



MindTree Limited

(formerly MindTree Consulting Limited)

Registered Office: Block A, #42, 27th Cross, Banashankari II Stage, Bangalore-560 070.

STAND-ALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2008

(Rs. In Lakhs, except per share data)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2008	December 31, 2007	September 30, 2008	December 31, 2008	December 31, 2007	March 31, 2008
	(Limited review)	(Limited review)	(Limited review)	(Limited review)	(Limited review)	(Audited)
Revenues	27,554	18,650	25,455	75,230	52,995	73,384
Cost of revenues	14,392	12,064	13,736	41,616	34,010	46,778
Gross profit	13,162	6,586	11,719	33,614	18,985	26,606
Selling, general and administrative expenses	4,569	3,359	4,308	12,831	10,186	13,875
Provision for bad and doubtful debts	189	23	318	656	48	151
Operating profit before interest and depreciation	8,404	3,204	7,093	20,127	8,751	12,580
Interest including finance charges	514	158	445	1,203	431	590
Depreciation	1,157	891	1,120	3,306	2,487	3,493
Operating profit	6,733	2,155	5,528	15,618	5,833	8,497
Foreign exchange gain/(loss)	(6,658)	(239)	(1,579)	(13,247)	49	399
Other income	138	587	159	737	1,913	2,377
Profit before tax	213	2,503	4,108	3,108	7,795	11,273
Provision for taxation including fringe benefit tax	275	474	251	755	1,018	1,290
Deferred tax charge/(credit)	(156)	(52)	185	(117)	(79)	(436)
Net profit after tax	94	2,081	3,672	2,470	6,856	10,419
Paid up equity share capital (face value Rs. 10/- each)	3,799	3,785	3,798	3,799	3,785	3,792
Reserves	50,738	46,416	50,154	50,738	46,416	49,605
Basic EPS (Rs.)	0.24	5.53	9.72	6.53	18.23	27.69
Fully diluted EPS (Rs.)	0.22	5.39	9.56	6.44	17.61	26.75
Aggregate non-promoter shareholding						
Number of shares	24,823,414	24,460,932	24,689,657	24,823,414	24,460,932	24,528,284
Percentage of shareholding	65.34%	64.62%	65.01%	65.34%	64.62%	64.68%

SEGMENT WISE REVENUE AND RESULTS

Primary segment information (Rupees in lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2008	December 31, 2007	September 30, 2008	December 31, 2008	December 31, 2007	March 31, 2008
	(Limited review)	(Limited review)	(Limited review)	(Limited review)	(Limited review)	(Audited)
Segment revenue						
R&D Services	5,773	4,197	5,202	15,644	11,900	16,087
IT Services	21,781	14,453	20,253	59,586	41,095	57,297
Total	27,554	18,650	25,455	75,230	52,995	73,384
Segment operating income						
R&D Services	1,267	690	1,089	2,852	1,435	1,838
IT Services	7,174	2,521	6,077	17,419	7,346	10,784
Total	8,441	3,211	7,166	20,271	8,781	12,622
Unallocable						
Expenses	7,852	1,137	2,772	16,697	2,517	3,535
Interest	514	158	445	1,203	431	590
Other income	138	587	159	737	1,962	2,776
Profit before tax	213	2,503	4,108	3,108	7,795	11,273

Notes on segment information

Principal segments

The Company's operations predominantly relate to providing IT Services and Research and Development services (R&D Services). Accordingly, revenues represented along IT and R&D 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 done as the assets are used interchangeably between segments. Accordingly, no disclosure relating to segmental assets and liabilities has been made.

CONSOLIDATED FINANCIAL RESULTS OF MINDTREE LIMITED AND ITS SUBSIDIARIES FOR THE QUARTER AND NINE MONTHS ENDED
DECEMBER 31, 2008

(Rs. In Lakhs, except per share data)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2008	December 31, 2007	September 30, 2008	December 31, 2008	December 31, 2007	March 31, 2008
	(Limited review)	(Limited review)	(Limited review)	(Limited review)	(Limited review)	(Audited)
Revenues	36,380	18,809	31,202	89,941	53,154	73,979
Cost of revenues	19,562	12,228	17,009	50,079	34,174	47,247
Gross profit	16,818	6,581	14,193	39,862	18,980	26,732
Selling, general and administrative expenses	5,523	3,403	5,187	14,727	10,230	14,041
Provision for bad and doubtful debts	201	23	341	691	48	152
Operating profit before interest and depreciation	11,094	3,155	8,665	24,444	8,702	12,539
Interest including finance charges	515	159	446	1,205	432	590
Depreciation	1,607	909	1,417	4,103	2,505	3,560
Operating profit	8,972	2,087	6,802	19,136	5,765	8,389
Foreign exchange gain/(loss)	(7,894)	(237)	(3,056)	(15,959)	51	417
Other income	322	587	256	1,018	1,913	2,377
Profit before tax	1,400	2,437	4,002	4,195	7,729	11,183
Provision for taxation including fringe benefit tax	531	506	290	1,050	1,050	1,290
Deferred tax charge/(credit)	(161)	(52)	199	(108)	(79)	(436)
Net profit after tax before share of profits of associates and minority interest	1,030	1,983	3,513	3,253	6,758	10,329
Share of profits of associates	-	-	232	274	-	-
Minority interest	158	-	18	176	-	-
Net Profit after tax, share of profits of associates and minority interest	872	1,983	3,727	3,351	6,758	10,329
Paid up equity share capital (face value Rs. 10/- each)	3,799	3,785	3,798	3,799	3,785	3,792
Reserves	51,028	46,318	49,563	51,028	46,318	49,516
Basic EPS (Rs.)	2.31	5.27	9.86	8.87	17.97	27.45
Fully diluted EPS (Rs.)	2.27	5.14	9.70	8.66	17.36	26.52
Aggregate non-promoter shareholding						
Number of shares	24,823,414	24,460,932	24,689,657	24,823,414	24,460,932	24,528,284
Percentage of shareholding	65.34%	64.62%	65.01%	65.34%	64.62%	64.68%

SEGMENT WISE REVENUE AND RESULTS (BASED ON CONSOLIDATED FINANCIAL RESULTS)

Primary segment information (Rupees in lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2008	December 31, 2007	September 30, 2008	December 31, 2008	December 31, 2007	March 31, 2008
	(Limited review)	(Limited review)	(Limited review)	(Limited review)	(Limited review)	(Audited)
Segment revenue						
R&D Services	5,861	4,356	5,328	15,995	12,059	16,682
IT Services	21,764	14,453	20,216	59,532	41,095	57,297
Aztecsoft Business	8,755	-	5,658	14,414	-	-
Total	36,380	18,809	31,202	89,941	53,154	73,979
Segment operating income						
R&D Services	1,255	625	1,273	3,078	1,369	1,744
IT Services	7,174	2,521	6,041	17,383	7,346	10,784
Aztecsoft Business	1,016	-	1,556	2,572	-	-
Total	9,445	3,146	8,870	23,033	8,715	12,528
Unallocable						
Expenses	7,852	1,137	4,678	18,651	2,517	3,549
Interest	515	159	446	1,205	432	590
Other income	322	587	256	1,018	1,963	2,794
Profit before tax	1,400	2,437	4,002	4,195	7,729	11,183

Notes on segment information

Principal segments

MindTree Limited and its subsidiaries' (collectively 'Group') operations predominantly relate to providing IT Services, Research and Development services (R&D Services) and Aztecsoft Business. Accordingly, revenues represented along IT, R&D and Aztecsoft Business 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 done 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 nine months ended December 31, 2008

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 January 19, 2009.

2 During the quarter 12,396 shares have been issued upon exercise of stock options by employees.

3 Item of expenditure exceeding 10% of total expenditure (Rupees in lakhs) for stand-alone MindTree Limited

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2008	December 31, 2007	September 30, 2008	December 31, 2008	December 31, 2007	March 31, 2008
Personnel cost	12,607	10,879	12,374	36,924	31,213	42,601
Travel and conveyance	1,884	1,634	1,937	5,812	4,826	6,618

Item of expenditure exceeding 10% of total expenditure (Rupees in lakhs) for MindTree Limited and its subsidiaries

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2008	December 31, 2007	September 30, 2008	December 31, 2008	December 31, 2007	March 31, 2008
Personnel cost	17,078	11,035	15,416	44,689	31,369	43,089
Travel and conveyance	2,229	1,645	2,198	6,442	4,837	6,672

4 In accordance with the ICAI guidelines, the weighted average number of shares held by MindTree Benefit Trust have been reduced from the weighted average equity shares outstanding for computing basic and diluted earnings per share.

5 Information on investor complaints pursuant to clause 41 of the Listing Agreement for the quarter ended December 31, 2008:

Nature of Investor complaints	Opening balance	Additions	Disposal	Closing balance
Allotment/Refund/others	-	14	14	-

6 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 December 31, 2008 *
Fund a new development centre in Chennai	12,074	8,125	8,125
Prepay certain loans	1,877	1,138	1,138
General corporate purposes	7,527	12,622	10,632
Share issue expenses paid	2,294	1,887	1,887
Total	23,772	23,772	21,782

* funds from IPO proceeds have been invested in short-term mutual funds and bank deposits at December 31, 2008, pending utilisation.

7 With effect from April 1, 2008, the Group has adopted the principles of Accounting Standard ('AS') 30 "Financial Instruments: Recognition and Measurement" in respect of its derivative financial instruments that are not covered by AS 11 "Accounting for the Effects of Changes in Foreign Exchange Rates" and that relate to a firm commitment or a highly probable forecast transactions. In accordance with AS 30, such derivative financial instruments, which qualify for cash flow hedge accounting and where the Group has met all the conditions of cash flow hedge accounting, are fair valued at December 31, 2008 and the resultant consolidated exchange loss of Rs.1,394.71 lakhs is debited to the hedging reserve. This loss would be recorded in profit and loss account when the underlying transactions affect earnings. Other derivative instruments that relate to a firm commitment or a highly probable forecast transaction and that do not qualify for hedge accounting have been recorded at fair value at the reporting date and the resultant consolidated exchange loss of Rs. 5,459.10 lakhs has been debited to profit and loss account for the quarter.

8 During the previous quarters, the Company had acquired 36,441,595 equity shares in Aztecsoft Limited ('Aztec') at a cost of Rs 29,303.40 lakhs including acquisition expenses. Consequent to the acquisition of these shares, Aztec has become a subsidiary of the Company. As at December 31, 2008, the Company owns 79.9% of equity based on outstanding issued shares of Aztec. The Company has accounted for its investment in Aztec using equity method from the date of acquiring significant influence till the date of acquiring control. From the date of acquiring control, assets, liabilities, income and expenses are consolidated on a line-by-line basis. The Company has received the requisite approvals from the stock exchanges on the merger scheme. The Company has filed an application with the Honourable High Court of Karnataka for the merger of Aztec with itself with effective date as April 1, 2009.

9 The Company had filed an application with the Honorable High court of Karnataka for the merger of MindTree Technologies Private Limited ('MTP'), a 100% subsidiary of the Company with itself on March 28, 2008. The Company had applied that the merger be made effective April 1, 2008. The financial statement effects of this merger will be accounted for on the receipt of final court order by the Company.

10 EPS for the quarter is not annualized.

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

For and on behalf of the Board
For MindTree Limited

Bangalore, India
January 19, 2009

Ashok Soota
Chairman and Managing Director