

## Tech Mahindra forays into the world of Mobility Products

- *Acquires controlling stake in Comviva Technologies Limited*
- *Builds 360 degree portfolio in Mobile VAS, Mobile Money and Mobile payments space*

### For Immediate Release –

**New Delhi, India, September 17, 2012** - Tech Mahindra Limited, India's sixth largest software exporter today, announced the acquisition of 51% stake on a fully diluted basis in Comviva Technologies Limited, a Bharti Group Company, and a global leader in providing mobile Value Added Services (VAS), Mobile Money and Mobile Payment solutions, for a value of INR 260cr. The deal will be subject to regulatory approvals.

The new brand identity will be **Mahindra Comviva**, reflecting the combined strength and spirit of both the entities.

As part of this arrangement, Tech Mahindra will make an upfront payment of INR 125cr towards the stake acquired and the balance amount of INR 135cr will be paid out over a period of five years based, on Comviva achieving mutually agreed performance targets. The current promoters will continue to hold a 20% stake on a fully diluted basis in Comviva, post the deal closure.

**Commenting on this move, Vineet Nayyar, Executive Vice Chairman, Tech Mahindra said** *"This acquisition is a significant step forward, in our vision of being a complete and comprehensive partner to our clients and like always, we are confident of making this a successful venture for our stakeholders. In addition to the market leading capabilities, this will also add to our relationship with large operator groups across the world."*

*"The world of mobility today encompasses wide range of solutions, where customers be it enterprise or consumers are driving their business and entertainment needs through mobility. This acquisition marks our strong intent and entry into the world of mobility products. We are adding significant capability in areas such as payments and VAS," added CP Gurnani, Managing Director, Tech Mahindra.*

**Rakesh Bharti Mittal, Chairman, Comviva said,** *"Comviva has established itself as a global leader in mobile solutions beyond VAS within a short span and has built a solid foundation for the next phase of its growth. We believe that Tech Mahindra, with its deep domain expertise in IT and telecom technologies, is an ideal partner to guide the future growth story of Comviva. We will continue to support Tech Mahindra in their endeavour to take Comviva to the next level and wish them success."*

*"The combined entity will bring end-to-end capabilities of products, system integration and services in the mobile VAS, money & payments space. Our enhanced customer experience management offerings will deliver greater value to all our existing customers globally, and provide opportunities for accelerated growth," added Manoranjan (Mao) Mohapatra, CEO, Comviva.*



This acquisition will significantly enhance Tech Mahindra's capabilities in the mobile VAS domain and will provide access to a marquee client base, enabling significant cross-selling opportunities. It dovetails into two of Tech Mahindra's stated strategies, namely investing in emerging areas such as Network, Mobility, Analytics, Cloud and Security and further focus on non-linear growth. Comviva's primary focus and business model is expected to strengthen this aspiration.

Comviva has an extensive portfolio of solutions spanning mobile money and payments, mobile data, integrated messaging, mobile lifestyle and customer life cycle management solutions, which enable mobile service providers to enrich mobile users' lives, whilst rationalizing costs, accelerating revenue growth and enhancing customer lifetime value. Comviva's solutions are deployed with over 130 service providers and banks in over 90 countries across Asia, Africa, Middle East, Latin America and Europe, and powers services to more than a billion mobile subscribers.

Tech Mahindra's vast geographic reach and access to global telecom players will enable Comviva to take integrated solutions and products to a larger base. Comviva will further bring its Managed VAS capabilities to the table, which increases operators' revenues across VAS services by up to 20%, speed time to market by over 40% and reduce overall VAS delivery and management costs by 35%.

**About Tech Mahindra:**

Tech Mahindra is a leading provider of solutions and services to the telecommunications industry with a majority stake owned by Mahindra & Mahindra Limited. Tech Mahindra serves telecom service providers, equipment manufacturers, software vendors and systems integrators worldwide and their proven delivery models, distinctive IT skills and decades of domain expertise enable clients to maximize returns on their IT investment by achieving fast time to market reduced total cost of ownership and high customer satisfaction.

Tech Mahindra registered revenue of USD 1,156 million in the year ended March 31, 2012 and is ably supported by around 41,000 professionals who provide a unique blend of culture, domain expertise and in-depth technology skill-sets.

A SEI-CMMi Level 5 organization, Tech Mahindra's development centers are ISO 9001:2008 and BS7799 certified. Tech Mahindra has principal offices in the UK, United States, Germany, UAE, Egypt, Singapore, India, Thailand, Taiwan, Malaysia, Philippines, Canada and Australia.

Tech Mahindra Ltd is part of the US \$15.4 billion Mahindra Group, a global industrial federation of companies and one of the top 10 business houses based in India. The Group's interests span automotive products, aviation, components, farm equipment, financial services, hospitality, information technology, logistics, real estate and retail. In 2011, Mahindra featured on the Forbes Global 2000 list, a listing of the biggest and most powerful listed companies in the world. Dun & Bradstreet also ranked Mahindra at No. 1 in the automobile sector in its list of India's Top 500 Companies. In 2010, Mahindra featured in the Credit Suisse Great Brands of Tomorrow. In 2011, Mahindra acquired a majority stake in Korea's SsangYong Motor Company. For more information please refer to the website: [www.techmahindra.com](http://www.techmahindra.com)

**About Comviva Technologies Ltd.**

Formed in 1999, Comviva has grown rapidly to become the global leader in providing mobile VAS and financial solutions. With an extensive portfolio of solutions spanning VAS infrastructure, application delivery platforms and customer-facing applications, Comviva enables mobile service providers and banks to enrich mobile users' lives, whilst rationalizing costs, accelerating revenue growth and enhancing customer lifetime value. Comviva is one of the pioneers in Managed VAS services and provides comprehensive, standardized approach to end-to-end service management. Comviva's solutions are deployed by over 130 service providers and banks in over 90 countries and power services to more than a billion mobile subscribers globally.

During the past decade, Comviva has expanded to serve its customers' needs, establishing hubs in Asia, Africa, Europe, Latin America and the Middle East. By meeting the diverse demands of operators and banks in a multitude of locations, Comviva has gained extensive market expertise and know-how, which it now exploits to provide a differentiated portfolio of offerings across the globe and to ensure timely delivery against commitments, regardless of the on-the-ground conditions.



For more information, please visit [www.comviva.com](http://www.comviva.com)

### **About Bharti Group**

Bharti Enterprises is one of India's leading business groups with interests in telecom, agri business, financial services, retail and manufacturing. Bharti has been a pioneering force in the Indian telecom sector with many firsts and innovations to its credit. Bharti Airtel Limited, the group's flagship company, is an integrated telecommunications company with operations in 20 countries across Asia and Africa. The Company ranks amongst the top 5 mobile service providers globally in terms of subscribers.

Other business ventures of the group include Bharti Softbank - a JV between Bharti Enterprises and Softbank Corp - for mobile internet. Beetel Teletech, a group company, is India's leading manufacturer and distributor of telecom and allied products. The group has a JV –FieldFresh Foods – with Del Monte Pacific Ltd, to offer fresh and processed fruits and vegetables in the domestic as well as international markets. Bharti has JVs with AXA, world leader in financial protection and wealth management, for Life Insurance, General Insurance and Asset Management. The group has presence in the retail sector through Bharti Retail that operates stores in multiple formats. It also has a JV - Bharti Wal-Mart - with Wal-Mart for wholesale cash-and-carry and back-end supply chain management operations in India.