

## Tech Mahindra Revenues up 3.4% EBITDA margins up 1.4% to 19.6%

**Mumbai – January 29<sup>th</sup>, 2021:** [Tech Mahindra](#) Ltd., a specialist in digital transformation, consulting and business reengineering services today announced the audited consolidated financial results for its third quarter ended December 31, 2020.

### Financial highlights for the quarter (₹)

- Revenue at ₹ 9,647 crores; up 2.9% QoQ, flat YoY
- EBITDA at ₹ 1,896 crores; up 11.3% QoQ;
  - Margins at 19.6%; up 140bps QoQ
- Profit after tax (PAT) at ₹ 1,310 crores; up 23.0% QoQ
- Earnings per share (EPS) was at ₹ 14.9

### Financial highlights for the quarter (USD)

- Revenue at USD 1,308.7 mn; up 3.4% QoQ, down 3.3% YoY
  - Revenue growth at 2.8% QoQ in constant currency terms
- EBITDA at USD 257.2 mn; up 11.8% QoQ
- Consolidated PAT at USD 177.7 mn, up 23.7% QoQ;
- Free cash flow at \$ 226 mn, conversion to PAT at 127.2%

### Other Highlights

- Total headcount at 121,901, down 2357 QoQ
- Cash and Cash Equivalent at USD 1,625 mn as of Dec 31, 2020



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

*The technology modernization cycle continues to gather pace and our positioning of creating Experiences through Nxt.Now has seen us gain significant traction in the market place. We believe that the Future is Now and we are continuously innovating to address this shift in spending.*

***Manoj Bhat, Chief Financial Officer, Tech Mahindra, said,***

*Our focus on operational excellence has again yielded results as we structurally change our delivery model. We are seeing consistent improvement in our operating metrics and we are confident of continuing on this transformation journey in the coming quarters.*



## Key Wins

- Tech Mahindra has been chosen as a strategic partner by a leading Communication Service Provider in UK for implementing Software Defined Network enabled 5G Transport Network.
- Won a deal with a European engineering company to transform the core infrastructure operations to enhance customer experience and enable faster time-to-market.
- Tech Mahindra has been selected by an American healthcare company for digital transformation of their entire application stack.
- Engaged by an Indian aerospace company for ERP transformation.
- Won a multi-pillar transformation deal from one of the world's leading reinsurer for setting up a new operating model for one of their business.
- Tech Mahindra won a deal with a major Telco in the Netherlands to help implement and integrate their Cloud ERP for multiple modules to enable simplification of their overall process life cycle.
- Selected by an American oil field services player for end to end transformation including application modernization, cloud migration and enhanced customer experience.
- Tech Mahindra has won a deal with a Canadian jet manufacturer for engineering services and design.
- Tech Mahindra has been chosen as a global strategic partner by a UK based leading global mining company for application modernization, consulting, data analytics and customer experience across multiple locations.

- One of the Australia's leading electricity transmission company has selected Tech Mahindra to implement Cloud ERP across its business domains.

## Business Highlights

- Tech Mahindra has partnered with Fanisko, a unique one-stop fan engagement platform to revolutionize match viewing experience for sport fans by enhancing fan engagement and presenting innovative business models of monetization for sports organisations globally by leveraging new-age technologies.
- Tech Mahindra and SAP SE have extended their partnership to provide on-premise and cloud-based end-to-end solutions built on SAP® Business Technology Platform to customers globally.
- Tech Mahindra has launched WORKSPACE NXT (Workplace as a Service), the latest version of its next-generation integrated digital workplace solution for enterprises globally.
- Tech Mahindra and Subex, an industry leader in providing services based on Digital Trust, have announced strategic partnership to drive scale adoption of blockchain-based solutions for telecom operators globally.
- Tech Mahindra has expanded its strategic alliance with BMC Software, a global leader in IT solutions for the Autonomous Digital Enterprise, to enable digital transformation for global enterprises.

## Awards and Recognitions

- Tech Mahindra has been recognized amongst the 'Top 25 Brands in Indian ICT Industry' for the year 2020 by VARINDIA Brandbook on ICT industry.
- Tech Mahindra Business Process Arm has been recognized as a 'Leader' in Nelson Hall 2020 NEAT Evaluation for its customer experience in Telecom and Media Industry.
- Tech Mahindra has been recognized as a winner of 'People Innovation Category award' winner at ET Innovation Summit for its solution K2.
- Tech Mahindra has been featured amongst the only three Indian companies in the global Bloomberg 2020 Gender-Equality Index (GEI).
- Tech Mahindra's CSR arm, Tech Mahindra foundation has bagged CSR Times Award 2020 Gold Category for COVID Relief Program.
- Tech Mahindra has been ranked among top 25 companies in India's 100 'Best companies to work for 2020'.
- Tech Mahindra has been recognized as Global Leader on Climate Change and Water Security.

- Scored 'double A' in CDP Climate and CDP Water 2020, and
  - One of only 4 Indian companies on CDP's prestigious 'A List' 2020 for environmental transparency and action.
- Tech Mahindra has re-emerged as a Leader in the Dow Jones Sustainability World Index 2020 for Sixth Consecutive Year
  - It is one amongst the three Indian companies to be included in the DJSI World Index, and
  - One of the eleven companies from India in the Emerging markets category.

## About Tech Mahindra

Tech Mahindra offers innovative and customer-centric digital experiences, enabling enterprises, associates and the society to Rise™. We are a USD 5.2 billion organization with 121,900+ professionals across 90 countries helping 997 global customers, including Fortune 500 companies. We are focused on leveraging next-generation technologies including 5G, Blockchain, Cybersecurity, Artificial Intelligence, and more, to enable end to end digital transformation for global customers. Tech Mahindra is one of the fastest growing brands and amongst the top 15 IT service providers globally. Tech Mahindra has consistently emerged as a leader in sustainability and is recognized amongst the '2021 Global 100 Most sustainable corporations in the World' by Corporate Knights. 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. We aim at delivering tomorrow's experiences today, and believe that the 'Future is Now'.

We are part of the Mahindra Group, a USD 19.4 billion federation of companies that enables people to rise through innovative mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities. It enjoys a leadership position in utility vehicles, information technology, financial services and vacation ownership in India and is the world's largest tractor company by volume. It also enjoys a strong presence in renewable energy, agribusiness, logistics and real estate development. Headquartered in India, Mahindra employs over 2,56,000 people across 100 countries.

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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 for the quarter ended Dec 31, 2020 drawn under Ind AS**

<b>P&amp;L in INR Mn</b>	<b>Q3 FY21</b>	<b>Q2 FY21</b>	<b>Q3 FY20</b>
<b>Revenue</b>	<b>96,471</b>	<b>93,718</b>	<b>96,546</b>
Cost of Services	64,708	64,245	67,312
<b>Gross Profit</b>	<b>31,763</b>	<b>29,473</b>	<b>29,234</b>
SG&A	12,808	12,443	13,601
<b>EBITDA</b>	<b>18,955</b>	<b>17,030</b>	<b>15,633</b>
Other Income	2,209	1,175	3,496
Interest Expense	421	<b>399</b>	<b>550</b>
Depreciation & Amortization	3,584	3,717	3,848
Share of profit / (loss) from associate	5	<b>4</b>	<b>5</b>
<b>Profit before Tax</b>	<b>17,164</b>	<b>14,093</b>	<b>14,736</b>
Provision for taxes	4,263	3,462	3,629
Minority Interest	197	15	352
<b>Profit after Tax</b>	<b>13,098</b>	<b>10,646</b>	<b>11,459</b>
<b>EPS ( ₹ / share)</b>			
Basic	14.98	12.18	13.13
Diluted	14.87	12.11	13.03