

November 08, 2017

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001	National Stock Exchange of India Limited, Exchange Plaza, 5 th Floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai - 400 051
Scrip Code: 539658	Scrip Code: TEAMLEASE

Sub: Investor Presentation on Financial Results for Q2FY18

Dear Sir/Madam,

In compliance with the provisions of Regulation 30 and Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed financial results update 'Investor Presentation Q2FY18' we propose to upload on our Company's website www.teamlease.com for information of our shareholders/public.

This is in furtherance of our intimation dated November 03, 2017 relating to Conference Call with investors on Q2FY18 results.

This is for your information and records.

Thanking You.

Yours faithfully,

For **TeamLease Services Limited**



Mruthunjaya Murthy
Company Secretary





TeamLease Services Limited

Investor presentation: Q2 FY18 Results Update
 November 08, 2017



Safe Harbor

- Certain statements in this release concerning our future growth prospects are forward-looking statements, which are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated in such forward-looking statements.
- Important factors that could cause actual results to differ materially from our expectations include, amongst others general economic and business conditions in India, business outlook of our clientele, our ability to successfully implement our strategy, our growth and expansion plans and technological changes, fluctuations in our earnings, change in laws and regulations that apply to our industry, increasing competition and changes in political conditions.
- Neither the company, nor its directors and any of the affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after this date or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.



QUARTERLY PERFORMANCE

Consolidated Performance

(all numbers in Rs. crore except Margins)

Particulars	Q2 FY18	Q2 FY17	YoY Growth %	Q1 FY18	QoQ Growth %	H1 FY18	H1 FY17	H1 Growth %
Total Revenue	880.0	729.4	20.6%	858.8	2.5%	1,738.8	1,423.1	22.19%
Operating Revenue (net)	875.6	722.3	21.2%	853.0	2.7%	1,728.6	1,409.8	22.61%
EBITDA	15.2	7.3	108.6%	13.0	16.4%	28.2	12.4	128.29%
EBITDA margin (%)	1.7%	1.0%		1.5%		1.6%	0.9%	
PBT	17.3	12.9	34.4%	16.6	4.0%	33.9	22.9	48.23%
PBT margin (%)	2.0%	1.8%		1.9%		2.0%	1.6%	
Net Profit (PAT)	17.4	8.8	98.0%	16.4	6.2%	33.8	15.2	122.63%
PAT margin (%)	2.0%	1.2%		1.9%		2.0%	1.1%	

Standalone Performance

(all numbers in Rs. crore except Margins)

Particulars	Q2 FY18	Q2 FY17	YoY Growth %	Q1 FY18	QoQ Growth %	H1 FY18	H1 FY17	H1 Growth %
Total Revenue	855.2	724.1	18.1%	836.2	2.3%	1,691.4	1,417.7	19.3%
Operating Revenue (net)	848.8	717.1	18.4%	828.4	2.5%	1,677.2	1,404.6	19.4%
EBITDA	11.4	6.7	71.4%	10.1	13.4%	21.5	11.8	82.4%
EBITDA margin (%)	1.3%	0.9%		1.2%		1.3%	0.8%	
PBT	16.6	12.4	33.8%	16.7	-0.6%	33.3	22.4	48.9%
PBT margin (%)	2.0%	1.7%		2.0%		2.0%	1.6%	
Net Profit (PAT)	17.5	8.5	105.1%	17.1	2.4%	34.5	14.9	132.3%
PAT margin (%)	2.1%	1.2%		2.1%		2.1%	1.1%	

Consolidated Segment results

(all numbers in Rs. crore except margins)

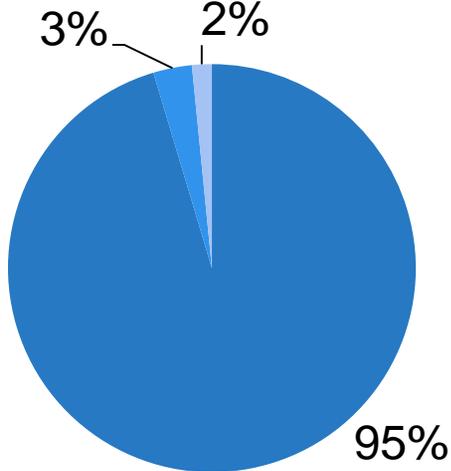
Particulars	Q2FY18	Q2FY17	YoY Growth %	Q1FY18	QoQ Growth %	H1FY18	H1FY17	H1 Growth %
Revenue:								
Staffing & Allied Services	835.0	706.4	18%	816.5	2.3%	1,651.6	1,384.6	19.3%
IT Staffing	26.8	5.2	NC	24.6	9.0%	51.4	5.2	NC
Other HR Services	13.7	10.7	29%	11.8	16.1%	25.6	20.0	28.0%
Total Income from Operations	875.6	722.3	21%	853.0	2.7%	1,728.6	1,409.8	22.6%
EBITDA:								
Staffing & Allied Services	14.4	9.7	49%	13.3	8.6%	27.7	19.1	45.1%
IT Staffing	3.8	0.8	NC	3.1	20.1%	6.9	0.8	NC
Other HR Services	-0.3	0.5	-147%	0.8	-132.1%	0.5	0.7	-21.2%
Unallocated	-2.8	-3.7	-25%	-4.2	-33.7%	-6.9	-8.2	-14.9%
Total EBITDA	15.2	7.3	109%	13.0	16.4%	28.2	12.4	128.3%
EBITDA Margin %								
Staffing & Allied Services	1.7%	1.4%		1.6%		1.7%	1.4%	
IT Staffing	14.1%	14.4%		12.8%		13.5%	14.4%	
Other HR Services	-1.8%	5.1%		6.7%		2.1%	3.4%	
Consolidated EBITDA Margin	1.73%	1.01%		1.53%		1.63%	0.88%	

NC: Not Comparable

Revenue Share

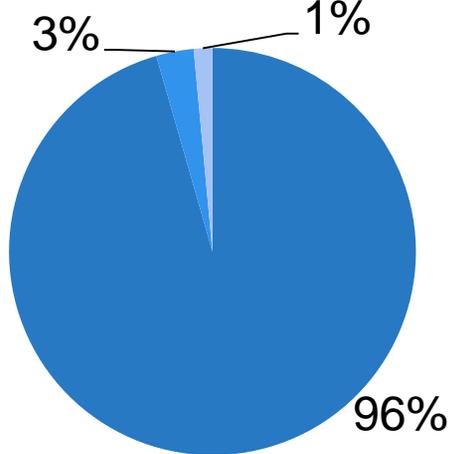
Q2FY18

- Staffing & Allied Services
- IT Staffing
- Other HR Services



H1FY18

- Staffing & Allied Services
- IT Staffing
- Other HR Services



Financial Overview- Consolidated

(all numbers in Rs. crore except margins)

Particulars	Q2 FY18	Q2 FY17	YoY Growth %	Q1 FY18	QoQ Growth %	H1 FY18	H1 FY17	H1 Growth %
Revenue from Operations (net of taxes)	875.6	722.3	21.2%	853.0	2.7%	1,728.6	1,409.8	22.6%
Employee benefits expense - General Staffing	802.0	678.7	18.2%	783.4	2.4%	1,588.4	1,330.6	19.4%
Employee benefits expense - IT Staffing	19.1	3.7	NC	17.8	7.7%	36.9	3.7	NC
Employee benefits expense - Core	20.5	18.5	10.6%	21.6	-5.0%	39.0	35.1	11.2%
Other expenses	18.9	14.1	34.1%	17.2	9.5%	36.1	28.0	28.7%
Profit from associate company	0.1	-	-	0.0	122.3%	0.1	-	-
EBITDA	15.2	7.3	108.7%	13.0	16.4%	28.2	12.4	128.3%
EBITDA Margin %	1.7%	1.0%		1.5%		1.6%	0.9%	
Depreciation and amortisation expense	2.0	1.2	68.9%	2.0	-1.3%	4.0	2.2	84.3%
Finance costs	0.3	0.3	-7.9%	0.2	18.3%	0.5	0.5	1.3%
Other Income	4.4	7.1	-38.1%	5.8	-24.8%	10.2	13.2	-22.7%
Profit before tax	17.3	12.9	34.4%	16.6	4.1%	33.9	22.9	48.3%
PBT Margin %	2.0%	1.8%		1.9%		2.0%	1.6%	
Tax Expenses	-0.1	4.1	-103.1%	0.2	-159.3%	0.1	7.7	-98.9%
Effective Tax Rate	-0.7%	31.6%		1.3%		0.3%	33.6%	
PAT	17.4	8.8	98.0%	16.4	6.2%	33.8	15.2	122.7%
Net Profit %	2.0%	1.2%		1.9%		2.0%	1.1%	
EPS (Basic and Diluted)	10.2	5.1	98.0%	9.6	6.2%	19.8	8.9	122.7%

NC: Not Comparable

Key highlights of the quarter ended September 30, 2017

- Quarterly revenue grew by 21% YoY and half-yearly revenue grew by 22% YoY.
- Associate/ trainee headcount increased by ~28,000 on YoY basis and by ~3,000 on QoQ basis. Our current associate headcount (including Evolve) is ~132,000 and NETAP trainee headcount is ~32,000.
- Average mark-up per employee per month (PEPM) for staffing associates increased to ₹ 735 in Q2FY18 from ₹ 700 in Q2FY17 reflecting an annual growth of 5%.
- Net increase in our NETAP trainee headcount by over 14,800 compared to September 30, 2016.
- Top 5 and Top 10 clients contributed to 14% and 21% of our net revenue respectively for the quarter ended September 30, 2017, implying a well-diversified mix of client portfolio
- Our ratio of associates/trainees to staffing core employees improved to 210 in Q2FY18 from 186 in Q2FY17.

Headcount for the last 5 quarters

Quarter	General Staffing Associates	Netap Trainees	IT Staffing associates	Total outsourced	Core Employees	Total Headcount
FY-17 Q1	1,13,713	14,155	-	1,27,868	1,276	1,29,144
FY-17 Q2	1,15,397	17,787	1,103	1,34,287	1,386	1,35,673
FY-17 Q3	1,23,946	19,427	1,261	1,44,634	1,406	1,46,040
FY-17 Q4	1,26,463	23,439	1,251	1,51,153	1,436	1,52,589
FY-18 Q1	1,29,787	28,051	1,423	1,59,261	1,467	1,60,728
FY-18 Q2	1,27,844	32,615	1,631	1,62,090	1,466	1,63,556

Improvement in Core Employee Productivity

Quarter	Staffing+ Netap headcount	Staffing core employees	Staffing productivity
FY-17 Q1	1,27,868	727	176
FY-17 Q2	1,33,184	716	186
FY-17 Q3	1,43,373	710	202
FY-17 Q4	1,49,902	738	203
FY-18 Q1	1,57,838	773	204
FY-18 Q2	1,60,459	764	210



Shareholding Pattern as of November 05, 2017

Sl No.	Category	% of Holding
1	Promoter Group	37.00
2	Gaja	13.50
3	Exited Promoter	6.10
4	Anchor FII + DII	26.40
5	Non-Anchor FII + DII	12.30
6	Employees + ESOP Trust	2.70
7	Retail/HNI	2.00
	TOTAL:	100.00

Thank You