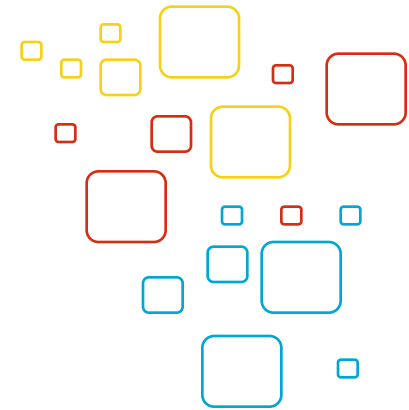


A high end provider of Enterprise Technology Solutions  
that enable Business Transformation in selected verticals

# Analyst Presentation

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24 July 2014



## **Disclaimer:**

Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in the sectors we operate including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professional, time and cost overruns on fixed-price, client concentration, our ability to manage growth, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, performance of our subsidiaries, withdrawal of government fiscal incentives, political instability, legal restrictions on raising capital, unauthorized use of our intellectual property and general economic conditions affecting our industry. Mastek may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company

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## Business Updates - Q1 FY 2014-15

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- The quarter financials were impacted by the reassessment of project timelines in one of the projects in North America resulting in restatement of revenue by Rs 10 crore
- Added 8 new logos with contribution almost equally by all geographies
- 12 Month Order backlog at Rs 549.8 crore, marginally up from last quarter of Rs 542.2 crore
- Joint Venture with The Law Society of England and Wales (TLS) - JV signed in the United Kingdom named Legal Practice Technologies Limited (LPTL) with 40% participation from Mastek. LPTL is in the process of building a conveyancing portal for use by third parties on a subscription basis. This enables Mastek to enter in a completely new space
- Continued focus on the product investment in North America
- Overall, business momentum continues to be bullish in UK. In NA, the Mid Market P&C revenues grew 8.4% over the previous quarter. Few deals in pipeline to significantly strengthen our strategic positioning

# Key Financials

Particulars	Metrics	30-Jun-14	31-Mar-14	QoQ Growth	30-Jun-13	YoY Growth
		Q1 FY15	Q4 FY14		Q1 FY14	
Revenue	Income from Operations (INR Cr.)	218.7	220.8	-0.9%	216.7	0.9%
	Other Operating Income (INR Cr.)	2.2	3.1	-28.7%	5.6	-60.8%
	<b>Total Income from operations (INR Cr.)</b>	<b>220.9</b>	<b>223.9</b>	<b>-1.3%</b>	<b>222.3</b>	<b>-0.6%</b>
	Other Income (INR Cr.)	6.7	6.1	9.8%	5.1	32.4%
	<b>Total Income (INR Cr.)</b>	<b>227.6</b>	<b>230.0</b>	<b>-1.0%</b>	<b>227.4</b>	<b>0.1%</b>
Margins	EBITDA (INR Cr.)	9.3	18.1	-48.6%	18.6	-50.0%
	PBT (INR Cr.)	0.3	9.3	-96.8%	10.9	-97.3%
	PAT (INR. Cr.)	0.9	11.3	-92.0%	7.1	-87.3%
Margin (%)	EBITDA	4.1%	7.9%		8.2%	
	PBT	0.1%	4.0%		4.8%	
	PAT	0.4%	4.9%		3.1%	
EPS	Basic (INR)	0.38	4.64		2.88	
	Diluted (INR)	0.37	4.59		2.87	



# Operating Metrics - Revenue

Revenue	Q1FY15	Q4FY14	Q1FY14
<b>By Region</b>			
North America	36.8%	39.9%	47.7%
UK	55.3%	51.7%	44.4%
Others	7.9%	8.3%	7.9%
<b>By Quadrant</b>			
Solutions	46.5%	42.6%	32.5%
Vertical Product	38.4%	42.4%	43.2%
IT Services	15.1%	15.0%	24.3%
<b>By Industry</b>			
Insurance	42.6%	47.1%	48.3%
Government	34.0%	30.7%	26.3%
Other Financial Services	10.1%	8.7%	12.9%
IT & Other Services	13.4%	13.6%	12.5%

# Operating Metrics - Manpower

Manpower Statistics	Q1FY15	Q4FY14	Q1FY14
Onsite	855	808	758
Offshore	2368	2315	2370
<b>Total</b>	<b>3223</b>	<b>3123</b>	<b>3128</b>
Technical	2,678	2,596	2,590
Technical Support	267	245	258
Marketing	85	86	84
Support	193	196	196
<b>Total</b>	<b>3,223</b>	<b>3,123</b>	<b>3,128</b>
<b>Billable Utilization</b>	<b>85.4%</b>	<b>82.7%</b>	<b>81.2%</b>



# Way Forward

## Business Model

- Vertical solutions provider with deep domain capabilities, reusable assets / platforms, industry specific services
- Continued focus on high end products and solutions and continue product spends in P&C and L&A
- Long term relationships, developing into trusted partnerships with every client

## Growth Strategy

- To continue investment in insurance products, sales & marketing
- To specialize in niche markets
- Acquisitions as the preferred strategy for entering new verticals / markets

## Geographies

- Focus on Insurance segment in North America
- Focus on government and retail segment in UK
- Substantial portion of revenues to come from new business/ new markets

## Financial

- Improve Sales and Operating efficiency
- Cost improvement to improve profitability
- Majority of revenues to come through high end, high margin business



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# THANK YOU

## 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>

