



Q1FY18 Total Income at Rs 188 crore; up by 41.4% Y-o-Y basis

- Y-o-Y Revenue grew 65.2% in constant currency
- 12 month Order Backlog stood at Rs 344.6 crore
- Added 12 new clients during the quarter

Clarification Note

With respect to the financial results for the first quarter ended 30th June, 2017 (Q1FY18) for Mastek Limited, please note that the Company has prepared its first Ind AS compliant Financial Statements for the periods commencing April 1, 2017 with restated comparative figures for the year ended March 31, 2017 in compliance with Ind AS. Accordingly, the impact of transition has been provided in the opening reserves as at 1st April, 2016 and figures for the quarter and year ended March 31, 2017 and quarter ended June 30, 2016 has been restated.

Mumbai, India – 19th July 2017: Mastek, a global IT player and a trusted partner in complex digital & agile transformation programs in the Government, Retail and Financial Services worldwide, announced today its financial results for the **first quarter of FY18**.

Review of financial performance for the quarter ended 30th June, 2017

On a quarter-on-quarter basis:

- The operating income was Rs 185.5 crore during the quarter under review as compared to Rs 180.4 crore during the previous quarter, reflecting a growth of 2.9% in rupee terms and an increase of 5.3% in constant currency terms.
- Total income was Rs 188.0 crore during the quarter under review as compared to Rs 183.4 crore during the previous quarter, growth of 2.5% on Q-o-Q basis.
- The Company reported an EBITDA (before exceptional item) of Rs 24.8 crore (13.2% of total income) in Q1FY18 as compared to Rs 21.0 crore (11.5% of total income) in Q4FY17, growth of 18.1% on Q-o-Q basis; EBITDA Margin expansion of 170 bps.
- Net profit stood at Rs 14.7 crore in Q1FY18 as against Rs 10.5 crore in Q4FY17, up by 39.9% on Q-o-Q basis.



On year-on-year basis:

- The operating revenue was Rs 185.5 crore during the quarter under review as compared to Rs 129.2 crore during the corresponding quarter of previous year reflecting a growth of 43.6% in rupee terms and an increase of 65.2% in constant currency terms.
- Total income was Rs 188.0 crore during the quarter under review as compared to Rs 133.0 crore during the corresponding quarter of previous year, growth of 41.4% in rupee terms.
- The company reported an EBITDA of Rs 24.8 crore (13.2% of total income) in Q1FY18 compared to an EBITDA Rs 9.8 crore (7.3% of total income) in Q1FY17, growth of 154.1% on Y-o-Y basis.
- Net profit stood at Rs 14.7 crore in Q1FY18 as against Rs 2.3 crore in corresponding quarter of previous year.

Operating highlights

- **New accounts billed during the quarter:** The Company added 12 new clients in Q1FY18. Total client count as of 30th June, 2017 was 161 (LTM).
- **12m Order Backlog:** Mastek's 12-month order backlog was Rs 344.6 crore (£ 41.1mn), as on 30th June, 2017 as compared to Rs 333.2 crore (£ 41.2mn) at the end of Mar'17, reflecting a growth of 3% Q-o-Q.
- **Services:** Mastek re-organised its business along the service lines. The identified service lines are Application Development, Application Support & Maintenance, Digital Commerce, Agile Consulting, BI & Analytics and Assurance & Testing.
- **Employees:** As on 30th June, 2017, the company had a total of 1,684 employees, of which 1,143 employees were based offshore in India while the rest were at various onsite locations. Employee count at the end of 31st March, 2017 was 1,577.
- **Cash Balance:** The total cash, cash equivalents and fair value of Mutual Funds stand at Rs 150.4 crore as on 30th June, 2017 as compared to Rs 153.0 crore at the end of 31st March, 2017.

Commenting on the results, Mr. John Owen, Group CEO, Mastek, said: “I am pleased with our operational performance in Q1 and the good progress we have made implementing our 3 year strategy: Vision 2020, to reposition Mastek as a leader in digital transformation. We have continued to deliver steady revenue growth which positions the company well for future success with our customers. Our fundamentals are encouraging with strong contributions from both organic and inorganic activities measured by good growth momentum in 12-months order backlog and adding 12 new clients.”

Mr. Abhishek Singh, Group CFO, Mastek, said: “We have demonstrated another quarter of consistent financial performance with all the parameters moving in the right direction despite negative exchange fluctuation and higher costs. We grew 41% on revenue, 525% on PAT and expanded EBITDA by 590 bps YoY. Our continued investment in Digital Space is propelling our growth and we endeavour to maintain the momentum in coming quarters.”

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.

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. Mastek Ltd. undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof.