



## MindTree Consulting Limited

(formerly MindTree Consulting Private Limited)

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

### AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2007

(Rs. In Lakhs, except per share data)

Particulars	Nine Months ended December 31, 2006 (Audited)	Quarter ended March 31, 2007 (Limited review)	Year ended March 31, 2007 (Audited)	Year ended March 31, 2006 (Audited)
Revenues	43,379	15,656	59,035	44,880
Cost of revenues	25,780	9,308	35,088	27,347
<b>Gross profit</b>	<b>17,599</b>	<b>6,348</b>	<b>23,947</b>	<b>17,533</b>
Selling, general and administrative expenses	9,430	3,457	12,887	9,219
Amortization/impairment of goodwill	-	-	-	224
Provision for bad and doubtful debts	126	(30)	96	479
<b>Operating profit before interest and depreciation</b>	<b>8,043</b>	<b>2,921</b>	<b>10,964</b>	<b>7,611</b>
Interest including finance charges	234	66	300	526
Depreciation	1,775	669	2,444	2,094
<b>Operating profit</b>	<b>6,034</b>	<b>2,186</b>	<b>8,220</b>	<b>4,991</b>
Foreign exchange gain/(loss)	(80)	125	45	(73)
Other income	530	161	691	657
<b>Profit before tax</b>	<b>6,484</b>	<b>2,472</b>	<b>8,956</b>	<b>5,575</b>
Provision for taxation including fringe benefit tax	268	147	415	151
Deferred tax charge/(credit)	(335)	(129)	(464)	3
<b>Net profit after tax</b>	<b>6,551</b>	<b>2,454</b>	<b>9,005</b>	<b>5,421</b>
Paid up equity share capital (face value Rs. 10/- each)	3,170	3,775	3,775	587
Reserves	16,222	39,771	39,771	12,287
Basic EPS (Rs.)	21.64	7.32	28.98	20.13
Fully diluted EPS (Rs.)	20.59	7.00	27.70	17.35
Aggregate non-promotor shareholding				
Number of shares	18,307,918	24,365,258	24,365,258	16,292,416
Percentage of shareholding	57.76%	64.54%	64.54%	55.49%

#### SEGMENT WISE REVENUE AND RESULTS

##### Primary segment information (Rupees in lakhs)

Particulars	Nine Months December 31, 2006 (Audited)	Quarter ended March 31, 2007 (Limited review)	Year ended March 31, 2007 (Audited)	Year ended March 31, 2006 (Audited)
<b>Segment revenue</b>				
R&D Services	10,491	3,955	14,446	10,545
IT Services	32,889	11,700	44,589	34,335
<b>Total</b>	<b>43,380</b>	<b>15,655</b>	<b>59,035</b>	<b>44,880</b>
<b>Segment operating income</b>				
R&D Services	1,838	702	2,540	1,844
IT Services	6,494	2,210	8,704	5,887
<b>Total</b>	<b>8,332</b>	<b>2,912</b>	<b>11,244</b>	<b>7,731</b>
<b>Unallocable</b>				
Expenses	2,144	580	2,724	2,287
Interest	234	66	300	526
Other income	530	206	736	657
<b>Profit before tax</b>	<b>6,484</b>	<b>2,472</b>	<b>8,956</b>	<b>5,575</b>

#### 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.

**Notes to financial results for the year ended March 31, 2007**

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 April 28, 2007.

2 In November 2006, the Company issued 1,240,017 equity shares of Rs.2/- each at a premium of Rs.4.71 per share to a customer consequent to conversion of warrants under an agreement with the customer in December 2003.

In November 2006, the Company consolidated 31,695,237 equity shares of Rs.2/ each into 6,339,047 equity shares of Rs.10/- each and issued bonus shares of 25,356,190 in the ratio of 4 equity shares of Rs.10/- each for every one equity share held.

During the year ended March 31, 2007 and 2006, the Company has issued and allotted 1,550,225 and 405,435 equity shares respectively upon exercise of stock options by the employees.

In February 2007, the Company issued and allotted 5,593,300 equity shares of Rs.10/- each at a premium of Rs.415/- per equity share, under the Initial Public Offering (IPO) of the Company.

Paid up equity share capital as of March 31, 2007 comprises of 37,752,577 equity shares of Rs.10/- each

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

Particulars	Nine months ended December 31, 2006	Quarter ended March 31, 2007	Year ended March 31, 2007	Year ended March 31, 2006
Personnel cost	23,890	8,363	32,253	24,223
Travel and conveyance	3,924	1,535	5,459	3,889

4 This being the first year of listing, the figures for the corresponding quarter ended March 31, 2006 of the previous year have not been given.

5 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 for the year, nine months and quarter ended March 31, 2007 and for the year ended March 31, 2006.

6 The Board of Directors recommended a final dividend of Re.1/- per share (10% on an equity share of par value of Rs.10/-) for fiscal 2007. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company. Including the interim dividend of Re.1/- per share (10% on an equity share of par value of Rs.10/-, 50% on an equity share of par value Rs.2/- at the time of declaration) declared at the Board meeting held on October 24, 2006, the total dividend recommendation for the year is Rs.2.00 per share (20% on an equity share of par value of Rs.10/-).

7 Cost of revenues represent software development expenses, which exclude certain indirect expenses which are not allocated but reported under administrative and other expenses. Cost of revenues, selling and general and administrative expenses also exclude depreciation which has been shown separately.

8 Information on investor complaints pursuant to clause 41 of the Listing Agreement for the year ended March 31, 2007:

Nature of Investor complaints	Opening balance	Additions	Disposal	Closing balance
Allotment/Refund/others	Nil	3,755	3,461	294

Most of the complaints received are related to non-receipt of refund orders which were sent on 1 March 2007, and/or non-credit of shares in Demat Account. As of April 24, 2007 we have 106 complaints which are under process.

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

Particulars	Projection in Prospectus	Actual funds utilized till March 31, 2007
Fund a new development centre in Chennai	12,074	Nil
Prepay certain loans	1,877	1,138
General corporate purposes	7,527	Nil
Share issue expenses paid	2,294	568
<b>Total</b>	<b>23,772</b>	<b>1,706</b>

10 Share issue expenses of Rs 1,893 have been offset against balance available in securities premium account. Out of this, Rs 568 has been paid till March 31, 2007

11 EPS for the quarter & nine months period are not annualized.

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

For and on behalf of the Board  
For MindTree Consulting Limited

Bangalore, India  
April 28, 2007

Ashok Soota  
Chairman & Managing Director