



July 26, 2019

To Listing Department BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 Scrip Code: 539658	To Listing Department National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai - 400 051 Scrip Code: TEAMLEASE
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Dear Sir/Madam,

Sub: Press Release for the quarter ended June 30, 2019

With reference to the captioned subject, please find enclosed Press Release pertaining to the Un-Audited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2019.

Kindly take the above said information on record as per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You.
Yours faithfully,
For **TeamLease Services Limited**

Alaka Chanda

Alaka Chanda
Company Secretary and Compliance Officer

Encl: As above



TeamLease Services Limited, CIN No: L74140KA2000PLC118395

Registered Office : 6th Floor, BMT Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560095.

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Press Release- Q1 FY20

Bengaluru, India, July 26, 2019- TeamLease Services Limited (**NSE: TEAMLEASE, BSE: 539658**), one of India's largest staffing companies, today announced its results for the first quarter (**Q1FY20**) of the financial year ending March 31, 2020.

Summary of Consolidated financial results:

(all numbers in Rupees' Crores except Margins)

Particulars	Q1FY20	Q1FY19	YoY Growth %	Q4FY19	QoQ Growth %	FY19
Revenue:						
General Staffing and Allied Services	1,130.6	916.1	23%	1,056.5	7%	4,011.5
Specialised Staffing Services	98.2	75.0	31%	79.4	24%	309.2
Other HR Services	22.4	30.3	-26%	27.5	-18%	126.9
Total Income from Operations	1,251.2	1,021.3	23%	1,163.4	8%	4,447.6
EBITDA:						
General Staffing and Allied Services	23.4	15.6	50%	24.7	-6%	80.8
Specialised Staffing Services	6.3	5.3	18%	4.9	29%	20.2
Other HR Services	(6.2)	2.4	-361%	1.6	-487%	8.3
Unallocated	(0.8)	(3.2)	-75%	(5.7)	-86%	(15.2)
Total EBITDA	22.7	20.1	13%	25.5	-11%	94.1
EBITDA Margin						
General Staffing and Allied Services	2.1%	1.7%		2.3%		2.0%
Specialised Staffing Services	6.4%	7.1%		6.1%		6.5%
Other HR Services	-27.4%	7.8%		5.8%		6.5%
Consolidated EBITDA Margin	1.8%	2.0%		2.2%		2.1%
Consolidated Profit Before Tax (PBT)	17.3	21.5		26.8		96.4
PBT margin	1.4%	2.1%		2.3%		2.2%
Net Profit (PAT)	18.8	21.8		26.0		98.0
PAT margin	1.5%	2.1%		2.2%		2.2%
EPS (Basic and Diluted) - Rs.	11.0	12.8		15.2		57.3

Highlights of Q1FY20 financial performance:

1. General Staffing grew by 23% in revenues and 50% in EBITDA on YoY basis. EBITDA margin stands at 2.1% in Q1FY20 after the impact of annual salary increments of 9% to core employees.
2. Our acquisition of eCentric IT Staffing vertical gave us incremental headcount of ~880 associates in Specialized Staffing Services. On a QoQ basis, inorganic contribution from eCentric to revenue is Rs.16cr and to PBT is Rs.0.8cr in Q1FY20.
3. Profitability of HR services got impacted by Rs.6cr on account of delay in collections and thereon provision. We expect reversal of these provisions in Q2/Q3.
4. Overall revenue grew by 23% and EBITDA grew by 13% in Q1FY20. Unallocated net expenses were brought down substantially on QoQ and YoY basis.

Press Release- Q1 FY20

Business Update

1. Our total employee/ trainee headcount is ~225,000 as of June 30, 2019 reflecting an increase of ~33,000 on YoY basis and ~8,500 on QoQ basis. Our general staffing associate employee headcount is ~160,600 and NETAP trainee headcount is ~57,300 as of June 30, 2019.
2. Average realization per associate improved to Rs.730 p.m. in Q1FY20 from Rs.714 p.m. in Q4FY19.
3. We have maintained our funding exposure at 14% in general staffing business over the last couple of quarters.
4. Our ratio of general staffing associates/trainees to staffing core employees improved to 277 in Q1FY20 from 270 in Q4FY19.
5. We have made necessary salary corrections to both core employees and associates to fully comply with the recent Supreme Court clarification on PF remittance.

Management Comment

Mr. Ashok Reddy, Managing Director, TeamLease Services Limited commenting on the quarterly results said, *“Headcount addition and markups in Staffing business are back on track with positive improvement in Q1. Our technology investments in products of Avantis and Fresher’s World are heading in the right direction and in line with our plan. Overall pipeline for coming quarters across businesses is encouraging”.*

About TeamLease Services Limited

TeamLease Services is one of India’s leading human resource companies offering a range of solutions to 3500+ employers for their hiring, productivity and scale challenges. A Fortune India 500 company listed on the NSE & BSE, TeamLease has hired 17 lakhs people over the last 17 years and has 2 lakhs+ open jobs every day. One of India’s fastest growing employers, TeamLease also operates India’s first Vocational University and India’s fastest growing PPP National Employability through Apprenticeship Program. The Company offers solutions to large, medium and small clients across the 3Es of employment (1.6 lakhs+ employees), employability (2 lakhs+ students) and Ease-of-doing Business (1000+ employers).

Investor contact

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