

Tanla Solutions Limited Investor Update

For the Quarter ended December 31, 2017

January 24, 2018

Q3FY2018 Financial Highlights:

Particulars	Q3 FY2018	Q2 FY2018	(₹ In crore)
			Q3 FY2017
Total Revenues	200.0	198.2	168.6
EBITDA	14.9	18.1	15.6
Net Profit	3.6	7.3	11.9

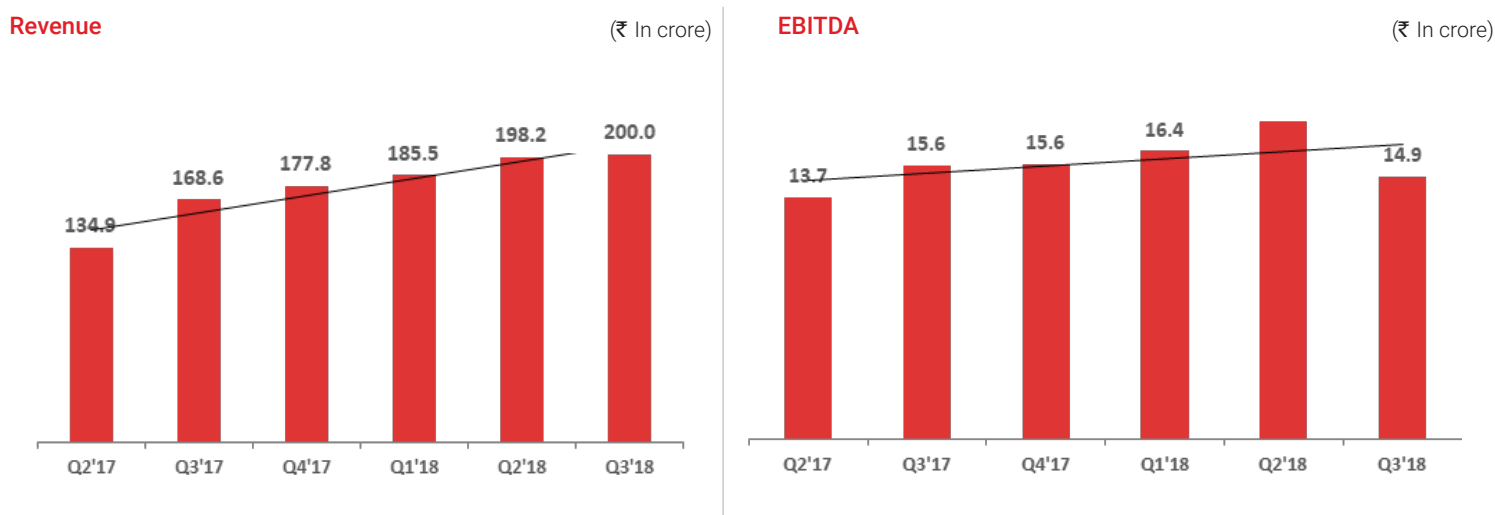
Investor Call:

Q3 FY18 Earnings Conference Call on Wednesday, January 24, 2018 at 04:00 pm IST

Dial-in details are as follows:

Conference dial-in Primary number	+91 22 3938 1071
India Local access Number	+91 7045671221 (Available all over India)
Hong Kong Local Access Number	800 964 448
Singapore Local Access Number	800 101 2045
UK Local Access Number	0 808 101 1573
USA Local Access Number	1 866 746 2133

Revenue and EBITDA trend over the previous 6 quarters



Financial Highlights:

- Revenue at Rs. 200 Cr, a growth of 1% Q-o-Q and 19% Y-o-Y on account of higher volumes.
- Business Revenue at Rs. 193 Cr, a growth of 1% Q-o-Q and 18% Y-o-Y
- Operating Profit at Rs. 14.9 Cr, a decline of 17% Q-o-Q and 4% Y-o-Y & Net Profit at Rs. 3.6 Cr, a decline of 51% Q-o-Q and 70% Y-o-Y is on account of revised revenue share on Domestic A2P messaging with a leading telco in India. This will be mitigated by the margin generated from the new ILD hub, which has been operational since Dec 15, 2017. The net effect would be (+/-) Rs 30 lakhs per month from Q4 FY2018.
- EPS (not annualized) for nine months ended December 31, 2017 stood at Rs. 2.
- Revenue from Property grew to Rs. 7 Cr from Rs 5 Cr, a growth of 40% Y-o-Y.

Business Update for Q3FY18:

- **ILD SMS Hub Deployment:**

Successful deployment of ILD SMS hub for a leading telecom operator in India in a record time which would stabilize and generate revenue from Q4 FY2018.

Corporate Highlights:

- **Promoter Shareholding**

The Promoters & Promoter Group (PGP) shareholding increased from 3,38,15,763 constituting 30.08% of the share capital to 3,44,35,763 constituting 30.63% of the existing share capital of 11,24,21,952 pursuant to inclusion of 2 companies in the Promoter Group Category.

Consolidated Statement of Profit and Loss for the quarter ended December 31, 2017 (Un-audited)

Particulars	(₹ in Crore)		
	Quarter ended Dec 31, 2017	Quarter ended Sept 30, 2017	Quarter ended Dec 31, 2016
Revenue			
Income from Operations (net)	200.00	198.16	168.59
Other Income	0.43	0.08	0.73
Total income	200.43	198.24	169.32
Expenses			
Cost of services	177.69	172.60	146.86
Change in inventories	-	-	-
Employee benefits expense	3.53	3.78	3.53
Depreciation expense	11.80	11.79	4.50
Connectivity & related expenses	0.68	0.54	0.44
Travel expenses	0.37	0.81	0.36
Other expenses	2.79	2.36	1.83
Total expenses	196.87	191.88	157.53
Profit / (Loss) before tax	3.56	6.36	11.80
Tax Expense			
Current Tax	0.36	0.89	0.75
Deferred Tax	(0.39)	(1.82)	(0.81)
Profit for the period	3.60	7.29	11.85
Earnings per Share (not annualised)			
Basic	0.32	0.65	1.17
Diluted	0.32	0.65	1.17

About Tanla Solutions:

Tanla Solutions [BSE: 532790|NSE: TANLA] founded in the year 1999, is the largest provider of A2P messaging services worldwide measured by volume of messages processed. Tanla's Fastrack platform is used by enterprises of all sizes including social media, banks, e-commerce, and logistics service providers to deliver mission critical messages and communicate with their customers.

Contact Information:

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Safe Harbor:

Certain statements in this presentation are forward looking in nature within the meaning of securities law. Forward looking statements generally relate to future events or future financial or operating performance, which include substantial risks and uncertainties. These statements relate to, among other things, our business strategy, goals and expectations concerning our market position, our channel partners and carrier relationships, size and growth of markets in which we operate and our future financial and operating results. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, the outcome of events described in these forward-looking statements depend on a variety of factors known and unknown, uncertainties and other factors including adverse changes in general and economic market conditions and our ability to adapt to evolving market and customer demands and rapid technological changes.