

Virtusa Corporation Data Sheet**							
Quarter ended September 30, 2018							
	2018					2019	
	Q118	Q218	Q318	Q418	FY18	Q119	Q219
Revenue:							
Revenue (USD in MM)	\$ 227.3	\$ 248.2	\$ 263.8	\$ 281.3	\$ 1,020.7	\$ 300.0	\$ 305.5
Q/Q	1%	9%	6%	7%		7%	2%
Y/Y	11%	18%	21%	25%	19%	32%	23%
Margin:							
Gross margin	26.9%	28.1%	30.5%	29.9%	28.9%	27.8%	29.2%
Operating margin	2.7%	4.1%	5.2%	5.8%	4.5%	4.6%	4.6%
Non-GAAP Operating Margin	5.9%	8.0%	9.9%	9.9%	8.5%	9.1%	9.5%
Revenue By Geography:							
North America	64%	66%	65%	66%	65%	70%	71%
Europe	24%	23%	24%	24%	24%	22%	20%
ROW	12%	11%	11%	10%	11%	8%	9%
Revenue By Industry Group:							
BFSI	65%	68%	69%	66%	67%	63%	63%
Communications and Tech	25%	23%	22%	25%	24%	28%	28%
Media & Information and Other	10%	9%	9%	9%	9%	9%	9%
Revenue by Product Type:							
Time & materials	63%	61%	58%	56%	59%	60%	60%
Fixed bid	37%	39%	42%	44%	41%	40%	40%
Revenue by Service Offering:							
Application outsourcing	58%	56%	56%	56%	56%	54%	53%
Consulting	42%	44%	44%	44%	44%	46%	47%
Effort Mix:							
Offshore effort	75%	74%	74%	75%	74%	73%	73%
Onsite effort	25%	26%	26%	25%	26%	27%	27%
Revenue mix :							
Offshore	43%	42%	42%	43%	42%	38%	41%
Onsite	57%	58%	58%	57%	58%	62%	59%
Clients:							
Active clients	196	198	200	215	215	216	212
Number of New clients	8	3	6	17	34	3	2
Number of 10% clients	1	1	1	1	1	1	1
Revenue from repeat clients >12 mont	96%	98%	96%	95%	96%	89%	88%
Top client	18%	20%	20%	19%	19%	17%	18%
Top 10 clients	47%	50%	52%	52%	50%	54%	55%
Clients Contribution (TTM)							
\$1M+	117	118	123	124	124	130	134
\$5M+	38	39	35	37	37	38	34
\$10M+	18	16	18	19	19	21	21
\$25M+	4	4	5	6	6	6	8
\$50M+	1	1	3	4	4	4	4
\$100M+	1	1	1	1	1	1	1
Utilization:							
Utilization, excluding trainees	82%	82%	83%	84%	83%	82%	83%
Billed days^	834,900	880,900	892,400	940,800	3,549,000	1,025,000	1,035,900
Headcount:							
Total employees	18,120	18,452	19,062	20,491	20,491	21,145	21,325
Non IT professionals	1,636	1,665	1,707	1,843	1,843	1,938	1,995
IT professionals	16,484	16,787	17,355	18,648	18,648	19,207	19,330
Net addition	370	332	610	1,429	2,741	654	180
Global Attrition TTM	24%	21%	19%	19%	19%	20%	23%
In-quarter attrition	5.2%	5.0%	4.6%	5.5%		6.1%	7.5%
Balance sheet & Cash flows							
Cash, Cash Equivalents, Short term Inv	\$ 235.1	\$ 254.0	\$ 303.9	\$ 244.9	\$ 244.9	\$ 213.0	\$ 232.5
- Cash	\$ 154.0	\$ 162.3	\$ 226.7	\$ 194.9	\$ 194.9	\$ 154.8	\$ 177.0
- Short term investments	\$ 62.4	\$ 76.7	\$ 66.5	\$ 45.9	\$ 45.9	\$ 56.4	\$ 54.1
- Long term investments	\$ 18.7	\$ 15.1	\$ 10.7	\$ 4.1	\$ 4.1	\$ 1.8	\$ 1.4
Operating Cash Flows [#]	0%	12%	9%	3%	6%	-2%	13%
CAPEX [#]	1%	2%	1%	2%	2%	4%	2%
Free cash flows [#]	-1%	10%	8%	1%	4%	-6%	11%
DSO (days)	80	74	70	78		79	76

*Trailing twelve months (TTM) Includes voluntary and involuntary attrition,

** Number and Percentages depicted above are subject to rounding

[#] As a % of Revenue

[^] Rounded to the nearest 100

Virtusa Corporation Non-GAAP Data Sheet																												
Quarter ended September 30, 2018**																												
All amounts in USD thousands, except per share amounts																												
	Q1	Q2	Q3	Q4	YTD	Q1	Q2	Q3	Q4	YTD	Q1	Q2	Q3	Q4	YTD	Q1	Q2	Q3	Q4	YTD	Q1	Q2	Q3	Q4	YTD	Q1	Q2	
	2014	2014	2014	2014	2014	2014	2015	2015	2015	2015	2016	2016	2016	2016	2016	2017	2017	2017	2017	2017	2018	2018	2018	2018	2018	2019	2019	
GAAP income (loss) from operations	8,929	9,176	11,196	12,511	42,412	11,230	12,241	14,619	14,478	52,568	12,410	12,256	14,234	15,520	45,320	(1,848)	3,537	6,458	10,234	18,371	6,070	10,279	13,663	16,375	46,387	13,924	14,019	
Add: Stock-based compensation expense	1,710	1,820	2,195	2,441	8,166	2,471	2,460	3,043	3,124	11,098	3,529	3,105	3,683	5,862	16,179	6,133	4,748	5,100	22,123	4,788	6,142	9,118	7,363	27,411	7,938	9,124		
Add: acquisition-related charges and restructuring charges ^(a)	637	656	1,245	1,737	4,275	285	1,423	1,398	1,568	4,674	2,301	2,387	2,926	10,435	18,049	3,424	3,247	5,116	3,430	15,217	2,509	3,351	3,227	4,191	13,278	5,665	5,829	
Non-GAAP income from operations	11,276	12,522	14,636	16,689	54,853	13,986	16,124	19,060	19,170	68,340	18,240	18,748	20,743	21,817	79,548	7,709	12,926	16,322	18,754	55,711	13,367	19,772	26,008	27,929	87,076	27,527	28,972	
GAAP Operating Margin	9.9%	10.4%	11.1%	11.3%	10.7%	10.0%	10.4%	11.9%	11.5%	11.0%	9.2%	9.3%	9.4%	3.2%	7.6%	-0.9%	1.7%	3.0%	4.5%	2.1%	2.7%	4.1%	5.2%	5.8%	4.5%	4.6%	4.6%	
Effect of above adjustments to income from operations	2.6%	2.6%	3.4%	3.7%	3.1%	2.5%	3.3%	3.6%	3.7%	3.3%	4.3%	3.8%	4.4%	9.5%	5.7%	4.7%	4.5%	3.8%	4.3%	3.2%	3.9%	4.7%	4.1%	4.0%	4.5%	4.9%		
Non-GAAP Operating Margin	12.5%	13.0%	14.5%	15.0%	13.8%	12.5%	13.7%	15.5%	15.2%	14.3%	13.5%	13.1%	13.8%	12.7%	13.3%	3.2%	6.2%	7.5%	8.3%	6.5%	5.9%	8.0%	9.9%	9.9%	8.5%	9.1%	9.5%	
GAAP net income (loss) available to Virtusa common stockholders	7,522	7,478	9,328	10,047	34,375	9,003	10,114	11,779	11,779	42,446	10,113	11,086	11,313	12,290	44,802	(6,256)	3,214	4,435	10,465	11,858	2,957	3,681	(11,142)	1,795	(2,709)	(7,383)	417	
Add: Stock-based compensation expense	1,710	1,820	2,195	2,441	8,166	2,471	2,460	3,043	3,124	11,098	3,529	3,105	3,683	5,862	16,179	6,133	4,748	5,100	22,123	4,788	6,142	9,118	7,363	27,411	7,938	9,124		
Add: acquisition-related charges and restructuring charges ^(a)	637	656	1,245	1,737	4,275	285	1,423	1,398	1,568	4,674	2,301	2,387	2,926	10,435	18,049	3,424	3,247	5,116	3,430	15,217	2,509	3,351	3,227	4,191	13,278	5,665	6,127	
Add: Non-recurring third party financing costs ^(b)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	701	701		
Add: Foreign currency transaction (gains) or losses ^(c)	(387)	959	(138)	(38)	396	155	(85)	132	155	357	25	(219)	(201)	(6,655)	(7,050)	3,580	(2,030)	1,252	(5,811)	(3,009)	77	1,480	(2,576)	4,562	3,543	10,758	9,355	
Add: Impact from Tax Act ^(d)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,815	2,909	22,724	
Tax adjustments ^(e)	(495)	(835)	(809)	(3,089)	(3,228)	(767)	(952)	(1,202)	(1,281)	(4,202)	(1,563)	(1,398)	(1,816)	(5,313)	(10,090)	(1,397)	(1,802)	(4,198)	536	(6,861)	(2,522)	(4,066)	(3,210)	(4,239)	(14,037)	(1,817)	(8,126)	
Noncontrolling interest, net of taxes ^(f)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(199)	(357)	(199)	(824)	(1,699)	(866)	(813)	(647)	(143)	(1,469)	127	50	
Non-GAAP net income available to Virtusa common stockholders	8,987	10,078	13,821	13,098	43,984	13,147	12,960	15,150	15,136	54,723	14,605	14,961	15,005	16,619	63,890	5,385	8,414	11,024	12,856	27,629	7,443	10,275	14,556	17,307	49,510	15,760	17,130	
GAAP diluted earnings (loss) per share^(g)	0.29	0.28	0.35	0.35	1.27	0.31	0.34	0.40	0.39	1.44	0.34	0.37	0.38	0.41	1.49	(0.21)	0.11	0.15	0.34	0.39	0.10	0.12	(0.38)	0.06	(0.09)	(0.25)	0.01	
Effect of Stock-based compensation expense ^(h)	0.07	0.07	0.09	0.08	0.30	0.08	0.08	0.10	0.10	0.38	0.11	0.11	0.13	0.19	0.54	0.21	0.19	0.16	0.17	0.73	0.16	0.19	0.28	0.22	0.85	0.24	0.27	
Effect of acquisition-related charges and restructuring charges ^{(a)(i)}	0.02	0.02	0.05	0.06	0.16	0.01	0.05	0.05	0.05	0.16	0.08	0.08	0.10	0.14	0.60	0.11	0.11	0.17	0.12	0.51	0.08	0.10	0.10	0.13	0.41	0.18	0.19	
Effect of non-recurring third party financing costs ^(b)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.02	0.02		
Effect of foreign currency transaction (gains) or losses ^(c)	(0.01)	-	(0.01)	-	0.01	0.01	(0.00)	0.00	0.01	0.01	-	(0.01)	(0.01)	(0.21)	(0.23)	0.12	(0.07)	0.04	(0.19)	(0.10)	-	0.05	(0.08)	0.14	0.11	0.32	0.28	
Effect of tax impact from Tax Act ^(d)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.60	0.90	0.70	
Effect of tax adjustment ^(e)	(0.02)	(0.03)	(0.03)	(0.04)	(0.12)	(0.03)	(0.03)	(0.04)	(0.04)	(0.14)	(0.05)	(0.05)	(0.06)	(0.18)	(0.34)	(0.04)	(0.06)	(0.14)	0.02	(0.22)	(0.08)	(0.13)	(0.10)	(0.13)	(0.43)	(0.05)	(0.24)	
Effect of noncontrolling interest ^(f)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.01)	(0.01)	(0.01)	(0.03)	(0.06)	(0.01)	(0.01)	(0.01)	-	(0.05)	-	-	
Effect of dividend on Series A Convertible Preferred Stock ^{(i)(j)}	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03	0.03	0.10	0.03
Effect of change in shares for non-GAAP WASO ^(k)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.04	(0.01)	0.03	
Non-GAAP diluted earnings per share^{(l)(m)}	0.35	0.38	0.45	0.45	1.63	0.38	0.44	0.51	0.51	1.84	0.48	0.50	0.54	0.55	2.06	0.18	0.27	0.37	0.43	1.25	0.25	0.35	0.47	0.55	1.63	0.50	0.54	

(a) Acquisition-related charges include, when applicable, amortization of purchased intangibles, external deal costs, transaction-related professional fees, acquisition-related retention bonuses, changes in the fair value of contingent consideration liabilities, accreted interest related to deferred acquisition payments, charges for impairment of acquired intangible assets and other acquisition-related costs including integration expenses consisting of outside professional and consulting services and direct and incremental travel costs. Restructuring charges, when applicable, include termination benefits, as well as certain professional fees related to the restructuring. The following table provides the details of the acquisition-related charges and restructuring charges:

	Three Months Ended		Six Months Ended	
	Sep 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017
Amortization of intangible assets	\$ 2,994	\$ 2,594	\$ 5,770	\$ 5,103
Acquisition & integration costs	\$ 2,835	\$ -	\$ 5,725	\$ -
Restructuring charges	\$ -	\$ 757	\$ -	\$ 757
Acquisition-related charges included in costs of revenue and operating expense	\$ 5,829	\$ 3,351	\$ 11,495	\$ 5,860
Accreted interest related to deferred acquisition payments	\$ 471	\$ -	\$ 932	\$ -
Total acquisition-related charges and restructuring charges	\$ 6,300	\$ 3,351	\$ 12,427	\$ 5,860

(b) Foreign currency transaction gains and losses are inclusive of gains and losses on related foreign exchange forward contracts not designated as hedging instruments for accounting purposes.

(c) Tax adjustments reflect the tax effect of the non-GAAP adjustments using the tax rates at which these adjustments are expected to be realized for the respective periods, excluding the initial impact of our election to treat certain subsidiaries as disregarded entities for U.S. tax purposes. Tax adjustments also assumes application of foreign tax credit benefits in the United States.

(d) Noncontrolling interest represents the minority shareholders interest of Polaris.

(e) Non-GAAP diluted earnings per share is subject to rounding

(f) During the three and six months ended September 30, 2018, the weighted average shares outstanding of Series A Convertible Preferred Stock of 3,000,000 were excluded from the calculations of GAAP diluted earnings per share as their effect would have been anti-dilutive using the if-converted method.

During the three and six months ended September 30, 2017, the weighted average shares outstanding of Series A Convertible Preferred Stock of 3,000,000 and 2,456,044, respectively, were excluded from the calculations of GAAP diluted earnings per share as their effect would have been anti-dilutive using the if-converted method.

The following table provides the non-GAAP net income available to Virtusa common stockholders and non-GAAP dilutive weighted average shares outstanding using if-converted method to calculate the non-GAAP diluted earnings per share for the three and six months ended September 30, 2018 and 2017:

	Three Months Ended		Six Months Ended		Sep 30, 2017
	Sep 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017	
Non-GAAP net income available to Virtusa common stockholders	\$ 17,120	\$ 10,275	\$ 32,870	\$ 17,718	
Add: Dividends and accretion on Series A Convertible Preferred Stock	\$ 1,088	\$ 1,087	\$ 2,175	\$ 1,087	
Non-GAAP net income available to Virtusa common stockholders and assumed conversion	\$ 18,208	\$ 11,362	\$ 35,045	\$ 18,805	
GAAP dilutive weighted average shares outstanding	30,627,044	29,820,581	29,700,151	30,035,865	
Add: Dilutive effect of employee stock options and unvested restricted stock awards and restricted stock units	-	-	866,156	-	
Add: Series A Convertible Preferred Stock as converted	3,000,000	3,000,000	3,000,000	1,500,000	
Non-GAAP dilutive weighted average shares outstanding	33,627,044	32,820,581	33,566,307	31,535,865	

(g) To the extent the Series A Convertible Preferred Stock is dilutive using the if-converted method, the Series A Convertible Preferred Stock is included in the weighted average shares outstanding to determine non-GAAP diluted earnings per share.

(h) The U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act") in December 2017. This resulted in a tax expense of \$22.7 million for the fiscal year ended March 31, 2018, comprised of a provisional repatriation tax expense of \$17.8 million and a provisional net deferred tax expense of \$4.9 million. The adjustment to GAAP net income (loss) available to Virtusa common stockholders only includes these provisional impacts. It does not include the ongoing impacts of the lower U.S. statutory rate on current year earnings. The GAAP earnings (loss) per share impact on the Tax Act adjustment using GAAP weighted average shares outstanding was \$(0.77). The non-GAAP earnings per share impact on the Tax Act adjustment using non-GAAP weighted average shares outstanding was \$(0.70).

(i) Non-recurring third party financing costs related to the new credit facility

Non-GAAP Financial Information

This data sheet includes certain non-GAAP financial measures as defined by Regulation G by the Securities and Exchange Commission. These non-GAAP financial measures are not based on any comprehensive set of accounting rules or principles and should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures should be read in conjunction with Virtusa's financial statements prepared in accordance with GAAP.

Third Fiscal Quarter and Full Fiscal Year 2019 revised Guidance Assumptions

as of Nov 8, 2018

	Q3'19	FY'19
GAAP Effective Tax Rate*	NA	70.7%
Non-GAAP Effective Tax Rate**	NA	30.2%
Annual Effective Interest Rate Yield***	NA	1.8%
Debt Interest Rate****	5.07%	4.89%
Preferred Dividend	3.875%	3.875%
FX*****		
GBP vs. USD (1)	1.32	1.32
INR vs. USD (2)	71.20	70.00
Capex as a % of total revenue	NA	1.6%

* Our effective tax rate is sensitive to the geographical mix of profit for the fiscal year and is subject to change. Also, such rate does not include the effect of Minority interest on both the taxable income & income tax expense. Our effective tax rate is subject to change as the Tax Act's effects are better understood and additional guidance is published.

** Our Non-GAAP effective tax rate reflects the impact of Non-GAAP adjustments tax effected for statutory tax rates. Also, such rate does not include the effect of Minority interest on both the taxable income & Income tax expense.

*** includes short and long-term investments.

**** Debt interest rate is based on LIBOR plus the credit spread, and includes debt issuance fee amortization.

***** In our guidance, we have not considered any potential impact to other income associated with foreign exchange gains or losses.

(1) Our guidance considers the impact to revenue and costs from hedging contracts already in place for our third quarter.

(2) Indian rupee foreign currency hedge contracts are in place for a large portion of our Indian rupee expenses for the fiscal year ending March 31, 2019. Our guidance considers the impact to costs from hedging contracts already in place for the quarter. Our guidance does not consider the possible impact of having ineffective hedging contracts for the remainder of the fiscal year 2019.

Forward-Looking Statements

Certain statements made in this document that are not based on historical information are forward-looking statements which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are neither promises nor guarantees, but are subject to a variety of risks and uncertainties, many of which are beyond Virtusa's control, which could cause actual results to differ materially from those contemplated in these forward-looking statements. Existing and prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Virtusa undertakes no obligation to update or revise the information contained in this document, whether as a result of new information, future events or circumstances or otherwise. For additional disclosure regarding these and other risks faced by Virtusa, see the disclosure contained in Virtusa's public filings with the Securities and Exchange Commission, including Virtusa's Annual Report on Form 10-K for the fiscal year ended March 31, 2018 and subsequent Quarterly Reports on Form 10-Q, as filed with the Securities and Exchange Commission.