



Press Release | Q4'FY19

Q4FY19 Total Income at Rs 274.0 crore; up by 18.7% Y-o-Y basis

- Y-o-Y Revenue grew 15.2% in constant currency
- Y-o-Y PAT grew 41.3% Y-o-Y to Rs 27.4 crore
- Added 7 new clients during the quarter
- Recommends Final Dividend of 100%

Mumbai, India – 16th April, 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 **fourth quarter and full year of FY19.**

Review of financial performance for the quarter ended 31st Mar, 2019

On year-on-year basis:

- Total income was Rs 274.0 crore during the quarter under review as compared to Rs 230.8 crore during the corresponding quarter of previous year, growth of 18.7% in rupee terms.
- The operating income was Rs 267.1 crore during the quarter under review as compared to Rs 223.7 crore during the corresponding quarter of previous year, reflecting a growth of 19.4% in rupee terms and an increase of 15.2% in constant currency terms.
- The company reported an operating EBITDA of Rs 35.3 crore (13.2% of op. income) in Q4FY19 as compared to Rs 27.8 crore (12.4% of op. income) in Q4FY18, growth of 26.7% on Y-o-Y basis.
- The company reported total EBITDA of Rs 42.2 crore (15.4% of total income) in Q4FY19 as compared to Rs 35.0 crore (15.1% of total income) in Q4FY18, growth of 20.7% on Y-o-Y basis.
- Net profit stood at Rs 27.4 crore in Q4FY19 as compared to Rs 19.4 crore during the corresponding quarter of previous year, growth of 41.3% on Y-o-Y basis.

On a quarter-on-quarter basis:

- Total income was Rs 274.0 crore during the quarter under review as compared to Rs 271.0 crore during the previous quarter, growth of 1.1% on Q-o-Q basis.
- The operating income was Rs 267.1 crore during the quarter under review as compared to Rs 265.0 crore during the previous quarter, reflecting a growth of 0.8% in rupee terms and an increase of 1.9% in constant currency terms.

- The Company reported an operating EBITDA of Rs 35.3 crore (13.2% of op. income) in Q4FY19 as compared to Rs 34.0 crore (12.8% of op. income) in Q3FY19, an increase of 3.8% on Q-o-Q basis.
- The Company reported total EBITDA of Rs 42.2 crore (15.4% of total income) in Q4FY19 as compared to Rs 40.0 crore (14.8% of total income) in Q3FY19, an increase of 5.5% on Q-o-Q basis.
- Net profit stood at Rs 27.4 crore in Q4FY19 as compared to Rs 26.5 crore in Q3FY19, an increase of 3.3% on Q-o-Q basis.

For the Financial Year ended 31st Mar, 2019

- Total income was Rs 1,058.0 crore for FY19 as compared to Rs 838.2 crore in FY18, reflecting an increase of 26.2% in rupee terms.
- The operating revenue was Rs 1,033.2 crore for FY19 as compared to Rs 817.2 crore in FY18, reflecting an increase of 26.4% in rupee terms and an increase of 19.5% in constant currency terms.
- The Company reported an operating EBITDA of Rs 131.5 crore (12.7% of op. income) in FY19 as compared to Rs 99.7 crore (12.2% of op. income) in FY18, an increase of 32.0% on Y-o-Y basis.
- The company reported an EBITDA of Rs 156.3 crore (14.8% of total income) for FY19 as compared to Rs 120.7 crore (14.4% of total income) in FY18, reflecting a growth of 29.6% on Y-o-Y basis.
- Net profit stood at Rs 101.5 crore for FY19 as compared to Rs 70.0 crore in FY18, reflecting a growth of 45.0% on Y-o-Y basis.

Operating highlights

- **New accounts billed during the quarter:** The Company added 7 new clients in Q4FY19 and 37 clients in FY19. Total client count as of 31st Mar, 2019 was 157 (LTM) as compared to 165 (LTM) in Q3FY19.
- **12 month Order Backlog:** Mastek's 12 month order backlog was Rs 544.9 crore (£ 60.2 m), as on 31st Mar, 2019 as compared to Rs 517.3 crore (£ 58.1 m) as on 31st Dec, 2018.
- **Employees:** As on 31st Mar, 2019, the company had a total of 2,069 employees, of which 1,264 employees were based offshore in India while the rest were at various onsite locations. Employee count at the end of 31st Dec, 2018 was 2,088.

- **Dividend:** The Board of Directors have recommended a final dividend of 100% (Rs 5.0/- per share) at the meeting held on 16th April, 2019. Total Dividend for the year including interim dividend works out to 170% (Rs 8.5/- per share).
- **Update on Appointment:** The company appointed Dennis Badman as Chief Business Officer of Mastek Group. He will join the Mastek Executive Committee and will be responsible for ensuring Mastek retains its global competitiveness as the company looks to strengthen its management capacity and leadership experience as it scales over the coming years. Dennis most recently led Fujitsu's European Services Division, an organisation of over 10,000 people with annual revenues over E2Bn. Prior to that he was CEO of GlobeRanger (a Fujitsu company) and brings over 20 years of experience successfully selling and delivering complex IT services projects across the globe.
- **Cash Balance:** The total cash, cash equivalents and fair value of Mutual Funds stood at Rs 244.5 crore as on 31st Mar, 2019 as compared to Rs 207.3 crore at the end of 31st Dec, 2018.

Commenting on the results, Mr. John Owen, Group CEO, Mastek, said: "I am pleased with the overall performance of FY19. We continued to remain consistent on revenue growth and margins. The year ended with 26.4% of revenue growth and PAT grew by 45.0% which validates that clients recognize our differentiated capabilities and are choosing us for their growth and transformation programs. Our full year performance was driven by broad based growth across verticals implying solid fundamentals and disciplined execution. The UK has always been Mastek's primary geography for revenue, but despite the market headwinds caused by the uncertainty of Brexit in the second half of FY19, I am happy to see that we maintained our overall Group growth momentum. Across globe, businesses and organizations are going through the churn of digital transformation creating huge opportunity for service providers like us. 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 Mastekeer team."

Mr. Abhishek Singh, Group CFO, Mastek, said: "This is our 12th consecutive quarter of maintaining consistent financial performance. In Q4FY19, we continued to demonstrate the strong value we are able to deliver to our customers growing revenue 19.4% YoY and operating EBITDA margin of 13.2%. For the full year, Mastek reported revenue of Rs 1,033 crore reflecting a growth of 26.4% on YoY basis. The growth was mainly driven by government led contracts in UK and retail business in US. We also proposed a final dividend of Rs 5.0/- per share in Q4FY19, taking the total dividend for the year to Rs 8.5/- per share. We continue to focus on growth through organic and inorganic investments, thus maximizing value for our shareholders. 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 (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, 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.

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