



MindTree Consulting Limited

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

FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2007

(Rs. In Lakhs, except per share data)

Particulars	Quarter ended			Half Year ended		Year ended
	September 30, 2007	September 30, 2006	June 30, 2007	September 30, 2007	September 30, 2006	March 31, 2007
	(Limited review)	(Limited review)	(Limited review)	(Audited)	(Audited)	(Audited)
Revenues	18,195	15,371	16,150	34,345	28,699	59,035
Cost of revenues	11,770	9,705	10,176	21,946	17,585	36,598
Gross profit	6,425	5,666	5,974	12,399	11,114	22,437
Selling, general and administrative expenses	3,460	2,879	3,367	6,827	5,377	11,377
Provision for bad and doubtful debts	13	59	12	25	122	96
Operating profit before interest and depreciation	2,952	2,728	2,595	5,547	5,615	10,964
Interest including finance charges	179	86	94	273	172	300
Depreciation	808	640	788	1,596	1,105	2,444
Operating profit	1,965	2,002	1,713	3,678	4,338	8,220
Foreign exchange gain/(loss)	325	(107)	(37)	288	(141)	45
Other income	702	169	624	1,326	403	691
Profit before tax	2,992	2,064	2,300	5,292	4,600	8,956
Provision for taxation including fringe benefit tax	297	(75)	247	544	138	415
Deferred tax charge/(credit)	(18)	(101)	(9)	(27)	(203)	(464)
Net profit after tax	2,713	2,240	2,062	4,775	4,665	9,005
Paid up equity share capital (face value Rs. 10/- each)	3,779	599	3,775	3,779	599	3,775
Reserves	44,251	16,699	41,894	44,251	16,699	39,771
Basic EPS (Rs.)	7.23	7.48	5.48	12.71	15.64	28.98
Fully diluted EPS (Rs.)	6.98	7.08	5.26	12.23	14.78	27.70
Aggregate non-promotor shareholding						
Number of shares	24,396,585	16,900,871	24,365,258	24,396,585	16,900,871	24,365,258
Percentage of shareholding	64.56%	56.43%	64.54%	64.56%	56.43%	64.54%

SEGMENT WISE REVENUE AND RESULTS

Primary segment information (Rupees in lakhs)

Particulars	Quarter ended			Half Year ended		Year ended
	September 30, 2007	September 30, 2006	June 30, 2007	September 30, 2007	September 30, 2006	March 31, 2007
	(Limited review)	(Limited review)	(Limited review)	(Audited)	(Audited)	(Audited)
Segment revenue						
R&D Services	4,088	3,638	3,615	7,703	6,922	14,446
IT Services	14,107	11,733	12,535	26,642	21,777	44,589
Total	18,195	15,371	16,150	34,345	28,699	59,035
Segment operating income						
R&D Services	584	632	161	745	1,415	2,540
IT Services	2,411	2,250	2,414	4,825	4,449	8,704
Total	2,995	2,882	2,575	5,570	5,864	11,244
Unallocable						
Expenses	814	901	805	1,619	1,495	2,724
Interest	179	86	94	273	172	300
Other income	990	169	624	1,614	403	736
Profit before tax	2,992	2,064	2,300	5,292	4,600	8,956

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 quarter ended September 30, 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 October 23, 2007.

2 35,782 shares have been issued on July 24, 2007 upon exercise of the stock options by employees.

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

Particulars	Quarter ended			Half Year ended		Year ended
	September 30, 2007	September 30, 2006	June 30, 2007	September 30, 2007	September 30, 2006	March 31, 2007
Personnel cost	10,630	8,765	9,704	20,334	15,911	32,253
Travel and conveyance	1,826	1,310	1,366	3,192	2,526	5,459

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 The Board of Directors recommended an interim dividend of Re.1/- per share (10% on an equity share of par value of Rs.10/-) for fiscal 2008.

6 Information on investor complaints pursuant to clause 41 of the Listing Agreement for the quarter ended September 30, 2007:

Nature of Investor complaints	Opening balance	Additions	Disposal	Closing balance
Allotment/Refund/others	41	476	509	8

Most of the complaints received are related to non-receipt of refund orders relating to the IPO of the company, which were sent on 1 March 2007, and/or non-credit of shares in Demat Account.

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

Particulars	Projection in Prospectus	Actual funds utilized till Sept 30, 2007 *
Fund a new development centre in Chennai	12,074	4,316
Prepay certain loans	1,877	1,138
General corporate purposes	7,527	Nil
Share issue expenses paid	2,294	1,887
Total	23,772	7,341

* funds from IPO proceeds have been invested in short-term mutual funds and bank deposits at September 30, 2007, pending utilisation.

8 Share issue expenses of Rs 1,893 have been offset against balance available in securities premium account. Out of this, Rs 1,887 has been paid till September 30, 2007

9 The Finance Act, 2007 has introduced Fringe Benefit Tax (FBT) on employee stock options. The Company will recover such FBT from the employee, upon the exercise of stock options. The FBT liability and related recovery would be recorded at the time of exercise of options.

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 Consulting Limited

Bangalore, India
October 23, 2007

Ashok Soota
Chairman & Managing Director