



**INVESTOR  
PRESENTATION**  
Annexure

Q3 FY22

# ● Message from the Management



**KRISHNA  
BODANAPU**

Managing Director  
& CEO

**Commenting on the results, Mr. Krishna Bodanapu, Managing Director and Chief Executive Officer, said** “We delivered an excellent Q3 performance in line with our expectations. Our revenue for the quarter stood at \$157.9Mn, a growth of 11.7% YoY (12.1% cc) and 5.2% QoQ (5.9% cc). Services business grew 11.1% YoY (12.4%cc) and 3.6% QoQ (4.4%cc) driven by growth in the Semiconductor, Mining & Natural Resources, Medical Technology & Healthcare sectors. DLM business witnessed a growth of 10.6% YoY and 12.8% QoQ. This quarter we delivered our highest ever EBIT at INR 1,642 Mn with an EBIT margin of 13.9%. Net Profit at INR 1,317 Mn is highest ever not taking into account extraordinary items previously. PAT is higher by 38% YoY and 8.5% QoQ. The growth in the quarter was backed by strong performance across key accounts and key strategic wins. Key accounts witnessed double-digit growth. The Order intake grew by 16% YoY with multiple large deal wins and 18 new logo additions.

We continue to strengthen our technology roadmap with a focus on areas such as Sustainability, NextGen Connectivity, and Intelligent and Connected Products. We expect the new technology areas to help accelerate growth in the coming quarters. This quarter we also strengthened our consulting focus with the launch of our management consulting offering under the umbrella of – Cyient Consulting. With Cyient consulting practice, we will focus on providing performance-based business transformation solutions for enterprises.

The global analyst community recognized our focus on digital engineering and tech-led innovation and recognized Cyient as an expansive-established player in the overall ER&D and IoT Services in the 2021 Zinnov Zones ratings. Cyient was also named as a Major Contender in the Everest Group PEAK Matrix® for 5G Engineering Services for its focused investments in partnerships and solutions that strengthen public and private 5G core and access network. We will continue to double down our focus on building our technology-led capabilities and make investments in key technology areas.

Our outlook for Q4 and the year remains very positive due to the growth opportunity in various sectors. We expect DLM growth to be muted due to supply-side challenges driven by the global chip shortage. We also expect to deliver best-in-class earnings growth for the year.

# ● Message from the Management



**AJAY  
AGGARWAL**

Executive Director  
& CFO

**Commenting on the results, Mr. Ajay Aggarwal, Executive Director & CFO, said,** “It is delightful for us to be on track to be in top quadrant of earnings growth for FY22. On YTD basis we have an earnings growth of 41.1%. This is coupled with good Free cash flow generation during the quarter and for the year and we are headed for another year of good cash flow.

We have an excellent pipeline of acquisitions and the same will further support our earnings growth in coming year (s). We will remain focussed on profitable growth with leading industry earnings growth and cash focus. This will also maximise the record returns for our shareholders for the year and coming years.

# Consolidated Financial Metrics

## Key Financial Metrics

₹ Mn	Q3 FY22	Q2 FY22	Q3 FY21	Growth %	
				QoQ	YoY
Revenue	11,834	11,116	10,443	6.5%	13.3%
Reported EBIT	1,642	1,558	1,165	5.4%	40.9%
Reported EBIT margin	13.9%	14.0%	11.2%	-14 bps	272 bps
Reported PAT	1,317	1,214	954	8.5%	38.0%

## Foreign Exchange Rate

\$/₹	Q3 FY22	Q2 FY22	Q3 FY21
Quarter Average	74.94	74.05	73.87
Quarter Closing	74.43	74.35	73.27

# Consolidated Revenue Segmentation

## By Geography (%)

	Q3 FY22	Q2 FY22	Q3 FY21
Americas	49.2%	48.8%	49.0%
Europe, Middle East, Africa	25.1%	24.8%	25.3%
Asia Pacific (includes India)	25.7%	26.4%	25.7%

## By Business Unit (%)

	Q3 FY22	Q2 FY22	Q3 FY21
<b>Transportation total</b>	43.8%	43.0%	44.2%
Aerospace	34.6%	32.1%	32.6%
Rail transportation	9.1%	10.9%	11.5%
<b>C&amp;U total</b>	28.8%	29.3%	29.2%
Communications	22.4%	22.7%	24.1%
Utilities	6.4%	6.6%	5.1%
<b>Portfolio total</b>	27.4%	27.7%	26.6%

# Consolidated Operations Metrics

## Account Receivables (in Days)

	Q3 FY22	Q2 FY22	Q3 FY21
<b>DSO Total</b>	<b>77</b>	<b>81</b>	<b>88</b>
- Billed	57	60	68
- Unbilled	20	21	20

## Order Intake (\$ Mn)<sup>^</sup>

Particulars	Q3 FY22	Q2 FY22	Q3 FY21
<b>Cyient Services</b>	201	123	178
DLM	25	33	17
Group OI Total	226	156	195

<sup>^</sup>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 (%)

	Q3 FY22	Q2 FY22	Q3 FY21
Top 5	28.1%	31.7%	28.8%
Top 10	41.7%	43.2%	38.4%

## No. of Million \$ Clients

	Q3 FY22	Q2 FY22	Q3 FY21
20 Mn+	3	3	3
10 Mn+	10	10	8
5 Mn+	36	32	30
1 Mn+	93	92	89
<b>New Clients Added</b>	<b>11</b>	<b>18</b>	<b>13</b>

# Consolidated Employee Metrics

## Employee

	Q3 FY22	Q2 FY22	Q3 FY21
Total Headcount	12,845	12,707	12,187
Technical & Pool	11,858	11,763	11,248
Non-Technical	347	330	334
Support	640	614	605
Voluntary Attrition	29.3%	24.3%	13.2%



# Consolidated Other Financial Metrics

## Cash Position (₹ Mn)

	Q3 FY22	Q2 FY22	Q3 FY21
Cash & Cash Equivalent	12,333	14,033	14,313
Cash & Bank balances	4,144	5,846	5,150
Investments in FDs	7,888	8,187	9,163
Investment in MFs	301	0	0

Cash position excluding long-term treasury investments

## Capex (₹ Mn)

	Q3 FY22	Q2 FY22	Q3 FY21
Capital Expenditure	151	141	189

# Consolidated Income Statement

Income Statement ₹ Mn	Q3 FY22	Q2 FY22	Q3 FY21
<b>Operating Revenue</b>	<b>11,834</b>	<b>11,116</b>	<b>10,443</b>
<b>Cost of Revenue</b>	<b>7,533</b>	<b>6,846</b>	<b>6,826</b>
Direct Salary and related costs	4,541	4,351	4,219
Direct Travel	111	84	81
Delivery Management	223	221	209
Material cost	1,578	1,332	1,319
Other costs incl Subcontract costs	1,081	859	998
<b>Gross profit</b>	<b>4,301</b>	<b>4,270</b>	<b>3,617</b>
Sales and Marketing	417	420	423
General and Administration	1,756	1,775	1,544
Depreciation and Amortization	487	517	485
<b>EBIT</b>	<b>1,642</b>	<b>1,558</b>	<b>1,165</b>
Financial expenses	116	91	136
Other income	221	150	219
<b>Profit before tax (PBT)</b>	<b>1,746</b>	<b>1,617</b>	<b>1,248</b>
Tax	430	403	294
<b>Profit After Tax (Reported)</b>	<b>1,317</b>	<b>1,214</b>	<b>954</b>
<b>Basic EPS (₹) (Reported)</b>	<b>12.1</b>	<b>11.1</b>	<b>8.7</b>

*Direct and Indirect costs in Q2 had some incorrect classifications which are now corrected*



# Extract of Consolidated Balance Sheet

Balance Sheet ₹ Mn	Q3FY22	Q2 FY22	Q3 FY21
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
- Share capital	551	551	550
- Reserves and surplus	28,913	28,698	27,781
<b>Total - Shareholders' funds</b>	<b>29,464</b>	<b>29,249</b>	<b>28,331</b>
<b>Non-current liabilities</b>			
- Long-term borrowings and liabilities	2,132	2,434	3,262
- Long-term provisions	1,391	1,355	1,299
- Deferred tax liabilities (net)	253	271	306
<b>Total - Non-current liabilities</b>	<b>3,776</b>	<b>4,060</b>	<b>4,867</b>
<b>Current liabilities</b>			
- Short-term borrowings	3,302	2,933	3,350
- Trade payables	4,887	5,045	3,859
- Other current liabilities	3,455	2,991	3,815
- Short-term provisions	943	864	712
<b>Total - Current liabilities</b>	<b>12,587</b>	<b>11,833</b>	<b>11,736</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>45,827</b>	<b>45,142</b>	<b>44,934</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
- Property, plant and equipment	7,409	8,274	8,910
- Goodwill	6,131	6,112	6,123
- Non-current investments	3,841	718	450
- Deferred tax assets (net)	255	300	428
- Other non-current assets	1,162	1,189	1,664
<b>Total - Non-current assets</b>	<b>18,798</b>	<b>16,593</b>	<b>17,575</b>
<b>Current assets</b>			
- Inventories	2,501	1,913	1,634
- Current investments	301	-	3
- Trade receivables	7,511	7,335	7,670
- Cash and cash equivalents	12,032	14,033	14,313
- Other current assets	4,684	5,268	3,739
<b>Total - Current assets</b>	<b>27,029</b>	<b>28,549</b>	<b>27,359</b>
<b>TOTAL ASSETS</b>	<b>45,827</b>	<b>45,142</b>	<b>44,934</b>

# Consolidated Cash Flow Movement

₹ Mn	Q3 FY22	Q2 FY22	Q3 FY21
<b>Free cash flow from operations</b>	<b>1,596</b>	<b>2,050</b>	<b>1,518</b>
Investment in non current investments	(2,325)	(374)	(640)
Settlement of deferred consideration pertaining to prior year acquisitions	0	(180)	0
Interest received	161	212	175
Finance costs paid	(44)	(34)	(51)
Proceeds/(Repayment) of borrowings, net	242	(380)	(118)
Repayment of lease liabilities	(239)	(195)	(122)
Proceeds from issue of equity shares	41	22	0
Dividend paid	(1,089)	(1,862)	(2)
Purchase of equity shares by ASOP trust	0	(488)	0
Others	(43)	(1)	44
<b>Net change in cash</b>	<b>(1,700)</b>	<b>(1,230)</b>	<b>804</b>
<b>Opening cash position</b>	<b>14,033</b>	<b>15,263</b>	<b>13,509</b>
<b>Closing cash position</b>	<b>12,333</b>	<b>14,033</b>	<b>14,313</b>

# Other Income

All Figures in ₹ Mn	Q3 FY22	Q2 FY22	Q3 FY21
<b>Income from Treasury</b>			
Interest on Invesmtents/Deposits	97	110	128
Dividend on Mutual Funds	8	0	0
<b>Subtotal (A)</b>	<b>105</b>	<b>110</b>	<b>128</b>
<b>Realised gains/(losses) on Fwd Contracts (B)</b>	<b>104</b>	<b>89</b>	<b>(43)</b>
<b>Unrealised Fx gains/(losses) (C)</b>	<b>6</b>	<b>(59)</b>	<b>74</b>
<b>Others</b>			
Rents received	2	2	2
Others	4	7	58
<b>Others (D)</b>	<b>6</b>	<b>9</b>	<b>60</b>
<b>Grand total (A+B+C+D)</b>	<b>221</b>	<b>149</b>	<b>219</b>

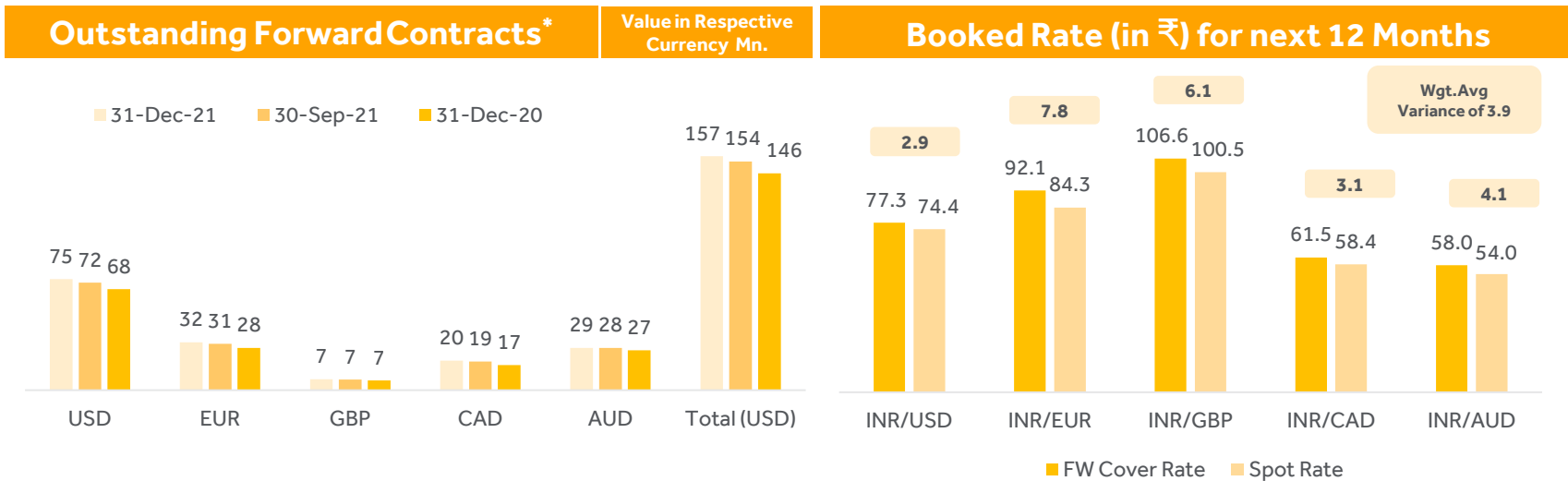
Currency Movement	Q3 FY22		Q2 FY22		Q3 FY21	
	Forward	Spot	Forward	Spot	Forward	Spot
USD	77.0	74.9	76.9	74.0	74.2	74.0
EUR	93.0	85.7	91.6	87.0	84.3	88.3
GBP	103.3	101.2	100.4	101.4	97.1	98.3
AUD	57.1	54.6	55.8	54.1	51.4	54.2
CAD	59.6	59.3	58.2	58.8	56.1	56.7

Forward and spot rates represent average of monthly rates

## For the quarter

- Despite lower yield, treasury income was only marginally lower due to increase in average invested cash
- Forward contract gain is ₹104 Mn, favorable QoQ movement of INR 15 Mn mainly from EUR and AUD contracts
- Unrealized Fx Gain in Q3 is mainly from favorable restatement impact in India & UK

# 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 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 31<sup>st</sup> Dec'21 ~ **\$ 157 Mn**
  - If the spot rate remains at same level (as at 31<sup>st</sup> Dec'21), forex gain on current forward contracts could be **~\$9.3 Mn**



Cyient Metrics  
(Excluding  
Design Led  
Manufacturing)

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

## By Geography (%)

	Q3 FY22	Q2 FY22	Q3 FY21
Americas	54.2%	52.8%	53.1%
Europe, Middle East, Africa	28.1%	27.5%	28.2%
Asia Pacific (including India)	17.8%	19.7%	18.6%

## By Business Unit (%)

	Q3 FY22	Q2 FY22	Q3 FY21
<b>Transportation total</b>	36.9%	38.4%	39.1%
Aerospace	25.9%	25.8%	25.3%
Rail transportation	11.0%	12.6%	13.8%
<b>C&amp;U total</b>	35.2%	35.3%	35.8%
Communications	27.3%	27.3%	29.5%
Utilities	7.9%	8.0%	6.2%
<b>Portfolio total</b>	27.9%	26.3%	25.1%

## Onsite/offshore Split (%)

	Q3 FY22	Q2 FY22	Q3 FY21
Onsite	48.7%	50.3%	53.1%
Offshore	51.3%	49.7%	46.9%



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

## Currency Mix (%)

	Q3 FY22	Q2 FY22	Q3 FY21
USD	53.9%	50.8%	52.3%
EURO	11.9%	13.1%	14.4%
GBP	9.4%	9.4%	9.7%
AUD	10.9%	13.4%	12.0%
Others	13.9%	13.4%	11.6%

## Utilization (%)

	Q3 FY22	Q2 FY22	Q3 FY21
Utilization	86.2%	85.0%	80.9%

## Account Receivables (in Days)

	Q3 FY22	Q2 FY22	Q3 FY21
<b>DSO Total</b>	<b>75</b>	<b>80</b>	<b>93</b>
- Billed	51	54	68
- Unbilled	24	26	25

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

## Top Clients: Revenue Contribution (%)


	Q3 FY22	Q2 FY22	Q3 FY21
Top 5	31.5%	33.0%	35.3%
Top 10	44.3%	45.6%	47.0%

## No. of Million \$ Clients

	Q3 FY22	Q2 FY22	Q3 FY21
20 Mn+	3	3	3
10 Mn+	10	10	8
5 Mn+	27	24	23
1 Mn+	77	76	77
<b>New Clients Added</b>	10	17	13

## Employee

	Q3 FY22	Q2 FY22	Q3 FY21
Total Headcount	12,173	12,035	11,559
Technical & Pool	11,240	11,149	10,669
Non-Technical	333	312	327
Support	600	574	563



# Cyient Metrics (Design Led Manufacturing)

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

## Income Statement - Abridged (In ₹ Mn)

	Q3 FY22	Q2 FY22	Q3 FY21
Net Revenue	2,161	1,888	1,921
Direct Salaries & other costs	291	278	270
Material Cost	1,578	1,330	1,319
<b>Gross Profit</b>	<b>292</b>	<b>280</b>	<b>333</b>
SG&A	96	85	64
Depreciation & amortisation	66	67	65
<b>EBIT</b>	<b>130</b>	<b>129</b>	<b>204</b>
Others	-71	-14	-33
<b>Profit Before Tax</b>	<b>60</b>	<b>115</b>	<b>170</b>

## By Geography (%)

	Q3 FY22	Q2 FY22	Q3 FY21
Americas	26.7%	29.5%	30.6%
Europe, Middle East, Africa	12.1%	11.5%	12.5%
Asia Pacific (including India)	61.2%	59.0%	56.9%

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

## By Business Unit (%)

	Q3 FY22	Q2 FY22	Q3 FY21
<b>Transportation total</b>	74.6%	65.3%	66.6%
Aerospace	73.8%	63.0%	65.0%
Rail transportation	0.7%	2.3%	1.6%
<b>C&amp;U total</b>	0.3%	0.2%	0.2%
Communications	0.3%	0.2%	0.2%
Utilities	0.0%	0.0%	0.0%
<b>Portfolio total</b>	25.1%	34.5%	33.2%

## Currency Mix (%)

	Q3 FY22	Q2 FY22	Q3 FY21
USD	83.5%	40.0%	74.0%
EURO	3.6%	2.0%	2.0%
AUD	0.0%	0.0%	0.0%
Others	12.9%	58.0%	24.0%

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

## No. of Million \$ Clients

	Q3 FY22	Q2 FY22	Q3 FY21
5 Mn+	9	8	7
2 Mn+	11	12	12
1 Mn+	16	16	12
<b>New Clients Added</b>	1	1	0

## Key Operational Metrics

	Q3 FY22	Q2 FY22	Q3 FY21
Headcount	672	672	628
DSO (in Days)	90	91	68
DPO (in Days)	70	111	75
Customer Advance (in Days)	58	49	37
Inventory (in Days)	156	108	104
Total Cash (₹ Million)	910	784	604

# ● 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](http://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.; Cyient AB; Integrated Global Partners Pty Limited; Integrated Global Partners Pte. Limited; Integrated Global Partners SpA; IG Partners South Africa (Pty) Ltd and Workforce Delta PTY. LTD.

**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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