



# APTECH LIMITED

Investor Update – Quarter Ending 30<sup>th</sup> Jun 2016

# Safe Harbor Statement

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Certain statements in this presentation concerning our future growth prospects are forward looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in vocational training space including those factors which may affect our market share, network across the world, our ability to attract and retain highly skilled professionals, time and cost overruns on government contracts, our ability to manage our international marketing & sales operations, slowdown in demand for the end-use sectors, liability for damages on our service contracts & placement guarantees, the success of the companies in which the Company has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company may, from time to time, make additional written and oral forward-looking statements and our reports to shareholders. The company does not undertake to update any forward-looking statement that may be made from time forward to time by or on behalf of the company.

# MD & CEO's Message

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Dear Friends,

FY17 has started for the Company on a positive note. Two of our growth engines, viz. International Retail and Aptech Testing have seen much greater traction. The third growth engine of domestic Animation & Multimedia market is also trending in positive direction (excluding impact of MAAC accounting policy change). Growth in International Retail income was majorly on account of project income. This change in revenue mix however had an adverse impact on margins. Another aspect of the negative change in revenue mix was decline in income from new sign-ups and renewal. Exposure to an emerging market currency in our overseas subsidiary has impacted the administration expenses through loss on account of devaluation of a currency of an emerging country.

The enthusiastic response to our new offerings under Lakme Academy and Aptech Banking is very encouraging. Our partnership with Flipkart also went live with the launch of an e-Commerce course. While the overall expansion count was subdued in international market, there was considerable progress in our efforts to expand our footprint. Entry in Ethiopia, re-entry in Fiji, and start of Indian government's CEIT operations in Costa Rica and Dominica are key highlights to note. Volume growth in Aptech Testing is a good sign of the division getting back on track.

All in all, there is growth momentum from top line perspective and same will also reflect in the bottom line going forward after excluding the one-off impact from write-offs. At the start of this month, Mr. Anil Pant has joined the company as CEO designate and we have commenced the transition process in earnest. We hope to receive your continued support to take the company forward.

Ninad Karpe  
22<sup>nd</sup> July 2016



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# Q1 FY17 Summary

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- Operating revenue of Rs. 579.9 million vs. Rs. 502.1 million in Q1 FY16 (15.5% Y-o-Y ↑)
- Operating EBITDA of Rs. 23.7 million (53.7% Y-o-Y ↓). Margins have been impacted largely due to change in revenue mix and loss on devaluation of a currency
- EBIT of Rs. 4.6 million as against Rs. 33.9 million in Q1 FY16 (86.3% Y-o-Y ↓)
- PAT of Rs. 4.6 million (83.6% Y-o-Y ↓)

Q1 FY17

# FINANCIAL RESULTS

All financial figures in Rs. million



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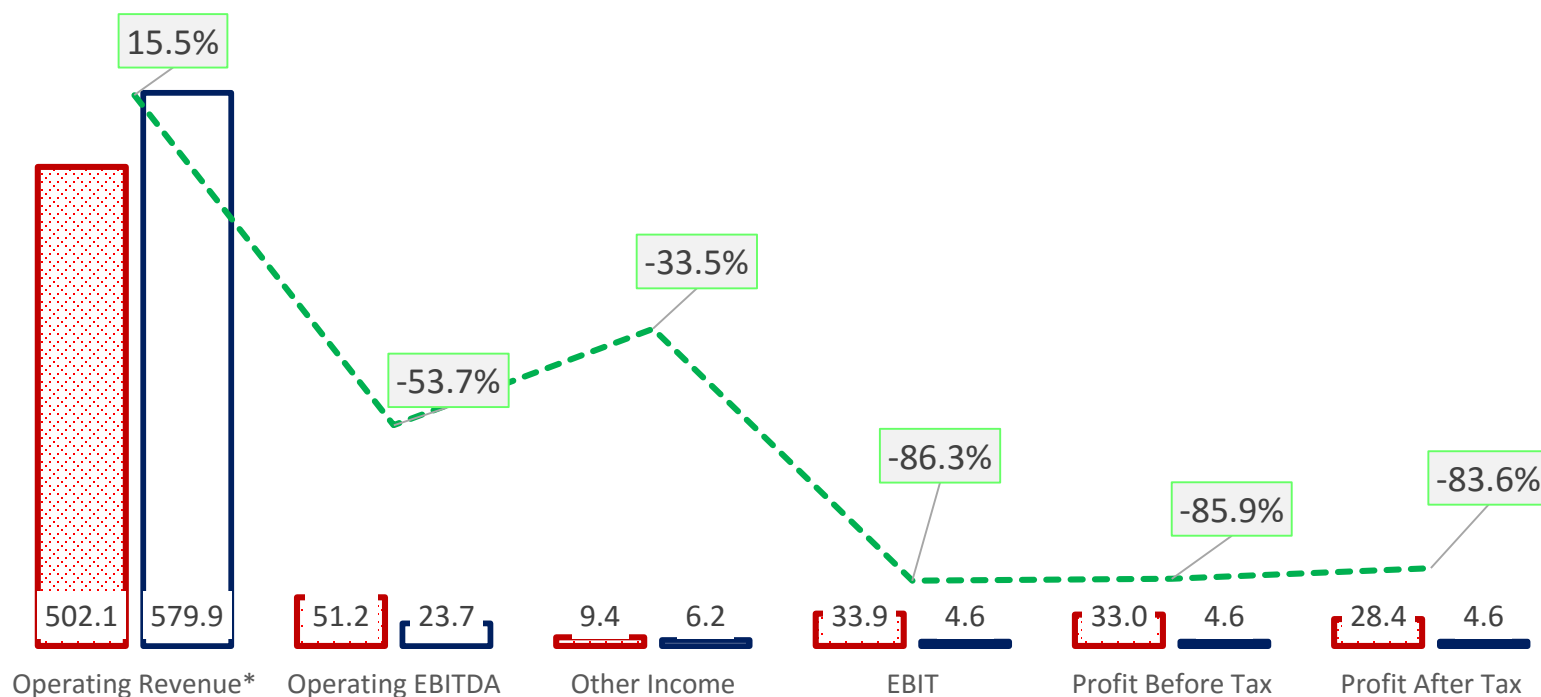
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**Aptech**





# Revenue & Profitability – Q1 FY17



\* Operating Revenue includes Income from Operations and Other Operating Income

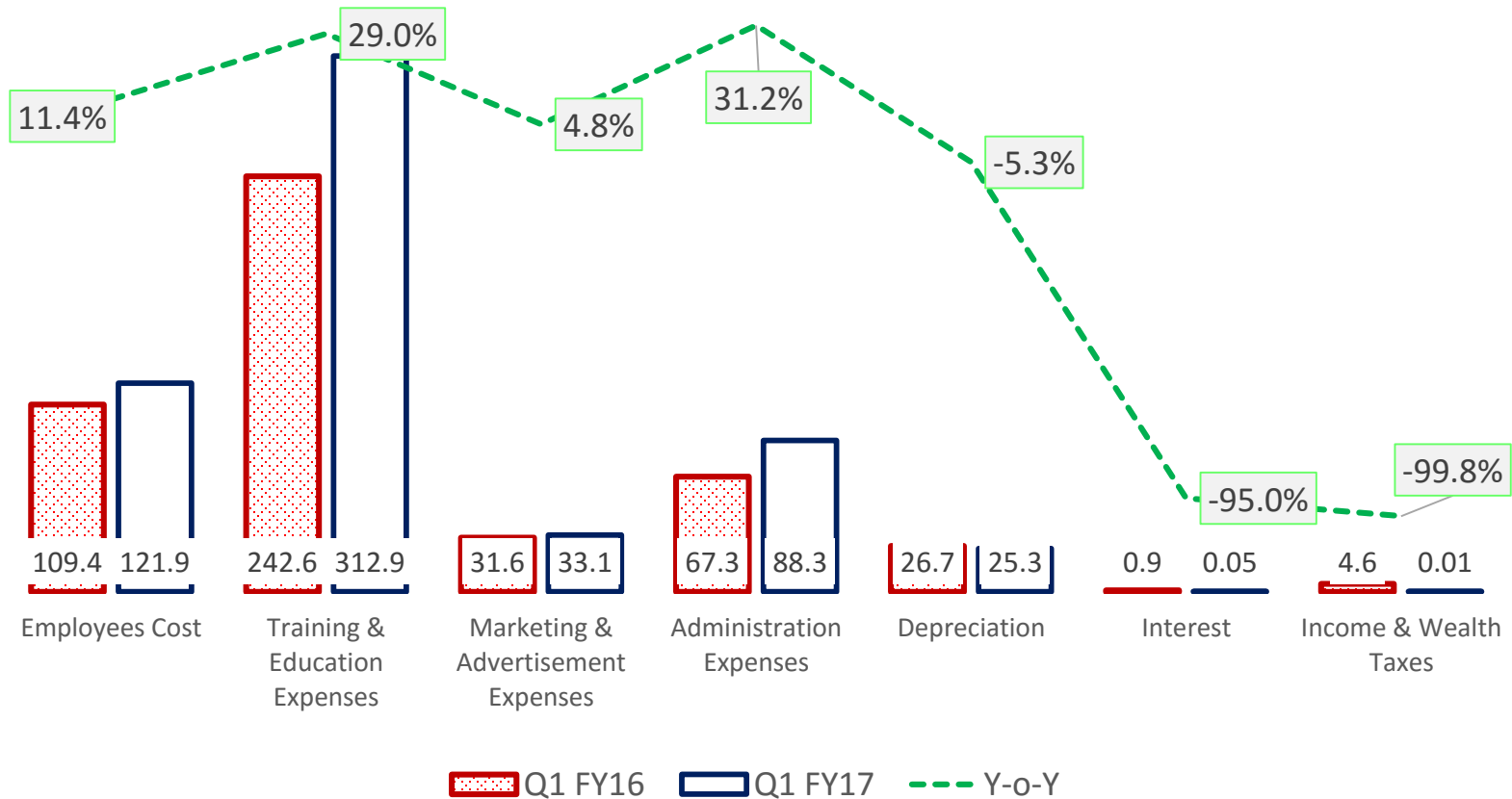
■ Q1 FY16 ■ Q1 FY17 --- Y-o-Y



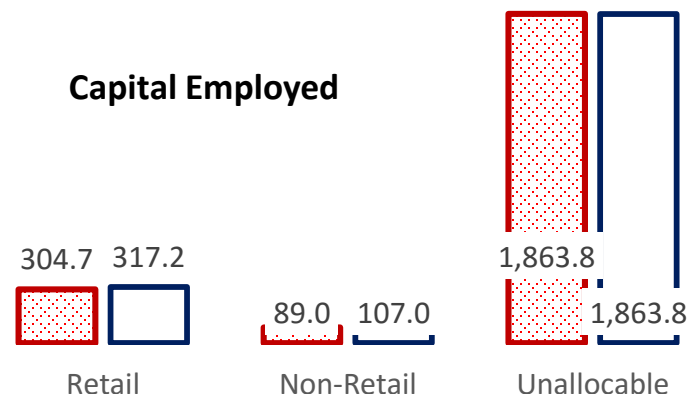
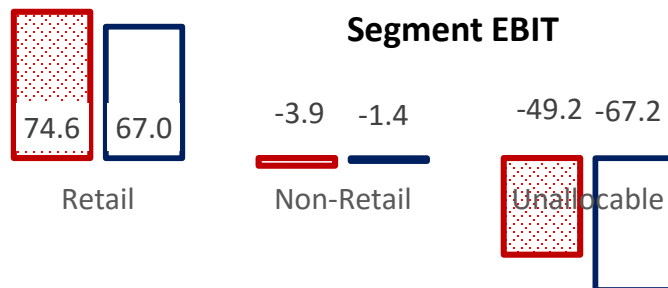
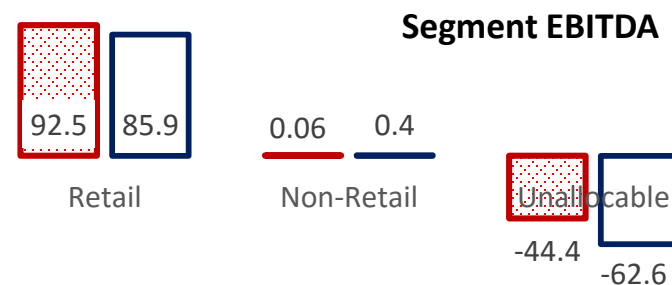
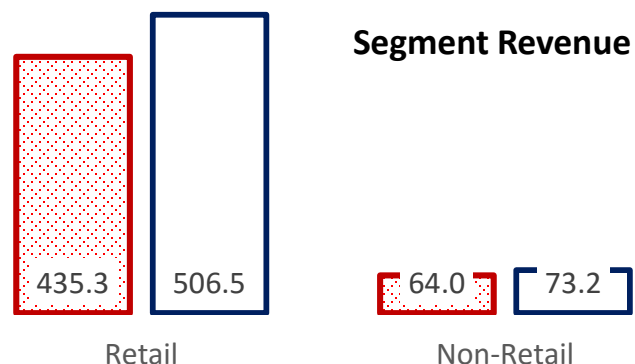
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# Expenses – Q1 FY17



# Segment Results – Q1 FY17



Additional unallocable income and expenses of Rs. 10.3 million and Rs. 0.05 million in Q1 FY17 vs. Rs. 12.4 million and Rs. 0.9 million in Q1 FY16 respectively

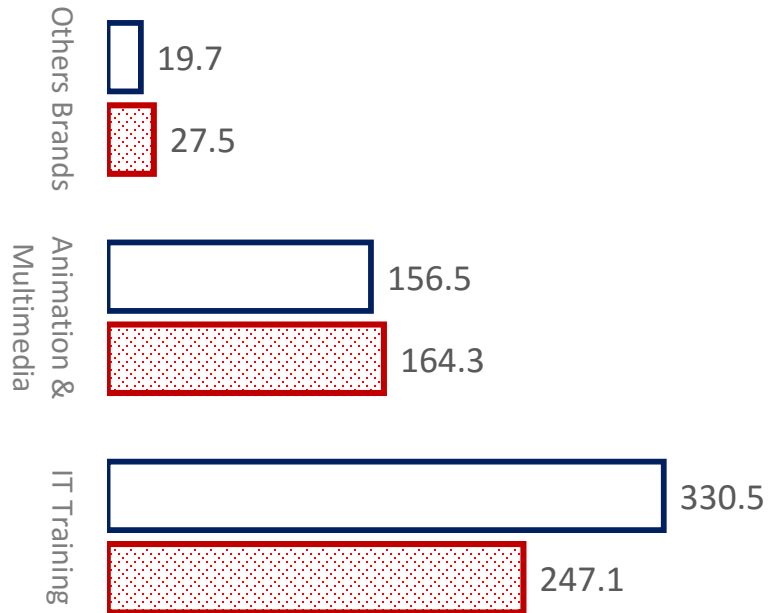
Q1 FY16 Q1 FY17



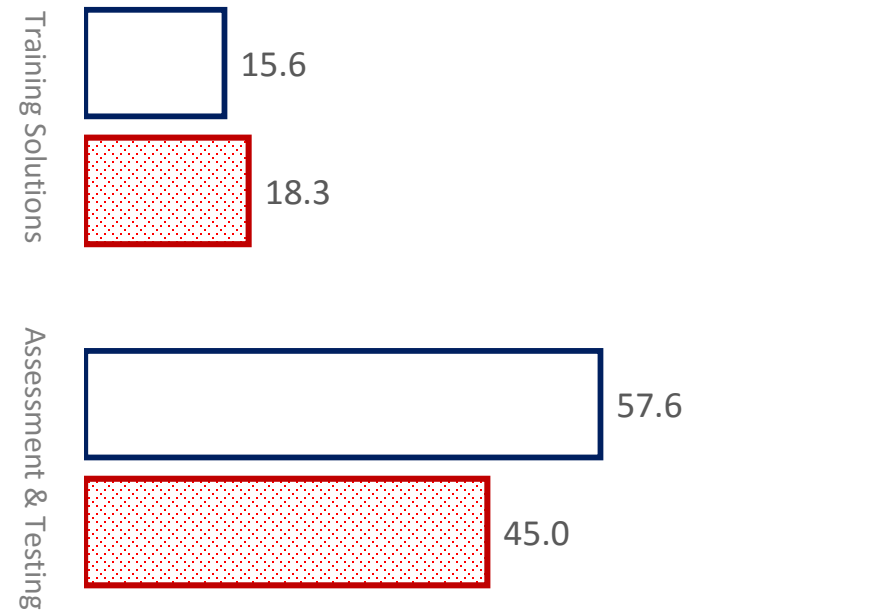


# Sub-segment Revenue – Q1 FY17

## Retail



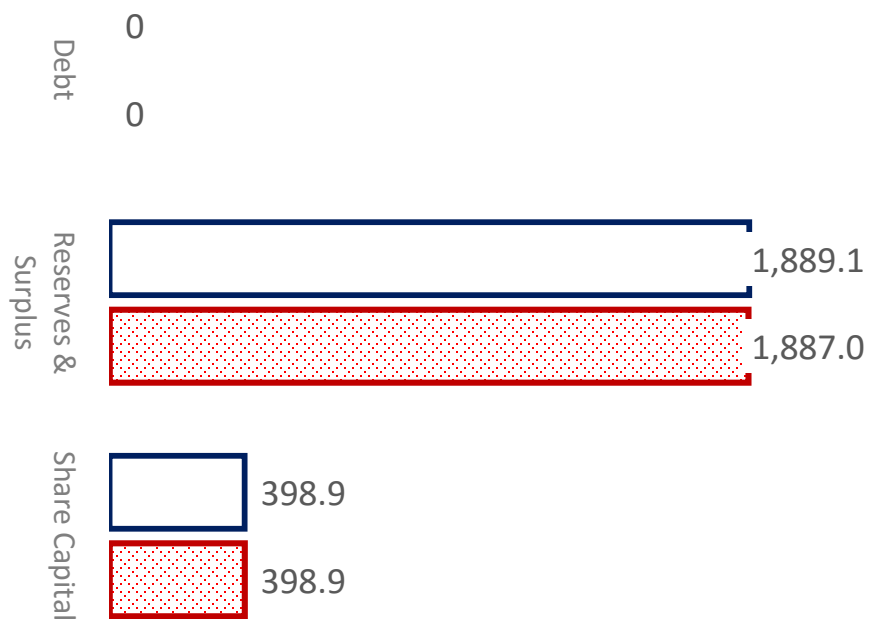
## Non-Retail



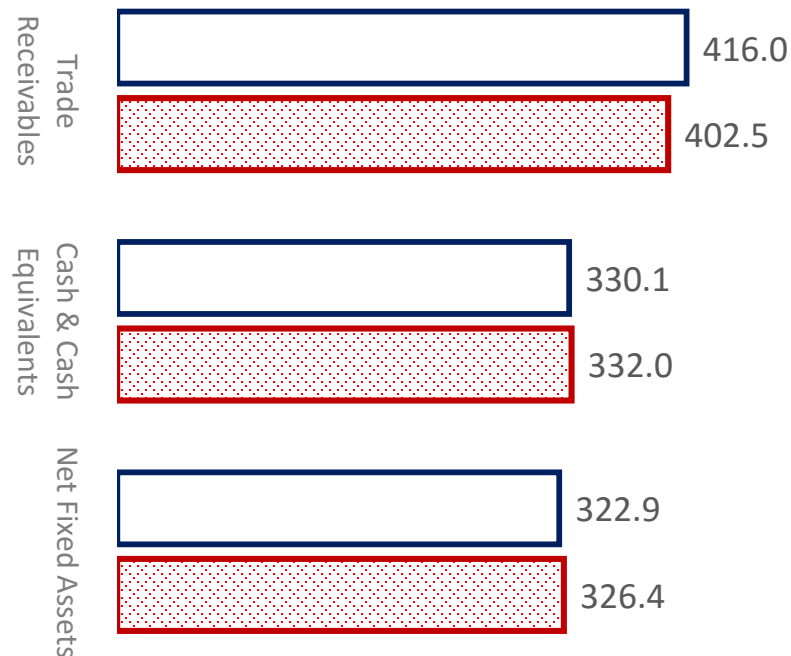
Q1 FY16 Q1 FY17

# Key Balance Sheet Information

## Liabilities



## Assets



  30-Jun-16
   31-Mar-16



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# Key Highlights

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- Domestic Retail revenue declined by 11.2% (Y-o-Y); majority impact from
  - Decline in accrual income in MAAC
  - Decline in income from new sign-ups and renewal
- International Retail revenue grew by 35.9% vs. Q1 FY16
  - Growth mainly due to increase in income from projects
- Aptech Testing revenue increased by 28.1% Y-o-Y
  - Significant volume expansion in customers acquired in FY16 leads to jump in income from testing

# Key Highlights

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- Delayed project delivery due to client-side re-organization impacted Training Solutions income
- Low traction in new center sign-ups in both domestic and international markets
  - 18 new centers signed in Q1 FY17 in India vs. 35 in Q1 FY16
  - 3 new centers signed in the international markets
- Lower interest income of Rs. 6.2 million vs. Rs. 7.9 million in Q1 FY16 (21.0% ↓) on account of lower cash in hand

# Key Highlights

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- Jump in employee expenses linked to annual salary revisions and change in mix
- Higher jump in Training & Education expenses vis-à-vis revenue growth due to greater skew towards project income, especially in International Retail
- Administration expenses were higher on account of loss from devaluation of a currency from an emerging country to which our overseas subsidiary has exposure

Q1 FY17

# OPERATING INFORMATION

All financial figures in Rs. million



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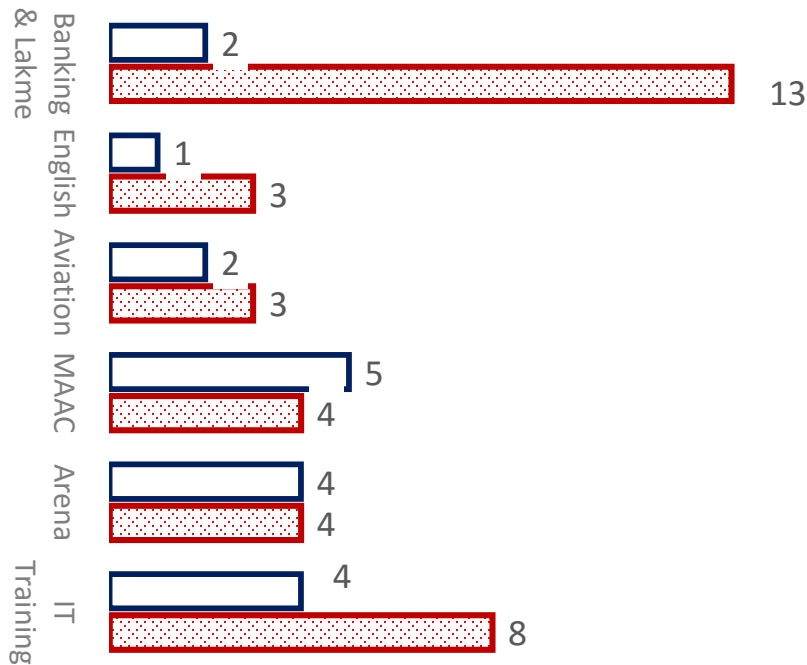
**Aptech**



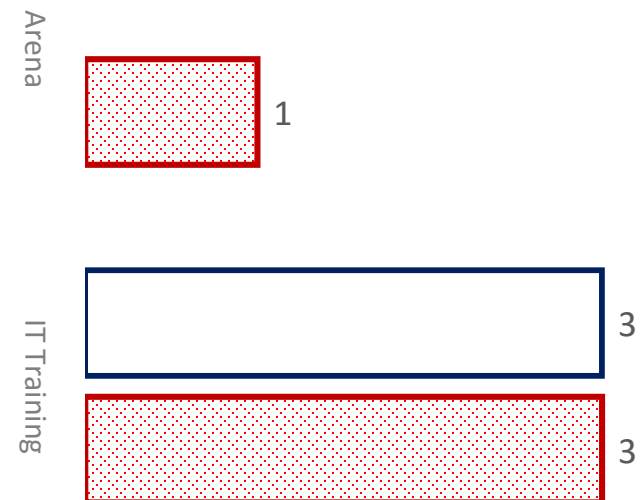


# New Center Sign-ups

## Domestic Retail



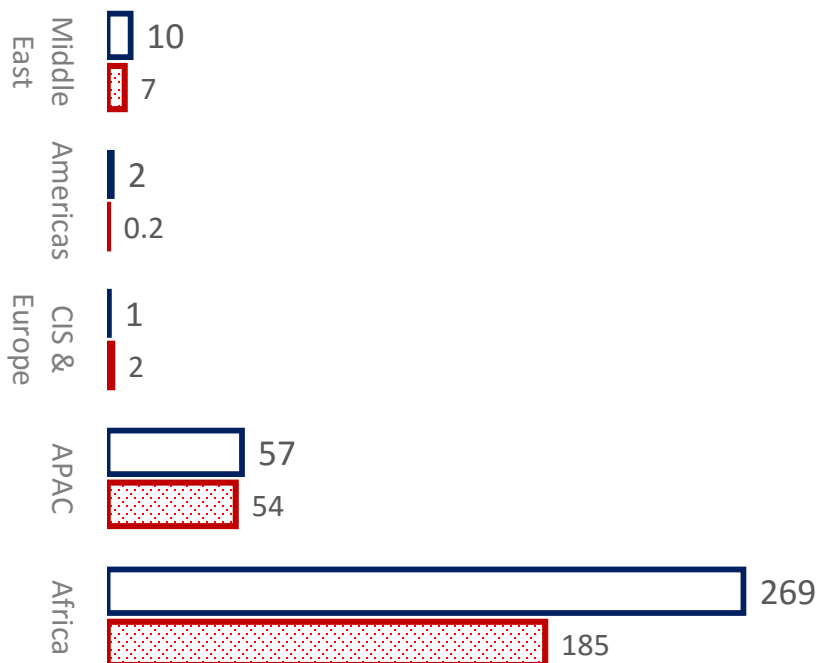
## International Retail



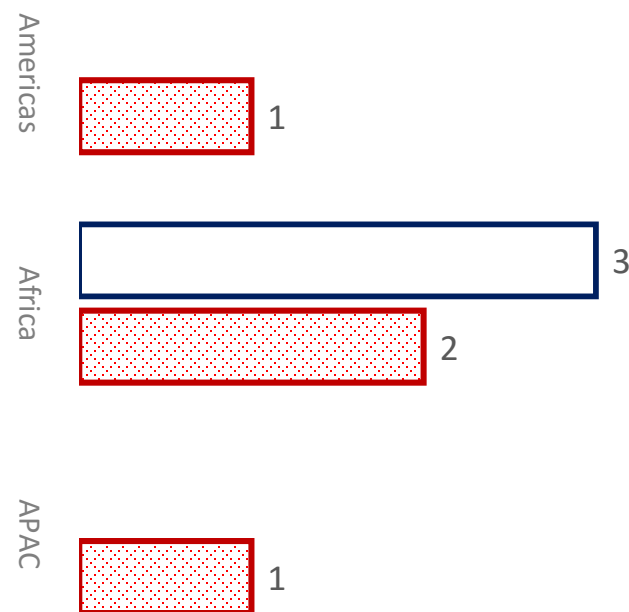
Q1 FY16 Q1 FY17

# Regional Distribution International

## Revenue



## New Center Sign-ups



Q1 FY16 Q1 FY17



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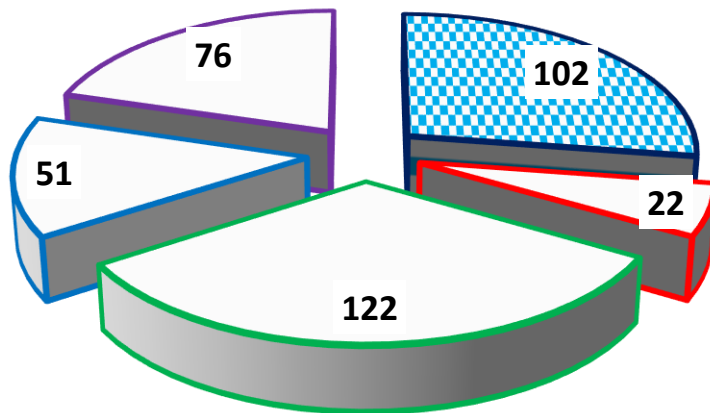
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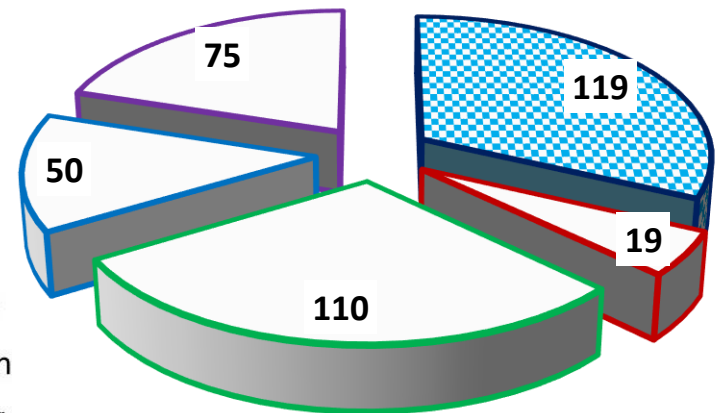
# Employee Data

Employee Count as on 31<sup>st</sup> March 2016 = 373

Employee Count as on 30<sup>th</sup> June 2016 = 373



- Sales and Marketing
- Content Development
- Academics & Delivery
- Delivery Support
- Corporate Functions



In addition to the above employees, there are 110 non-regular staff as on 30<sup>th</sup> June 2016 vis-à-vis 97 as on 31<sup>st</sup> March 2016

Q1 FY17

# KEY BUSINESS HIGHLIGHTS



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# Vietnam Top ICT Training Institute Award



14<sup>th</sup>  
Consecutive  
Year



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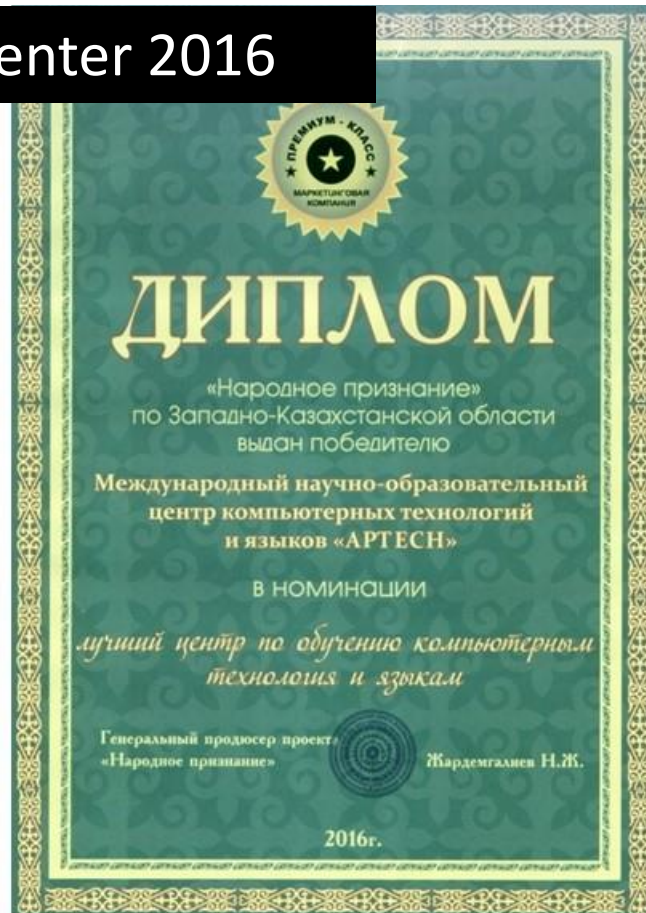
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# Aptech Kazakhstan Award



Best Training Center 2016



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# Business Update

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- Launched Certified E-commerce Professional program in association with Flipkart under Aptech Computer Education brand
- MAAC partnered with a leading music company to develop animated content for their online channels
- Short film 'Phalke - The First Seed' by MAAC students won the Best Animated Short (Student) award at the 6<sup>th</sup> edition of the Dada Saheb Phalke Film Festival
- Entry into Ethiopia with a new IT Training center

# Re-entry into Fiji after 7 years

Center launched in May 2016

Inaugurated by Dr. Mahendra Reddy – Education Minister



# Career Quest - Nigeria



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# Afghanistan IT Job Fair / Graduation Day



# Domestic Campaigns

**Start your career in India's largest\* growing industry.**  
Equip yourself with all the skills you need to be a success in the E-commerce industry.

**Aptech** & **Flipkart** present  
**Certified E-commerce Professional**  
**Enrol Now!**



**Aptech** AVIATION & HOSPITALITY ACADEMY  
Unleash your potential

**67100 MODERN RETAIL OUTLETS**  
**8500 SUPERMARKETS**  
**85 MILLION JOBS**  
**ENDLESS OPPORTUNITIES**

Be a champion and turn your aspiration to reality with A-CHAMP

Courses offered in: Aviation Hospitality Travel & Tourism Retail

Partnered with **OnlineVarsity**



**Aptech** AVIATION & HOSPITALITY ACADEMY  
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**PLANNING 16**   
**HOLIDAY PACKAGES FOR 30 COUNTRIES IN 1 YEAR. LIMITLESS OPPORTUNITIES!**

Be a champion and turn your aspiration to reality with A-CHAMP

Courses offered in: Aviation Hospitality Travel & Tourism Retail

Partnered with **OnlineVarsity**



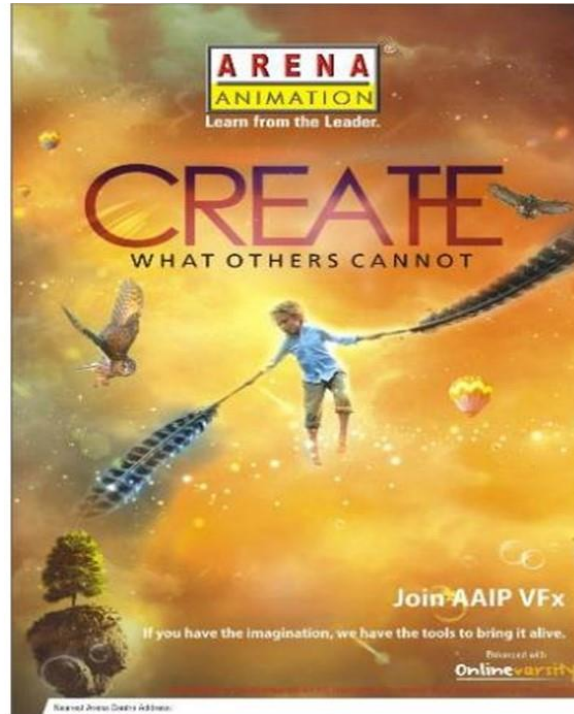
**ARENA ANIMATION**  
Learn from the Leader.

**CREATE**  
WHAT OTHERS CANNOT

Join **AAIP VFX**

If you have the imagination, we have the tools to bring it alive.

Partnered with **OnlineVarsity**

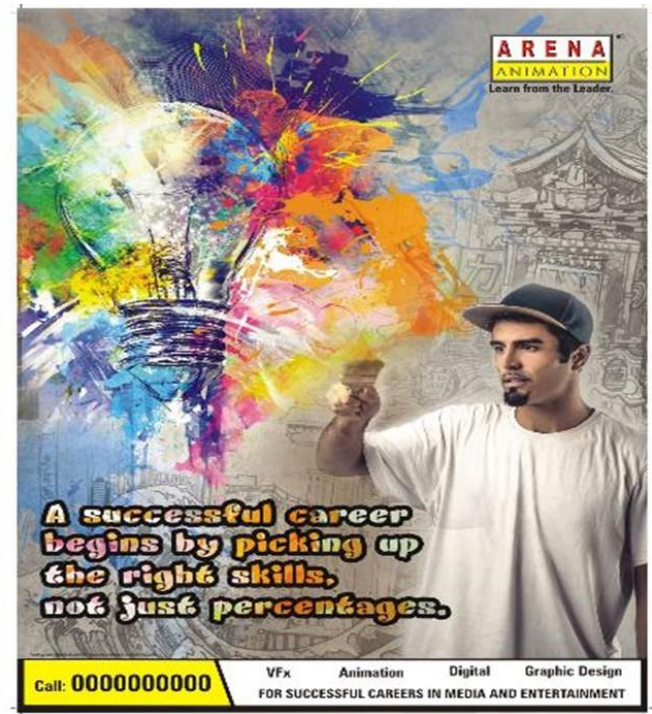


**ARENA ANIMATION**  
Learn from the Leader.

**A successful career begins by picking up the right skills, not just percentages.**

Call: **0000000000**

**VFX Animation Digital Graphic Design**  
FOR SUCCESSFUL CAREERS IN MEDIA AND ENTERTAINMENT





# Domestic Campaigns



**T ECH O RANSFORM**

**Tech Know Contest 2016 is here!**  
Does technology fascinate you? Do you know about the latest trends in technology?  
This National Technology Day create a video/ PPT or write an article and show us your tech quotient.

CHOOSE ANY ONE TOPIC

- The use of technology in communication
- Use of technology in human relationships
- Use of technology in education

**WIN EXCITING PRIZES**



**TECHNOMINDS**  
Empowering your I.T. career

TECHNOMINDS is here again! It's time to display your I.T. skills.  
The students can opt for a project in any one of the following categories:

- Category - I Desktop Top Application Development
- Category - II Dynamic Web Site Design and Development
- Category - III Web Application Development
- Category - IV Analytics and Cloud Applications
- Category - V Mobile/Store Apps Development

Winners will be entitled to exciting prizes.

Come up with an innovative I.T. project and show us how your inventive mind works

**PROJECT YOUR MIND**

**Register Today!**



Champion moms deserve a champion Child...  
Be one with Arena Animation

**Happy Mother's Day**

**BEST MOM**



**FOR EVERY BEAUTY QUEEN,  
THERE IS AN ARTIST BEHIND IT**

**Begin your  
stylish career with**

**LAKMÉ ACADEMY**  
Powered by **Aptech**  
Style your future

**Call: 0000000000**

**FOR EVERY  
BEAUTY QUEEN,  
THERE IS AN  
ARTIST  
BEHIND IT**

**Begin your  
stylish career with**

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Style your future

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# Domestic Campaigns



Enhanced by  
**Onlinevarsity**  
your @ way to learning

**MAAC** MAYA ACADEMY OF ADVANCED CINEMATICS  
Animation | VFX | Multimedia | Gaming

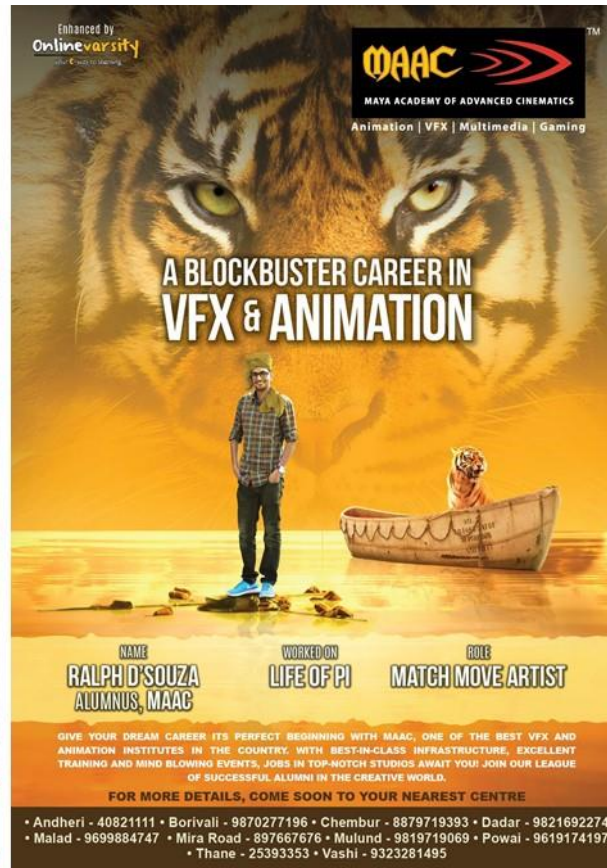
ONE COURSE.  
INFINITE OPPORTUNITIES.

INTERNATIONAL PROGRAM IN VISUAL ARTS & DESIGN

Advanced and comprehensive

Different facets of Visual Art!

Leading softwares for content creation



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**MAAC** MAYA ACADEMY OF ADVANCED CINEMATICS  
Animation | VFX | Multimedia | Gaming

A BLOCKBUSTER CAREER IN  
VFX & ANIMATION

NAME: **RALPH D'SOUZA**  
ALUMNUS, MAAC

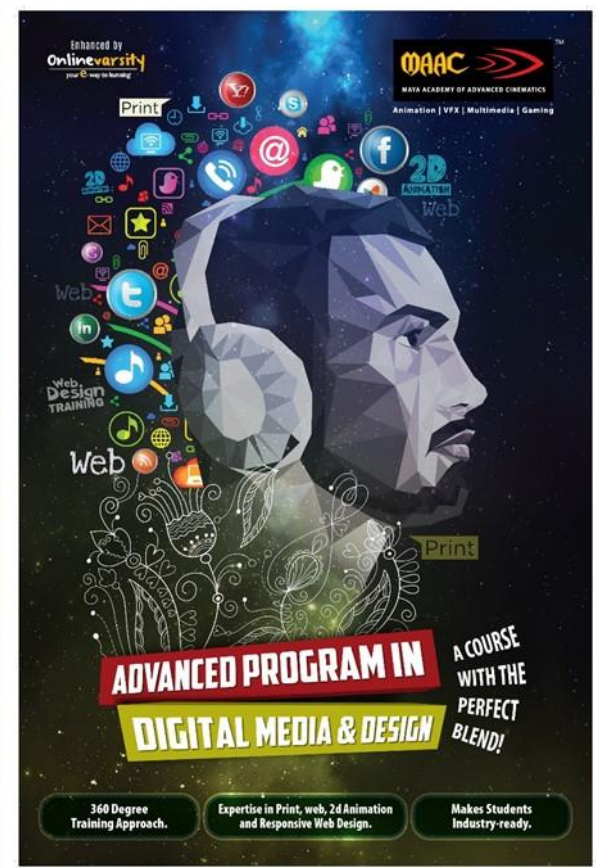
WORKED ON: **LIFE OF PI**

ROLE: **MATCH MOVE ARTIST**

GIVE YOUR DREAM CAREER ITS PERFECT BEGINNING WITH MAAC, ONE OF THE BEST VFX AND ANIMATION INSTITUTES IN THE COUNTRY. WITH BEST-IN-CLASS INFRASTRUCTURE, EXCELLENT TRAINING AND MIND BLOWING EVENTS, JOBS IN TOP-NOTCH STUDIOS AWAIT YOU! JOIN OUR LEAGUE OF SUCCESSFUL ALUMNI IN THE CREATIVE WORLD.

FOR MORE DETAILS, COME SOON TO YOUR NEAREST CENTRE

• Andheri - 40821111 • Borivali - 9870277196 • Chembur - 8879719393 • Dadar - 9821692274  
• Malad - 9699884747 • Mira Road - 897667676 • Mulund - 9819719069 • Powai - 9619174197  
• Thane - 25393353 • Vashi - 9323281495



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Animation | VFX | Multimedia | Gaming

Print

Web

Web Design TRAINING

Web

Print

ADVANCED PROGRAM IN  
DIGITAL MEDIA & DESIGN

A COURSE WITH THE PERFECT BLEND!

360 Degree Training Approach.

Expertise in Print, web, 2d Animation and Responsive Web Design.

Makes Students Industry-ready.



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# International Campaigns

**Aptech** COMPUTER EDUCATION  
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## DEVELOPING AN I.T. EMPOWERED FIJI

- Global I.T. education company
- One of the most trusted education brands
- Students made career ready



Discover a new world of I.T.  
Enroll today!

**Aptech** COMPUTER EDUCATION  
Unleash your potential

## GET READY FOR A GLOBAL CAREER WITH AN INTERNATIONAL DEGREE

LONDON • DUBAI • MAURITIUS • MALTA



**CREDIT TRANSFER FACILITY** **SCHOLARSHIPS**

Your special invitation to the 8<sup>th</sup> edition!

**Aptech CAREER QUEST 2016**  
with Middlesex University

Win scholarships worth **£161,000,000** after enrolment  
Preferred University Partner  
**Middlesex University**

**30 YEARS OF EXCELLENCE**

Let an international degree power your career.  
Enroll today!

**Aptech** ENGLISH LEARNING ACADEMY  
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## Ramadan Mubarak

This holy month, speak the global language of opportunity with an English education



**AVAIL 20% SCHOLARSHIP & begin classes after Eid**

**Aptech English Learning Academy** offers courses for young learners and adults as well as programs in Business and Corporate English. We have successfully imparted English skills to thousands of students and professionals. We now offer courses designed by **Middlesex University, UK**, to help students develop their skills in the English language. **Now get a 20% fee benefit on the occasion of Holy Ramadan!**

**Digital Language Lab:** The Digital Language Lab is a unique concept used to give students a hands-on learning experience. It combines the four basic principles for acquiring proficiency in any language - Listening, Speaking, Reading and Writing.

**The courses offered are:**

- **Focus IELTS**  
Aptech's tailor made course to prepare English learners for the globally recognized IELTS (International English Language Testing System) certification.
- **Beginners' English**
- **30 Days English**
- **Business Communication**
- **Spoken English Skills**
  - a. Pre-intermediate
  - b. Intermediate
  - c. Upper-intermediate

Designed by **Middlesex University London**

**Improve your English skills, ENROLL TODAY!**



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THANK YOU



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# About Aptech

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Aptech commenced its education and training business in 1986 and has globally trained over 7.2 million students. Aptech has presence in more than 40 emerging countries through its two main streams of businesses – Individual training and Enterprise Business. As a leader in career education, it has over 1000+ centers of learning across the world.

Under Individual Training, Aptech offers career and professional training through its Aptech Computer Education, Arena Animation & Maya Academy of Advanced Cinematics (both in Animation & Multimedia), Aptech Hardware & Networking Academy, Aptech Aviation & Hospitality Academy and Aptech English Learning Academy brands. Enterprise business includes Content Development (Aptech Learning Services), Training and Assessment Solutions for Corporates & Institutions (Aptech Training Solutions, Aptech Assessment & Testing Solutions).

For further information on Aptech Limited, please visit our website at [www.aptech-worldwide.com](http://www.aptech-worldwide.com) or contact:

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