

May 24, 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: BSOF
Scrip Code: 532400

Symbol: BSOF
Series: EQ

Kind Attn: The Manager,
Department of Corporate Services

Kind Attn: The Manager,
Listing Department

Subject: - Investor release for Q4 FY 2019.

Dear Sir / Madam,

Please find enclosed the investor release for Q4 FY 2019.

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

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CIN: L72200PN1990PLC059594



Earnings Press Release

Q4 & FY 2018-19

 CK BIRLA GROUP

birlasoft



Rise of a New Leader in Enterprise Digital

**Birlasoft FY19 Revenue at Rs 33,052 mn; US\$ 474.6 mn
Board recommends a maiden Dividend of Rs 2/- per share**

New Delhi, May 24, 2019: Birlasoft [BSE: 532400, NSE: BSOF], a part of the USD 2 billion diversified CK Birla Group, reported its audited consolidated financial results for the fourth quarter and year ended March 31, 2019.

Amita Birla, Chairman, Birlasoft & Joint Chairman, CK Birla Group, said, *“With the conclusion of the complex merger/de-merger process, Birlasoft has emerged as a leading enterprise digital company, ending the year with \$475 mn in revenues. The integration of the two companies is progressing smoothly. The successful merger with KPIT IT services & solution, to create the larger new Birlasoft has been viewed positively by all our stakeholders, most importantly by our customers and people. We have an enviable customer base in to which we are focused on cross selling our capabilities to grow our business, even as we acquire new customers as a larger entity.”*

Anjan Lahiri, Managing Director and Chief Executive Officer, Birlasoft, said, *“In our first quarter as the new Birlasoft, we are setting ourselves apart as the leading mid-tier Enterprise Digital Company. We are carving out a position in the minds of some of the world’s largest brands as the Challenger to the large IT services companies through our focused capabilities and the accessibility of our management team who can ensure agility and problem solving in large transformational projects.”*

Key Financial highlights for the Quarter # (USD)

- Revenue at \$. 113.1 mn
- EBITDA* at \$ 11.9 mn
- Profit after Tax* at \$12.5 mn

Key Financial highlights for the Quarter # (INR)

- Revenue at Rs. 7,883 mn
- EBITDA* at Rs 832 mn; EBITDA margin at 10.6%
- Profit after Tax* at Rs 872 mn; PAT margin at 11.1%

Key Financial highlights for the Year# (USD)

- Revenue at \$. 474.6 mn
- EBITDA* at \$ 58.6 mn
- Profit after Tax* at \$ 48.3 mn

Key Financial highlights for the Year# (INR)

- Revenue at Rs. 33,052 mn
- EBITDA* at Rs 4,081 mn; EBITDA margin at 12.3%
- Profit after Tax* at Rs 3,363 mn
 - EPS* at ~Rs 12.3 for the Year Ended March 31, 2019

Other highlights

- The Board has recommended a dividend of Rs 2/- per share (100%) on Face Value of Rs 2.
- Manpower strength of 10,061 as of 31st March 2019.
 - Addition of 108 people during the quarter
- Cash and Cash Equivalent of Rs 5,681 mn as of 31st March 2019
- Debt at Rs 381 mn as of 31st March 2019
 - Repaid Rs 1,400 mn during the quarter
- Active Client Count at 401

Financials for Q3FY19 and FY19 are on a Proforma Basis (Combined entity i.e. Birlasoft (India) Ltd + KPIT IT Services' business). Birlasoft (India) Ltd (an unlisted company) merged and amalgamated with the KPIT Technologies Limited (earlier listed as NSE : KPIT); and the engineering business of KPIT Technologies Limited was, on a going concern basis, demerged and transferred to KPIT's Engineering Services Ltd. effective 15th January 2019. (with appointed date as 1st January 2019 as per the NCLT order).

The combined entity resulting from the Merger (of Birlasoft (India) Ltd & KPIT IT Services business) and the Demerger (of KPIT's Engineering Services business) is referred to as "Birlasoft Limited" [named changed from KPIT Technologies Ltd (NSE :KPIT) to Birlasoft Limited (NSE:BSOFT) on February 8, 2019]. KPIT Engineering Services Ltd has been renamed as KPIT Technologies Ltd (NSE : KPITTECH) w.e.f. March 13, 2019.

** Adjusted for merger and integration related expenses*

Integration update

Effective from January 15, 2019. Birlasoft (India) Ltd and KPIT's IT Services business, merged to form a leading publicly listed Enterprise Digital and IT Services company named Birlasoft Ltd. The planning process for the merger / demerger started in early 2018 with a joint Integration team of more than 35 senior managers staffed with leaders from both organizations, and across all business and support functions. During the planning stage, Company also engaged integration consultants, to ensure rigor and comprehensiveness in the plans. The focus of the teams has been to ensure seamless business continuity, regular communication to employees and external stakeholders, and speedy value unlock driven by synergies on the revenue side. The organization has transitioned to a common joint reporting structure with vertical driven P&Ls, and an integrated budget.

Deal wins for the quarter

- Won a multi-year multi-million SAP Annual Maintenance Services (AMS) deal from a leading US utilities Company

- Selected by a US Process Manufacturer for global implementation of Oracle rollouts.
- Awarded by a US Life Sciences Company the implementation of Cloud based Oracle Product Hub.
- Chosen by a US Industrial Company for implementation of its Commercial ERP software.
- Selected by an Asian Financial services company for Digital Transformation of its Application Services stack.
- Chosen by US Retail major for SAP Anywhere AMS deal
- Chosen by a leading US Medical Technology Company for SAP functional support services.

Business Highlights, Awards and Recognition

- Received SAP® North America Partner Excellence Award 2019 for Customer Experience. The awards are presented by SAP to the top-performing SAP partners in the North America region, that have made outstanding contributions to driving customers' digital transformation
- Anjan Lahiri recognized in The Software Report's Top 50 Tech Services CEOs of 2019
- Amit Dhawan, Chief Information Security Officer (CISO), Birlasoft was bestowed with the dynamic CISO Excellence Award, in the Innovative CISO category at the 6th Annual dynamic CISO Excellence Awards Summit held at The Leela – Mumbai.
- Birlasoft has been positioned as Disruptor in the Avasant Internet of Things Services 2019 RadarView™

Leadership Update

Birlasoft also announced that Anjan Lahiri will be stepping down from his role as CEO and MD owing to a pressing personal situation. Dharmender Kapoor (DK) currently Chief Operating Officer (COO) and co-architect of the integration process will be succeeding Anjan Lahiri as the Chief Executive Officer effective June 1, 2019.

DK will be based in India, and will report to Chairman, Amita Birla. Commenting on Anjan's four years as the CEO of Birlasoft, **Amita said** "We thank Anjan for his valuable contribution to the company's growth and success over the years, and for ensuring a smooth transition of his responsibilities. We are very excited to have DK take over the position of CEO & MD, he has been with the company since 2014 and along with Anjan has been instrumental in seeing the emergence of Birlasoft into the formidable enterprise digital company that it is today. DK, who has over 30 years of experience is a seasoned Industry leader. He is widely known for his approachability, team building and solution orientation with customers."

Birlasoft, has completed its previously announced merger with the IT Services division of KPIT to create a new leader in the Enterprise Digital sector. The combined entity known as ‘Birlasoft Limited’ is a mid-tier ~USD 500 million company, listed on the Indian stock exchanges as BSOFT. Poised to deliver a much wider suite of capabilities through the merger of KPIT’s IT business, particularly in SAP, Oracle, JDE and other related areas of manufacturing with Birlasoft’s core strengths in Custom Application Development and Maintenance in Digital, Sales Force, Data Analytics and Testing, will create a leading edge enterprise digital company.

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 150-year heritage of building sustainable communities.

For further information, visit www.Birlasoft.com.

For further information please contact:

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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
Q4 & FY 2018-19

Revenue Metrics.

Rs 5,299 mn

FY19 Net Cash

Rs. 12.3

FY 19 Adj EPS*

\$ 475 mn

FY19 Revenue

Revenues by

Client Geography	Quarter Ended		FY 19 #
	Q3 FY19 #	Q4 FY19	
Americas	77.8%	79.0%	78.6%
Europe	12.1%	11.1%	11.5%
Rest of the World	10.1%	9.9%	9.8%
Total	100.0%	100.0%	100.0%

Revenue by Industry Verticals	Quarter Ended		FY 19 #
	Q3 FY19 #	Q4 FY19	
Discrete Manuf, Hitech & Media	19.6%	19.4%	19.3%
BFSI	20.2%	20.2%	19.7%
Energy & Utilities	18.9%	18.5%	19.1%
CPG, Retail & Process Manuf	15.2%	13.5%	15.0%
Lifesciences	13.6%	15.2%	14.0%
Automotive	12.6%	13.1%	12.7%
Total	100.0%	100.0%	100.0%

Revenue by Service Offerings	Quarter Ended		FY 19 #
	Q3 FY19 #	Q4 FY19	
Intergrated Enterprise Solutions (IES)	31.1%	31.4%	31.0%
SAP	20.5%	20.4%	22.1%
Digital Transformation (DT)	30.0%	29.1%	28.6%
Custom Application Development	10.2%	10.9%	10.3%
Other horizontals	8.2%	8.2%	8.1%
Total	100.0%	100.0%	100.0%

Revenues by Contract Type	Quarter Ended		FY 19 #
	Q3 FY19 #	Q4 FY19	
Time & Material	55.6%	57.0%	55.8%
Fixed Price, Fixed Monthly	44.4%	43.0%	44.2%
Total	100.0%	100.0%	100.0%

Revenues Mix	Quarter Ended		FY 19 #
	Q3 FY19 #	Q4 FY19	
Onsite	57.3%	56.9%	57.6%
Offshore	42.7%	43.1%	42.4%
Total	100.0%	100.0%	100.0%

Currency Mix of Revenue	Quarter Ended	
	Q3 FY19 #	Q4 FY19
USD	78.5%	79.1%
GBP	2.6%	2.6%
EUR	6.2%	5.3%
Others	12.7%	13.0%
Total	100.0%	100.0%

Hedge Details

Hedge Book	Quarter Ended	
	Q4 FY19	Ave INR
USD mn	28	72.8
GBP Mn	6	82.6
Euro Mn	7	91.0

Exchange Rate (INR/USD)	Quarter Ended		FY 19 #
	Q3 FY19 #	Q4 FY19	
Period Average	71.50	69.68	69.65
Period End	71.15	70.46	70.46

Client Data

Client Data	Quarter Ended	
	Q3 FY19 #	Q4 FY19
No of Active Clients	400	401
Clients added	2	1
No of million \$ clients (LTM)		
US\$ 1mn+ Clients	82	84
US\$ 5mn+ Clients	16	16
US\$ 10mn+ Clients	4	5
Client Contribution to Revenue		
Top 5	27.0%	26.4%
Top 10	36.8%	36.2%
Top 20	49.7%	48.8%

LTM - last twelve months

Headcount Metrics

Headcount Metrics	Quarter Ended	
	Q3 FY19 #	Q4 FY19
Total Headcount	9,953	10,061
Technical	8,906	9,013
Sales & Support	1,047	1,048
Women Employees	2,159	2,203
Attrition (LTM)	19.0%	19.9%

DSO

DSO	Q3 FY19 #	Q4 FY19
Days Sales Outstanding - Billed	84	79

Consolidated Income Statement for quarter & Year Ended March 31, 2019

Particulars – in INR Mn	Quarter ended	
	31-Dec-18 (Proforma) #	31-Mar-19 (Audited)
Revenue from operations	8,269	7,883
Expenses		
Employee benefits expense	4,927	4,959
Other expenses	2,614	2,303
EBITDA	729	621
<i>EBITDA Margin %</i>	<i>8.8%</i>	<i>7.9%</i>
Depreciation and amortization expense	149	130
Finance costs	34	28
Other income (net)	98	170
Exceptional items	-	176
Profit before tax (PBT)	645	809
Provisions for Tax	233	148
Profit for the Period	411	661
Merger and integration related costs	255	212
Adjusted EBITDA *	984	832
<i>EBITDA Margin %</i>	<i>11.9%</i>	<i>10.6%</i>

Particulars – in INR Mn	Year ended
	31-Mar-19 (Proforma) [#]
Revenue from operations	33,052
Expenses	
Employee benefits expense	19,965
Other expenses	9,884
EBITDA	3,204
<i>EBITDA Margin %</i>	<i>9.7%</i>
Depreciation and amortization expense	640
Finance costs	118
Other income (net)	483
Exceptional items	176
Profit before tax (PBT)	3,104
Provisions for Tax	618
Profit for the Period	2,486
Merger and integration related costs	877
Adjusted EBITDA *	4,081
<i>EBITDA Margin %</i>	<i>12.3%</i>

* Adjusted for merger and integration related expenses

Consolidated Balance Sheet Statement as at March 31, 2019

in Rs Mn

Particulars	1 Jan, 2019	31 Mar, 2019
ASSETS	(Proforma)	(Audited)
Non-current assets		
Property, plant and equipment	1,523	1,444
Goodwill	3,747	4,219
Other intangible assets	257	218
Financial assets		
Loans	42	100
Other financial assets	166	84
Income tax assets (net)	452	691
Deferred tax assets (net)	1,493	1,433
Other non-current assets	350	52
Current assets		
Financial assets		
Investments	2,616	1,909
Trade receivables	9,707	7,107
Cash and cash equivalents	4,320	3,617
Other balances with banks	107	155
Loans	1,357	48
Unbilled revenue	988	970
Other financial assets	313	1,938
Other current assets	677	990
TOTAL ASSETS	28,113	24,976

Particulars	1 Jan, 2019	31 Mar, 2019
EQUITY AND LIABILITIES		
Equity		
Equity share capital	548	548
Other equity	15,658	16,587
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	-	-
Other financial liabilities	137	-
Other non current liabilities	-	59
Provisions	543	637
Deferred tax liabilities (net)	-	-
Current liabilities		
Financial liabilities		
Borrowings	1,781	381
Trade payables	3,870	2,148
Other financial liabilities	4,318	3,155
Other current liabilities	403	887
Provisions	399	174
Income tax liabilities (net)	456	399
TOTAL EQUITY AND LIABILITIES	28,113	24,976

Consolidated Cash Flow Statement as at March 31, 2019

Cash Flow Summary	Q4 FY19
Details	in Rs Mn
Cash Profit for Q4 FY19	483
Working Capital Adjustments	499
Cash Generated from Operations (CFO)	981
Fixed Assets	(27)
Balance Cash Flow	954
Addition due to merger	2,460
Reduced due to demerger	(659)
Investment in Subsidiary	-
Repayment of Loan issued	1,300
Debt Repayment	(1,400)
Total Increase/(Decrease) in cash balance	2,655
Total Net Cash balance as at Qtr end	5,299

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