

April 26, 2023

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400001.

**Scrip ID:** KPITTECH  
**Scrip Code:** 542651

**Kind Attn:** The Manager,  
Department of Corporate Services

**National Stock Exchange of India Ltd.,**  
Exchange Plaza, C/1, G Block,  
Bandra - Kurla Complex, Bandra (E),  
Mumbai - 400051.

**Symbol:** KPITTECH  
**Series:** EQ

**Kind Attn:** The Manager,  
Listing Department

**Subject:**- Investor Update - Q4 FY 2023.

Dear Sir / Madam,

Please find enclosed the investor Update - Q4 FY 2023.

Kindly take the same on your records.

Thanking you.

Yours faithfully,

For **KPIT Technologies Limited**

Nida Deshpande  
**Company Secretary & Compliance Officer**

**Encl.:** - as above



# KPIT

Reimagining Mobility *with YOU*

April 26, 2023

## Investor Update Q4FY23 | FY23

KPIT Technologies Ltd.





# Forward Looking Statements

Some of the statements in this update that are not historical facts, are forward-looking statements. These forward-looking statements include our financial and growth projections, as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the competitive market for the type of services and solutions that we offer, market conditions that could cause our clients to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry. In certain cases, the numbers reported in this update might be rounded off to the nearest whole number.

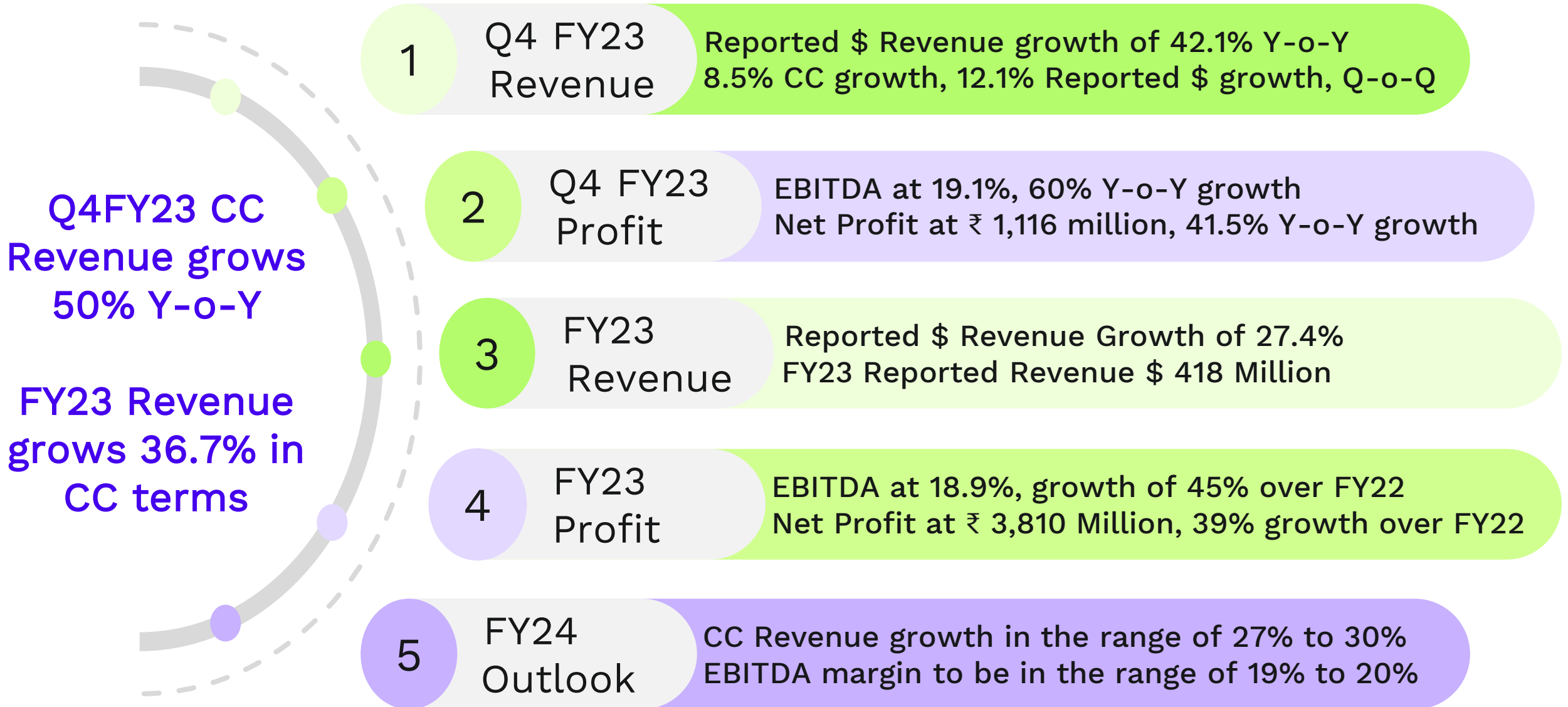
# KPI1

## Performance Overview

Q4FY23 | FY23

Reimagining Mobility *with YOU*

# Performance Overview



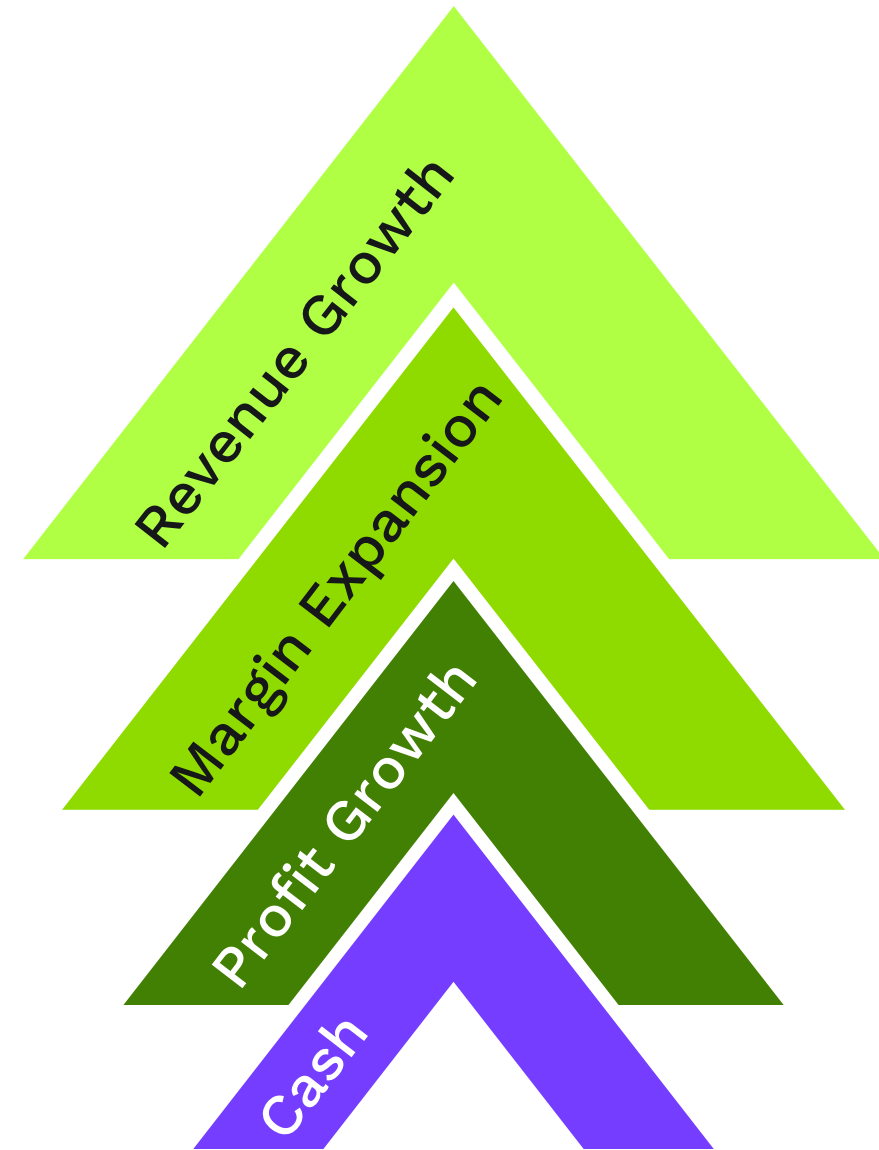
# Performance Highlights

**01** Growth led by Strategic Accounts, Middleware and Architecture, Autonomous and Diagnostics. Technica revenues marginally up as compared to last quarter. Q4FY23 also witnessed strategic new engagement closures.

**02** EBITDA margin expansion of 60 bps for the quarter led by revenue growth and operational efficiencies. Impact of Purchase Price Allocation relating to Technica Acquisition reflected in Depreciation. Deemed Interest on payments related to deferred payouts is reflected in Finance Costs.

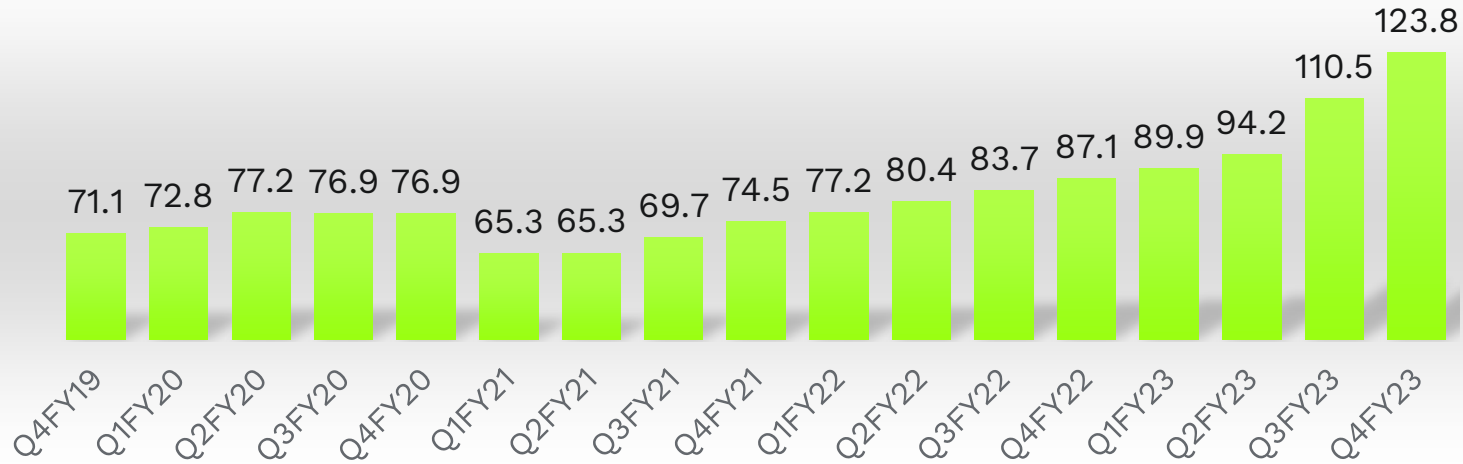
**03** Other income for the quarter depicted a loss of ₹ 56 million as compared to a profit of ₹ 210 million in Q3FY23. Q3FY23 income was higher on account of rupee depreciation against the Euro and GBP

**04** Net Cash at quarter end stood at ₹ 5.8 billion post Acquisition payouts of ₹ 682 million (PathPartner and Somit) and Interim Dividend of ₹ 400 million. DSO stood at 54 days. Final Dividend of ₹ 2.65 per share. Total FY23 Dividend of ₹ 4.10 per share

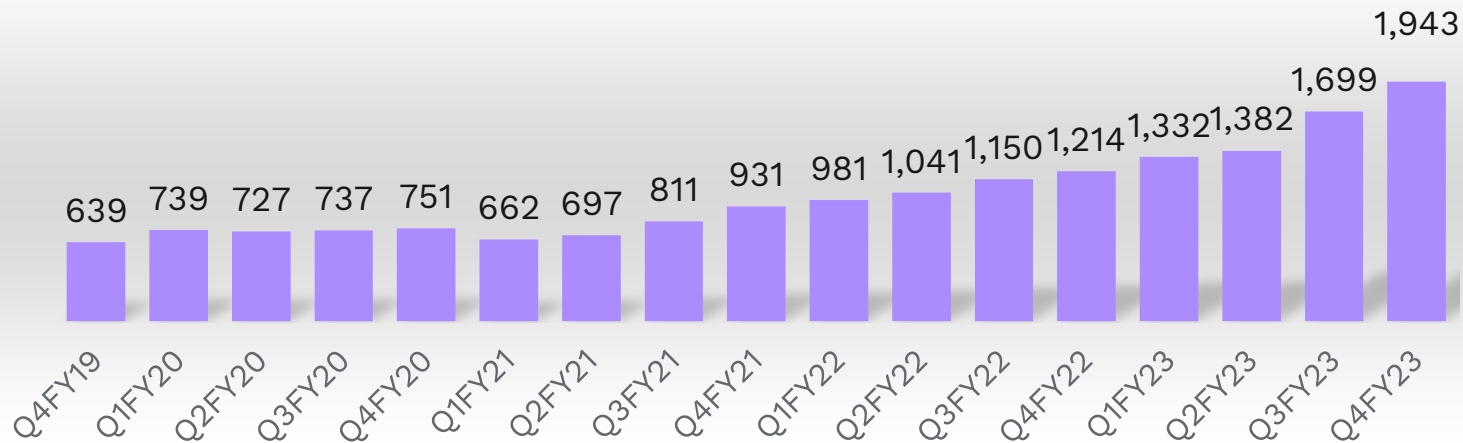


# Additional facts - timeseries

## Revenue \$ M



## EBITDA ₹ M



## Consistent Performance



11 Consecutive Quarters of Steady Revenue Growth



11 Consecutive Quarters of Steady EBITDA Growth

# Management Quotes



**Commenting on the performance of FY23, Ravi Pandit, Co-founder and Chairman, KPIT said,**” The Mobility Industry is one of the larger contributors to global carbon footprint. Huge investments are being made and planned towards a sustainable future. We are proud to be intensely involved in this over the years and we will be a major technology led contributor towards this transformation. We are committed to achieve our vision of creating a Cleaner, Safer and Smarter world. FY23 was another satisfying year of sustainable growth and margin expansion, and we are excited and confident about our performance going forward.



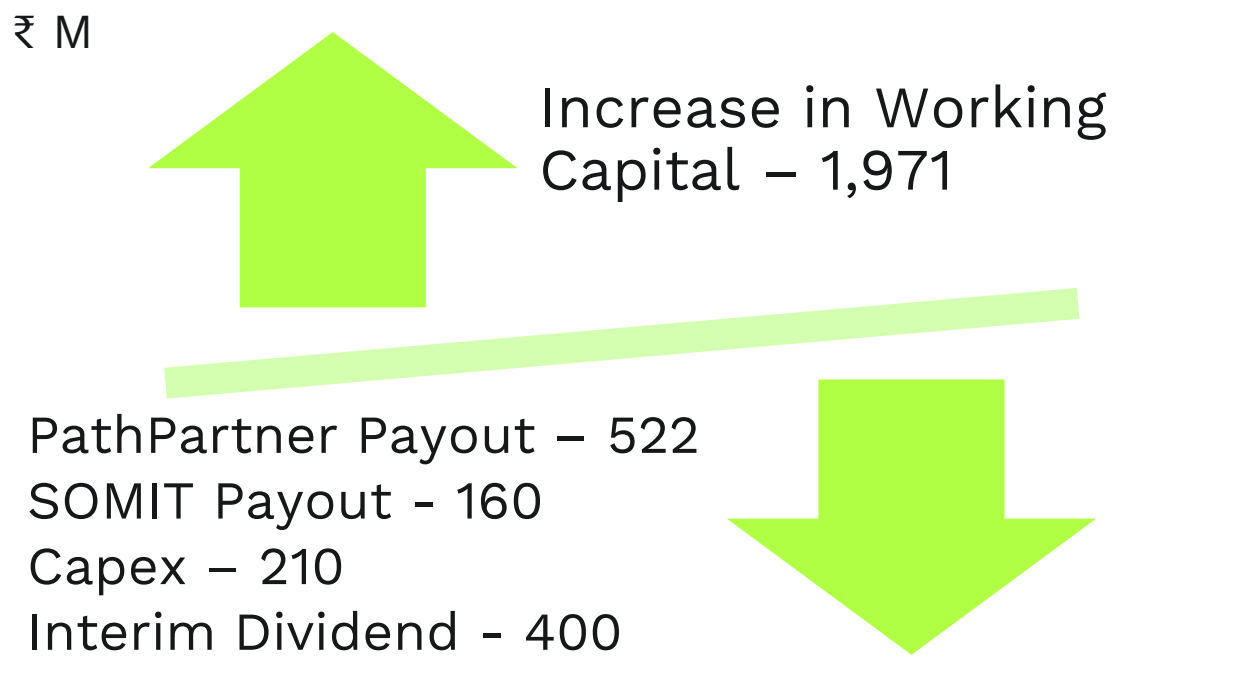
**Kishor Patil, Co-founder, CEO and MD, KPIT said,**” We have consistently delivered eleven sequential quarters of healthy growth in revenues and operating profits. On the back of a solid quarter and year performance and basis recent mega engagements and committed spend on software by our Strategic Clients, we are witnessing robust demand and increased visibility for the next 3-4 years. We are focused on helping our clients create new business models to transform their business. We start FY24 on a strong footing and expect to deliver CC revenue growth of 27%-30% with EBITDA margins between 19%-20%.”.



**Sachin Tikekar, Co-founder and Joint MD, KPIT said,**” We start FY24 on the back of closure of key strategic, long-term engagements with Q4 wins TCV of \$ 423 Million. We will focus on alignment and collaboration of practices to address larger problems of our clients through broader technology solutions. We are committed to building scale through robust competency framework, flawless execution and on-boarding the right talent with higher competency. We will channelize our investments towards creating trusted partnerships with our clients to effect greater value creation, in the coming years”.



# Cash Flow – Major Movement



Cash and Cash Equivalents break-up	₹ M
In Investment Accounts (in India)	1,338
In Investment Accounts (outside India)	1,148
In Operating Accounts	3,802
<b>TOTAL</b>	<b>6,288</b>

NET CASH (₹ M)	Q4FY23	Q3FY23
Gross Cash	6,288	7,235
Long Term Debt	NIL	NIL
Short Term Debt	486*	493*
<b>NET CASH</b>	<b>5,802</b>	<b>6,742</b>



**DSO Q4FY23 end : 54 Days**

*\* Debt in the books of Technica which will be repaid over the next 3 quarters*

# New Engagements

TCV of new engagements won during the Quarter : \$ 423\* million

Honda selected KPIT as a strategic technology partner to realize the journey of Honda's Software-Defined Mobility (SDM) (already announced mid-quarter)



A strategic engagement in middleware development and integration domain for a leading American Car Manufacturer



A strategic engagement in the electric powertrain domain for a leading European Car Manufacturer



Multiple engagements in the vehicle engineering design and connected domains for a leading American Commercial Vehicle Manufacturer



Multiple strategic programs in the connected vehicle domains for a leading Asian Car Manufacturer.



A strategic engagement in the electric powertrain domain for a leading European Car Manufacturer

# Strategic Update

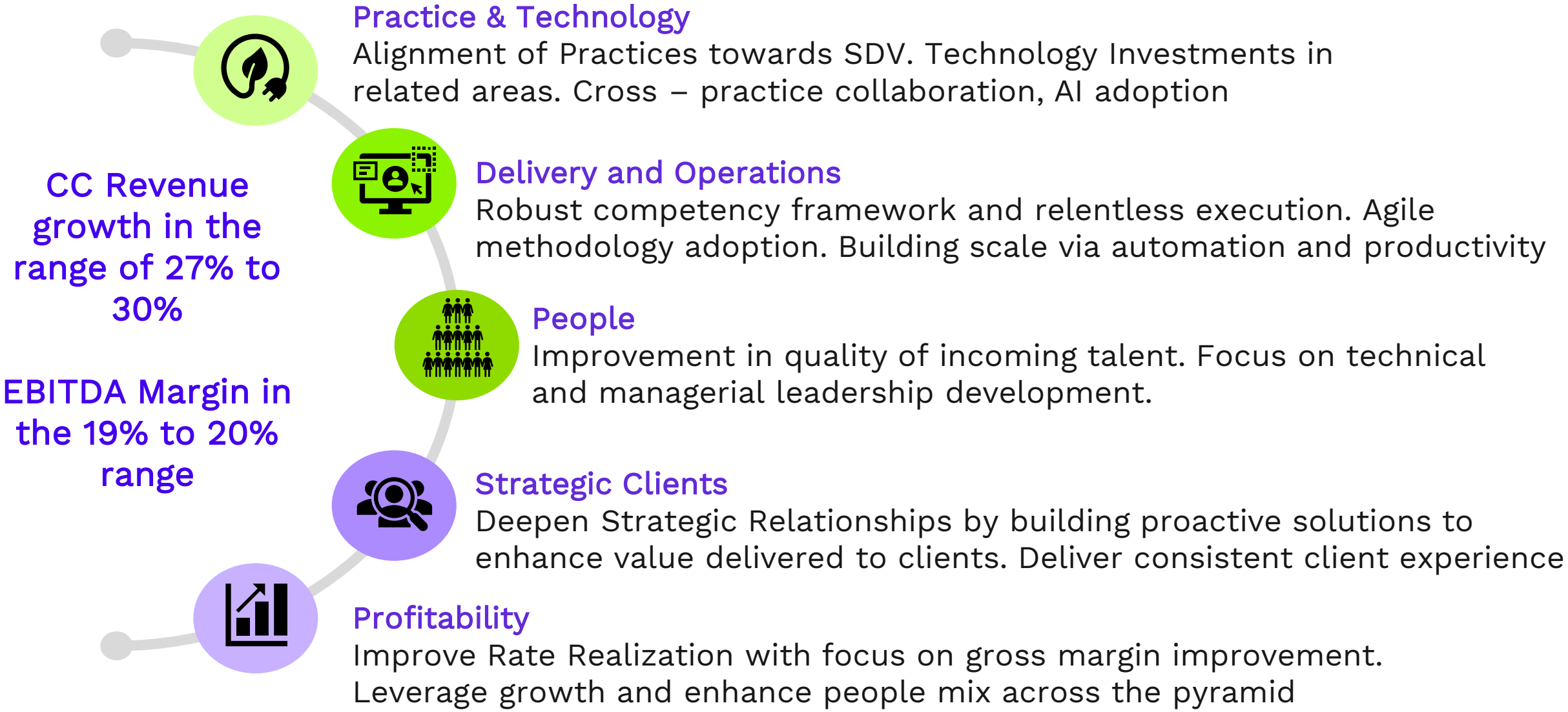


KPIT and ZF agree to create an independent company focused on creation of automotive middleware stack

Both KPIT and ZF will initially contribute cash plus related software assets (IPs) to the company

Induction of additional partner(s) within 12-18 months.  
Regulatory approvals expected in 3-4 months

# FY24 Outlook





# KPI1

## Other Updates

Q4FY23

Reimagining Mobility *with YOU*



KPIT won two ET Ascent Business Leader of the Year Awards

KPIT has been chosen as the *Most Admired Company of the Year*, from 30 different sectors & industries across India.

In addition, *KPIT CEO, Mr. Kishor Patil, won the Best CEO of the Year Award*, a great recognition of his vision and leadership.





## KPIT Sparkle Announced Winners of the 2023 Innovation Challenge

KPIT hosted the finale of *KPIT Sparkle 2023*, an annual national design and development innovation contest for Engineering, Science, and Design students, at their Pune campus on 19th March 2023.

12,000 students from 646 colleges participated with 1,000 Ideas

Winners of KPIT Sparkle 2023 in multiple categories received total cash prizes of ₹ 1.1 Million







## KPIT Presented the 3rd Edition of Women In Mobility: A Look at Women Driving Change in the Tech World

KPIT hosted the *3rd Edition of Women In Mobility, a panel session featuring some of the most inspiring women in tech.* The panelists shared their experiences, insights, and strategies for success, and offered invaluable advice to women looking to make a mark in tech.







## KPIT wrapped up vSolve 2023, the problem-solving competition for students by Chhote Scientists

Over 227 bright young minds from 56 different schools came together to showcase their love for science and innovation at vSolve 2023. The energy and enthusiasm was simply electric, as students showcased incredible solutions to the problem statements presented to them.

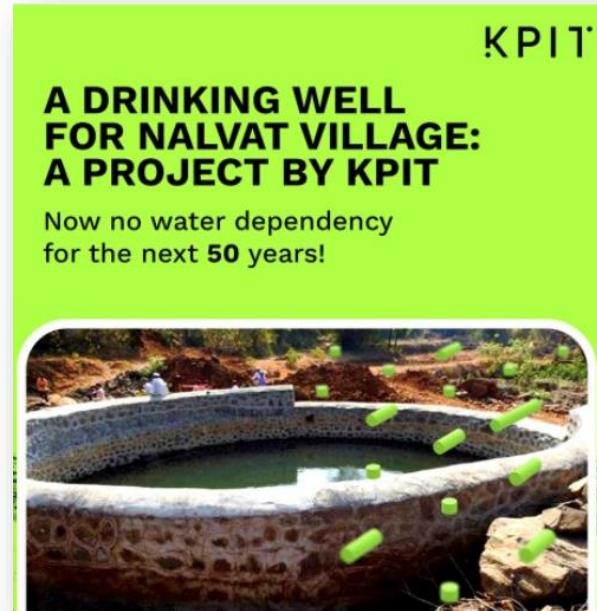




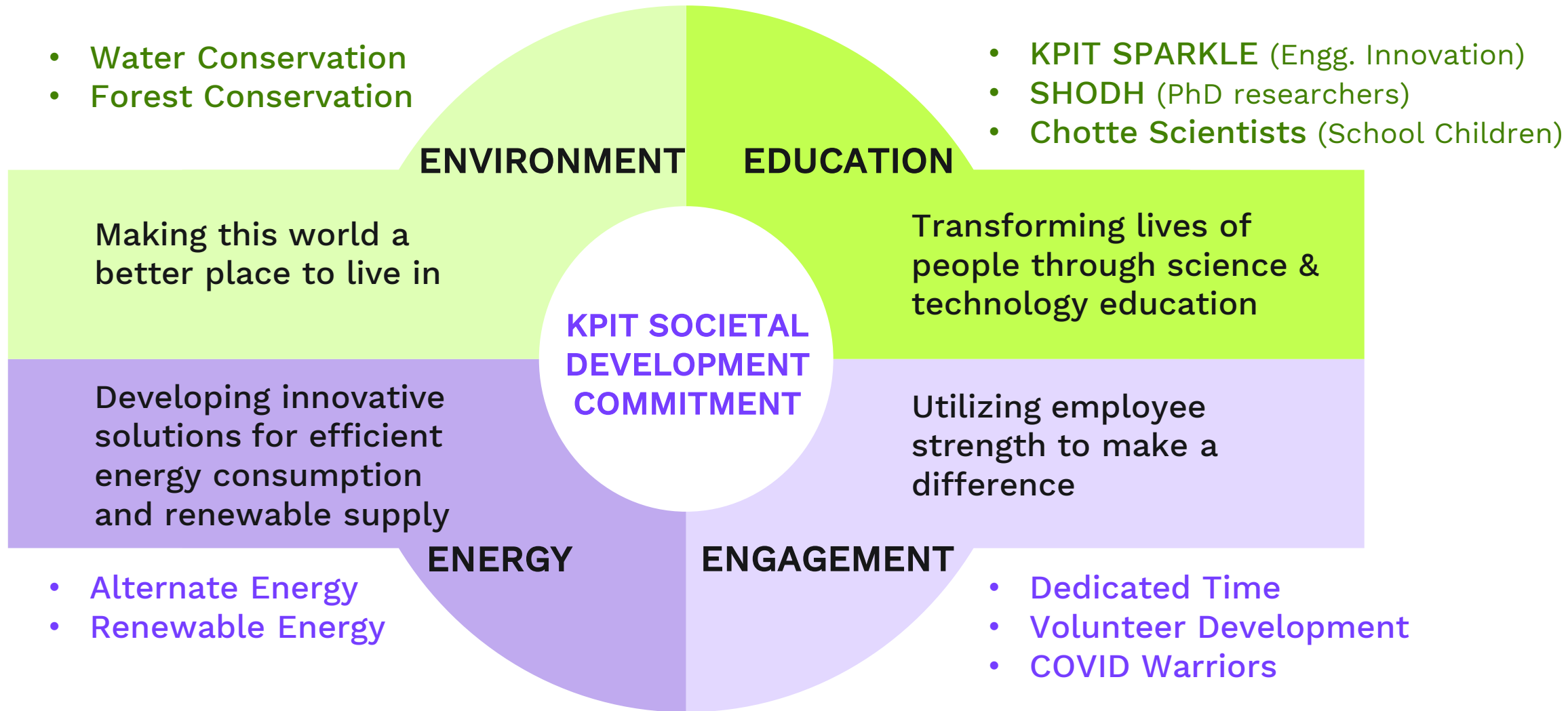
## Being a Socially Responsible Company

KPIT has constructed a *well in Nalvat village, providing the community with a sustainable & reliable source of water.*

The people of Nalvat are now self-sufficient and don't need to rely on unpredictable monsoons or travel far to meet their daily requirements.



# KPIT – Societal Development Commitment



KPIT is a Socially Responsible Corporate Citizen in each country it works

# KPIT

## Financial & Operational Data

Snapshot

Reimagining Mobility *with YOU*



# Profit & Loss Account Snapshot

INR MN

DETAILS	Q4FY23	Q3FY23	Q4FY22	FY23	FY22
Revenue from Operations	10,173.67	9,171.15	6,517.65	33,650.38	24,323.86
Other Income	62.60	210.59	127.54	401.92	397.42
Total Income	10,236.27	9,381.74	6,645.19	34,052.30	24,721.28
Operating Expenses	8,350.16	7,472.50	5,303.69	27,295.80	19,938.40
EBITDA	1,942.57	1,698.65	1,213.96	6,354.58	4,385.46
Depreciation	422.10	404.05	307.18	1,463.79	1,196.14
EBIT	1,520.47	1,294.60	906.78	4,890.79	3,189.32
Finance Costs	106.57	82.82	70.46	323.13	193.95
Change in FMV of Investments	(0.51)	(29.37)	2.93	(25.68)	50.67
Profit Before Exceptional Items	1,356.93	1,393.0	966.79	4,943.90	3,443.46
Exceptional items	-	-	-	-	-
Profit/(loss) from equity accounted investee	5.10	0.74	5.37	23.97	1.98
PBT	1,362.03	1,393.74	972.16	4,967.87	3,445.44
Tax	246.21	353.17	166.28	1,099.24	683.01
PAT	1,115.82	1,040.57	805.88	3,868.63	2,762.43
Profit Attributable to owners of Company	1,116.00	1,004.90	788.77	3,809.98	2,742.33
Profit Attributable to non-controlling interest	(0.18)	35.67	17.11	58.65	20.10

**KPIT**

*This includes forex loss of INR 119.06 Million which is excluded in EBITDA computation*

4/26/2023

20

# Balance Sheet Snapshot

INR MN

ASSETS	Q4FY23	Q3FY23	EQUITY & LIABILITIES	Q4FY23	Q3FY23
<u>NON-CURRENT ASSETS</u>			Equity Share Capital	2,703.46	2,701.55
Property, Plant & Equipment	2,143.89	2,104.68	Other Equity	13,811.92	12,775.53
Right-of-use Assets	2,594.34	2,491.56	Equity attributable to owners	16,515.38	15,477.08
Other Tangible Assets	56.43	40.88	Non-controlling interests	117.56	232.13
Goodwill & Other Intangibles	10,102.57	8,828.77	<b>TOTAL EQUITY</b>	<b>16,632.94</b>	<b>15,709.21</b>
Other Non-Current Assets	1,392.58	1,500.08	<u>NON-CURRENT LIABILITIES</u>		
<b>TOTAL NON-CURRENT</b>	<b>18,562.20</b>	<b>14,965.97</b>	Borrowings	NIL	NIL
<u>CURRENT ASSETS</u>			Lease Liabilities	1,864.28	1,800.74
Inventories	587.50	667.51	Other Non-Current Liabilities	3,827.99	1,233.02
Cash and Cash Equivalents	6,287.97	7,235.42	<b>TOTAL NON-CURRENT</b>	<b>5,692.27</b>	<b>3,033.76</b>
Trade Receivables	5,924.40	6,262.91	<u>CURRENT LIABILITIES</u>		
Other Current Assets	2,643.68	2,091.19	Borrowings	486.03	493.43
<b>TOTAL CURRENT</b>	<b>15,443.55</b>	<b>16,257.03</b>	Trade Payables	1,643.35	1,865.32
<b>TOTAL ASSETS</b>	<b>34,005.75</b>	<b>31,223.00</b>	Lease Liabilities	508.88	467.14
			Others	9,042.28	9,654.14
			<b>TOTAL CURRENT</b>	<b>11,680.54</b>	<b>12,480.03</b>
			<b>TOTAL EQUITY AND LIABILITIES</b>	<b>34,005.75</b>	<b>31,223.00</b>

# Revenue Break-up (Quarterly)

USD MN

Verticals*	Q4FY23	Q3FY23	Q4FY22	Q-o-Q	Y-o-Y
Passenger Cars	92.14	86.00	62.88	7.1%	46.5%
Commercial Vehicles	30.75	23.49	22.04	30.9%	39.5%

\* The balance revenues come from others, which is not a big area as of now

Business Units#	Q4FY23	Q3FY23	Q4FY22	Q-o-Q	Y-o-Y
Feature Development & Integration	76.21	71.53	60.80	6.5%	25.3%
Architecture & Middleware Consulting	23.83	18.07	9.79	31.9%	143.4%
Cloud Based Connected Services	23.75	20.85	16.52	13.9%	43.8%

#Feature Development & Integration - Electrification, AD-ADAS, Body Electronics and VED

Architecture & Middleware Consulting – Middleware, AUTOSAR

Cloud Based Connected Services – Intelligent Cockpit, Digital Connected Solutions and Diagnostics

Geography	Q4FY23	Q3FY23	Q4FY22	Q-o-Q	Y-o-Y
US	44.66	35.39	33.10	26.2%	34.9%
Europe	61.40	56.96	34.27	7.8%	79.2%
Asia	17.74	18.10	19.73	(2.0)%	(10.1)%

# Revenue Break-up (Annual)

USD MN

Verticals	FY23	FY22	Y-o-Y
Passenger Cars	314.39	242.40	29.7%
Commercial Vehicles	100.37	80.05	25.4%

Practices	FY23	FY22	Y-o-Y
Feature Development & Integration	274.24	231.15	18.6%
Architecture & Middleware Consulting	66.77	38.35	74.1%
Cloud Based Connected Services	77.27	58.86	31.3%

*#Feature Development & Integration - Electrification, AD-ADAS, Body Electronics and VED  
 Architecture & Middleware Consulting – Middleware, AUTOSAR  
 Cloud Based Connected Services – Intelligent Cockpit, Digital Connected Solutions and Diagnostics*

Geography	FY23	FY22	Y-o-Y
US	149.81	127.82	17.2%
Europe	195.36	131.89	48.1%
Asia	73.12	68.63	6.2%



# P&L Metrics (Quarterly)

	Q4FY23	Q3FY23	Q4FY22	Q-o-Q	Y-o-Y
<b>Revenue by Contract Type</b>					
Time & Material Basis	54.6%	51.0%	48.1%	20.0%	61.3%
Fixed Price Basis	45.4%	49.0%	51.9%	3.9%	24.3%
<b>Clients</b>					
Strategic Client Revenue	79.5%	81.4%	83.9%	9.5%	34.8%
Active Clients (Period End)	60	60			
Revenue per Devp. Employee USD	48,092	45,105	45,679		
R&D Expenditure (USD MN)	2.74	2.50	2.09		
EBITDA Margin	19.1%	18.5%	18.6%		
EBIT Margin	14.9%	14.1%	13.9%		
PAT Margin	11.0%	11.0%	12.1%		
Effective Tax Rate	18.1%	25.3%	17.1%		
EPS (Basic)	4.13	3.72	2.92		
EPS (Diluted)	4.09	3.68	2.89		

# P&L Metrics (Annual)

	FY23	FY22	Y-o-Y
<b>Revenue by Contract Type</b>			
Time & Material Basis	52.6%	44.8%	49.6%
Fixed Price Basis	47.4%	55.2%	9.3%
<b>Clients</b>			
Strategic T21 Client Revenue	82.5%	83.8%	25.4%
Active Clients (Period End)	60	60	
Avg Revenue per Devp. Employee USD	43,929	48,804	
R&D Expenditure (USD MN)	9.6	9.0	
EBITDA Margin	18.9%	18.0%	
EBIT Margin	14.5%	13.1%	
PAT Margin	11.3%	11.3%	
Effective Tax Rate	22.1%	19.8%	
EPS (Basic)	14.10	10.17	
EPS (Diluted)	13.96	10.05	

# Currency wise revenues, Hedging Details

Currency wise revenue	Q4FY23	Q3FY23	Q4FY22	FY23	FY22
USD	36.3%	35.0%	40.0%	38.4%	40.3%
EUR	42.8%	46.1%	32.2%	40.0%	33.9%
GBP	6.3%	5.6%	6.6%	6.5%	5.7%
JPY	8.8%	6.5%	12.4%	7.7%	11.1%
INR	4.1%	4.3%	5.9%	4.9%	5.0%
Others	1.8%	2.5%	2.9%	2.4%	4.0%

O/s Hedge Details	Q4FY23
<b>Hedge Rates</b>	
USD/INR	82.78
EUR/INR	88.74
GBP/INR	101.02
JPY/INR	0.64
<b>Hedge Amounts(Mn)</b>	
USD/INR	47.55
EUR/INR	24.65
GBP/INR	6.00
JPY/INR	2,469.00

# Headcount Data

Period End Headcount	Q4FY23	Q3FY23	Q4FY22	Q-o-Q	Y-o-Y
Development	10,297	9,795	7,628	-	-
Enabling & Sales	716	695	617	-	-
Total	11,013	10,490	8,245	-	-



# KPIT

## Contact Us

Reimagining Mobility *with YOU*

# Conference Call Details

Conference name : KPIT Technologies Q4 FY2023 Post Earnings Conference Call

Date : Thursday April 27, 2023

Time : 1700 Hrs.

Participants : Mr. S.B.(Ravi) Pandit, Co-founder & Chairman

Mr. Kishor Patil, Co-founder, CEO & MD

Mr. Sachin Tikekar, President, Joint MD

Mr. Anup Sable, Whole-time Director & CTO

Mr. Chinmay Pandit, Whole-time Director & Head Americas

Mrs. Priya Hardikar, CFO

Mr. Sunil Phansalkar, Head-IR

Dial-in Numbers for all participants [Click here for your Diamond Pass](#)

Primary number : +91 22 6280 1116

Local Access : +91 22 7115 8017

International Numbers : USA - 1 866 746 2133 | UK - 0 808 101 1573

Singapore - 800 101 2045

Hongkong - 800 964 448

## About KPIT Technologies

KPIT (BSE: 542651; NSE: KPITTECH), KPIT is a global technology company with software solutions that will help mobility leapfrog towards autonomous, clean, smart and connected future. With 9,000+ Automobelievers across the globe, specializing in embedded software, AI & Digital solutions, KPIT enables clients accelerate implementation of next generation mobility technologies. With development centers in Europe, USA, Japan, China, Thailand and India – KPIT works with leaders in mobility and is present where the ecosystem is transforming. <sup>25</sup>

For more information, visit <http://www.kpit.com>

**KPIT**

# Contact

For Investor Queries



Email  
[Sunil.Phansalkar@kpit.com](mailto:Sunil.Phansalkar@kpit.com)



Desk Phone  
+ 91 20 6770 6997



Cell  
+ 91 98509 66011



Website  
[www.kpit.com](http://www.kpit.com)



Sunil Phansalkar



# Contact

For Media Queries



Email  
[Sunil.R@kpit.com](mailto:Sunil.R@kpit.com)



Desk Phone  
+ 91 80 6606 6000 (7865)



Cell  
+ 91 99001 50180



Website  
[www.kpit.com](http://www.kpit.com)



Sunil B R



# KPIT



Vietnam Campus



Shanghai Campus



Bangkok Campus



Munich Campus



Pune Campus



Novi Campus



Bengaluru Campus

# THANK YOU !!



KPIT Technologies Ltd.

