



Dated: May 17, 2017

The Secretary BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001	The Vice President - Listing National Stock Exchange of India Limited Exchange Plaza Bandra-Kurla Complex Mumbai - 400 050
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Dear Sir / Madam,

Sub: Presentation made at the Earnings Call for the audited financial results for quarter and year ended March 31, 2017.

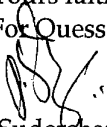
Further to our notification dated May 10, 2017, we wish to submit that today the Company has conducted Earnings Call for the audited (Standalone and Consolidated) financial results of the Company for the quarter and year ended March 31, 2017.

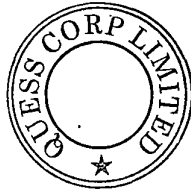
Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has made a presentation at the aforesaid Earnings Call and a copy of the same is attached for your information and records. This presentation will also be made available on the website of Company viz., www.uesscorp.com.

We request you to take the above on record.

Thanking you,

Yours faithfully,
For Quess Corp Limited


(Sudershan Pallap)
Vice President & Company Secretary



Encl: As above

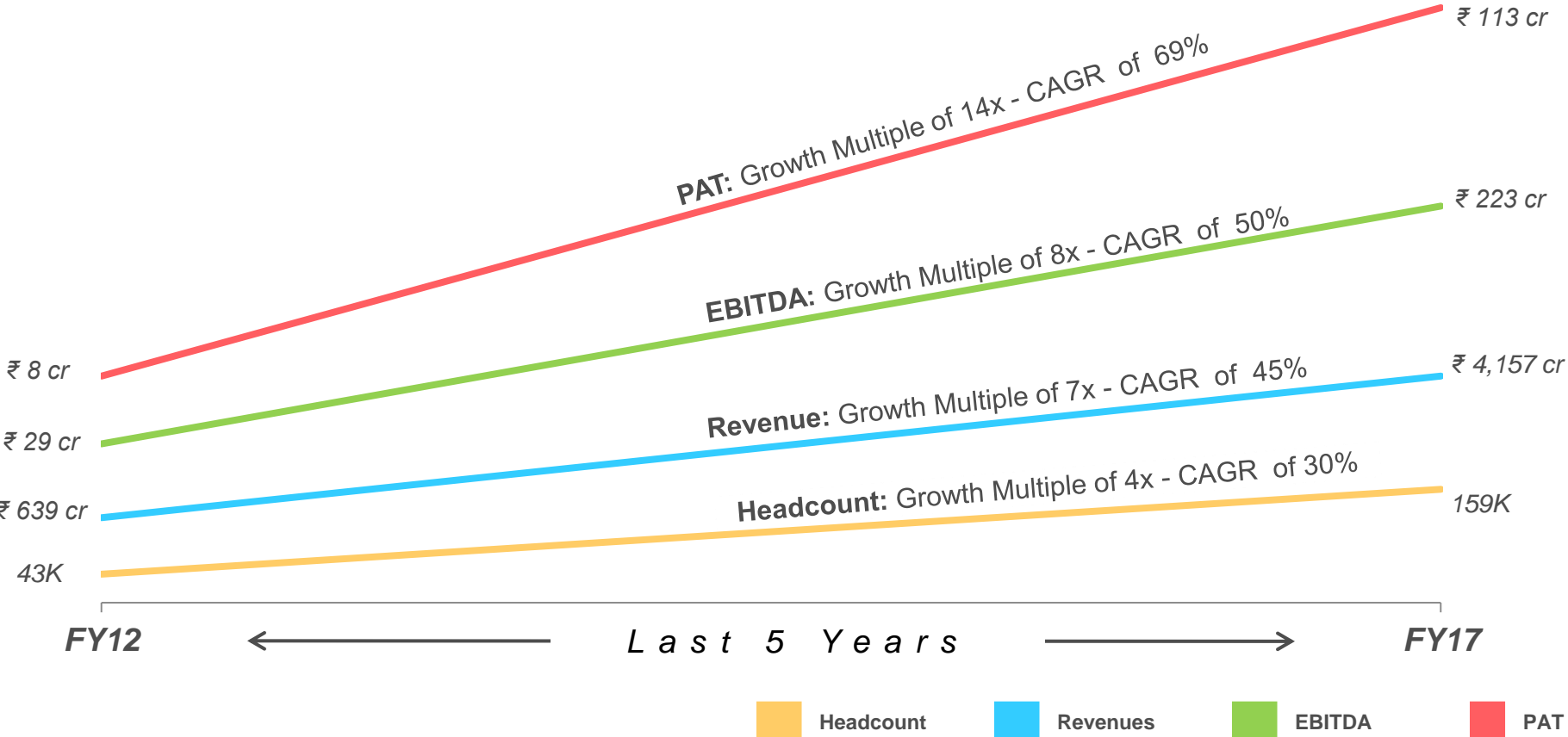


Earnings Update

May 16th, 2017

Building for the Long Term

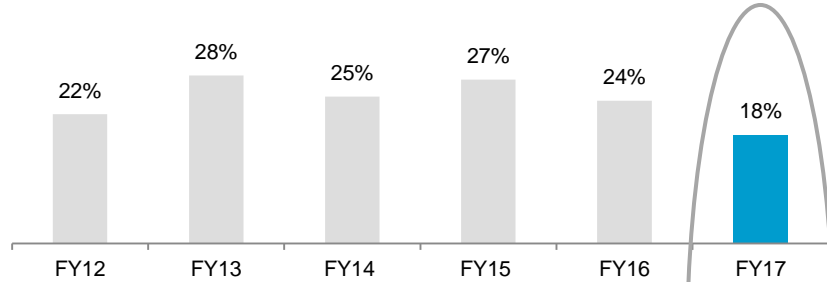
Growth Driven by Sustained Performance



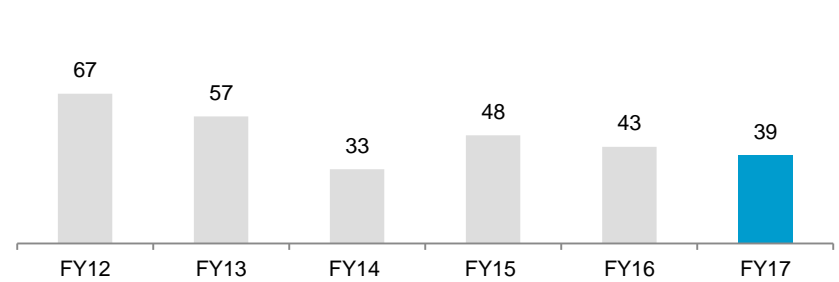
Note: FY12 figures are as per Indian GAAP while those of FY17 are prepared according to Ind AS.

...Resulting in Strong Business Metrics

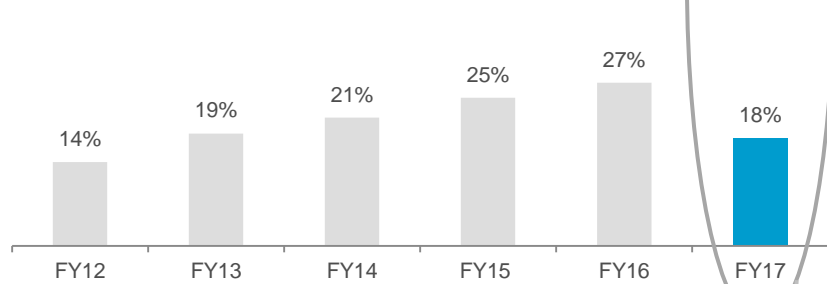
Return on Capital Employed*(¹)



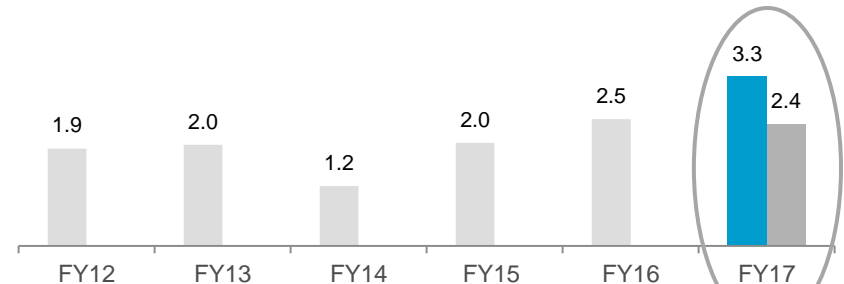
Receivables - Days of Billed Sales Outstanding (¹)



Return on Equity* (¹)



Leverage Ratio (¹)



Decline in Return Metrics due to increase in capital base. Proceeds invested in acquisitions yet to be fully consolidated

On consolidation of acquisitions from Day 1, Gross Debt / EBITDA for FY17 would be 2.4x i/o 3.3x

Quess Updates Since IPO

Strong Operational Performance...

Headcount

Addition of ~38k employees in FY17 to ~159,200
YoY growth of 30.0%
Significant Improvement in CAR* across verticals

PAT

₹ 113 cr compared to ₹ 81 cr in FY16
YoY growth of 39.8%
Margin up by 37 bps from 2.4% to 2.7%

Revenue

₹ 4,157 cr compared to ₹ 3,435 cr in FY16
YoY growth of 21.0%

Capitalisation

Debt : Equity improved to 0.87 compared to 1.05 in
FY16

EBITDA

₹ 223 cr compared to ₹ 151 cr in FY16
YoY growth of 47.5%
Margin up by 96 bps from 4.4% to 5.4%

Cash Flow

Cash Flow from Operations at ₹ 71 cr compared to
negative ₹ 44 cr in FY16.
Free Cash Flow of ₹ 33 Cr

...Aided by Transformational Initiatives and...



Digitization Initiative

- Group wide digitization effort focused on improving customer experience, service delivery and cost efficiencies.
- Automation and analytics to transform business processes - recruitment, payroll and background verification.
- Investments in Heptagon and Simpliance represent second leg of digitisation program which should lead to disruption in core businesses.

Leadership Hiring

Amitabh Jaipuria

President – Global Services

27 years of experience • Previously headed Reliance Jio. Was CEO of AGS Transact and MD of Monsanto India, prior to Reliance Jio

Satyakam Basu

President – IAM

35 years of experience in ferrous industry • Across India and Europe • Senior management stints at Arcelor Mittal and Tata Steel










MFX & Brainhunter Turnaround

- BH and MFX have been focus areas over the past 1 year. Both companies are now EBITDA positive
- Significant improvement in operational parameters.
- Brainhunter closed FY17 with EBITDA of ₹ 1.0 cr against (₹ 6.3 cr) in FY16. Similarly, MFX closed FY17 with EBITDA of ₹ 14.7 cr against ₹ 7.4 cr in FY16.

...Successful M&A Execution

Inorganic initiatives focused on adding service capabilities and new revenue streams

- 6 acquisitions / investments announced / closed since IPO
- Return accretive acquisitions both in terms of RoCE and EBITDA Margin
- Friendly and bilateral transactions
- De-risking mechanisms through assured revenue / gross margins and earn-out linked payments
- Investments by taking significant minority stake in start-ups doing work in technologies that have potential to disrupt our business (Labour Law Compliance Platforms, Machine Learning and IIoT)

Acquisition	Segment	Commercials
 	IFM	<ul style="list-style-type: none"> • Investment: ₹ 220 cr + 7.15 mn shares • Stake: 100%
	GTS	<ul style="list-style-type: none"> • Investment: SGD 43 mn • Stake: 100%
	IFM	<ul style="list-style-type: none"> • Investment: ₹ 72 cr • Stake: 49%
	IAM	<ul style="list-style-type: none"> • Investment: ₹ 3.5 cr • Stake acquired: 74%
	GTS	<ul style="list-style-type: none"> • Investment: ₹ 5.5 cr • Stake acquired: 26%
	P&S	<ul style="list-style-type: none"> • Investment: ₹ 2.5 cr • Stake: 45%

Combined
Annual EBITDA
Contribution of
₹ 110 – 120 cr.

Results Update – FY17

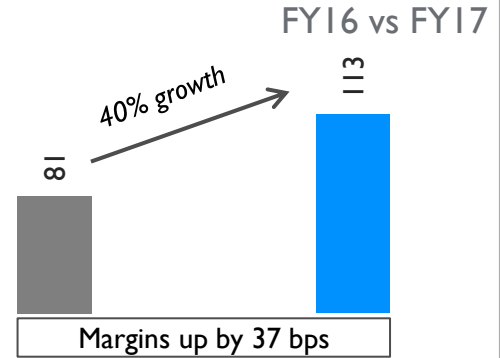
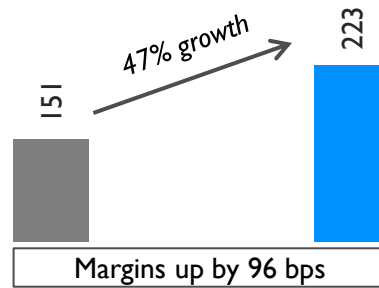
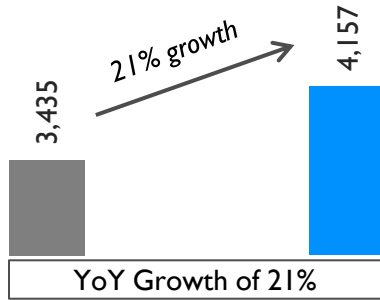
Financial Highlights

Operating Revenue

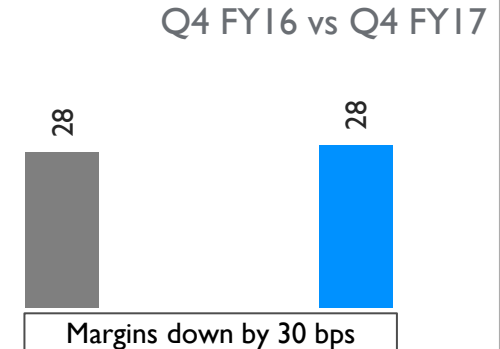
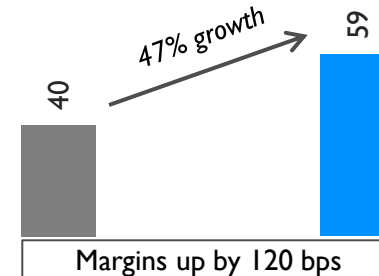
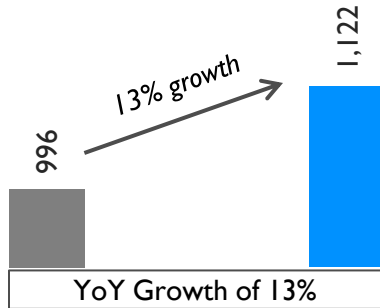
EBITDA

Profit After Tax

FY17
Performance



Quarterly
Performance



Financial Summary – Income Statement

Particulars	Q4 FY17	Q4 FY16	Q – YoY	FY17	FY16	YoY
Revenue	1,122	996	13%	4,157	3,435	21%
EBITDA	59	40	46%	223	151	47%
EBITDA Margin	5.2%	4.0%	120 bps	5.4%	4.4%	96 bps
Depreciation	7	6	5%	26	14	84%
Finance expenses	15	10	50%	47	31	50%
PBT	40	27	47%	165	115	44%
PAT	28	28		113	81	40%
PAT Margin	2.5%	2.8%	(31 bps)	2.7%	2.4%	37 bps
Basic EPS*	2.18	2.46	(11%)	9.24	7.17	29%
Diluted EPS*	2.15	2.41	(11%)	9.10	7.03	29%

Financial Summary – Segment Performance

People & Services

Particulars	FY17	FY16
Revenue	2,345	1,950
YoY Growth %	20.3%	
EBIT	109	72
EBIT Margin %	4.6%	3.7%

Global Technology Solutions

Particulars	FY17	FY16
Revenue	1,183	921
YoY Growth %	28.4%	
EBIT	83	60
EBIT Margin %	7.0%	6.6%

Integrated Facility Management

Particulars	FY17	FY16
Revenue	405	372
YoY Growth %	8.8%	
EBIT	20	17
EBIT Margin %	5.0%	4.6%

Industrials

Particulars	FY17	FY16
Revenue	224	192
YoY Growth %	16.8%	
EBIT	17	17
EBIT Margin %	7.6%	8.9%

Financial Summary – Balance Sheet

Balance sheet (In Rs cr)	31-Mar-17	31-Mar-16	YoY Change
Non Current Assets			
PPE & Intangibles	445	255	75%
Investments	298	4	
Other non-current assets	187	147	27%
	930	405	129%
Current Assets			
Trade and other receivables	447	405	10%
Cash and Cash Equivalents	301	107	183%
Other Bank Balances	158	3	
Loans & Other Financial Assets	444	330	35%
	1,350	845	60%
Total Assets	2,280	1,250	82%
Equity			
Share Capital	127	113	12%
Other Equity	709	243	192%
Non Controlling Interest	1	0	
	837	357	135%
Long Term Debt	274	35	
Short Term Debt	456	343	33%
	730	378	93%
Trade and other payables	63	67	-6%
Other Financial & Tax Liabilities	438	306	43%
Other current liabilities	211	141	49%
	713	515	38%
Total Equity and Liabilities	2,280	1,250	82%

Key Highlights

- Cash flow from operations increased to ₹ 71 crores in FY17 from negative ₹ 44 crores in FY16. Free cash flow for FY17 at ₹ 33 crores, compared to negative ₹ 56 crores in FY16.
- Borrowings rose by ₹ 352 cr to ₹ 730 cr, due to NCD issuance, Comtel acquisition loan and increase in working capital funding. Key leverage metrics in line with historic levels.
- Investments – MIS CCPS (₹ 220 cr) and Terrier (₹ 75 cr)
- Increase in PPE, Intangibles and Non-controlling interests is due to consolidation of Comtel from Feb '17.
- Trade Receivables at ₹ 447 Cr. Billed DSO improved to 39 days compared to 43 days in FY16 despite growth in Consolidated Revenue

Thank You!

Quess Corp Limited

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