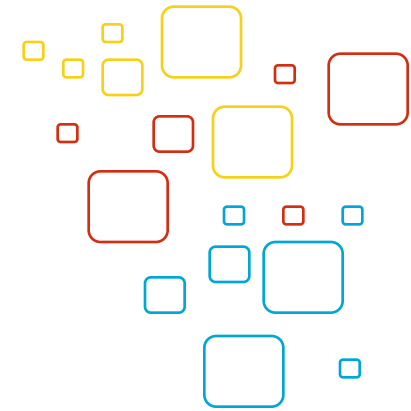


A high end provider of Enterprise Technology Solutions  
that enable Business Transformation in selected verticals



# Investor Presentation

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22 January 2015

**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 and Other Highlights - Q3 FY 2014-15

- **Summary Financials**

- Q3 Total Income @ Rs. 273.1 crore up by 8.5 % in rupee terms and 9.8% in constant currency
- Q3 Total EBITDA @ Rs. 20.9 crore up 120 bps to 7.6%

- **Business**

- Added 4 new logos
- Headcount @ 3352 at the end of Q3 and Billable Utilization @ 86.2%
- Product Development costs @ 14.3 crore ( 5.2% of Revenue) vs Rs. 15.4 crore in Q1 (6.1% of Revenue)
- 12 Month Order backlog at Rs 490.9 crore, drop by 5.4% vs last quarter
- Top 5 client revenue @ 39.5% vs 39.3% and Top 10 client @ 55.1% vs 56.6%
- Exceptional Expenses - Restructuring costs of Rs. 3.9 crore as compared to 5.2 in previous quarter
- Good Progress at LPT JV. Expected to go live next year. JV share of losses for the quarter Rs. 3.4 crore in Q3
- FX Hedges include \$ 22.5 mn @ Rs. 67.0 and GBP 16.3 mn @ 108.0

- **Others**

- Cash and Cash Equivalent marginally higher at Rs. 173.8 crore vs Rs. 173.5 crore
- Demerger status – Application filed in High courts on Jan 16, 2015
- Interim dividend @ 30% (Rs. 1.50/- per share)
- Additions to senior leadership team in Majesco Group
- Acquisition of Insurance consulting business of Agile Technologies completed on 1st Jan 2015



# Key Financials

Particulars	Metrics	31-Dec-14	30-Sep-14	QoQ	31-Dec-13	YoY	YTD Q3 FY15
		Q3 FY15	Q2 FY15	Growth	Q3 FY14	Growth	
Revenue	Income from Operations (INR Cr.)	266.6	244.3	9.1%	238.4	11.8%	729.6
	Other Operating Income (INR Cr.)	2.1	2.6	-19.5%	1.8	14.4%	6.8
	<b>Total Income from operations (INR Cr.)</b>	<b>268.7</b>	<b>246.9</b>	<b>8.8%</b>	<b>240.2</b>	<b>11.9%</b>	<b>736.5</b>
	Other Income (INR Cr.)	4.4	4.8	-6.6%	2.2	108.8%	15.9
	<b>Total Income (INR Cr.)</b>	<b>273.1</b>	<b>251.7</b>	<b>8.5%</b>	<b>242.4</b>	<b>12.7%</b>	<b>752.4</b>
Margins	EBITDA (INR Cr.)	20.9	16.1	29.9%	35.8	-41.6%	46.3
	PBT (INR Cr.)	11.9	7.3		27.1		19.4
	PAT (INR. Cr.)	8.7	1.8		18.3		11.3
Margin (%)	EBITDA	7.6%	6.4%		14.8%		6.1%
	PBT	4.4%	2.9%		11.2%		2.6%
	PAT	3.2%	0.7%		7.6%		1.5%
EPS	Basic (INR)	3.9	0.8		7.4		5.1
	Diluted (INR)	3.7	0.8		7.4		4.9

# Profitability Excluding Exceptional Items & Loss from JV

**Fig in Rs crore**

Particulars	Q3 FY 2014-15	Q2 FY 2014-15
<b>Reported Profit Before Tax (PBT)</b>	<b>11.9</b>	<b>7.3</b>
<i>% PBT to Total Income</i>	<i>4.4%</i>	<i>2.9%</i>
Restructuring Costs	3.9	5.2
- Demerger Expenses	4.2	2.6
- Employee Severance cost	(0.4)	2.6
PBT Before Exceptional Items	15.8	12.4
<i>% PBT to Total Income</i>	<i>5.8%</i>	<i>5.0%</i>
Share of Loss of LPT (JV)	3.4	3.6
<b>PBT before Exceptional Items &amp; JV loss</b>	<b>19.1</b>	<b>16.1</b>
<i>% PBT to Total Income</i>	<i>7.0%</i>	<i>6.4%</i>

# Proforma Financials - Mastek and Majesco

## MASTEK

Fig in Rs crore

Particulars	YTD Q3 FY 2014-15	FY 2013-14
<b>Operating Revenue</b>	<b>383.0</b>	<b>416.0</b>
EBITDA (before exceptional items)	35.2	59.9
<i>% to Op. Revenue</i>	<i>9.2%</i>	<i>14.4%</i>

## MAJESCO

Fig in Rs crore

Particulars	YTD Q3 FY 2014-15	FY 2013-14
<b>Operating Revenue</b>	<b>353.4</b>	<b>507.0</b>
EBITDA (before exceptional items)	11.0	30.1
<i>% to Op. Revenue</i>	<i>3.1%</i>	<i>5.9%</i>
Product Development Exp	46.2	57.4
EBITDA (before Prod Dev Exp)	57.3	87.5
<i>% to Op. Revenue</i>	<i>16.2%</i>	<i>17.3%</i>

## Operating Metrics - Revenue

Revenue	Q3FY15	Q2FY15	Q3FY14
<b>By Region</b>			
North America	40.4%	38.1%	46.5%
UK	51.7%	52.4%	47.8%
Others	7.9%	9.5%	5.6%
<b>By Quadrant</b>			
Solutions	43.4%	45.1%	36.5%
Vertical Product	45.0%	40.1%	49.7%
IT Services	11.6%	14.8%	13.8%
<b>By Industry</b>			
Insurance	46.5%	43.5%	52.6%
Government	28.9%	28.3%	23.4%
Other Financial Services	10.3%	12.8%	9.9%
IT & Other Services	14.3%	15.4%	14.1%



# Operating Metrics - Manpower

Manpower Statistics	Q3FY15	Q2FY15	Q3FY14
Onsite	826	838	758
Offshore	2,526	2,587	2,370
<b>Total</b>	<b>3,352</b>	<b>3,425</b>	<b>3,128</b>
Technical	2,869	2,914	2,590
Technical Support	224	244	258
Marketing	85	81	84
Support	174	186	196
<b>Total</b>	<b>3,352</b>	<b>3,425</b>	<b>3,128</b>
<b>Billable Utilization</b>	<b>86.2%</b>	<b>87.0%</b>	<b>81.2%</b>



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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>

