



Analytical Review of Q2-2014 Results



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Q2-2014

- Consolidated revenue for Q2-14 Rs 160.67 crores (US\$ 26.85 mn). YoY increase 10.64 % and QoQ increase 2.82 %.
- EBITDA for Q2-14 Rs 22.43 crores (US\$ 3.74 mn). YoY increase 43.27 % and QoQ increase 20.13 %.
- PAT for Q2-14 Rs 13.93 crores (US\$ 2.33 mn). YoY increase 81.38 % and QoQ decrease 3.04 %.
- EPS Rs1.09 in Q2-2014 as against Re 0.61 in Q2-2013 and Rs 1.13 in Q1-2014.
- Share Holder Funds : Rs 237.39 crores or US\$ 39.45 mn.
- Cash and bank balances, including investments in debt mutual funds and fixed deposits Rs 99.51 crores or US\$ 16.54 mn.

- Telecom & Digital Media is the largest industry vertical with 33.9% share of revenues followed by BFSI which accounts for 14.6%.
- Added 5 key customers during the quarter.
- Added 45 net technical associates during the quarter.
- 140 plus active customers including 28 customers having annual revenue above US\$ one million on Run Rate Basis.
- Volumes growth coupled with discipline in execution and higher license revenue led to improved margins.
- Declared second interim dividend of Re 0.50 per share (50% of par value of Re 1/-).

Financial Performance - Contribution Analysis – Q2 2014



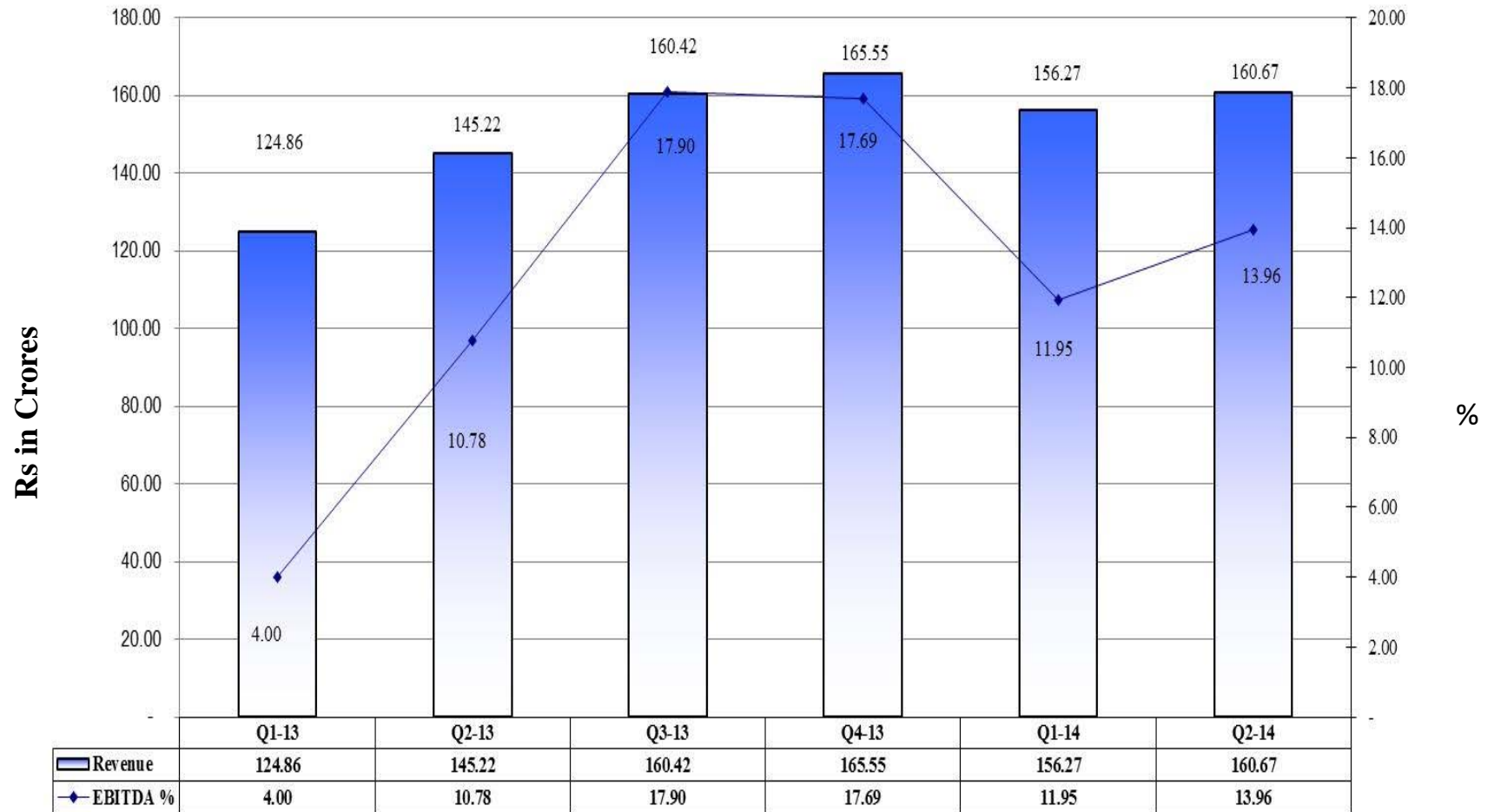
(Figures in mn)

Particulars	Q2 2014		Q2 2013		Q1 2014	
	INR	US\$	INR	US\$	INR	US\$
Revenues	1,606.68	26.85	1,452.17	26.05	1,562.65	25.31
Cost of revenues	1,021.48	17.08	937.58	16.80	1,014.07	16.42
Gross margin	585.20	9.77	514.59	9.25	548.58	8.89
	36.42%		35.44%		35.11%	
SG & A						
Expenses	360.92	6.03	358.05	6.41	361.89	5.86
	22.46%		24.66%		23.16%	
EBITDA	224.28	3.74	156.54	2.84	186.69	3.03
	13.96%		10.78%		11.95%	
Depreciation and amortization	28.37	0.47	25.75	0.46	26.99	0.44
Income from operations	195.91	3.27	130.79	2.38	159.70	2.59
Interest expense	(0.22)	(0.00)	(0.27)	(0.00)	(0.42)	(0.01)
Other income (net)	13.95	0.24	(14.98)	(0.28)	40.75	0.66
Income before income tax	209.64	3.51	115.54	2.10	200.03	3.24
Income tax provision	70.37	1.18	38.76	0.70	56.40	0.91
Net earnings	139.27	2.33	76.78	1.40	143.63	2.33

Movement in Gross Margin % Q2-14 Vs Q1-14

Gross Margin % in Q1-14	35.11
Increase in billable days	0.76
Increase in utilization	0.60
Increase in licensing revenue	0.25
Decline in travel and other COGS	0.23
Rupee appreciation	(0.53)
Gross Margin % in Q2-14	36.42

Revenues and Margins, Historical Trend



Consolidated Key Balance Sheet Data



Rupees in Crores except "DSO"

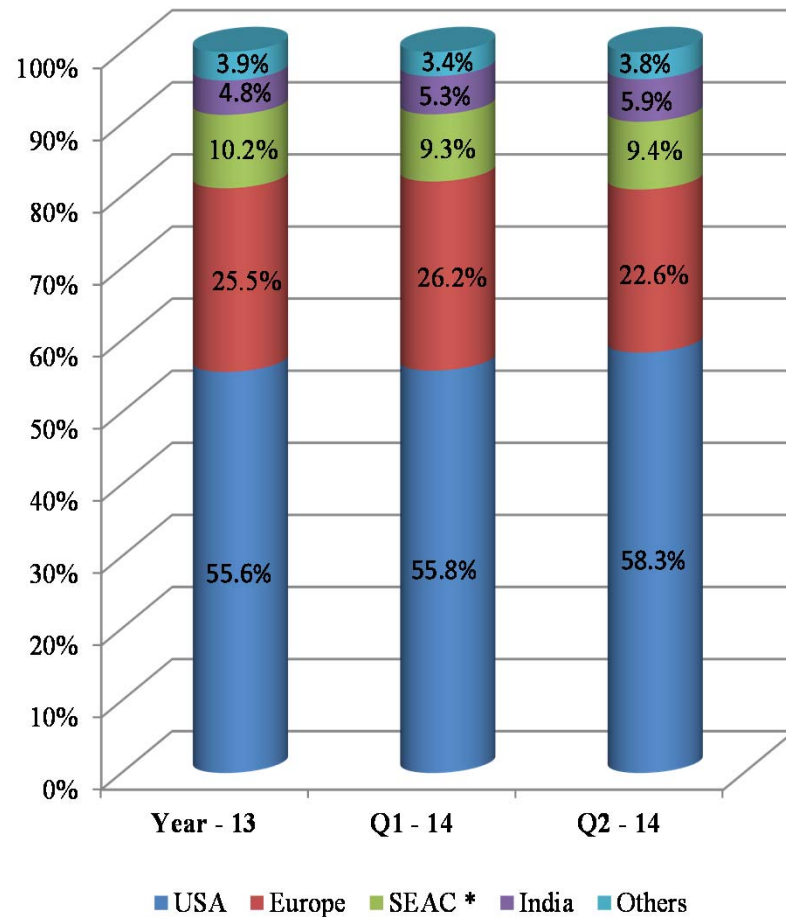
	As at June 30, 2014	As at Mar 31, 2014
Share Holders' Funds	237.39	243.40
Receivables	119.98	108.90
Receivables in days "DSO"	52	52
Cash & Bank *	99.51	123.90
Fixed Assets	45.93	46.86

* Including investments in debt mutual funds and fixed deposits

Quarterly Revenue Break-Down

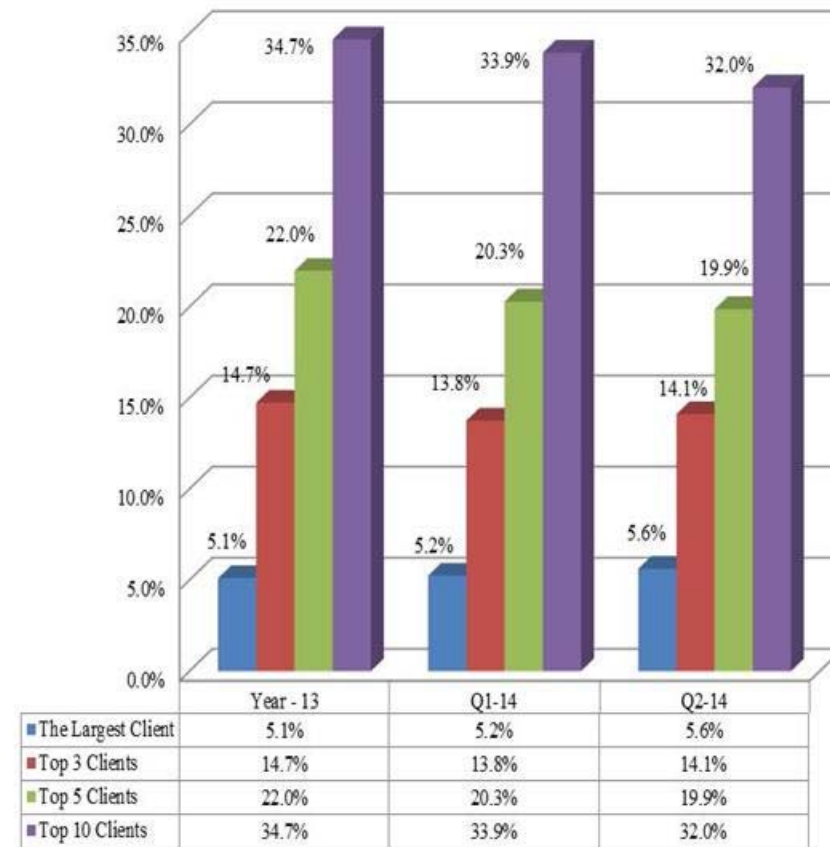


By Geography

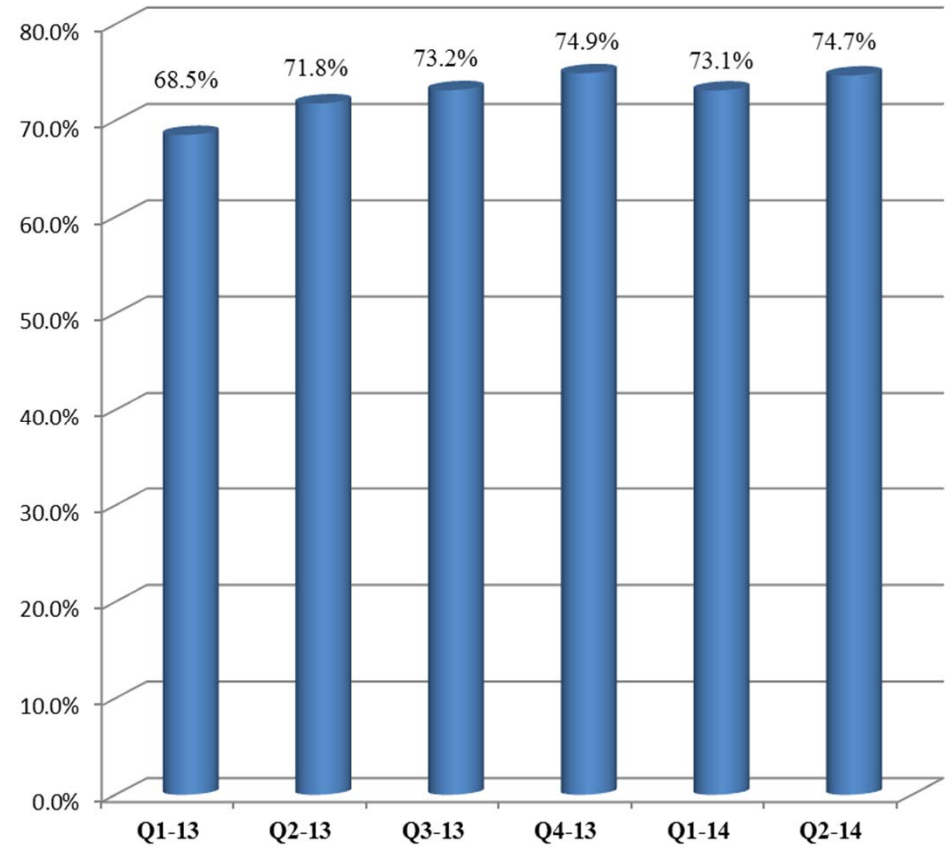
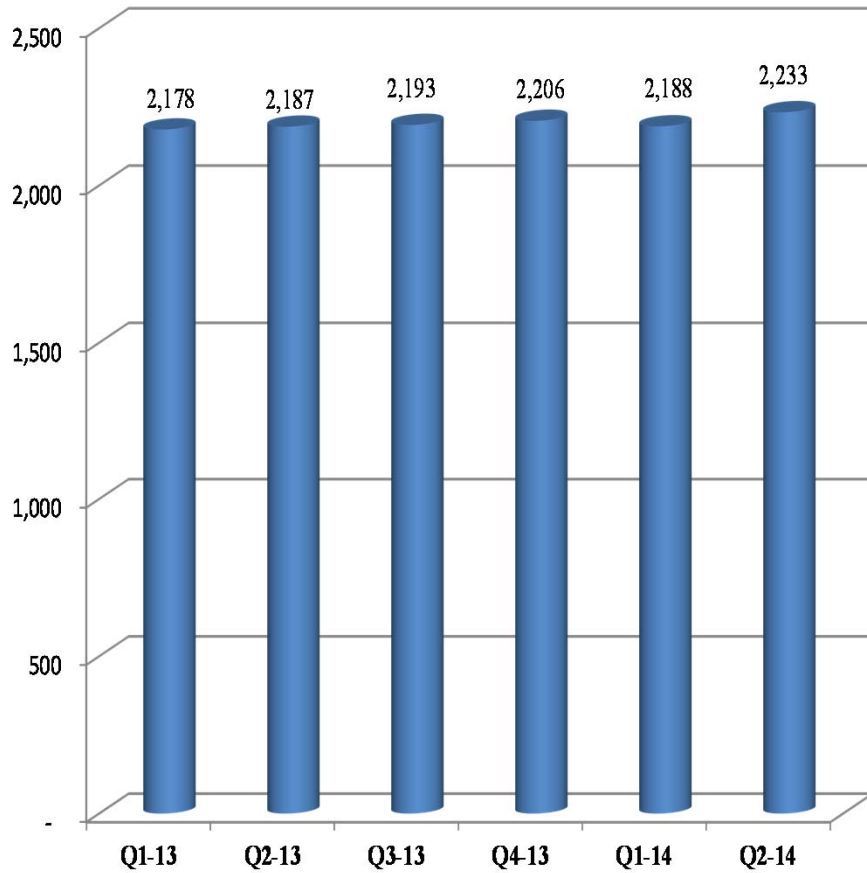


* South East Asian Countries

Client Concentration



Billable Head Counts and Utilization



Summing Up and Looking Ahead

- Q2 results are promising.
- Overall business environment is encouraging. We have strong sales funnel across all businesses and geographies to maximize these opportunity.
- Rupee has witnessed volatility which has impacted our margins. We continue to follow a hedging policy to manage currency risk
- Continuous Focus for Year 2014 :
 - Partnering with customers to offer innovative and end to end services and solutions;
 - Discipline in execution to enhance utilization level along with customer satisfaction;
 - Leverage global footprint to achieve penetration for all services and solutions;
 - Maintain strong balance sheet to invest for future growth.

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**Thank You
For Your Support**