

Tech Mahindra Q4 PAT up 108% YoY

Board recommends dividend of 14/- per share

Manoj Bhat appointed CFO effective 1st June 2018

Mumbai - May 25, 2018: 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, 2018

Financial highlights for the quarter (₹)

- Revenue at 8,054 crore; up 7.5% YoY & up 3.6% QoQ
- EBITDA at 1,412 crore; up 57.1% YoY and 11.7% QoQ;
- Margins at 17.5%; up 120 bps QoQ
- Profit after tax (PAT) at 1,222 crore; up 107.8% YoY and 29.6% QoQ
- Earnings per share (EPS), was 13.8 for the quarter ended March 31, 2018

Financial highlights for the quarter (USD)

- Revenue at USD 1,244.3 Mn; up 10.0% YoY and 2.9% QoQ
- EBITDA at USD 217.2 Mn; up 58.9% YoY and 10.3% QoQ
- Profit after tax (PAT) at USD 188.0 Mn; up 111.0% YoY and 27.9% QoQ

Financial highlights for the year (₹)

- Revenue at 30,773 crore; up 5.6% YoY
- EBITDA at 4,710 crore; up 12.6% YoY;
- Margins at 15.3%; up 90 bps YoY
- Profit after tax (PAT) at 3,800 crore; up 35.1% YoY
- Earnings per share (EPS) was at 43.02 for the year ended March 31, 2018
- The Board has proposed a dividend of 14/- per share (280%) on the FV of 5
- Free Cash flow for FY18 at Rs. 2,760 Crore (US\$ ~429 mn)

Financial highlights for the Year (USD)

- Revenue at USD 4,771 Mn; up 9.6% YoY
- EBITDA at USD 728.9 Mn; up 16.6% YoY
- Profit after tax (PAT) at USD 588.1 Mn up 40.2% YoY

Other Highlights

- Milind Kulkarni, Chief Financial Officer of the Company will retire as the CFO at the close of business hours on 31st May 2018 on reaching the superannuation age. Manoj Bhat has been appointed as a Chief Financial Officer of the Company with effect from 1st June 2018.

- Total headcount as of March 31, 2018 at 112,807
- Cash & cash eq. at 7,774 crore (US\$ 1,193 mn) as of March 31, 2018
- Active client count stood at 913 vs. 843 in FY 17

"It's been a great year of execution despite volatilities in the market place. Our customer accolades and various recognitions for sustainability reflect well on our long term strategy for growth ," said **Vineet Nayyar, Vice Chairman, Tech Mahindra**.

Commenting on the Q4 performance, CP Gurnani, Managing Director & CEO of Tech Mahindra said "Continued focus on operational metrics has led to improved performance though the year. Growth in digital areas is particularly encouraging. We remain focused on delivering value to our customers, while helping our employees FUTURise with constant innovation in the digital world,".

CP Gurnani added: "it's been a pleasure working with Milind Kulkarni over the years. I would like to thank him for his immense contributions to the organization and the finance function. I am also pleased that Manoj Bhat, who has worked with the company for over 12 years in multiple leadership roles, will take over as the new CFO effective 1st June 2018"

Key Wins

Transformation Services: Selected by a leading European Telco as a Strategic managed services partner for transforming its operations stack. Tech Mahindra will own end-to-end responsibility for architecting, developing, delivering and supporting the Operations.

Transformation Services: Selected by a leading Logistics Company in US as a strategic partner for building its next generation products & platforms using Design Thinking and Devops, thus helping customer to fuel its growth and improve margins.

Digital Customer Experience: Chosen by a leading North American Telco as its Managed Services partner for Digital Customer Experience and Product Management. Tech Mahindra through its agile operating model, Automation and As-a-service model will ensure high quality service and business value.

Digital Workspace: Signed a deal with a large Australian Insurer for setting up a Digital Workplace based on As-a-Service model.

Big Data: Selected by a leading US healthcare Company for transforming its delivery using Big Data to increase efficiency and improve patient safety.

Transformation: Selected by a leading European Telco for its Network Planning and Performance management. Tech Mahindra will the Telco as it embarks on its next Gen OSS transformational program.

Big Data: Chosen by a leading US Manufacturer for providing Big Data Ingestion on an as-a-service model.

Automation: Engaged by a European Telco as a strategic partner to manage delivery and automation across its product

ecosystem. Tech Mahindra will be responsible for the delivery based on business outcome, leveraging Business process as a service across its processes.

Connected Car Platform: Chosen as the digital transformation partner by a leading Global Car Company to design, build, integrate, test and host platform and managed services for operations. The platform is scalable for MVNO operations and help open a new revenue stream for the OEM and enable data monetization of connected car.

Business Highlights

- Tech Mahindra has collaborated with the state government of Andhra Pradesh to establish country's first Cyber Security Operations Centre (APCSOC) in the city of Vijayawada. The establishment of APCSOC is a manifestation of Tech Mahindra's strategy to deliver excellence and value in the cybersecurity space, as part of its TechMNxt charter.
- Tech Mahindra has joined the Consortium for IT Software Quality in order to accelerate the creation and adoption of software quality standards in the IT industry.
- Positioned as a "major player" in IDC MarketScape Worldwide Manufacturing Information Transformation Integration System 2018 Vendor Assessment
- Tech Mahindra featured as "innovators" in Nelson Hall NEAT assessment for the Operations Improvement Focus - in Big Data & Analytics
- Recognized as "high performer" in HfS Blueprint Report: Enterprise Artificial Intelligence (AI) Services 2018.
- Tech Mahindra enters into a partnership with Stockholm based blockchain technology Pioneer, Chromaway, to leverage their blockchain-powered consortium database technology for building the next generation of secure, open, and sustainable digital architecture for the connected world.

Awards and Recognitions

- Tech Mahindra receives 2018 AT&T Supplier Award for its outstanding contributions across a broad scope of selection criteria, including supplier diversity results, creative cost management solutions, teamwork, customer service, product/service performance and sustainability.
- Tech Mahindra won the Prestigious AICRA STEM Awards for achieving Excellence in Automation competing with 14 top businesses in the emerging technologies segment.
- Tech Mahindra has been identified as a global leader for its actions and strategies to manage carbon and climate change across its supply chain, and has been awarded a position on the Supplier Engagement leader board by CDP, the non-profit global environmental disclosure platform.

For Further Queries:

Vikas Jadhav | Head - Investor Relations | Phone: +91 20 42252839 | Email: vikas.jadhav@techmahindra.com

Kavya Bagga | Phone: +91 20 42252839 | Email: Kavya.bagga@techmahindra.com |

Tuhina Pandey | Head - Media Relations & PR | Phone: +91 98204 97890 | Email: tuhina.pandey@TechMahindra.com

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, 2018 drawn under India AS

Consolidated Income Statement (Mn)

Particulars	Quarter Ending			Year Ending	
	Mar-18	Dec-17	Mar-17	Mar-18	Mar-17
Revenue	80,545	77,760	74,950	3,07,729	2,91,408
Cost of Services	54,885	53,807	54,785	2,15,300	2,05,661
Gross Profit	25,660	23,952	20,165	92,429	85,748
SG&A	11,541	11,315	11,178	45,333	43,903
EBITDA	14,119	12,637	8,987	47,096	41,844
Other Income	4,513	2,260	2,378	14,165	7,776
Interest Expense	527	341	318	1,624	1286
Depreciation & Amortization	2,986	2,742	2,835	10,850	9,781
Share of profit / (loss) from associate	0.2	0.1	0.0	0.7	(23.3)
Profit before Tax	15,118	11,814	8,214	48,788	38,530
Provision for taxes	2,810	2,570	2,316	10,926	10,021
Minority Interest	(88)	187	(17)	136	(380)
Profit after Tax	12,220	9,431	5,880	37,998	28,129
EPS (/ share)					
Basic	13.84	10.73	6.72	43.02	32.14
Diluted	13.72	10.61	6.61	42.66	31.64