

## Tech Mahindra Q2 PAT up 27% YoY

*Technology*

*Author : mahindraadmin Category : Technology Published : 10/30/2018*

**Revenue up 13% YoY and EBITDA up 46% YoY Q2 new deal wins of over US\$ 550 mn**

**Mumbai, October 30, 2018:** Tech Mahindra Ltd., a specialist in digital transformation, consulting and business reengineering today announced the audited consolidated financial results for its second quarter ended Sep 30, 2018.

### **Financial highlights for the quarter (₹)**

- Revenue at ₹ 8,630 crore; up 13.5% YoY, up 4.3% QoQ
- EBITDA at ₹ 1,619 crore; up 46.4% YoY and 19.3% QoQ
  - EBITDA margins at 18.8%; up 430 bps YoY and 240 bps QoQ
- Consolidated PAT at ₹ 1,064 crore; up 27.3% YoY; and 18.5% QoQ
- Earnings per Share (EPS) was ₹ 12.0 for the quarter ended Sep 30, 2018

### **Financial highlights for the quarter (USD)**

- Revenue at USD 1,218.2 mn; up 3.3% YoY and down 0.5% QoQ
  - Revenue growth up 0.4% QoQ, in Constant Currency terms
- EBITDA at USD 226.9 mn; up 32.7% YoY and up 13.7% QoQ

- Consolidated PAT at USD 149.4 mn, up 15.6% YoY and up 13.3% QoQ

### **Other Highlights**

- Total headcount at 118,391, up 4,839 QoQ
  - Software headcount stood at 72,534; BPO at 39,407
- Cash and Cash equivalent of ₹ 7,900 crore as of Sep 30, 2018
- The Active Client count stood at 930 in Q2, up by 4 QoQ

### **C P Gurnani, Managing Director & Chief Executive Officer, Tech**

**Mahindra** said. “It’s been a satisfying quarter where our focus on digital transformation has helped us deliver a robust performance. Our strong deal wins especially in the Communication vertical coupled with our 10% plus sequential growth in digital revenues are a validation of our Run, Change and Grow strategy. Barring declines in our implementation business in our healthcare vertical, we have clocked a good quarter in terms of both revenue growth and EBIDTA margin improvement. We will endeavor to maintain this momentum as we continue our journey.”

**Manoj Bhat, CFO, Tech Mahindra** said. “This has been a strong quarter with improving operating metrics across most of our business lines. Our focus on optimizing our operations has led us to the highest EBITDA level and margin improvement in excess of 2% sequentially and 4% on a YoY basis”

### **Key Wins**

- A leading Asia Pacific Telecommunication Company has chosen Tech Mahindra as its digital transformation partner to provide an end-to-end IT Outsourcing services. Tech Mahindra will consolidate and harmonize processes leveraging new age technologies, platforms and Bot’s for delivering an enhanced customer experience at an optimal cost.

- Chosen by an emerging market Public Services group, to modernize and Automate Ports. Tech Mahindra will build and maintain Enterprise Business System (EBS), enabling faster request delivery of services, better turnaround time, improve efficiency, provide real-time management information system (MIS)
- Selected by a Tier 1 American Telco, for transforming its business network services, helping enrich the customer experience, augment service delivery and bring in productivity efficiencies'
- Selected by a large American Logistic Company to transform its Contact center Customer experience and provide and Omni-channel experience, leveraging automation & Robotic Process Automation
- Chosen by a leading Asian Resource giant, for Implementation of SAP ERP and Hospital Information Management System (HIMS), helping the company to achieve a faster and effective decision making
- Bagged a contract from a North American Communication Service Provider region for its Enterprise wide testing services, helping bring in Project Efficiencies' and optimize cost.
- Chosen by a leading European Telco for its strategic Network Transformation program. Tech Mahindra will one of the prime Integrator for their SDN/NFV transformation.
- Chosen by a leading US healthcare service provider for implementation, rollout, Training and Support of Electronic Health Records (EHR's).
- Bagged a contract from a large Nordic OEM for Device testing services.
- Won a deal from a leading American Healthcare Services provider for managing its security services stack.

## **Business Highlights**

- Tech Mahindra Ltd is setting up of a 5G Center of Excellence (CoE) powered by Intel technology in Redmond, Washington and Bengaluru. The CoE is targeted to help Communication Service Providers (CoSPs) optimize their Capital Expenditure (Capex) on 5G migrations and rollout and accelerate new revenue-generating services that will lead the transformation journey.

- Tech Mahindra and Government of Telangana Collaborate to Launch India's First Blockchain District to foster Growth of Indian Blockchain Ecosystem.
- Tech Mahindra announced a global strategic partnership with Avaamo, a leader in conversational artificial intelligence (AI). This partnership will include developing and delivering conversational AI solutions for global enterprises.
- Tech Mahindra to collaborate with Microsoft to create a Distributed Ledger Technology (DLT)-based solution to build a robust ecosystem in line with the regulations issued by TRAI (Telecom Regulatory Authority of India). Based on Blockchain technology and built on Microsoft Azure the solution aims at mitigating the issue of unsolicited commercial communication (UCC) in the country

### **Awards & Recognition**

- Tech Mahindra recognized as a leader in the Dow Jones Sustainability Indices 2018 for the fourth consecutive year. Tech Mahindra is one of four Indian companies to be included in the DJSI World Index and one of Ten Indian Companies in the DJSI Emerging Markets category.
- Tech Mahindra is the highest ranked Non US Company in the Forbes Global Digital 100 list
- Tech Mahindra Wins Golden Peacock Global Award for Excellence in Corporate Governance 2018
- Tech Mahindra Business Process Services Recognized as a Leader in Customer Experience Services by Global Analyst Firm Nelson Hall

### **About Tech Mahindra**

Tech Mahindra represents the connected world, offering innovative and customer-centric information technology experiences, enabling Enterprises, Associates and the Society to Rise™. We are a USD 4.9 billion company with 118,390+ professionals across 90 countries, helping over 930 global customers including Fortune 500 companies. Our convergent, digital, design experiences, innovation platforms and reusable assets connect across a number of technologies to deliver tangible business value and experiences

to our stakeholders. Tech Mahindra is the highest ranked Non-U.S. company in the Forbes Global Digital 100 list (2018) and in the Forbes Fab 50 companies in Asia (2018).

We are part of the USD 21 billion Mahindra Group that employs more than 200,000 people in over 100 countries. The Group operates in the key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, after-market, information technology and vacation ownership.

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**Audited consolidated financial results for the quarter ended Sep 30, 2018 drawn under IND AS**

## **Consolidated Income Statement**

Tags :

