



Analytical Review of Q1 2017 Results

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Key Highlights – Q1 2017



- Revenue Rs. 144.30 crores (US\$ 21.56 mn) compared to Rs. 141.87 crores (US\$ 21.02 mn) in Q1, 2016 and Rs. 153.40 crores (US\$ 22.75 mn) in Q4, 2016.
- EBITDA Rs. 7.57 crores (US\$ 1.13 mn) compared to Rs. 13.31 crores (US\$ 1.97 mn) in Q1, 2016 and Rs. 19.69 crores (US\$ 2.92 mn) in Q4, 2016.
- Profit After Tax Rs. 5.26 crores (US\$ 0.79 mn) compared to Rs. 7.64 crores (US\$ 1.13 mn) in Q1, 2016 and Rs. 18.60 crores (US\$ 2.76 mn) in Q4, 2016.
- Profit After Tax for Q4, 2016 includes exceptional profit of Rs. 3.16 crores (US\$ 0.47 mn).
- Earnings per share of Re. 0.42 as against Re. 0.60 in Q1, 2016 and Rs. 1.48 in Q4, 2016.

Key Highlights (Continues...)



- Telecom and Digital Media continues to be our largest industry vertical with ~ 29% share of revenues.
- Serving 21 million dollar plus customers on run rate basis.
- Added 5 key customers during the quarter.
- Q1 margins were mainly impacted by lower utilization, salary raises, visa costs and rupee appreciation.
- Strong Balance Sheet with:
 - Share Holder Funds - Rs. 278.28 crores or \$ 42.91 mn.
 - Cash & bank balances - Rs. 126.35 crores or \$ 19.48 mn.

Financial Performance - Contribution Analysis – Q1 2017



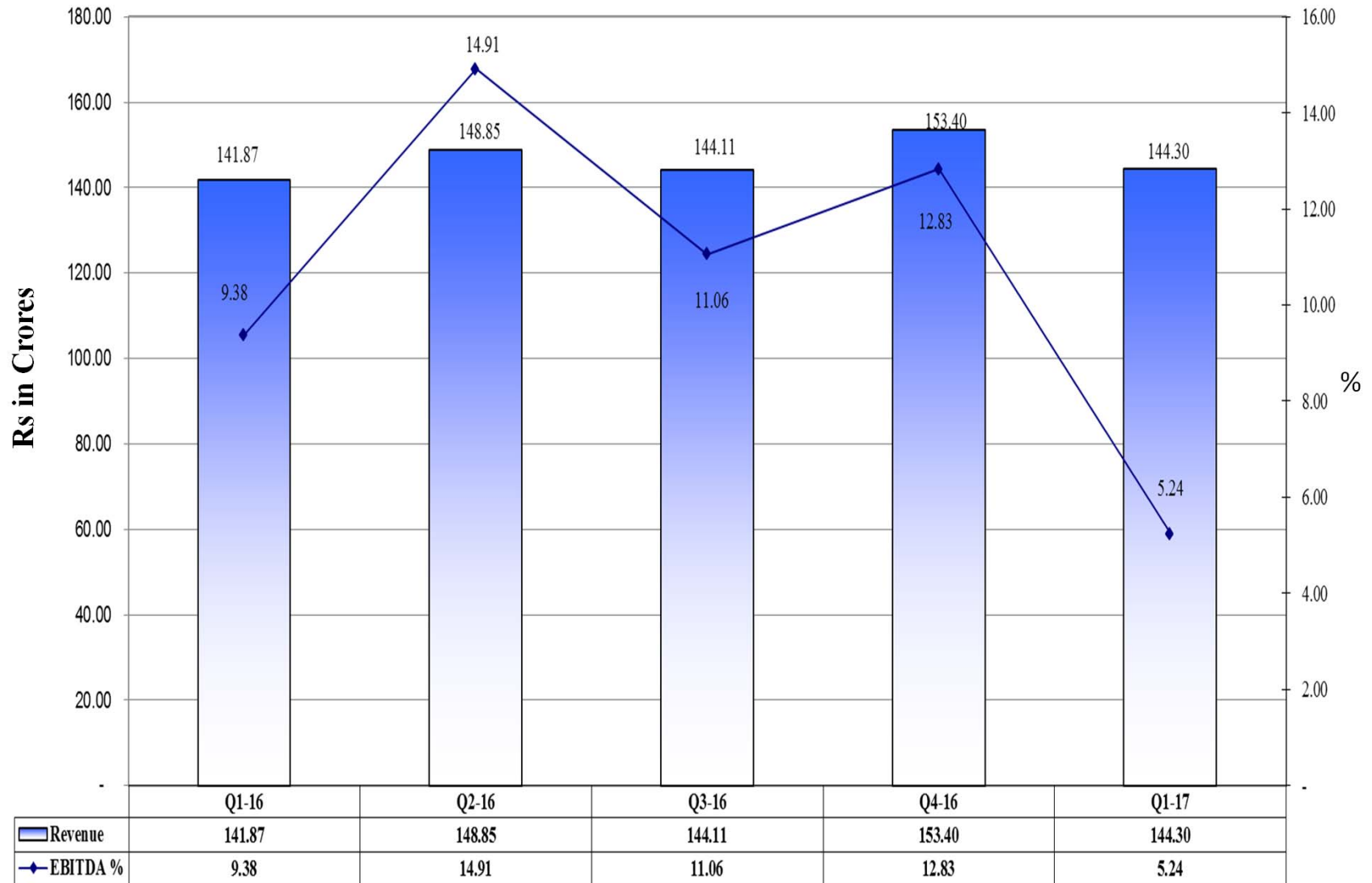
(Figures in mn)

Particulars	Q1 2017		Q1 2016		Q4 2016	
	INR	US\$	INR	US\$	INR	US\$
Revenues	1,442.98	21.56	1,418.69	21.02	1,534.02	22.75
Cost of revenues	1,008.17	15.06	935.88	13.87	998.17	14.80
Gross margin	434.81	6.50	482.81	7.15	535.85	7.95
SG & A	<i>30.13%</i>		<i>34.03%</i>		<i>34.93%</i>	
Expenses	359.16	5.37	349.74	5.18	339.00	5.03
	<i>24.89%</i>		<i>24.65%</i>		<i>22.10%</i>	
EBITDA	75.65	1.13	133.07	1.97	196.85	2.92
	<i>5.24%</i>		<i>9.38%</i>		<i>12.83%</i>	
Depreciation and amortization	28.43	0.42	28.31	0.42	28.94	0.42
Income from operations before exceptional items	47.22	0.71	104.76	1.55	167.91	2.50
Exceptional items	-	-	-	-	46.35	0.69
Income from operations	47.22	0.71	104.76	1.55	214.26	3.19
Interest expense	(2.31)	(0.03)	(0.31)	(0.00)	(0.41)	(0.01)
Other income (net)	53.98	0.80	21.74	0.32	32.12	0.47
Income before income tax	98.89	1.48	126.19	1.87	245.97	3.65
Income tax provision	46.26	0.69	49.82	0.74	59.99	0.89
Net earnings	52.63	0.79	76.37	1.13	185.98	2.76

Movement in Gross Margin % Q1-17 Vs Q4-16

Gross Margin % in Q4-16	34.93
Impact of lower utilization	(3.30)
Impact of salary increases	(1.28)
Impact of rupee appreciation	(0.22)
Gross Margin % in Q1-17	30.13

Revenues and Margins, Historical Trend



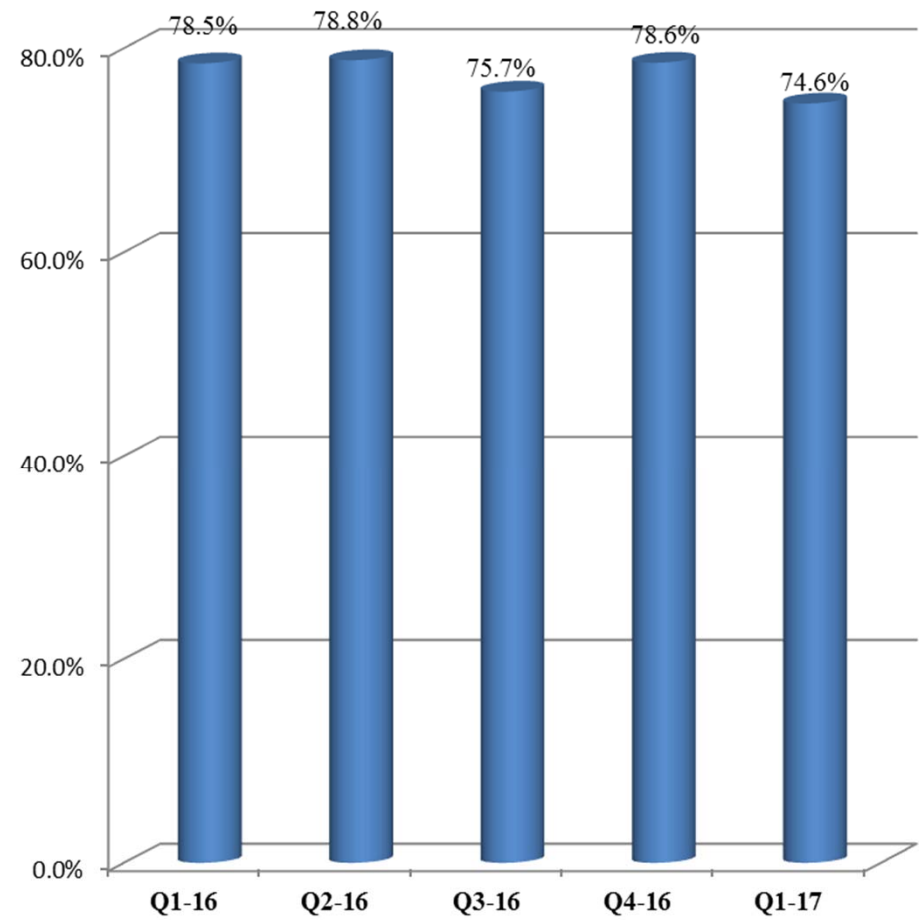
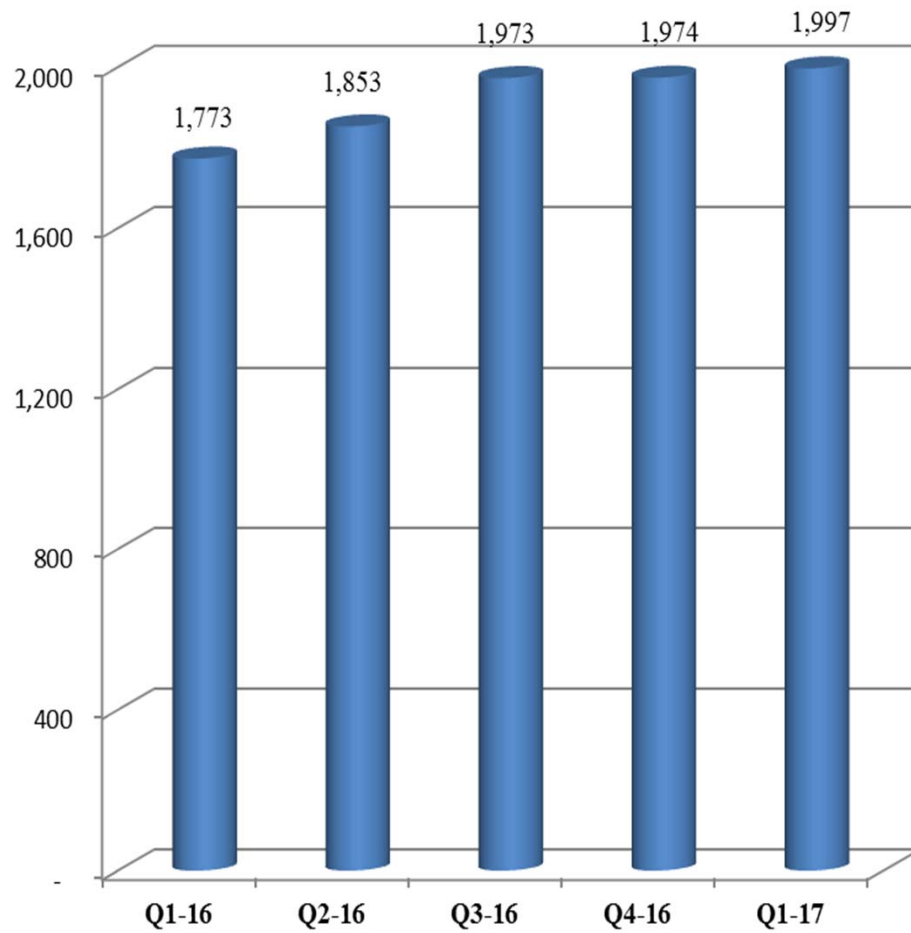
Consolidated Key Balance Sheet Data



Rupees in Crores except "DSO"

	As at Mar 31, 2017	As at Dec 31, 2016
Share Holders' Funds	278.28	277.97
Receivables	105.30	108.22
Receivables in days "DSO" for the quarter	52	49
Cash & Bank	126.35	119.97
Fixed Assets	35.47	34.79

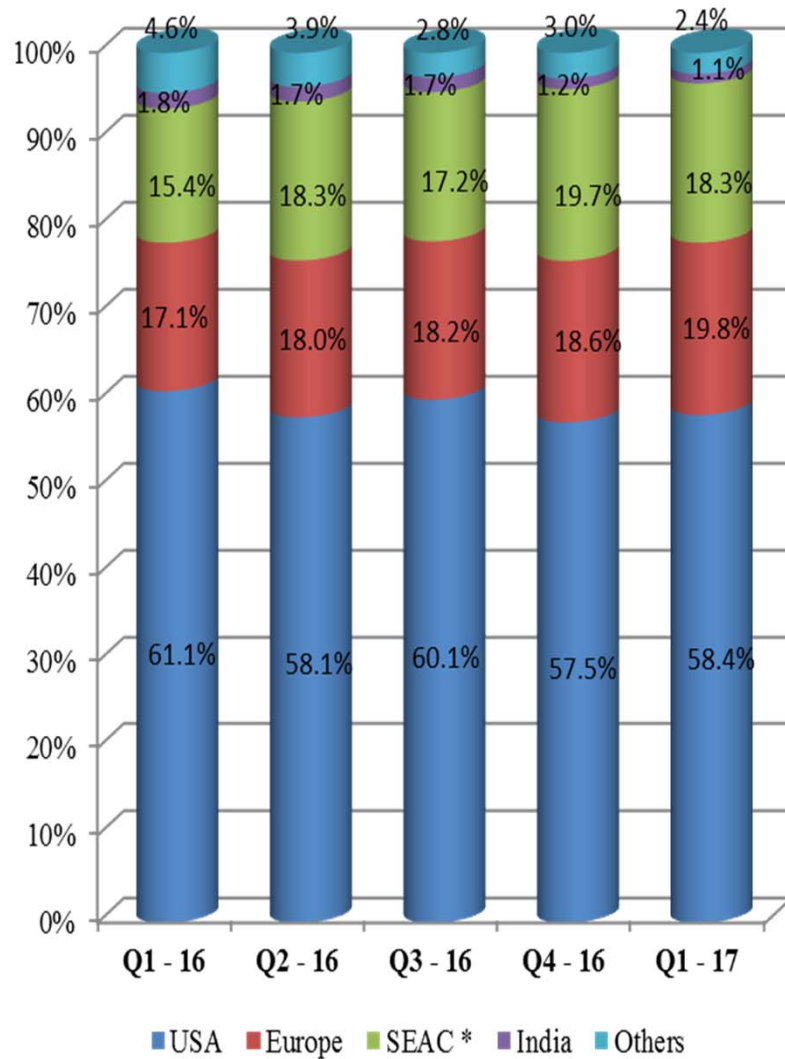
Billable Head Count and Utilization



Yearly Revenue Break-Down

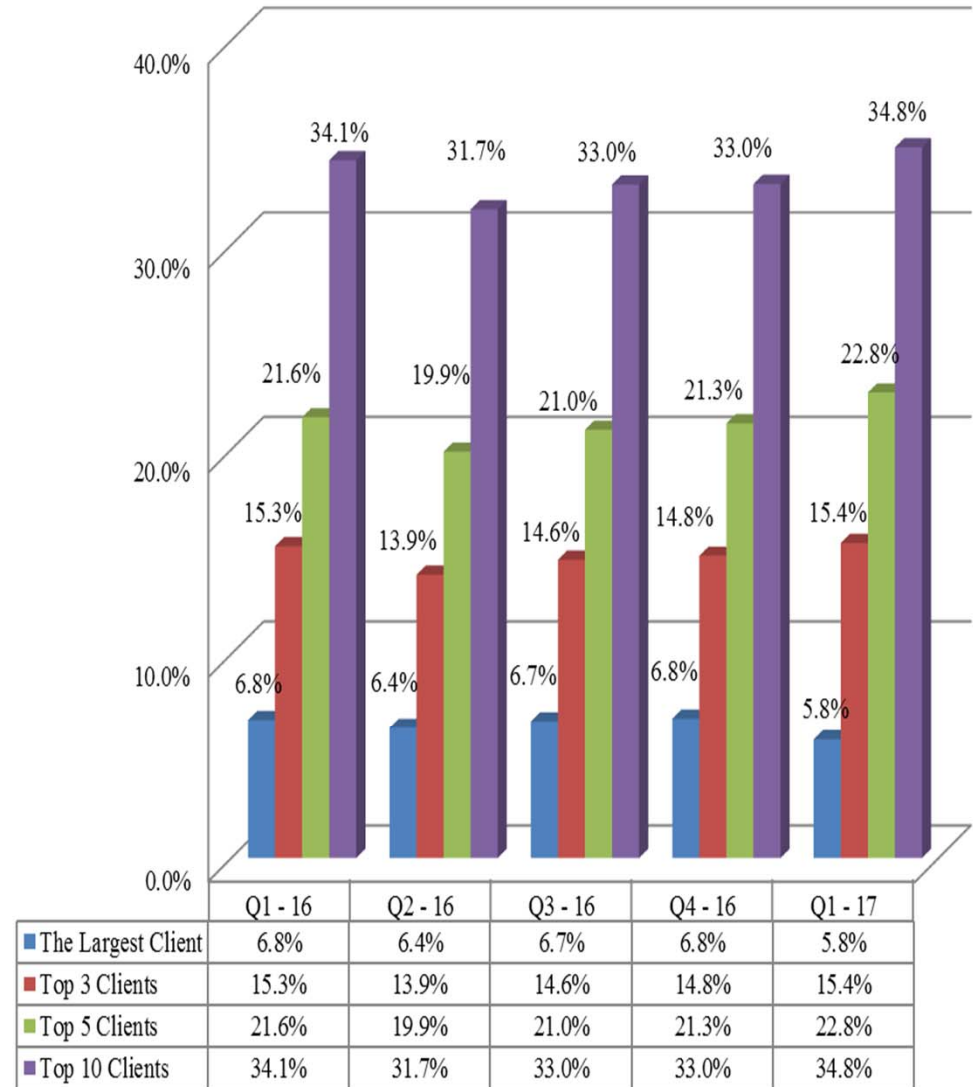


By Geography



* South East Asian Countries

Client Concentration



- Q1 2017 was a soft quarter.
- Confident to be in 12% plus margin trajectory like 2016 in coming quarters.
- Rupee appreciation is impacting our margin.
- Software engineering continues to be our growth engine.
- Focus for the year 2017:
 - Partnering with clients in building robust and agile digital ecosystems;
 - Continue to invest in innovation around people, processes and technologies;
 - Strengthening offerings around digital technologies;
 - Strong balance sheet to invest for future growth.

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