



Press Release

For Immediate Publication

TECH MAHINDRA Q2 net profit up by 20.6 % over the previous quarter

MUMBAI, October 20th, 2009:

Key highlights:

- Net profit after tax of **Rs 169.0 crores** and revenue of **Rs 1,141.8 crores**
- **Net profit after tax** grew by **20.6 %** and revenue grew by **2.6 %** over the previous quarter
- Headcount crosses **26,000**

Financial Summary

Tech Mahindra Limited, a leading solution provider in the telecom space, announced **2.6%** growth in **revenue** and **4.3 %** growth in **operating profit** for Q2 FY 10 over Q1 FY 10. Tech Mahindra reported consolidated operating profit of **Rs 292.5 crores** for Q2 FY 10 as against **Rs 280.5 crores** in Q1 FY 10. The company's revenue is **Rs 1,141.8 crores** for Q2 FY 10 as against **Rs 1,113.0 crores** in Q1 FY 10. The company's profit after tax for the quarter is **Rs 169.0 crores** in Q2 FY 10 as against **Rs 140.1 crores** in Q1 FY 10.

The Company has a debt of **Rs. 2,179 crores** as of 30th September, 2009. During the quarter the company refinanced Rs 1,150 crores of debt reducing the effective interest rate on the debt portfolio to 8.7% per annum.

The company derived 28.4%, 60.9% and 10.7% of its revenues from the US, Europe and Rest of the World respectively.

These numbers do not include Mahindra Satyam financials since they are being restated.

Tech Mahindra consolidated head count increased from 25,482 in June 2009 to 26,515 in September 2009.

Mr. Anand Mahindra, Chairman, Tech Mahindra said, “Our strong performance this quarter underscores our ability to create value to our customers. Tech Mahindra is poised to take advantage of the upcoming market opportunity through its strong positioning in its chosen domains”.

Mr. Vineet Nayyar, Vice Chairman, Tech Mahindra said, “Our results this quarter reflect the growing demand for our capabilities and our focus on operational excellence”.

Mr. Sanjay Kalra, CEO, Tech Mahindra said, “Our focus on execution has helped us turn in a satisfactory quarter. We have managed to achieve our objectives on both the revenue and the margin front”.

Operations

Tech Mahindra has signed a multimillion dollar deal with one of the Greenfield Operators in India for providing end to end IT outsourcing for its green field launch. As a part of this engagement, Tech Mahindra is responsible for the implementation of its end-to-end IT applications & infrastructure including system integration and managed services. The prime IT applications stack involves components in the BSS (Business Support System) and OSS (Operating Support System) domain.

In the Converged Network services space, Tech Mahindra has been selected as a preferred outsourcing partner by a leading North American operator for application development, support, network operations and assurance services for low-speed and high speed data circuits. This will enable the Operator to drive operational cost transformation and process efficiencies.

Tech Mahindra has signed a deal with a GSM operator in Africa for E2E implementation of Siebel CRM system. Tech Mahindra’s deep expertise in the CRM area will help the client to manage their customer initiatives better.

Tech Mahindra has signed a BPO deal with one of the leading telecom service providers in India providing CDMA, GSM and DTH services. As part of this deal, Tech Mahindra will be providing customer care support to client's CDMA, GSM and DTH customers in the Eastern Zone. Tech Mahindra focus on an integrated IT-BPO-BPM approach will result in optimization benefits for the client.

Tech Mahindra has signed a deal with one of the largest European mobile operator to develop large work stack in mobile-prepaid area. Tech Mahindra will perform E2E IT delivery processes and will be completely responsible for the functional delivery. This deal will benefit the customer in enhancing Mobile Number Portability features to focus on increase in market share in the prepaid segment.

Awards & Rankings

- Ranked 5th largest Company among Top 20 IT Software & Services Exporters in India by NASSCOM for 2008-2009
- Ranked 11th among the Top 20 IT-BPO Employers in India by NASSCOM for 2008-2009

About Tech Mahindra

Tech Mahindra is a leading provider of solutions and services to the telecommunications industry, majority stake owned by Mahindra & Mahindra Limited, in partnership with British Telecommunications plc. With total revenues of Rs 4,464.7 crores in the year ended March 31, 2009, Tech Mahindra is India's 5th largest software, and serves telecom service providers, equipment manufacturers, software vendors and systems integrators. Tech Mahindra solutions enable clients to maximize returns on IT investment by achieving fast time to market reduced total cost of ownership and high customer satisfaction. Tech Mahindra achieves this through its domain and process expertise, distinctive IT skills, research and development, proven innovative delivery models and approach to off shoring.

Assessed at SEI-CMMi Level 5 and PCMM Level 5, Tech Mahindra's track record for value-delivery is supported by over 26,000 professionals who provide a unique blend of culture, domain expertise and in-depth technology skill-sets. Its development centres are ISO 9001:2000 & BS7799 certified. Tech Mahindra has principal offices in the UK, United States, Germany, UAE, Egypt, Singapore, India, Thailand, Taiwan, Malaysia, Philippines, Canada & Australia.

For more information on the financials, please refer to the fact sheet and the results advertisement on the investor section of the website: www.techmahindra.com or contact Santosh Gambhire at gsantosh@techmahindra.com.