

February 03, 2017

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001 Scrip Code: 539658	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: TEAMLEASE
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Sub: Investor Presentation on Financial Results for Q3FY17

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 Q3FY17' 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 January 23, 2017 relating to Conference Call with investors on Q3 results.

This is for your information and records.

Thanking You.

Yours faithfully,

For **TeamLease Services Limited**



Mruthunjaya Murthy
Company Secretary



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.

Consolidated Financial Summary

(all numbers in Rs. crore except Margins)

Particulars	Quarterly					9 months YTD			FY16
	Q3FY17	Q3FY16	YoY growth	Q2FY17	QoQ growth	9m FY17	9m FY16	YoY growth	
Operating revenue	814.7	631.1	29%	722.6	13%	2,225.0	1,840.7	21%	2,504.90
EBITDA	14.8	6.2	139%	8.6	72%	29.6	17.5	69%	25.8
EBITDA margin (%)	1.80%	1.00%		1.20%		1.30%	1.00%		1.00%
PBT	17.1	7.6	126%	14.3	20%	42.4	23.9	77%	37.8
PBT margin (%)	2.10%	1.20%		2.00%		1.90%	1.30%		1.50%
Net Profit (PAT)	11.5	5	132%	9	27%	27.9	15.6	78%	24.8
PAT margin (%)	1.40%	0.80%		1.20%		1.30%	0.80%		1.00%
EPS	6.7	3.2	108%	5.3	27%	16.3	10.2	60%	15.9

Standalone Financial Summary

(all numbers in Rs. crore except Margins)

Standalone	Quarterly					9 months YTD			FY16
	Q3-FY17	Q3-FY16	YoY growth	Q2-FY17	QoQ growth	9m FY17	9m FY16	YoY growth	
Operating revenue	792.5	631.1	26%	717.4	10%	2,197.6	1,840.7	19%	2,504.90
EBITDA	11.3	6.2	82%	7.9	43%	25.4	17.6	44%	25.9
EBITDA margin (%)	1.40%	1.00%		1.10%		1.20%	1.00%		1.00%
PBT	14.1	7.5	88%	13.5	4%	38.6	23.4	65%	37.3
PBT margin (%)	1.80%	1.20%		1.90%		1.80%	1.30%		1.50%
Net Profit (PAT)	9.1	4.9	86%	8.5	7%	24.9	15.1	65%	24.3
PAT margin (%)	1.10%	0.80%		1.20%		1.10%	0.80%		1.00%

Financial Overview- Consolidated

(Rs. Crores)

Particulars	Q3FY17	Q3FY16	YoY on quarterly basis	Q2FY17	QoQ	9mFY17	9mFY16	YoY on YTD basis
Revenue from Operations (Net of ST)	814.67	631.09	29%	722.58	13%	2,225.01	1,840.73	21%
Associate employee cost	765.50	599.54	28%	683.59	12%	2,101.10	1,751.10	20%
Core employee cost	18.75	15.20	23%	17.01	10%	51.95	42.83	21%
Other operating expenses	15.64	10.18	54%	13.37	17%	42.34	29.35	44%
EBITDA	14.78	6.18	139%	8.61	39%	29.62	17.47	70%
EBITDA margin %	1.8%	1.0%		1.2%		1.3%	0.9%	
Depreciation	1.04	1.07	-3%	1.0	4%	3.03	1.97	54%
Finance cost	0.29	0.09	222%	0.32	-9%	0.83	0.27	207%
Other Income	(3.65)	(2.57)	42%	(6.98)	15%	(16.67)	(8.72)	91%
PBT	17.10	7.59	125%	14.27	29%	42.43	23.94	77%
PBT margin %	2.1%	1.2%		1.6%		1.9%	1.3%	
Tax expense	5.59	2.62	113%	5.24	7%	14.53	8.30	75%
Effective Tax rate	32.7%	34.6%		36.7%		34.2%	34.7%	
PAT	11.51	4.97	132%	9.03	23%	27.90	15.64	78%
Net Profit margin %	1.4%	0.8%		1.2%		1.3%	0.8%	

Consolidated Segment results

(all numbers in Rs. crore except margins)

Particulars	Q3FY17	Q3FY16	YoY growth	Q2FY17	QoQ growth	9m FY17	9m FY16	YoY growth	FY16
Revenue:									
Staffing and Allied Services	780.04	623.41	25%	706.42	10%	2,164.66	1,819.91	19%	2,475.78
IT Staffing Services	22.16	-		5.23	324%	27.39	-		-
Other HR Services	12.46	7.68	62%	10.93	14%	32.96	20.82	58%	29.14
Total Operating Revenue	814.67	631.09	29%	722.57	13%	2,225.01	1,840.73	21%	2,504.92
EBITDA:									
Staffing and Allied Services	12.07	8.91	35%	10.11	19%	31.60	24.35	30%	33.72
IT Staffing Services	3.59	-		0.73	389%	4.34	-		-
Other HR Services	0.58	0.48	21%	0.86	-33%	1.58	0.71	123%	3.52
Unallocated	(1.46)	(3.21)	-54%	(3.09)	-53%	(7.91)	-7.59	4%	(11.46)
Total EBITDA	14.78	6.18	139%	8.61	72%	29.62	17.47	70%	25.78
EBITDA margin %:									
Staffing and Allied Services	1.6%	1.4%		1.4%		1.5%	1.3%		1.4%
IT Staffing Services	16.2%	-		14.1%		15.9%	-		
Other HR Services	4.7%	6.2%		7.9%		4.8%	3.4%		12.1%
Consolidated EBITDA margin	1.8%	1.0%		1.2%		1.3%	0.9%		1.0%

Key highlights of the quarter ended December 31, 2016

- Year-on-year growth of 29% in Net Revenue and over 125% in EBITDA, PBT and PAT
- Net increase in associate headcount by over 8,700 compared to September 30, 2016 and increase of over 16,500 compared to December 31, 2015
- Average mark-up per associate per month increased from ₹ 680 in Q3FY16 to ₹691 in Q3FY17
- Net increase in our NETAP trainee headcount by over 1,600 compared to September 30, 2016 and increase of over 9,300 compared to December 31, 2015
- Top 5 and Top 10 clients contributed to 14% and 19% of our net revenue respectively for the quarter ended December 31, 2016, implying a well-diversified mix of client portfolio
- Productivity index of our staffing core employees improved in Q3FY17 in terms of the number of associates/trainees handled by one core employee

Shareholding Pattern as of January 30, 2017

S.N	Category	30-Jan-17
1	Promoter Group	45.6%
2	Gaja	13.5%
3	Anchor Investors	29.0%
4	Non-Anchor	4.5%
5	Employees + ESOP Trust	5.6%
6	Retail/HNI	1.8%
	Total	100.0%

Thank You