

Press Release

Bengaluru, India, July 24, 2018- TeamLease Services Limited (**NSE: TEAMLEASE, BSE: 539658**), one of India's largest staffing companies, today announced its results for the quarter ended June 30, 2018.

(all numbers in Rupees' Crore except Margins)

Particulars	Q1FY19	Q1FY18	YoY Growth %	Q4FY18	QoQ Growth %
Operating Revenue (net)	1,021.3	853.0	20%	977.5	4%
EBITDA	20.0	13.0	54%	20.8	-4%
EBITDA margin (%)	2.0%	1.5%		2.1%	
PBT	21.5	16.6	30%	19.8	9%
PBT margin (%)	2.1%	1.9%		2.0%	
Net Profit (PAT)	21.8	16.4	33%	21.2	3%
PAT margin (%)	2.1%	1.9%		2.2%	
EPS (Basic and Diluted)	12.8	9.6	33%	12.4	3%

Consolidated financial results for the quarter ended June 30, 2018 (Q1FY19):

1. Operating Revenue grew by 20% YoY from ₹ 853.0 crore in Q1FY18 to ₹ 1,021.3 crore in Q1FY19.
2. Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) was ₹ 20.0 crore for Q1FY19 as compared to ₹ 13.0 crore in the corresponding quarter of the previous year reflecting a YoY increase of 54%.
3. Profit Before Tax (PBT) was ₹ 21.5 crore for Q1FY19 as compared to ₹ 16.6 crore in the corresponding quarter of the previous year reflecting a YoY increase of 30%. PBT margin has increased to 2.1% in Q1FY19 from 1.9% in Q1FY18.
4. Net profit was ₹ 21.8 crore for Q1FY19 as compared to ₹ 16.4 crore in the corresponding quarter of the previous year reflecting a YoY increase of 33%.
5. Net profit margin improved to 2.1% in Q1FY19 from 1.9% in Q1FY18.
6. The Company continues to avail the benefit available under section 80JJAA of the Income Tax Act, 1961.
7. Earnings Per Share (EPS) was ₹ 12.8 for Q1FY19 reflecting a YoY growth of 33%.
8. Return on Capital Employed (ROCE) for our Staffing business is 43%; ROCE for overall Group, including recent acquisitions, is 24% for Q1FY19.

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Business Update

1. As of June 30, 2018, we had a net increase in associate/trainee headcount by over 32,000 YoY compared to June 30, 2017 and an increase of over 10,000 QoQ compared to March 31, 2018.
2. Average mark-up per associate per month increased marginally by 1% to ₹ 736 in Q1FY19 from ₹ 729 in Q1FY18.
3. Average monthly mark-up of NETAP trainees increased to ₹ 590 in Q1FY19 from ₹ 544 in Q1FY18.
4. Our Top 5 and Top 10 clients contributed to 14% and 20% of our net revenue respectively for the quarter ended June 30, 2018, implying a well-diversified mix of client portfolio.
5. Our ratio of associates/ trainees to staffing core employees improved to 232 in Q1FY19 from 204 in Q1FY18 and 220 in Q4FY18.

Management Comment

Commenting on the results, **Mr. Ashok Reddy, Managing Director, TeamLease Services Limited** said, *“We delivered a strong quarter and have got back on track in terms of growth in revenues and headcount. Productivity metrics in staffing business continue to improve on the back of strong headcount growth in associates / trainees. We continue to drive the organic margin expansion while capital frugality and positive cashflows remain as key focus areas.”*

About TeamLease Services Limited

We are one of India's leading providers of human resource services with a vision of 'Putting India to Work'. Our services span the entire people supply chain of human resources, covering Employment, Employability and Education. Our Employment services include staffing solutions, recruitment services and compliance services. Our Employability offerings include different types of learning and training solutions for retail, institutional and enterprise customers. We have more than 193,000 employees/associates/trainees with over 2,250 clients across 6,600 locations in India. For more details, visit www.teamleasegroup.com.

Investor contact

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