Tech Mahindra Q1’20 PAT up 6.8% YoY

Technology

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Revenue at ₹ 8,653 crore; up 4.6% YoY

Mumbai - July 30, 2019: Tech Mahindra Ltd., a specialist in digital transformation, consulting and business reengineering services today announced the audited consolidated financial results for its first quarter ended June 30, 2019

Financial highlights for the quarter (₹)

- Revenue at ₹ 8,653 crore; up 4.6% YoY
- EBITDA at ₹ 1,314 crore; down 3.2% YoY;
    - Margins at 15.2%; down 120 bps YoY
- Profit after tax (PAT) at ₹ 959 crore; up 6.8% YoY
- Earnings per share (EPS) was at ₹ 10.98 for the quarter ended June 30, 2019
- Free Cash flow for the quarter stood at ₹ 598 crore
    - Cash conversion to PAT at 62.3%

Financial highlights for the quarter (USD)

- Revenue at USD 1,247.1 mn; up 1.9% YoY
    - Revenue growth at 3.7% in constant currency terms
    - Digital revenues grew 37.4% YoY, at 36% of Revenues
- EBITDA at USD 190.0 mn; down 4.8% YoY
- Consolidated PAT at USD 138.7 mn, up 5.2% YoY

Other Highlights

- Total headcount at 125,773; up 4,691 QoQ

CP Gurnani, Managing Director & Chief Executive Officer, Tech Mahindra said, *"We are very encouraged to see TCV deal wins worth close to half a billion USD across Enterprise and Communications. We remain optimistic on the demand environment, evident from a very strong pipeline and deal conversions. Digital will continue to be a primary growth driver underscoring our collaborative approach through TechMNxt platform."*

Manoj Bhat, Chief Financial Officer, Tech Mahindra said, *"Business seasonality has affected revenue and margins this quarter. Our focus on automation and AI will help realize operational efficiencies as we look to accelerate growth through the year."*

Key Wins

- Engaged by one of the Canadian multinational mass media firm to modernise and transform their next generation network infrastructure.
- Selected by one of the fastest growing wireless provider in Mexico for driving enhanced customer experience.

- Selected by a Japanese ICT Provider company for migration of SAP ECC to S4Hana.
- Signed a deal with a leading water treatment manufacturer to assist in their digital transformation journey through modernization of infra, apps & security.
- Engaged by a leading Telecom Operator to provide end to end customer experience transformation
- Tech Mahindra has won a deal with a health insurance organization to provide application portfolio transformation across various business units and technologies.
- Selected by Indian Navy to create an RFID-based secured digital access control system. .
- Engaged by a leading aviation engine manufacturer for improving their manufacturing and supply chain processes leveraging artificial intelligence.
- Tech Mahindra has won a deal with Baltic telecom operator for their digital application transformation program.
- Chosen by an APAC based Insurance and Banking major to support and maintain the data ecosystem across business units, leveraging TechM's analytics platform solutions.
- Selected by a leading cognitive solutions and cloud platform company as the infrastructure managed services partner for their cloud platform as well as for build-up and deployment of power infrastructure.

Business Highlights

- Tech Mahindra and Prometeia collaborate to provide governance, risk and compliance services to banks helping them respond effectively to the evolution of business and investment strategies in dynamic market

scenarios in line with Basel III framework.

- Tech Mahindra and K2View enter into a strategic global alliance to accelerate digital transformation for enterprises by enabling them access to real-time data via a single, secure, seamless platform, reducing project's cost by 60%.
- Tech Mahindra and IIT Kanpur collaborate to address future cyber security challenges by developing and fostering an environment to deal with automation in cyber security and bringing real world industry exposure to IIT Kanpur students to find suitable solutions.
- Tech Mahindra inaugurates Technology Center in St. Louis, Missouri with a focus on innovation in next-gen technologies and help create a future-ready digitally skilled local workforce.
- Tech Mahindra and Strands collaborate to provide customized digital banking solution to financial institutions globally by providing data-driven analytics of user behavior.
- Tech Mahindra and MKI collaborate to develop next generation digital enterprise solutions in the Japanese Market.
- Tech Mahindra introduced K2, the first Human Resource (HR) Humanoid, for its Noida Special Economic Zone Campus in Uttar Pradesh, India. K2 will take over the routine HR transactions to provide constant assistance to the HR team in creating an enhanced employee experience.

Awards & Recognition

- Tech Mahindra's New Age Delivery wins in the best use of AI in software delivery lifecycle category at the eighth Global customer engagement awards.

- Tech Mahindra's CSR arm, Tech Mahindra Foundation won ET Rotary CSR awards.
- Tech Mahindra recognized with the Golden Globe Tigers award 2019 as a 'Dream company to work for' and an 'Organization with innovative HR practices'.
- Tech Mahindra received the Malaysia best brand award for 'Innovation in career development' and 'Excellence in HR through technology'
- Tech Mahindra received the 2019 Microsoft Supplier Program (MSP) sustainability excellence award.
- Tech Mahindra has been listed in the inaugural Forbes list of America's best-in-state employers 2019.
- Tech Mahindra recognized as winner for 2019 Microsoft partner of the year award for providing outstanding solutions and services in Media and Communications segment.
- Tech Mahindra bagged the Business World digital India awards 2019 in the best Public services initiative category for its project 'JSCL-ICT solid waste management solution'.
- Tech Mahindra won the People first HR excellence awards 2019.

About Tech Mahindra

Tech Mahindra represents the connected world, offering innovative and customer-centric information technology experiences, enabling Enterprises, Associates and the Society to Rise™. We are a USD 4.9 billion company with 118,390+ professionals across 90 countries, helping over 930 global customers including Fortune 500 companies. Our convergent, digital, design experiences, innovation platforms and reusable assets connect across a

number of technologies to deliver tangible business value and experiences to our stakeholders. Tech Mahindra is the highest ranked Non-U.S. company in the Forbes Global Digital 100 list (2018) and in the Forbes Fab 50 companies in Asia (2018).

We are part of the USD 21 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

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Audited consolidated financial results for the quarter ended Sep 30, 2018 drawn under IND AS

Consolidated Income Statement

Tags :

Q1 results Acquisition