Scale at Speed

TECH mahindra

Earnings Presentation
Q4 FY'25

March 2025

Q4 FY25 Snapshot

$ 1,549 Mn
Revenue

10.5%
EBIT Margin

8.7%
PAT Margin

$ 798 Mn
Net New
Deal Wins

$ 150 Mn
Free Cash flow

TECH
mahindra
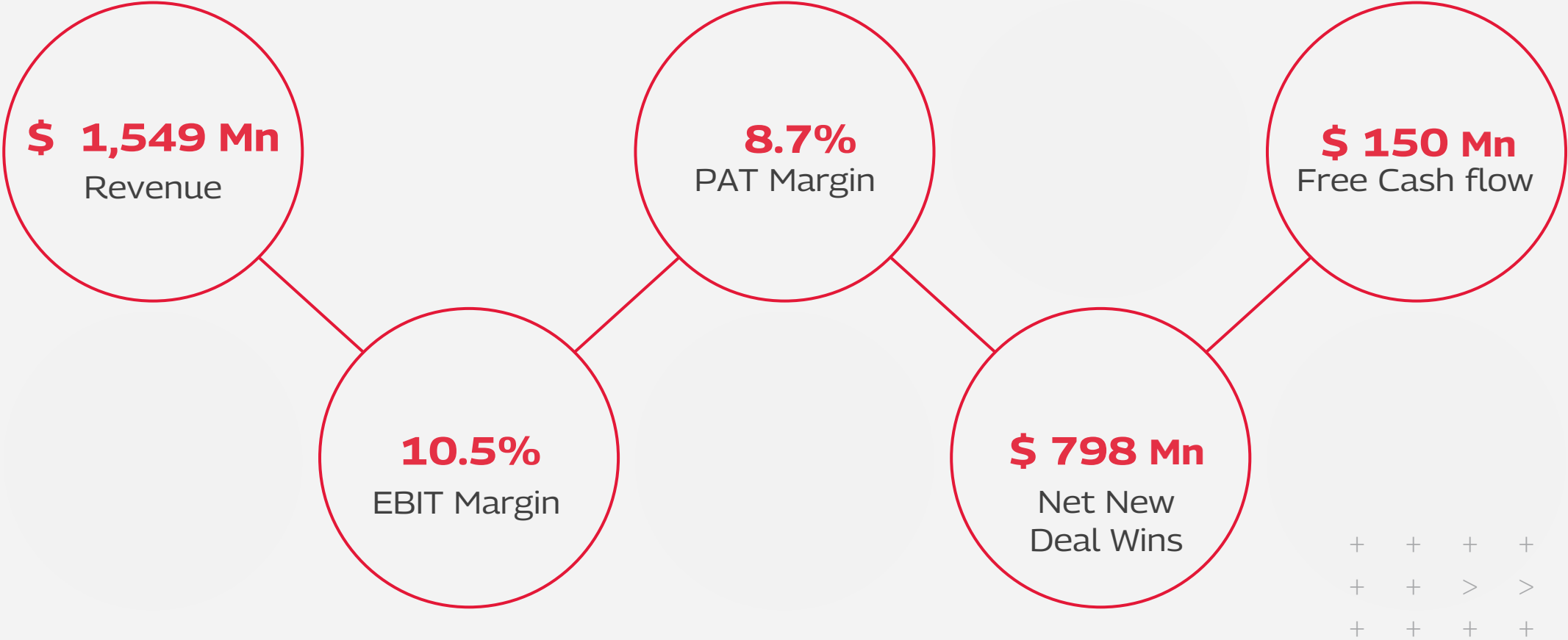
Q4 FY25 Snapshot

All trends are YoY, except where specified

TECH
mahindra

FINANCIAL

Revenue
0.0%
(up 0.3% cc)

↑ EBIT %
10.5%
(up 310 bps)

↑ PAT %
8.7%
(up 350 bps)

OPERATIONAL

↑ Headcount
148,731
(up 3,276)

↑ IT LTM attrition
11.8%
(up 180 bps)

↓ Utilisation
(incl. trainees)
86.3%
(down 20 bps)

↓ Active Customers
1,162
(down by 10)

SEGMENT

↑ IT
1.1%

↓ BPS
-5.5%

GEOGRAPHY

↓ Americas
-4.7%

↑ Europe
5.1%

↑ ROW
4.8%

CC refers to Constant Currency

* IT – BPS revenue split re-instated post realignment of portfolio companies from IT to BPS

Q4 FY25 Snapshot

All trends are QoQ, except where specified

FINANCIAL

↓ Revenue
-1.2%
(-1.5% cc)

↑ EBIT %
10.5%
(up 40 bps)

↑ PAT %
8.7%
(up 130 bps)

OPERATIONAL

↓ Headcount
148,731
(down 1,757)

↑ IT LTM attrition
11.8%
(up 60 bps)

↑ Utilisation
(incl. trainees)
86.3%
(up 70 bps)

↓ Active Customers
1,162
(down by 13)

SEGMENT

↓ IT
-0.3%

↓ BPS
-5.8%

GEOGRAPHY

↓ Americas
-5.9%

↑ Europe
6.3%

↑ ROW
1.3%

CC refers to Constant Currency

FY25 Snapshot

$ 6,264 Mn
Revenue

9.7%
EBIT Margin

8.0%
PAT Margin

$ 2.7 Bn
Net New
Deal Wins

$ 613 Mn
Free Cash flow
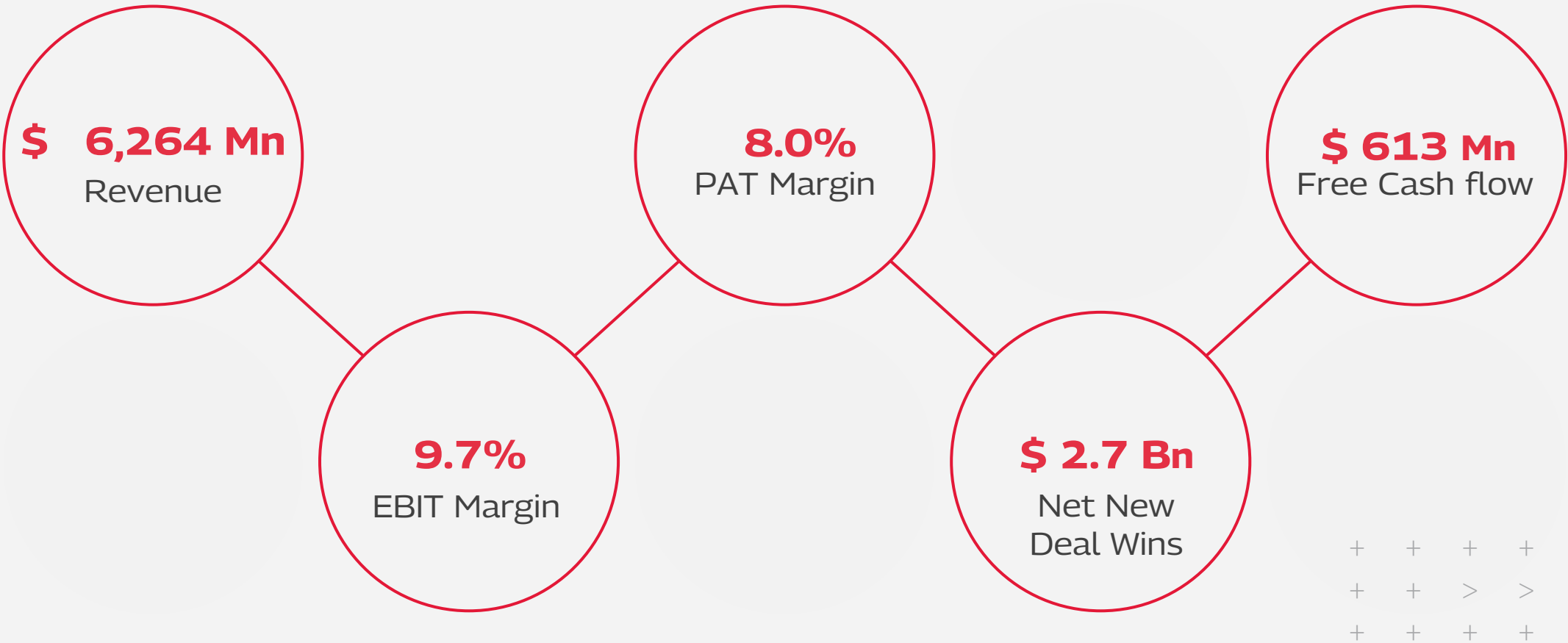
FY25 Snapshot

All trends are YoY

FINANCIAL

↓ Revenue
-0.2%
(up 0.3% cc)

↑ EBIT %
9.7%
(up 360 bps)

↑ PAT %
8.0%
(up 350 bps)

OPERATIONAL

↑ Headcount
148,731
(up 3,276)

↑ IT LTM attrition
11.8%
(up 180 bps)

↓ Utilisation
(incl. trainees)
86.1%
(down 30 bps)

↓ Active Customers
1,162
(down by 10)

SEGMENT

↓ IT
-0.3%

↑ BPS
0.2%

GEOGRAPHY

↓ Americas
-2.4%

↑ Europe
0.1%

↑ ROW
4.1%

CC refers to Constant Currency

* IT – BPS revenue split re-instated post realignment of portfolio companies from IT to BPS

Vertical Performance Q4 FY25

VERTICALS	Communications	Manufacturing	Banking, Financial Services & Insurance	Technology, Media & Entertainment	Retail, Transport & Logistics	Healthcare & Lifesciences	Others
% SHARE	**33.2%**	**17.0%**	**16.7%**	**13.2%**	**8.1%**	**7.3%**	**4.5%**
% YoY	-2.2%	-5.5%	6.0%	-4.1%	10.3%	2.3%	12.3%
%QoQ	1.0%	-0.2%	2.4%	-8.2%	-0.4%	-5.6%	-5.2%

Vertical Performance FY25

VERTICALS	Communications	Manufacturing	Banking, Financial Services & Insurance	Technology, Media & Entertainment	Retail, Transport & Logistics	Healthcare & Lifesciences	Others
% SHARE	**33.1%**	**17.3%**	**16.1%**	**13.9%**	**7.9%**	**7.5%**	**4.3%**
% YoY	-5.0%	-1.6%	4.3%	-0.4%	4.4%	3.7%	16.0%

Management Commentary

This year, we laid a strong foundation for our transformation journey. Through strategic investments in our people, leadership, and capabilities, we have positioned ourselves to accelerate our strategic roadmap. Our deal wins at $2.7 billion, reflect a 42% year-on-year increase and are a clear validation of the depth of our client partnerships.

Mohit Joshi
CEO, Tech Mahindra

Deal-Win Performance

Total **TCV Q4 FY25**: $ 798 Mn

Signed a lab asset takeover deal with a Tier-1 Telco in US. Deal positions us as one of the largest one stop device test and certification lab for the US market, with ability to support global smartphone OEMs, IOT module makers and chipset manufacturers focused on launching 5G / next-gen wireless enabled devices.

Secured a milestone deal in the Compute Infrastructure space with a leading US-based aerospace company, that involves managing compute instances using advanced technologies like Containers-as-a-Service (CaaS) and Platform-as-a-Service (PaaS).

Selected by a global leader in enterprise apps to provide managed TechOps services for the end customers of its flagship enterprise platform, covering the entire lifecycle of their Private Cloud Infrastructure—including Build, Migrate, Operate, and Decommission.

Selected by a leading Americas based Telco to enhance customer experience , reduce churn and improve efficiencies across its wireless and wireline service offerings.

Selected by a US based healthcare technology provider, providing public health solutions to the Medicaid population for a CMS Interoperability mandate. TechM will be the reseller, implementation and support partner of the SaaS interoperability solution, helping the client onboard their customers seamlessly.

Selected by a leading retailer in the US to serve as a strategic extension of its technology team. TechM to establish a Global Engineering Center for Data and Insights, that will act as a hub to implement advanced analytics and AI driven programs for the client.

Strategic Highlights: AI

🚀 Solution Launches and Updates

Tech Mahindra and NVIDIA Collaborate to Advance Drug Safety with Agentic AI-Powered Pharmacovigilance Solution

Strategic Collaboration
Tech Mahindra and NVIDIA Collaborate to Advance Drug Safety with Agentic AI-Powered Pharmacovigilance Solution

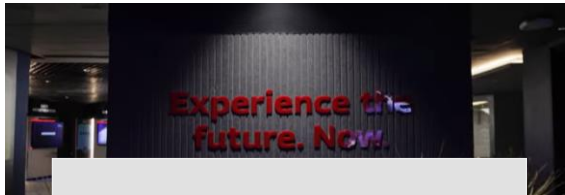Tech Mahindra Integrates IndusQ LLM with Qualcomm AI Hub to Drive Enterprise AI Innovation

Drive Enterprise AI Innovation
Tech Mahindra Integrates IndusQ LLM with Qualcomm AI Hub to Drive Enterprise AI Innovation

Tech Mahindra Bridges India's Language Gap with AI — An Intel Corporation Testimonial. Intel corporation did an exclusive interview with Nikhil Malhotra, Chief Innovation Officer at Tech Mahindra focused on the story of Project

Tech Mahindra Bridges India's Language Gap with AI - An Intel Testimonial

Experience the future. Now.

NVIDIA & Tech Mahindra: Pioneering the Future of Generative AI & Sovereign LLMs

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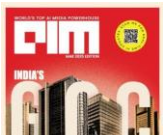**5+ Recognitions from the Industry, Media, and Analysts**

HFS

AVASANT

AEGIS GRAHAM BELL AWARDS

Tech Mahindra won the 15th Edition of Aegis Graham Bell Award in the Innovation in GenAI category

World's Top Media Powerhouse AIM has featured "Project Indus" in its March 2025 edition of AIM Print

Generative AI Use Case Validation And Evaluation: Methodologies And Key Considofferrations Featuring Research From **Forrester**

AI Delivered *Right*

Launching Soon
Unveiling the new AI narrative to bring out TechM's capability and competency in AI and to deliver it right for customer, client, partners and more

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Our GenAI expertise reflects in our client engagements

- 188+ Qualified AI & IA opportunities
- 35% Gen AI opportunities
- 51,000+ Talent enabled on AI/Gen AI
- 24000+ GitHub Copilot Trained

👥 Partnering with Hyperscalers and OEMs

- Snapdragon X launch: Project Indus and AI tutor with Manav demonstrated on Qualcomm PC
- TechM to Transform Autonomous Network Operations with New Large Telco Model based on NVIDIA AI Enterprise and AWS Cloud Infrastructure
- TechM and AWS Collaborate to Transform Telecom Networks with Generative AI
- TechM Announces Integration with ServiceNow to Deliver GenAI-Powered Enterprise Service Management Solutions
- TechM Announces AI Center of Excellence, Powered by NVIDIA AI Enterprise and Omniverse Platforms

Strategic Highlights: Brand Awareness & Perception

The 2025 **World Economic Forum** is historic in Tech Mahindra's story as we unveil our very own pavilion for the first time.

Opening of Americas Headquarters in Plano, Texas

Inauguration of new **APJ corporate office in Sydney**

Inauguration of **BPS's newest office in Mumbai**

Inauguration of **Manufacturing Xperience Center in Chennai**

Tech Mahindra Included in the Prestigious 'A' List of Both CDP Climate Change and CDP Water Security Disclosure 2024

Tech Mahindra Recognized as a **LEADER** in Everest Group's **PEAK Matrix®** Assessment on **Quality Engineering Services** for **AI Applications and Systems**

Tech Mahindra Solidifies its Position Among the **TOP 10 GLOBAL IT SERVICES BRANDS** in the Annual Brand Finance Ranking

Launch of

TechM Consulting — Cocreating Value Velocity

Tech Mahindra at Mobile World Congress 2025, Barcelona

Details
03-06 March, 2025
9:00AM – 5:00PM CET

JEDDAH E-Prix — February 14th and 15th — ROUND 3 & 4 — SEASON 11

Accelerate Action: Women in Leadership with Leadership

Congratulations! Mohit Joshi Wins the **'Icon of Excellence 2025'** Award by Forbes India

Other Highlights

NEW LAUNCHES, PARTNERSHIPS & COLLABORATIONS

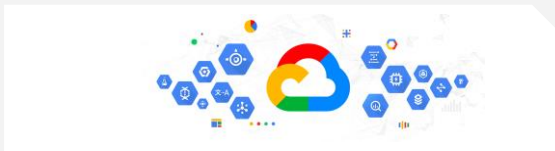Tech Mahindra announced the launch of its 'TechM Consulting' service line. The service offering aspires to be a trusted advisor and results enabler for its clients based on its ability to support their evolution and transformation.
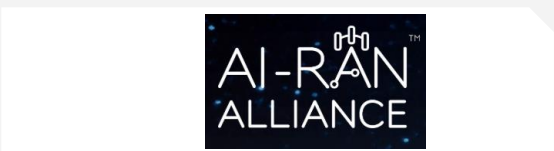

Tech Mahindra inaugurated an advanced Manufacturing Xperience Centre at its campus in Chennai, helping customers quickly prototype and scale AI-driven innovations to address industry challenges such as high operational costs, process inefficiencies and supply chain disruptions.

Tech Mahindra built a pharmacovigilance (PV) autonomous solution with NVIDIA AI software and powered by TechM's TENO framework to advance drug safety management by leveraging agentic AI and automation to enhance the accuracy, speed, and efficiency of PV processes.

Tech Mahindra expanded its long-term strategic partnership with Google Cloud to boost the adoption of AI and to lead digital transformation globally, combining TechM's deep domain expertise with Google Cloud's AI capabilities, AI development platform, and agentic AI technology.

Tech Mahindra announced a strategic AI-led collaboration with Qualcomm Technologies, Inc. through the successful integration of its proprietary AI model, IndusQ LLM, into Qualcomm® AI Hub, a dedicated platform for on-device AI model deployment, placing TechM as the only GSI to achieve this integration.

Tech Mahindra announced its membership in the AI-RAN Alliance - a global initiative committed to fostering the development and deployment of AI-driven solutions within Radio Access Networks (RAN), enabling TechM to help its customers, enterprises, and partners navigate the evolving telecom landscape.

Other Highlights
NEW LAUNCHES, PARTNERSHIPS & COLLABORATIONS

Rakuten Symphony

Rakuten Symphony signed MoUs with Tech Mahindra, Cisco Systems and Airspan Networks, enabling Airspan and TechM to resell Rakuten Symphony Open RAN software licences to telecos & enterprises globally. TechM will also serve as preferred systems integrator for Rakuten Symphony.

cricket

Tech Mahindra secured the first-ever licensing agreement for Cricket Wireless, an AT&T owned leading prepaid wireless provider, Point of Sale (POS) system, "Aktivate", enabling TechM to integrate it into its comprehensive suite of solutions for wireless service providers globally.

OPTUS

Tech Mahindra, Optus, Microsoft and Databricks partnered to implement a unified data platform (UDP), driving Optus' accelerated data, applications, and system migration to the cloud enabling it to accelerate the implementation of next-gen technologies that leverage Gen AI/ML.

beet

Tech Mahindra announced a global strategic partnership with BEET, the AI-enabled global industrial IoT platform specialising in intelligent manufacturing enabling TechM to become a Master Certified Systems Integrator for the BEET Platform while positioning BEET as a Key Component of TechM's Smart Factory Services.

The Open University

Tech Mahindra signed a MOU with The Open University (OU), the UK's largest university to drive innovation, skills development, and entrepreneurship. This strategic collaboration aims to bridge the gap between cutting-edge technology advancements by jointly advancing research in AI, Extended Reality (XR), Gen AI, and High-Tech solutions.

Awards & People Highlights

STRENGTH & ATTRITION

Employee strength

148,731

LTM IT attrition

11.8%

AWARDS

- Received the Guidewire PartnerConnect Cloud Ready - AMER specialisation and the PartnerConnect BillingCenter, ClaimCenter, and PolicyCenter - APAC specialisations.

- Achieved formal validation for Net-Zero targets by the Science Based Targets initiative (SBTi), placing TechM amongst elite group of very few Indian companies to secure SBTi validation for its Net-Zero goals.

- Recognised with Gold Award in the organisational category for 'India's Most Sustainable Business of the Year' at BW Sustainable World Conclave.

- Recognised with Gold Award for the Best Tech Team of the Year (Organisation using HR Tech) at the BW People Tech Future Awards 2025.

- Included in 'A List' for both CDP Climate Change and CDP Water Stewardship 2024

- Listed in the Top 5% for IT Services sector in the S&P Global Sustainability Yearbook 2025.

- Recognised among Top 10 strongest IT Services brands globally and the 'Top 5 Gainers' in Brand Strength Index score by Brand Finance, moving up from 73.4 in 2024 to 77.3 in 2025 and brand rating improving from AA to AA+.

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Analyst Recognitions

TECH mahindra

- Leader in SAP Ecosystem Partners 2025 -SAP S4HANA System Transformation - Large Accounts - (Germany & APAC), Managed Cloud Services for SAP ERP (APAC), SAP Application Managed Services (US, UK and Brazil), RISE with SAP Implementation Partners (Global), SAP SuccessFactors HXM Partner Services (Brazil) and SAP Business AI and Business Technology Platform (BTP) Services (Global) by ISG.

- Leader in ServiceNow Ecosystem Partners 2025 - Innovation on ServiceNow (US, Europe, and AP&J), ServiceNow Managed Services (US and Europe), ServiceNow C&I (US), Managed Application Services - Large Enterprises (US and Germany), AI-powered Multicloud Implementation Services - Large Enterprises (US) and Implementation Services for Marketing and Commerce with AI Enablement – US by ISG.

- Leader in Industry 4.0 Services PEAK Matrix® Assessment 2025 by Everest Group.

- Leader in Microsoft AI and Cloud Ecosystem 2025 Data Fabric on Azure – Global by ISG.

- Tech Mahindra's Healthcare and Life Sciences (HLS) vertical recognised as a Horizon 3 Market Leader in the HFS Research Horizons Healthcare Payer Service Providers 2024 report and as a Star Performer in Everest Group's 'Healthcare Provider Digital Services PEAK Matrix® Assessment 2024' report.

- Leader in Mainframes - Services and Solutions 2025- Application Modernization Services- US Public Sector by ISG.

- Leader in Digital Engineering Services 2025 - Design & Development (Products, Services and Experiences) (US and Europe), Integrated Customer / User Engagement (US and Europe) and Intelligent Operations (US and Europe), by ISG.

- Leader in Supply Chain Transformation Services for Retail and CPG PEAK Matrix® Assessment 2025 by Everest Group.

- Leader in CPG Digital Services 2024 RadarView by Avasant.

- Leader in Agribusiness and Chemicals Services & Solutions 2025-Digital IT/OT , Supply Chain & Logistics and Sustainability & Innovation – Chemicals (US) by ISG.

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Management Commentary

"

This year, we delivered operational excellence by achieving a 60% increase in operating profit through strong execution, operational leverage and cost management. We raised our dividend per share by 12.5% and returned 85% of our free cash flow to shareholders, reflecting our commitment to capital allocation policy.
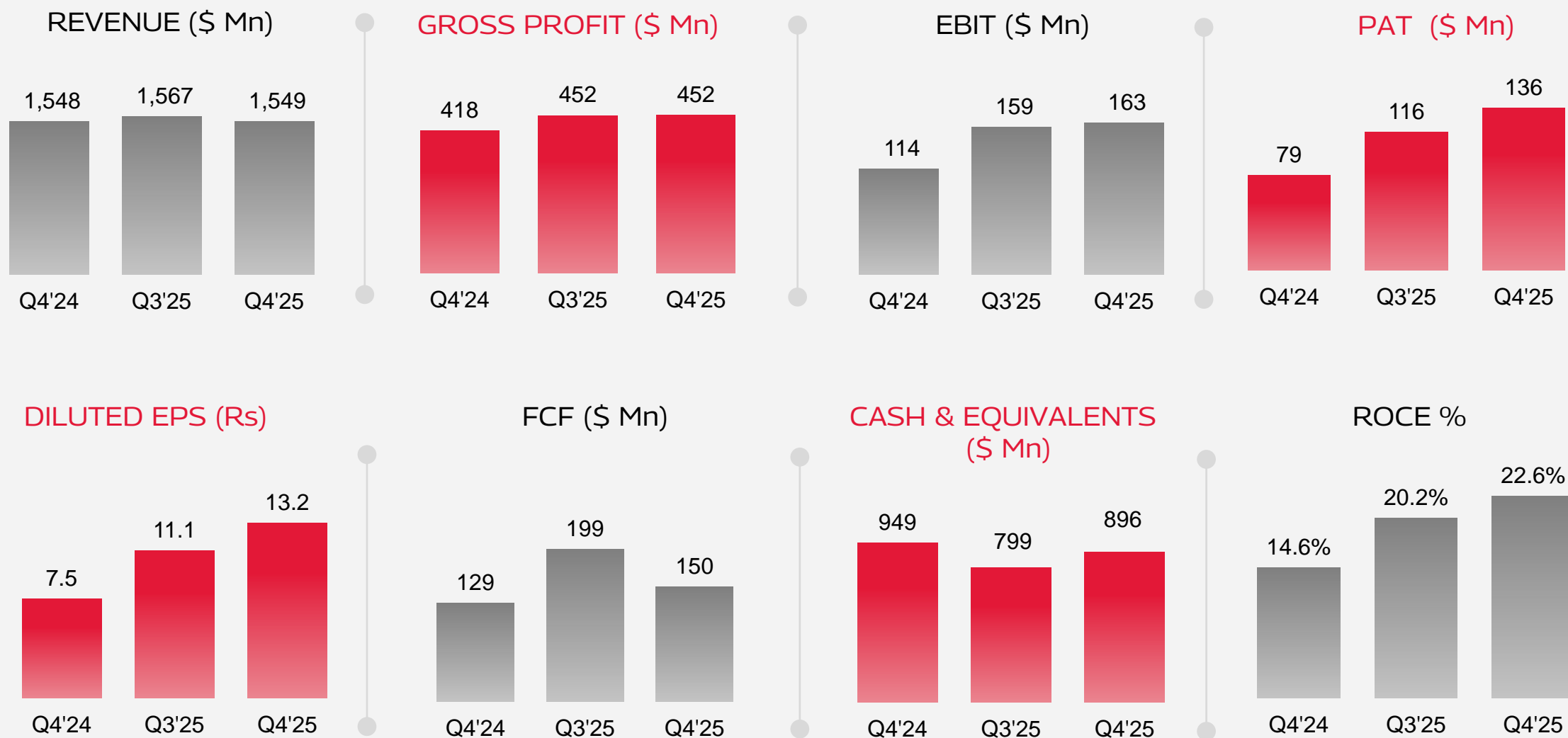
"

Rohit Anand
CFO, Tech Mahindra

Financial Snapshot Q4 FY25

REVENUE ($ Mn)

Q4'24	Q3'25	Q4'25
1,548	1,567	1,549

GROSS PROFIT ($ Mn)

Q4'24	Q3'25	Q4'25
418	452	452

EBIT ($ Mn)

Q4'24	Q3'25	Q4'25
114	159	163

PAT ($ Mn)

Q4'24	Q3'25	Q4'25
79	116	136

DILUTED EPS (Rs)

Q4'24	Q3'25	Q4'25
7.5	11.1	13.2

FCF ($ Mn)

Q4'24	Q3'25	Q4'25
129	199	150

CASH & EQUIVALENTS ($ Mn)

Q4'24	Q3'25	Q4'25
949	799	896

ROCE %

Q4'24	Q3'25	Q4'25
14.6%	20.2%	22.6%

Operational Snapshot Q4 FY25

HEADCOUNT
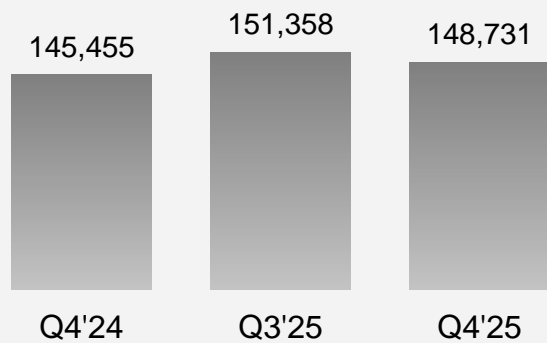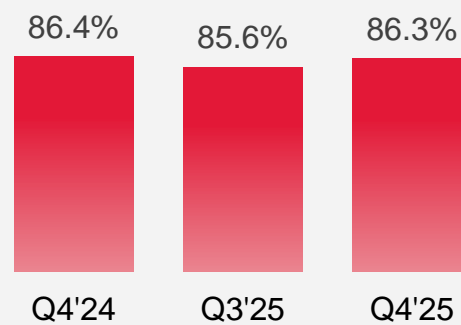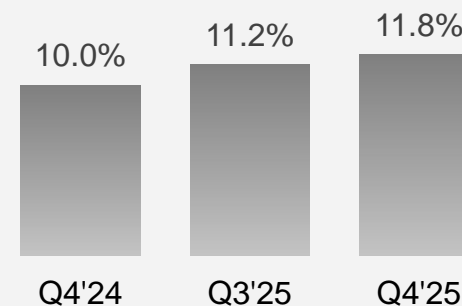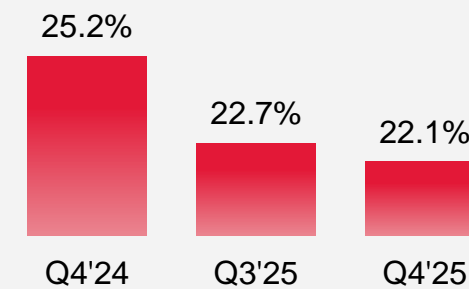
Q4'24	Q3'25	Q4'25
145,455	151,358	148,731

UTILISATION (including trainees)

Q4'24	Q3'25	Q4'25
86.4%	85.6%	86.3%

IT ATTRITION (LTM)

Q4'24	Q3'25	Q4'25
10.0%	11.2%	11.8%

HEADCOUNT MIX (Onsite)

Q4'24	Q3'25	Q4'25
25.2%	22.7%	22.1%

ACTIVE CLIENTS

Q4'24	Q3'25	Q4'25
1,172	1,176	1,162

TOP 10 CLIENTS

Q4'24	Q3'25	Q4'25
25.9%	24.2%	24.5%

50 Mn+ CLIENTS

Q4'24	Q3'25	Q4'25
23	25	25

DSO

Q4'24	Q3'25	Q4'25
92	88	88

Financial Snapshot FY25

REVENUE ($ Mn)
- FY24: 6,277
- FY25: 6,264

GROSS PROFIT ($ Mn)
- FY24: 1,555
- FY25: 1,761

EBIT ($ Mn)
- FY24: 380
- FY25: 607

PAT ($ Mn)
- FY24: 284
- FY25: 502

DILUTED EPS (Rs)
- FY24: 26.6
- FY25: 47.9

FCF ($ Mn)
- FY24: 676
- FY25: 613

CASH & EQUIVALENTS ($ Mn)
- FY24: 949
- FY25: 896

ROCE %
- FY24: 12.5%
- FY25: 21.3%
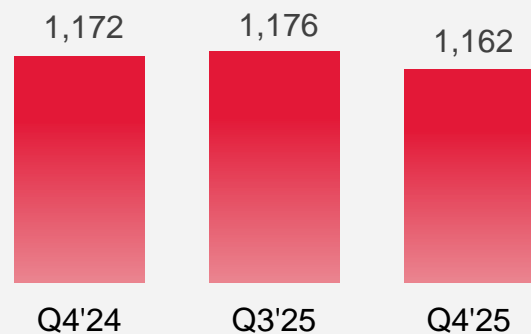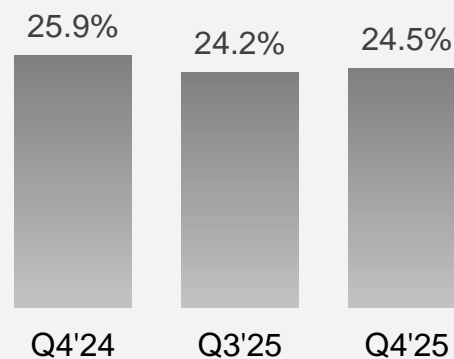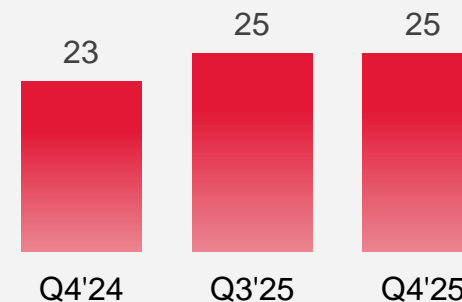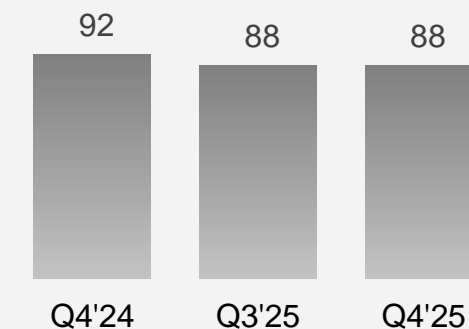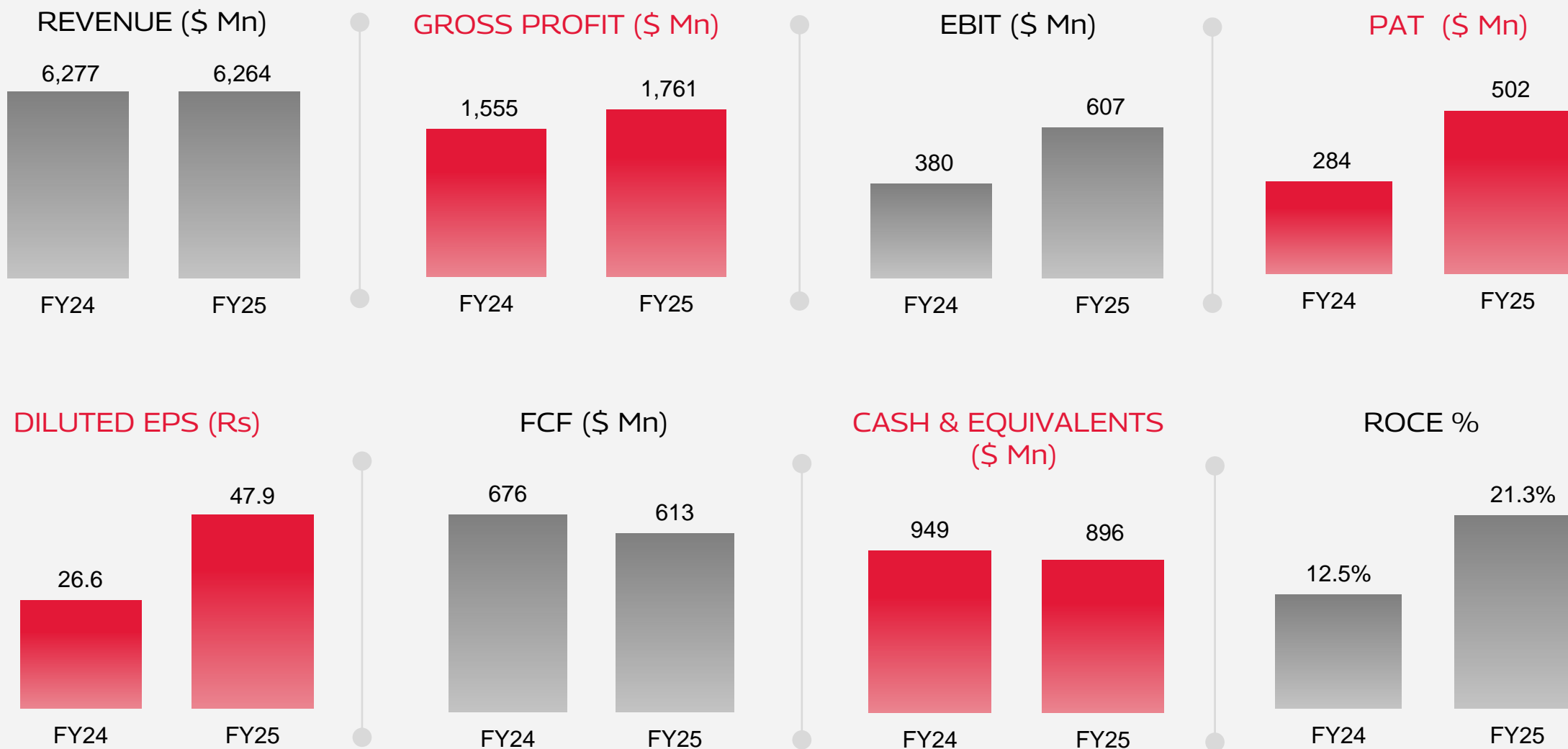
Operational Snapshot FY25

HEADCOUNT
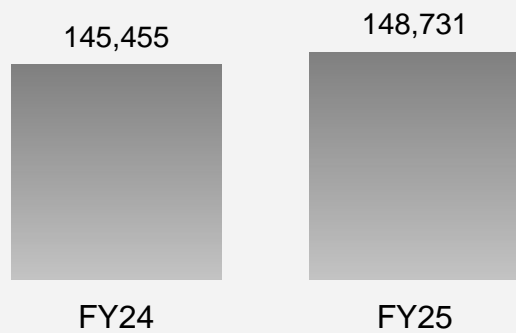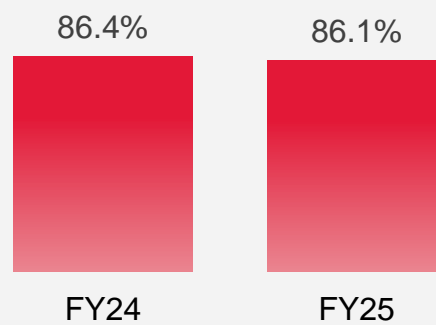
145,455	148,731
FY24	FY25

UTILISATION (including trainees)

86.4%	86.1%
FY24	FY25

IT ATTRITION (LTM)

10.0%	11.8%
FY24	FY25

HEADCOUNT MIX (Onsite)

26.2%	23.3%
FY24	FY25

ACTIVE CLIENTS

1,172	1,162
FY24	FY25

TOP 10 CLIENTS

26.6%	24.5%
FY24	FY25

50 Mn+ CLIENTS

23	25
FY24	FY25

DSO

92	88
FY24	FY25
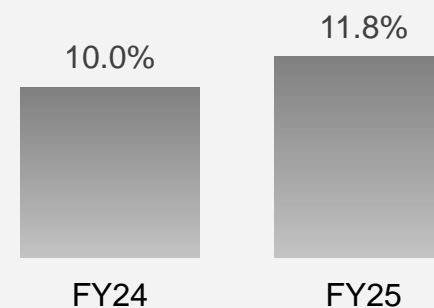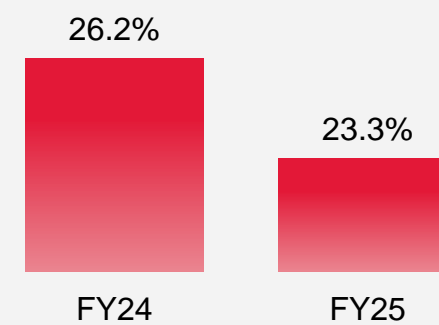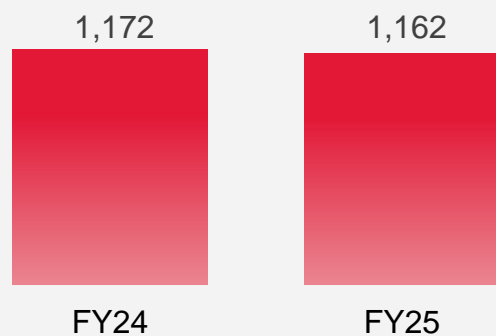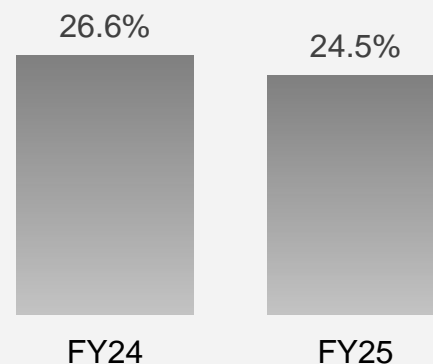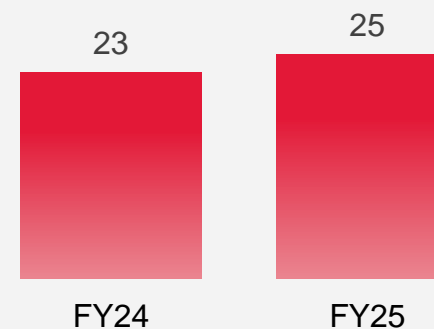
Other Financial Highlights

CASH CONVERSION

Q4'25 Free cash flow $150 M

FY25 Free cash flow $613 M

Final Dividend @ Rs. 30 per share

Dividend for the year @ Rs. 45 per share

DSO 88 days

TREASURY

Hedge book $ 2.0 Bn

Q4'25 USD/INR average exchange rate 86.53

OTHERS

Q4'25 Tax rate 22.0%

FY25 Tax rate 24.8%

Financial Summary Q4 FY25

in $ Mn	Q4FY25	QoQ	YoY
Revenue	**1,549**	**-1.2%**	**0.0%**
EBIT	**163**	**2.8%**	**43.6%**
EBIT %	*10.5%*		
Other Income	**20**	**940.8%**	**-55.5%**
Miscellaneous + Interest Income	24		
Exchange Gain / (Loss)	(4)		
Profit Before Tax	**170**	**11.4%**	**47.6%**
Provision for tax	37		
Profit After Tax	**136**	**17.3%**	**70.8%**
PAT %	*8.7%*		
EPS (Basic) in Rs	13.17		
EPS (Diluted) in Rs	13.15		

Financial Summary FY25

in $ Mn	FY25	YoY
Revenue	**6,264**	**-0.2%**
EBIT	**607**	**60.0%**
EBIT %	9.7%	
Other Income	**101**	**-8.2%**
Miscellaneous + Interest Income	130	
Exchange Gain / (Loss)	(28)	
Profit Before Tax	**668**	**71.8%**
Provision for tax	166	
Profit After Tax	**502**	**76.7%**
PAT %	8.0%	
EPS (Basic) in Rs	48.00	
EPS (Diluted) in Rs	47.91	

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TECH mahindra