

TECH MAHINDRA LIMITED



Company Background

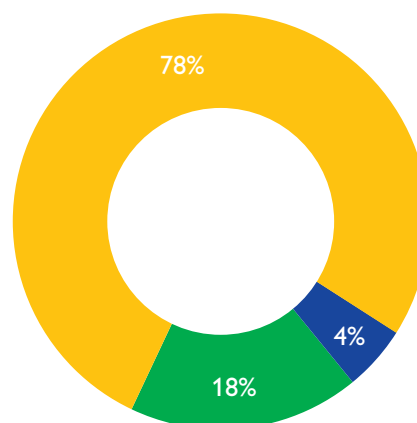
Tech Mahindra (formerly known as MBT) was established in 1986. The company is a leading provider of solutions and services to the telecommunications industry. Majority owned by Mahindra & Mahindra, in partnership with British Telecommunications plc (BT), Tech Mahindra is a proven leader in application outsourcing and offshoring of mission critical telecom applications. Tech Mahindra was recently listed on the BSE/NSE in August 2006. Post the public offering, Mahindra and Mahindra and British Telecom Plc. continue to hold a 51 per cent and 36 per cent stake respectively.

Tech Mahindra provides a wide variety of services ranging from IT strategy, managed services and consulting to system integration, design, application development, implementation, maintenance and product engineering. The company has 10 development centres and has strong presence in India, Europe, North America, the ANZ region, and Asia Pacific. The company has approximately 12,000 employees as on 31 March 2006, which assist in developing cutting edge telecom solutions.

Tech Mahindra has quality as its focus and solutions that add value to client businesses through well-established methodologies, tools and techniques backed by its stringent quality processes. Tech Mahindra is ISO 9001:2000 certified and is assessed at SEI-CMMi Level 5. Tech Mahindra is also BS7799 certified across all development centres.

For the year 2005-06, Tech Mahindra accounted for consolidated revenues of EUR 231 million, registering a CAGR of 26 per cent from 2002.

Tech Mahindra: Revenue Break-up by Geography: 2005-06



Source: Company Annual Report

Tech Mahindra in the EU

Tech Mahindra has established relationships with clients in the EU who are at the forefront of the rapidly changing global telecommunications industry that enable the company to stay at the forefront of technological changes in the industry.

The company is considered as one of the Top 10 IT services and solution providers within the EU. In 2005-06 77 per cent of Tech Mahindra's revenues were generated from the EU.

Tech Mahindra in the UK

Having serviced premium telecom companies worldwide, for nearly two decades, Tech Mahindra leverages its deep domain expertise, coupled with its proven service delivery framework - the Global Offshore Delivery model of the organization, to deliver mission critical software solutions on target, for leading industry leaders in the UK.

Tech Mahindra's relationship with major telecom service providers has helped it evolve to take on the role of a strategic partner in defining and implementing their transformation plans for their business and competitive strategy.

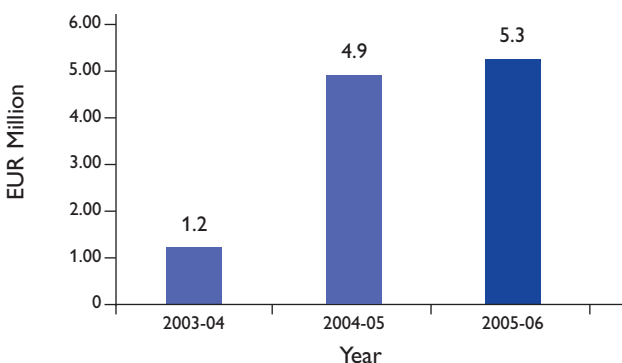
Tech Mahindra has a development centre in Milton Keynes in the UK, and has a full fledged sales and marketing presence in the UK.

Tech Mahindra in Germany

Tech Mahindra GmbH, is Tech Mahindra's wholly owned subsidiary and its representative in Germany which acts as a sales and marketing engine in addition to provide IT solutions to clients.

For the year 2005, Tech Mahindra GmbH accounted for revenues of EUR 5.3 million, registering a growth of 8 per cent as compared to the previous year.

Revenues of Tech Mahindra GmbH (EUR million):
2003-2006



Source: Company Annual Report

Factors for Success

Domain Specific Business

Tech Mahindra's focus on the telecommunications industry has enabled the company to develop domain knowledge that spans the breadth of solutions that telecommunication companies require. This has in turn allowed Tech Mahindra to steadily advance its offerings from the provision of conventional IT services to high end, higher value added services such as managed platforms and managed services and consulting, resulting in a deeper involvement in the clients' businesses.

Tech Mahindra has also been able to address the various technological changes in the industry, and has the ability to provide solutions that support voice-data convergent systems, including voice over Internet protocol ("VoIP"), as well as location-based services and next generation services.

According to Gartner, Tech Mahindra is the 3rd largest BSS Systems Integrator in the World (Gartner-Dataquest 2006). Tech Mahindra's solution support areas include: Business Support Systems, Operations Support Systems, Next-Generation Services, Product Engineering & Life Cycle Support Services, Security Management and Business Continuity Services, Global Managed Services, Mobility Solutions, Embedded Systems, Business Process Outsourcing & Management, Testing Services and Integrated Proactive Performance Management.

Tech Mahindra is also the recipient of the 'Achievement in Innovation' award at the 2006 Billing and OSS World held in May 2006 (Billing & OSS World Awards).

New Business Orientation

To continue to successfully address a wider telecom ecosystem, Tech Mahindra recently

underwent a branding exercise and its new identity is a reflection of its diverse service offerings and emphasizes its capabilities and competencies across a wide range of next generation information and communication technologies (ICT). The acquisition of Dallas based Axes Technologies Inc, in November 2005 has also enabled Tech Mahindra to significantly expand its TEM expertise.

Tech Mahindra recently set up a joint venture with Motorola Inc. to form a company called CanvasM Technologies Limited. CanvasM's mission is to become the VAS enabler of choice for the global communications industry and will implement end-user applications and content services, consistent service creation, and a delivery and management framework utilizing Motorola's Global Applications Management Architecture (GAMA). The portfolio includes messaging, location-based services, entertainment, e-commerce and enterprise productivity applications.

Focus on Research and Development

R&D continues to remain Tech Mahindra's key focus and the company has forged relationships with leading technology firms worldwide to provide solutions to the telecom ecosystem.

Tech Mahindra's R&D lab in Pune, known as the Next Generation Telecom Solutions Lab, set up in partnership with Intel, models next generation network applications on the Intel architecture and provides solutions that cater to the telecom service providers as well as equipment manufacturer's needs. This lab is significant as it is the first of its kind in India where Intel has partnered with IT software and services company to develop applications focused on IP Services category.

The IDEA Factory Lab, also in Pune, incubates ideas around Microsoft technologies in the communications sector and creates go-to-market

solutions by building PoC's and demos.

Tech Mahindra is involved in various industry forums including the TeleManagement Forum and the OSS through Java Initiative, which are at the forefront of technological change.

Future Plans

Ranked as the 8th largest Indian IT services company in terms of export revenues, Tech Mahindra will continue to increase its penetration in the telecom market in the EU and the USA by offering a comprehensive portfolio of IT services and by investing further in its competitive strengths to meet the growing demand for non-voice.

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