



Financial Performance FY13 Q1

July 24, 2012



eClerx – An ISO/IEC 27001:2005 Certified Company

Financial Summary



Metrics		FY13 Q1	Q-o-Q	Y-o-Y
Revenue	Total revenue (INR mm)	1,583	29%	48%
	OPG revenue (INR mm)	1,537	20%	54%
	OPG revenue (USD mm)	28.1	10%	26%
Profit	EBITDA (INR mm)	636	53%	37%
	OPM (INR mm)	552	29%	50%
	Net profit (INR mm)	493	62%	40%
Margin	EBITDA (%)	40%	6%	-3%
	OPM (%)	36%	2%	-1%
	Net profit (%)	31%	6%	-2%
EPS	Basic	16.9	61%	39%
	Diluted	16.4	62%	40%

- USD revenues up 10.1% Q-o-Q of which 9.2% is Agilyst
 - Organic USD growth 1%, and 1.5% in constant currency terms
- Operating margins maintained near longer term averages
- FY13 Q1 EPS at INR 16.4 up 62% Q-o-Q

Other Updates



Current Hedge Status

- Total outstanding hedges now \$85.2 mm at average INR 49.5/\$
 - 3.3 times last quarter revenue vs. average of 4.1 times in preceding 4 quarters
 - Operational challenges to execute on stated hedging strategy
 - 93% forwards, 7% options

Contract	Year	Currency	Amount (mn)	Average Rate (INR)
Forward	FY13	USD	\$ 42.3	46.7
		Euro	€ 8.4	67.3
	Total FY13 – Equiv USD		\$ 52.8	48.0
	FY14	USD	\$ 21.5	52.0
		Euro	€ 3.9	69.3
	Total FY14 – Equiv USD		\$ 26.4	52.6
Put Option	FY13	USD	\$ 4.0	47.5
	FY14	USD	\$ 2.0	52.5

Note: EUR / USD taken at 1.26

Highly Liquid Balance Sheet



- Total Cash and Cash equivalents of INR 1,878 mm; zero debt on balance sheet
 - Equivalent to INR 64.3 per share
- Trailing 12 months EPS
 - Basic: INR 60.0; Diluted: INR 57.7
- Current Book value per share of INR 138 vs. INR 118 last quarter end
- Complete IPO proceeds now utilized

Utilization of IPO Proceeds

Figures in INR millions.

Particulars	Planned as per Prospectus	Utilization up to June, 2012	Balance
Acquisitions	220	220	–
Infrastructure investments	180	180	–
Setting up of additional facilities	100	100	–
General corporate purposes	161	161	–
Total	661	661	–

P&L Comparison: FY13 Q1 vs. FY12 Q4



Figures in INR millions.

Operating P&L	FY13 Q1	OPR (%)	FY12 Q4	OPR (%)
Operating Revenue	1,537.1		1,275.7	
Cost of Revenues				
India Employee Cost	509.5	33.1%	418.6	32.8%
General Administration and Management				
Rent	59.3	3.9%	52.6	4.1%
Communication Expenses	22.1	1.4%	15.9	1.2%
Legal and Professional Fees	82.7	5.4%	37.3	2.9%
Electricity	15.2	1.0%	12.1	1.0%
Conveyance	14.0	0.9%	10.4	0.8%
Provision for Bad Debt	-	0.0%	3.1	0.2%
Others	44.7	2.9%	56.1	4.4%
Total G&A	238.0	15.5%	187.4	14.7%
Selling and Distribution*	199.2	13.0%	202.4	15.9%
Depreciation and Amortization	38.0	2.5%	40.4	3.2%
Total Operating Cost	984.8	64.1%	848.8	66.5%
Operating Profit	552.4	35.9%	426.9	33.5%

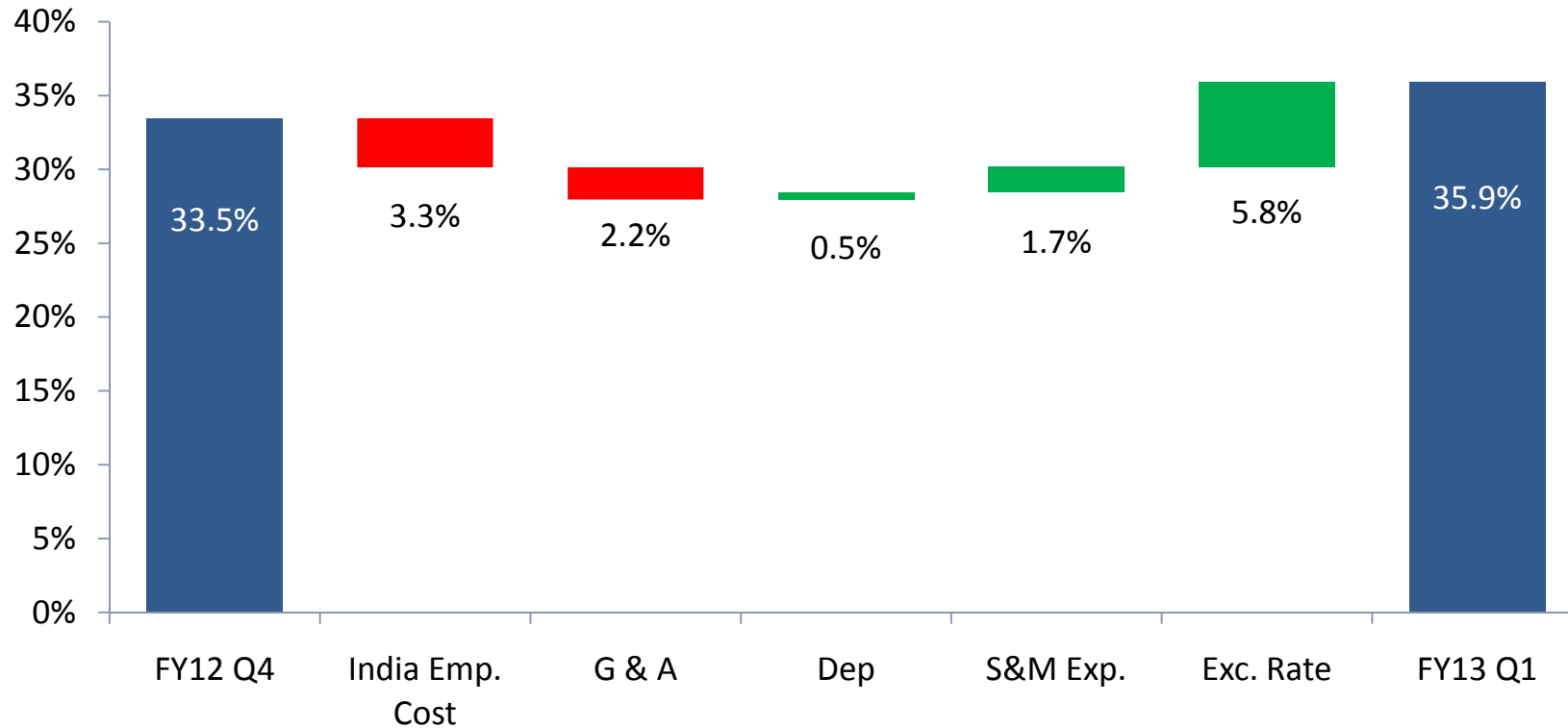
FY13 Q1 average exchange rate INR 55.01/\$, INR 68.63/€; June 2012 end INR 56.31/\$, INR 70.91/€.

FY12 Q4 average exchange rate INR 50.04/\$, INR 66.04/€; March 2012 end INR 51.16/\$, INR 68.34/€.

FY13 Q1 G&A includes INR 45 mm non-recurring expenses vs INR 15 mm in FY 12 Q4

*Selling and Distribution includes employee cost of onsite business development team.

OPM Bridging Analysis: FY13 Q1 vs. FY12 Q4



Note: Bridging analysis is in constant currency; impact of currency movements is shown under exchange rate. S&M Exp. includes employee cost of onsite business development team.

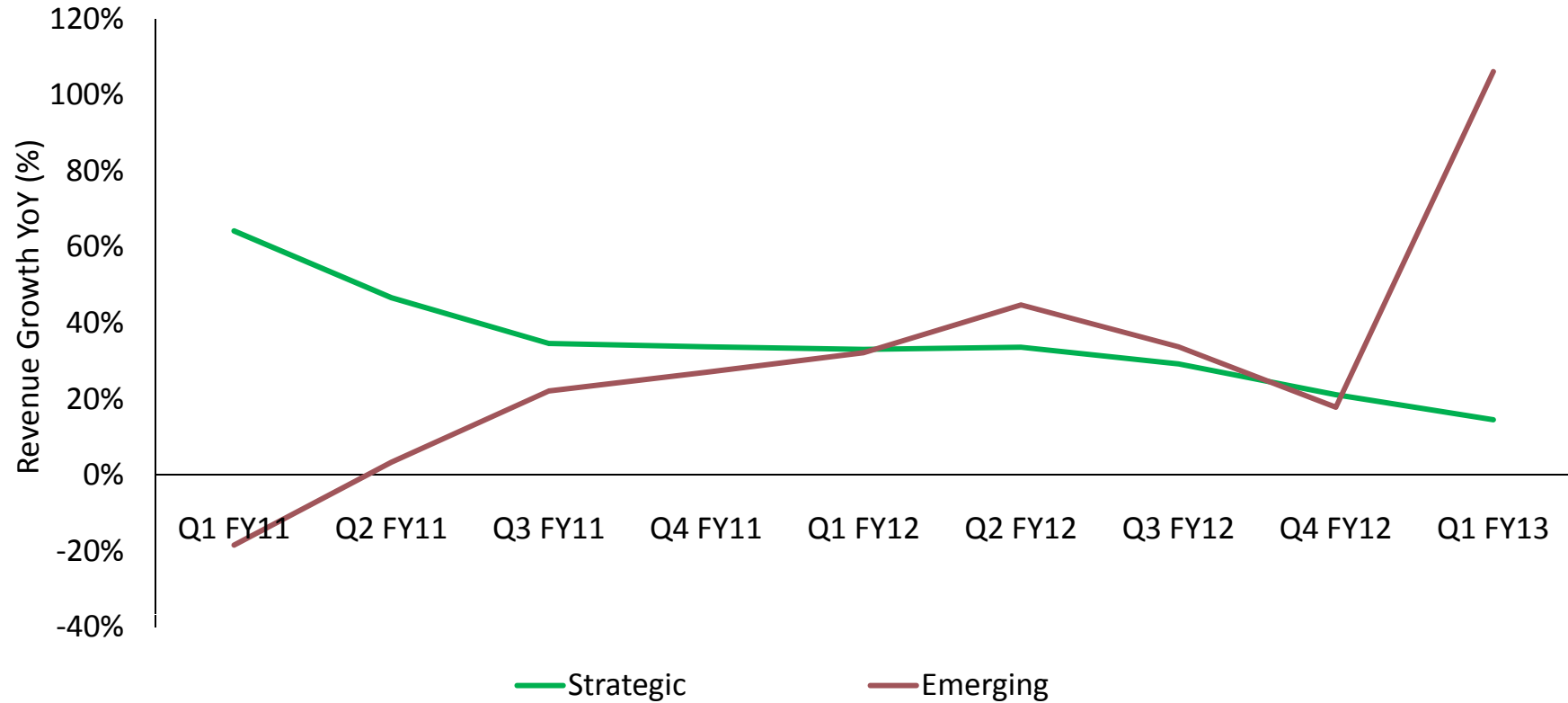
Revenue Quality



Metrics		FY13 Q1	FY12 Q4	FY12 Q3	FY12 Q2	FY12 Q1
Currency Contribution (%)	USD	83%	79%	80%	77%	74%
	EURO	14%	17%	18%	19%	21%
	GBP	3%	3%	3%	3%	3%
	Other	1%	1%	0%	1%	2%
Geographic Concentration	North America	71%	70%	70%	65%	61%
	Europe	20%	23%	24%	26%	31%
	ROW	9%	7%	6%	9%	8%
Debtors	DSO	30 days	29 days	52 days	76 days	67 days
Client Concentration	Top 5	80%	87%	86%	86%	88%
Billing Mix	FTE	93%	95%	94%	95%	93%
	SEZ Revenue	62%	72%	67%	64%	66%

- USD contribution increased on the back of USD strengthening and Agilyst revenues being all USD
- 8 new clients added in FY13 Q1; 54 clients contributed revenue in FY13 Q1 (vs 48 in FY12 Q4)
- Revenue contribution of Fortune 500 or FT 500 clients at 96%.
- Staff utilization in FY13 Q1 is at 68%.

Revenue Mix Trends

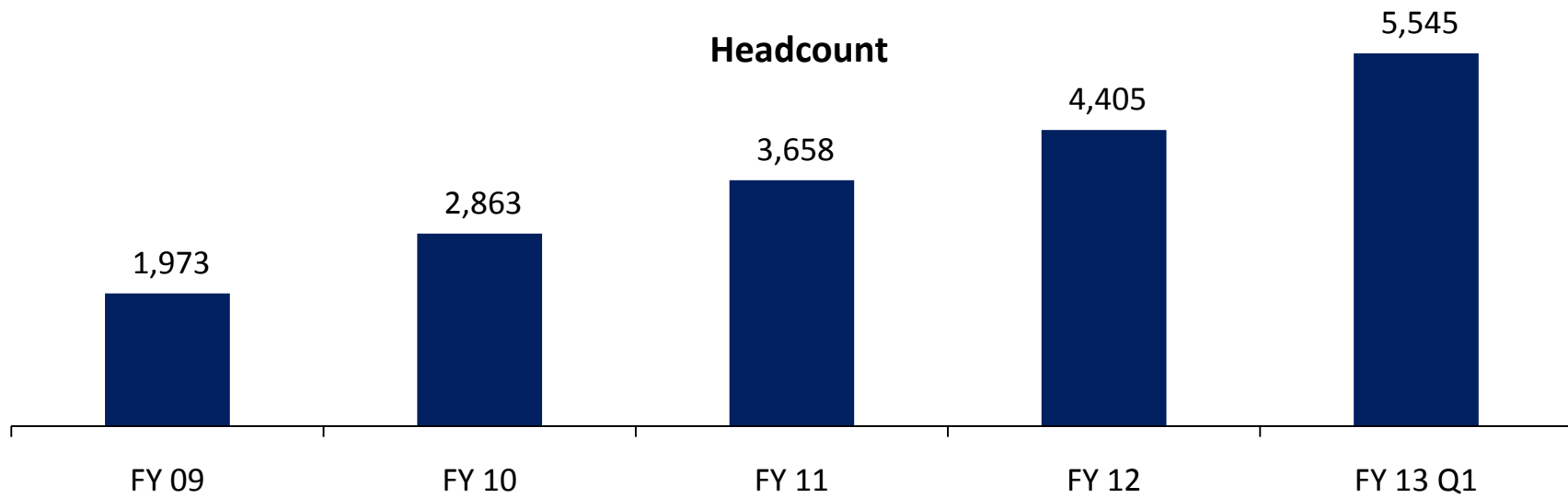


- Emerging contribution substantially up due to Agilyst client additions – top 5 down to 80%
- Continued focus on sales and client engagement team, current strength 59

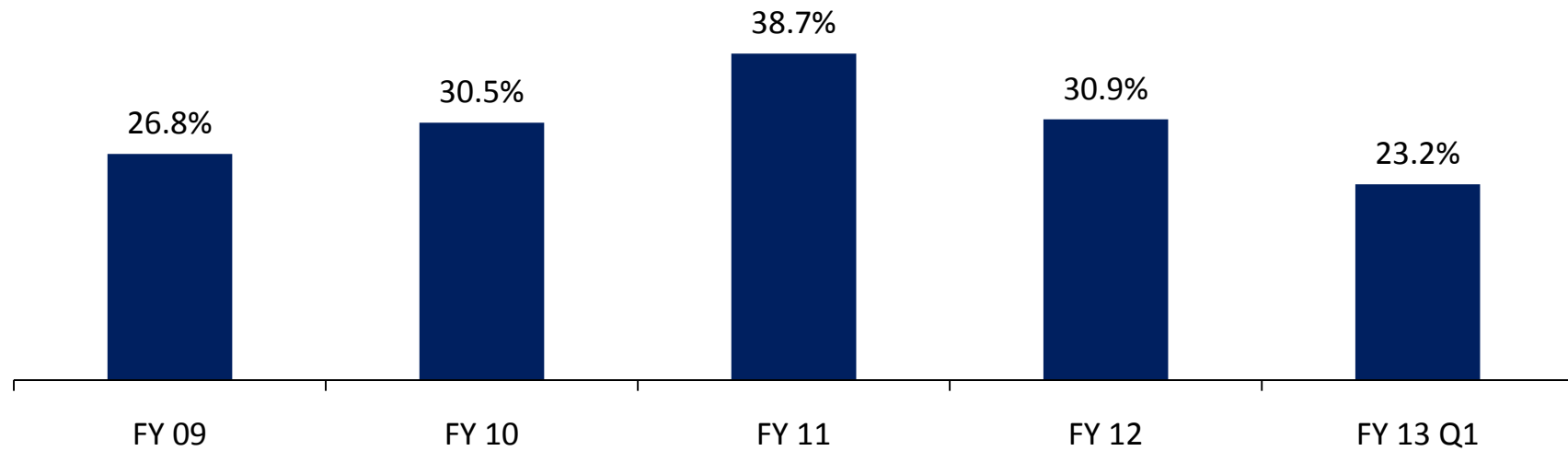
Human Resources Update



Headcount



Attrition



A Look Ahead



- Organic growth has been better than Q4, although still soft
 - Growth has offset some volume-based rate reductions
 - Pricing adjustments largely done, a little more expected as the year progresses
- Onshore organization now scaled appropriately
 - No major increase in spend anticipated, but may tweak focus / priority based on evolving business context
 - Continue to be opportunistic about skill acquisition and upgrading
- Agilyst provides an exciting new opportunity
 - Reduces our Top 5%, adds some large clients
 - Substantial integration effort anticipated over rest of FY13, some of which will entail incremental costs
- Medium-term outlook still positive
 - Cost pressures continue to be immense for clients – high focus on cost reduction
 - Many of our large customers redoubling offshoring initiatives
 - Substantial demand for our service portfolio, which continues to broaden and deepen

We continue to believe that differentiated people and delivery will ensure we remain a partner of choice with our clients.

Thank You

Balance Sheet Abstract



Particulars	June 30, 2012	March 31, 2012	% of Change
Shareholder's Funds			
Capital	298.6	293.4	2%
Reserves and Surplus	3,737.4	3,138.6	19%
Total Shareholder's Funds	4,036.0	3,432.0	18%
Application of Funds			
Fixed Assets	1,378.9	488.7	182%
Deferred Tax Assets (net)	13.2	7.6	74%
Net Current Assets & Investments (Liquid)	2,644.0	2,935.7	-10%
Total Application of Funds	4,036.0	3,432.0	18%

Figures in INR millions.

Financial Summary – Quarterly View



	Metrics	FY13 Q1	FY12 Q4	FY12 Q3	FY12 Q2	FY12 Q1	FY11 Q4	FY11 Q3	FY11 Q2
Revenue	Total Revenue (INR mn)	1,583	1,224	1,382	1,277	1,069	1,029	933	861
	Opg Revenue (INR mn)	1537	1276	1320	1137	996	955	872	823
	Opg Revenue (USD mn)	28.1	25.5	25.4	24.3	22.3	21.1	19.6	18.0
Profit	EBITDA (INR mn)	636	416	660	582	463	475	426	336
	OPM (INR mn)	552	427	563	412	367	374	339	275
	Net Profit (INR mn)	493	304	499	442	352	295	360	276
Margin	EBITDA (%)	40%	34%	48%	46%	43%	46%	46%	39%
	OPM (%)	36%	33%	43%	36%	37%	39%	39%	33%
	Net Profit (%)	31%	25%	36%	35%	33%	29%	39%	32%
EPS	Basic	16.9	10.5	17.3	15.3	12.2	10.3	12.6	9.6
	Diluted	16.4	10.1	16.6	14.7	11.7	9.8	12.0	9.2

Revenue Quality – Quarterly View



Metrics		FY13 Q1	FY12 Q4	FY12 Q3	FY12 Q2	FY12 Q1	FY11 Q4	FY11 Q3	FY11 Q2
Currency Concentration (%)	USD	83%	79%	80%	77%	74%	75%	75%	75%
	EURO	14%	17%	18%	19%	21%	21%	21%	21%
	GBP	3%	3%	3%	3%	3%	3%	3%	4%
	Other	1%	1%	0%	1%	2%	1%	1%	1%
Geographic Concentration	North America	71%	70%	70%	65%	61%	61%	58%	60%
	Europe	20%	23%	24%	26%	31%	32%	34%	33%
	ROW	9%	7%	6%	9%	8%	7%	8%	6%
Debtors	DSO	30 days	29 days	52 days	76 days	67 days	59 days	62 days	65 days
Client Concentration	Top 5	80%	87%	86%	86%	88%	86%	86%	87%
Billing Mix	FTE	93%	95%	94%	95%	93%	90%	91%	87%
	SEZ Revenue	62%	72%	67%	64%	66%	62%	62%	58%

P&L Comparison – Quarterly View



Operating P&L	FY13 Q1	OPR (%)	FY12 Q4	OPR (%)	FY12 Q3	OPR (%)	FY12 Q2	OPR (%)	FY12 Q1	OPR (%)	FY11 Q4	OPR (%)	FY11 Q3	OPR (%)	FY11 Q2	OPR (%)
Operating Revenue	1537		1276		1320		1137		996		955		872		823	
Cost of Revenues																
India Employee Cost	510	33%	419	33%	404	31%	395	35%	366	37%	309	32%	304	35%	291	35%
General Administration and Management																
Rent	59	4%	53	4%	46	3%	40	3%	40	4%	39	4%	36	4%	33	4%
Communication Expenses	22	1%	16	1%	21	2%	18	2%	23	2%	19	2%	19	2%	19	2%
Legal and Professional Fees	83	5%	37	3%	23	2%	28	2%	16	2%	40	4%	19	2%	21	3%
Electricity	15	1%	12	1%	12	1%	12	1%	10	1%	6	1%	6	1%	10	1%
Conveyance	14	1%	10	1%	15	1%	12	1%	10	1%	12	1%	7	1%	6	1%
Provision for Bad Debt	0	0%	3	0%	0	0%	0	0%	0	0%	-1	0%	0	0%	0	0%
Others	45	3%	56	4%	43	3%	44	4%	28	3%	32	3%	26	3%	29	4%
Total G&A	238	15%	187	15%	161	12%	153	13%	127	13%	146	15%	112	13%	119	14%
Selling and Distribution*	199	13%	202	16%	158	12%	147	13%	112	11%	99	10%	92	11%	115	14%
Depreciation	38	2%	40	3%	34	3%	31	3%	24	2%	27	3%	25	3%	23	3%
Total Operating Cost	985	64%	849	67%	757	57%	726	64%	629	63%	582	61%	533	61%	548	67%
Operating Profit	552	36%	427	33%	563	43%	412	36%	367	37%	374	39%	339	39%	275	33%

Figures in INR millions.

*Selling and Distribution includes employee cost of onsite business development team.