

Dated: October 20, 2016

To,

BSE Limited PhirozeJeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.  Security Code: 539978	National Stock Exchange of India, Limited, Exchange Plaza, 5 <sup>th</sup> Floor, Plot No C/1, G Block, BandraKurla Complex, Bandra (E), Mumbai - 400 051.  Symbol: QUESS
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**Sub: Earnings update presentation for the call to be held on Thursday, 20<sup>th</sup> October, 2016 at 3:00 PM.**

Dear Sir/Madam,

Pursuant to our Announcement on 18<sup>th</sup> October, 2016 on Earnings call update as per Regulation 30 read with Schedule III (Part A) and any other applicable provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we wish to share the Earnings update presentation for the call to be held on Thursday, 20<sup>th</sup> October, 2016 at 3:00 PM.

The details of the Earnings update presentation are enclosed as an Annexure.

Thanking You,

Yours sincerely,

**For Quess Corp Limited,**

N.V.S Pavan Kumar



N.V.S. Pavan Kumar  
Company Secretary

Encl. As Above.



# Q2 FY17 Earnings Update

October 2016

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# Agenda

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- ▶ 01. PERFORMANCE HIGHLIGHTS
- ▶ 02. FINANCIAL PERFORMANCE
- ▶ 03. STRATEGIC DEALS

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# Performance Highlights

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# Q2 FY17 Performance Highlights

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## ▶ Operating Revenue

- ▶ Q2 FY17 Revenue at ₹1,018 cr compared to ₹802 cr in Q2 FY16 and ₹991 cr in Q1 FY17
- ▶ YoY growth of 26.9%
- ▶ QoQ growth of 2.7%

## ▶ EBITDA

- ▶ Q2 FY17 EBITDA at ₹55 cr compared to ₹38 cr in Q2 FY16 and ₹53 cr in Q1 FY17
- ▶ YoY growth of 45.3% while margin expanded from 4.7% to 5.4%
- ▶ QoQ growth of 4.5% while margin remained stable at 5.4% levels

## ▶ Profit After Tax

- ▶ Q2 FY17 PAT at ₹30 cr compared to ₹18 cr in Q2 FY16 and ₹25 cr in Q1 FY17
- ▶ YoY growth of 65.9% while margin expanded by 70 bps, from 2.3% to 3.0%
- ▶ QoQ growth of 22% while margin expanded by 47 bps from 2.5% to 3.0%

# H1 FY17 Performance Highlights

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## ▶ Operating Revenue

- ▶ H1 FY17 Revenue at ₹2,009 cr compared to ₹1,532 cr in H1 FY16
- ▶ YoY growth of 31.1%

## ▶ EBITDA

- ▶ H1 FY17 EBITDA at ₹108 cr compared to ₹71 cr in H1 FY16
- ▶ YoY growth of 52.0%, margins expanded by 74 bps from 4.6% to 5.4%

## ▶ Profit After Tax

- ▶ H1 FY17 PAT at ₹55 cr compared to ₹36 Cr in H1 FY16
- ▶ YoY growth of 51.5%, margins expanded by 37 bps, from 2.4% to 2.7%

## ▶ Headcount

- ▶ ~139,000 employees as at end of H1 FY17 compared to ~113,000 as at end of H1 FY16 and ~127,000 as at end of Q1 FY17

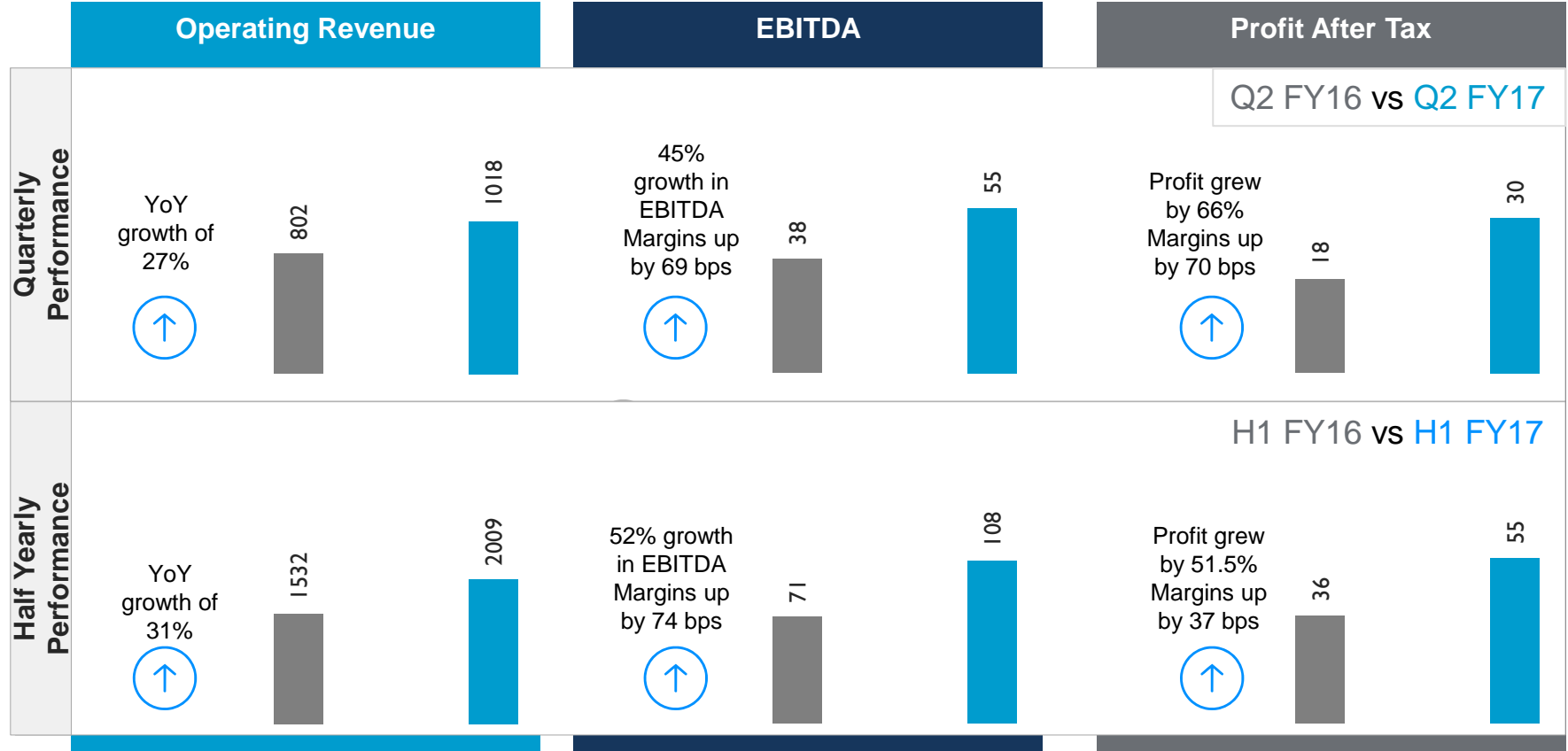
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# Financial Performance

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# Financial Highlights



# Q2 FY17 Segment Performance

## Global Technology Solutions

Particulars	Q2 FY17	Q2 FY16
Segment Revenue	278	218
Revenue Growth %	27.4%	
Segment EBIT	20	13
EBIT Margin %	7.1%	6.1%

## People & Services

Particulars	Q2 FY17	Q2 FY16
Segment Revenue	583	451
Revenue Growth %	29.4%	
Segment EBIT	26	19
EBIT Margin %	4.5%	4.3%

## Integrated Facility Management

Particulars	Q2 FY17	Q2 FY16
Segment Revenue	99	90
Revenue Growth %	10.4%	
Segment EBIT	5	4
EBIT Margin %	5.0%	4.6%

## Industrial Asset Management

Particulars	Q2 FY17	Q2 FY16
Segment Revenue	57	43
Revenue Growth %	32.7%	
Segment EBIT	6	2
EBIT Margin %	9.8%	4.9%

# Financial Statements

## Profit and Loss Account

Particulars	Q2 FY17	Q2 FY 16	Y-o-Y	H1 FY17	H1 FY16	Y-o Y
<b>Operating Income</b>	<b>1,018</b>	<b>802</b>	<b>26.9%</b>	<b>2,009</b>	<b>1,532</b>	<b>31.1%</b>
<b>EBITDA</b>	55	38	45.3%	108	71	52.0%
<i>EBITDA Margin</i>	5.4%	4.7%		5.4%	4.6%	
Depreciation	7	3	102.1%	13	5	139.1%
Finance Expenses	10	8	22.7%	19	13	49.1%
<b>PBT</b>	<b>44</b>	<b>29</b>	<b>53.2%</b>	<b>82</b>	<b>57</b>	<b>44.0%</b>
<b>PAT</b>	<b>30</b>	<b>18</b>	<b>65.9%</b>	<b>55</b>	<b>36</b>	<b>51.5%</b>
<i>PAT Margin</i>	3.0%	2.3%		2.7%	2.4%	
<b>Basic EPS</b>	<b>2.42</b>	<b>1.64</b>	<b>47.7%</b>	<b>4.61</b>	<b>3.27</b>	<b>41.2%</b>
<b>Diluted EPS</b>	<b>2.37</b>	<b>1.63</b>	<b>45.7%</b>	<b>4.51</b>	<b>3.24</b>	<b>39.1%</b>

## Balance Sheet

Particulars	H1 FY17
<b>Non-current Assets</b>	<b>424</b>
-Fixed Assets	43
-Financial Assets	19
-Deferred Tax Assets	49
<b>Current Assets</b>	<b>1,410</b>
-Trade Receivables	434
-Cash and Bank Balances	403
<b>Total Assets</b>	<b>1,834</b>
Shareholders Fund	796
Non-current Liabilities	85
-Borrowings	32
Current Liabilities	954
-Borrowings	367
-Trade Payables	32
<b>Total Liabilities</b>	<b>1,834</b>

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# Strategic Deals

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# Strategic Deals

## Terrier Security Services

- Manned guarding and security solutions business
- Has a footprint in 14 states in India covering 60 cities
- Has a marquee clientele of over 400 companies
- Registered a revenue of Rs. 220 cr and EBITDA margin of 5% in FY 16
- Acquisition provides a logical segue into the Integrated Facility Management (IFM) business
- Acquired stake is 49%

## Comtel Solutions

- IT Staffing solutions, Managed service solutions and recruitment and search services
- Largest independent staffing company in Singapore and adds to Qess' presence in Malaysia
- FY 16 revenue of SGD 82 mn and headcount in excess of 1400 associates
- Acquired a majority stake of 64%

## Simpliance

- Technology platform for Labour Compliance Requirements
- Compliance is one of the core businesses of Qess.
- Simpliance attempts to simplify and automate labour compliance
- Initial pilot successful at many corporates
- Qess will invest Rs 2.5 cr for 45% stake.
- Investments towards platform development effort

The above companies are expected to generate annualised revenue of ~₹ 750 cr with an expected EBITDA of ~₹ 52 cr in FY 17

# Thank You!

**Quess Corp Limited (formerly IKYA Human Capital Solutions Limited)**

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