

**Press Release:**

**Results for the Quarter ended June 30, 2016**

- Revenue growth of 36% YoY from Rs 730.3 cr to Rs 991.0 cr
- EBITDA up by 59% from Rs 33.1 cr to Rs 52.7 cr
- Expansion in EBITDA margin from 4.5% (Q1 FY16) to 5.3% (Q1 FY17)
- Profit After Tax up by 37% from Rs 18.0 cr to Rs 24.7 cr

**BANGALORE, FRIDAY, JULY 29, 2016:** Quess Corp Limited (“Quess”, “Company”) declared its Financial Results for the Quarter ended June 30, 2016 (“Q1 FY17”).

**Consolidated Results – Q1 FY17:**

- Revenue: The Company’s revenue grew by 36% to Rs 991.0 cr (compared to Rs.730.3 cr for Q1 FY16). Setting aside the impact of acquisitions, the organic revenue growth was 26.4%
- EBITDA: The Company’s EBITDA grew by 59% to Rs 52.7 cr (compared to Rs.33.1 cr for Q1 FY16) with EBITDA margin expanding from 4.5% (in Q1 FY16) to 5.3% (in Q1 FY17). Setting aside the impact of acquisitions, the organic EBITDA growth was 43.6%
- PAT: The Company’s PAT grew by 37% to Rs 24.7 cr (compared to Rs.18.0 cr for Q1 FY16).
- Total Comprehensive Income grew by 32% to Rs. 23.9 cr (compared to Rs. 18.1 cr for Q1 FY16)
- Employee headcount grew by 22% to ~127,250 in Q1 FY17 (compared to 104,600 in Q1 FY16)
- The quarter saw successful closure of the acquisition of Randstad Lanka (Private) Limited (“Randstad Lanka”), expanding Quess’ footprint across South East Asia. Randstad Lanka has been seeing significant growth post acquisition, with headcount as of June 30, 2016 at 610 compared to 550 at the time of transaction closure in April 2016.
- Brainhunter and MFX have been focus areas over the past 1 year, given that they were loss making when we acquired them. The management efforts

have been yielding results with both companies turning EBITDA and PAT positive with significant improvement in operational parameters. The turnaround and profitability of our North America IT business has translated into GTS EBITDA margin expansion of 1.0% (from 7.4% in Q1 FY16 to 8.4% in Q1 FY17).

- Credit Rating Upgrade:
  - ICRA Limited has upgraded the long-term rating outstanding on long-term fund based facilities of the Company to [ICRA]AA- from [ICRA]A+. The outlook on the long-term rating has been revised to Stable from Positive. ICRA has reaffirmed the short-term rating of [ICRA]A1+ on the short-term fund based facilities, the short-term non-fund based facilities and the commercial paper programme of the Company.

Segment Results – Q1 FY17 (Consolidated):

(in Rs cr, unless otherwise mentioned)	Q1 FY17	Q1 FY16
<b>Global Technology Solutions</b>		
Segment Revenue	274.7	219.6
<i>Revenue Growth %</i>	25.1%	
Segment EBIT	19.6	15.8
<i>EBIT Margin %</i>	7.1%	7.2%
<b>People &amp; Services</b>		
Segment Revenue	567.2	381.5
<i>Revenue Growth %</i>	48.7%	
Segment EBIT	25.1	14.7
<i>EBIT Margin %</i>	4.4%	3.9%
<b>Integrated Facility Management</b>		
Segment Revenue	96.1	86.7
<i>Revenue Growth %</i>	10.9%	
Segment EBIT	3.5	3.1
<i>EBIT Margin %</i>	3.6%	3.5%
<b>Industrial Asset Management</b>		
Segment Revenue	53.0	42.5
<i>Revenue Growth %</i>	24.7%	
Segment EBIT	5.5	4.3
<i>EBIT Margin %</i>	10.4%	10.2%



Commenting on the results, Mr. Ajit Isaac, CMD & CEO, Quess Corp Limited said, "We are happy to report strong growth of about 36% across our businesses, which is in excess of our target growth rates of about 20% on a YoY basis. Our continued focus on margin expansion has yielded positive results with EBITDA margins growing by 0.80%. The turnaround of Brainhunter and MFX continues to be on track with both businesses reporting positive EBITDA. The acquisition in Sri Lanka increases our geographic footprint in South East Asia and provides us a strategic beachhead in the country. We are excited about the possibilities for Quess as we go into the future."

For more information, please get in touch with;

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