

Press release

July 17, 2018 | Mumbai

**CRISIL Ltd: Unaudited financial results
for the second quarter ended June 30, 2018**

The Board of Directors of CRISIL Ltd, at its meeting today, approved the unaudited financial results for second quarter ended June 30, 2018.

Q2 FY18 Highlights: (Financial year ending December 31, 2018)

- **Profit after tax grew by 14.7% year-on-year**
- **Declared an interim dividend of Rs. 6 per share**

CRISIL's consolidated income from operations for the quarter ended June 30 2018, rose 7.3% to Rs 436.05 crore, compared with Rs 406.50 crore in the corresponding quarter of 2017. Consolidated total income for the quarter rose 9.0% to Rs 453.41 crore, compared with Rs 415.79 crore in the corresponding quarter last year. Profit after tax rose 14.7% to Rs 77.13 crore versus Rs 67.25 crore in the corresponding quarter of the previous year.

For the six months ended June 30, 2018, consolidated income from operations rose 6.0% to Rs 856.00 crore, compared with Rs 807.85 crore in the corresponding period of the previous year. Consolidated total income rose 6.8% to Rs 880.98 crore, compared with Rs 825.03 crore in the corresponding period of the previous year. Profit after tax rose 14.3% to Rs 159.34 crore, versus Rs 139.39 crore in the corresponding period of the previous year.

The Board of Directors has declared a second interim dividend of Rs 6 per share (of Re 1 face value) for the financial year ending December 31, 2018.

Ashu Suyash, Managing Director & CEO, CRISIL, said, "Our core business and strategic initiatives on cutting-edge analytics, platforms and solutions are helping us win new clients. Our focus on operating efficiencies, through productivity and technology initiatives is helping us improve and sustain margins."

Ratings did well despite a sharp decline in domestic corporate bond issuances. The quarter saw new mandates in the large corporate ratings segment and for independent credit evaluation of stressed assets. Credit growth has picked up in 2018, growing to double digits in recent months after trailing in low to mid single digits for most of 2017. Credit offtake during the year backed by wholesale credit growth has held demand for bank loan ratings.

The shift towards integrated platforms and solutions is helping serve increasing demand for technology-enabled, advanced analytics. Our offerings for SME segment has moved to a largely digital business model, especially through smefirst.com, the online platform that offers multiple solutions including CRISIL Credit Assessment Score (CCAS). Quantix, the cross-sector data platform with advanced analytics on Indian corporates is witnessing traction with new clients.

CRISIL Risk and Infrastructure Solutions (CRIS) Ltd, a wholly owned subsidiary of CRISIL Ltd. that houses the Risk Solutions and Infrastructure Advisory businesses continued to grow driven by new business wins and successful delivery of existing projects. Further to acquisition of Pragmatix Services Pvt. Ltd. (Pragmatix) early this year, the business won clients for advanced analytics in areas such as customer-centric relationship management and regulatory solutions. Pragmatix's proprietary Big Data analytics platform Fulkrum powered by CRISIL's data sets is being leveraged to provide deeper insights and advanced solutions.

Globally, our customer-centric approach of offering value and differentiation helped. For Global Research and Analytics business, our focus remains two-pronged. We continue to target client wins for platforms and solutions

such as SMART (Simple, Modular, Analytics & Research Toolkit) and SPARC (Shared Platform for Assessing Risk of Counterparties); simultaneously, we are increasing presence in core offerings across modelling, stress testing, change management, financial crime and compliance. We are witnessing signs of maturity in regulations in the United States while the regulations in European Union offer increasing opportunities.

CRISIL Coalition registered strong growth driven by high renewal rate and increase in wallet share across its clients in the investment banking space. The business expanded in new client segment like regional banks and registered wins for its new offering, 'Transaction Banking, Lending & Securities Services'.

Our focus on cost controls and technology helped improve margins. Forex has also been favorable in the quarter. This apart, across businesses we have enhanced focus on employee experience and are investing in building a future-ready workforce.

CRISIL's report on four years of the central government as well as the second edition of CriSidex, the lead-and-lag indicator of business sentiment among micro and small enterprises, were very well received. Several white papers on areas like machine learning, blockchain and anti money laundering were released. Also, multiple roundtables on Current Expected Credit Loss (CECL) model across several cities in United States were organized.

CRISIL Foundation continues to progress well in bridging the financial literacy gap, especially in the rural areas of Rajasthan and Assam. To improve monitoring of our growing tree plantation programme, CRISIL Foundation invested in tech enabled solution and has completed geo tagging of nearly 9,000 trees.



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About CRISIL Limited

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

It is majority owned by S&P Global Inc, a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

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CRISIL Limited
Statement of Financial Results for the quarter and half year ended June 30, 2018

(Rs. in Crore)

Particulars	Consolidated						Standalone					
	3 Months ended	3 Months ended	Corresponding 3 Months ended	6 Months ended	Corresponding 6 Months ended	Year ended	3 Months ended	3 Months ended	Corresponding 3 Months ended	6 Months ended	Corresponding 6 Months ended	Year ended
	30-Jun-18	31-Mar-18	30-Jun-17	30-Jun-18	30-Jun-17	31-Dec-17	30-Jun-18	31-Mar-18	30-Jun-17	30-Jun-18	30-Jun-17	31-Dec-17
	Unaudited (Refer note 6)					Audited	Unaudited (Refer note 6)					Audited
1. Income												
A. Total income from operations	436.05	419.95	406.50	856.00	807.85	1,658.46	294.58	287.72	291.54	582.30	592.13	1,177.38
B. Other income (Refer note 4)	17.36	7.62	9.29	24.98	17.18	25.59	12.20	14.08	13.60	26.28	23.72	41.79
2. Total income (1A + 1B)	453.41	427.57	415.79	880.98	825.03	1,684.05	306.78	301.80	305.14	608.58	615.85	1,219.17
3. Expenses												
A. Employee benefits expenses	234.55	210.84	213.74	445.39	411.69	845.93	128.01	118.90	124.92	246.91	243.32	491.63
B. Rent expenses	15.39	15.43	14.68	30.82	28.99	58.53	11.03	11.33	11.11	22.36	22.19	44.55
C. Professional fees	19.04	20.51	21.19	39.55	38.51	85.90	36.38	34.78	41.02	71.16	74.10	150.90
D. Travel expenses	12.50	10.61	13.11	23.11	24.51	47.33	6.99	5.38	7.90	12.37	14.69	26.32
E. Associate service fees	12.89	10.90	11.37	23.79	23.45	42.39	10.11	8.60	11.06	18.71	22.88	41.24
F. Finance costs	0.69	0.53	-	1.22	-	0.41	0.68	0.50	-	1.18	-	0.41
G. Other expenses (Refer note 4)	33.63	30.42	29.86	64.05	68.39	123.31	24.43	21.43	20.21	45.86	51.40	89.55
H. Depreciation / Amortization	10.41	10.48	12.73	20.89	25.58	46.64	7.03	7.45	7.06	14.48	14.01	28.52
3. Total expenses	339.10	309.72	316.68	648.82	621.12	1,250.44	224.66	208.37	223.28	433.03	442.59	873.12
4. Profit before exceptional items and tax (2 - 3)	114.31	117.85	99.11	232.16	203.91	433.61	82.12	93.43	81.86	175.55	173.26	346.05
5. Exceptional item	-	-	-	-	-	-	-	-	-	-	-	-
6. Net profit before tax (4 + 5)	114.31	117.85	99.11	232.16	203.91	433.61	82.12	93.43	81.86	175.55	173.26	346.05
7. Tax expense												
A. Current tax	43.70	38.11	35.86	81.81	71.60	146.48	34.17	32.53	29.91	66.70	60.95	120.42
B. Deferred tax	(6.52)	(2.47)	(4.00)	(8.99)	(7.08)	(17.30)	(7.37)	(2.26)	(3.47)	(9.63)	(5.40)	(11.63)
7. Total tax expense (7A + 7B)	37.18	35.64	31.86	72.82	64.52	129.18	26.80	30.27	26.44	57.07	55.55	108.79
8. Net profit for the period (6 - 7)	77.13	82.21	67.25	159.34	139.39	304.43	55.32	63.16	55.42	118.48	117.71	237.26
9. Other comprehensive income (Net of tax)	(4.50)	(21.10)	(25.99)	(25.60)	(12.03)	(77.42)	2.69	(40.73)	(25.27)	(38.04)	(14.58)	(85.17)
10. Total comprehensive income for the period (8 + 9)	72.63	61.11	41.26	133.74	127.36	227.01	58.01	22.43	30.15	80.44	103.13	152.09
11. Paid up Equity Share Capital (Face value of Re.1 each)	7.18	7.17	7.14	7.18	7.14	7.17	7.18	7.17	7.14	7.18	7.14	7.17
12. Other equity						1,041.40						804.53
13. Earnings Per Share (EPS)												
Basic (Not annualised)	10.74	11.46	9.42	22.21	19.54	42.58	7.71	8.81	7.76	16.51	16.50	33.19
Diluted (Not annualised)	10.69	11.40	9.32	22.09	19.32	42.32	7.67	8.76	7.68	16.42	16.32	32.98

CRISIL Limited

Statement of Segment Results for the quarter and half year ended June 30, 2018

(Rs. in Crore)

Particulars	Consolidated						Standalone					
	3 Months ended	3 Months ended	Corresponding 3 Months ended	6 Months ended	Corresponding 6 Months ended	Year ended	3 Months ended	3 Months ended	Corresponding 3 Months ended	6 Months ended	Corresponding 6 Months ended	Year ended
	30-Jun-18	31-Mar-18	30-Jun-17	30-Jun-18	30-Jun-17	31-Dec-17	30-Jun-18	31-Mar-18	30-Jun-2017	30-Jun-18	30-Jun-2017	31-Dec-17
	Unaudited (Refer note 6)					Audited	Unaudited (Refer note 6)					Audited
1. Operating revenue												
A. Rating services	128.39	114.97	116.25	243.36	230.84	480.29	128.39	114.97	116.25	243.36	230.84	480.29
B. Research services	274.51	273.81	266.22	548.32	531.77	1,080.39	166.19	172.75	175.29	338.94	361.29	697.09
C. Advisory services	33.15	31.17	24.03	64.32	45.24	97.78	-	-	-	-	-	-
1 D. Total revenue from operations	436.05	419.95	406.50	856.00	807.85	1,658.46	294.58	287.72	291.54	582.30	592.13	1,177.38
2. Less: Inter segment revenue	-	-	-	-	-	-	-	-	-	-	-	-
3. Net income from operations (1D - 2)	436.05	419.95	406.50	856.00	807.85	1,658.46	294.58	287.72	291.54	582.30	592.13	1,177.38
4. Segment profits												
A. Rating services	45.62	38.26	32.46	83.88	62.74	151.20	45.52	38.08	32.44	83.60	62.72	151.04
B. Research services	79.66	84.89	71.49	164.55	154.46	308.46	44.54	60.65	47.11	105.19	108.34	201.42
C. Advisory services	(0.25)	3.43	2.83	3.18	3.19	9.24	-	-	-	-	-	-
4 D. Total operating profit	125.03	126.58	106.78	251.61	220.39	468.90	90.06	98.73	79.55	188.79	171.06	352.46
5. Add / (Less)												
i. Interest	(0.69)	(0.53)	-	(1.22)	-	(0.41)	(0.68)	(0.50)	-	(1.18)	-	(0.41)
ii. Other unallocable income net of unallocable expenditure (Refer note 4)	0.38	2.28	5.06	2.66	9.10	11.76	(0.23)	2.65	9.37	2.42	16.21	22.52
iii. Depreciation / Amortisation (Unallocable)	(10.41)	(10.48)	(12.73)	(20.89)	(25.58)	(46.64)	(7.03)	(7.45)	(7.06)	(14.48)	(14.01)	(28.52)
6. Net profit from ordinary activities before tax (4 + 5)	114.31	117.85	99.11	232.16	203.91	433.61	82.12	93.43	81.86	175.55	173.26	346.05
Segment Assets (Refer note 5)												
A. Rating services	144.74	62.38	123.51	144.74	123.51	75.27	144.74	62.38	123.51	144.74	123.51	75.27
B. Research services	687.85	655.37	559.30	687.85	559.30	591.31	348.85	334.76	298.63	348.85	298.63	269.02
C. Advisory services	138.94	132.40	63.66	138.94	63.66	72.01	-	-	-	-	-	-
D. Unallocable (Net)	603.43	596.66	679.84	603.43	679.84	756.12	643.85	664.73	720.67	643.85	720.67	771.96
Segment Liabilities (Refer note 5)												
A. Rating services	175.87	69.40	182.59	175.87	182.59	124.65	175.87	69.40	182.59	175.87	182.59	124.65
B. Research services	188.45	164.20	162.44	188.45	162.44	217.24	84.91	88.28	89.54	84.91	89.54	114.71
C. Advisory services	31.84	27.60	-	31.84	23.27	28.00	-	-	-	-	-	-
D. Unallocable (Net)	96.02	59.31	49.67	96.02	49.67	76.25	84.03	53.44	43.70	84.03	43.70	65.19
Capital employed (Refer note 5)												
A. Rating services	(31.13)	(7.02)	(59.08)	(31.13)	(59.08)	(49.38)	(31.13)	(7.02)	(59.08)	(31.13)	(59.08)	(49.38)
B. Research services	499.40	491.17	396.86	499.40	396.86	374.07	263.94	246.48	209.09	263.94	209.09	154.31
C. Advisory services	107.10	104.80	40.39	107.10	40.39	44.01	-	-	-	-	-	-
D. Unallocable (Net)	507.41	537.35	630.17	507.41	630.17	679.87	559.82	611.29	676.97	559.82	676.97	706.77

CRISIL Limited
Statement of Assets and Liabilities

(Rs. in Crore)

Particulars	Consolidated		Standalone	
	As at	As at	As at	As at
	30-Jun-18	31-Dec-17	30-Jun-18	31-Dec-17
	Unaudited	Audited	Unaudited	Audited
A. Assets				
1. Non-current assets				
(a) Property, plant and equipment	43.78	54.35	38.02	48.21
(b) Goodwill	279.82	232.03	-	-
(c) Intangible assets	20.08	7.08	1.72	2.32
(d) Intangible assets under development	20.11	13.21	18.34	11.60
(e) Financial assets				
i. Investments	362.12	386.10	544.96	512.94
ii. Other financial assets	35.81	14.84	35.03	13.09
(f) Deferred tax assets (Net)	49.63	34.75	45.63	27.10
(g) Tax assets	38.13	41.94	16.03	25.26
(h) Other non-current assets	4.38	3.66	4.33	3.65
Sub-total non-current assets	853.86	787.96	704.06	644.17
2. Current assets				
(a) Financial assets				
i. Investments	42.54	139.33	42.54	131.32
ii. Trade receivables	335.90	260.42	288.25	161.44
iii. Cash and bank balances	124.02	84.69	14.21	38.21
iv. Other bank balances	4.04	47.09	1.66	5.05
v. Loans	3.40	3.92	2.82	36.47
vi. Other financial assets	182.70	138.88	63.94	75.11
(b) Other current assets	28.50	32.42	19.96	24.48
Sub-total current assets	721.10	706.75	433.38	472.08
TOTAL - Assets	1,574.96	1,494.71	1,137.44	1,116.25
B. Equity and liabilities				
1. Equity				
(a) Equity share capital	7.18	7.17	7.18	7.17
(b) Other equity	1,075.60	1,041.40	785.45	804.53
Sub-total Equity	1,082.78	1,048.57	792.63	811.70
2. Non-current liabilities				
(a) Financial liabilities				
i. Other financial liabilities	3.17	4.12	2.30	3.05
(b) Other non-current liabilities	0.22	0.48	0.22	0.48
(c) Provisions	13.43	12.88	13.23	12.88
Sub-total non-current liabilities	16.82	17.48	15.75	16.41
3. Current liabilities				
(a) Financial liabilities				
i. Short term borrowings	2.19	-	2.04	-
ii. Trade payables	58.10	56.71	42.75	46.82
iii. Other financial liabilities	101.99	147.88	45.33	72.63
(b) Other current liabilities	255.62	151.86	199.28	115.30
(c) Provisions	47.78	62.20	39.66	53.39
(d) Tax liabilities	9.68	10.01	-	-
Sub-total current liabilities	475.36	428.66	329.06	288.14
TOTAL - Equity and liabilities	1,574.96	1,494.71	1,137.44	1,116.25

Notes to Financial Results :

- 1 The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on July 17, 2018.
- 2 The Board of Directors have declared an interim dividend of Rs. 6 per share having face value of Re. 1 each.
- 3 The financial results have been prepared in compliance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs.
- 4 Details of foreign exchange gain or loss recorded in the respective periods in financial results are as under :

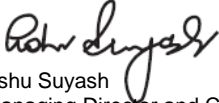
(Rs. in Crore)

Particulars	Consolidated		Standalone	
	Forex gain or loss included under			
	Other income	Other expenses	Other income	Other expenses
Quarter ended June 30, 2018	14.97	Nil	7.90	Nil
Quarter ended March 31, 2018	2.31	Nil	7.11	Nil
Quarter ended June 30, 2017	Nil	2.12	Nil	0.62
Half year ended June 30, 2018	17.28	Nil	15.01	Nil
Half year ended June 30, 2017	Nil	14.01	Nil	11.55
Year ended December 31, 2017	0.21	15.94	5.85	13.02

- 5 The Company's operations predominantly relate to providing rating, research and advisory services. Accordingly, revenues earned through rendering of these services represent the primary basis of segment information set out above. Assets and liabilities used interchangeably between segments has been classified as unallocable. The Company believes that it is currently not practicable to allocate all assets and liabilities since a meaningful segregation of the available data is not feasible.

- 6 In compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of the above results has been carried out by the Statutory Auditors of the Company.
- 7 The consolidated financial results include financial results of CRISIL Limited and its wholly owned subsidiaries.

For and on behalf of the Board of Directors of CRISIL Limited



Ashu Suyash
Managing Director and Chief Executive Officer
DIN : 00494515

Mumbai, July 17, 2018

* Further details in connection with this Release are available on website of the Company at www.crisil.com and also on the websites of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).