

# MindTree Ltd

## **Report for the First Quarter ended June 30, 2011**

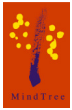
Q1 has been a robust quarter in terms of 7.3% revenue growth in USD terms. Our IT Services business continues its stellar performance and posted a solid 10.7% growth Quarter over Quarter (QoQ) and 41.8% Year over Year (YoY). Our Product Engineering Services business has returned to a growth mode with 1.7% QoQ growth. Momentum in both our businesses is expected to continue and we are confident of delivering higher than industry average growth in FY12. This quarter is also satisfying on two additional counts. We won several marquee clients during the quarter and this is an endorsement of our revised strategy to focus on fewer segments and deliver significant value; finally, these recent wins are large multi-year relationships, due to our strong capabilities in our chosen verticals. Our increased focus on operational efficiency and the revenue momentum has helped us offset the impact of the wage revisions during the quarter and enabled us to largely maintain the same EBITDA as the previous quarter. We are confident that these efforts will help us improve margins further in the coming quarters.

The key financial highlights for the quarter (on a consolidated basis) are as follows:

- In dollar terms, Revenue grew by 7.3% QoQ and 20.2% YoY to \$92.53 Million. In rupee terms, Revenue grew by 5.6% QoQ and 18.5% YoY to ₹ 4,131 Million.
- In dollar terms, Profit After Tax (PAT) increased by 9.7% QoQ and 120.6% YoY to \$7.73 Million. In rupee terms, PAT increased by 7.8% QoQ and 117% YoY to ₹ 345 Million.

Other highlights:

- On the operational front, utilization increased to 72.5% as compared to 70.9% last quarter. DSO was at 74 days as compared to 70 days last quarter.
- As of June 30, 2011, MindTree had 9,577 people.
- As of June 30, 2011, MindTree had 283 active customers. The Company's \$10 million accounts increased by one to 7 clients worldwide.
- MindTree is ranked 19<sup>th</sup> in the list of Top 25 Best Employers in India and ranked No.2 among the IT companies by AON Hewitt Best Employers' Survey 2011.
- MindTree is listed among the Top 10 companies in Zinnov Management Consulting's Global R&D Service Providers Rating 2011 for the second straight year. In the survey, which covered geographies such as India, China, Russia and Eastern Europe, MindTree is positioned as the 3rd leading semiconductor R&D service provider.
- MindTree is listed in the coveted global financial publication, InterContinental Finance Magazine's Highly Commended – Top Tier Firms, 2011.

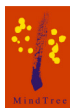


Summary financial results for Q1 are enclosed for your reference. Should you require any additional information or have any questions, Please contact us at [investors@mindtree.com](mailto:investors@mindtree.com).

In the spirit of sensitivity towards the environment we are circulating this over email to save paper.

With best regards

Investor Relations Team  
MindTree Ltd  
Bangalore, 25 July 2011

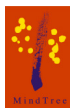


## Consolidated Financial Results

### **Profit and Loss account (Audited)**

(Rs. In Millions, except per share data)

Particulars	Quarter ended			Year ended
	June 30, 2011	March 31, 2011	June 30, 2010	March 31, 2011
Income from software services	4,131	3,912	3,487	15,090
<b>Expenses</b>				
Employee benefit expenses	2,793	2,614	2,209	9,853
Depreciation	180	184	145	712
Other expenses	878	858	837	3,459
<b>Profit from operations before other income and interest</b>	<b>280</b>	<b>256</b>	<b>296</b>	<b>1,066</b>
Other Income	31	27	21	86
Foreign exchange gain/(loss)	91	74	(18)	156
<b>Profit before interest</b>	<b>402</b>	<b>357</b>	<b>299</b>	<b>1,308</b>
Interest	-	2	-	4
<b>Profit before tax</b>	<b>402</b>	<b>355</b>	<b>299</b>	<b>1,304</b>
Tax expense	57	35	140	288
<b>Net Profit for the period</b>	<b>345</b>	<b>320</b>	<b>159</b>	<b>1,016</b>
Paid up equity share capital (face value Rs. 10/- each)	401	400	397	400
Reserves	7,724	7,362	6,321	7,362
Basic EPS (Rs.)	8.61	8.00	4.00	25.53
Fully diluted EPS (Rs.)	8.53	7.81	3.86	24.85
<b>Aggregate non-promoter shareholding</b>				
Number of shares	29,540,621	27,248,193	26,822,660	27,248,193
Percentage of shareholding	73.62%	68.06%	67.64%	68.06%
<b>Promoters and promoter group shareholding</b>				
<b>Pledged/Encumbered</b>				
Number of shares	-	-	-	-
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
<b>Non-encumbered</b>				
Number of shares	10,586,994	12,786,994	12,829,760	12,786,994
Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100%	100%	100%	100%
Percentage of shares (as a % of the total share capital of the company)	26.38%	31.94%	32.36%	31.94%



## Balance Sheet

### AUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

Rs in millions

Particulars	As at	
	June 30, 2011	March 31, 2011
<b>Shareholders funds</b>		
Share capital	401	400
Reserves and surplus	7,724	7,362
Unsecured loans	41	46
<b>Total</b>	<b>8,166</b>	<b>7,808</b>
<b>Application of Funds</b>		
Fixed assets	2,937	3,034
Investments	1,024	1,112
Deferred tax assets	232	216
<b>Current assets, loans and advances</b>		
Sundry debtors	3,379	2,825
Cash and bank balances	535	459
Loans and advances	2,431	2,506
<b>Less: Current liabilities and provisions</b>		
Current liabilities	1,753	1,814
Provisions	619	530
Net current assets	3,973	3,446
<b>Total</b>	<b>8,166</b>	<b>7,808</b>

## Key Ratios

Ratio analysis (Consolidated)	Quarter ended			Year ended
	June 30, 2011	Mar 31, 2011	June 30, 2010	March 31, 2011
EBITDA / total revenue	11.2%	11.2%	12.7%	11.8%
Tax / PBT*	14.2%	9.9%	47.0%	22.1%
Days sales outstanding	74	70	68	70
ROCE (PBIT / capital employed) - Qtr nos annualised	19.7%	18.3%	17.6%	16.8%

\*There was a one- time accounting income on dissolution of US subsidiaries and the consequent tax on that income. If this transaction is excluded, the Tax /PBT will be 22.5% for the quarter ended June 30, 2010 and 16.5% for the year ended March 31, 2011.

### Additional Information:

- More information on our quarterly results is available in the investors section of our website ([www.mindtree.com](http://www.mindtree.com)). The above report is for information purposes and Investors should rely only on the official filed version of the financial statements and not rely on this report while making investment decisions



- We have sent this report via e-mail to shareholders who have updated their e-mail addresses with the depository participant. Please update your email addresses with your depository participant. This report is also available in the investors section of our website ([www.mindtree.com](http://www.mindtree.com))

### **Safe Harbor**

Certain statements made in this letter could be forward-looking statements. These statements are considering the environment we see as of today, and obviously carry a risk in terms of uncertainty because of which the actual results could be different. We do not undertake to update those statements periodically.

### **Investor Relations Team**

MindTree Ltd  
Global Village  
RVCE Post, Mysore Road  
Bangalore 560059  
[Investors@mindtree.com](mailto:Investors@mindtree.com)