

16 July 2020

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,

Sub: Investor Presentation – Reg.

Please find enclosed investor Presentation issued by the company on the financial results for the quarter ended 30 June 2020.

This is for your information and records.

Thanking you
For Cyient Limited



Ravi Kumar Nukala
Dy. Company Secretary.



CYIENT

INVESTOR PRESENTATION

Q1 FY21

Confidentiality Statement

The information shared herein is strictly confidential, proprietary and unique to the company. It is only made and shared for the purpose and extent it is intended for and no other. Usage or sharing of the said information in any form, directly or indirectly and in any manner whatsoever, might constitute a violation of laws or regulations in vogue in geographies in which the company operates, besides breaching confidentiality. The users shall meet any liability emanating from such violation and shall indemnify company for any loss, damage, expense, penalty, fine, fee, charges incurred by company on account of any such violation.

- Leadership team



BVR MOHAN REDDY
Executive Chairman



KRISHNA BODANAPU
MD & CEO



AJAY AGGARWAL
President & CFO



KARTHIK NATARAJAN
President & 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 (1/4)

Revenue

-7.6% QoQ (₹ terms)
-12.5% QoQ (\$ terms)

Quarterly revenue at
\$130.6Mn/₹9,917Mn

Consolidated EBIT Margin @ 5.2%

Services EBIT margin at 6.7%
DLM EBIT margin at -4.6%

PAT growth @ 8.0% QoQ

PAT for the quarter at ₹814 Mn

Financial Highlights for Quarter

- Consolidated revenue at \$130.6 Mn; de-growth of 12.5% QoQ and de-growth of 16.6% YoY
- Services revenue at \$112.2 Mn; de-growth of 15.2% QoQ (-14.3% in CC) and de-growth of 18.6% YoY
- DLM revenue at \$18.4 Mn; growth of 8.5% QoQ, and de-growth of 1.4% YoY
- Free cash flow to EBITDA conversion at 138.1%
- EBIT margin for services at 6.7%, down 283 bps QoQ
- EBIT margin for DLM at -4.6%, down 410 bps QoQ
- Profit After Tax at ₹814 Mn for the quarter; growth of 8.0% QoQ

• Highlights for the Quarter (2/4) •

Update on deal wins - Hitachi Rail:

- Signed an agreement with Hitachi Rail to deliver project engineering services and accelerate the evolution of its signalling technology
- Cyient will develop and operate a Central Delivery Centre for Hitachi Rail in India, and a Regional Centre in the US
- Will be responsible for delivering engineering services for Hitachi's global signalling projects that use proprietary interlocking platforms

Update on collaboration with Microsoft

- Cyient IoT Edge Gateway 5400, the flagship product in the company's family of IoT gateways, is Microsoft Azure Certified for IoT
- Cyient's IoT Edge Gateway 5400 provides diverse connectivity and communication protocol options, advanced data processing, and edge analytics capabilities for remote asset monitoring and predictive maintenance solutions

Diversifying our customer base

- We have added 25 new customers in Q1 FY21

Commissioning of the Hyderabad factory

- The new DLM factory in Hyderabad has been commissioned. This is one of the most advanced electronics manufacturing facilities in India, underpinned by the latest technologies in factory automation, Industry 4.0 and supply chain management
- Strategic advantage to be located in a manufacturing hub in terms of proximity to probable customers, managing supply chains and co-ordination with the design teams

- Highlights for the Quarter (3/4)

Overview of Hyderabad plant



Location: Hyderabad Airport Special Economic Zone

Size of facility: 150,000 Sq. Ft facility in 10 Acres of Land

Status: Qualification of units are in progress and serial production will start from August 2020

Employees: 100+ by end of July 2020 and 500+ March 2021

• Highlights for the Quarter (4/4) •

Key appointments - Strengthening the Senior management team

Felice Gray-Kemp - Senior Vice President and Global General Counsel

- Leads the compliance function for Cyient and will be responsible for ensuring that our legal, enterprise risk management, corporate governance, and secretarial functions continue to reflect a commitment to excellence and ethics
- Brings in more than 22 years of global commercial law experience to the company

Meenu Bagla - Vice President and Chief Marketing Officer

- Will be responsible for strengthening the brand reach, relevance, and advocacy to deliver accelerated business growth in new and existing markets
- More than 20 years of experience in the technology industry

Richard L. Palm - Vice President - Supply Chain, Design Led Manufacturing

- Strong expertise in operations with specialization in strategic sourcing, supply management, global sourcing, global logistics, material requirements planning (MRP), and procurement
- Has over 25 years of broad experience in many industries, including communications, consumer electronics, computers and network security, automotive, and supply chain consulting

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Revenue for Q1 FY21

Revenue	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	QoQ	YoY
Group							
\$ Mn	156.6	164.2	155.2	149.2	130.6	-12.5%	-16.6%
₹ Mn	10,890	11,589	11,060	10,736	9,917	-7.6%	-8.9%
Services							
\$ Mn	137.9	140.4	140.1	132.3	112.2	-15.2%	-18.6%
₹ Mn	9,593	9,902	9,984	9,513	8,521	-10.4%	-11.2%
DLM							
\$ Mn	18.7	23.8	15.1	17.0	18.4	8.5%	-1.4%
₹ Mn	1,297	1,687	1,076	1,222	1,396	14.2%	7.6%

Revenue USD Mn	Q1 FY21	QoQ	YoY
Geography			
NAM	68.3	-17.8%	-21.3%
EMEA	31.3	-18.5%	-28.9%
APAC incl India	31.0	11.8%	20.4%

- Services de-growth of 15.2% QoQ
- Overall DLM is higher by 8.5% QoQ (\$1.4 Mn), primarily due to increase in Standalone DLM revenue of \$2.5 Mn QoQ

Income statement for Q1 FY21

All Figures in ₹ Mn	Q1 FY21	Q4 FY20	Q1 FY20
Revenue	9,917	10,736	10,890
EBIT (Reported)	511	464	1,005
EBIT (Normalised)	511	905	1,005
PAT (Reported)	814	452	905
PAT (Normalised)	814	754	905
EPS (₹ Reported)	7.4	4.1	8.2
EPS (₹ Normalised)	7.4	6.9	8.2

All Figures in %	Q1 FY21	Q4 FY20	Q1 FY20
Gross Margin	30.5%	33.5%	34.4%
EBIT Margin (Reported)	5.2%	4.3%	9.2%
EBIT Margin (Normalised)	5.2%	8.4%	9.2%
ETR*	25.0%	23.9%	22.0%
PAT Margin (Reported)	8.2%	4.2%	8.3%
PAT Margin (Normalised)	8.2%	7.0%	8.3%

*ETR for Q4FY20 excludes one offs

QoQ EBIT Movement

- Consolidated EBIT margin stood at 5.2%; down 328 bps QoQ
- Services margin at 6.8%; lower by 283 bps QoQ primarily driven by one time restructuring cost (259 bps), volume impact on SGA and depreciation (289bps), one off adverse revenue mix (134 bps) offset by reduction in SG&A cost (185 bps), improvement in operational metrics (110bps) and forex impact (104 bps). (Please refer slide 12).
- DLM margins -4.6%; compared to -0.5% in Q4 FY20

Profit After Tax Movement

- Normalized PAT increase by 8.0% QoQ is primarily due to higher other income on account of export incentives received
- ETR is 25%. However without export incentives, ETR would be 23.6%, lower by 30bps QoQ

EBIT margin bridge for Q1 FY21

Particulars	
EBIT Q4 FY20 (Group)^	8.4%
<i>Add: DLM impact</i>	<i>115 bps</i>
EBIT Q4 FY20 (Services)^	9.6%
Headwinds in Q1 FY21	
<i>One time restructuring costs</i>	<i>-259 bps</i>
<i>Volume impact on SGA & Depreciation</i>	<i>-289 bps</i>
<i>One off adverse revenue mix</i>	<i>-134 bps</i>
Tailwinds in Q1 FY21	
<i>Reduction in SG&A cost</i>	<i>185 bps</i>
<i>Improvements in operational metrics</i>	<i>110 bps</i>
<i>Fx impact</i>	<i>104 bps</i>
EBIT Q1 FY21 (Services)	6.7%
<i>Less: DLM impact</i>	<i>-160 bps</i>
EBIT Q1 FY21 (Group)	5.2%

[^]Normalised EBIT is considered for Q4FY20

Cash Generation for Q1 FY21

All Figures in ₹ Mn	Q1 FY21	Q4 FY20	Q1 FY20
Services			
Profit before tax	1,141	904	1,157
(+/-) Non-cash & non-operating items	380	817	401
Operating profit before WC changes	1,521	1,721	1,558
(+/-) DSO Movement (Receivables)	662	-73	-1,320
(+/-) Other WC changes	510	19	653
Operating CF after WC changes	2,693	1,667	891
Less: Taxes	-164	-390	-240
Less: Capex	-451	-263	-330
FCF Services	2,078	1,014	321
DLM			
Free Cash Flow generated (DLM) - ii	85	60	-182
Group FCF (i+ii)	2,163	1,074	139
FCF to EBITDA Conversion	138.1%	75.2%	8.8%

Note: Free Cash Flow(FCF), which was being earlier prepared as per management reporting, has been aligned to statutory reporting with effect from Q1 FY21. Consequently, the comparative periods have also been recast to reflect the change. The format for presentation has also been suitably amended

Cash Generation

- Cash and cash equivalents at a healthy levels of ₹ 11,098 Mn
- In Q1, the cash flow conversion stood at 138.1% for group and 144.9% for Services. DLM has generated cash of ₹85 Mn in Q1 FY21
- Export incentives of ₹519 Mn boosted cash conversion

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• BU performance Q1 FY21

Business Units	Services			DLM			Group		
	\$ Mn	QoQ	YoY	\$ Mn	QoQ	YoY	\$ Mn	QoQ	YoY
A&D	35.0	-22.9%	-27.8%	12.7	14.3%	3.4%	47.6	-15.6%	-21.5%
Communications	30.0	-10.8%	0.7%	0.0	-26.4%	-62.5%	30.1	-10.8%	0.6%
E&U	13.2	-13.7%	-22.0%	1.3	-52.5%	-66.3%	14.5	-19.4%	-30.0%
Transportation	13.4	-10.8%	-24.1%	0.1	-29.3%	46.8%	13.5	-10.9%	-23.9%
Portfolio	11.3	-20.5%	-20.9%	NA	NA	NA	11.3	-20.5%	-21.3%
SIA	6.2	15.6%	-18.7%	NA	NA	NA	6.2	15.6%	-18.7%
MT&H	3.1	-7.4%	-0.8%	4.4	46.8%	74.2%	7.4	18.2%	32.7%
Total	112.2	-15.2%	-18.6%	18.4	8.5%	-1.4%	130.6	-12.5%	-16.6%
<i>CC Growth</i>		<i>-14.3%</i>	<i>-16.9%</i>					<i>-11.6%</i>	<i>-15.1%</i>

- Services de-growth of 15.2% QoQ, 14.3% in constant currency lower by \$20.1 Mn mainly from A&D, Communications and Portfolio
- Overall DLM is higher by 8.5% QoQ (\$1.4 Mn), primarily due to increase in Standalone DLM revenue of \$2.5 Mn QoQ

• Business Performance & Outlook (1/3)

Aerospace & Defense

Aerospace & Defence business unit witnessed a decline of 15.6% QoQ and 21.5% YoY. The services business from commercial aviation clients witnessed significant challenges across geographies. The defence business remained resilient and we expect the traction to continue through the year. The manufacturing business grew driven by new wins and stable defence accounts.

We expect to witness decline in Q2 driven by poor market demand for passenger travel. We are actively engaged with key clients to strengthen our relationship and retain our market share. We expect manufacturing business to witness strong growth through Q2. The digital offerings are seeing momentum in this vertical. We expect the demand to be driven by digital, defence and DLM in the near term.

Communications

Communications business unit witnessed a decline of 10.8% QoQ and growth of 0.6% YoY. The services business witnessed increased demand in key clients driven by demand for increased network bandwidth both from consumer & enterprise segments . Also 5G rollouts across various geographies are gaining traction. However, closure on major programs, field access and new client acquisition remained a challenge.

We expect strong growth in Q2 driven by growth in key clients. 5G rollouts, wireless and fiber rollout, digital technologies will continue to drive growth through next few quarters.

• Business Performance & Outlook (2/3)

Transportation

Transportation business unit witnessed a decline of 10.9% QoQ and 23.9% YoY, primarily driven by change in revenue complexion and lower momentum in one of our key clients.

Our outlook for Q2 continues to remain positive driven by growth in key client accounts and new wins in mobility business. We expect momentum in signaling business to return through the quarter.

E&U

Energy and Utilities business unit witnessed a decline of 19.4% QoQ and 30.0% YoY driven by temporary stoppage in field work for the Utilities business and decline in demand for the manufacturing business.

We expect strong growth in Q2 driven by growth across services. We expect traction in Energy segment to return post Q2

MTH

Medical technology and Healthcare business unit witnessed a growth of 18.2% QoQ and 32.7% YoY driven by growth in key client in the services business and manufacturing business.

Our outlook for Q2 stands positive driven by growth in key client in the manufacturing business. We expect growth in Covid related equipment's like IVD and hospital equipment's to drive growth through the quarter.

• Business Performance & Outlook (3/3)

SIA

Semiconductor, IoT and Analytics business unit witnessed a growth of 15.6% QoQ and decline of 18.7% YoY. The growth was driven by growth in key clients in semiconductor as well as embedded automotive services. We also completed ASIC IC shipments for a high precision GPS chip leveraging our new test infrastructure in Europe. Besides this, our facilities in Leuven (Belgium) and Duisburg (Germany) will be fully equipped to perform test development for high volume production for complex analog mixed signal ASICs through the year.

We expect growth through Q2 driven by ramp up in new turnkey ASIC projects and IC shipments.

DLM

Design Led manufacturing business unit witnessed a growth of 8.4% QoQ and decline of 1.4% YoY driven by growth across Aerospace and Medical segments. Our strong focus on inventory reduction through the quarter resulted in increased cash flow for the business.

We expect strong growth through Q2 driven by key clients in Aerospace & Defence and Medical segment. We will continue to focus on better inventory management and operational excellence to improve our cash position.

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

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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.; and Cyient AB.

During the quarter, B&F Design Inc was merged with Cyient Defense Services Inc

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.



THANK YOU



CYIENT

INVESTOR PRESENTATION ANNEXURE

Q1 FY21

• Message from the Management



Commenting on the results, Mr. Krishna Bodanapu, Managing Director and Chief Executive Officer, said "Q1 FY21 results were better than our expectations, where we recorded a revenue of \$130.6 Mn which was lower by 11.6% QoQ and 15.1% YoY in constant currency. Services business was lower by 14.3 % QoQ in constant currency. The DLM business grew by 8.5% QoQ. We expect traction from top clients to return post Q2. The EBIT margin is lower by 328bps QoQ mainly due to lower business volume which was somewhat offset by lower SG&A spend. We generated Free Cash Flow of INR 2,163 Mn which was higher by 101% QoQ.

This quarter we had some significant wins in both new business and existing clients. This will help us strengthen our revenue outlook in the coming quarters. This quarter we also made significant investments in strengthening our business through strategic partnerships and alliances. We partnered with Microsoft for industry 4.0 offerings. The partnership will allow us take IoT solutions faster to market with hardware and software that has been pre-tested and verified to work with Microsoft Azure IoT services. We also signed a partnership with Fore Optics for joint Go to Market on taking asset tracking offering to the market. As part of this partnership Fore Optics brings in its IP in supply chain analytics and Cyient its IP in asset tracking IoT. We further strengthened the management team with the addition of Felice Gray-Kemp as the Global General Counsel and Meenu Bagla as the Chief Marketing Officer. The new DLM factory in Hyderabad has been commissioned and I am happy to say that this is one of the most advanced electronics manufacturing facilities in India, underpinned by the latest technologies in factory automation, Industry 4.0 and supply chain management.

Our Outlook for Q2 is positive and we expect growth to return in all industries except Aerospace, which will de-grow further in Q2. For the year, we expect a de-growth in revenue in double digits. We will also reiterate that H2 margin will be back to the steady state margin of H1 of last year. This will continue to be underpinned by strong free cash flow generation and prudent Capex spend.

• Message from the Management



Commenting on the results, Mr. Ajay Aggarwal, President & CFO, said, “The revenue for Q1FY21 stood at \$130.6 Mn (INR 9,917 Mn) with EBIT of INR 511 Mn and PAT of INR 814 Mn. Our rigor on cash collections, close engagement with customers and initiatives on cash conservation has yielded results with FCF generation of INR 2,163 Mn and FCF to EBITDA conversion of 138.1%.

With significant efforts spent on efficiencies and cost optimisation in the last financial year, our focus on cost reduction and profit improvement continued in Q1 and well set to show results in the coming quarters. We are positive on realising benefits of our sustained initiatives on collections, working capital cycles, payables and discretionary cost control in FY21.

In the current turbulent times, it is very difficult to predict future with a reasonable certainty. We are cognizant of the dynamic situation we are in, and are working with extreme agility in making decisions and taking corrective actions to manage business scenarios with special focus on cash and costs.

We remain strongly focused on growth, improvement in operating efficiencies and cash generation and thus maximizing the value for our shareholders.”

Consolidated Financial Metrics

Key Financial Metrics

₹ Mn	Q1 FY21	Q4 FY20	Q1 FY20	Growth %	
				QoQ	YoY
Revenue	9,917	10,736	10,890	-7.6%	-8.9%
Normalised EBIT	511	905	1,005	-43.5%	-49.1%
Normalised EBIT margin	5.2%	8.4%	9.2%	-328 bps	-407 bps
Reported PAT	814	452	905	80.1%	-10.0%
Normalised PAT	814	754	905	8.0%	-10.0%

Key Financial Metrics

\$ Mn	Q1 FY21	Q4 FY20	Q1 FY20	Growth %	
				QoQ	YoY
Revenue	130.6	149.2	156.6	-12.5%	-16.6%
Normalised EBIT	6.7	12.6	14.4	-46.8%	-53.4%
Normalised EBIT margin	5.2%	8.4%	9.2%	-328 bps	-407 bps
Reported PAT	10.7	6.1	13.0	76.5%	-17.6%
Normalised PAT	10.7	10.2	13.0	5.6%	-17.6%

Foreign Exchange Rate

\$/₹	Q1 FY21	Q4 FY20	Q1 FY20
Quarter Average	75.93	71.94	69.56
Quarter Closing	75.60	75.39	69.11

Consolidated Revenue Segmentation

By Geography (%)

	Q1 FY21	Q4 FY20	Q1 FY20
Americas	52.3%	55.7%	55.4%
Europe, Middle East, Africa	24.0%	25.7%	28.1%
Asia Pacific (includes India)	23.7%	18.6%	16.4%

By Business Unit (%)[^]

	Q1 FY21	Q4 FY20	Q1 FY20
Aerospace and Defense	36.5%	37.8%	38.8%
Transportation	10.3%	10.2%	11.3%
Energy and Utilities	11.1%	12.0%	13.2%
Semiconductor, IoT and Analytics	4.7%	3.6%	4.9%
Medical, Technology and Healthcare	5.7%	4.2%	3.6%
Communications	23.0%	22.6%	19.1%
Portfolio	8.7%	9.5%	9.2%

[^] Including DLM split across BUs

Consolidated Operations Metrics

Account Receivables (in Days)

	Q1 FY21	Q4 FY20	Q1 FY20
DSO Total	100	95	104
- Billed	67	61	74
- Unbilled	33	34	30

Order Intake (\$ Mn)^

	Q1 FY21	Q4 FY20	Q1 FY20
Cyient Services	99	196	134
DLM	18	60	21
Group OI Total	117	255	155

^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 (%)

	Q1 FY21	Q4 FY20	Q1 FY20
Top 5	30.2%	31.4%	32.3%
Top 10	40.1%	43.6%	44.1%

No. of Million \$ Clients

	Q1 FY21	Q4 FY20	Q1 FY20
20 Mn+	3	5	4
10 Mn+	9	10	12
5 Mn+	30	28	28
1 Mn+	92	86	85
New Clients Added	25	22	21

Consolidated Employee Metrics

	Q1 FY21	Q4 FY20	Q1 FY20
Total Headcount	12,820	13,859	15,043
Technical & Pool	11,846	12,825	13,912
Non-Technical	320	349	373
Support	654	685	758
Voluntary Attrition	13.6%	18.9%	17.4%

Consolidated Other Financial Metrics (1/2)

Other Income (₹ Mn)

	Q1 FY21	Q4 FY20	Q1 FY20
Income from Investments	91	102	121
Fx Gain/(Loss) - Realised	-52	81	108
Fx Gain/(Loss) - Unrealised	70	-48	24
Others	576	71	30
Total	684	206	283

Capex (₹ Mn)^

	Q1 FY21	Q4 FY20	Q1 FY20
Capital Expenditure	563	683	391

^Capex includes investment and business capex

Cash Position (₹ Mn)

	Q1 FY21	Q4 FY20	Q1 FY20
Cash & Cash Equivalent	11,098	9,518	8,213
Cash & Bank balances	4,733	4,152	2,835
Investments in FDs	6,365	5,366	5,308
Investment in MFs	0	0	70

Consolidated Other Financial Metrics (2/2)

Outstanding Forward Contracts (Mn of respective currencies)^

	Q1 FY21	Q4 FY20	Q1 FY20
USD / INR	69.1	70.8	66.1
EURO / INR	28.8	29.5	28.1
GBP / INR	6.5	6.7	7.9
AUD / INR	27.7	28.3	22.8

^Forward contracts are taken only for services business

Consolidated Income Statement

₹ Mn	Q1 FY21	Q4 FY20	Q1 FY20
Operating Revenue	9,917	10,736	10,890
Cost of Revenue	6,891	7,139	7,140
Direct Salary and related costs	4,441	4,837	4,928
Direct Travel	69	196	191
Delivery Management	255	202	239
Material cost	1,090	813	920
Other costs incl Subcontract costs	1,036	1,092	862
Gross profit	3,026	3,596	3,750
Sales and Marketing	448	516	611
General and Administration	1,583	1,698	1,693
Depreciation and Amortization	484	478	442
EBIT (Normalised)	511	905	1,005
Financial expenses	109	134	134
Other income	684	206	282
One off/ Exceptional item	0	108	0
Profit before tax (PBT)	1,086	868	1,152
Tax	272	208	254
Associate & Minority Profit	0.2	-15	6
One off item in tax	0.0	194	0.0
Profit After Tax (Reported)	814	452	905
Profit After Tax (Adjusted)	814	754	905
Basic EPS (₹) (Reported)	7.4	4.1	8.2
Basic EPS (₹) (Adjusted)	7.4	6.9	8.2
Gross Margin	30.5%	33.5%	34.4%
EBIT Margin (Normalised)	5.2%	8.4%	9.2%
Effective Tax Rate*	25.0%	23.9%	22.0%
PAT Margin (Reported)	8.2%	4.2%	8.3%
PAT Margin (Normalised)	8.2%	7.0%	8.3%

* Effective tax rate for Q4FY20 is excluding one offs

Consolidated Balance Sheet

₹ Mn	Q1 FY21	Q4 FY20	Q1 FY20
EQUITY AND LIABILITIES			
Shareholders' funds			
- Share capital	550	550	550
- Reserves and surplus	25,889	25,027	24,314
Total - Shareholders' funds	26,439	25,577	24,864
Non-current liabilities			
- Long-term borrowings and liabilities	2,949	3,556	4,015
- Long-term provisions	1,199	1,151	1,185
- Deferred tax liabilities (net)	313	378	350
Total - Non-current liabilities	4,461	5,085	5,550
Current liabilities			
- Short-term borrowings	2,695	2,879	2,267
- Trade payables	3,530	3,729	4,354
- Other current liabilities	4,478	3,822	3,611
- Short-term provisions	863	705	885
Total - Current liabilities	11,566	11,135	11,117
TOTAL - EQUITY AND LIABILITIES	42,466	41,797	41,531
ASSETS			
Non-current assets			
- Property, plant and equipment	9,176	9,135	8,677
- Goodwill	5,371	5,374	5,187
- Non-current investments	415	414	334
- Deferred tax assets (net)	403	396	366
- Other non-current assets	1,820	1,828	1,818
Total - Non-current assets	17,185	17,147	16,382
Current assets			
- Inventories	1,719	2,267	2,214
- Current investments	0	0	70
- Trade receivables	7,340	7,262	8,821
- Cash and cash equivalents	11,098	9,518	8,143
- Other current assets	5,124	5,603	5,901
Total - Current assets	25,281	24,650	25,149
TOTAL ASSETS	42,466	41,797	41,531

Consolidated Cash Flow Movement

₹ Mn	Q1 FY21	Q4 FY20	Q1 FY20
Free cash flow from operations	2,163	1,074	139
Investment in non current investments	0	-60	-70
Settlement of deferred consideration pertaining to prior year acquisitions	-99	0	-204
Interest received	21	73	88
Finance costs paid	-58	-78	-91
Proceeds/(Repayment) of borrowings, net	-268	-394	32
Repayment of lease liabilities	-243	-226	-267
Payment towards Buyback of shares	0	0	-386
Proceeds from issue of equity shares	0	0	10
Dividend paid	-9	-1,182	-1,187
Others	73	72	166
Net change in cash	1,580	-721	-1,770
Opening cash position	9,518	10,239	9,983
Closing cash position	11,098	9,518	8,213
FCF to EBITDA[^] Conversion	138.1%	75.2%	8.8%

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

Note: Free Cash Flow(FCF), which was being earlier prepared as per management reporting, has been aligned to statutory reporting with effect from Q1 FY21. Consequently, the comparative periods have also been recast to reflect the change. The format for presentation has also been suitably amended

Other Income for Q1 FY21

All Figures in ₹ Mn	Q1 FY21	Q4 FY20	Q1 FY20
Income from Treasury			
Interest on Invesmtents/Deposits	91	94	113
Dividend on Mutual Funds	0	8	8
Subtotal (A)	91	102	121
Realised gains/(losses) on Fwd Contracts (B)	(52)	81	108
Unrealised Fx gains/(losses) (C)	70	(48)	24
Others			
Interest on IT Refunds	0	0	0
Reversal of Old provisions	26	25	5
Rents received	5	2	2
Tax incentives on export of merchandise	519	0	18
Others	26	44	5
Others (D)	576	71	30
Grand total (A+B+C+D)	684	206	282

Currency Movement	Q1 FY21		Q4 FY20		Q1 FY20	
	Forward	Spot	Forward	Spot	Forward	Spot
USD	72.6	75.9	72.8	72.5	70.3	69.7
EUR	83.9	84.0	85.4	80.4	85.4	78.3
GBP	95.4	93.9	97.4	93.6	96.3	89.2
AUD	51.1	50.8	52.3	47.3	52.8	48.8
CAD	54.6	55.3	56.0	54.5	54.3	51.6

Forward and spot rates represent average of monthly rates

Earnout reversals, amounting to RS 333 Mn, excluded from other income for Q4FY20, is part of exceptional item

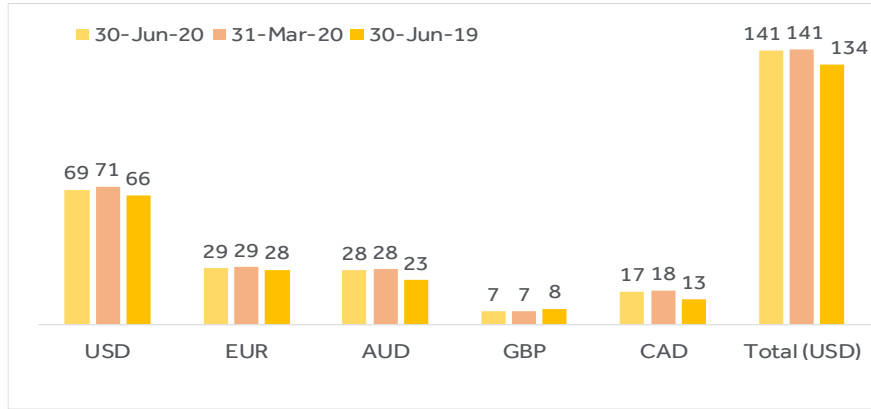
For the quarter

- Other income is higher by ₹479 Mn (232.6%) QoQ primarily on account of export incentives received
- Treasury income has dropped by ₹11 Mn from lower yield to 6.4%, 25 bps lower QoQ
- Forward contract loss is ₹52 Mn. Adverse movement of ₹133 Mn QoQ (mainly from reduced gain from USD and EURO contracts vs Q4)
- Unrealised Fx gain is mainly due to restatement of balance sheet items upon increase in EUR and AUD, however partially offset by cross currency losses at UK

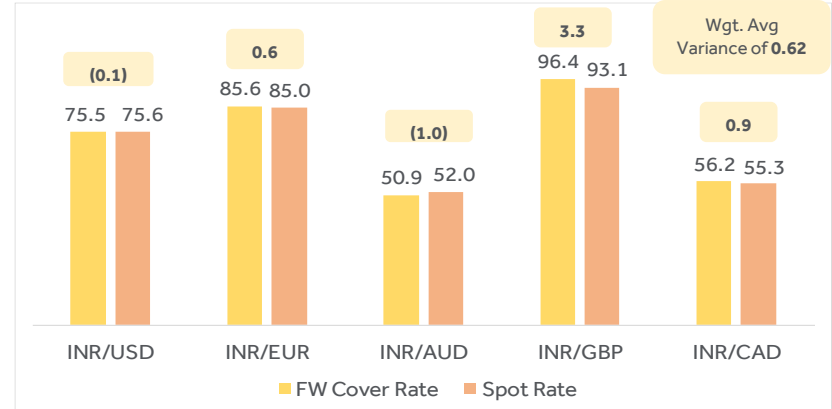
Hedge Book for Q1 FY21

Outstanding Forward Contracts*

Value in Respective Currency Mn.



Booked Rate (in ₹) for next 12 Months



- 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 rolling 12 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 Jun'20 in ~\$ **141 Mn**
 - If the spot rate remains at same level (as at 30th June'20), forex gain on current forward contracts could be ~\$ **0.3 Mn**

*Outstanding forward contracts excludes CyientDLM

Cyient Metrics (Excluding Design Led Manufacturing)

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

By Geography (%)

	Q1 FY21	Q4 FY20	Q1 FY20
Americas	56.8%	57.0%	58.8%
Europe, Middle East, Africa	26.0%	27.4%	26.9%
Asia Pacific (including India)	17.1%	15.6%	14.3%

By Business Unit (%)

	Q1 FY21	Q4 FY20	Q1 FY20
Aerospace and Defense	31.2%	34.3%	35.1%
Transportation	12.0%	11.4%	12.8%
Energy and Utilities	11.8%	11.6%	12.3%
Semiconductor, IoT and Analytics	5.5%	4.0%	5.5%
Medical, Technology and Healthcare	2.7%	2.5%	2.3%
Communications	26.8%	25.5%	21.6%
Portfolio	10.1%	10.8%	10.4%

Onsite/offshore Split (%)

	Q1 FY21	Q4 FY20	Q1 FY20
Onsite	50.2%	54.1%	56.5%
Offshore	49.8%	45.9%	43.5%

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

Currency Mix (%)

	Q1 FY21	Q4 FY20	Q1 FY20
USD	47.4%	56.6%	57.5%
EURO	8.7%	13.2%	14.4%
GBP	10.2%	10.8%	8.5%
AUD	12.4%	8.5%	8.4%
Others	21.4%	10.9%	11.1%

Account Receivables (in Days)

	Q1 FY21	Q4 FY20	Q1 FY20
DSO Total	107	101	105
- Billed	69	63	71
- Unbilled	38	38	34

Utilization (%)

	Q1 FY21	Q4 FY20	Q1 FY20
Utilization	76.4%	74.5%	75.4%

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

Top Clients: Revenue Contribution (%)

	Q1 FY21	Q4 FY20	Q1 FY20
Top 5	35.2%	35.5%	36.5%
Top 10	46.6%	49.2%	49.8%

No. of Million \$ Clients

	Q1 FY21	Q4 FY20	Q1 FY20
20 Mn+	3	5	4
10 Mn+	9	10	12
5 Mn+	26	24	24
1 Mn+	82	75	71
New Clients Added	25	20	20

Employee

	Q1 FY21	Q4 FY20	Q1 FY20
Total Headcount	12,182	13,251	14,398
Technical & Pool	11265	12272	13276
Non-Technical	308	341	370
Support	609	638	752

Cyient Metrics (Design Led Manufacturing)

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

Income Statement - Abridged (In ₹ Mn)[^]

	Q1 FY21	Q4 FY20	Q1 FY20
Net Revenue	1,396	1,222	1,297
Direct Salaries & other costs	221	247	270
Material Cost	1,089	813	920
Gross Profit	86	162	108
SG&A	99	131	86
Depreciation & amortisation	51	38	29
EBIT	-64	-7	-7
Others	19	-31	-18
Profit Before Tax	-45	-38	-25

[^] Includes B&F Design Inc.

By Geography (%)

	Q1 FY21	Q4 FY20	Q1 FY20
Americas	24.8%	45.4%	30.2%
Europe, Middle East, Africa	11.3%	12.5%	37.4%
Asia Pacific (including India)	63.9%	42.1%	32.4%

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

By Business Unit (%)

	Q1 FY21	Q4 FY20	Q1 FY20
Aerospace and Defense	69.0%	65.4%	65.7%
Transportation	0.5%	0.8%	0.3%
Energy & Utilities	6.8%	15.5%	19.9%
Medical	23.6%	17.5%	13.4%
Communications	0.1%	0.2%	0.3%
Portfolio	0.0%	0.0%	0.4%
Others	0.0%	0.7%	0.0%

Currency Mix (%)

	Q1 FY21	Q4 FY20	Q1 FY20
USD	77.0%	82.5%	80.5%
EURO	2.8%	5.0%	3.0%
AUD	0.5%	0.6%	1.2%
Others	19.7%	12.0%	15.3%

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

No. of Million \$ Clients

	Q1 FY21	Q4 FY20	Q1 FY20
5 Mn+	4	4	4
2 Mn+	10	9	11
1 Mn+	10	11	14
New Clients Added	0	2	1

Key Operational Metrics

	Q1 FY21	Q4 FY20	Q1 FY20
Headcount	638	608	645
DSO (in Days)	53	45	100
DPO (in Days)	91	73	133
Customer Advance (in Days)	82	119	48
Inventory (in Days)	126	177	120
Total Cash (₹ Million)	838	648	93

Investment Pipeline & Focus Areas: Q1 FY21



*Pre LOI and LOI reflect a balance position

Active Investment Pursuits – Specific focus areas*

<p>A&D</p> <ul style="list-style-type: none"> • B2S capabilities around power supply, LRUs, controllers • Manufacturing, engineering & after market focus including airlines access • Digital Platforms Analytics, MRO, Predictive Tools 	<p>Comms</p> <ul style="list-style-type: none"> • OSS & NGOSS, SDN/NFV based solutions, 5G testing, NFV testing, • Migration & Modernization of networks • Cloud migration & virtualization • Video services /Content annotation/compression technology • Cloud, Analytic and CX platforms 	<p>Medical</p> <ul style="list-style-type: none"> • DLM, Embedded HW & SW, Product Dev, V&V • Medical device SW V&V 	<p>Rail</p> <ul style="list-style-type: none"> • Signalling Application Engineering & Testing • Rolling Stock: Complex WP capability in Systems • Expand into rail operators ecosystem
<p>E&U</p> <ul style="list-style-type: none"> • Enable Digital mining: Sensors, wireless Infra, analytics 	<p>SI&A</p> <ul style="list-style-type: none"> • Product engineering services companies • Infotainment, ADAS and Connected cars /platforms 	<p>DLM</p> <ul style="list-style-type: none"> • Vertical led design specializing in high-mix, low-medium volume assemblies, quick-turn prototypes and new product introduction (NPI) 	<p>Corp. Inv.</p> <ul style="list-style-type: none"> • Startup investments & strategic organic opportunities: • Emerging Tech (Digital, AR/VR, AI, CX and IoT)

* Broad inorganic strategy focused on consolidation as an Engineering Player, Strengthen core and Gain scale while bringing focus on Software and Digital services/solutions including Industry 4.0 and high growth segments

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.

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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.; and Cyient AB.

During the quarter, B&F Design Inc was merged with Cyient Defense Services Inc

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.

The background of the slide is a photograph of several people sitting around a table in what appears to be a meeting or collaborative workspace. The image is heavily filtered with a warm, golden-yellow color. A large white rectangular box is positioned on the left side of the slide, containing the text 'THANK YOU'.

THANK YOU