Tech Mahindra

INVESTOR PRESENTATION

August 2013

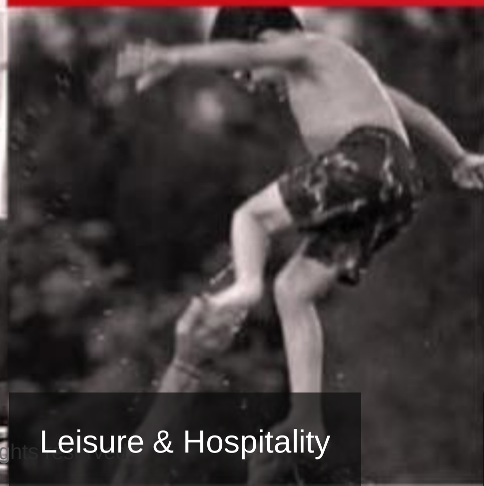
THE MAHINDRA GROUP

6 decades
of excellence

$16.2 bn
revenue

155,000
Associates

100+
Countries



RISE™

CORE PURPOSE

We will challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to Rise™.

THE RISE TENETS

- ACCEPTING NO LIMITS
- ALTERNATIVE THINKING
- DRIVING POSITIVE CHANGE

CORE VALUES

Professionalism
Good Corporate Citizenship
Customer First
Quality Focus
Dignity of the Individual

RISE OF A NEW SERVICE LEADER

M Satyam merges with Tech Mahindra, becomes 5th biggest IT firm

PNS ■ NEW DELHI

IT services firm Tech Mahindra on Tues… tion of Mahindra Satyam's merger wi… fifth largest software services company w… lion.

The merged entity will be called Te… to almost double the turnover to $5 b… telecom, manufacturing, BFSI among… be the chairman of the combined en…

Today we have fulfilled the com… we acquired Satyam, to jointly bec… fied players leveraging technology… said in a statement.

Over the past 4 years we w… our teams worked…

TechM is now fifth biggest IT company

New Delhi: IT services firm Tech Mahindra on Tuesday announced completion of Mahindra Satyam's merger with itself to create nation's fifth largest software services company with a turnover of $2.7 billion.

The merged entity will be called Tech Mahindra which will aim to almost double the turnover to $5 billion by 2015 with focus on telecom, manufacturing, BFSI among others. Anand Mahindra will be the chairman of the combined entity. "Today we have fulfilled the commitm…

…tions," Mahindra said in a statement. "Over the past 4 years we worked through the statutory and legal issues, our teams worked closely on the ground to integrate processes, eliminate overlaps, leverage best practices and deliver enhanced value to all our shareholders," Tech Mahindra executive vice chairman Vineet Nayyar said at a press conference here.

The $16.2 billion Mahindra Group had in 2009 taken over Satyam Computers after a multi-billion dollar scam by its founding chairman B Ramalinga Raju was unearthed. Boards of Tech Mahindra and Mahindra Satyam approved the merger on March 21, 2012. After an approval from the Mumbai high court, the merger had…

TECH MAHINDRA

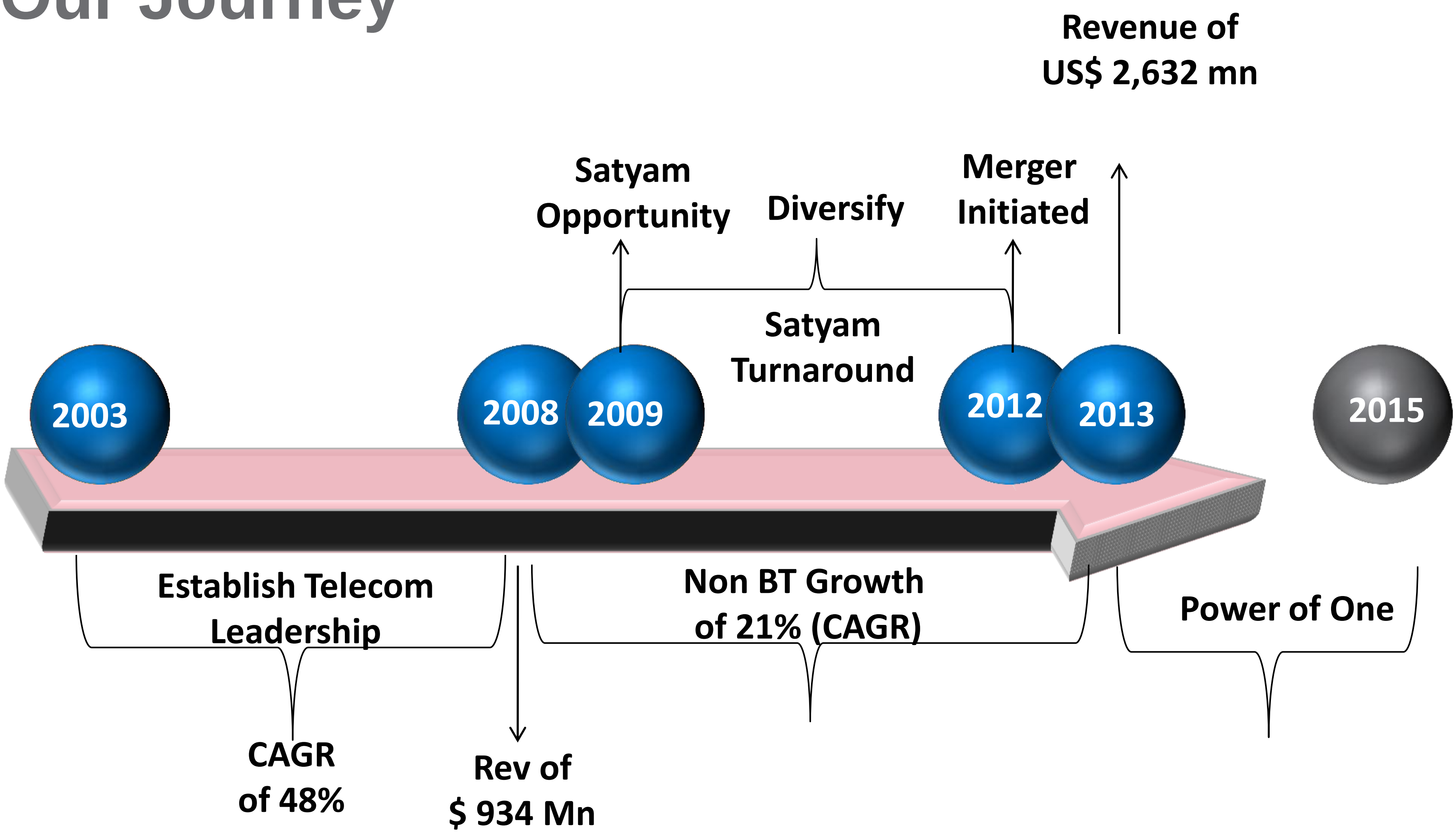
25 years

$2.67 bn
revenue

84,000
Associates

46
Countries

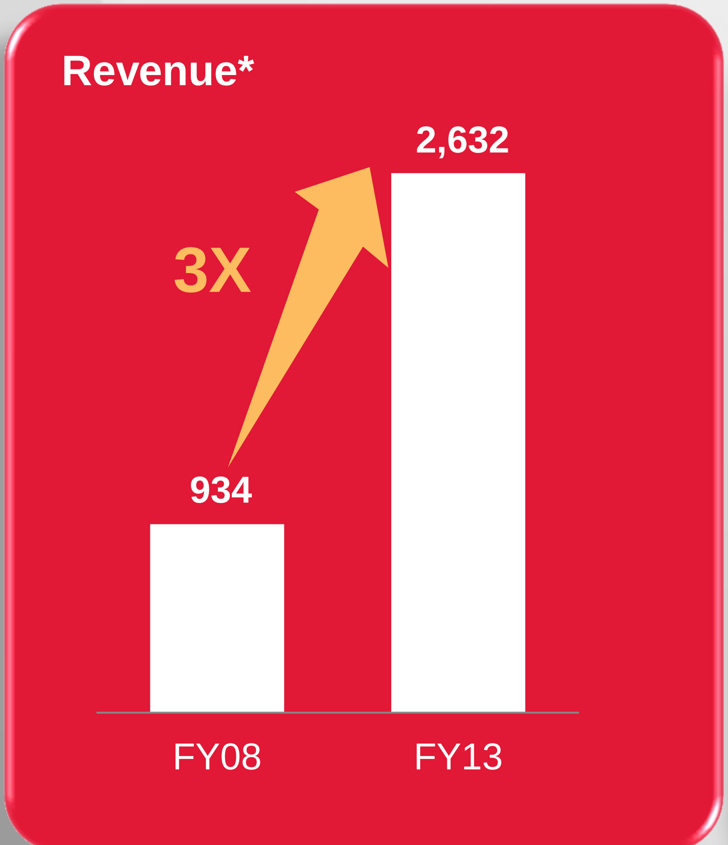
Our Journey

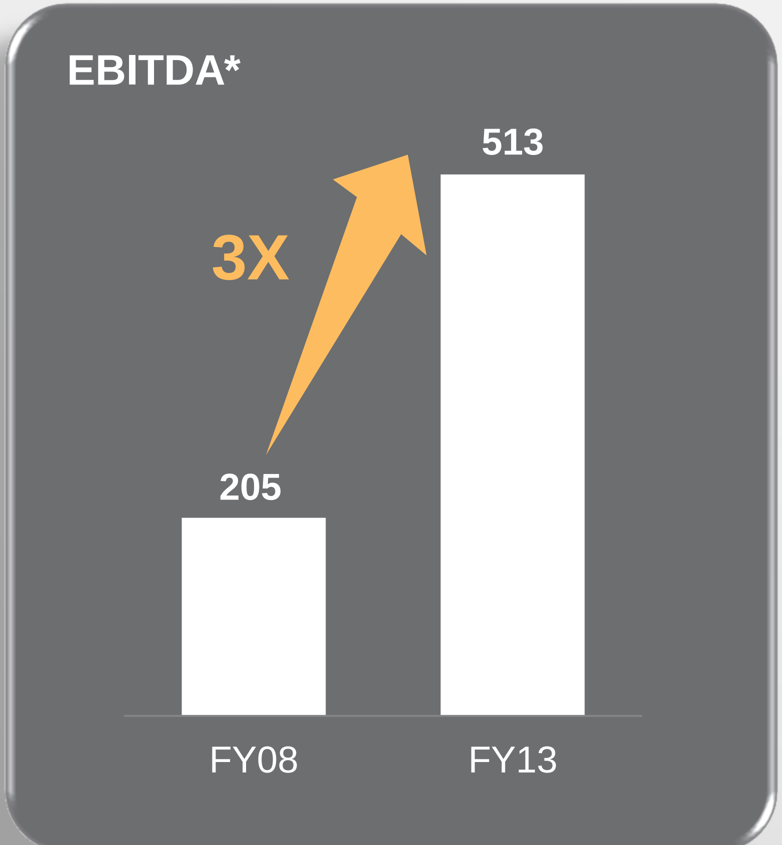

Revenue of
US$ 2,632 mn
Satyam
Opportunity
Diversify
Merger
Initiated
Satyam
Turnaround
2003
2008
2009
2012
2013
2015
Establish Telecom
Leadership
Non BT Growth
of 21% (CAGR)
Power of One
CAGR
of 48%
Rev of
$ 934 Mn

The Last Five Years

$ Million

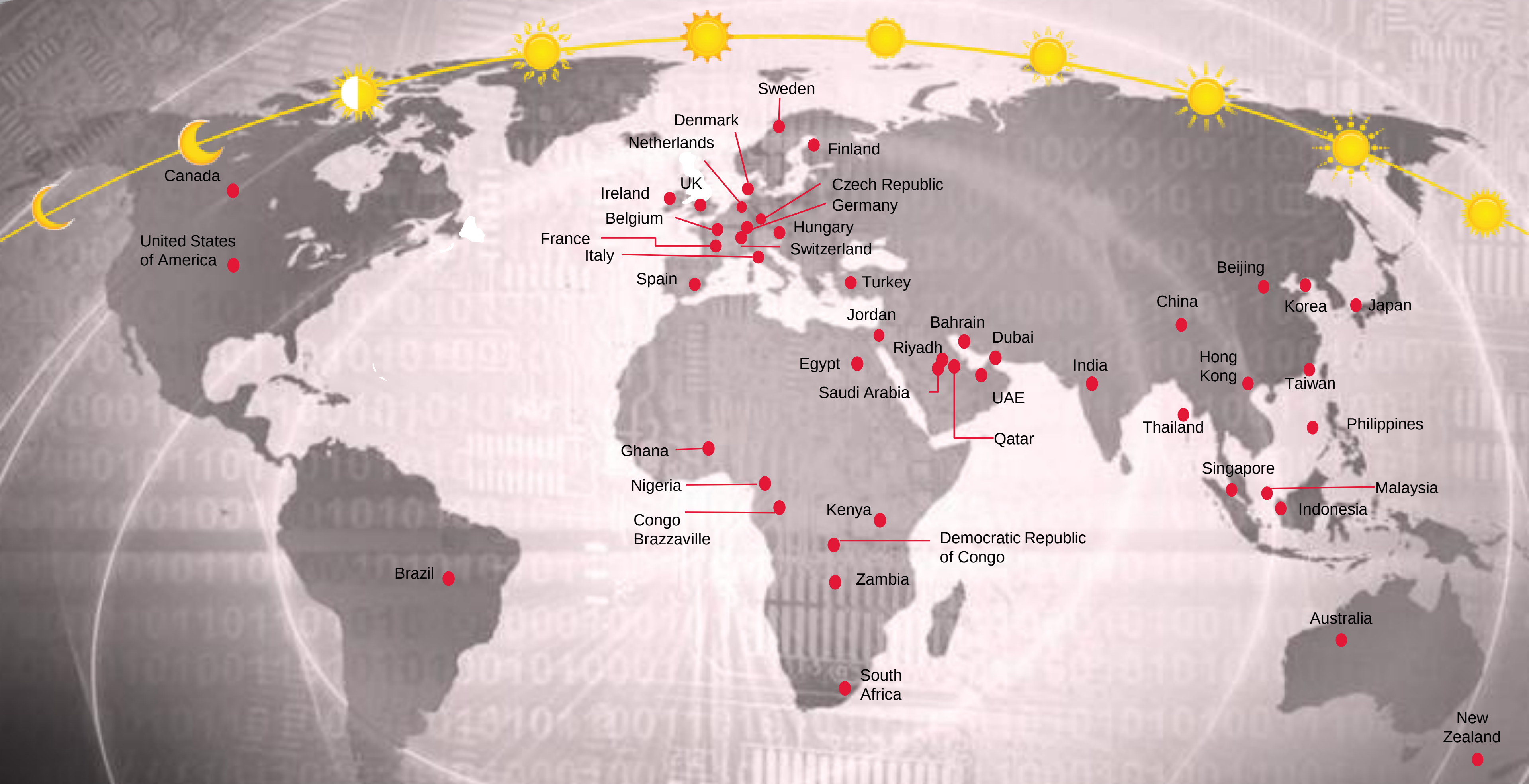
All figs in USD Million





* We have not obtained the audit opinion on merged entity's consolidated financial figures

OUR CONNECTED WORLD



Americas
45% share

Europe
32% share

Rest of the World
23% share

Those who shape the industry are connected with us…

TELECOM SOLUTIONS

12 of Top 20 Wireless TSPs

11 of Fortune 500 global companies

5 of Top 5 TEMs

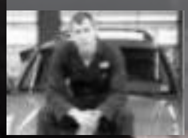
3 of Top 3 Telcos in Europe

5 of Top 5 TEMs

ENTERPRISE SOLUTIONS

4 of Top 5 in Communication Equipment

3 OF TOP 10 in Aerospace



5 OF TOP 10 in Automotive

4 OF TOP 10 in Banking

3 OF TOP 10 in Energy

3 OF TOP 5 in Foods

Our Executive Management Team

Vineet Nayyar
Executive Vice Chairman

C P Gurnani
Managing Director & Chief Executive Officer

Sujit Baksi
Chief Executive Officer (BSG)

Rakesh Soni
Chief Operating Officer (Enterprise)
Chief People Officer

Amitava Roy
Chief Operating Officer (Telecom)
Head Strategic Accounts

L Ravichandran
Chief Operating Officer (Telecom)
America & ROW

Milind Kulkarni
Chief Financial Officer

A S Murthy
Chief Technology Officer

Manish Mehta
Chief Vertical Solutions Officer

Mao Mohapatra
Chief Executive Officer (Mahindra Comviva)

Manish Vyas
Global Head (Telecom)

Manoj Chugh
Global Head (Enterprise)

Hari T
Chief Marketing Officer

Vasant Krishnan
Chief Transformation Officer

RECOGNITION

ASSOCIATE

- Mahindra Satyam wins the prestigious ***'MOST ADMIRED KNOWLEDGE ENTERPRISE'*** (MAKE) Award
- - Knowledge Summit 2013
- Tech Mahindra wins second global award! The ***TOP 125 TRAINING AWARD***, 2013
- Mahindra Satyam has been awarded the ***'NHRD INSPIRE 2012'***

CUSTOMER

- CanvasM wins ***AEGIS GRAHAM BELL AWARD*** for Saral Rozgar in the category "Innovative Value Added Services"
- 'BPO Contract of the Year' and "India's Most ***CUSTOMER-RESPONSIVE*** BPO Company"
- ***AT&T SUPPLIER AWARD*** for outstanding performance & service
- ***SAP PINNACLE AWARD*** in the Ecosystem Expansion category

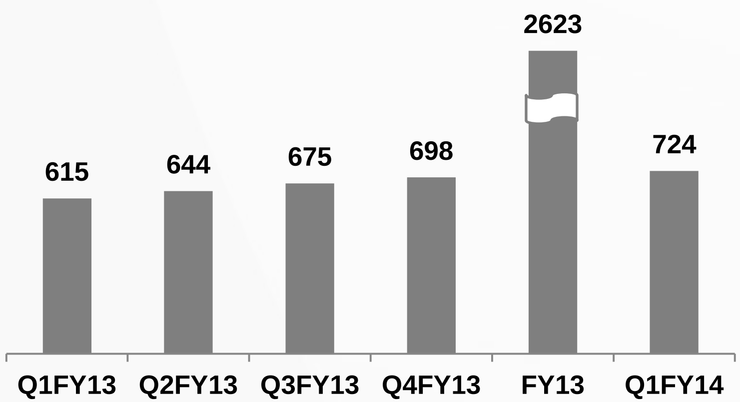
INVESTORS / SOCIETY

- ***"CORPORATION OF THE YEAR"*** award for 2012 by Greater Dallas Indo-American Chamber of Commerce
- ***TOP TELECOM SOFTWARE*** Company award at Cyber Media ICT Awards 2012
- Mahindra Satyam BSG wins the ***'BEST INDIAN ITES COMPANY'*** award from ITs AP
- Frost and Sullivan 2012 ***APAC BEST PRACTICES AWARD*** for "Excellence in growth"

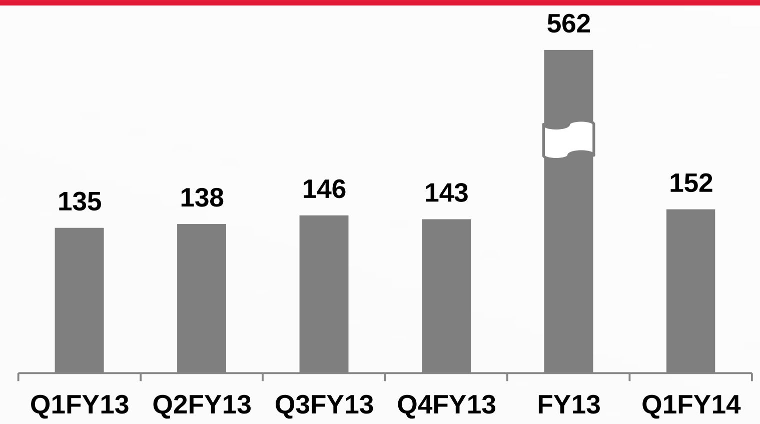
Financial snapshot*

$ Million

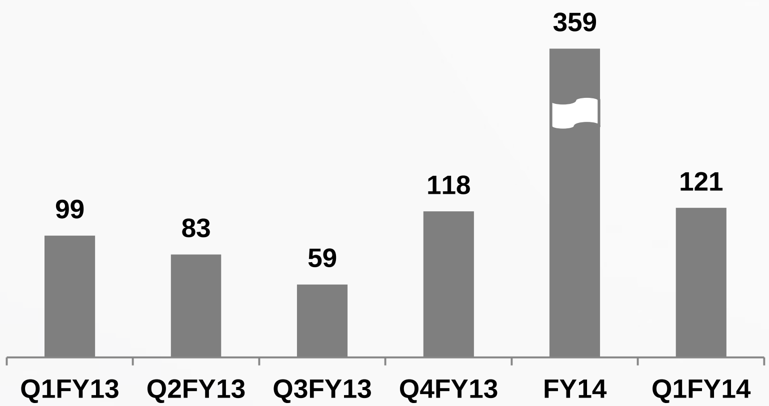
Revenue



EBIDTA



PAT



- 567 active clients in Q1FY14 vs 516 in Q4FY13
- Cash and cash equivalents at INR 3,655 crore as on 30th June, 2013
- Hedge book position at GBP 268 @ INR 91.58 and US$ 1082 @INR 58.22

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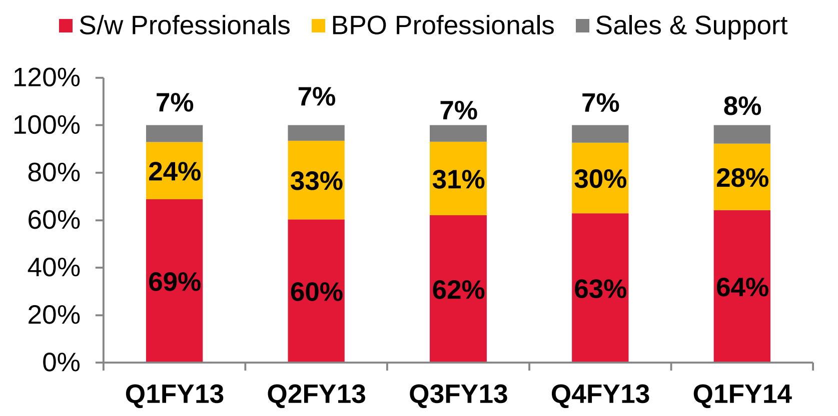
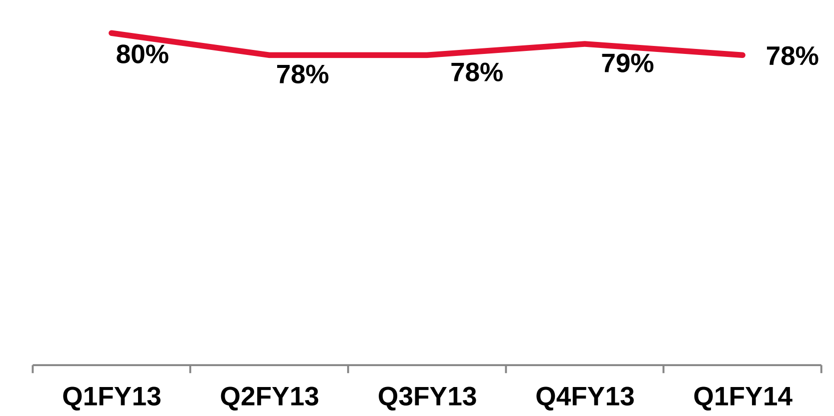
Key Metrics

Man- power breakup



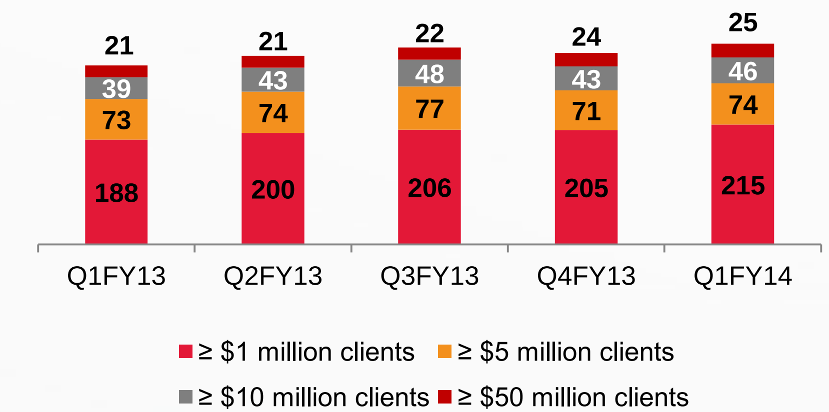
IT utilization % (Excluding trainees)



Revenue contributions

	Q1 FY13	Q2 FY13	Q3 FY13	Q4 FY13	Q1 FY14
Top client	17%	15%	14%	13%	12%
Top 5 clients	40%	41%	39%	37%	37%
Top 10 clients	50%	51%	50%	50%	49%

Revenue contributions



RECENT ACQUISITIONS

HGS – Hutchison Global Services

100% subsidiary of Hutchison Whampoa providing BPO services to Hutch group companies

Strengthening Telecom domain expertise

- End-to-End Customer Life Cycle Management
- Service Offering: Customer acquisition support; Contract management support; Business support services
- Expertise in customer support on all leading devices and operating systems

TechM's Rationale

- Strengthening our relation-ship with Hutchison group
- Hutchison clients commitment to procure services worth $ 845 Mn over 5 year period
- International voice and back office business presence for Australia, UK & Ireland business
- Adds International BPO business exposure to Tech M's portfolio

Commercial Terms

- 100% stock buy out , effective 4th September
- Valuation of $ 87 Mn, paid with a combination of Internal accruals and Debt
- Debt free, Cash ~ $ 20 Mn
- 11,500 + employees

Comviva

Tech M forays into Mobility Products via acquiring 51% (controlling stake) in Comviva

Enhancing the VAS practice

- Mobile VAS, Mobile Money and Mobile Payments space
- Will enable Canvas M to provide services on Comviva's IP under 3 key areas – Mobility, Device Testing and Enterprise Mobility
- Comviva has a cutting edge of VAS solutions to meet the dynamic needs of the Operator
- Opens market foray like Middle East, Africa and Latin America
- Especially strong presence in prepaid market such as Latin America and Africa

Commercial Terms

- 51% on a fully diluted basis
- Total Valuation of INR 260 crore ; Upfront payment INR 125 crore and balance to be paid subject to Comviva meeting pre determined targets
- Debt free, Cash - ~ INR 32 crore

vCustomer

- 1st acquisition for Mahindra Satyam since the Mahindra Group's takeover of Satyam in the year 2009
- Mahindra Satyam's BPO service to enter into other verticals such as Retail and Consumer Technology

Commercial Terms

- 100% acquisition
- Valuation of $ 27 Mn,

Dion

- Strategic stake in Dion
- Dion global solutions – a specialist provider for software products and solutions for Capital markets globally
  - Portfolio Management
  - Trading Settlement
  - Risk Management
  - Analytics
  - Treasury and Research Services
- Coverage of 660 + clients in more than 62 countries
- The proceeds from the investment under consideration will be utilized by Dion to further enhance its offerings and its geographic reach

Complex IT, Brazil

MSAT will own a majority stake in Complex IT, one-of-the largest SAP consulting provider, in Brazil

Help expands its reach in Lat AM

- Developing solutions for the rapidly expanding Enterprise Solutions market within Brazil
- Will enable MSAT to expand market presence and offer a global delivery capability in Latin America
- Brazil is the second fastest growing geography globally for SAP AG
- As Brazil gears up to host FIFA 2014 and the Olympics in 2016, it would only provide an increased impetus to an already rapidly growing IT services market.
- Coverage of 120+ active clients with strong presence in SAP in Banking and Manufacturing Companies in Brazil.

Commercial Terms

- 51% ownership in the company
- Bought 51% in the company with $ 6.5 mn upfront payment
- Balance in form of earn-out's over next 18 month period for a maximum of $23 million (including $6.5 mn upfront payment)
- Debt free

POWER OF ONE

Our Brand Positioning

Connected World. Connected Solutions.

Our new positioning represents the new connected world, offering innovative and customer-centric services and solutions integrating technology with business, thereby enabling Enterprises, Associates and the Society to Rise™.

Navigating through the world of Connected Solutions

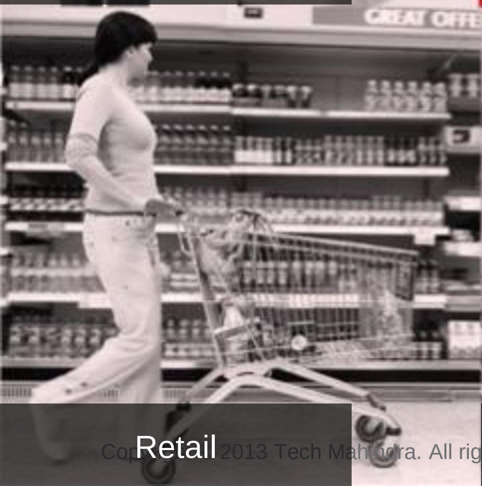
INDUSTRY CONNECTS

Leaders in Telecom & Enterprise Offerings

Consulting & Delivery

138 IPs & 5 Center of Excellence

The Mahindra Ecosystem




Applications


Business Process Outsourcing


Consulting


Engineering


Enterprise Solutions

SERVICE CONNECTS

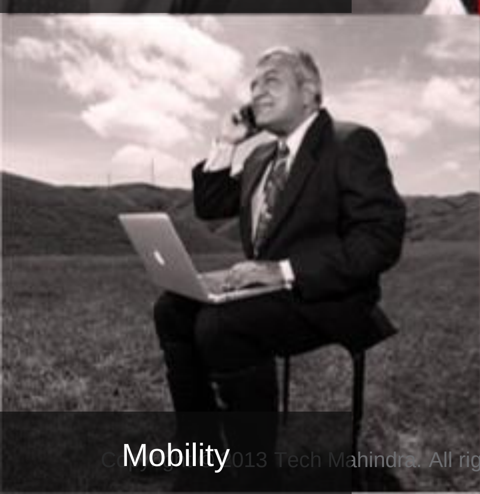
Enterprise & Telecom Service Specialist

Integrated Global Account Management

Innovative Engagement Models

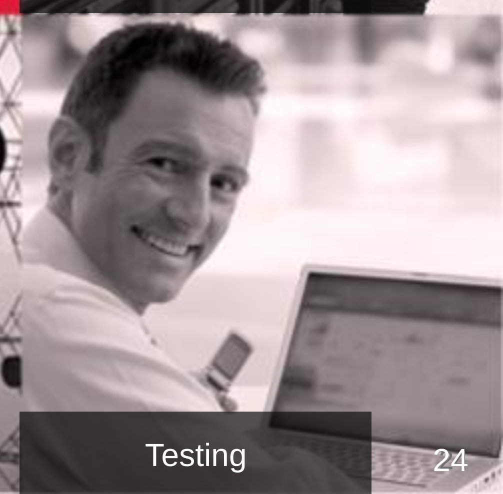
Mature Processes & Methodologies


Infrastructure


Mobility


NMACS


Telecom Solutions


Testing

Our Connected & Differentiated Strategy

Growth

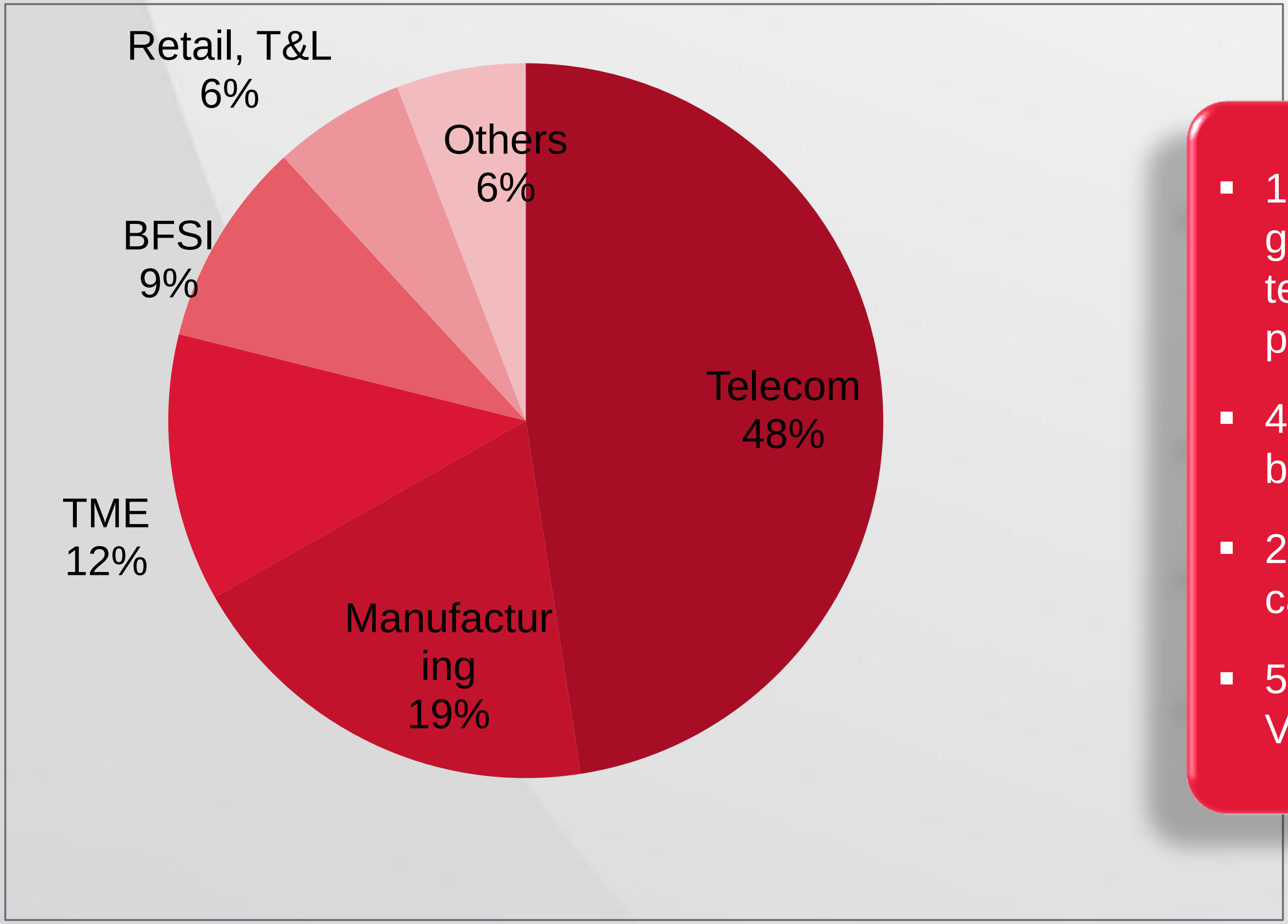
Leverage
- Existing Clients
- Existing Offerings
- Merger Synergies
- M^3 advantage

Enhance
- Joint Offerings
- Alliance & Partnerships

Acquire
- Inorganic
- New Logos

Innovate
- Customer Innovation
- Delivery Excellence
- Platform / Solution Sets
- NMACS

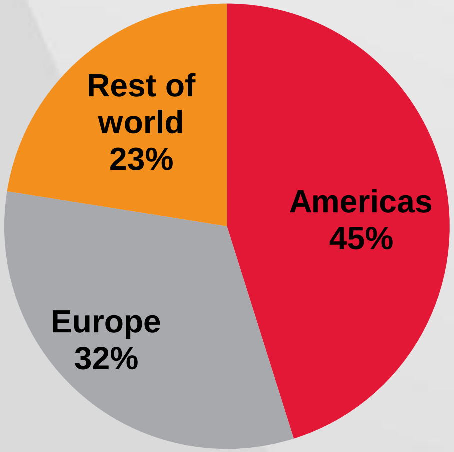
Deep capabilities across verticals



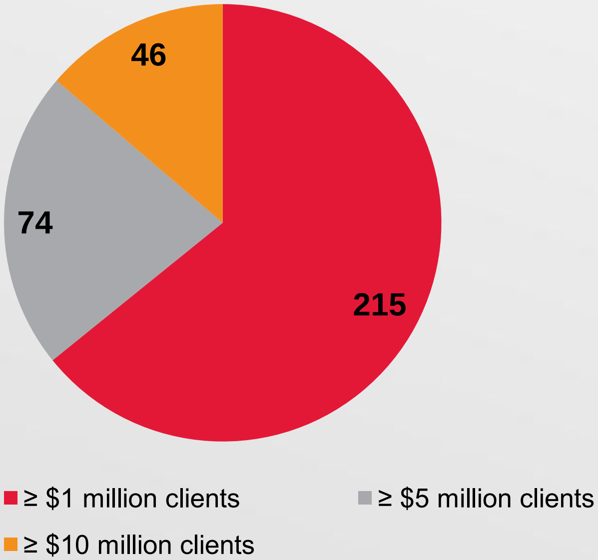
- 12 out of top 20 global wireless telecom service provides
- 4 out of top 10 retail banks
- 2 out of top 3 in cards
- 5 of top 10 in Motor Vehicle and Parts

De-risked business profile

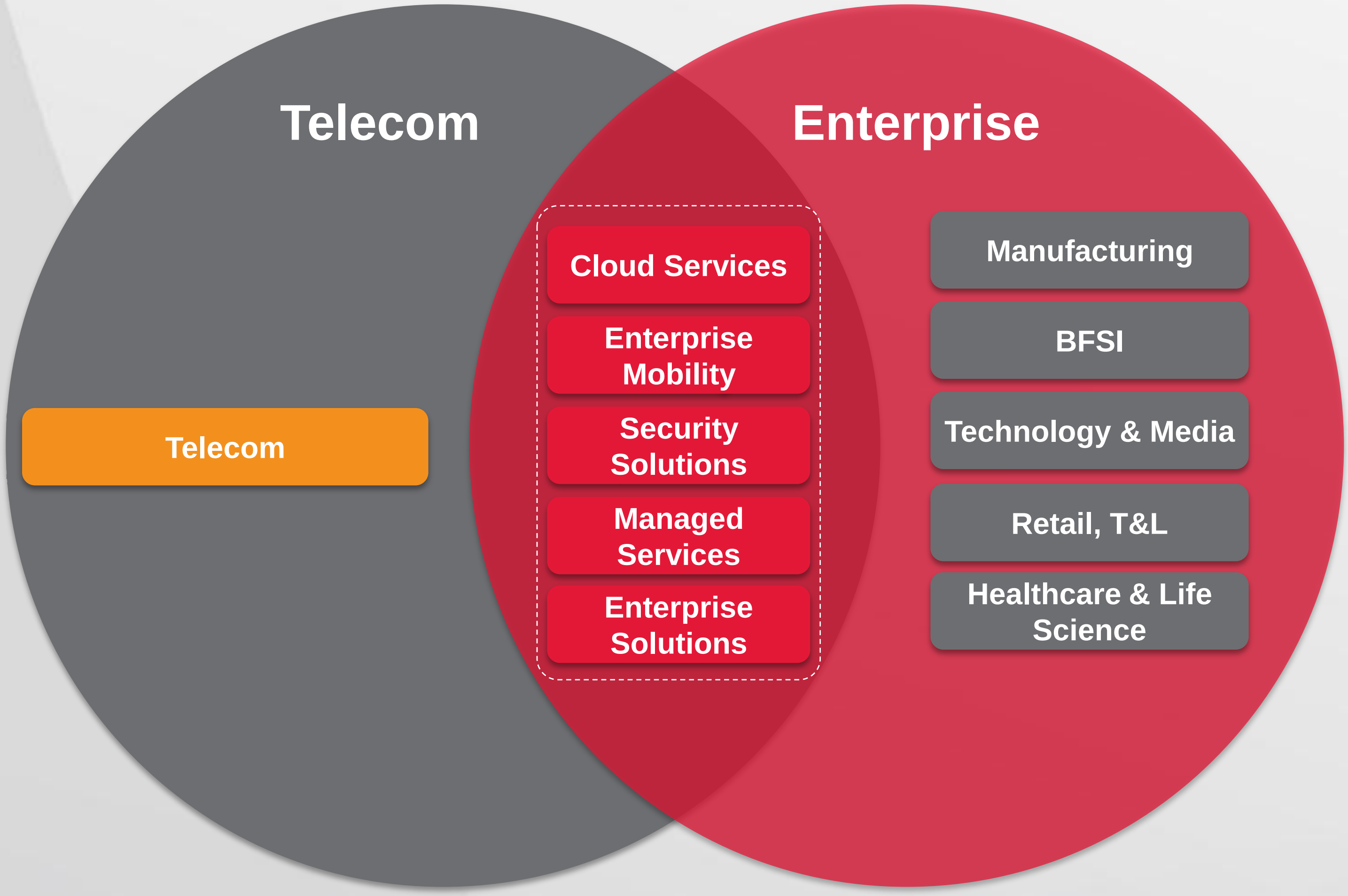
Well balanced geographic exposure



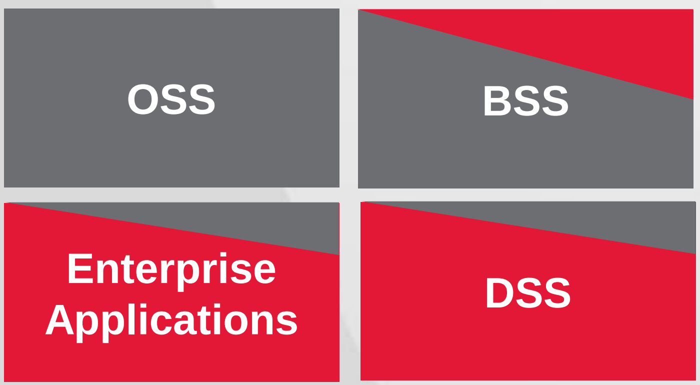
Significant client diversification



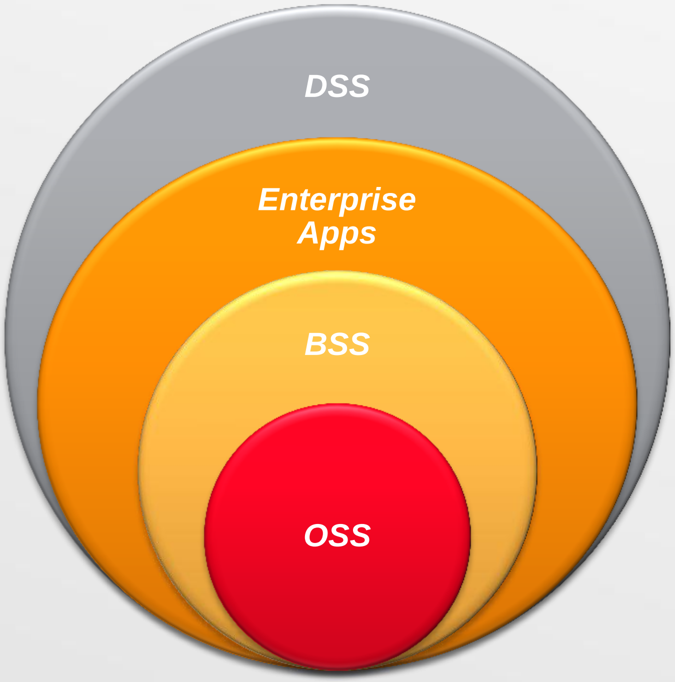
Cross-pollination of offerings



Synergy & Integration – EBS



Mahindra Satyam   Tech Mahindra



MSat + TechM Journey in Last 4 Quarters in EBS Space

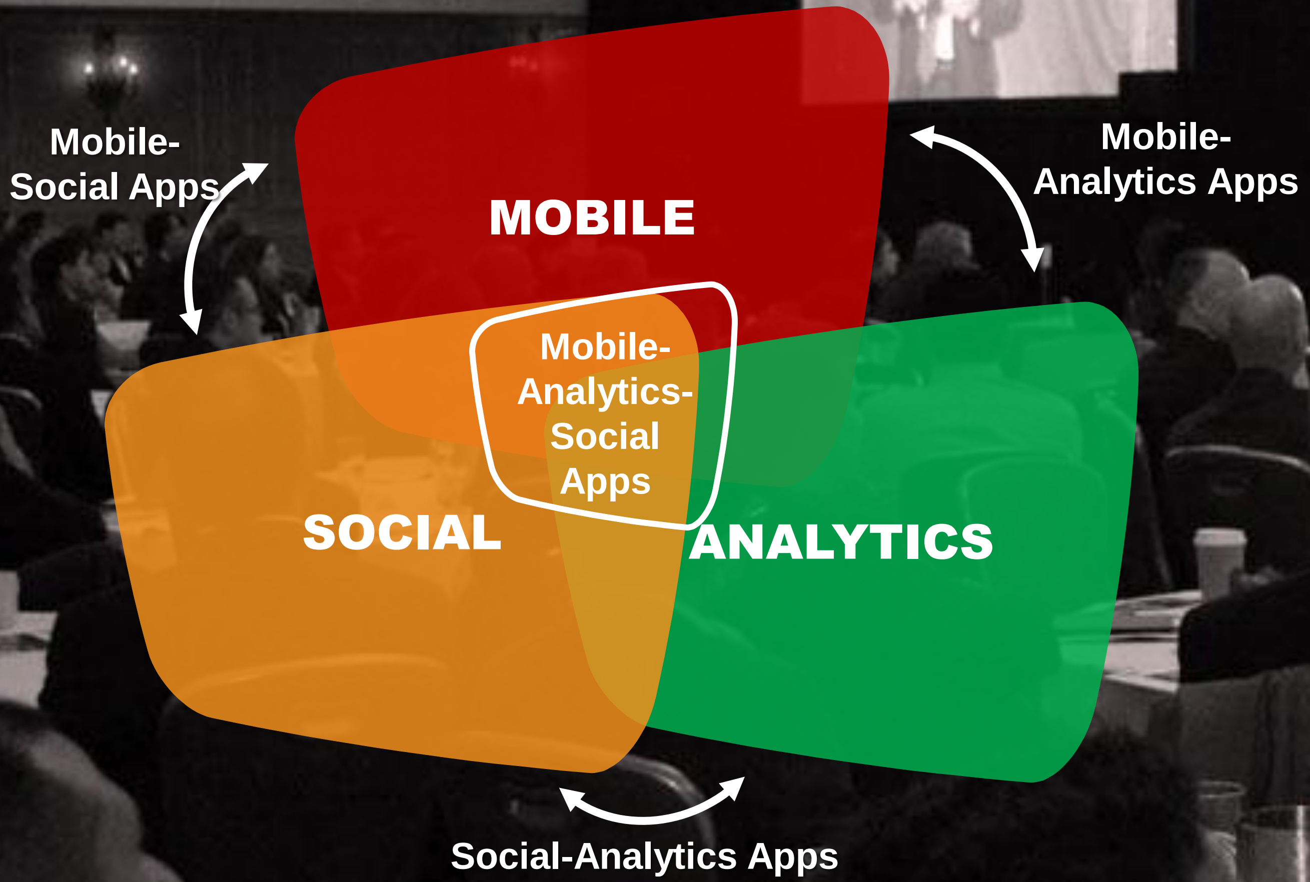
- 130+ TechM Customers Landscape
- 20+ Focused Account mining
- 20+ New wins for MSAT EBS

Focused GTM outlook in EBS Space

- Joint GTM Offering in EBS Space for Telco's
- Larger Landscape for account penetration & mining

BUILDING TOMORROW’S DIGITAL BUSINESSES

POWERED BY NMACS



Networks | Cloud | Security | Sensors

OUR MISSION 2015

2

GROWTH

0

OPERATIONS

1

SHAREHOLDER VALUE

5

LEADERSHIP

Thank you

Visit us at www.techmahindra.com

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Tech
Mahindra

Annexure

TECH MAHINDRA LIMITED

- # **Basis of FY13 and FY12 Tech Mahindra Ltd's (Merged Entity) Financials**

- The merger scheme was approved by the Board of Directors of Tech Mahindra Ltd,(transferee company), Satyam Computer Services Ltd, CanvasM Technologies Ltd, Mahindra Logisoft Ltd. C&S & Venturbay Consultants Ltd(collectively called transferor companies) in March 2012 was for merger of transferor companies in to Tech Mahindra Ltd with retroactive date 1st April 2011 (appointed date) . The swap ratio was 2 shares of Tech Mahindra Ltd for 17 shares of Satyam.
-
- The merger was consummated on 24th June 2013 with all the statutory & regulatory approvals.
-
- The enclosed consolidated financials of Tech Mahindra Ltd for April 11- March 2012 & April 2012 March 2013 are for merged company & its subsidiaries with retroactive date of April 1, 2011.
-
- The merged financials are prepared from audited accounts of the 6 companies mentioned above as if the merger has taken place on 01.04.2011. The intercompany transactions among the above mentioned 6 companies have been eliminated to avoid duplication of revenue.
-
- We have not obtained the audit opinion on the merged entity's consolidated financials for FY13 and FY12

Tech Mahindra Ltd (Merged Consol)

Rs Million

Balance Sheet as at				March 31, 2013	March 31, 2012
I.	EQUITY AND LIABILITIES				
1	Shareholders' Funds				
	(a)	Share Capital	2,316		2,309
	(b)	Reserves and Surplus	66,214		45,849
				68,530	48,158
2	Share Application Money Pending Allotment			5	0
3	Minority Interest			1,344	150
4	Non-Current Liabilities				
	(a)	Long-Term Borrowings	3,215		6,234
	(b)	Other Long-Term Liabilities	2,242		4,315
	(c)	Long-Term Provisions	3,934		4,815
				9,391	15,363
5	Current Liabilities				
	(a)	Short-Term Borrowings	5,311		5,266
	(b)	Trade Payables	8,577		6,908
	(c)	Other Current Liabilities	20,374		15,733
	(d)	Short-Term Provisions	12,269		11,644
				46,531	39,550
6	Amount pending investigation			12,304	12,304
	TOTAL EQUITY AND LIABILITIES			138,105	115,525
II.	ASSETS				
1	Non-Current Assets				
	(a)	Fixed Assets			
		(i) Tangible Assets	17,264		14,392
		(ii) Intangible Assets	5,054		490
		(iii) Capital Work-in-Progress	2,595		3,677
				24,913	18,558
	(b)	Non-Current Investments		358	352
	(c)	Interest in TML Benefit Trust		12,071	12,071
	(d)	Deferred Tax Asset		3,477	2,678
	(e)	Long-Term Loans and Advances		7,433	5,146
	(f)	Other Non-Current Assets		219	36
				48,471	38,842
2	Current Assets				
	(a)	Current Investments	1,745		2,227
	(b)	Inventory	110		148
	(c)	Trade Receivables	33,688		27,215
	(d)	Unbilled Revenue	6,537		5,559
	(e)	Cash and Cash equivalents	34,629		30,960
	(f)	Short-Term Loans and Advances	12,925		10,576
				89,634	76,685
3	Unexplained differences Suspense Account (Net)			-	-
	TOTAL ASSETS			138,105	115,525

Tech Mahindra Ltd (Merged Consol)

Rs Million

	Statement of Consolidated Profit and Loss for the year ended	March 31, 2013	March 31, 2012
I.	Revenue from Services	143,320	117,024
II.	Other Income	2,122	5,013
III.	**Total Revenue (I + II)**	**145,442**	122,037
IV.	**Expenses:**		
	Employee Benefits Expense	80,995	65,919
	Subcontracting Expenses	8,820	9,486
	Operating and Other Expenses	22,873	22,101
	Finance Costs	921	1,073
	Depreciation and Amortisation Expense	3,896	3,190
	Total Expenses	**117,505**	101,769
V	**Profit before Exceptional Items, Tax and Minority Interest (III - IV)**	**27,937**	20,268
VI	Exceptional Items (net)	1,601	(369)
VII	**Profit before Tax and Minority Interest (V - VI)**	**26,336**	20,637
VIII	Tax Expense:		
	(a) Current Tax	6,929	4,274
	(b) Deferred Tax	(450)	(1,985)
IX	**Profit after Tax and before Minority Interest (VII-VIII)**	**19,857**	18,348
X	Minority Interest	(301)	84
XI	**Profit for the year (IX-X)**	**19,556**	18,432

Tech Mahindra Merged Consol Financials for FY 13 – Summary P&L

Rs. Million

Particulars	Q1 13	Q2 13	Q3 13	Q4 13	FY 12-13
Revenue from services	33,727	35,237	36,683	37,673	143,320
Cost of Services	21,007	22,271	22,761	23,968	90,006
Gross Profit	**12,720**	**12,966**	**13,923**	**13,705**	**53,313**
SGA	5,328	5,397	5,965	5,992	22,681
Operating Profit	**7,392**	**7,569**	**7,958**	**7,714**	**30,633**
Other Income	1,129	(697)	1,308	381	2,122
Interest Expense	251	214	204	253	921
Depreciation	915	908	866	1,207	3,896
Profit before Tax	**7,356**	**5,749**	**8,196**	**6,635**	**27,937**
Provision for taxes	1,911	1,176	1,931	1,461	6,479
Profit after tax before exceptional, earlier period items and minority interest	**5,446**	**4,573**	**6,265**	**5,174**	**21,458**
Non Recurring / Exceptional Items	-	-	(2,940)	1,340	(1,601)
Minority interest	(40)	(15)	(109)	(137)	(301)
Profit after tax	**5,405**	**4,558**	**3,215**	**6,377**	**19,556**

Tech Mahindra Merged Consol Financials for FY 13 – Summary P&L

USD Million

Particulars	Q1 13	Q2 13	Q3 13	Q4 13	FY 12-13
Revenue from services	615	644	675	698	2,633
Cost of Services	383	407	419	444	1,653
Gross Profit	**232**	**237**	**256**	**254**	**979**
SGA	97	99	110	111	417
Operating Profit	**135**	**138**	**146**	**143**	**563**
Other Income	21	(13)	24	7	39
Interest Expense	5	4	4	5	17
Depreciation	17	17	16	22	72
Profit before Tax	**134**	**105**	**150**	**123**	**513**
Provision for taxes	35	22	36	27	119
Profit after tax before exceptional, earlier period items and minority interest	**99**	**84**	**115**	**96**	**394**
Non Recurring / Exceptional Items	-	-	(54)	25	(29)
Minority interest	(1)	(0)	(2)	(3)	(6)
Profit after tax	**99**	**83**	**59**	**118**	**359**