

Tech Mahindra grows 17% in FY16

Revenue at ₹ 26,494 crore; up 17 % YoY
Profit after tax at ₹ 3,118 crore up 19% YoY
Announces dividend of ₹ 12/- per share

Mumbai - May 24, 2016: 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, 2016.

Financial highlights for the quarter (₹)

- Revenue at ₹ 6,884 crore; up 12.5% YoY and 2.7% QoQ
- EBITDA at ₹ 1,161 crore; up 24% YoY and 2.2% QoQ; margins at 16.9%,
- Profit after tax (PAT) at ₹ 897 crore; up 90% YoY and 18.2% QoQ
- Earnings per share (EPS) was ₹ 9.31 for the quarter ended March 31, 2016

Financial highlights for the quarter (USD)

- Revenue at USD 1,022.6 Mn; up 3.9% YoY and 0.8% QoQ
 - In constant currency (CC) terms, revenue up 5.5% YoY and 1.3% QoQ
- EBITDA at USD 173.3 Mn; up 15.3% YoY and up 0.8% QoQ
- Profit after tax (PAT) at USD 134.2 Mn; up 77.4% YoY and 16.8% QoQ

Financial highlights for the year (₹)

- Revenue at ₹ 26,494 crore; up 17.1% YoY
- EBITDA at ₹ 4,318 crore; up 3.0% YoY; margins at 16.3%
- Profit after tax (PAT) at ₹ 3,118 crore; up 18.7% YoY; PAT margin at 11.8%
- Earnings per share (EPS) was at ₹ 32.34 for the year ended March 31, 2016
- The Board has proposed a dividend of ₹ 6/- per share (face value of ₹ 5) and an additional special dividend of ₹ 6/- per share, for FY 15-16 to commemorate the 10th year of Company's listing on the stock exchanges. The total dividend for FY 15-16 is ₹ 12/- per share

Financial highlights for the Year (USD)

- Revenue at USD 4,037.4 Mn; up 9.5% YoY
- EBIDTA at USD 657.7 Mn
- Profit after tax (PAT) at USD 474.6 Mn

Other Highlights

- Total headcount as of March 31, 2016 at 105,432; added 2,151 professionals during the year
- Cash & cash eq. at ₹ 5,189 crore as of March 31, 2016; up 1,977 crore YoY
- Active client count stood at 807 vs. 767 in FY 15

Vineet Nayar, Vice Chairman, Tech Mahindra, said *“FY 16 has been a year where our relentless focus on metrics like yield management and efficiencies has helped us improve our performance in the face of some headwinds. We continue to build competitive advantages in our business operations which will hold us in good stead in these changing markets”*

C P Gurnani, Managing Director & CEO, Tech Mahindra said, *“Our FY16 results underscore our commitment to improve both revenues and margins, with a greater focus in the areas of Digital, Automation, Verticalization, Innovation and Disruption. We enter the new financial year on a backdrop of improved business fundamentals”*

Key Wins:

- A leading US automotive online vehicle registration provider selected Tech Mahindra to modernize and reinvent the department of motor vehicle's services through technology, innovation, enhanced customer service, e-governance, cloud automation and training
- Won a complete engineering services outsourcing deal from a global communications major providing innovative performance solutions. Tech Mahindra will help enhance customer's profitability and positioning in performance solutions market through cost optimization, increased agility, and consolidation of engineering services and provide new channels in the market
- Engaged by a global auto major for its variable workforce engineering services. Tech Mahindra will help the auto major accelerate its time to market for the latest model program
- Selected by a leading aerospace company as a key partner for Business Support in the framework of digitalization, improvement and change process. Tech Mahindra will improve client competitiveness by providing better business solutions, improve usage of IT for business advantage and better business and IT integrations.
- Chosen by an upcoming Asia Pacific Telco for digital transformation to deliver a high quality market-leading customer support & services
- Selected by a fortune 1000 automated retailer as their SAP partner for support, development and Hana implementation. Tech Mahindra will help deliver SAP transformation roadmap including Hana and bring in cost efficiencies

- Leading Nordic transportation Company has selected Tech Mahindra for transforming their IT infrastructure management services and to manage its SAP landscape.
- Chosen by a leading Nordic healthcare and life sciences company for managing its SAP IT service application helping bring in cost efficiencies
- Engaged by a leading US Transportation company to build digital solutions for driving efficiencies for the railroad operators and deliver cost optimization using deep data analytics. Tech Mahindra would help build Next Gen digital solutions for the railroad industry and develop a shared services team as a SI partner.

Business Highlights:

- Tech Mahindra joined GE Digital Global Alliance Program to spur Industrial Internet growth. Tech Mahindra and GE Digital will work together to create innovative solutions that will address the need of the Power, Oil and Gas, and Transportation industries. In addition Tech Mahindra is also working on building solutions around Smart City Analytics platform.
- Tech Mahindra has launched a three-year partnership with WSJ.Custom Studios, the content marketing division of The Wall Street Journal. The ground-breaking enterprise sees the two organizations collaborating to develop content focused on technology and our increasingly connected world, including cutting-edge thought leadership issues aimed at businesses CIOs and CEOs. Called 'IN THE FUTURE', the multimedia custom-content program promises to challenge conventional thinking, drive vital conversations and illustrate the potential benefits of growing connectivity. This will involve the creation of original and compelling content that spans print and digital media, tablet and mobile, video, graphic solutions, social media and events.

- Tech Mahindra expands its footprint in France with the launch of a new Development Centre facility in Toulouse, dedicated to projects for its existing partner and customers in the aerospace industry. The centre will have a direct link to the customer's Toulouse operations and will provide Engineering Design around Aero structures, Digital Manufacturing Solutions, Aftermarket support , Business IT Services and Consulting.
- Tech Mahindra to build IoT solutions by utilizing the Microsoft Azure IoT Suite. Tech Mahindra will focus on addressing a variety of business needs with offerings such as Connected Vehicles, Connected aircraft Connected Care, Connected Industrial equipment's, Connected Factories, Connected Homes and Connected Cities which are built around its industry-leading innovative Connected Engineering Framework implementing the IOT architecture
- Qlik and Tech Mahindra expand their Global Alliance to Transform Delivery of Platform and Cloud-Based Analytics Solutions. Both Companies will work together to bring further value to joint customers through Tech Mahindra's platform offerings and Qlik's unique platform approach to visual analytics

Awards and Recognitions:

- Tech Mahindra won the Internet of Things Awards 2015 – A Smart City Initiative awarded by Total Telecom at the World Communication Awards Ceremony in London, 2015.
- Won the Economic Times Telecom Award 2016 in the category of Best Innovation in Cloud Technology for Telecom Companies for its Cloud aggregation Platform
- Won the National IT Excellence Award under IT Leadership Award (Internet) category, hosted by Asian Confederation of Businesses and Stars of the Industry (Stars Group)

- Won the Smart Cities Award under the Best Smart City Initiative category at the Smart Cities Summit and Awards 2016.
- Tech Mahindra wins the Golden Peacock HR Excellence Award 2015 for Outstanding People Management Practices

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 4.0 billion company with 105,400+ professionals across 90 countries, helping over 800 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 and year ended March 31, 2016
drawn under India GAAP**

Consolidated Income Statement

(₹ Mn)

Particulars	Quarter Ending			Year Ending	
	Mar-16	Dec-15	Mar-15	Mar-16	Mar-15
Revenue from services	68,837	67,011	61,168	264,942	226,213
Cost of Services	47,788	46,066	42,445	183,226	151,186
Gross Profit	21,049	20,946	18,723	81,717	75,027
SGA	9,436	9,587	9,356	38,533	33,107
Operating Profit	11,613	11,359	9,367	43,184	41,921
Other Income	1,659	639	(653)	5,566	1,065
Interest Expense	330	244	258	961	691
Depreciation	2,177	1,736	1,721	7,620	6,114
Profit before Tax	10,765	10,017	6,735	40,169	36,181
Provision for taxes	1,571	2,327	1,845	8,601	9,596
Non-Recurring / Exceptional Items	-	-	-	-	-
Minority Interest	(235)	(97)	(170)	(413)	(310)
Profit after tax	8,959	7,593	4,720	31,154	26,275
Special Adjustments	12	(1)	1	26	1
Net Profit after special adjustments	8,970	7,592	4,721	31,180	26,277
EPS (FV of ₹ 5) – including exceptional items					
Basic	9.31	7.89	4.93	32.34	27.46
Diluted	9.11	7.71	4.80	31.67	26.74