



## Mindtree Limited

(NSE: MINDTREE, BSE: 532819)

Shareholder report

Fourth quarter ended March 31, 2019

April 30, 2019

*Welcome to possible*

Dear Shareholder,

We are extremely happy to share that we have ended the year on a historic note of revenues crossing \$1Billion for the FY 2018-19, leading to growth of 18.3% yet again exceeding industry growth rates for the 5th year in a row. What makes it even more special is that we enter our 20th year with people strength of > 20000 Mindtree Minds. This quarter saw us delivering stellar growth of \$262M revenue, Q-o-Q growth of 4.2% which was broad-based across all our verticals as well as geographies.

The Board of Directors, at its meeting held on April 17, 2019, have declared an interim dividend of 30% (Rs 3 per equity share of par value Rs 10 each). The Board of Directors have also recommended a final dividend of 40% (Rs 4 per equity share of par value Rs 10 each) for the financial year ended March 31, 2019 and a special dividend of 200% (Rs 20 per equity share of par value Rs 10 each) to celebrate the twin achievements of exceeding \$1Billion annual revenue milestone and 20th anniversary of the Company which are subject to approval of Shareholders.

We thank you for your continued support and encouragement.

Key highlights and summary financial results of the quarter are provided in the next section.

Warm regards,



**Rostow Ravanan**  
CEO and Managing Director



**Pradip Menon**  
CFO



Bangalore  
April 30, 2019

## Key financial highlights

### Quarter ended March 31, 2019

- In USD:
  - Revenue at \$ 262.0 million (growth of 4.2% q-o-q / 15.8% y-o-y)  
Constant Currency growth of 3.9% q-o-q
  - Net profit at \$ 28.2 million (growth of 5.0% q-o-q / growth of 0.3% y-o-y)
  
- In INR:
  - Revenue at ₹ 18,394 million (growth of 2.9% q-o-q / 25.6% y-o-y)
  - Net profit at ₹ 1,984 million (growth of 3.8% q-o-q / growth of 8.9% y-o-y)

### Other highlights:

- Clients:
  - 349 active clients as of March 31, 2019
  - \$10 million clients grew by 2, total of 23
  - \$5 million clients grew by 1, total of 45
  - \$1 million clients grew by 4, total of 120
  
- People:
  - 20,204 Mindtree Minds as of March 31, 2019
  - Trailing 12 months attrition is 14.2%

- Multi-year and multi-million-dollar wins:

#### *Existing clients*

- For a large hospitality company, Mindtree extended its Digital presence into cloud migration services
- For a leading multinational paints and coatings company, Mindtree is chosen as a Digital Partner to provide Digital service operations and support services

#### *New clients*

- For a leading sports retailer, Mindtree is chosen as a Digital partner for their e-commerce platform covering both applications and infrastructure services for end to end support

- Mindtree is awarded its largest Salesforce AMS contract to date by a leading tobacco giant. Under this contract Mindtree was chosen to provide support services for their Salesforce applications
- Mindtree is chosen as an automation solution partner for an industry leader in revenue integrity for healthcare provider organizations to bring efficiency in their business processes
- Mindtree is chosen as a strategic engineering partner for a leading web hosting company to provide sustainment and support services
- Recognition:
  - The Zinnov Zones for Digital Services Report names Mindtree an overall Leader, as well as a Leader in the following sub segments:
    - Digital Strategy & Consulting
    - Application and Platform Development
    - UI/ UX & Customer Experience
    - Legacy Modernization
    - Deployment & Integration
    - Data Analytics & AI
    - Infra & Managed Services
  - The 2019 ISG Provider Lens™ SIAM/ITSM Quadrant Report names Mindtree a Rising Star USA in Service Operation and Delivery
  - Mindtree named Leader for Digital Transformation and Leveraging Packaged Software Platforms archetypes in the 2018 ISG Provider Lens™ Next-gen ADM Services Archetype Report
  - Mindtree named Leader for Legacy Transformation and Cloud-first Transformation in the 2018 ISG Provider Lens™ Digital Business Transformation Archetype Report
  - Mindtree has been placed on The Best of The Global Outsourcing 100® list by the International Association of Outsourcing Professionals (IAOP)
  - Mindtree recognized as an Innovator in Avasant's Applied Intelligence and Advanced Analytics Services RadarView™ Report

**Extract of the audited consolidated financial results for the quarter and year ended March 31, 2019**

Particulars	<i>Rs in million, except per share data</i>				
	Quarter ended			Year ended	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
Revenue from operations	18,394	17,872	14,640	70,215	54,628
Other income, net (Refer note 7)	290	(200)	591	893	1,902
<b>Total income</b>	<b>18,684</b>	<b>17,672</b>	<b>15,231</b>	<b>71,108</b>	<b>56,530</b>
<b>Expenses</b>					
Employee benefits expense	11,504	11,142	9,301	44,212	35,641
Finance costs	-	-	58	29	169
Depreciation and amortisation expense	428	410	383	1,641	1,715
Other expenses	4,087	3,897	2,984	15,358	11,582
<b>Total expenses</b>	<b>16,019</b>	<b>15,449</b>	<b>12,726</b>	<b>61,240</b>	<b>49,107</b>
<b>Profit before tax</b>	<b>2,665</b>	<b>2,223</b>	<b>2,505</b>	<b>9,868</b>	<b>7,423</b>
Tax expense					
Current tax (Refer note 8)	712	263	557	2,456	1,555
Deferred tax	(31)	48	126	(129)	167
<b>Net profit for the period</b>	<b>1,984</b>	<b>1,912</b>	<b>1,822</b>	<b>7,541</b>	<b>5,701</b>
Other comprehensive income:					
A. (i) Items that will not be reclassified to profit or loss	(7)	(31)	(4)	(86)	(23)
(ii) Income tax relating to items that will not be reclassified to profit or loss	2	8	1	21	5
B. Items that will be reclassified to profit or loss	-	2	58	262	146
<b>Total other comprehensive income</b>	<b>(5)</b>	<b>(21)</b>	<b>55</b>	<b>197</b>	<b>128</b>
<b>Total comprehensive income for the period</b>	<b>1,979</b>	<b>1,891</b>	<b>1,877</b>	<b>7,738</b>	<b>5,829</b>
Paid up equity share capital (face value Rs. 10/- each)	1,642	1,642	1,639	1,642	1,639
Reserves	31,419	30,008	25,775	31,419	25,775
Earnings per share:					
Basic EPS (Rs.)	12.08	11.64	11.12	45.94	34.39
Diluted EPS (Rs.)	12.05	11.62	11.08	45.85	34.28

Particulars	<i>Rs in million</i>	
	As at	
	March 31, 2019	March 31, 2018
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,757	3,509
Capital work in progress	297	92
Goodwill	4,732	4,539
Other intangible assets	1,180	1,520
Financial assets		
Investments	1,200	58
Loans	675	751
Deferred tax assets (Net)	388	318
Other non-current assets	1,889	1,547
	<b>14,118</b>	<b>12,334</b>
<b>Current assets</b>		
Financial assets		
Investments	6,836	7,206
Trade receivables	13,356	10,155
Cash and cash equivalents	2,562	3,289
Loans	123	17
Other financial assets	2,528	3,081
Other current assets	2,267	1,283
	<b>27,672</b>	<b>25,031</b>
<b>TOTAL ASSETS</b>	<b>41,790</b>	<b>37,365</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	1,642	1,639
Other equity	31,419	25,775
	<b>33,061</b>	<b>27,414</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	5	9
Other financial liabilities	1	-
Other non current liabilities	173	85
	<b>179</b>	<b>94</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	-	3,000
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	3	8
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,128	1,702
Other financial liabilities	2,434	1,812
Other current liabilities	1,837	1,802
Provisions	1,399	1,218
Current tax liabilities (Net)	749	315
	<b>8,550</b>	<b>9,857</b>
	<b>8,729</b>	<b>9,951</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>41,790</b>	<b>37,365</b>

**Key Financial Metrics & Ratios**

₹ million)	Q4	Q3	Q4	Growth (%)	
	FY2018	FY2019	FY2019	Q-o-Q	Y-o-Y
Revenue	14,640	17,872	18,394	2.9%	25.6%
EBITDA	2,355	2,833	2,803	(1.1)%	19.0%
Net Profit	1,822	1,912	1,984	3.8%	8.9%
Diluted EPS (Rs.)	11.08	11.62	12.05	3.7%	8.8%

(\$ million)	Q4	Q3	Q4	Growth (%)	
	FY2018	FY2019	FY2019	Q-o-Q	Y-o-Y
Revenue	226.2	251.5	262.0	4.2%	15.8%
EBITDA	36.4	39.9	39.9	0.0%	9.7%
Net Profit	28.2	26.9	28.2	5.0%	0.3%

Key Ratios	Quarter Ended			Year Ended	
	Mar 31, 2018	Dec 31, 2018	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019
EBITDA Margin (%)	16.1%	15.9%	15.2%	13.6%	15.2%
Effective Tax Rate (%)	27.3%	13.8%	25.6%	23.2%	23.6%
Net Profit Margin (%)	12.4%	10.7%	10.8%	10.4%	10.7%
ROCE (%)	34.9%	28.7%	32.9%	26.6%	31.2%
DSO (Days)	67	71	70	67	70

Effective Tax Rate = Tax / PBT

ROCE = EBIT / Average Capital Employed. ROCE is annualized

**Note:**

This report along with more information on our quarterly results is also available in the investors section of our website ([www.mindtree.com](http://www.mindtree.com)).

This report is for information purposes. Investors should rely on their own analysis while taking investment decisions and not rely on this report alone.

In the spirit of sensitivity towards the environment we are circulating this over email to shareholders who have updated their e-mail addresses with the depository participant. Please update your email addresses with your depository participant.

For more information, please contact [investors@mindtree.com](mailto:investors@mindtree.com)

**Safe Harbor:**

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.

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