



Mastek Q2FY16 Total Income at Rs. 137.0 crore

- **11 client wins during the quarter**
- **12 month Order Backlog increase by 5.4% to Rs. 224.2 crore**

CLARIFICATION NOTE

With respect to the financial results for the second quarter ended 30th September, 2015 (Q2FY16) for Mastek Limited, please note that the current quarter figures are not comparable with the corresponding quarter of the previous year, consequent to demerger of Insurance Products and Services business of Mastek Limited into “Majesco Limited” effective from 1st April 2014.

Mumbai, India – 15th October 2015: Mastek, the technology solution provider for digital transformation programs in the Government, Retail and Financial Services worldwide, announced today its financial results for the **second quarter of FY16**.

Review of financial performance for the quarter ended 30th September, 2015

On a quarter-on-quarter basis:

- The operating revenue was Rs 131.6 crore during the quarter under review as compared to Rs 133.3 crore during the previous quarter reflecting a decrease of 1.3% in rupee terms and a drop of 3.3% in constant currency terms.
- Total income was Rs 137.0 crore during the quarter under review as compared to Rs 139.1 crore during the previous quarter, down 1.5% on Q-o-Q basis.
- The Company reported EBITDA of Rs 8.9 crore (6.5% of total income) in Q2FY16 as compared to Rs 16.6 crore (11.9% of total income) in Q1FY16.
- Net profit stood at Rs 2.7 crore in Q2FY16 as against Rs 4.4 crore in Q1FY16.

Note (i):All references to Mastek’s financial results in this release pertain to the company’s consolidated operations.

Note (ii):Current quarter figures are not comparable with the corresponding quarter figures of the previous year, consequent to demerger of Insurance Product and Services business effective 1st April 2014.

Note (iii):Rs 1 crore (cr.) = Rs 10 million (mn.).



For the half year ended 30th September, 2015:

- The operating revenue was Rs 264.9 crore during H1FY16 as compared to Rs 467.8 crore during the corresponding first half of previous year.
- Total income was Rs 276.1 crore during H1FY16 as compared to Rs 479.3 crore during the corresponding first half of previous year.
- The company reported an EBITDA of Rs 25.4 crore (9.2% of total income) during H1FY16 as compared to an EBITDA of Rs 25.4 crore (5.3% of total income) during the same period last year.
- Net profit stood at Rs 7.1 crore as against a profit of Rs 2.6 crore in corresponding first half of previous year.

Operating highlights

- **New accounts billed during the quarter:** The Company added 11 new clients during Q2FY16. Total client count as of 30th September, 2015 was 76 (LTM).
- **12m Order Backlog:** Mastek's 12-month order backlog was Rs 224.2 crore (\$34.2mn) as on 30th September, 2015 and in constant currency stood at Rs 217.79 crore (\$33.2mn) as compared to Rs 212.7 crore (\$33.4mn) at the end of Q1FY16, reflecting an increase of 5.4% QoQ in rupee terms (an increase of 2.4% QoQ in constant currency).
- **Employees:** As on 30th September 2015, the company had a total of 1,276 employees, of which 855 employees were based offshore in India while the rest were at various onsite locations outside India. Employee count at the end of 30th June, 2015 was 1,349.
- **Billable utilization:** The Company's billable utilization stood at 82.8% in Q2FY16 as compared to 80.4% in Q1FY16.
- **The LPT JV:** The LPT JV share of losses for the quarter was Rs. 2.0 crore as compared to Rs. 3.4 crore in Q1FY16.
- **Cash & Cash Equivalents:** The total cash & cash equivalent stands at Rs 130 crore as on 30th September, 2015 as compared to Rs 137 crore at the end of 30th June, 2015.

Commenting on the results, Mr. Sudhakar Ram, Managing Director & Group CEO, Mastek, said: "This quarter had a revenue drop and impact on profits as two major programmes got completed and new accounts were at early stage of ramp up. However, with 11 new clients and an uplift in order backlog, we expect better revenue and profitability in the second half"

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.