



Press Release | Q3'FY19

## **Q3FY19 Total Income at Rs 271.0 crore; up by 25.9% Y-o-Y basis**

- **Y-o-Y Revenue grew 18.5% in constant currency**
- **Added 14 new clients during the quarter**

**Mumbai, India – 17<sup>th</sup> Jan 2019:** Mastek, a global IT player and a trusted partner in complex digital & agile transformation programs in the Government and Global Enterprises worldwide, announced today its financial results for the **third quarter and nine months of FY19.**

### **Review of financial performance for the quarter ended 31<sup>st</sup> Dec, 2018**

On year-on-year basis:

- Total income was Rs 271.0 crore during the quarter under review as compared to Rs 215.3 crore during the corresponding quarter of previous year, growth of 25.9% in rupee terms.
- The operating income was Rs 265.0 crore during the quarter under review as compared to Rs 209.5 crore during the corresponding quarter of previous year, reflecting a growth of 26.5% in rupee terms and an increase of 18.5% in constant currency terms.
- The company reported an operating EBITDA of Rs 34.0 crore (12.8% of op. income) in Q3FY19 as compared to Rs 25.7 crore (12.3% of op. income) in Q3FY18, growth of 32.4% on Y-o-Y basis.
- The company reported total EBITDA of Rs 40.0 crore (14.8% of total income) in Q3FY19 as compared to Rs 31.5 crore (14.6% of total income) in Q3FY18, growth of 27.0% on Y-o-Y basis.
- Net profit stood at Rs 26.5 crore in Q3FY19 as compared to Rs 18.4 crore during the corresponding quarter of previous year, growth of 43.9% on Y-o-Y basis.

On a quarter-on-quarter basis:

- Total income was Rs 271.0 crore during the quarter under review as compared to Rs 265.8 crore during the previous quarter, growth of 2.0% on Q-o-Q basis.
- The operating income was Rs 265.0 crore during the quarter under review as compared to Rs 257.1 crore during the previous quarter, reflecting a growth of 3.1 % in rupee terms and an increase of 1.4% in constant currency terms.
- The Company reported an operating EBITDA of Rs 34.0 crore (12.8% of op. income) in Q3FY19 as compared to Rs 31.3 crore (12.2% of op. income) in Q2FY19, an increase of 8.6% on Q-o-Q basis.

- The Company reported total EBITDA of Rs 40.0 crore, flat Q-o-Q (14.8% of total income vs 15.1% of total income in Q2FY19).
- Net profit stood at Rs 26.5 crore in Q3FY19 as compared to Rs 25.1 crore in Q2FY19, an increase of 5.6% on Q-o-Q basis.

### For the nine month ended 31<sup>st</sup> Dec, 2018

- Total income was Rs 784.0 crore during the nine month period under review as compared to Rs 607.4 crore during the corresponding period of previous year, reflecting a growth of 29.1% on Y-o-Y basis.
- The operating income was Rs 766.1 crore during the nine month period under review as compared to Rs 593.5 crore during the corresponding period of previous year, reflecting a growth of 29.1% in rupee terms and an increase of 21.1% in constant currency terms.
- The company reported an operating EBITDA of Rs 96.3 crore (12.6% of op. income) during the nine month period under review as compared to Rs 71.8 crore (12.1% of op. income) during the corresponding period of previous year, reflecting a growth of 34.0% on Y-o-Y basis.
- The company reported total EBITDA of Rs 114.1 crore (14.6% of total income) during the nine month period under review as compared to Rs 85.7 crore (14.1% of total income) during the corresponding period of previous year, a growth of 33.2% on Y-o-Y basis.
- Net profit stood at Rs 74.1 crore during the nine month period under review as compared to Rs 50.6 crore during the corresponding period of previous year, a growth of 46.5% on Y-o-Y basis.

### Operating highlights

- **New accounts billed during the quarter:** The Company added 14 new clients in Q3FY19 and 30 clients in 9MFY19. Total client count as of 31<sup>st</sup> Dec, 2018 was 165 (LTM) as compared to 162 (LTM) in Q2FY19.
- **12 month Order Backlog:** Mastek's 12 month order backlog was Rs 517.3 crore (£ 58.1 m), as on 31<sup>st</sup> Dec, 2018 as compared to Rs 599.2 crore (£ 63.3m) at the end of Q2FY19.
- **Employees:** As on 31<sup>st</sup> Dec, 2018, the company had a total of 2,088 employees, of which 1,287 employees were based offshore in India while the rest were at various onsite locations. Employee count at the end of 30<sup>th</sup> Sep, 2018 was 2,104.
- **Cash Balance:** The total cash, cash equivalents and fair value of Mutual Funds stood at Rs 207.3 crore as on 31<sup>st</sup> Dec, 2018 as compared to Rs 191.2 crore at the end of 30<sup>th</sup> Sep, 2018.

**Commenting on the results, Mr. John Owen, Group CEO, Mastek, said:** *“This is another quarter of consistent revenue and margin growth performance. Digital Transformation continues to have a dramatic economic and social impact on established companies, business models and user expectation. Our customers continue to experience significant disruption in their business environments which is helping to create huge opportunity in digital space. Mastek is well poised to help customers in addressing these challenges. We continue to remain focused on execution of Vision 2020 to position Mastek as a leader in Enterprise Digital Transformation. I take this opportunity to thank the loyal support and trust of our customers and the dedicated and committed Mastek team.”*

**Mr. Abhishek Singh, Group CFO, Mastek, said:** *“This is our 11th consecutive quarter of maintaining consistent financial performance. We witnessed good revenue growth of 26.5% YoY and 3.1% QoQ driven by government led contracts in UK. Our cash generation continued to be robust during the quarter. New client addition and increasing traction in Digital space gave us strong volume growth in a seasonally weak quarter. We continue to see strong demand pick up in Retail business in US. We endeavour to maintain the momentum going forward.”*

### About Mastek

Mastek is a publicly held (NSE: MASTEK; BSE: 523704) leading IT player with global operations providing enterprise solutions to government, retail and financial services organizations worldwide. With its principal offshore delivery facility based at Mumbai, India, Mastek operates in the UK 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>.

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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.*

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