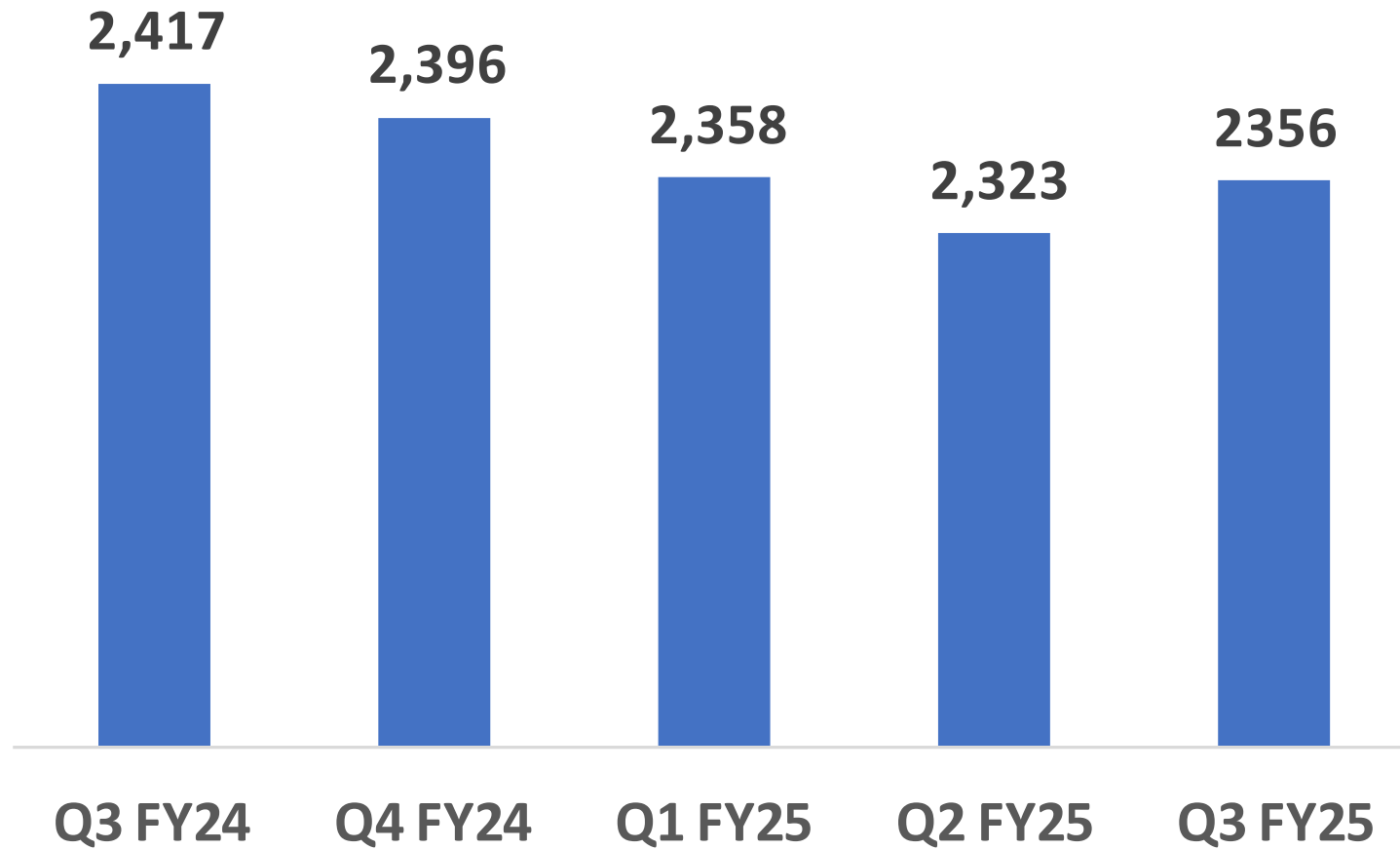
- Net Other Income / (Expense) includes
 - Treasury Income lower QoQ due to MTM impact
 - Scheme related Expense of Rs 5 Mn pertaining to ESOPs of NIIT Limited held by employees of NLSL at the time of demerger
 - Strategic growth & Acquisition expense of INR 33 Mn includes a gain of Rs 23 Mn due to fair value adjustment in Future Acquisition Liability for StC (LQ: expense of Rs 43 Mn), Rs 14 Mn towards Interest expense on Loan related to the acquisition and Exceptional expenses of Rs 42 Mn related to inorganic growth initiatives
 - Other Expense of Rs 30 Mn includes forex loss of Rs 14 Mn, Interest on Lease Liabilities Rs 9 Mn, Bank Charges of Rs 9 Mn and Misc Income of Rs 2 Mn

Revenue Mix: By Sector



Tech & Telecom starting to see recovery. BFSI & Lifesciences saw robust YoY growth on account of new customers and expansion in a select set of customers. Volumes in Management Consulting have been impacted due to the environment and push for cost reduction

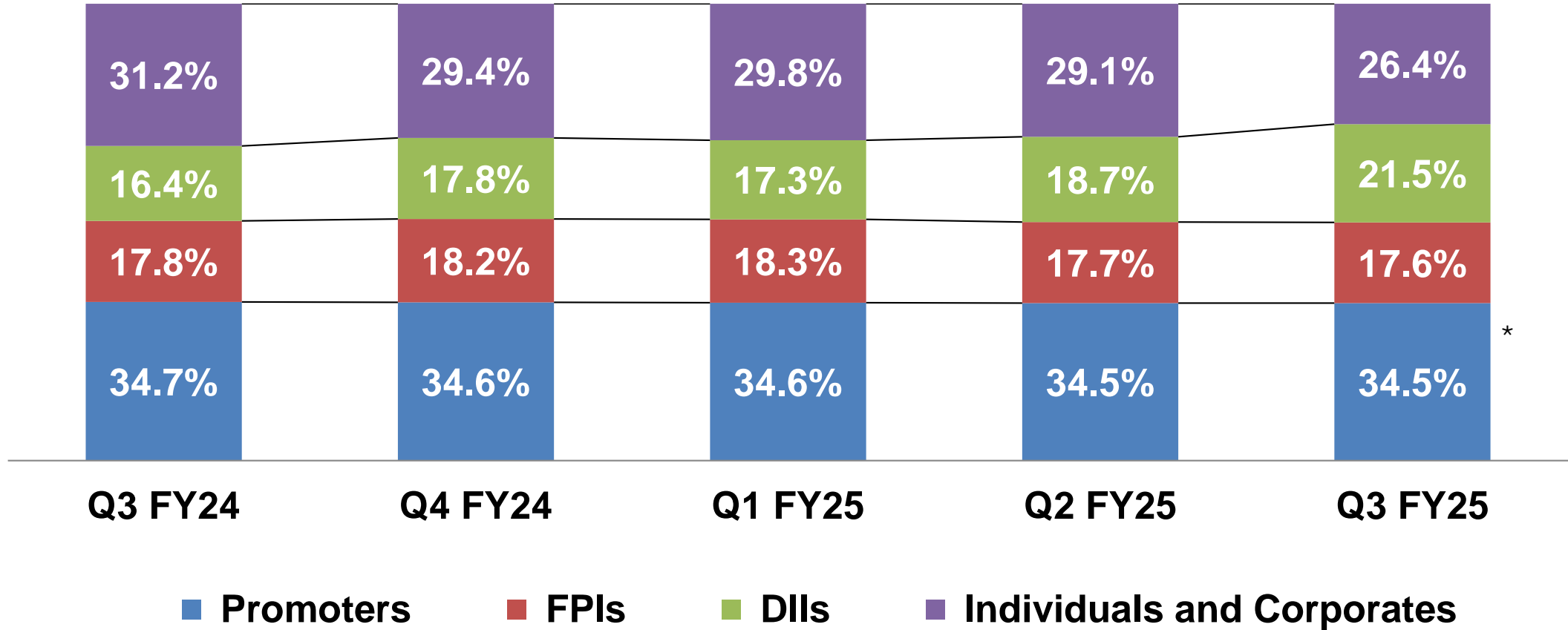
People



Headcount up 33 QoQ and down 61 YoY

* excludes project retainers

Share Holding Pattern



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*Includes impact of exercise of ESOPs on holding percentages

