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SQS India BFSI Limited Earnings Presentation – Q2 FY16

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Particulars



- Performance Review
- Consolidated Financial Summary
- Operating Metrics
- Consolidated Quarterly P & L

Consolidated Q2 FY16 Q-o-Q Review

- Q2 FY16 Operating revenue was Rs 665 million compared to Rs 583 million during the previous quarter. Growth mainly coming from Europe region
- Total income for Q2 increased by 14% to Rs 668 million compared to Rs 587 million during the previous quarter.
- Company reported EBITDA of Rs 144 million compared to Rs 100 million during Q1 FY16.
- EBITDA Margin stood at 21.6% for Q2 FY16 compared to 17.3% in Q1 FY16, driven by better consultant utilization, higher onsite ratio and efficient overhead cost management,
- Profit after tax stood at Rs 102 million during the quarter under review compared to Rs 87 million during the previous quarter.
- Basic EPS was at Rs 9.7 compared to Rs 8.2 for Q1 FY16.

Consolidated H1 FY16 Review

- Operating revenue increased by 16% (in Rupee terms) to Rs 1,248 million during the half year under review, compared to Rs 1,078 million during the corresponding first half of previous year; and increased by 8% (in Dollar terms) to \$ 19.3 million.
- Total income was Rs 1,255 million for the H1 FY16 as compared to Rs 1,086 million during the corresponding first half of previous year.
- EBITDA stood at Rs 244 million for H1 FY16 as compared to Rs 223 million during the same period last year.
- Profits After Tax increased by 41% to Rs 189 million in H1 FY16 as compared to Rs 134 million in corresponding first half of previous year.
- Basic EPS stood at Rs 17.9 as against Rs 13.0 in H1 FY15, registering an increase of 38% over the first half of previous year
- EBITDA to Operating Cash Flow conversion was at 96% for the Half-year.

Consolidated Financial Summary

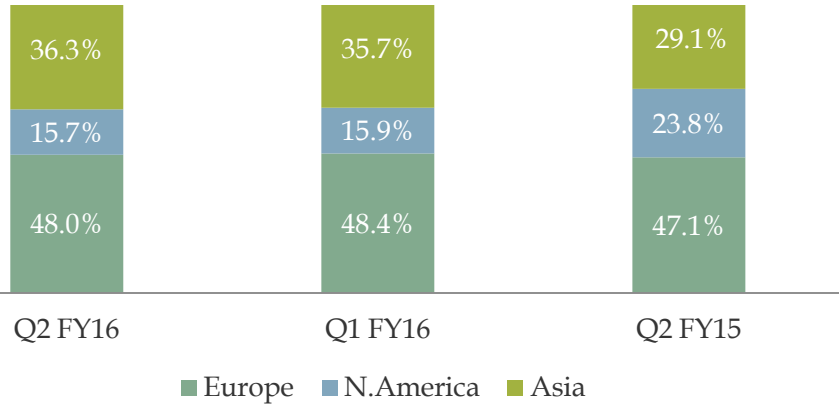


Particulars	Metrics	30-Sep-15	30-Jun-15	QoQ Growth	30-Sep-14	YoY Growth	30-Sep-15	30-Sep-14	Growth
		Q2 FY16	Q1 FY16		Q2 FY15		H1 FY16	H1 FY15	
Revenue	Total Revenue (INR M)	667.8	587.0	14%	568.3	18%	1,254.8	1,086.3	16%
	Net Revenue (INR M)	665.6	582.6	14%	564.4	18%	1,248.1	1,077.6	16%
Profit	EBITDA (INR M)	143.8	100.5	43%	121.7	18%	244.1	222.7	10%
	<i>PBT Before Forex Gain/ Loss(INR M)</i>	134.8	92.4	46%	108.4	24%	227.1	196.4	16%
	PBT (INR M)	157.7	130.7	21%	103.7	52%	288.2	197.4	46%
	PAT (INR M)	102.3	87.1	18%	71.3	44%	189.3	134.0	41%
Margin	EBITDA	21.6%	17.3%		21.6%		19.6%	20.7%	
	<i>PBT Before Forex Gain/ Loss</i>	20.2%	15.7%		19.1%		18.1%	18.1%	
	PBT	23.6%	22.3%		18.2%		23.0%	18.2%	
	PAT	15.3%	14.8%		12.5%		15.1%	12.3%	
EPS	Basic (Rs.)	9.7	8.2	18%	6.9	40%	17.9	13.0	38%
	Diluted (Rs.)	9.6	8.1	18%	6.7	43%	17.7	12.6	41%
ShareHolding	Promoters (%)	54.5%	54.5%		52.9%		54.5%	54.5%	
	Public (%)	45.5%	45.5%		47.1%		45.5%	45.5%	

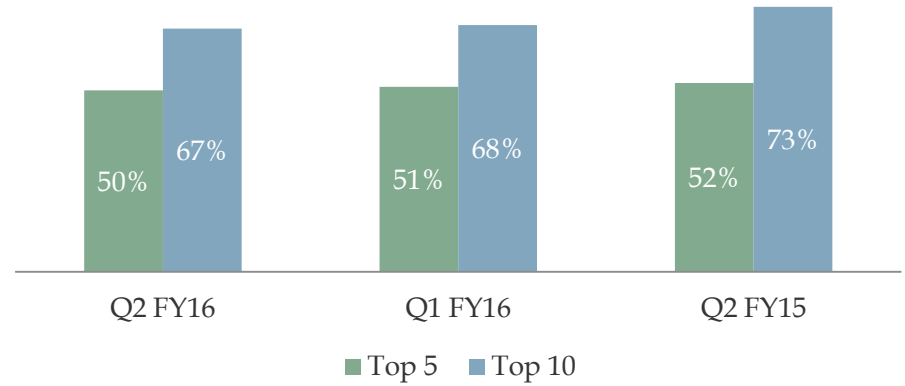
Operating Metrics



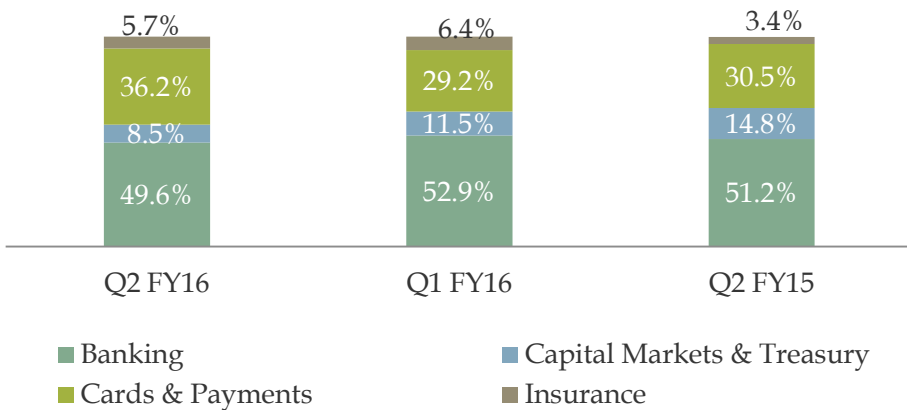
Revenue by Region



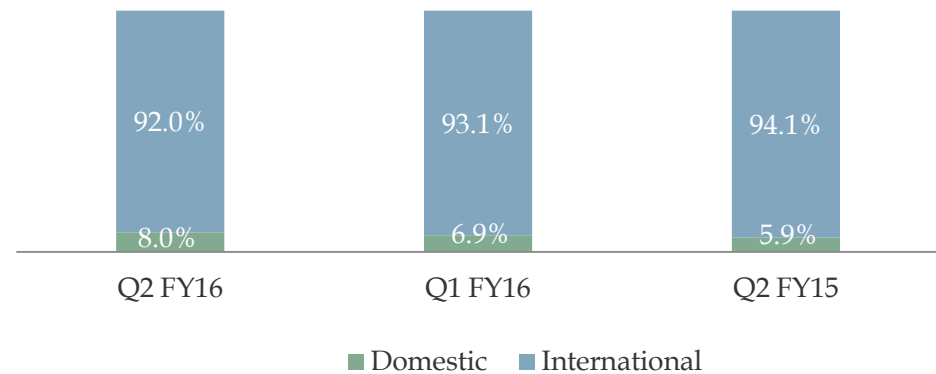
Client Concentration



Revenue by Practice



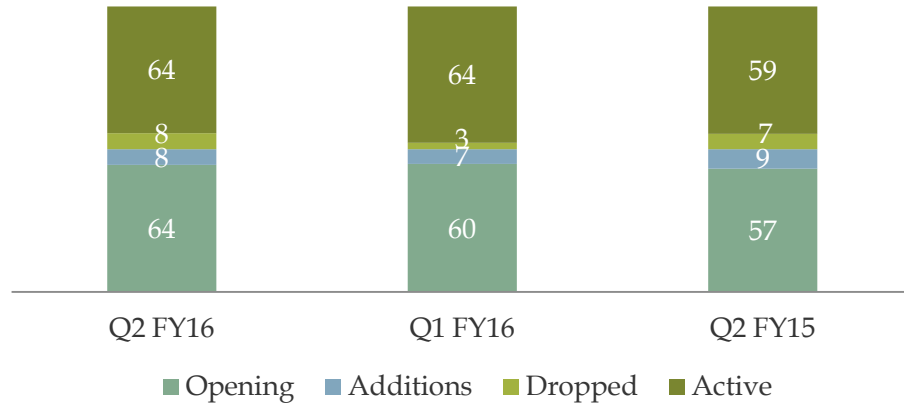
Revenue Distribution



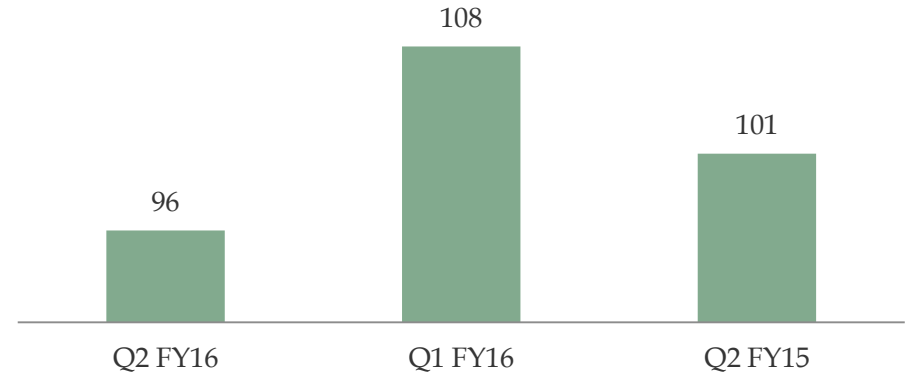
Operating Metrics



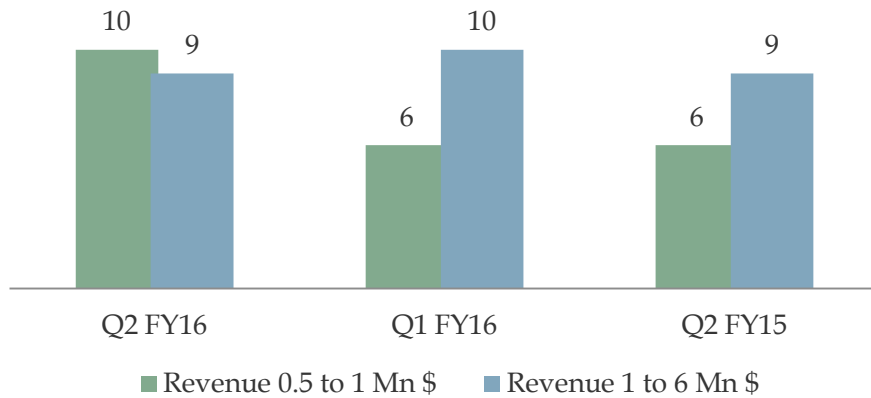
Clients Details



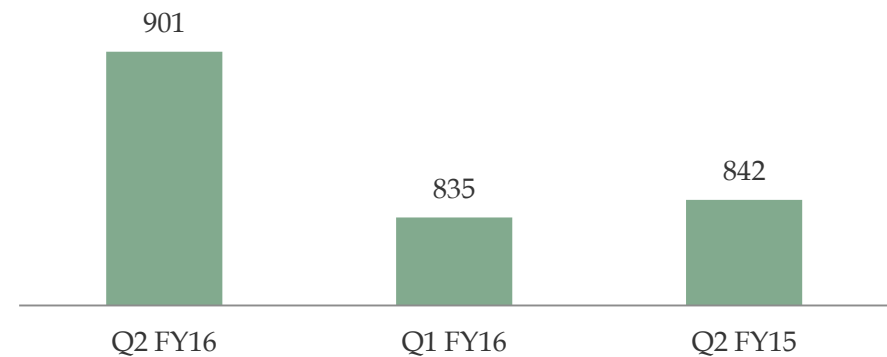
Debtors Days



Customer Profile (12m Rolling)



Employee Details



Consolidated Quarterly P & L



Sr No.	Consolidated Unaudited Financial Statements for the Quarter ended (All figures in INR Million except EPS)	30-Sep-15	30-Jun-15	QoQ Growth	30-Sep-14	YoY Growth	30-Sep-15	30-Sep-14	YoY Growth
		Q2 FY16	Q1 FY16		Q2 FY15		H1 FY16	H1 FY15	
	Net Sales / Income from Operation								
1	Income	665.6	582.6	14%	564.4	18%	1,248.1	1,077.6	16%
2	Expenditure								
(a)	Employee Cost	418.4	382.1	10%	352.1	19%	800.5	665.8	20%
(b)	Depreciation	10.8	11.2	-4%	12.9	-16%	22.0	26.3	-17%
(c)	Other Expenditure	103.4	100.0	3%	90.6	14%	203.5	189.1	8%
(d)	Total Expenditure	532.6	493.3	8%	455.6	17%	1,026.0	881.2	16%
	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)								
3		133.0	89.3	49%	108.8	22%	222.1	196.4	13%
4	Other Income	2.2	4.4	-50%	3.9	-44%	6.7	8.7	-23%
5	Profit before Interest and Exceptional Items (3+4)	135.2	93.7	44%	112.7	20%	228.8	205.1	12%
6	Interest	0.4	1.3		4.3		1.7	8.7	
7	Exchange Gain/(loss)	22.9	38.3		(4.7)		61.1	1.0	
8	Profit after Interest but before Exceptional Items (5-6)	157.7	130.7	21%	103.7	52%	288.2	197.4	46%
8	Exceptional Items				-			-	
9	Profit(+)/ Loss (-) from Ordinary Activities before Tax (7+8)	157.7	130.7	21%	103.7	52%	288.2	197.4	46%
10	Tax Expenses	55.4	43.6	27%	32.4	71%	99.0	63.4	56%
11	Net Profit(+)/ Loss (-) from Ordinary Activities after Tax (9-10)	102.3	87.1	18%	71.3	44%	189.3	134.0	41%
12	Extraordinary Items (net of tax expense Rs.)				-				
13	Net Profit(+)/ Loss (-) for the Period (11-12)	102.3	87.1	18%	71.3	44%	189.3	134.0	41%
14	Paid-up Equity Share Capital of Rs10/- each	105.6	105.6		103.4		105.6	105.6	
15	Reserves Excluding Revaluation Reserve				-				
16	Earnings Per Share (EPS) in Rs.								
(a)	Basic and diluted EPS before Extraordinary items (not annualized)	9.69	8.24	18%	6.90	40%	17.93	12.99	38%
(b)	Basic and diluted EPS after Extraordinary items (not annualized)	9.57	8.14	18%	6.69	43%	17.71	12.61	41%



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