

August 7, 2019

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400001.

**National Stock Exchange of India Ltd.,**  
Exchange Plaza, C/1, G Block,  
Bandra - Kurla Complex, Bandra (E),  
Mumbai - 400051.

**Scrip ID: BSOFT**  
**Scrip Code: 532400**

**Symbol: BSOFT**  
**Series: EQ**

**Kind Attn: The Manager,**  
Department of Corporate Services

**Kind Attn: The Manager,**  
Listing Department

**Subject: -** Investor release for Q1 FY 2020.

Dear Sir / Madam,

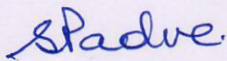
Please find enclosed the investor release for Q1 FY 2020.

Kindly take the same on your records.

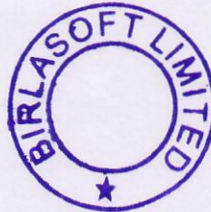
Thanking you.

Yours faithfully,

For **Birlasoft Limited**  
(Formerly *KPIT Technologies Limited*)



Sneha Padve  
Company Secretary & Compliance Officer



**Encl.:** - As mentioned above.

**Birlasoft Limited**

(Formerly *KPIT Technologies Limited*)

Registered Office: 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune (MH) 411057, India  
Tel: +91 20 6652 5000 | Fax +91 20 6652 5001 | [contactus@birlasoft.com](mailto:contactus@birlasoft.com) | [www.birlasoft.com](http://www.birlasoft.com)

CIN: L72200PN1990PLC059594



# Earnings Press Release

Q1 FY 2019-20

 CK BIRLA GROUP

**birla**soft



# Birlasoft's Q1 Revenue at Rs 7,772 mn

**Pune, August 7, 2019:** Birlasoft [BSE: 532400, NSE: BSOFT], a part of the USD 2.3 billion diversified CK Birla Group, reported its Unaudited consolidated financial results for the first quarter ended June 30, 2019.

**Amita Birla, Chairman, Birlasoft & Joint Chairman, CK Birla Group,** said, *“We have achieved stability following the merger and integration and see significant opportunity in growing the business through cross selling multiple services, especially into existing single service accounts”*

**Dharmender Kapoor, Managing Director and Chief Executive Officer,** Birlasoft, said, *“We have a client base of nearly 400 customers, most of them in the enterprise segment. Our clients continue to show confidence in us, reflected in our healthy deal wins while we maintain stable profitability.”*

## Key Financial highlights for Q1 in (USD)

- Revenue at \$ 111.7 mn
- EBITDA\* at \$ 11.2 mn
  - margin at 10%
- Profit after Tax\* at \$ 6.1 mn

## Key Financial highlights for Q1 in (INR)

- Revenue at Rs. 7,772 mn
- EBITDA\* at Rs 772 mn
- Profit after Tax\* at Rs 422 mn

\* Adjusted for merger and integration related expenses

## Other highlights

- Manpower strength of 10,085 as of 30<sup>th</sup> June 2019.
  - Addition of 24 people during the quarter
- Cash and Cash Equivalent of Rs 4,775 mn as of 30<sup>th</sup> June 2019
  - Repaid debt amounting to Rs 381 mn during the quarter
- Active Client Count at 398

## Deal wins for the quarter

- Selected by a US Hi-Tech company for Application Managed Services of its Enterprise and CRM stack of applications.
- Chosen by a US Furnishing Company for implementation of SAP rollouts.
- Selected by an International Financial Institution for Infrastructure Management Services.
- Chosen by a US Retailer for Data Center hosting and support services.
- Selected by a UK based Financial Institution for its Application management stack.

- Won a deal from a Latin American Educational group, for Application Managed Services.
- Chosen by a Europe based Oil major for implementation of Oracle Sales and Operation planning Cloud stack.

### Business Highlights, Awards and Recognition

- Niche Player in Gartner Magic Quadrant for Oracle Cloud Applications Services, Worldwide.
- Birlasoft won “Distinguished Partner Award” at the Oracle JD Edwards summit. The award recognizes Birlasoft’s leadership role in JD Edwards EnterpriseOne UX One.
- Recognized as the Rising Star USA in the Salesforce ecosystem by ISG (Information Services Group, a leading global technology research and advisory firm. According to the ISG Provider Lens™ Salesforce Ecosystem Quadrant Report, Birlasoft was among the leading providers of professional services in the USA related to the Salesforce Sales Cloud and Service Cloud products
- Birlasoft was appraised at Maturity Level 5 of the CMMI Institute's Capability Maturity Model Integration (CMMI)® for CMMI-DEV and CMMI-SVC. An appraisal at a maturity level 5 indicates that the organization is performing at an "optimizing" level. At this level, an organization continually improves its processes based on a quantitative understanding of its business objectives and performance needs.
- Birlasoft was bestowed with an award for the company’s distinguished work in 'Smart Datacenter Management' in the 'Automation' category, at the 7<sup>th</sup> Datacenter Summit and Awards

### Leadership Update

Birlasoft announced the appointment of Shreeranganath Kulkarni (SK) as ‘Chief Delivery Officer (CDO)’ during the quarter and he will be part of the executive leadership team.

SK was earlier with Accenture, where he was the Managing Director and Technology Delivery Lead for Financial Services. Prior to Accenture, SK was part of the leadership team at Cognizant and Infosys, where he performed key roles. In his more than 30 years of rich experience, he has been involved in all aspects of technology services - in delivery, sales, and client engagement roles.

In his role as CDO, he heads the Delivery Organization, and works closely with teams to enhance the project delivery organization, while developing methodology to enhance the business reputation of the brand. He is also responsible for Global Operations.

## About Birlasoft

### Enterprise to the Power of Digital™

Birlasoft combines the power of domain, enterprise and digital technologies to reimagine business processes for customers and their ecosystem. Its consultative and design thinking approach makes societies more productive by helping customers run businesses. As part of the multibillion dollar diversified CK Birla Group, Birlasoft with its 10,000+ professional, is committed to continuing our 157-year heritage of building sustainable communities.

For further information, visit [www.Birlasoft.com](http://www.Birlasoft.com).

#### For further information please contact:

<p><b>Vikas Jadhav</b> Head – Investor Relations +91 9545450975 <a href="mailto:vikas.jadhav@birlasoft.com">vikas.jadhav@birlasoft.com</a></p>	<p><b>Suma Nair</b> Media Relations +91 9833084449 <a href="mailto:Suma.Nair@birlasoft.com">Suma.Nair@birlasoft.com</a></p>
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#### Disclaimer.

*Some of the statements in this update that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry*

# FACT SHEET

Q1 FY 2019-20

**\$ 111.7 mn**

**Q1 Revenue**

**10.0 %**

**EBITDA %**

**Rs. 4,775 mn**

**Q1 20 Net Cash**

## Key Metrics.

### Revenues by

Client Geography	Quarter Ended		Quarter Ended
	Q3 FY19 #	Q4 FY19	Q1 FY20
Americas	77.8%	79.0%	76.3%
Europe	12.1%	11.1%	12.4%
Rest of the World	10.1%	9.9%	11.3%
Total	100.0%	100.0%	100.0%

Revenue by Industry Verticals	Quarter Ended		Quarter Ended
	Q3 FY19 #	Q4 FY19	Q1 FY20
Discrete Manuf, Hitech & Media	19.6%	19.4%	19.2%
BFSI	20.2%	20.2%	19.3%
Energy & Utilities	18.9%	18.5%	18.1%
CPG, Retail & Process Manuf	15.2%	13.5%	14.3%
Lifesciences	13.6%	15.2%	14.6%
Automotive	12.6%	13.1%	14.5%
Total	100.0%	100.0%	100.0%

Revenue by Service Offerings	Quarter Ended		Quarter Ended
	Q3 FY19 <sup>#</sup>	Q4 FY19	Q1 FY20
Integrated Enterprise Solutions (IES)	31.1%	31.4%	33.0%
SAP	20.5%	20.4%	19.2%
Digital Transformation (DT)	30.0%	29.1%	28.6%
Custom Application Development	10.2%	10.9%	10.8%
Other horizontals	8.2%	8.2%	8.4%
Total	100.0%	100.0%	100.0%

Revenues by Contract Type	Quarter Ended		Quarter Ended
	Q3 FY19 <sup>#</sup>	Q4 FY19	Q1 FY20
Time & Material	55.6%	57.0%	54.8%
Fixed Price, Fixed Monthly	44.4%	43.0%	45.2%
Total	100.0%	100.0%	100.0%

Revenues Mix	Quarter Ended		Quarter Ended
	Q3 FY19 <sup>#</sup>	Q4 FY19	Q1 FY20
Onsite	57.3%	56.9%	55.0%
Offshore	42.7%	43.1%	45.0%
Total	100.0%	100.0%	100.0%

Exchange Rate (INR/USD)	Quarter Ended		Quarter Ended
	Q3 FY19 <sup>#</sup>	Q4 FY19	Q1 FY20
Period Average	71.50	69.68	69.55
Period End	69.79	69.15	68.92

### Deal Wins (excludes renewals)

Deal Wins	Q4 FY19	Q1 FY20
Total Contract Value (TCV) - in USD Mn	50	58

### DSO

DSO	Q3 FY19 <sup>#</sup>	Q4 FY19	Q1 FY20
Days Sales Outstanding - Billed	84	79	81

## Hedge Details

Hedge Book	Quarter Ended	
	Q4 FY19	Q1 FY20
USD mn	28	50.4
Average rate in INR	72.8	71.6
GBP Mn	6	-
Average rate in INR	82.6	-
Euro Mn	7	-
Average rate in INR	91.0	-

## Client Data

Client Data	Quarter Ended		Quarter Ended
	Q3 FY19 <sup>#</sup>	Q4 FY19	Q1 FY20
No of Active Clients	400	401	398
Clients added	2	1	(3)
No of million \$ clients (LTM)			
US\$ 1mn+ Clients	82	84	86
US\$ 5mn+ Clients	16	16	16
US\$ 10mn+ Clients	4	5	5
Client Contribution to Revenue (LTM)			
Top 5	27.0%	26.4%	26.0%
Top 10	36.8%	36.2%	36.5%
Top 20	49.7%	48.8%	49.0%

## Headcount Metrics

Headcount Metrics	Quarter Ended		Quarter Ended
	Q3 FY19 <sup>#</sup>	Q4 FY19	Q1 FY20
Total Headcount	9,953	10,061	10,085
Technical	8,906	9,013	8,884
Sales & Support	1,047	1,048	1,201
Women Employees	2,159	2,203	2,257
Attrition (LTM)	19.0%	19.9%	21.7%

<sup>#</sup> Metrics for Q3 FY19 are on a Proforma Basis (Combined entity i.e. Birlasoft (India) Ltd + KPIT IT Services' business).



## Consolidated Income Statement for quarter ended June 30, 2019

Particulars Quarter Ended	In USD Mn			In INR Mn		
	31-Mar-19	30-Jun-19	QoQ	31-Mar-19	30-Jun-19	QoQ
	(Audited)	(Unaudited)		(Audited)	(Unaudited)	
<b>Revenue from operations</b>	<b>113.1</b>	<b>111.7</b>	<b>-1.2%</b>	<b>7,883</b>	<b>7,772</b>	<b>-1.4%</b>
<b>Expenses</b>						
Employee benefits expense	71.2	70.7	-0.6%	4,959	4,920	-0.8%
Other expenses	33.1	29.9	-9.5%	2,303	2,080	-9.7%
<b>EBITDA</b>	<b>8.9</b>	<b>11.1</b>	<b>24.6%</b>	<b>621</b>	<b>772</b>	<b>24.3%</b>
<i>EBITDA Margin %</i>	<i>7.9%</i>	<i>9.9%</i>	<i>206</i>	<i>7.9%</i>	<i>9.9%</i>	<i>206</i>
Depreciation & amortization	1.9	3.0	59.7%	130	207	59.4%
Finance costs	0.4	0.7		28	46	
Other income (net)	2.4	1.2	-50.1%	170	84	-50.2%
Exceptional items	2.5	-		176	-	
Profit before tax (PBT)	11.6	8.7	-25.2%	809	604	-25.4%
Provisions for Tax	2.1	2.7	25.4%	148	186	25.2%
<b>Profit for the Period</b>	<b>9.5</b>	<b>6.0</b>	<b>-36.6%</b>	<b>661</b>	<b>418</b>	<b>-36.7%</b>
Merger & integration costs	3.0	0.1		212	4	
* Adjusted EBITDA	11.9	11.2	-6.6%	832	776	-6.8%
<b>Adj EBITDA Margin %</b>	<b>10.6%</b>	<b>10.0%</b>	<b>(57)</b>	<b>10.6%</b>	<b>10.0%</b>	<b>(57)</b>
* Adjusted PAT	12.5	6.1	-51.5%	872	422	-51.6%
<b>Adj PAT Margin %</b>	<b>11.1%</b>	<b>5.4%</b>		<b>11.1%</b>	<b>5.4%</b>	

\* Adjusted for merger and integration related expenses

## Consolidated Balance Sheet Statement

Particulars as at	in USD Mn		in INR Mn	
	31 Mar, 2019	30 Jun, 2019	31 Mar, 2019	30 Jun, 2019
	(Audited)	(Unaudited)	(Audited)	(Unaudited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	20.9	19.9	1,444	1,374
Right-to-use assets	-	23.4	-	1,609
Goodwill	61.0	61.2	4,219	4,217
Other intangible assets	3.1	2.6	218	177
Loans	1.5	2.2	100	150
Other financial assets	1.2	0.3	84	24
Income tax assets (net)	10.0	10.1	691	696
Deferred tax assets (net)	20.7	21.1	1,433	1,451
Other non-current assets	0.7	0.9	52	60
<b>Current assets</b>				
Financial assets				
Investments	27.6	2.5	1,909	175
Trade receivables	102.8	104.0	7,107	7,165
Cash and cash equivalents	52.3	40.2	3,617	2,770
Other balances with banks	2.2	26.6	155	1,831
Loans	0.7	0.5	48	34
Unbilled revenue	14.0	20.4	970	1,406
Other financial assets	28.0	18.4	1,938	1,269
Other current assets	14.3	11.8	990	814
<b>TOTAL ASSETS</b>	<b>361.2</b>	<b>366.0</b>	<b>24,976</b>	<b>25,222</b>

Particulars as at	31 Mar, 2019	30 Jun, 2019	31 Mar, 2019	30 Jun, 2019
	(Audited)	(Unaudited)	(Audited)	(Unaudited)
<b>EQUITY AND LIABILITIES</b>				
Equity share capital	7.9	8.0	548	549
Other equity	239.9	248.1	16,587	17,097
<b>Liabilities - Non-current</b>				
Financial liabilities			-	-
Lease liabilities	-	18.1	-	1,247
Other non current liabilities	0.9	-	59	-
Provisions	9.2	11.9	637	817
<b>Current liabilities</b>				
Financials Liabilities				
Borrowings	5.5	0.0	381	2
Trade payables	31.1	27.1	2,148	1,870
Lease liabilities	-	6.0	-	416
Other financial liabilities	45.6	29.8	3,155	2,051
Other current liabilities	12.8	11.6	887	797
Provisions	2.5	0.1	174	7
Income tax liabilities (net)	5.8	5.3	399	367
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>361.2</b>	<b>366.0</b>	<b>24,976</b>	<b>25,222</b>

### Consolidated Cash Flow Statement as at June 30, 2019

Particulars for the Quarter ended June 30, 2019	in USD Mn	in INR Mn
Cash Profit for Q1 FY20	10.7	734
Movements in working capital	(15.9)	(1,094)
<b>Cash Generated from Operations (CFO)</b>	<b>(5.2)</b>	<b>(359)</b>
Income tax	(3.2)	(222)
Net cash flow (used in)/from investing activities	24.7	1,702
Net cash flow (used in) financing activities	(4.7)	(325)
<b>Total Increase/(Decrease) in cash balance</b>	<b>11.5</b>	<b>795</b>
<b>Opening cash balance as on March 31, 2019</b>	<b>54.5</b>	<b>3,772</b>
<b>Forex</b>	<b>0.8</b>	<b>34</b>
<b>Total Net Cash balance as at June 30, 2019</b>	<b>66.8</b>	<b>4,601</b>

## Birlasoft Q1 FY20 Earnings Conference Call on 08-Aug-19 at 10:00 hrs.

### Dial in Information

India 10:00 am IST. Hong Kong / Singapore - 12:30; London 5:30; New York 00:30

<b>Universal Dial In</b>	+91 22 6280 1179 +91 22 7115 8840	<b>Local Dial In</b> - all over India +91 7045671221
<b>India National Toll Free</b>	1 800 120 1221 1 800 266 1221	<b>International Toll Free</b> Hong Kong 800964448 Singapore 8001012045 UK 08081011573 USA 18667462133
		<b>International Toll</b> HongKong 85230186877 Singapore 6531575746 UK 442034785524 USA 13233868721
<b>Playback Start Date:</b> 8 <sup>th</sup> Aug 2019 <b>Playback Start Date:</b> 10 <sup>th</sup> Aug 2019		<b>Play back Code:</b> 53176 <b>Dial-in Number:</b> India (+91 22 71945757) India (+91 22 66635757)