

Tech Mahindra Q3'22 Revenues up 18.7% YoY

Pune – February 1st, 2022: [Tech Mahindra](#) Ltd., a specialist in digital transformation, consulting and business re-engineering services today announced the unaudited consolidated financial results for its quarter ended December 31st, 2021.

Financial highlights for the quarter (USD)

- Revenue at USD 1533.5 mn; up 4.1% QoQ and up 17.2% YoY
 - Revenue growth up 4.7% QoQ in constant currency terms
- EBITDA at USD 276.5 mn; up 2.5% QoQ, up 7.5% YoY
 - Margins at 18.0%
- Profit after tax (PAT) at USD 183.8 mn; up 1.5% QoQ and up 3.4% YoY
- Free cash flow at \$123 mn, conversion to PAT at 67%

Financial highlights for the quarter (₹)

- Revenue at ₹ 11,451 crores; up 5.2% QoQ and up 18.7% YoY
- EBITDA at ₹ 2,060 crores; up 3.3% QoQ, up 8.7% YoY
- Consolidated PAT at ₹ 1,369 crores; up 2.2% QoQ and up 4.5% YoY

Other Highlights

- Total headcount at 145,067 up 3,874 QoQ
- Cash and Cash Equivalent at USD 1345.8 mn as of December 31, 2021



CP Gurnani, Managing Director & Chief Executive Officer, Tech Mahindra, said,

"Our people-first approach combined with sustained value creation this quarter reflects our commitment towards redefining possibilities and competencies in the new normal. We continue to strengthen our presence, deliver broad-based profitable growth and value for our customers, backed by future-ready talent and niche digital capabilities."

Milind Kulkarni, Chief Financial Officer, Tech Mahindra, said,

"We continue to transform our operations and add new capabilities enabling us to grow faster while sustaining our profitability. Our focus on operational efficiencies and investments for the future will help us drive exponential value creation in the long run."



Key Wins

- Tech Mahindra chosen by a leading digital printing company in Europe to provide business & technology transformation services including legacy modernization, implementation of "Factory of Future", and infrastructure cloud transformation.
- Tech Mahindra won a multi-year strategic deal with an African power generation company, to lead business & operational transformation using drone technology & automation by leveraging multiple technologies like GIS.
- Tech Mahindra engaged by a leading European telecommunications company for their operations in Africa for digital BSS transformation, core system integration, application development, DevOps, and end-to-end integration.
- Tech Mahindra awarded a multi-year deal with an American financial software development provider to set up CoEs for their Open Payments Framework in China & India.
- Tech Mahindra selected by one of the largest automotive companies in the US for augmenting their new product design & engineering program support.
- Tech Mahindra won a deal with one of the largest railroad companies in the US to enable holistic transformation of their network operations center & service desk.
- Tech Mahindra won a strategic deal with the world's first fully virtualized state of the art Asian telco operator for transforming its Global Operations Center.

- *Tech Mahindra awarded a multi-year strategic deal with a global spirits & food company to build a robust cloud-based digital backbone on Azure including platform support, application modernization & managing their entire IT infrastructure.*
- *Tech Mahindra engaged by a top telecommunications operator in Philippines for RAN Optimization services.*
- *Tech Mahindra awarded a deal with a leading authority for food distribution & safety in the Middle East for Digital Services Transformation with Managed Services using next-generation AI Ops frameworks & tools to enhance customer experience and agile customer service delivery.*
- *Tech Mahindra chosen by a top banking & financial services provider in Asia to modernize their core banking & digital banking suite to improve operational efficiency & customer experience using the Temenos platform.*
- *Tech Mahindra won a strategic deal with one of the largest port companies in Africa to enable SAP Digital transformation, end-to-end solutioning & managed support services.*

Business Highlights

- Tech Mahindra achieves Premier Consulting Partner Status in the AWS Partner Network(APN). This tier is awarded through successful demonstration of competence on multiple fronts such as technical proficiency, customer satisfaction, thought leadership, & revenue recognition. With this, we join a select group of 125 partners who have achieved the premier status
- Tech Mahindra entered into a strategic collaboration with Sovico group to drive digital transformation & improve agility through technology-led transformation across aviation, banking & insurance, and retail sectors.
- Tech Mahindra announced partnership with ARM 5G Solutions Lab with the aim to aid innovation in network space by providing best-in-class 5G/Open RAN engineering experience, and scalable 5G lab infrastructure to develop & test novel 5G tech & use cases.
- Tech Mahindra launched FiDaaS Solution powered by Alveo to address financial services' data management challenges. The FiDaaS Solution provides a cloud-based, Centralized Market Data Platform which offers a comprehensive solution for pricing & reference data management also covering end-to-end Financial Data Management requirements.
- Tech Mahindra partnered with Cogniac to provide AI-based Machine Vision Solutions for enterprises globally. This will enhance operational productivity by maximizing the value of image analytics across industries, including automotive, railway, manufacturing & government.

Awards and Recognitions

- Tech Mahindra received HRH The Prince of Wales' Terra Carta Seal in recognition of the company's commitment to creating a sustainable future. The seal recognises private sector companies who are leading their peers in creating genuinely sustainable markets. This makes Tech Mahindra the only Indian company out of 44 companies globally that have been awarded with the seal.
- Tech Mahindra won the Best Indian Company of the Year award in Services Category in the 17th Indo-American Corporate Excellence Awards 2021.
- Tech Mahindra's Corporate Communications team won the Gold award at the 11th Annual 2021 Globe Communications Excellence Awards in the category 'Communications or PR Campaign of the Year - COVID-19-related Information'
- Tech Mahindra rated as one of the 'Most Preferred Brands of 2021'. The company was recognized for its 'Sustained Brilliance in Brand Building' by Zee Business & Marksmen.
- Tech Mahindra recognised with prestigious 'A' score for global climate change and water stewardship – two of the three environmental themes covered by CDP.
- Tech Mahindra won the ISG Star of Excellence Award in Software/Cloud Specific Services, demonstrating the highest standards of client service excellence and customer centricity.
- Tech Mahindra's MD and CEO, CP Gurnani, recognized with "Lifetime Achievement Award" at the SKOCH Awards 2021.
- Tech Mahindra recognized as one of the "Best Brands of 2021" by The Economic Times

About Tech Mahindra

Tech Mahindra offers innovative and customer-centric digital experiences, enabling enterprises, associates and the society to Rise. We are a USD 5.1 billion organization with 145,000+ professionals across 90 countries helping 1190 global customers, including Fortune 500 companies. We are focused on leveraging next-generation technologies including 5G, Blockchain, Quantum Computing, Cybersecurity, Artificial Intelligence, and more, to enable end-to-end digital transformation for global customers. Tech Mahindra is the only Indian company in the world to receive the HRH The Prince of Wales' Terra Carta Seal for its commitment to creating a sustainable future. We are the fastest growing brand in 'brand strength' and amongst the top 7 IT brands globally. With the NXT.NOW™ framework, Tech Mahindra aims to enhance 'Human Centric Experience' for our ecosystem and drive collaborative disruption with synergies arising from a robust portfolio of companies. Tech Mahindra aims at delivering tomorrow's experiences today, and believes that the 'Future is Now'.

We are part of the Mahindra Group, founded in 1945, one of the largest and most admired multinational federation of companies with 260,000 employees in over 100 countries. It enjoys a leadership position in farm equipment, utility vehicles, information technology and financial services in India and is the world's largest tractor company by volume. It has a strong presence in renewable energy, agriculture, logistics, hospitality and real estate. The Mahindra Group has a clear focus on leading ESG globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

Connect with us on www.techmahindra.com

Our Social Media Channels



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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.

Unaudited consolidated financial for the third quarter ended Dec 31, 2021 drawn under Ind AS

P&L in INR Mn	Q3 FY22	Q2 FY22	Q3 FY21
Revenue	114,508	108,813	96,471
Cost of Services	80,088	74,346	64,708
Gross Profit	34,420	34,466	31,763
SG&A	13,819	14,515	12,809
EBITDA	20,600	19,952	18,954
Other Income	2,231	2,821	2,209
Interest Expense	339	354	421
Depreciation & Amortization	3,621	3,430	3,584
Share of profit / (loss) from associate	(7)	(8)	5
Profit before Tax	18,864	18,981	17,164
Provision for taxes	5,082	5,572	4,263
Minority Interest	(97)	(22)	197
Profit after Tax	13,685	13,387	13,098
EPS (₹ / share)			
Basic	15.58	15.25	14.98
Diluted	15.46	15.14	14.87