



Mindtree Limited

(NSE: MINDTREE, BSE: 532819)

Shareholder report

Fourth quarter and Year ended March 31, 2016

April 21, 2016

Welcome to possible

Dear Shareholder,

We had a great FY16 and we are happy to share we have delivered industry leading performance with a revenue growth of 22.5% in dollar terms. This is also the third consecutive year we have exceeded 15% growth and consistently grown ahead of industry. This is a result of our deep domain and technology expertise, combined with a sustained investment in building the workforce of tomorrow.

We made significant progress on several fronts:

- We added one more client in the \$50M category taking the total of \$50M clients to 2. We also reached a milestone of 100 clients in the \$1 million category
- All our verticals and many of our traditional service lines have achieved a robust double digit growth for the year
- Our Digital story and positioning has resonated well with our clients and we have established ourselves as a partner of choice for our clients. Our acquisitions – Bluefin, Relational Solutions & Magnet 360 have helped us to be in the forefront of digital and accelerate our digital journey. We also saw some joint wins with our acquired entities
- Attrition has been trending lower and is at 15.7%, which is the best we have seen in the last 6 quarters.

We are confident that our strategic roadmap with digital and managed services as underlying themes backed by expert teams will help us deliver superior results going forward.

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

Thank you for your continued support and encouragement.

Warm regards,



Rostow Ravanan
CEO and Managing Director



Jagannathan Chakravarthi
CFO

Bangalore
April 21, 2016

Key financial highlights:**Quarter ended March 31, 2016**

- In USD terms:
 - Revenue at \$195.6 million (growth of 6.1% q-o-q / 32.3% y-o-y). Constant currency growth of 7.1% q-o-q
 - Organic revenue (excluding acquisitions of the current year) growth of 3% q-o-q and 20.6% y-o-y. Constant currency growth of 3.6% q-o-q
 - Net profit at \$23 million (growth of 0.6% q-o-q / 11.1% y-o-y)

- In Rupee terms:
 - Revenue at ₹ 13,242 million (growth of 9% q-o-q / 44.2% y-o-y)
 - Net profit at ₹ 1,560 million (growth of 3.4% q-o-q / growth of 21.2% y-o-y)

Year ended March 31, 2016

- In USD terms:
 - Revenue at \$715.2 million (growth of 22.5%). Constant Currency growth of 26%
 - Organic revenue (excluding acquisitions of the current year) growth of 15.4%. Constant Currency growth of 18.6%
 - Net profit at \$92 million (growth of 4.7%)

- In Rupee terms:
 - Revenue at ₹ 46,896 million (growth of 31.7%)
 - Net profit at ₹ 6,033 million (growth of 12.5%)

Other highlights:

- Clients:
 - 348 active clients as of March 31, 2016
 - \$25 million clients grow to 6; \$10 million clients grow to 15; \$5 million clients grow to 31; \$1 million clients grow to 101

- People:
 - 16,623 Mindtree Minds as of March 31, 2016
 - Added 1,020 Mindtree Minds during the quarter on a gross basis

- Trailing 12 months attrition is at 15.7%.
- Multi-year and multi-million dollar wins with leading global clients
 - A leading personal digital media company. For this existing client, Mindtree will provide complete application testing Services.
 - A leading provider of business support solutions. Mindtree will provide software product engineering and professional services.
 - Public Services company based in UK. Mindtree will provide SAP Application Management & Support Services. This is also our first joint win with Bluefin Solutions.
- Awards and recognition:
 - Mindtree named a Top 10 Outsourcing Provider in the Americas and EMEA regions by Information Services Group (ISG)
 - Relational Solutions, a Mindtree company, named a 2016 Readers' Choice in Demand Data Analytics by Consumer Goods Technology Magazine
 - Krishnakumar Natarajan, Chairman, Mindtree has been named as the EY Entrepreneur of the Year 2015 under the Services category
 - Mindtree has been ranked amongst the 100 "Fastest Growing Companies" by BW Businessworld
- Dividend announcement:
 - The Board of Directors at its meeting held on March 23, 2016, have declared an interim dividend of 20% (₹ 2 per equity share, after bonus issue, of par value of ₹ 10 each) for the quarter ended March 31, 2016. Further, the Board of Directors at its meeting held on April 18, 2016 have recommended a final dividend of 30% (₹ 3 per equity share, after bonus issue, of par value ₹ 10 each) for the year ended March 31, 2016, subject to shareholder approval.

Extract of the audited consolidated financial results for the quarter and year ended March 31, 2016 (Rs. in millions, except per share data)

Rs in million, except per share data

Particulars	Quarter ended			Year ended	
	March 31, 2016	December 31, 2015	March 31, 2015	March 31, 2016	March 31, 2015
Income from software services	13,242	12,145	9,181	46,896	35,619
Expenses					
Employee benefits expense	8,197	7,249	5,401	28,026	20,710
Depreciation and amortisation expense	348	345	295	1,332	1,018
Other expenses	2,786	2,749	1,994	10,566	7,817
Profit from operations before other income, foreign exchange gain and finance costs	1,911	1,802	1,491	6,972	6,074
Other income	62	52	304	412	656
Foreign exchange gain/ (loss)	32	95	(130)	393	179
Profit before finance costs	2,005	1,949	1,665	7,777	6,909
Finance costs	1	-	-	3	1
Profit before tax	2,004	1,949	1,665	7,774	6,908
Tax expense	444	440	378	1,741	1,545
Net profit for the period	1,560	1,509	1,287	6,033	5,363
Paid up equity share capital (face value Rs. 10/- each)	1,678	839	837	1,678	837
Reserves	22,278	22,679	19,287	22,278	19,287
Basic EPS (Rs.)	9.30	9.00	7.69	35.99	32.07
Diluted EPS (Rs.)	9.27	8.97	7.66	35.89	31.94

AUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES
Rs in million

Particulars	As at	
	March 31, 2016	March 31, 2015
Shareholders' funds		
Share capital	1,678	837
Reserves and surplus	22,278	19,287
	23,956	20,124
Share application money pending allotment	-	4
Non-current liabilities		
Long-term borrowings	18	23
Other long-term liabilities	1,072	334
	1,090	357
Current liabilities		
Short-term borrowings	415	-
Trade payables	1,679	1,227
Other current liabilities	4,051	2,792
Short-term provisions	2,211	2,045
	8,356	6,064
Total	33,402	26,549
Non-current assets		
Goodwill on consolidation	7,606	922
Fixed assets		
Tangible assets	4,367	4,513
Intangible assets	258	120
Capital work-in-progress	232	354
Non-current investments	58	8
Deferred tax assets (net)	602	449
Long-term loans and advances	1,855	1,640
Other non-current assets	276	17
	15,254	8,023
Current assets		
Current investments	2,101	5,343
Trade receivables	9,728	6,963
Cash and bank balances	2,332	3,763
Short-term loans and advances	1,570	1,451
Other current assets	2,417	1,006
	18,148	18,526
Total	33,402	26,549

Key Ratios

Key Ratios	Quarter Ended			Year Ended	
	March 31, 2015	December 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016
EBITDA Margin (%)	19.5%	17.7%	17.1%	19.9%	17.7%
Effective Tax Rate (%)	22.7%	22.7%	22.2%	22.4%	22.4%
Net Profit Margin (%)	14.0%	12.4%	11.8%	15.1%	12.9%
ROCE (%)	33.3%	33.9%	33.8%	37.8%	34.9%
DSO (Days)	67	71	74	67	74

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). 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

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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