

Earnings Release & Fact Sheet Second Quarter, Fiscal 2025

Oct 17, 2024



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Safe Harbour

Certain statements in this release concerning the future prospects are forward-looking statements. These statements, by their nature, involve risks and uncertainties that could cause the actual results to differ materially from such forward-looking statements. The Company assumes no obligation to revise or update any forward-looking statements that may be made from time to time by or on behalf of the Company.

The deal wins and recognitions section in this release includes relevant disclosures between our last earnings release and this release.

LTIMindtree delivers 2.8% QoQ USD revenue growth

Growth across all Verticals, EBIT Margin improves to 15.5%

Adds 2,500+ employees in Q2

Bengaluru, Oct 17, 2024: [LTIMindtree](#) [NSE: LTIM, BSE: 540005], a global technology consulting and digital solutions company, announced its consolidated results today for the second quarter ended Sep 30, 2024, as approved by its Board of Directors.

“Q2 was a good quarter marked by broad-based sequential growth experienced across all our verticals and geos, helping us register a dollar growth of 2.8%. We had several multi-year deal closures, including a USD 200 million+ deal. Continued deal momentum in key verticals and significant Q2 hiring, including freshers, positions us well as we enter into the latter half of the fiscal year.

As GenAI becomes pivotal in customer interactions, there is a noticeable trend of modernization efforts focusing on transforming the data estate. Our robust Data practice, combined with our innovative LTIMindtree AI platform, establishes us as a significant disruptor.

- Debashis Chatterjee, Chief Executive Officer and Managing Director

Key financial highlights:

Quarter ended Sep 30, 2024

In USD:

- Revenue at \$1,126.6 million (+2.8% Q-o-Q / +4.7% Y-o-Y)
- Operating Margin (EBIT) at 15.5%
- Net profit at \$149.5 million (+9.8% Q-o-Q / +6.5% Y-o-Y)

In INR:

- **Revenue at ₹94,329 million** (+3.2% Q-o-Q / +5.9% Y-o-Y)
- **Net profit at ₹12,516 million** (+10.3% Q-o-Q / +7.7% Y-o-Y)

Other highlights:

Clients:

- 742 active clients as of Sep 30, 2024
- \$5 million+ clients increased by 8 on a Y-o-Y basis, total 154
- \$20 million+ clients increased by 1 on a Y-o-Y basis, total 42

People:

- 84,438 professionals as of Sep 30, 2024. Added 2,504 in Q2
- Trailing 12 months attrition was 14.5%

Deal Wins

- A US-based global manufacturing leader expanded its engagement with LTIMindtree by selecting it as a preferred partner for its Global Application Management & Transformation services. LTIMindtree leveraged AI, resulting in significant OPEX savings in areas of NextGen Operations and Software Development Life Cycle (SLDC). Under this multi-year, multi-million-dollar agreement, LTIMindtree will provide end-to-end enterprise application management services across domains like Sales, Manufacturing, Services, Finance, etc.
- Chosen by a large Global Financial Institution as a partner to modernize its wealth data platform. **LTIMindtree's deeper domain understanding enabled enhancing of customer experience** and expanding customers global market presence, by creation of a new data taxonomy, cloud adoption for swifter service delivery to customers and partners, mainframe modernization, and cost reduction through advanced automation with GenAI.
- A leading Pan African financial services provider has awarded LTIMindtree with a multi-year deal encompassing digital transformation, core banking modernization, cybersecurity, and round-the-clock IT support. LTIMindtree leveraged GenAI to reduce FTEs and helped the customer achieve operational efficiency and enhance its customer experience in various lines of business, such as retail banking, corporate banking, and wealth management.
- A global US-based Engineering Procurement and Construction (EPC) leader, partnered with LTIMindtree for its IT Infrastructure Operations Support, Security service, and Hybrid Cloud Infrastructure support, including Multi-cloud, Server, and Data Centre support.
- A global financial institution has chosen LTIMindtree to transform its regulatory-related compliances by accelerating legacy application migration, utilizing cloud platforms, and incorporating Gen AI-based capabilities.
- Selected by a leading US-based energy utility company as its long-term strategic partner for Infrastructure & Cloud Managed Services across multiple towers - Enterprise systems, End User Computing, Offshore Network Operations Center (NOC), and Off-hours Service Desk.
- A leading European automobile major has selected LTIMindtree for supporting its end-to-end Enterprise Application Operations through delivery teams across Poland and Germany.

Partnerships

- LTIMindtree and Microsoft have entered into a Strategic Partnership Agreement (SPA) to enhance digital transformation for joint customers utilizing Microsoft Azure. This partnership prioritizes the delivery of innovative AI solutions and aims to drive cloud transformation through a collaborative GTM strategy and shared investments
- Google and LTIMindtree have signed a Strategic Partnership Agreement (SPA) to accelerate global business growth and drive cloud transformation for customers. The agreement focuses on collaboration for solution development, investments, market expansion, GTM strategies, and training LTIM resources on Google technologies.
- LTIMindtree has been recognized as the 2024 Salesforce Partner Innovation Award winner for the Retail Industry Segment, highlighting our success in implementing Salesforce technologies with specialized domain knowledge and automation.
- LTIMindtree has received the 2024 Oracle Cloud/Technology Partner Award - Business Impact North America.

Recognitions

- LTIMindtree recognized as a Notable Provider in Forrester: 'The Modern Application Development Services Landscape, Q3 2024'
- LTIMindtree recognized as a Notable Provider in Forrester: 'The Oracle Services Landscape, Q3 2024'.
- LTIMindtree recognized as a Notable Provider in Forrester: 'The SAP Services Landscape, Q3 2024'.
- LTIMindtree recognized as a Major Contender in Everest Group: Open Banking IT Services PEAK Matrix® Assessment 2024.
- LTIMindtree recognized as a Major Contender in Everest Group: Life & Annuity Insurance IT Services PEAK Matrix® Assessment 2024.
- LTIMindtree recognized as a Major Contender in Everest Group: Retail and CPG Data, Analytics and AI Services PEAK Matrix® Assessment 2024.
- LTIMindtree recognized as a Major Contender in Everest Group: Digital Workplace Services PEAK Matrix® Assessment 2024 - North America.
- LTIMindtree recognized as a Major Contender in Everest Group: Digital Transformation Consulting Services PEAK Matrix® Assessment 2024 - North America.
- LTIMindtree recognized as a Major Contender in Everest Group: Cybersecurity Services PEAK Matrix® Assessment 2024 - North America.

- LTIMindtree recognized as a Major Contender in Everest Group: Digital Workplace Services PEAK Matrix® Assessment 2024 - Europe.
- LTIMindtree recognized as a Major Contender in Everest Group: Digital Commerce Services PEAK Matrix® Assessment 2024.
- LTIMindtree recognized as a Major Contender and Star performer in Everest Group: Salesforce Services PEAK Matrix® Assessment 2024.
- LTIMindtree recognized as an Enterprise Innovator in HFS Horizons: The Best Service Providers for Core Banking Modernization, 2024.

Announcements

The Board of Directors have approved an interim dividend of ₹20 per equity share of par value ₹1 each.

About LTIMindtree

LTIMindtree is a global technology consulting and digital solutions company that enables enterprises across industries to reimagine business models, accelerate innovation, and maximize growth by harnessing digital technologies. As a digital transformation partner to more than 700 clients, LTIMindtree brings extensive domain and technology expertise to help drive superior competitive differentiation, customer experiences, and business outcomes in a converging world. Powered by 84,000+ talented and entrepreneurial professionals across more than 30 countries, LTIMindtree – a Larsen & Toubro Group company – solves the most complex business challenges and delivers transformation at scale. For more information, please visit <https://www.ltimindtree.com/>.

Earnings Conference Call

Universal Dial-in	+91 22 6280 1157 +91 22 7115 8058
International Toll Free	USA : 18667462133 UK : 08081011573 Singapore : 8001012045 Hong Kong : 800964448
Replay of Conference Call	Available after 1 hour from the call end time until Oct 18 th , 2024 Playback Code: 70666 Dial-in Number: India +91 22 71945757
<u>Audio Webcast</u>	
The audio from the conference call will be available online through a webcast and can be accessed at the following link: Click here for Audio Webcast	
Click here for your DiamondPass™	
DiamondPass™ is a Premium Service that enables you to connect to your conference call without having to wait for an operator.	
If you have a DiamondPass™, click the above link to associate your pin and receive the access details for this conference. If you do not have a DiamondPass™, please register through the link and you will receive your DiamondPass™ for this conference.	

Contact

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Key Financial Metrics

Revenue USD Mn	Q2 FY24	Q1 FY25	Q2 FY25	Growth (%)	
				Q-o-Q	Y-o-Y
Revenue USD Mn	1,075.5	1,096.2	1,126.6	2.8%	4.7%
Revenue - constant currency (CC)				2.3%	4.4%
Financials ₹ Mn	Q2 FY24	Q1 FY25	Q2 FY25	Growth (%)	
				Q-o-Q	Y-o-Y
Revenue ₹ Millions	89,054	91,426	94,329	3.2%	5.9%
Gross Margin %	31.4%	30.3%	30.8%		
EBITDA Margin %	18.3%	17.6%	18.0%		
EBIT Margin %	16.0%	15.0%	15.5%		
Forex Gains/(loss) ₹ Millions	(21)	134	751		
Effective Tax Rate* %	23.5%	25.6%	25.8%		
PAT ₹ Millions	11,623	11,351	12,516		
PAT - Net Profit Margin %	13.1%	12.4%	13.3%		
EPS - Earnings Per Share					
Basic ₹	39.3	38.3	42.3		
Diluted ₹	39.2	38.2	42.2		
DSO** (Billed)	68	55	60		
DSO** (Billed & Unbilled)	94	78	81		
ROE %	26.9%	23.9%	23.8%		

* Effective Tax Rate = Tax / PBT

** DSO is based on TTM

Cash Flow ₹ Mn	Q2 FY24	Q1 FY25	Q2 FY25
Free Cash Flow	8,728	10,053	6,819
Cash and Investments	89,476	113,336	119,736

Hedges outstanding	Value	Avg. Rate / INR
USD \$ Mn	4,233	88.07

Exchange Rate (USD: INR)	Q2 FY24	Q1 FY25	Q2 FY25
Period closing rate	83.05	83.39	83.80
Period average rate	82.80	83.40	83.73

Key Revenue Metrics

Revenue by Industry	Q2 FY24	Q1 FY25	Q2 FY25	USD Growth (%)	
				Q-o-Q	Y-o-Y
Banking, Financial Services & Insurance	36.5%	35.2%	35.6%	4.0%	2.3%
Technology, Media & Communications	23.8%	25.6%	25.4%	1.9%	12.0%
Manufacturing & Resources	17.9%	18.5%	18.1%	0.7%	5.8%
Consumer Business	15.3%	14.5%	14.5%	2.6%	(1.0%)
Healthcare, Life Sciences & Public Services	6.5%	6.2%	6.4%	5.9%	3.0%

Revenue by Geography	Q2 FY24	Q1 FY25	Q2 FY25	USD Growth (%)	
				Q-o-Q	Y-o-Y
North America	73.4%	75.1%	75.0%	2.6%	7.0%
Europe	15.3%	14.4%	14.4%	2.2%	(1.9%)
Rest of the World	11.3%	10.5%	10.6%	4.4%	(1.1%)

Revenue by Currency	Q2 FY24	Q1 FY25	Q2 FY25
USD	77.9%	78.5%	78.9%
EUR	7.7%	7.3%	7.2%
INR	4.6%	4.1%	4.2%
GBP	2.8%	2.7%	2.7%
Others	7.0%	7.4%	7.0%

Key Client Metrics

Revenue Contribution	Q2 FY24	Q1 FY25	Q2 FY25
Active Clients	737	748	742
New Clients added	30	27	22
Revenue Contribution			
1 Million Dollar +	391	390	392
5 Million Dollar +	146	148	154
10 Million Dollar +	90	87	88
20 Million Dollar +	41	43	42
50 Million Dollar +	14	12	12
100 Million Dollar +	2	2	2

Active Clients and Revenue Contribution is based on TTM.

Revenue Contribution	Q2 FY24	Q1 FY25	Q2 FY25
Top 5 Clients	26.8%	28.8%	28.4%
Top 10 Clients	34.3%	35.7%	35.0%
Top 20 Clients	45.2%	46.2%	45.8%
Top 40 Clients	57.6%	58.9%	58.2%

Effort and Utilization

Effort & Utilization	Q2 FY24	Q1 FY25	Q2 FY25
Effort Mix			
Onsite	14.8%	15.4%	15.5%
Offshore	85.2%	84.6%	84.5%
Utilization (excl. trainees)	86.6%	88.3%	87.7%

Key Employee Metrics

Employees	Q2 FY24	Q1 FY25	Q2 FY25
Total Employees	83,532	81,934	84,438
Software Professionals	78,276	76,837	79,374
Sales & Support	5,256	5,097	5,064
Women Employees %	30.8%	30.6%	30.6%
TTM Attrition %	15.2%	14.4%	14.5%

Financial Statements

Income Statement

Amount in INR Millions

Particulars	Q2 FY24	Q1 FY25	Q2 FY25	Growth (%)	
				Q-o-Q	Y-o-Y
Revenue	89,054	91,426	94,329	3.2%	5.9%
Direct Cost	61,048	63,715	65,277	2.5%	6.9%
Gross Profit	28,006	27,711	29,052	4.8%	3.7%
SG&A Expenses	11,693	11,650	12,059	3.5%	3.1%
EBITDA	16,313	16,061	16,993	5.8%	4.2%
Depreciation and Amortization	2,082	2,352	2,411		
EBIT	14,231	13,709	14,582	6.4%	2.5%
Forex Gains/(loss)	(21)	134	751		
Other Income	1,453	2,137	2,238		
Finance Cost	470	724	703		
Provision for Tax	3,570	3,905	4,352		
PAT	11,623	11,351	12,516	10.3%	7.7%
Margin %					
EBITDA	18.3%	17.6%	18.0%		
EBIT	16.0%	15.0%	15.5%		
PAT	13.1%	12.4%	13.3%		

Balance Sheet

Amount in INR Millions

Particulars	As at March 31, 2024	As at Sep 30, 2024
ASSETS		
Non-current assets		
Property, Plant and Equipment	16,555	18,019
Right of Use Assets	19,013	21,604
Capital work-in-progress	4,669	4,978
Goodwill	11,927	12,128
Other Intangible assets	2,313	1,846
Intangible assets under development	838	903
Financial Assets		
Investments	19,902	21,515
Trade Receivable	66	82
Other Financial Assets	4,715	3,765
Deferred tax assets	2,250	2,616
Tax Assets	2,970	3,080
Other non-current assets	1,948	2,795
Total Non-Current Assets	87,166	93,331
Current assets		
Inventories	30	32
Financial Assets		
Investments	67,534	75,128
Trade receivable	57,060	60,911
Unbilled Revenue	13,261	12,297
Cash and Cash Equivalent	18,200	16,393
Other Bank Balances	9,960	7,051
Other Financial Assets	2,635	3,030
Income Tax Assets (net)	251	290
Other current assets	19,533	19,148
Total Current Assets	1,88,464	1,94,280
TOTAL ASSETS	2,75,630	2,87,611
EQUITY AND LIABILITIES		
Equity		
Equity Share capital	296	296
Other Equity		
Other Reserves	16,956	17,009
Retained Earnings	1,82,919	1,93,443
Other Components of Equity		
Share application money pending allotment	1	0
Non-controlling interests	92	123
Total Equity	2,00,264	2,10,871
Liabilities		
Non-current liabilities		
Financial Liabilities		
Financial Liabilities - Others	318	520
Financial Liabilities - Lease liabilities	17,272	19,780
Deferred tax liabilities	187	239
Provisions	157	172
Total Non-current liabilities	17,934	20,711
Current liabilities		
Financial Liabilities		
Financial Liabilities - Borrowings	407	160
Trade Payables	14,939	14,720
Due to micro & small enterprises	118	176
Due to others	14,821	14,544
Other Financial Liabilities	14,887	10,994
Financial Liabilities - Lease liabilities	3,027	3,316
Other Liabilities	14,126	14,854
Provisions	8,486	9,706
Current Tax Liabilities (Net)	1,560	2,279
Total Current liabilities	57,432	56,029
TOTAL EQUITY AND LIABILITIES	2,75,630	2,87,611

Cash Flow Statement

Amount in INR Millions

Particulars	Q2 FY24	Q1 FY25	Q2 FY25
Cash flow from operating activities			
Net profit after tax	11,623	11,351	12,516
Adjustments for:			
Depreciation and amortisation	2,082	2,352	2,411
Income tax expense	3,570	3,905	4,352
Others	(222)	(845)	(1,354)
Operating profit before working capital changes	17,053	16,763	17,925
Changes in working capital (net)	(1,094)	(1,518)	(3,608)
Cash generated from operations	15,959	15,245	14,317
Income taxes	(5,250)	(2,767)	(5,036)
Net cash from operating activities	10,709	12,478	9,281
Cash flow from investing activities			
(Purchase)/ Sale of assets	(1,981)	(2,425)	(2,462)
(Purchase)/sale of investments	3,195	307	(3,862)
Payment towards contingent/ deferred consideration (net of cash)	(59)	-	(75)
Interest received	653	634	831
Net cash from investing activities	1,808	(1,484)	(5,568)
Cash flow from financing activities			
Shares issued on exercise of employee stock options	5	4	13
Proceeds from/ (repayment) of borrowings	162	1	(265)
Movement in CSA Deposit received/ (paid)	(168)	115	(378)
Interest paid	(169)	(275)	(257)
Interest paid on lease liabilities	(300)	(421)	(446)
Dividend paid	(11,834)	(12,688)	(635)
Payment towards Lease liability	(627)	(723)	(708)
Net cash from financing activities	(12,931)	(13,987)	(2,676)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	9	(61)	210
Net increase in cash and cash equivalents	(405)	(3,054)	1,247
Cash and cash equivalents at period beginning	15,044	18,200	15,146
Cash and cash equivalents at period end	14,639	15,146	16,393
Book overdraft used for cash management purpose	7	-	-
Cash and Cash equivalents as per Balance Sheet	14,646	15,146	16,393

Bank Balances and Investments as at 30th Sep, 2024

Amount in INR Millions

Balances with Banks	Amount
In Current Accounts*	15,324
In Deposit Accounts	1,069
Total	16,393
Investments	Amount
Mutual Funds **	59,447
Bonds and Debentures	17,766
Certificate of Deposits and Fixed Deposits	10,493
Inter-Corporate Deposits	6,408
Government Securities	7,021
Commercial Papers	1,224
InvIT	984
Total	1,03,343
Total Bank Balance and Investments	1,19,736

All direct debt investments currently are in AAA rated instruments

* Including unclaimed dividend and Remittance in transit

** Mutual Fund investments are reported at fair market value.

Total of Bank balances and Investments: [Rs. 119,736 Million](#)

For LTIMindtree Limited

Vipul Chandra	Digitally signed by Vipul Chandra
	Date: 2024.10.17 10:58:20 +05'30'

Vipul Chandra

Chief Financial Officer

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