



Analytical Review of Q4 & Year 2015 Results



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Q4 - 2015

- Revenue Rs. 145.78 crores (US\$ 22.06 mn). QoQ growth of 1.94% .
- EBITDA Rs. 15.08 crores (US\$ 2.27 mn). QoQ decrease of 11.17%.
- Profit After Tax Rs. 23.29 crores (US\$ 3.52 mn).
- Profit After Tax includes Rs. 10.66 crores (US\$ 1.60 mn) as exceptional profit as against Rs. 43.35 crores (US\$ 6.82 mn) for Q3, 2015.

Year 2015

- Revenue Rs. 605.03 crores (US\$ 94.32 mn). YoY decrease of 6.70 %.
- EBITDA Rs. 71.51 crores (US\$ 11.15 mn). YoY decrease of 20.60 %.
- Profit after tax Rs. 97.83 crores (US\$ 15.25 mn). YoY increase of 25.2 %.
- Year 2015 revenue and profit were impacted by sale of Indus business in July 2015 and sale of Europe BPO in Nov 2014.
- Profit after tax for 2015 contains exceptional profit of Rs. 54.01 crores (US\$ 8.42 mn) as against Rs. 18.50 crores (US\$ 3.03) for FY 2014.
- Earnings per share of Rs. 7.70 for Year 2015 as against Rs. 6.14 in Year 2014.

Key Highlights (Continues...)



- Telecom and Digital Media continues to be our largest industry vertical with ~ 30% share of annual revenues.
- Serving 21 million dollar plus customers.
- Added over 20 plus marquee clients over the year.
- Discipline in execution coupled with strengthening of USD contributed positively to the overall 2015 performance despite cross currency challenge.
- Completed Acquisition and Integration of :
 - IBIZ a Microsoft ERP Company with BI competencies, having presence in South East Asia and
 - Telecom IT Business in Europe
- Strong Balance Sheet with:
 - Share Holder Funds - Rs. 242.86 crores or \$ 36.71 mn.
 - Cash & bank balances - Rs. 92.20 crores or \$ 13.94 mn.

Financial Performance - Contribution Analysis – Q4 2015



(Figures in mn, except per share data)

Particulars	Q4 2015		Q4 2014		Q3 2015	
	INR	US\$	INR	US\$	INR	US\$
Revenues	1,457.84	22.06	1,630.48	26.31	1,430.09	21.93
Cost of revenues	975.76	14.78	1,049.73	16.94	929.06	14.25
Gross margin	482.08	7.28	580.75	9.37	501.03	7.68
	33.07%		35.62%		35.03%	
SG & A						
Expenses	331.33	5.01	359.90	5.81	331.33	5.08
	22.73%		22.07%		23.17%	
EBITDA	150.75	2.27	220.85	3.56	169.70	2.60
	10.34%		13.54%		11.87%	
Depreciation and amortization	33.01	0.50	28.61	0.46	26.88	0.41
Income from operations before exceptional items	117.74	1.77	192.24	3.10	142.82	2.19
Exceptional items	36.96	0.49	224.02	3.67	566.14	8.91
Income from operations	154.70	2.26	416.26	6.77	708.96	11.10
Interest expense	(0.35)	(0.01)	(0.27)	(0.01)	(0.29)	(0.01)
Other income (net)	35.40	0.54	17.94	0.29	23.12	0.36
Income before income tax	189.75	2.80	433.93	7.05	731.79	11.45
Income tax provision	(43.15)	(0.72)	117.60	1.91	211.83	3.31
Net earnings	232.90	3.52	316.33	5.14	519.96	8.14
Earnings per share (Face value of Re. 1/- each)						
Basic	1.84	0.03	2.48	0.04	4.10	0.07
Diluted	1.84	0.03	2.48	0.04	4.10	0.07

Movement in Gross Margin % Q4-15 Vs Q3-15

Gross Margin % in Q3-15	35.03
Impact of rupee depreciation	0.23
Impact of lesser billable days	(1.73)
Impact of change in other COGS	(0.46)
Gross Margin % in Q4-15	33.07

Financial Performance - Contribution Analysis – Year 2015



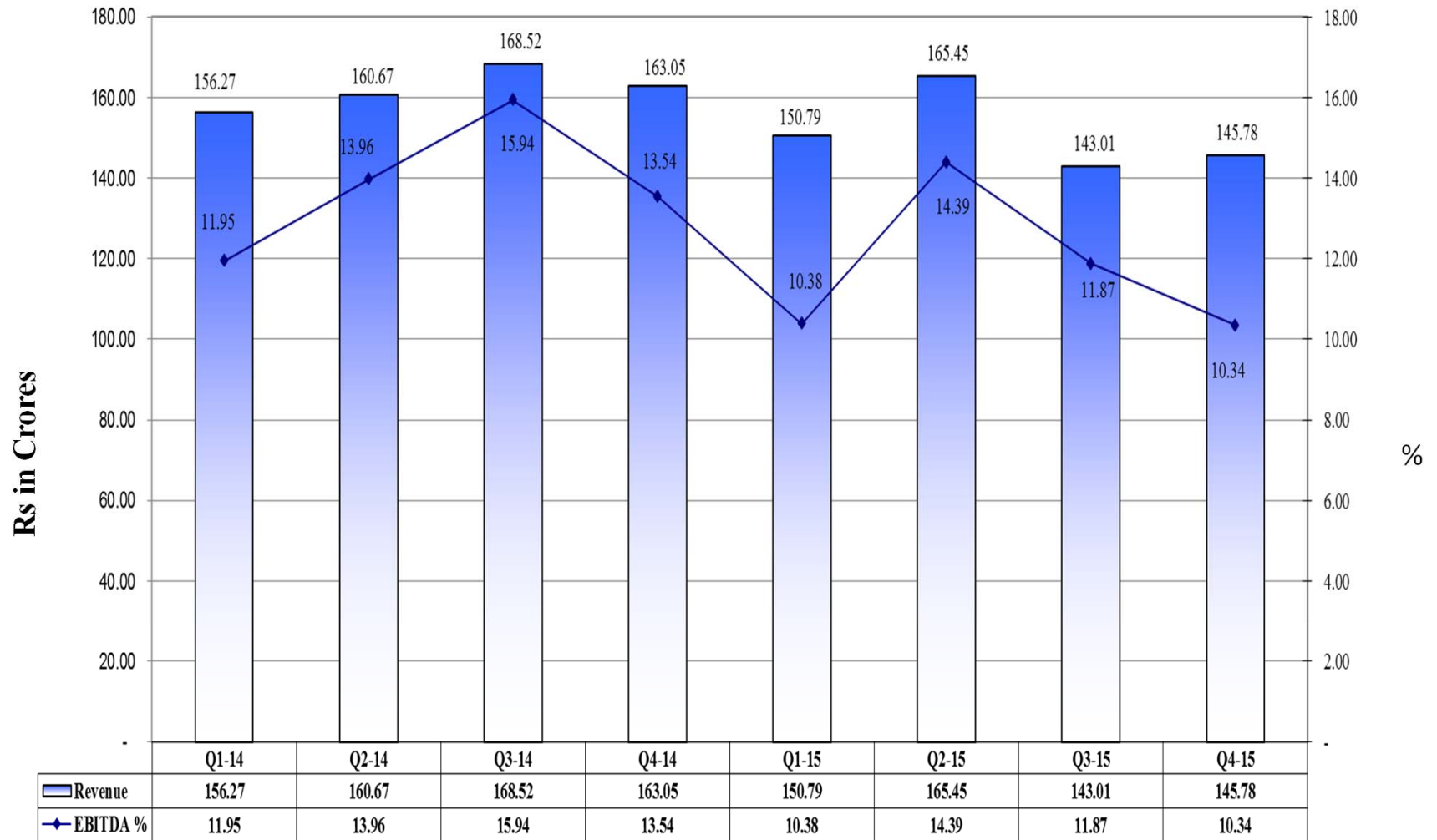
(Figures in mn, except per share data)

Particulars	Year 2015		Year 2014	
	INR	US\$	INR	US\$
Revenue	6,050.32	94.32	6,484.96	106.27
Cost of revenue	3,958.02	61.70	4,132.43	67.72
Gross margin	2,092.30	32.62	2,352.53	38.55
	<i>34.58%</i>		<i>36.28%</i>	
SG & A				
Expenses	1,377.24	21.47	1,452.06	23.79
	<i>22.76%</i>		<i>22.39%</i>	
EBITDA	715.06	11.15	900.47	14.76
	<i>11.82%</i>		<i>13.89%</i>	
Depreciation and amortization	140.23	2.19	112.45	1.85
Income from operations before exceptional items	574.83	8.96	788.02	12.91
Exceptional items	603.10	9.40	250.11	4.10
Income from operations	1,177.93	18.36	1,038.13	17.01
Interest expense	(1.13)	(0.02)	(1.17)	(0.02)
Other income (net)	98.13	1.53	87.25	1.43
Income before income tax	1,274.93	19.87	1,124.21	18.42
Income tax provision	296.63	4.62	342.87	5.62
Net earnings	978.30	15.25	781.34	12.80
Earnings per share (Face value of Re. 1/- each)				
Basic	7.70	0.12	6.14	0.10
Diluted	7.70	0.12	6.14	0.10

Movement in Gross Margin % 2015 Vs 2014

Gross Margin % in 2014	36.28
USD appreciation net of cross currency impact	0.49
Impact of change in COGS salary	(1.58)
Impact of other increase in COGS	(0.61)
Gross Margin % in 2015	34.58

Revenues and Margins, Historical Trend



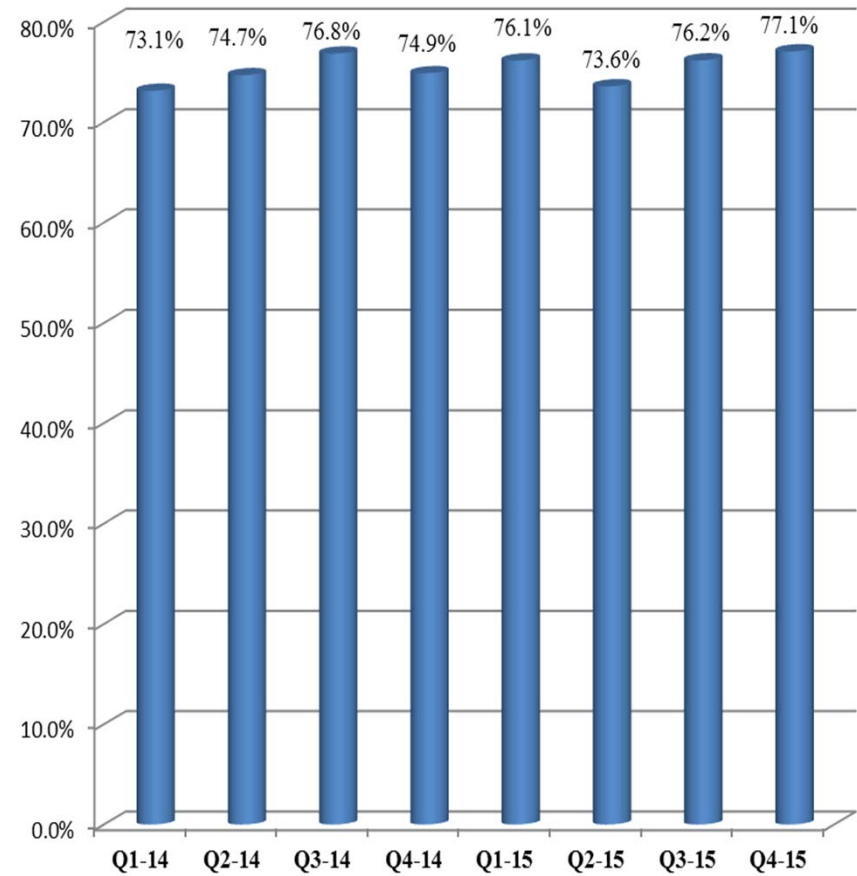
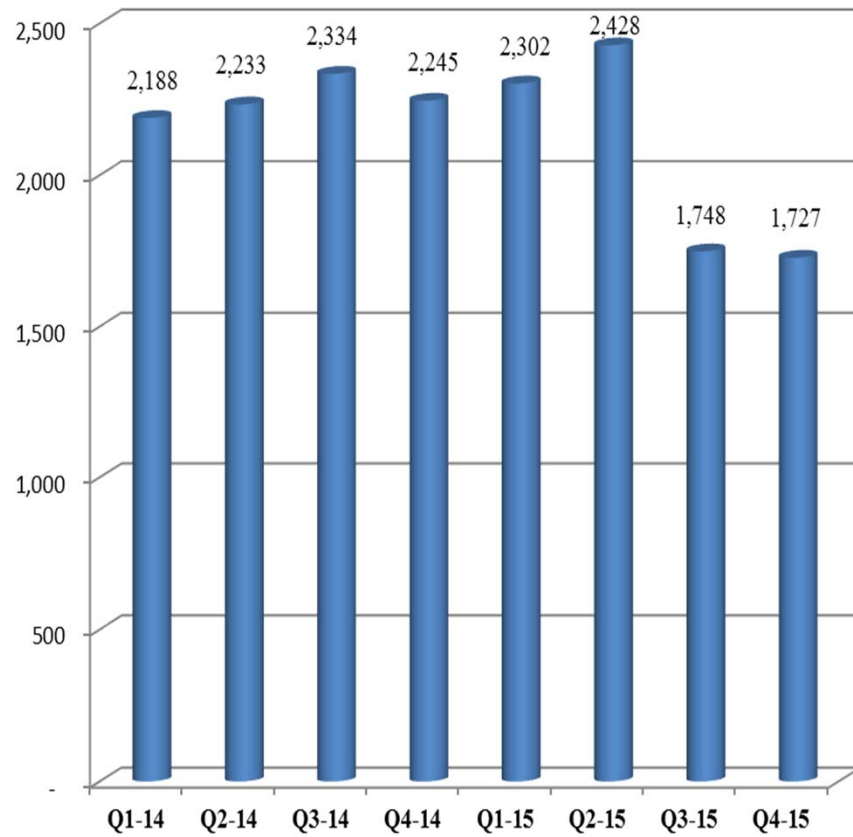
Consolidated Key Balance Sheet Data



Rupees in Crores except "DSO"

	As at December 31, 2015	As at December 31, 2014
Share Holders' Funds	242.86	213.11
Receivables	104.63	125.08
Receivables in days "DSO"	57	55
Cash & Bank	92.20	109.82
Fixed Assets	32.02	41.58

Billable Head Count and Utilization

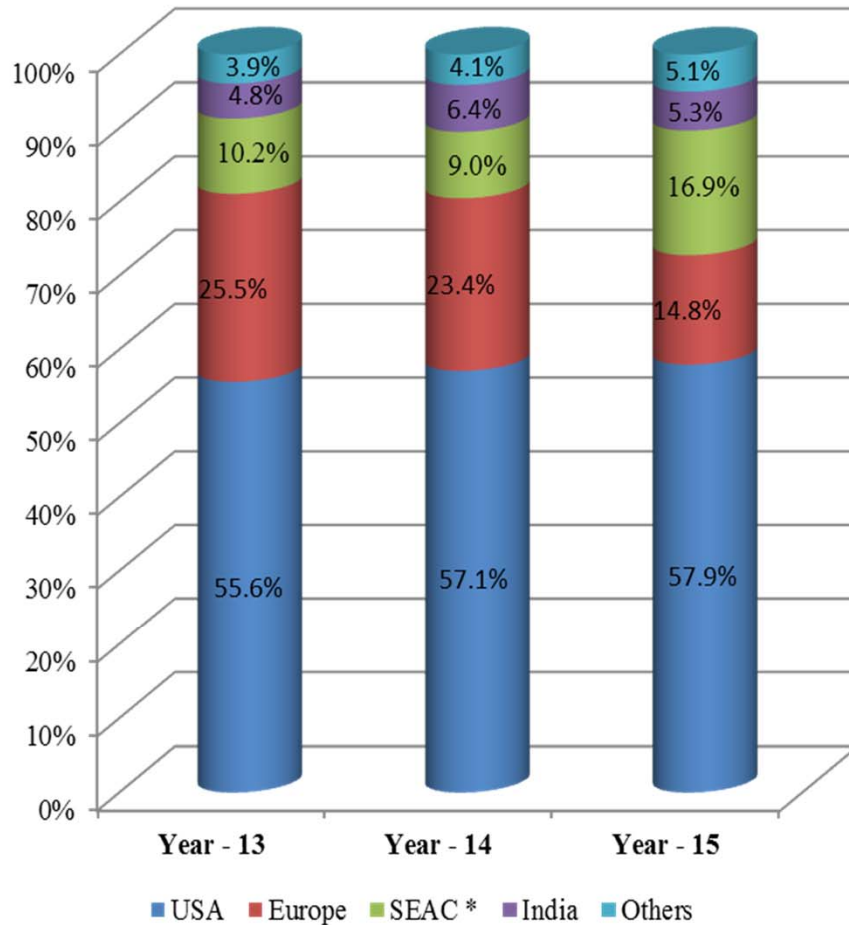


Q2 includes 755 associates pertaining to Indus Business Unit

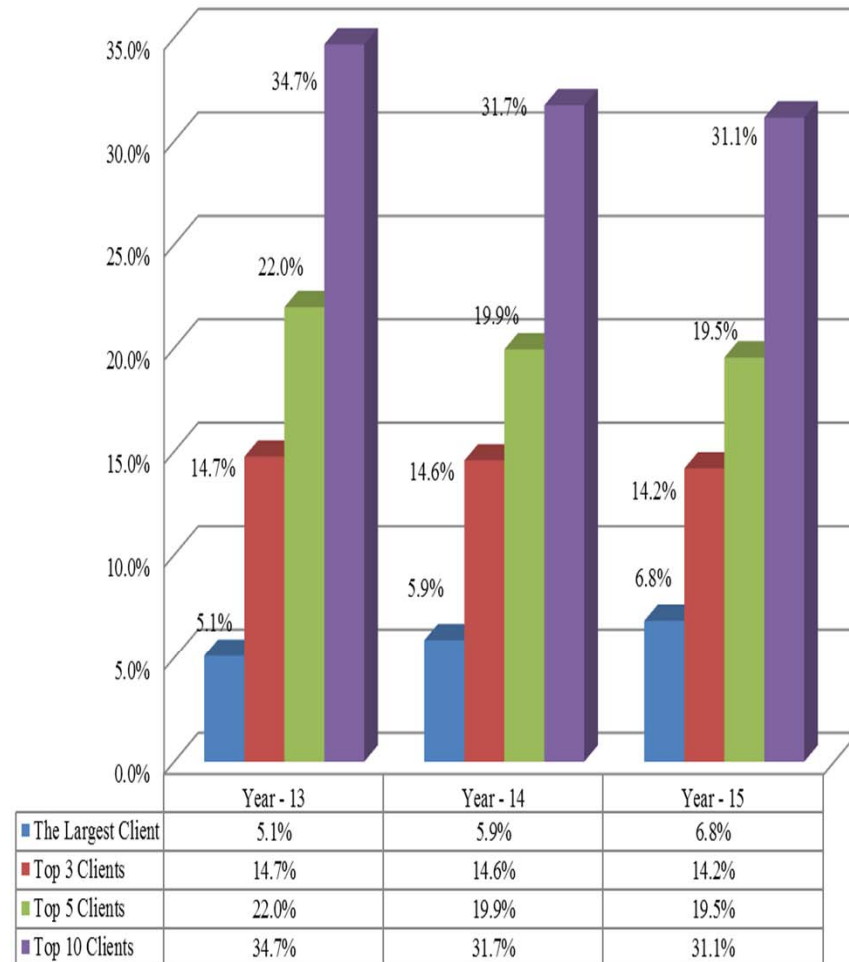
Yearly Revenue Break-Down



By Geography



Client Concentration



* South East Asian Countries

- Year 2015 was a transformation year where we realigned focus on core IT services business.
- Invested in building capabilities in analytics and cloud across all the offerings.
- Recent acquisitions in Singapore and Europe has strengthened our ERP and Telecom practice and deepen our customer base in South East Asia and Europe.
- Year 2016 looks promising on the back of strong sales funnel across all businesses.
- Strategy for 2016:
 - Deepen the partnership with clients to strategize their IT needs through industry specific innovative services and solutions;
 - Continue to invest in innovation around people, processes and technologies;
 - Leverage global presence to achieve penetration for all services and solutions;
 - Strong balance sheet to invest for future growth.

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**Thank You
For Your Support**