



## **Mastek Q4FY12 Total Income up 15%; Net Profit up 216% QoQ; Strong performance helps the company turn profitable for FY12**

- **12-month order backlog at Rs 485 crore; up 21% QoQ**
- **8 new clients added during the quarter**
- **Growth across geographies and verticals**

Mumbai, India – 27<sup>th</sup> July 2012: Mastek, an IT solutions player with global operations providing new technology and IP-led enterprise solutions with a focus on the Insurance and Government verticals worldwide, announced its financial results for the fourth quarter and full year ended 30<sup>th</sup> June, 2012 today.

### **Review of financial performance for the quarter ended 30<sup>th</sup> June 2012**

On a quarter-on-quarter basis:

- The operating revenue was Rs 210.5 crore during the quarter under review as compared to Rs 185.2 crore during the sequential previous quarter reflecting an increase of 13.7% in rupee terms and 5.3% in constant currency terms. The growth as compared to corresponding quarter in the previous year is 45.2%
- Total income was Rs 217 crore during the quarter under review as compared to Rs188.3 crore during the sequential previous quarter reflecting an increase of 15.2% in rupee terms.
- Strong operating performance and year end adjustments on incentives helped the company post a higher EBITDA of Rs 29.6 crore (13.6% of total income) compared to Rs17.6 crore (9.4% of total income) in Q3FY12. EBITDA in the corresponding quarter of the previous year stood at Rs 1.1 crore (6.9% of total income).
- Net profit stood at Rs 22.2 crore in Q4FY12 as against Rs 7.1 crore in Q3FY12, up 215.6% sequentially and as compared to a loss of Rs. 7.7 crores in the corresponding previous quarter.
- The product development spends during the quarter was Rs 10.3 crore as compared to Rs 12.2 crore in Q3 FY12.

---

Note (i): All references to Mastek's financial results in this release pertain to the company's consolidated operations.

Note (ii): Mastek follows a July 01-to-June 30 financial year.

Note (iii): Rs 1 crore (cr.) = Rs 10 million (mn.).



For the full year ended June 30<sup>th</sup> 2012:

- The operating revenue was Rs 724.2 crore as compared to Rs 594.1 crore in the previous year reflecting an increase of 21.9% in rupee terms. In constant currency the annual growth is 11%
- Total income was Rs 739.1 crore for the FY12 ended 30<sup>th</sup> June 2012 as compared to Rs 614.2 crore in the previous year; an increase of 20.3%
- The Company posted an EBITDA of Rs 41.2 crore (5.6% of total income) as compared to Rs 1.6 crore (0.3% of total income) in the previous year.
- The company turned profitable with a marginal net profit of Rs 0.5 crore for FY12 as against Net loss of Rs 55.9 crore in the previous year.
- The product development spends during the year was Rs 44.9 crore as compared to Rs 39.8 crore in FY11.

The company improved its cash position, ending the year with Rs 137.8 crore as compared to Rs 129 crore at the end of the previous quarter ended March 31<sup>st</sup> 2012.

### Operating highlights

- **New account addition:** The Company added 8 new clients during Q4FY12 including 5 clients additions in the US, taking the total number of client wins during the year to 21 and closing the year with total number of active clients at 100.
- **12m order backlog at Rs 485 crore:** Mastek's 12-month order backlog was Rs 485 crore as on 30<sup>th</sup> June 2012, compared to Rs 401 crore at the end of the previous quarter ended 31<sup>st</sup> March 2012, reflecting an increase of 20.9% in rupee terms.
- **People:** As on 30<sup>th</sup> June 2012, the company had a total of 3,083 employees, of which 71% employees were based offshore in India while the rest were at various onsite locations outside India. Employee count at the end of 31<sup>st</sup> March 2012 was 2,983 employees.

***Commenting on the results, Mr. Sudhakar Ram, Chairman and Group CEO, Mastek, said: "We have had one of the best quarters in the recent past. The demand traction witnessed since the early part of the year has reflected in the performance over the last couple of quarters. There is a strong momentum in the insurance business in North America and the company is working on a focused strategy to pave the growth for the coming years."***

***Mr. Farid Kazani, Group CFO and Finance Director, Mastek, said: "I am glad to state that the concentrated efforts on various initiatives undertaken during the year to improve the margins have ensured the company returning back to a profitable path. The focus on deriving operational efficiency synergies coupled with continued investment in product development costs in spite of a weak global market environment has borne fruits for the Company."***

**About Mastek**

Mastek is a publicly held (NSE: MASTEK; BSE: 523704) leading IT player with global operations providing enterprise solutions to insurance, government, and financial services organizations worldwide. With its principal offshore delivery facility based at Mumbai, India, Mastek operates across North America, Europe, and Asia Pacific regions. Incorporated in 1982, Mastek has been at the forefront of technology and has made significant investments in creating intellectual property, which along with proven methodologies and processes, increase IT value generation to its customers through onsite and offshore deliveries. For more information and past results & conference call transcripts, please visit our web site [www.mastek.com](http://www.mastek.com) (and/or the Investors section at <http://www.mastek.com/investors.html>). Updated disclosures regarding corporate governance may also be accessed in the web site's Investors section at: <http://www.mastek.com/investors/corporate-governance.html>.

**Investor/analyst contact:**

Yash Gadodia  
Christensen IR  
+91 22 4215-0210  
[ygadodia@christensenir.com](mailto:ygadodia@christensenir.com)

**Media contact:**

Sanjay Mudnaney  
+91 22 2824-7745  
[sanjay.mudnaney@mastek.com](mailto:sanjay.mudnaney@mastek.com)

Shareholders may also contact Mastek via email at [Investor\\_grievances@mastek.com](mailto:Investor_grievances@mastek.com), which has been specifically created for the redressal of investor grievances. You may also contact the Investor Relations team by email at [investor.relations@mastek.com](mailto:investor.relations@mastek.com).

*Note: Except for the historical information and discussion contained herein, statements included in this release may constitute forward looking statements. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from those that be projected by these forward looking statements. These risks and uncertainties include, but not limited to such factors as competition, growth, pricing environment, recruitment and retention, technology, wage inflation, law and regulatory policies etc. Such risks and uncertainties are detailed in the Annual Report of the company which is available on the website [www.mastek.com](http://www.mastek.com). Mastek Ltd. undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof.*