



MindTree Limited

Registered Office: Global Village, RVCE Post, Mysore Road, Bangalore - 560 059

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2009

(Rs. In Lakhs, except per share data)

| Particulars | Quarter ended | | | Half year ended | | Year ended |
|---|--------------------|------------------|--------------------|--------------------|--------------------|----------------|
| | September 30, 2009 | June 30, 2009 | September 30, 2008 | September 30, 2009 | September 30, 2008 | March 31, 2009 |
| | (Limited review) | (Limited review) | (Limited review) | (Limited review) | (Limited review) | (Audited) |
| Revenues | 31,498 | 30,477 | 31,202 | 61,975 | 53,561 | 123,747 |
| Cost of revenues | 18,690 | 19,338 | 17,009 | 38,028 | 30,517 | 69,678 |
| Gross profit | 12,808 | 11,139 | 14,193 | 23,947 | 23,044 | 54,069 |
| Selling, general and administrative expenses | 6,053 | 5,935 | 5,187 | 11,988 | 9,204 | 20,168 |
| Provision for bad and doubtful debts | 162 | 136 | 341 | 298 | 490 | 806 |
| Operating profit before interest and depreciation | 6,593 | 5,068 | 8,665 | 11,661 | 13,350 | 33,095 |
| Interest including finance charges | 9 | 240 | 446 | 249 | 690 | 1,620 |
| Depreciation | 1,594 | 1,610 | 1,417 | 3,204 | 2,496 | 5,696 |
| Operating profit | 4,990 | 3,218 | 6,802 | 8,208 | 10,164 | 25,779 |
| Foreign exchange gain/(loss) | 294 | 3,048 | (3,056) | 3,342 | (8,065) | (20,892) |
| Other income | 90 | 276 | 256 | 366 | 696 | 1,152 |
| Profit before tax | 5,374 | 6,542 | 4,002 | 11,916 | 2,795 | 6,039 |
| Provision for taxation including fringe benefit tax | 629 | 876 | 290 | 1,505 | 519 | 1,386 |
| Deferred tax charge/(credit) | (166) | (7) | 199 | (173) | 53 | (681) |
| MAT credit entitlement | (77) | - | - | (77) | - | (33) |
| Net profit after tax before share of profits of associates and minority interest | 4,988 | 5,673 | 3,513 | 10,661 | 2,223 | 5,367 |
| Share of profits of associates | - | - | 232 | - | 274 | 274 |
| Minority interest | - | - | 18 | - | 18 | 410 |
| Net profit after tax, share of profits of associates and minority interest | 4,988 | 5,673 | 3,727 | 10,661 | 2,479 | 5,231 |
| Paid up equity share capital (face value Rs. 10/- each) | 3,919 | 3,912 | 3,798 | 3,919 | 3,798 | 3,800 |
| Reserves | 51,466 | 46,721 | 49,563 | 51,466 | 49,563 | 51,417 |
| Basic EPS (Rs.) | 12.74 | 14.51 | 9.86 | 27.25 | 6.56 | 13.84 |
| Fully diluted EPS (Rs.) | 12.28 | 14.26 | 9.70 | 26.48 | 6.41 | 13.70 |
| Aggregate non-promoter shareholding | | | | | | |
| Number of shares | 26,207,887 | 26,055,456 | 24,689,657 | 26,207,887 | 24,689,657 | 24,886,029 |
| Percentage of shareholding | 66.88% | 66.60% | 65.01% | 66.88% | 65.01% | 65.50% |
| Number of promoter shares pledged | - | - | 101,428 | - | 101,428 | 101,428 |
| Percentage of shares to total shares outstanding | - | - | 0.77% | - | 0.77% | 0.77% |

SEGMENT WISE REVENUE AND RESULTS

Primary segment information (Rupees in lakhs)

| Particulars | Quarter ended | | | Half year ended | | Year ended |
|---------------------------------|--------------------|------------------|--------------------|--------------------|--------------------|----------------|
| | September 30, 2009 | June 30, 2009 | September 30, 2008 | September 30, 2009 | September 30, 2008 | March 31, 2009 |
| | (Limited review) | (Limited review) | (Limited review) | (Limited review) | (Limited review) | (Audited) |
| Segment revenue | | | | | | |
| PE Services | 14,260 | 13,236 | 10,986 | 27,496 | 15,792 | 44,500 |
| IT Services | 17,238 | 17,241 | 20,216 | 34,479 | 37,769 | 79,247 |
| | 31,498 | 30,477 | 31,202 | 61,975 | 53,561 | 123,747 |
| Total | | | | | | |
| Segment operating income | | | | | | |
| PE Services | 3,280 | 2,107 | 2,829 | 5,387 | 3,379 | 9,541 |
| IT Services | 3,056 | 2,744 | 6,041 | 5,800 | 10,209 | 21,900 |
| | 6,336 | 4,851 | 8,870 | 11,187 | 13,588 | 31,441 |
| Total | | | | | | |
| Unallocable | | | | | | |
| Expenses | 1,337 | 1,393 | 4,678 | 2,730 | 10,799 | 24,934 |
| Interest | 9 | 240 | 446 | 249 | 690 | 1,620 |
| Other income | 384 | 3,324 | 256 | 3,708 | 696 | 1,152 |
| Profit before tax | 5,374 | 6,542 | 4,002 | 11,916 | 2,795 | 6,039 |

Notes on segment information

Principal segments

In the earlier periods, the Company considered R&D Services, IT Services and Aztecoft business as the primary segments. Subsequent to the amalgamation of Aztecoft w.e.f April 1, 2009 and subsequent integration, the primary segments of the group are restructured into Product Engineering Services (PE Services), and IT Services. The previous period comparative segment information has been reclassified/aligned to the current presentation. Revenues represented along IT and PE services comprise the primary segmental information.

Segmental capital employed

Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been carried out as the assets are used interchangeably between segments. Accordingly, no disclosure relating to segmental assets and liabilities has been made.

Notes to financial results for the quarter and half year ended September 30, 2009

1 The above results were reviewed by the Audit Committee and thereafter have been taken on record by the Board at its meeting held on October 26, 2009.

2 Item of expenditure exceeding 10% of total expenditure (Rupees in lakhs)

| Particulars | Quarter ended | | Half Year ended | | | Year ended |
|-----------------------|--------------------|------------------|--------------------|--------------------|--------------------|----------------|
| | September 30, 2009 | June 30, 2009 | September 30, 2008 | September 30, 2009 | September 30, 2008 | March 31, 2009 |
| | (Limited review) | (Limited review) | (Limited review) | (Limited review) | (Limited review) | (Audited) |
| Personnel cost | 18,166 | 19,053 | 15,416 | 37,219 | 27,611 | 62,865 |
| Travel and conveyance | 1,362 | 1,748 | 2,198 | 3,111 | 4,213 | 8,651 |

3 Information on investor complaints pursuant to clause 41 of the Listing Agreement for the quarter ended September 30, 2009:

| Nature of Investor complaints | Opening balance | Additions | Disposal | Closing balance |
|-------------------------------|-----------------|-----------|----------|-----------------|
| Allotment/Refund/others | - | 8 | 8 | - |

4 The uses of IPO proceeds are as under: (Rupees in lakhs)

| Particulars | Projection in Prospectus | Revised projections as approved in AGM | Actual funds utilized till September 30, 2009 |
|----------------------------|--|--|---|
| | Fund a new development centre in Chennai | 12,074 | 8,125 |
| Prepay certain loans | 1,877 | 1,138 | 1,138 |
| General corporate purposes | 7,527 | 12,622 | 11,422 |
| Share issue expenses paid | 2,294 | 1,887 | 1,887 |
| Total | 23,772 | 23,772 | 22,572 |

Funds from IPO proceeds have been invested in bank deposits at September 2009, pending utilisation.

5 During the quarter, the Company has entered into a share purchase agreement (SPA) with Kyocera Wireless Corporation ('KWC') and Kyocera International Inc ('KII'). Under this agreement, the Company has on Sep 28, 2009 paid an advance of Rs 2,886 lakhs for acquisition of 412,500 equity shares of Kyocera Wireless (India) Private Limited ('KWI') representing 100% of equity share capital of KWI. Further, an additional consideration of INR equivalent of USD 30 lakhs is contingent upon future revenues as per the terms of the SPA. The equity share transfer and control of composition of the Board of KWI was acquired by the Company on October 1, 2009. Consequently, KWI has become a 100% subsidiary of the Company with effect from October 1, 2009. Therefore, the consolidated financial results for the quarter presented above do not include the results of KWI.

6 Deferred tax credit relating to earlier periods amounting to Rs. 944 lakhs has been recorded during the half year ended September 30, 2009 which has been fully offset against the taxable profits for the same period.

7 During the quarter 66,346 shares have been issued upon exercise of stock options by employees.

8 EPS for the quarter is not annualized.

9 During the current quarter, MindTree has applied for dissolution of its two subsidiaries, namely, Aztec Software Inc and Aztecoft Disha Inc to the US regulatory authorities with effective date as 31 July 2009. The final approval from regulatory authorities is currently awaited.

10 The Board of Directors at its meeting held on October 26, 2009 have recommended an interim dividend of 10% (Re 1 per equity share of par value Rs 10/- each) for the half year ended September 30, 2009

11 Previous period figures have been reclassified/regrouped wherever necessary.

For and on behalf of the Board
For MindTree Limited

Bangalore, India
October 26, 2009

Krishnakumar Natarajan
CEO & Managing Director