

Tech Mahindra hits US\$ 4 billion run rate

Q2 revenue at US\$ 1.01 billion up 12.3% YoY

EBITDA improves 160 bps QoQ

Mumbai – November 3, 2015: Tech Mahindra Ltd., a specialist in digital transformation, consulting and business re-engineering today announced the audited consolidated financial results for its second quarter ended September 30, 2015.

Financial highlights for the quarter (₹)

- Revenue at ₹ 6,616 crore; up 20.5% YoY and 5.1% QoQ
- EBITDA at ₹ 1,101 crore; down 0.7% YoY and up 16.6% QoQ
- Consolidated PAT at ₹ 786 crore, up 9.2% YoY and 16.2% QoQ
- Earnings per Share (EPS) was ₹ 7.98 for the quarter ended September 30, 2015

Financial highlights for the quarter (USD)

- Revenue at USD 1,011 mn; up 2.2% QoQ
 - In Constant Currency terms revenue up 3.0% QoQ
- EBITDA at USD 168 mn; up 13.0% QoQ
- Consolidated PAT at USD 119 mn, up 12.3% QoQ

Other Highlights

- Total headcount at 105,235; adds 1,562 professionals during the quarter
 - Software headcount stood at 71,657; BPO at 26,513
- Cash and Cash equivalent at ₹ 3,492 crore as of September 30, 2015
- The Active Client count stood at 788 in Q2



Vineet Nayyar, Vice Chairman, Tech Mahindra, said, *"The evolving macro-economic conditions continue to redefine the sector's shifting landscape. We sense traction across our markets and are confident in setting a far more positive tone in attracting, growing and retaining business, while adopting newer technologies."*

C P Gurnani, Managing Director & CEO, Tech Mahindra said, *"Our quarter has been driven by strategic investments, initiatives and offerings that are resonating well with customers and holds potential to deliver opportunities that are long-term. Greater emphasis on strengthening our core through embracing Automation, Specialization, Digital and Delivery Excellence will remain our core focus."*

Key Wins:

- Won a major deal from a Nordic Services major, involving a full legacy Data Center Transformation on to a hybrid cloud-based data center solution environment. Besides providing operational efficiency, Tech Mahindra would grow this cloud environment jointly with the customer.
- Won a strategic managed services deal with a leading B2B (Business to Business) Nordic Communication Services company to provide services across IT, Infrastructure Management, Networks and Business Services Group. Tech Mahindra's partnership with the customer will help enable of its revenue growth and enhance profitability.
- Selected by a leading Global Aerospace and Transportation Company to develop the Aircraft Ground Support System (ACGS). ACGS will facilitate real-time and post-flight recorded data management, fault notification and diagnostic reporting system. TechM's Digital solutions would enable sound decision making on aircraft's performance and maintenance.

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- Chosen by a leading ASEAN telecom operator as its Infrastructure Managed Services partner. Tech Mahindra will help in addressing customers revenue growth, optimize cost, streamline vendor ecosystem and improve ARPU.
- A leading North American Telco selected Tech Mahindra to design, activate and test data services; to facilitate shorter lead to cash cycle, enhance customer experience and optimize costs.
- Chosen by a leading global maritime company to provide End to End ERP support and maintenance including management of product vendors.
- A telecommunications consortium in Middle East Asia selected Tech Mahindra for implementing business and operations support solutions for launching Long Term Evolution (LTE) services.
- A major satellite broadcast and broadband service provider in the Middle East selected Tech Mahindra to provide business and operations support services.
- Selected by a global healthcare equipment maker to provide Application Maintenance and Development Services. It would enable customer to regulate healthcare reforms, uphold cost and cater to the growing demand.
- Engaged by a leading information and communications technology (ICT) solutions provider to deliver business consulting and cloud services. Tech Mahindra will help the customer revamp major IT platforms and build agile business solutions.
- A global auto major chose Tech Mahindra to provide support services for their Customer Service Division and aftermarket application portfolio.



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- Won a Customer Experience operations deal with a leading UK MVNO. Tech Mahindra's partnership with the customer will help the client get more efficient as regards its ability to service clients better.

Business Highlights:

- Reserve Bank of India granted an "in-principle" approval to Tech Mahindra to set up a Payments Bank under the Guidelines for Licensing of Payments Banks. The bank will be an independent unit under the Mahindra Group led by Tech Mahindra and Mahindra Finance, a leading rural NBFC, as equal contributors to the new entity.
- PNMsoft, a global provider of Intelligent BPM (Business Process Management) Software solutions collaborated with Tech Mahindra to benefit from synergies in key vertical markets. As an expert Microsoft ISV (Independent Software Vendor) in BPM, PNMsoft's unique product suite will complement Tech Mahindra's service offerings in the Customer Experience space while also leveraging capabilities on Microsoft technologies.
- Real-Time Innovations (RTI), the Industrial Internet of Things connectivity platform company, announced a global partnership with Tech Mahindra. Tech Mahindra joins RTI's rapidly expanding Services Delivery Partner (SDP) program, designed to help companies capitalize on the growing Industrial Internet of Things (IoT) market.

Awards and Recognitions:

- Tech Mahindra has been selected as an index component of the Dow Jones Sustainability Indices (DJSI). Tech Mahindra made it to the Dow Jones Sustainability Index under both Emerging Markets and DJSI World categories. It is one amongst the only 3 companies from India to make it to the DJSI World Index.

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- Included as one of the 100 most sustainable corporations in Asia in the 2015 Channel NewsAsia Sustainability Ranking. Tech Mahindra was ranked 3 out of 100 companies selected within Asia. The Channel NewsAsia Sustainability Ranking lists the 100 most sustainable companies in Asia and highlights the Top 20 Asian companies and the Top 3 companies in each economy.
- Tech Mahindra's applications won the Dataquest Business Technology Awards. Tech Mahindra won awards in Social Media, Mobility, Social Cause and Smart application categories.
- Tech Mahindra and GSK (GlaxoSmithKline) awarded the 2015 ISG (Information services group) UK & Ireland Paragon Awards for Collaboration. The eminent jury recognized Tech Mahindra's niche solutions and services for providing a new baseline NextGen Business Analytics and reporting solution that not only supported the Business objectives but is also cost-effective and adaptable for future expansions.
- Tech Mahindra Performance Engineering (TMPE) won 'Best Emerging Technology in Testing 2015' awarded by Unicom under the category of "Emerging Technology in Testing of the Year.
- Recognized in two categories at the Business World HR Excellence Awards, 2015 as 'Top 3 Organizations for Excellence in HR' and 'The Change Champion'.
- Listed as one of the 10 Indian Companies by Forbes Asia's Fabulous 50 list of the year 2015.
- Won three prestigious awards at the 11th Indo-American Corporate Excellence Awards (I-ACE) for Excellence in Corporate Social Responsibility, Environment,



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Health and Safety and Services, recognized by the Indo-American Chamber of Commerce (I-ACC).

About Tech Mahindra

Tech Mahindra represents the connected world, offering innovative and customer-centric information technology services and solutions, enabling Enterprises, Associates and the Society to Rise™. We are a USD 3.9 billion company with 105,200+ professionals across 90 countries, helping over 788 global customers including Fortune 500 companies. Our innovation platforms and reusable assets connect across a number of technologies to deliver tangible business value to our stakeholders. Tech Mahindra is also amongst the Fab 50 companies in Asia as per the Forbes 2014 List.

We are part of the USD 16.9 billion Mahindra Group that employs more than 200,000 people in over 100 countries. The Group operates in the key industries that drive economic growth, enjoying a leadership position in [tractors](#), [utility vehicles](#), [after-market](#), [information technology](#) and [vacation ownership](#).

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Disclaimer

Certain statements in this release concerning the future prospects of Tech Mahindra Limited ("the Company" or "TechM") are forward-looking statements. These statements by their nature involve risks and uncertainties that could cause the Company's actual results differ materially from such forward looking statements. The Company, from time to time, makes written and oral forward-looking statements based on information available with the management of the Company and the Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company



Audited consolidated financial results for the quarter ended September 30, 2015 drawn under India GAAP

Consolidated Income Statement

(₹ Mn)

Particulars	Quarter Ending		
	Sep-15	June-15	Sep-14
Revenue	66,155	62,938	54,879
Cost of Services	44,957	44,415	36,049
Gross Profit	21,198	18,524	18,830
SG&A	10,188	9,078	7,746
Operating Profit	11,010	9,445	11,084
Other Income	1,658	1,366	576
Interest Expense	173	214	152
Depreciation	1,974	1,733	1,425
Profit before Tax	10,522	8,864	10,083
Provision for taxes	2,604	2,098	2,807
Non-Recurring / Exceptional Items	-	-	-
Minority Interest	(65)	(15)	(80)
Share of profit / loss from associate	3	11	-
Profit after tax	7,856	6,761	7,197
EPS (₹) – including exceptional items *			
Basic	8.17	7.03	30.71
Diluted	7.98	6.87	29.81

* EPS for Q1 FY16 & Q2FY16 is post issue of bonus shares in 1:1 ratio and split of one share of ₹ 10 into 2 shares of ₹ 5 each


