

Press Release

Tech Mahindra FY15 revenues at ₹ 22,621 crore up 20% YoY
USD revenue at \$ 3,686 Mn up 19% YoY

Mumbai - May 26, 2015: Tech Mahindra Ltd., a specialist in digital transformation, consulting and business reengineering today announced the audited consolidated financial results for its fourth quarter and year ended March 31, 2015.

Financial highlights for the quarter (₹)

- Revenue at ₹ 6,117 crore; up 20.9% YoY and 6.3% QoQ
- Operating profit (EBITDA) at ₹ 929 crore; margins at 15.2%
- Profit after Tax (PAT) at ₹ 472 crore; PAT margin at 7.7%
- Earnings per Share (EPS) was ₹ 4.93 for the quarter ended March 31, 2015

Financial highlights for the quarter (USD)

- Revenue at USD 984 Mn; up 19.3% YoY and 6.5% QoQ
 - Revenue contribution from LCC & SOFGEN at USD 100 Mn
- Operating profit (EBITDA) at USD 149 Mn
- Profit after Tax (PAT) at USD 76 Mn

Financial highlights for the year (₹)

- Revenue at ₹ 22,621 crore; up 20.1% YoY
- EBITDA at ₹ 4,153 crore; margins at 18.4%
- Profit after Tax (PAT) at ₹ 2,628 crore; PAT margin at 11.6%
- Earnings per Share (EPS) was at ₹ 27.46 for the year ended March 31, 2015
- The Board of Directors have proposed a dividend of ₹ 6/- per share (120%) for FY 14-15

Financial highlights for the Year (USD)

- Revenue at USD 3,686 Mn; up 19% YoY
- EBIDTA at USD 675 Mn
- Profit after Tax (PAT) at USD 427 Mn

Other Highlights

- Total headcount as of March 31, 2015 at 103,281; added 13,840 professionals during the year
 - Software headcount stood at 72,952, BPO at 22,693 and Support at 7,636
- Debt at ₹ 700 crore as of March 31, 2015
- Cash and Cash equivalent at ₹ 3,212 crore as of March 31, 2015
- Active Client count stood at 767 vs. 629 in FY14

Vineet Nayar, Executive Vice Chairman, Tech Mahindra, said *“We have seen one of the highest growth rates this year. Our Q4 results were impacted by macroeconomic factors like cross currency headwinds and salary increases. We will endeavor to work on improving our operating metrics to achieve synergy with our recent acquisitions.”*

C P Gurnani, Managing Director & CEO, Tech Mahindra said, *“It’s been a successful year overall where we increased our market presence significantly. Our growth journey continues with entry into new technology and business areas. The focus will be on productization for non-linear growth and to maximum value from our well entrenched customer relationships.”*

Key Wins:

- Won a strategic deal from a leading Global telecom operator in APAC for Customer Relationship Management (CRM) transformation enabling the service provider to strengthen its leadership position in providing innovative products and services to its customers
- Tech Mahindra was selected by a telecommunications and electronics retail company to manage its end-to-end IT operations. The deal involves implementation, operations and launch of a new Mobile Virtual Network Operator (MVNO) set up for the customer
- Engaged by a Fortune 25 global conglomerate for the development of a statistic analytical platform for its Remote Monitoring & Diagnostics (RM&D) usage. Tech Mahindra will also be responsible for its system integration
- Won a SAP application maintenance services deal from a Swiss global healthcare company, helping achieve cost optimization and aiding growth
- United Arab Emirates government agency chose Tech Mahindra to provide application development maintenance and support services. Additionally Tech Mahindra will provide IT infrastructure management competencies to deliver these services.
- Selected by an American conglomerate for providing end to end IT services for its engineering tools encompassing sustenance, development and support, business analysis services, data migration and automation testing.
- Engaged by a premier electric car Original Equipment Manufacturer (OEM) for providing engineering services for design and development for future car models.

- A top global pharmaceutical company chose Tech Mahindra to be its strategic partner for SAP retrofitting its IT system helping customer become more agile to meet its end customer's need.
- A global auto major selected Tech Mahindra in the area of Global Warranty Program for developing a common solution for its customers worldwide.
- Won a deal from a multinational automotive supplier for its R&D efficiency program covering business process consulting, change management, technology consulting, deployment and support. TechM will help customer to have an Enterprise-wide Product Lifecycle management convergence with R&D efficiency and IT cost optimization.
- Qatar's leading media network company selected Tech Mahindra to provide global manpower services for technology transformation.

Business Highlights:

- Signed a definitive agreement to acquire 100% stock ownership in SOFGEN Holdings Limited. SOFGEN is a Swiss based niche consulting & services company specializing in Private/Wealth, Commercial and Retail Banking Solutions globally.
- Teamed up with a global telecom technology firm, Avion Systems, to provide Network Design and Engineering Services to major Communications Service Providers
- Tech Mahindra and IBM entered into a strategic agreement to build a platform for development of cloud based applications. The Company will build cloud-native and cloud enabled applications with a scalable model and develop applications for predictive analytics for clients in automotive and manufacturing industry

- Entered into a strategic alliance agreement with Conformiq, a leader in Automated Test Design technology which seeks to strengthening leadership in delivering Test Automation Solutions to clients globally
- Announced opening of the first 'Center of Excellence (CoE) for Google tools, bringing transformational solutions to enterprises across Malaysia and the Asia Pacific region
- Strengthened its presence in Vietnam by inaugurating a Sales Office in Hanoi, bringing jobs, IT expertise and expand operations in the country and across the region

Awards and Recognitions:

- Declared winner of the 'Golden Peacock Innovative Product/Service Award' for the year 2015 for 'Aabhaas' a one of its kind 3D rendering technology which makes possible to interact with real life 3D objects on mobile platform
- Won the prestigious MAKE – Most Admired Knowledge Enterprise Award 2014 for the KM practice for 'Transforming TechM's KM practice to stakeholder value'
- Tech Mahindra entered the Robecosam Sustainability Yearbook 2015. This yearbook is the culmination of rigorous research from analysts and inputs from assessed companies on Environmental, Social and Governance (ESG) parameters of the company
- Declared winner of the 2014 Oracle Partner of the Year Award for its offerings and capabilities. This award recognizes partners' contribution to the success of Oracle
- Tech Mahindra Performance Engineering won 'Data Centre Solution of the Year' at the IT Europa Awards 2015

- Awarded highest ranking Tech Support Partner by Verizon for its customer facing metrics like Net Promoter Score across voice and chat media
- Tech Mahindra BSG has been included in the IAOP's Global Outsourcing 100 rankings. IAOP (International Association of Outsourcing Professionals) is a global, standard-setting association and advocate for outsourcing professionals
- Achieved Automotive SPICE Level 3 Certification under PATHFINDER certification scheme for process capability and organizational maturity

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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 3.7 billion company with 103,200+ professionals across 51 countries, helping over 727 global customers including Fortune 500 companies. Our innovative platforms and reusable assets connect across a number of technologies to deliver tangible business value to all 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 16.5 billion Mahindra Group that employs more than 180,000 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](#).

Connect with us on www.techmahindra.com

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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 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 and year ended March 31, 2015 drawn under India GAAP

Consolidated Income Statement

(₹ Mn)

Particulars	Quarter Ending			Year Ending	
	Mar-15	Dec-14	Mar-14	Mar-15	Mar-14
Revenue from services	61,168	57,517	50,581	226,213	188,314
Cost of Services	42,526	37,656	32,470	151,578	117,001
Gross Profit	18,642	19,861	18,111	74,635	71,313
SGA	9,356	8,260	7,393	33,107	29,476
Operating Profit	9,286	11,601	10,718	41,528	41,837
Other Income	(653)	190	(867)	1,065	1,130
Interest Expense	177	38	97	299	798
Depreciation	1,721	1,441	1,429	6,114	5,222
Profit before Tax	6,735	10,311	8,325	36,181	36,948
Provision for taxes	1,845	2,512	2,092	9,596	7,524
Non-Recurring / Exceptional Items	-	-	-	-	1,200
Minority Interest	(170)	(31)	(91)	(310)	(336)
Profit after tax	4,720	7,768	6,142	26,276	30,288
Special Adjustments	1	285	-	1	-
Net Profit after special adjustments	4,721	8,053	6,142	26,277	30,288
EPS (Rs) – including exceptional items					
Basic	4.93	33.69	26.41	27.46	130.25
Diluted	4.80	32.76	25.71	26.74	126.78