

21 July 2022

The BSE Limited
PJ Towers, 25th Floor,
Dalal Street
Mumbai 400001.
Scrip Code: 532175

The National Stock Exchange of India Ltd
Exchange Plaza,
Bandra-Kurla Complex, Bandra (E)
Mumbai-400 051.
Scrip Code: CYIENT

Dear Sir/Madam,

Sub: Investor Presentation

Please find enclosed investor Presentation issued by the company on the financial results for the quarter ended 30 June 2022

This is for your information and records.

Thanking you
For Cyient Limited



Ravi Kumar Nukala
Dy. Company Secretary.

Cyient Ltd.

4th Floor, A Wing, 11 Software
Units Layout, Madhapur
Hyderabad - 500 081
India

CIN: L72200TG1991PLC013134
www.cyient.com
Company.Secretary@cyient.com
T +91 40 6764 1000
F +91 40 2311 0352

Formerly Infotech Enterprises Limited



**INVESTOR
PRESENTATION**

Q1 FY23





Confidentiality Statement

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● Leadership Team



KRISHNA BODANAPU
Managing Director & CEO



AJAY AGGARWAL
Executive Director & CFO



KARTHIK NATARAJAN
Executive Director & COO



Highlights

- Financial Highlights
- Business Highlights



Financial Update

- Revenue
- Income statement update
- Margin bridge
- Cash generation



Business Update

- BU performance update

Annexures



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● Highlights for the Quarter

Revenue

18.1% YoY / 5.8% QoQ (INR terms)
15.8% YoY / 4.4% QoQ (CC terms)
12.6% YoY / 3.1% QoQ (USD terms)
Quarterly revenue at **₹12,501Mn/\$161.6Mn**

EBIT Margin @11.5%

Services EBIT margin at **12.8%**
DLM EBIT margin at **4.2%**

PAT Margin @ 9.3%

PAT for the quarter at **₹1,161 Mn**

Financial Highlights for Quarter

- Group revenue at **\$161.6 Mn**; growth of **15.8%** cc YoY (**12.6%** in USD terms) and **4.4%** cc QoQ (**3.1%** in USD terms)
- Group revenue at **₹12,501 Mn**; growth of **18.1%** YoY and **5.8%** QoQ
- Services revenue at **\$137.1 Mn**; growth of **18.7%** cc YoY (**15.0%** in USD terms) and **6.5%** cc QoQ (**5.0%** in USD terms). *Inorganic services revenue contribution of 2.9% QoQ and Strategic buyout (to accelerate ramp up for a strategic customer) contribution of 1.1% QoQ*
- DLM revenue at **\$24.5 Mn**; growth of **1.0%** YoY and de-growth of **6.3%** QoQ
- Group EBIT margin at **11.5%** down by **164 bps** YoY and **298 bps** QoQ
- Services EBIT margin at **12.8%** down by **179 bps** YoY and **261 bps** QoQ
- Free Cash Flow generation for the quarter at **₹596 Mn**, a conversion of **27.1%** on EBITDA (conversion of **51.3%** on PAT)
- PAT at **₹1,161 Mn** for the quarter; growth of **0.9%** YoY and de-growth of **24.7%** QoQ

● Highlights for the Quarter

Dr. BVR Mohan Reddy, Cyient Founder Chairman, inducted into the Geospatial Hall of Fame at the Geospatial World Forum 2022

- Dr. BVR Mohan Reddy received this award for his contribution to the geospatial industry through innovation and R&D-led engineering services
- The Hall of Fame honors the geospatial industry's living legends and pioneers whose passion, vision, knowledge, leadership and business acumen have brought the power of geospatial technologies closer to the core of human lives and endeavors

First 5G IoT Chip Combining "Design in India" and "Make in India" capabilities by Cyient, IITH and WiSig Networks

- Cyient has partnered with IIT Hyderabad (IITH) and WiSig Networks, a startup incubated at IITH, to enable volume production of India's first architected and designed chip - the Koala NB-IoT SoC (Narrowband-IoT System-on-Chip)
- In line with MeitY's (Ministry of Electronics and Information Technology, India) goals of enabling the emergence of India as a global hub for electronics manufacturing and design

Cyient Foundation and IIT Hyderabad team up to Nurture India's Entrepreneurial Talent through The BVR Mohan Reddy School of Innovation and Entrepreneurship

- The Cyient Foundation (the CSR arm of Cyient Ltd.) and the Shibodhi Foundation (the family foundation of Dr. BVR Mohan Reddy) have joined hands with IIT Hyderabad to develop the BVR Mohan Reddy School of Innovation and Entrepreneurship (BVR SCIENT) on its campus

Cyient Appoints Prabhakar Shetty as Chief Digital Officer

- Prabhakar will lead digital strategies to expand the company's digital technology footprint by scaling the services lines related to connected manufacturing, intelligent products, and platforms and strengthening IntelliCyient, its digital solutions suite

M&A & Strategic Buyout Highlights for the Quarter

Citec

- Signed a definitive agreement to acquire Citec, an international Plant and Product engineering services company. The transaction is expected to be completed during Q2FY23
- Largest outbound acquisition by an Indian engineering services company and Cyient's largest acquisition to date
- Will enhance Cyient's position as a leader in the Plant and Product Engineering sector, strengthen its presence in the energy industry with a focus on clean energy and expand its European footprint

Grit Consulting

- Extends the capability of Cyient Consulting, further enabling our Consulting-led, Industry-centric and Technology Solutions growth aspiration
- Leverages customer, geographic and talent synergies to enable expansion and deepen our mining industry footprint
- Provides access to new customer portfolios

Celfinet

- Helps Cyient strengthen its Wireless Engineering practice to support Communication Service Providers (CSPs) and Enterprises in deploying their pervasive connectivity networks at scale
- Enables Enterprises to build networks to harness the power of 5G and drive their Digital Transformation journey
- Addition will further strengthen Cyient's presence in Europe, where Celfinet has a strong footprint and help scale Cyient's business across North America and Australia

Strategic Buyout

- Strategic buyout to accelerate ramp up for a strategic customer coupled with a long term deal in the Automotive & Mobility vertical



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Revenue for Q1 FY23

Revenue	Q1 FY23	QoQ	YoY	Q4 FY22	Q3 FY22	Q2 FY22	Q1 FY22
Group							
\$ Mn	161.6	3.1%	12.6%	156.7	157.9	150.1	143.5
CC growth		4.4%	15.8%				
₹ Mn	12,501	5.8%	18.1%	11,812	11,834	11,116	10,582
Services							
\$ Mn	137.1	5.0%	15.0%	130.6	129.1	124.6	119.3
CC growth		6.5%	18.7%				
₹ Mn	10,604	7.8%	20.6%	9,835	9,673	9,229	8,795
DLM							
\$ Mn	24.5	-6.3%	1.0%	26.1	28.8	25.5	24.2
₹ Mn	1,897	-4.1%	6.2%	1,977	2,161	1,888	1,786

Revenue \$ Mn	By Geography (%)			\$ Mn	QoQ growth	YoY growth
Group	Q1 FY23	Q4 FY22	Q1 FY22	Q1 FY23		
NAM	51.3%	53.5%	47.9%	82.9	-1.1%	20.5%
EMEA	22.7%	24.6%	28.4%	36.7	-4.9%	-10.0%
APAC incl India	26.0%	22.0%	23.7%	42.1	22.3%	23.8%

Revenue

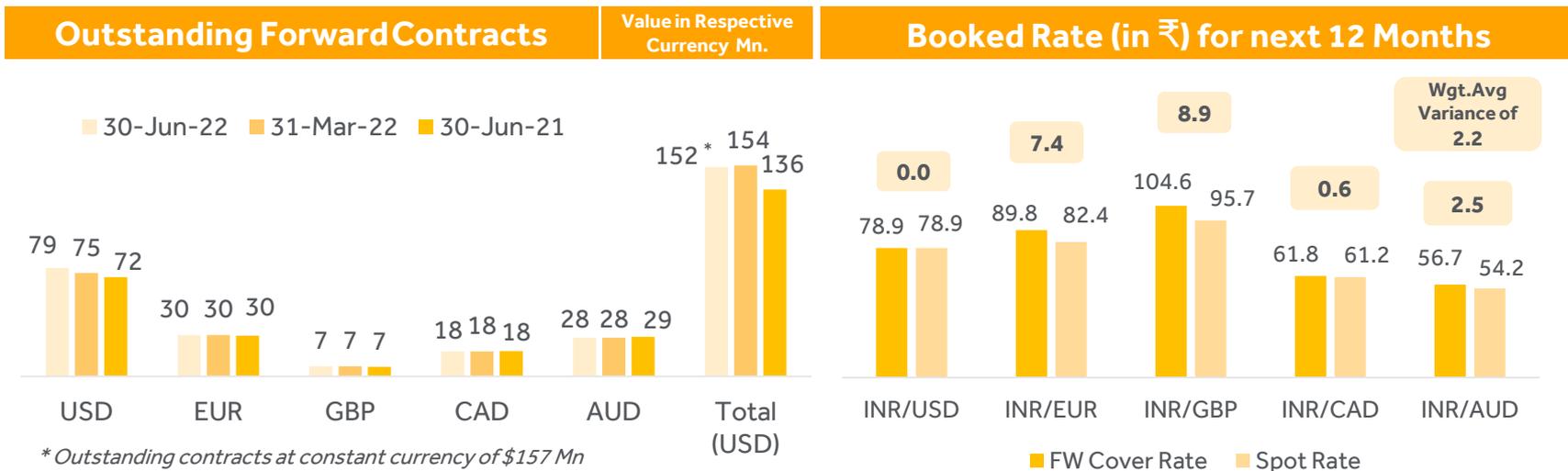
- Services growth at **18.7%** cc YoY
- Services growth at **6.5%** cc QoQ. *Investments contribution of 3.9% QoQ*
- DLM growth at **1.0%** YoY
- Group growth at **15.8%** cc YoY

Investments

- We will add further 6-7% in FY23 revenue due to closed acquisitions*

*Does not include Citec. The acquisition of Citec is likely to be closed during Q2FY23

Hedge Book



- Due to volatility in major currencies (USD, GBP, EUR, CAD and AUD), the company follows the policy to hedge up to 80% of net inflows for the next rolling 12 months and upto 20% of net inflows for the next rolling 24 months .
- On the current forward contracts, the company has following position for the next 12 months at current spot rates:
 - Outstanding Forward Contract as on 30th June'22 is ~ **\$152 Mn**
 - If the spot rate remains at same level (as at 30th June'22), forex gain on current forward contracts could be ~ **\$4.6 Mn**
- We will be in EPS accretive position due to hedging even in case of further depreciation of INR

Income statement for Q1 FY23

All Figures in ₹ Mn	Q1 FY23	Q4 FY22	Q1 FY22
Revenue	12,501	11,812	10,582
EBIT (Reported)	1,435	1,708	1,388
PAT (Reported)	1,161	1,542	1,150
EPS (₹ Reported)	10.6	14.1	10.5

All Figures in %	Q1 FY23	Q4 FY22	Q1 FY22
Gross Margin	36.8%	38.3%	35.9%
EBIT Margin (Reported)	11.5%	14.5%	13.1%
ETR	27.3%	26.0%	25.1%
PAT Margin (Reported)	9.3%	13.1%	10.9%

QoQ EBIT Movement

- Consolidated EBIT margin stood at 11.5%; down by 164 bps YoY and 298 bps QoQ
- Services EBIT margin at 12.8%; down by 179 bps YoY and 261 bps QoQ due to significant investment in retention & building people pipeline, higher SG&A and lower utilisation partly offset by automation, favourable revenue mix, and high billing days. *(Please refer slide 13 for QoQ margin bridge)*
- DLM EBIT margins at 4.2%; down by 175 bps YoY and 562 bps QoQ
- The capital allocated to new investments reflects only part impact on Q1 EBIT and will be much higher for FY23 and annualized next year

QoQ Profit After Tax Movement

- PAT increased by 0.9% YoY and decreased by 24.7% QoQ primarily from lower EBIT margin
- ETR is 27.3%; higher by 121 bps from Q4 FY22 ETR of 26.0%

EBIT Margin Bridge for Q1 FY23

Particulars	
EBIT Q4 FY22 (Group)	14.5%
Add: DLM impact	93 bps
EBIT Q4 FY22 (Services)	15.4%
Tailwinds in Q1 FY23	
<i>Favorable revenue mix and higher billing days</i>	165 bps
<i>Automation and Cease & cure</i>	131 bps
<i>Volume impact on SG&A</i>	94 bps
Headwinds in Q1 FY23	
<i>Increase in SG&A Spend</i>	-254 bps
<i>Lower utilisation</i>	-246 bps
<i>Impact of merit increase</i>	-153 bps
EBIT Q1 FY23 (Services)	12.8%
Less: DLM impact	128 bps
EBIT Q1 FY23 (Group)	11.5%

- Drop in utilization is a one-off due to significant investment in people pipeline and will improve going forward
- Impact of merit increase is 153 bps and will be in a similar range in Q2. The full year impact of merit increase will be in the range of 250-300 bps

Cash Generation for Q1 FY23

All Figures in ₹ Mn	Q1 FY23	Q4 FY22	Q1 FY22
Services			
Profit before tax	1,496	1,884	1,466
(+/-) Non-cash & non-operating items	553	407	288
Operating profit before WC changes	2,049	2,291	1,754
(+/-) DSO Movement (Receivables)	(1,323)	(655)	(95)
(+/-) Other WC changes	(80)	65	(435)
Operating CF after WC changes	646	1,701	1,224
Less: Taxes	190	(645)	(179)
Less: Capex*	(133)	(111)	(181)
FCF Services	703	945	863
DLM			
Free Cash Flow generated (DLM) - ii	(107)	280	(16)
Group FCF (i+ii)	596	1,225	848
FCF to EBITDA Conversion[^]	27.1%	49.1%	43.6%
FCF to PAT Conversion	51.3%	79.4%	73.7%

[^]EBITDA used for FCF conversion includes other income part of cash flow from operations

* Capex for Q1FY23 is excluding investment outlays of ₹4,063 Mn

Cash Generation

- Cash and cash equivalents, including long-term treasury investments, at **₹13,749 Mn (~\$174 Mn)** at the end of Q1FY23 compared to **₹15,689 Mn (~\$207 Mn)** at the end of Q4FY22
- In Q1, the free cash flow conversion stood at **27.1%** for group and **35.3%** for Services :
 - FCF impacted due to one time increase in DSO. It is expected to be in line for the full year
 - FCF from services was lower by **25.6%** QoQ due to increase in working capital partly offset by tax refund
 - DLM has consumed a cash of **₹107 Mn** in Q4
- We continue to have adequate cash to sustain our investment program and investor payout



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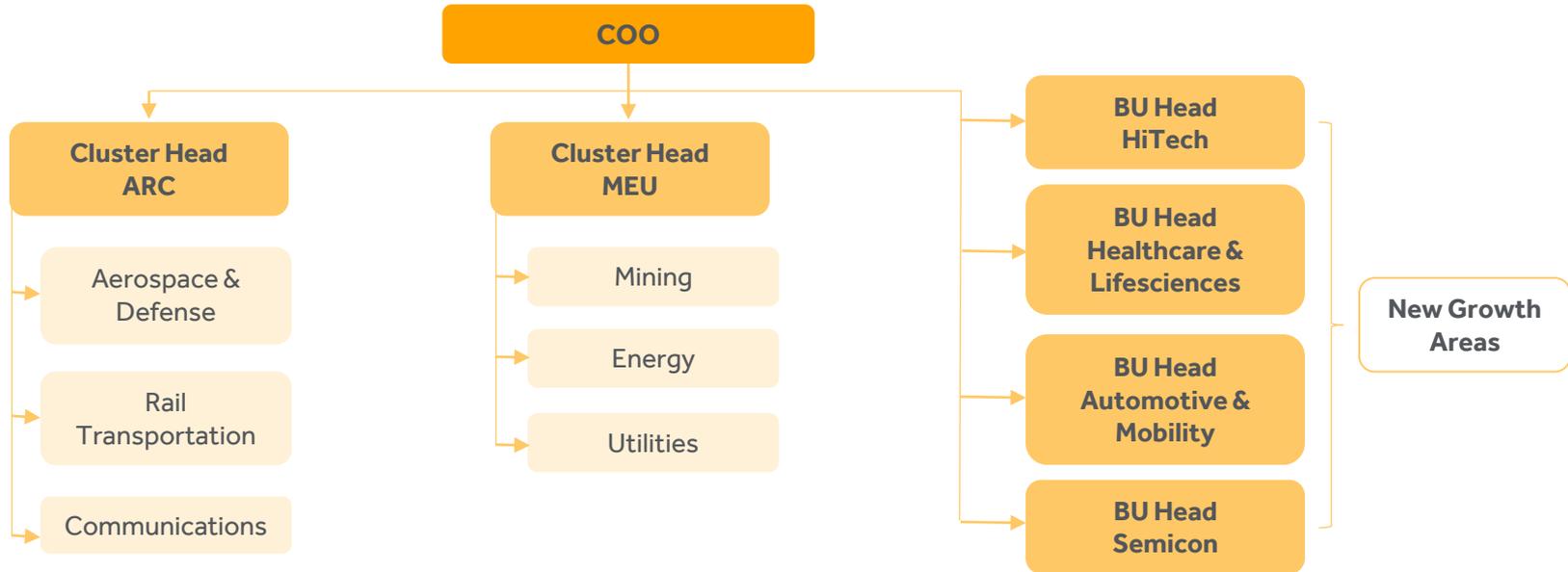


Business Update

- BU performance update

Annexures

● New GTM Organisation Structure



Key focus areas:

- Managing Sales and P&L across verticals by fostering long-term customer relationships, increasing win-rate, and driving large deals
- Working closely with Horizontals to grow Five-Pillar revenues
- Driving Order Intake for Growth Offerings by collaborating with Technology Org.

● BU Performance Q1 FY23 (New Structure)

Revenue \$ Mn	Q1 FY23	QoQ	YoY
ARC	86.7	2.5%	5.6%
Aerospace	33.3	0.2%	8.9%
Rail transportation	12.4	-10.5%	-22.5%
Communications	41.0	9.2%	15.3%
MEU	18.9	-7.9%	19.7%
New Growth Areas	26.3	3.6%	23.6%
Grit Consulting	3.7	-	-
Strategic Buyout	1.4	-	-
Services (i)	137.1	5.0%	15.0%
DLM (ii)	24.5	-6.3%	1.0%
Group (i+ii)	161.6	3.1%	12.6%

Order Intake (\$ Mn)[^]

Particulars	Q1 FY23	QoQ	YoY
Cyient Services	141.3	-24.8%	17.8%
DLM	23.5	6.8%	15.5%
Group OI Total	164.8	-21.4%	17.5%

[^]The Order Intake reported is the total value of all orders received during the period. Some of these orders are multi year and can be executed over more than 12 months

- Services growth stood at 5.0% QoQ and **6.5% in cc QoQ**
 - ARC witnessed growth of 2.5% QoQ
 - MEU witnessed de-growth of 7.9% QoQ
 - New Growth Areas witnessed growth of 3.6% QoQ
 - Offshore mix for Q1 at 50.0%
 - Utilization for Q1 at 80.9%, down by 530 bps QoQ
 - DLM witnessed de-growth of 6.3% QoQ
 - Group witnessed growth of 3.1% QoQ and **4.4% in cc QoQ**
-
- **Won 6 large deals with total contract potential of ~\$424.3 million (4 from services and 2 from DLM)**

● Business Units Performance Q1 FY23 (Old Structure)

Revenue \$ Mn	Q1 FY23	QoQ	YoY
Transportation	45.8	-2.9%	-1.9%
Aerospace	33.3	0.2%	8.9%
Rail transportation	12.4	-10.5%	-22.5%
C&U	49.0	3.9%	13.2%
Communications	41.0	9.2%	15.3%
Utilities	8.0	-16.6%	3.3%
Portfolio	37.2	2.5%	26.9%
Grit Consulting	3.7	-	-
Strategic Buyout	1.4	-	-
Services (i)	137.1	5.0%	15.0%
DLM (ii)	24.5	-6.3%	1.0%
Group (i+ii)	161.6	3.1%	12.6%



BUSINESS PERFORMANCE & OUTLOOK

● Business Performance & Outlook (1/3)

ARC

Aerospace: Global travel is estimated to pick up and we expect business to recover by mid to end of this fiscal year. North America Aero OEM may continue to struggle, but focus will be on electrification, urban air mobility and space & defence. New technologies and evolving business models are likely to further accelerate the shift toward digital and operational efficiencies. In particular, digital thread and smart factory continue to drive demand for Digitalization and Design Led Manufacturing.

Rail: Consolidation and Offshoring continues, and we see opportunities in Rail Signaling, embedded systems and digital transformation across products & factories. Need for increased passenger capacity and maximization of availability and reliability is driving the increased demand in this sector.

Communications: Strong growth foreseen in Network Transformation and Modernization in the areas of fiber roll out, wireless and 5G. Our unique capabilities in wireless network transformation, 5G network optimization, design and deployment of private networks enables us to present a differentiated and competitive proposition to address the emerging needs along Communications networks evolution. Increased demand is seen at enterprise level in Mining, Manufacturing and other segments.

DLM

DLM: We won the largest ever multiyear deal in Aerospace for enabling our key client to realize the first cloud connected cockpit system. This gives us confidence to expand into other customers with the scale. The supply side challenges persist but growth outlook is strong.

● Business Performance & Outlook (2/3)

MEU

Mining: Growth is lead by sustainable mining, driven by regulatory needs and market demand. Transition to renewable & clean energy sources would require minerals like like copper, nickel and new materials. We are rightly positioned to harness the opportunities from sustainable mining and mining business coming from transition to renewable & clean energy.

Energy & Utilities: Energy OEMs are focusing more on renewable energy, clean energy and energy storage solutions to implement environmentally sustainable practices and promote a significant shift towards meeting decarbonization commitments—not only in their operations but also for their products. Utility companies must integrate multiple energy sources for seamless customer experience. Smart grids and sustainability goals will require significant amount of digital transformation.

New Growth Areas

Automotive & Mobility: Growth in this sector is aligned to increased focus on connectivity, autonomous drive with increased safety, electrification and customer experience. With our expertise, we are uniquely positioned to address the increased demand from Infotainment, Connected, ADAS, Autonomous, Hybrid & Electric Mobility.

Healthcare and Life Sciences: We commenced work with a Life Sciences customer, which is a new line of business. We want to play in the convergence area of medical devices, healthcare and life sciences. We are providing Quality and Regulatory services at scale. We want to create differentiation through digitalization, Tele-medicine, Remote patient monitoring, Software defined medical products. etc.

● Business Performance & Outlook (3/3)

HiTech: We will leverage our experience to provide digital and technology solutions to Tech Companies for Location Based Services, Earth & Space Observation and System Integration projects. We are focusing on adjacencies across the enterprise including Mining, Communications, Automotive and Utilities.

Semiconductor: Semicon will continue to see Supply chain issues, but the R&D demand looks robust on edge analytics, 5G, AI and IoT. Governments globally are also ramping up investments in semiconductor industry. We are seeing increased demand across our customers including Silicon Design for automotive and industrial applications. Supply Chain around chip availability could get better over the next few quarters.

Innovative Technology Solutions and Programs

Trends	Technology Solutions / Programs
Intelligent & Connected Products	<p>L2CYSMART: Legacy to Smart Machines: An industry agnostic solution for augmenting legacy industrial machines into smart machines leveraging our IIoT capabilities, Non-invasive sensors, Cyient Edge Gateways & Image Analytics</p> <p>SBC (Single Board Computing Platform): A flexible, scalable and re-usable pre-validated SW/HW platform/framework based on Cyient's Middleware SW & off the shelf HW. Leveraged as "accelerator" to support low risk and fast Time to Market, IoTization of clients' product portfolio</p>
Autonomous Systems & Processes	<p>Increased spending on ADAS and Safety: Cyient is working with customers to define their Automated Machine roadmap and is also building a Technology model to convert in higher levels of autonomous systems to enable semi-autonomous drive as well as safety features</p> <p>Smart Processes: Cyient is working with a customer to provide real-time tracking and management for their vehicle testing facility</p>
Nextgen Connectivity	<p>5G+RAN: Private Networks: We enhanced our 5G lab by adding cloud based core network.. Cyient can now provide end – end services like Network Audit, Consultancy, Plan & Design, Deployment & Integration, Testing, Migrate & Managed services for all edge and RAN elements</p>
Sustainability	<p>Cyient will provide futuristic design (consultancy led R&D) for BESS modular package system as a plug and play solution for their Net Zero initiative of Hybrid / renewable power generation.</p> <p>We are working with a customer to create a digital platform to integrate data from a variety of data sources like hard/soft sensors to reduce the frequency of planned shutdowns while maintaining safety through physics-ML model .</p>
Digital Platforms & Customer Experience	<p>Platform X: Cyient's Cloud Framework for platform-based industry solutions. The Platform-'X' offers the building blocks, Tools and services to accelerate the time to deliver customized cloud data & platform solutions</p> <p>CyFAST: Cyient's Framework for Automated System and Software Testing (CyFAST) is an AI-powered end-to-end test automation platform that simulates business use cases with less than 10% human intervention. It is a multi-platform test integration and automation platform leveraging AI to provide automation of testing across mobile, embedded, desktop and web applications</p>

● Outlook for FY23



Revenue

- We will grow in the range of 13% – 15% in FY23 in constant currency for the Group
- We have visibility for a high single digit growth in DLM due to continued supply side challenges
- We will add further 6-7% in FY23 revenue due to acquisitions*



EBIT Margin

- We expect the full year margins to be in the range of 13% to 14%



Others

- In FY23 ETR is expected to be around 27%
- FCF is expected to be in line for the full year

**The guidance for inorganic growth does not include Citec. The acquisition of Citec is likely to be closed during Q2FY23.*

● About Cyient

Cyient (Estd: 1991, NSE: CYIENT) is a global engineering and technology solutions company. As a Design, Build, and Maintain partner for leading organizations worldwide, Cyient takes solution ownership across the value chain to help customers focus on their core, innovate, and stay ahead of the curve. The company leverages digital technologies, advanced analytics capabilities, domain knowledge, and technical expertise to solve complex business problems.

Cyient partners with customers to operate as part of their extended team in ways that best suit their organization's culture and requirements. Cyient's industry focus includes aerospace and defense, healthcare, telecommunications, rail transportation, semiconductor, geospatial, industrial, and energy.

For more information, please visit www.cyient.com. Follow news about the company at @Cyient

Contact Details:

Investor Relations

Mayur Maniyar

M: +91 9224126705

E: mayur.maniyar@cyient.com

Media Relations

Kiran Rajani

M: + 91 9884139184

E: kiran.rajani@cyient.com

● Disclaimer

All the references to Cyient's financial results in this update pertain to the company's consolidated operations comprising:

Wholly-owned and step down subsidiaries: Cyient Europe Limited; Cyient Inc.; Cyient GmbH; Cyient Australia Pty Ltd; Cyient Singapore Private Limited; Cyient KK; Cyient Israel India Limited; Cyient Insights Private Limited, Cyient DLM Private Limited, Cyient Canada Inc.; Cyient Defense Services Inc; Cyient Benelux BV; Cyient Schweiz GmbH; Cyient SRO; AnSem NV; AnSem B.V.; Cyient AB; Integrated Global Partners Pty Limited; Integrated Global Partners Pte. Limited; Integrated Global Partners SpA; IG Partners South Africa (Pty) Ltd; Workforce Delta Pty. Ltd.; Grit Consulting Pte. Ltd.; Celfinet - Consultoria EM Telecomunicacoes S.A.; Metemesonip, Unipessoal Lda; Celfinet UK Telecommunications Consulting Services Ltd.; Celfinet Espanã Consultoria en Telecomunicaciones; Celfinet (Brasil) - Consultoria em Telecomunições, Ltda, Celfinet Mozambique, Lda

Partly owned subsidiary: Cyient Solutions and Systems Private Limited.

Joint venture: Infotech HAL Ltd

The income statement and cash flow provided is in the internal MIS format. MIS format is different from the income statement and cash flow published as part of the financial results, which is as per the statutory requirement.



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**INVESTOR
PRESENTATION**
Annexure

Q1 FY23

● Message from the Management



**KRISHNA
BODANAPU**

Managing Director
& CEO

Commenting on the results, Mr. Krishna Bodanapu, Managing Director and Chief Executive Officer, said “Cyient recorded a revenue of \$161.6 Mn for Q1 FY 23, a growth of 4.4% QoQ and 15.8% YoY in constant currency, the growth in the business was driven by Mining, Medical Technology, and Communication businesses. We continue to witness strong momentum across the business driven by key wins, robust order intake, and pipeline. We won six large deals with a total contract potential of \$424 Mn. We also witnessed significant growth across key accounts, with revenue from the top 30 accounts growing at 4.7% QoQ. This quarter we also added ten new logos across our key growth industries. These wins are a testament that our strategy is playing out well and clients continue to show confidence in our offerings. We will continue to focus on our 5-pillar strategy to strengthen our offerings across Digital, Embedded, VLSI, Geospatial, and Networks. In line with our strategy, we also acquired three companies, Citec, Grit, and Celfinet. While Citec will help us strengthen our plant engineering capabilities and presence in Europe, the Celfinet acquisition will reinforce our Wireless Engineering practice to support Communication Service Providers (CSPs) and Enterprises. The Grit Consulting acquisition will help strengthen our offerings across Consulting business.

Continuing our focus on innovative solutions, Cyient launched an AI-Powered Framework for Automated System and Software Testing (CyFAST) to provide a comprehensive environment for managing testing projects. We also partnered with IIT Hyderabad (IITH) and WiSig Network to enable volume production of India's first architected and designed chip - the Koala NB-IoT SoC (Narrowband-IoT System-on-Chip). We will continue to invest in strengthening our technology platforms, focusing on building technology offerings across areas such as Intelligent Connected Products, Next Generation Connectivity, Automation & EDGE AI, Sustainable Energy, and Data AI & Platformization.

Our outlook for the year continues to be strong. We expect double-digit growth at the group level driven by strong OI and a pipeline in the services business. Design-led Manufacturing business will continue to witness some supply chain challenges.”

● Message from the Management



**AJAY
AGGARWAL**
Executive Director
& CFO

Commenting on the results, Mr. Ajay Aggarwal, Executive Director & CFO, said, “I am pleased to share that our strategy on accelerating earnings growth through investments and better capital allocation is playing out well with critical strategic investments in Q1FY23. This spurred our topline growth with Group revenue at \$161.6 Mn (growth of 12.6% YoY, 3.1% QoQ). Group EBIT margin stood at 11.5% (down by 164 bps YoY and 298 bps QoQ) and PAT at ₹1,161 Mn (growth of 0.9% YoY and de-growth of 24.7% QoQ) mainly due to impact of employee cost and lower utilization. Free Cash Flow generation for the quarter at ₹596 Mn, a conversion of 27.1% on EBITDA while lower this quarter, we are confident of recovery and returning to original levels.

Our focus is on allocating capital efficiently to yield earnings through strategic investments. The recent acquisitions and new investments are expected to give good results in coming quarters and years with continued momentum in earnings growth. We continue our efforts and drive to improve efficiency and improve various operating budgets levers improve margin. We are committed to deliver on growth, margin and cash generation and thus maximizing the value for our shareholders.”

Consolidated Financial Metrics

₹ Mn	Q1 FY23	Q4 FY22	Q1 FY22	Growth %	
				QoQ	YoY
Revenue	12,501	11,812	10,582	5.8%	18.1%
EBIT	1,435	1,708	1,388	-16.0%	3.4%
EBIT margin	11.5%	14.5%	13.1%	-298 bps	-164 bps
PAT	1,161	1,542	1,150	-24.7%	0.9%

Foreign Exchange Rate

\$/₹	Q1 FY23	Q4 FY22	Q1 FY22	FY22	FY21
Average	77.37	75.38	73.74	74.55	74.21
Closing	78.92	75.84	74.28	75.84	73.44

Consolidated Revenue Segmentation

By Geography (%)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Americas	51.3%	53.5%	47.9%
Europe, Middle East, Africa	22.7%	24.6%	28.4%
Asia Pacific (includes India)	26.0%	22.0%	23.7%

By Business Unit (%) (New Structure)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
ARC total	63.8%	64.8%	68.4%
Aerospace	30.5%	31.9%	31.9%
Rail transportation	7.9%	9.0%	11.7%
Communications	25.4%	23.9%	24.7%
MEU total	14.3%	13.1%	11.1%
Mining	2.3%	1.9%	1.4%
Energy	5.5%	3.1%	3.3%
Utilities	5.0%	6.2%	5.4%
Consulting	1.5%	2.0%	1.0%
New Growth Areas total	18.7%	22.1%	20.6%
Grit	2.3%	0.0%	0.0%
Strategic Buyout	0.9%	0.0%	0.0%

By Business Unit (%) (Old Structure)

	Q1 FY23	Q4 FY22	Q1 FY22
Transportation total	38.5%	40.9%	43.6%
Aerospace	30.5%	31.9%	32.1%
Rail transportation	7.9%	9.0%	11.5%
C&U total	30.4%	30.1%	30.2%
Communications	25.4%	23.9%	24.8%
Utilities	5.0%	6.2%	5.4%
Portfolio total	28.0%	29.0%	26.2%
Grit	2.3%	0.0%	0.0%
Strategic Buyout	0.9%	0.0%	0.0%

Consolidated Operations Metrics

Account Receivables (in Days)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
DSO Total	88	78	90
- Billed	59	55	67
- Unbilled	29	23	23

Order Intake (\$ Mn)^

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Cyient Services	141	188	120
DLM	24	22	20
Group OI Total	165	210	140

*^The Order Intake reported is the total value of all orders received during the period.
Some of these orders are multi year and can be executed over more than 12 months*

Consolidated Client Metrics

Top Clients: Revenue Contribution (%)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Top 5	27.7%	26.5%	31.9%
Top 10	39.3%	39.1%	43.3%

Note: There was an error in Q4FY22 top 10 customer contribution % which is rectified now

No. of Million \$ Clients

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
20 Mn+	4	3	3
10 Mn+	11	11	10
5 Mn+	32	34	30
1 Mn+	94	93	89
New Clients Added	8	16	10

Consolidated Employee Metrics

Employee

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Total Headcount	14,147	13,428	12,433
Technical & Pool	13,165	12,380	11,495
Non-Technical	473	446	350
Support	509	602	588
Voluntary Attrition (LTM)*	27.9%	26.2%	16.7%

** Attrition is reported on LTM basis from Q1FY23. This is in line with the industry reporting practice. For Q1FY23, quarterly annualised attrition stood at 30.4%*

Consolidated Other Financial Metrics

Cash Position (₹ Mn)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Cash & Cash Equivalent including treasury investments	13,749	15,689	15,262
Cash & Bank balances	4,211	4,413	6,726
Investments in FDs	6,574	8,253	8,536
Investment in MFs	864	704	0
Treasury investments	2,100	2,319	0

Capex (₹ Mn)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Capital Expenditure	134	120	214

Consolidated Income Statement

Income Statement ₹ Mn	Q1 FY23	Q4 FY22	Q1 FY22
Operating Revenue	12,501	11,812	10,582
Cost of Revenue	7,901	7,293	6,783
Direct Salary and related costs	4,989	4,558	4,264
Direct Travel	136	95	79
Delivery Management	257	249	222
Material cost	1,459	1,359	1,234
Other costs incl Subcontract costs	1,059	1,032	983
Gross profit	4,600	4,520	3,799
Sales and Marketing	402	465	424
General and Administration	2,252	1,918	1,497
Depreciation and Amortization	511	429	490
EBIT	1,435	1,708	1,388
Financial expenses	177	117	110
Other income	337	494	257
One off/ Exceptional item	0	0	0
Profit before tax (PBT)	1,595	2,085	1,535
Tax	435	543	385
Profit After Tax (Reported)	1,161	1,542	1,150
Basic EPS (₹) (Reported)	10.6	14.1	10.5



Extract of Consolidated Balance Sheet

Balance Sheet ₹ Mn	Q1FY23	Q4FY22	Q1 FY22
EQUITY AND LIABILITIES			
Shareholders' funds			
- Share capital	552	552	548
- Reserves and surplus	30,318	30,582	27,930
Total - Shareholders' funds	30,870	31,134	28,478
Non-current liabilities			
- Long-term borrowings and liabilities	3,943	2,424	2,469
- Long-term provisions	1,295	1,347	1,326
- Deferred tax liabilities (net)	673	345	253
Total - Non-current liabilities	5,911	4,116	4,048
Current liabilities			
- Short-term borrowings	6,527	3,241	2,813
- Trade payables	5,798	5,259	4,404
- Other current liabilities	5,410	3,359	5,166
- Short-term provisions	931	764	845
Total - Current liabilities	18,666	12,623	13,228
TOTAL - EQUITY AND LIABILITIES	55,447	47,873	45,754
ASSETS			
Non-current assets			
- Property, plant and equipment	10,495	7,398	8,324
- Goodwill	9,819	6,185	5,923
- Non-current investments	3,430	3,582	348
- Deferred tax assets (net)	305	248	347
- Other non-current assets	1,024	1,488	1,200
Total - Non-current assets	25,073	18,901	16,142
Current assets			
- Inventories	3,329	2,790	1,724
- Current investments	1,023	866	-
- Trade receivables	8,288	7,333	7,498
- Cash and cash equivalents	10,785	12,666	15,262
- Other current assets	6,949	5,317	5,128
Total - Current assets	30,374	28,972	29,612
TOTAL ASSETS	55,447	47,873	45,754

Consolidated Cash Flow Movement

₹ Mn	Q1 FY23	Q4 FY22	Q1 FY22
Free cash flow from operations	596	1,225	848
Investment in non current investments	191	142	0
Settlement of purchase/deferred consideration pertaining to new/prior year acquisitions	(4,063)	(0)	(45)
Interest received	100	75	97
Finance costs paid	(63)	(47)	(42)
Proceeds/(Repayment) of borrowings, net	3,299	(174)	385
Repayment of lease liabilities	(270)	(282)	(238)
Proceeds from issue of equity shares	17	20	40
Dividend paid	(1,528)	0	(0)
Purchase of equity shares by ASOP trust	0	0	(462)
Others	0	78	29
Net change in cash	(1,722)	1,038	613
Opening cash position	13,370	12,333	14,650
Closing cash position*	11,649	13,370	15,263

*There was an error in Q4FY22 closing cash position which is rectified now

Other Income

All Figures in ₹ Mn	Q1FY23	Q4 FY22	Q1 FY22
Income from Treasury			
Interest on Investments/Deposits	91	134	133
Dividend on Mutual Funds	4	4	0
Subtotal (A)	95	138	133
Realised gains/(losses) on Fwd Contracts (B)	144	153	42
Unrealised Fx gains/(losses) (C)	31	56	24
Others			
Interest on IT Refunds	53	0	0
Reversal of Old provisions	0	10	0
Rents received	3	5	2
Tax incentives on export of merchandise	0	42	0
Others	10	90	56
Subtotal (D)	66	147	58
Grand total (A+B+C+D)	337	494	257

Currency Movement	Q1 FY23		Q4 FY22		Q1 FY22	
	Forward	Spot	Forward	Spot	Forward	Spot
USD	77.1	77.6	76.4	75.5	78.5	73.8
EUR	94.0	82.4	92.5	84.1	89.6	88.9
GBP	108.9	96.9	106.2	100.3	98.7	103.5
AUD	59.4	54.8	59.5	54.5	53.6	56.8
CAD	63.2	60.6	60.6	59.7	57.6	60.2

Forward and spot rates represent average of monthly rates

For the quarter

- Treasury income is lower due to decrease in average invested cash on account of acquisition funding and dividend payout
- Forward contract gain is ₹144 Mn, unfavorable QoQ movement of ₹9 Mn, mainly from lower gains in USD and AUD partially offset by higher gains in EUR and GBP contracts
- Unrealized Fx Gain in Q1 is lower mainly from unfavorable restatement impact in UK and India



Cyient Metrics (Services)

Cyient Metrics (Services) (1/3)

By Geography (%)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Americas	53.0%	55.5%	52.0%
Europe, Middle East, Africa	21.8%	25.9%	27.6%
Asia Pacific (including India)	25.2%	18.5%	20.5%

By Business Unit (%) (New Structure)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
ARC total	63.2%	64.8%	68.9%
Aerospace	24.3%	25.5%	25.7%
Rail transportation	9.1%	10.6%	13.5%
Communications	29.9%	28.7%	29.8%
MEU total	13.8%	15.7%	13.3%
Mining	2.8%	2.3%	1.6%
Energy	3.4%	3.7%	3.9%
Utilities	5.9%	7.4%	6.5%
Consulting	1.8%	2.4%	1.2%
New Growth Areas total	19.2%	19.5%	17.9%
Grit	2.7%	0.0%	0.0%
Strategic Buyout	1.0%	0.0%	0.0%

Onsite/offshore Split (%)*

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Onsite	50.0%	48.4%	52.7%
Offshore	50.0%	51.6%	47.3%

*The above split excludes acquisition impact

By Business Unit (%) (Old Structure)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Transportation total	33.4%	36.1%	39.1%
Aerospace	24.3%	25.5%	25.7%
Rail transportation	9.1%	10.6%	13.5%
C&U total	35.7%	36.1%	36.3%
Communications	29.9%	28.7%	29.8%
Utilities	5.9%	7.4%	6.5%
Portfolio total	27.1%	27.8%	24.6%
Grit	2.7%	0.0%	0.0%
Strategic Buyout	1.0%	0.0%	0.0%

Cyient Metrics (Services) (2/3)

Currency Mix (%)

	Q1 FY23	Q4 FY22	Q1 FY22
USD	52.9%	52.2%	50.1%
EURO	10.3%	11.1%	13.5%
GBP	8.0%	9.6%	9.2%
AUD	12.9%	11.2%	14.6%
Others	16.0%	15.9%	12.7%

Utilization (%)

	Q1 FY23	Q4 FY22	Q1 FY22
Utilization	80.9%	86.1%	83.1%

Account Receivables (in Days)

	Q1 FY23	Q4 FY22	Q1 FY22
DSO Total	89	80	83
- Billed	55	53	55
- Unbilled	34	27	28

Cyient Metrics (Services) (3/3)

Top Clients: Revenue Contribution (%)

	Q1 FY23	Q4 FY22	Q1 FY22
Top 5	32.1%	30.6%	36.9%
Top 10	43.6%	42.6%	49.2%

No. of Million \$ Clients

	Q1 FY23	Q4 FY22	Q1 FY22
20 Mn+	4	3	3
10 Mn+	11	11	10
5 Mn+	25	25	23
1 Mn+	81	78	74
New Clients Added	8	16	10

Employee

	Q1 FY23	Q4 FY22	Q1 FY22
Total Headcount	13,581	12,834	11,826
Technical & Pool	12,599	11,832	10,938
Non-Technical	473	444	341
Support	509	558	547



Cyient Metrics (Design Led Manufacturing)

Cyient Metrics (Design Led Manufacturing) (1/3)

Income Statement - Abridged (In ₹ Mn)

	Q1 FY23	Q4 FY22	Q1 FY22
Net Revenue	1,897	1,977	1,786
Direct Salaries & other costs	238	260	285
Material Cost	1,459	1,355	1,234
Gross Profit	200	362	267
SG&A	52	108	94
Depreciation & amortisation	69	60	66
EBIT	80	194	107
Others	16	24	-17
Profit Before Tax	95	218	90

By Geography (%)

	Q1 FY23	Q4 FY22	Q1 FY22
Americas	41.5%	43.0%	28.1%
Europe, Middle East, Africa	27.7%	17.9%	32.4%
Asia Pacific (including India)	30.8%	39.1%	39.5%

Cyient Metrics (Design Led Manufacturing) (2/3)

By Business Unit (%) (New Structure)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
ARC total	67.1%	64.9%	65.7%
Aerospace	65.5%	64.0%	62.6%
Rail transportation	1.5%	0.9%	3.2%
Communications	0.2%	0.0%	0.0%
MEU total	17.2%	0.0%	0.4%
Mining	0.0%	0.0%	0.4%
Energy	17.2%	0.0%	0.0%
Utilities	0.0%	0.0%	0.0%
Consulting	0.0%	0.0%	0.0%
New Growth Areas total	15.7%	35.1%	33.9%

Currency Mix (%)

	Q1 FY23	Q4 FY22	Q1 FY22
USD	89.9%	85.1%	62.3%
EURO	3.2%	2.8%	3.4%
AUD	0.0%	0.0%	0.0%
Others	6.9%	12.1%	34.2%

By Business Unit (%) (Old Structure)

	Q1 FY23	Q4 FY22	Q1 FY22
Transportation total	66.9%	64.9%	65.6%
Aerospace	65.5%	64.0%	62.4%
Rail transportation	1.5%	0.9%	3.2%
C&U total	0.2%	0.0%	0.4%
Communications	0.2%	0.0%	0.4%
Utilities	0.0%	0.0%	0.0%
Portfolio total	32.9%	35.1%	34.1%

Cyient Metrics (Design Led Manufacturing) (3/3)

No. of Million \$ Clients

	Q1 FY23	Q4 FY22	Q1 FY22
5 Mn+	7	9	7
2 Mn+	11	11	11
1 Mn+	13	15	15
New Clients Added	0	0	0

Key Operational Metrics

	Q1 FY23	Q4 FY22	Q1 FY22
Headcount	567	594	607
DSO (in Days)	85	73	112
DPO (in Days)	65	68	91
Customer Advance (in Days)	82	65	53
Inventory (in Days)	189	183	107
Total Cash (₹ Million)	950	1219	310

● About Cyient

Cyient (Estd: 1991, NSE: CYIENT) is a global engineering and technology solutions company. As a Design, Build, and Maintain partner for leading organizations worldwide, Cyient takes solution ownership across the value chain to help customers focus on their core, innovate, and stay ahead of the curve. The company leverages digital technologies, advanced analytics capabilities, domain knowledge, and technical expertise to solve complex business problems.

Cyient partners with customers to operate as part of their extended team in ways that best suit their organization's culture and requirements. Cyient's industry focus includes aerospace and defense, healthcare, telecommunications, rail transportation, semiconductor, geospatial, industrial, and energy.

For more information, please visit www.cyient.com. Follow news about the company at @Cyient

Contact Details:

Investor Relations

Mayur Maniyar

M: +91 9224126705

E: mayur.maniyar@cyient.com

Media Relations

Kiran Rajani

M: + 91 9884139184

E: kiran.rajani@cyient.com

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All the references to Cyient's financial results in this update pertain to the company's consolidated operations comprising:

Wholly-owned and step down subsidiaries: Cyient Europe Limited; Cyient Inc.; Cyient GmbH; Cyient Australia Pty Ltd; Cyient Singapore Private Limited; Cyient KK; Cyient Israel India Limited; Cyient Insights Private Limited, Cyient DLM Private Limited, Cyient Canada Inc.; Cyient Defense Services Inc; Cyient Benelux BV; Cyient Schweiz GmbH; Cyient SRO; AnSem NV; AnSem B.V.; Cyient AB; Integrated Global Partners Pty Limited; Integrated Global Partners Pte. Limited; Integrated Global Partners SpA; IG Partners South Africa (Pty) Ltd; Workforce Delta Pty. Ltd.; Grit Consulting Pte. Ltd.; Celfinet - Consultoria EM Telecomunicacoes S.A.; Metemesonip, Unipessoal Lda; Celfinet UK Telecommunications Consulting Services Ltd.; Celfinet Espanã Consultoria en Telecomunicaciones; Celfinet (Brasil) - Consultoria em Telecomunições, Ltda, Celfinet Mozambique, Lda

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The income statement and cash flow provided is in the internal MIS format. MIS format is different from the income statement and cash flow published as part of the financial results, which is as per the statutory requirement.



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