

Results Release

Q2 FY 2024-25





Birlasoft Q2FY25 Revenue up 3.1% QoQ and 4.5% YoY to ₹13,682 Mn

Q2FY25 Revenue up 2.6% QoQ and 3.2% YoY in dollar terms

Cash & Cash Equivalents Up 29% YoY led by sustained strong cash generation
Board recommends interim dividend of ₹2.50 per share

New York, October 23, 2024: Birlasoft, a leading IT services and solutions provider, today reported its unaudited consolidated financial results for the second quarter ended September 30, 2024. Birlasoft is part of the \$3 bn CK Birla Group, which has over 35,000 employees and operates 52 manufacturing facilities globally.

Mr. Angan Guha, Chief Executive Officer and Managing Director, Birlasoft, said, *"We are pleased to report a strong rebound in our revenue performance during the quarter under review with broad-based growth across our top accounts, the Manufacturing, BFSI and E&U verticals, as well as the Digital & Data and ERP service lines. On a sequential basis, our Q2FY25 revenue grew by 2.6% in dollar terms. This was driven by ramp-ups in some projects that were earlier delayed, better account mining and incremental business from consolidation deals where we have gained wallet share. The investments that we have been making to enhance our tech and*

domain capabilities as well as partnerships, which we believe is key for future growth, have already begun to see some early results reflected in a noticeable increase in the recognitions of our capabilities by leading industry analysts. This positions us well to capitalize upon the opportunities presented by a recovery in the demand environment as and when that happens."

"Our revenue during the quarter under review grew 4.5% year-on-year to Rs 13,682 million. We also maintained our robust track record of strong quarterly collections and consistent cashflow generation, resulting in a 29% rise year-on-year in cash and cash equivalents to Rs 18,587 Mn. Our DSO at 58 days remains healthy, enabling us to make the investments necessary to ensure that we have a differentiated value proposition in the marketplace. We expect margins to expand as these investments begin to pay-off," said **Ms Kamini Shah, Chief Financial Officer,** Birlasoft.

Key Financial highlights for Q2 FY25

In INR ₹

- Revenue at ₹ 13,682 M, up 4.5% YoY
- EBITDA at ₹ 1,653 M; EBITDA margin at 12.1%
- PAT at ₹ 1,275 M translating to basic EPS (not annualized) of ₹4.59
- Cash and cash equivalents increase 29.0% YoY to ₹18,587 M

In USD \$

- Revenue at \$163.3 M, up 3.2% YoY
- In constant currency terms, revenue up 2.9% YoY
- EBITDA at \$ 19.7 M; EBITDA margin at 12.1%
- PAT at \$ 15.2 M at 9.3%



Other operating highlights

- Growth during Q2FY25 driven by Manufacturing, Energy & Utilities (E&U) and BFSI among verticals, by Digital & Data and ERP among service lines, and by Americas among geographies
 - **Manufacturing up 4.7%, E&U up 4.7% and BFSI up 1.4% QoQ** while Lifesciences & Services (LSS) registered a sequential decline among verticals
 - **Digital & Data up 6.6% and ERP up 4.3% QoQ** while Infra registered a decline QoQ
 - The number of **\$1Mn+ clients increased from 88 to 89, \$5Mn+ clients increased from 23 to 24** and **\$10Mn+ clients remained stable** QoQ.
 - Revenue from Top 5, Top 10 and Top 20 clients grew YoY by **12.6%, 6.3% and 4.7%** respectively
- Signed deals of TCV \$ 136 M during the quarter with new deal wins TCV of \$ 89 M and renewals of \$ 47 M.
- Active Client Count at 261 in Q2FY25 (compared to 258 in Q1FY25 and 278 in Q2FY24).
- **Cash & Cash equivalents of \$221.8 M** by end of Q2FY25 versus \$229.7 M at end of Q1FY25. In rupee terms, cash and cash equivalents at ₹18,587 M at the end of Q2FY25 versus ₹19,143 M at the end of the preceding quarter
- Q2 FY25 **DSO at 58 days** versus 52 days in Q2 FY24.
- The Board has recommended an interim dividend of ₹2.50 per share. The record date for this payout will be 31st October 2024.
- Workforce strength stood at 12,578 as on 30th September 2024 and **attrition was 11.8%** during Q2FY25 (compared to **11.6%** a quarter ago and **15.0%** a year ago).
- During the quarter under review, Birlasoft achieved **AWS Competency in Manufacturing and Industrial Consulting**. This comes on the back of AWS Migration Consulting Competency attained by the company earlier, reflecting its deep expertise in delivering transformative digital solutions for the manufacturing and industrial sectors.

Key deal wins for the quarter

- Entrusted by an existing med-tech client with a multi-year quality engineering program where we will leverage our AI-led testing automation platform.
- Secured an engagement with a large global customer in the LSS vertical centered on program management services across the client's transformational programs.
- Won a multi-year deal covering both licenses and services to support a large P&C insurance company to maintain their Human Capital Management platform.

Awards & Recognitions...

- Birlasoft recognized as "Leader" in the "Next-Gen ADM Services 2024 ISG Provider Lens Study" - APAC, Europe, U.S
- Birlasoft positioned in "Leader Zone" by Zinnov for "Digital Engineering and ER&D Services – US , Digital Engineering Services and Data and AI services – 2024"
- Birlasoft recognized as "Leader" in the "Generative AI Services 2024 ISG Provider Lens Study" - Global
- Birlasoft recognized as "Product Challengers" in the "Supply chain Services 2024 ISG Provider Lens Study" - Brazil, Europe and U.S
- Birlasoft recognized as "Major Contender" in "Everest Group Open Banking IT Services PEAK Matrix Assessment 2024"
- Birlasoft recognized as "Contender" in the "Future of Work Services 2024 ISG Provider Lens Study" - U.K, U.S
- Birlasoft recognized as "Challenger" in the "Avasant Digital Workplace Services 2024 RadarView"
- Birlasoft recognized as "Challenger" in the "Avasant Salesforce Services 2024 RadarView"
- Birlasoft's three case studies recognized as 'Stand Out' , one each in Manufacturing, ERP and Data & Digital
- Birlasoft won the prestigious SAP ALM Excellence at the Indus Awards 2024 in the category of SP Cloud ALM Usage



About Birlasoft

Birlasoft, a global leader at the forefront of Cloud, AI, and Digital technologies, seamlessly blends domain expertise with enterprise solutions. The company's consultative and design-thinking approach empowers societies worldwide, enhancing the efficiency and productivity of businesses. Under the visionary leadership of Chairman Mrs. Amita Birla, Birlasoft, comprising over 12,500 professionals, is committed to driving digital transformation. With superior experience in chosen verticals, the company delivers cutting-edge technology solutions, shaping sustainable communities. Explore the innovation at www.birlasoft.com.

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About The CK Birla Group

The CK Birla Group, with a revenue of over US \$3 billion, is an Indian multinational conglomerate. With over 35,000 employees, the group operates 52 manufacturing facilities across India and the world, with a presence in diverse sectors including technology, automotive, home and building, and healthcare.

The CK Birla Group continuously adapts to stay ahead in a changing world. By harnessing technology and investing in people and digital transformation, the Group consistently remains agile and delivers profitable growth. Viewing value creation through a global lens, our companies operate without borders.

The CK Birla Group companies include Birlasoft Limited, GMMCO Limited, National Engineering Industries Limited (manufacturer of NBC Bearings), Orient Cement Limited, HIL Limited, Orient Electric Limited, CK Birla Healthcare Private Limited (CK Birla Hospitals and Birla Fertility & IVF), Orient Paper & Industries Limited, AVTEC Limited and Neosym Industry Limited.

Our companies share a common purpose of serving customers, partners and communities to create long term value through trust based relationships.

For further information please contact:

	Abhinandan Singh
Investors / Analysts	+91 9820293450 abhinandan.singh@birlasoft.com

	Tanushree Mahanty
Media	+91 9899195348 tanushreem1@birlasoft.com