



4 December 2019

The Manager, Listing  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
MUMBAI - 400 001

The Manager, Listing  
**National Stock Exchange of India Ltd**  
Exchange Plaza, Plot No. c/1,  
G-Block, Bandra-Kurla Complex,  
MUMBAI – 400 051

Dear Sirs,

**Sub: Investor(s)/Analyst(s) meet**

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Company will be meeting Investor(s)/Analyst(s), from 4 December 2019 to 6 December 2019 at Mumbai on one on one basis in the JP Morgan's India Emerging Opportunities Forum 2019 and India Infoline Investment Services Limited Forum, and on group basis in the HDFC Securities Investor Forum – Technology Sector.

The presentation proposed to be used at the above meetings is enclosed herewith and is also being uploaded on the website of the Company at : [www.mphasis.com](http://www.mphasis.com).

We request you to kindly take the above on record as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Yours faithfully,

**For Mphasis Limited**

DocuSigned by:  
*Subramanian Narayan*  
864FB8DBFAE44A7...



**Subramanian Narayan**  
**Vice President and Company Secretary**

**Encl : As above.**

DS  
kk

## Safe Harbor

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*Certain statements mentioned in this presentation concerning our future growth prospects are forward-looking statements regarding our future business expectations and are based on reasonable expectations of the management, which involves a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in our earnings, revenue and profits, our ability to generate and manage growth, intense competition in IT services, wage increases in India, our ability to attract and retain highly skilled professionals, our ability to manage our international operations, reduced demand for technology in our key focus areas, withdrawal of fiscal governmental incentives, political instability, war, legal restrictions on raising capital or acquiring companies, and general economic conditions affecting our business and industry. We may, from time to time, make additional written and oral forward-looking statements. We do not undertake to update any forward-looking statements that may be made from time to time by us or on our behalf, unless required under the law.*



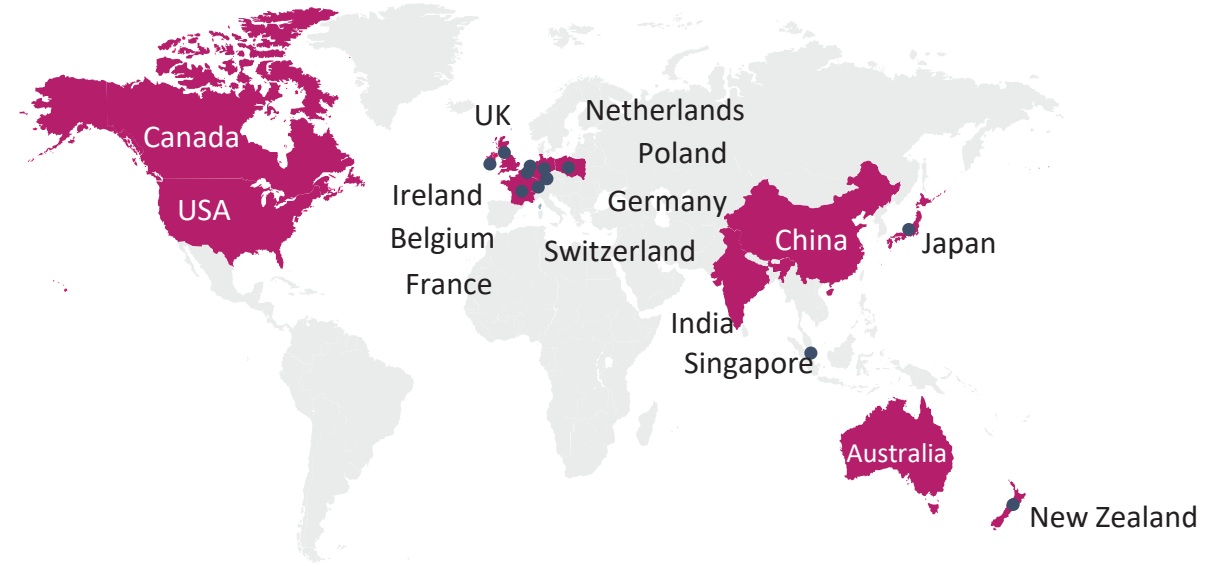
# Investor Presentation

Q2 2020

# Mphasis at a Glance

## Applied Technology Company

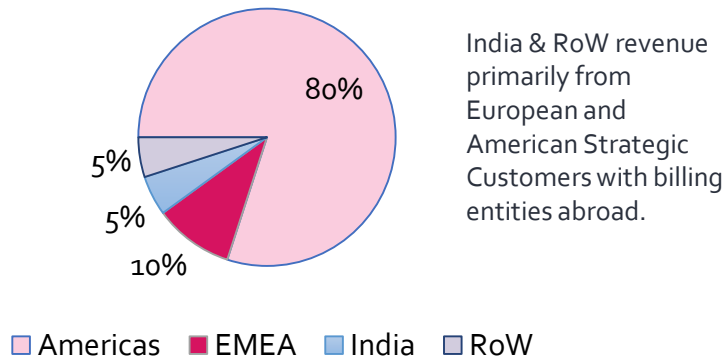
- Incorporated in 1998
- 52.2% owned by Blackstone\*, a Global Private Equity firm
- Integrated services offerings in Application, Infrastructure & BPS
- Global footprint: 60 sales and delivery centers across 19 countries
- Headcount: ~26,960
- Mphasis acquired Stelligent Systems LLC – Nov 2018



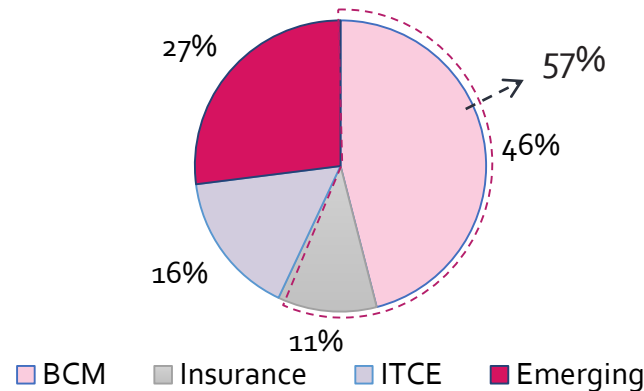
### Financial Strength

Market Cap*	Revenue^	Cash*
\$2.52 billion	\$1,176 million	\$254 million

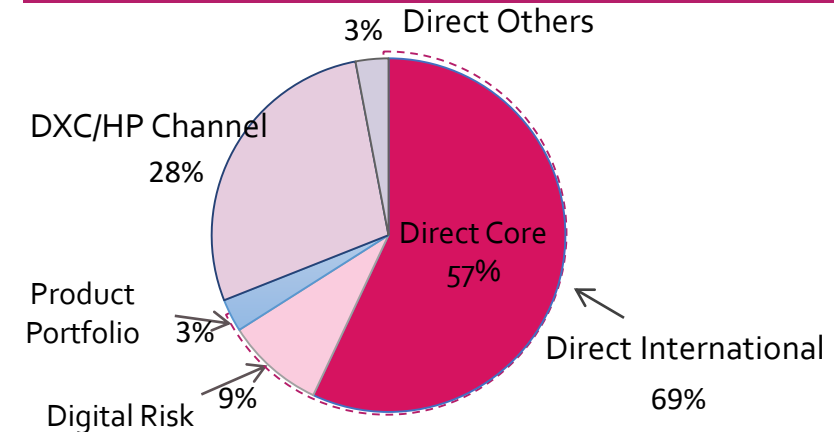
### Geographical Split of Revenue #



### Deep domain expertise in BFSI #



### 69% of Revenue from Direct International #



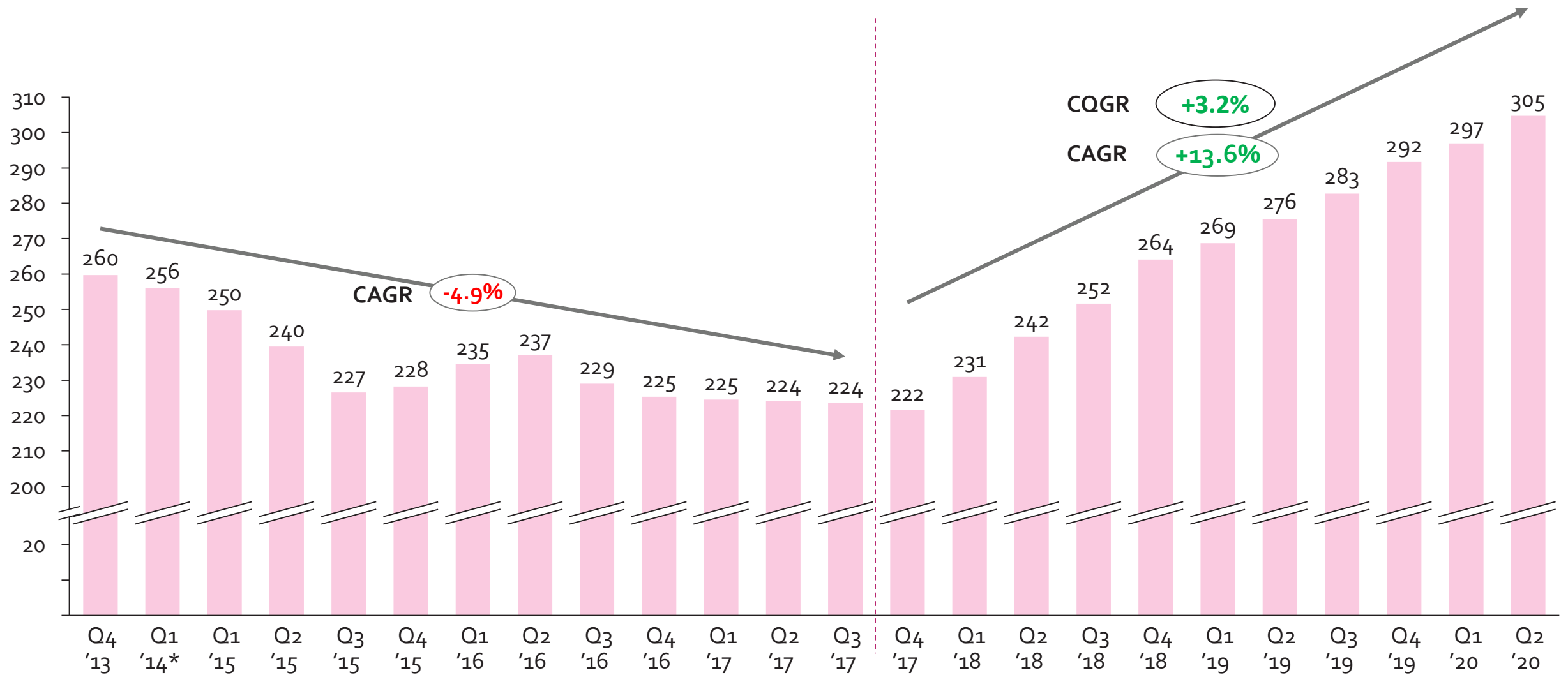
\* As of 30th Sep 2019

# Quarter ended 30th Sep 2019

^ trailing 12 months



# Mphasis Turn Around Story

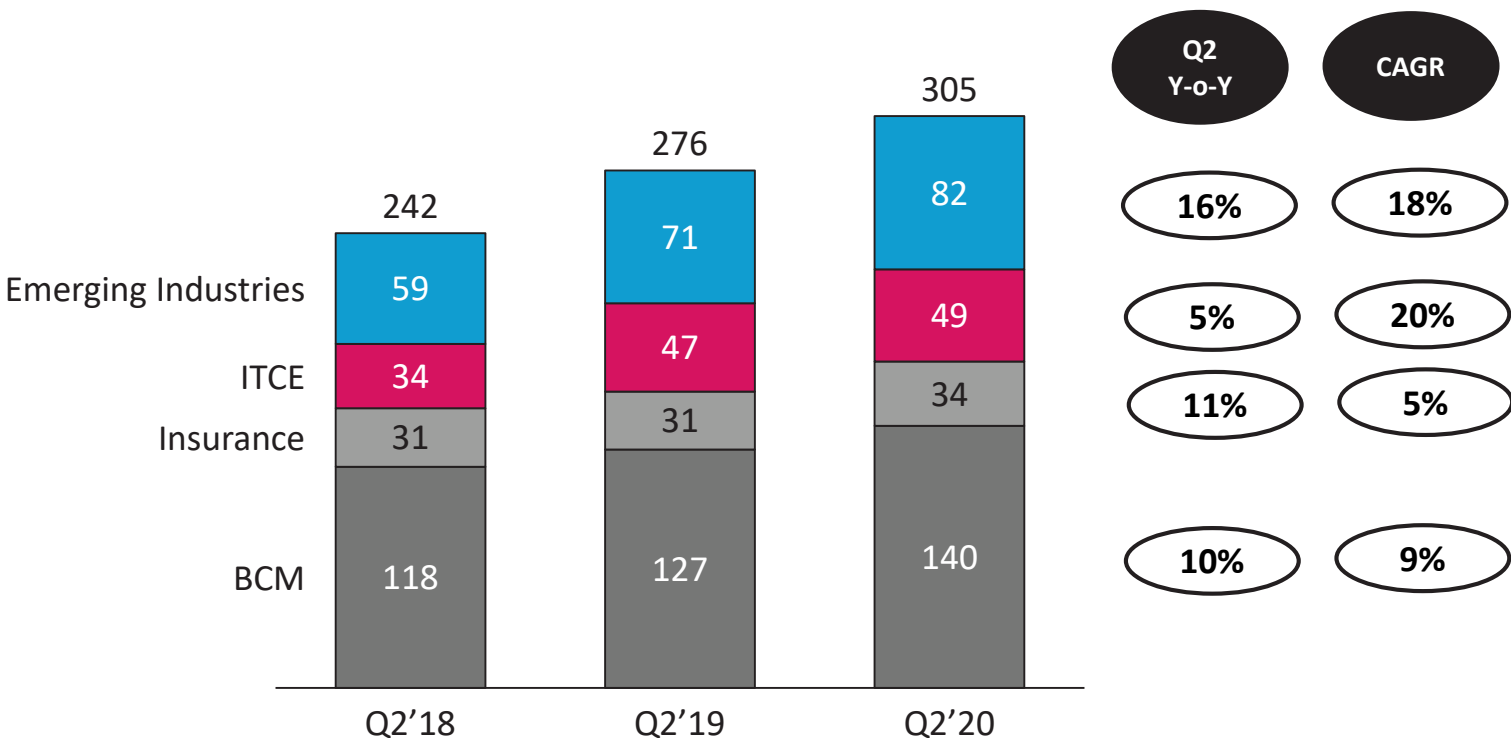


Company Revenue in USD \$M at average USD/INR rate for the respective quarters

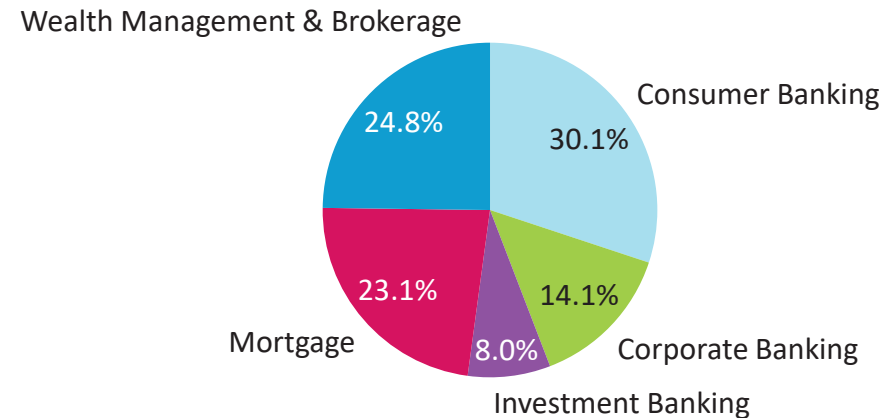
\* Transition Year 5 months adj.



# Continued growth in Banking and Emerging Verticals



## BCM Vertical Split

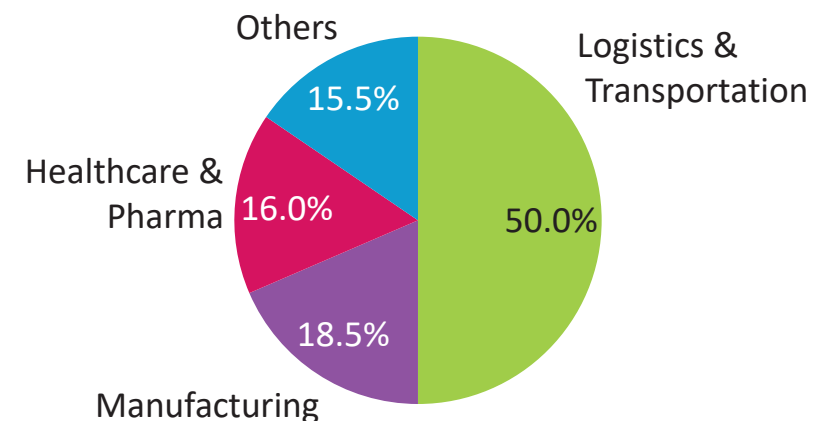


## Emerging Vertical Growth Split

Emerging Verticals	Q-o-Q Growth over Q1'20 *
Logistics & Transportation	6.6%
Manufacturing	3.3%
Healthcare & Pharma	2.6%

\* Company Revenue in USD \$M at average USD/INR rate for the respective quarters

## Emerging Vertical Split



# Consumption Patterns are Changing



**Agility with Resilience**

Huge Impact on IT Consumption



**Customer Centricity**

Customers Driving Disruption



**Cost Takeout**

Self Funding Transformation

## Implications

### Changing Tech Consumption Trends

**Demand for end-to-end solutions that impact both business and technology**

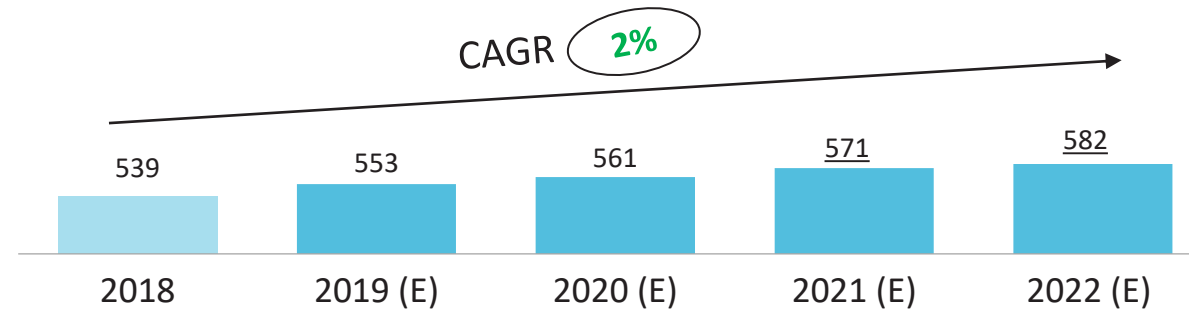
**Low CapEx,  
migration to  
XaaS**

**Quick  
Response  
Times**

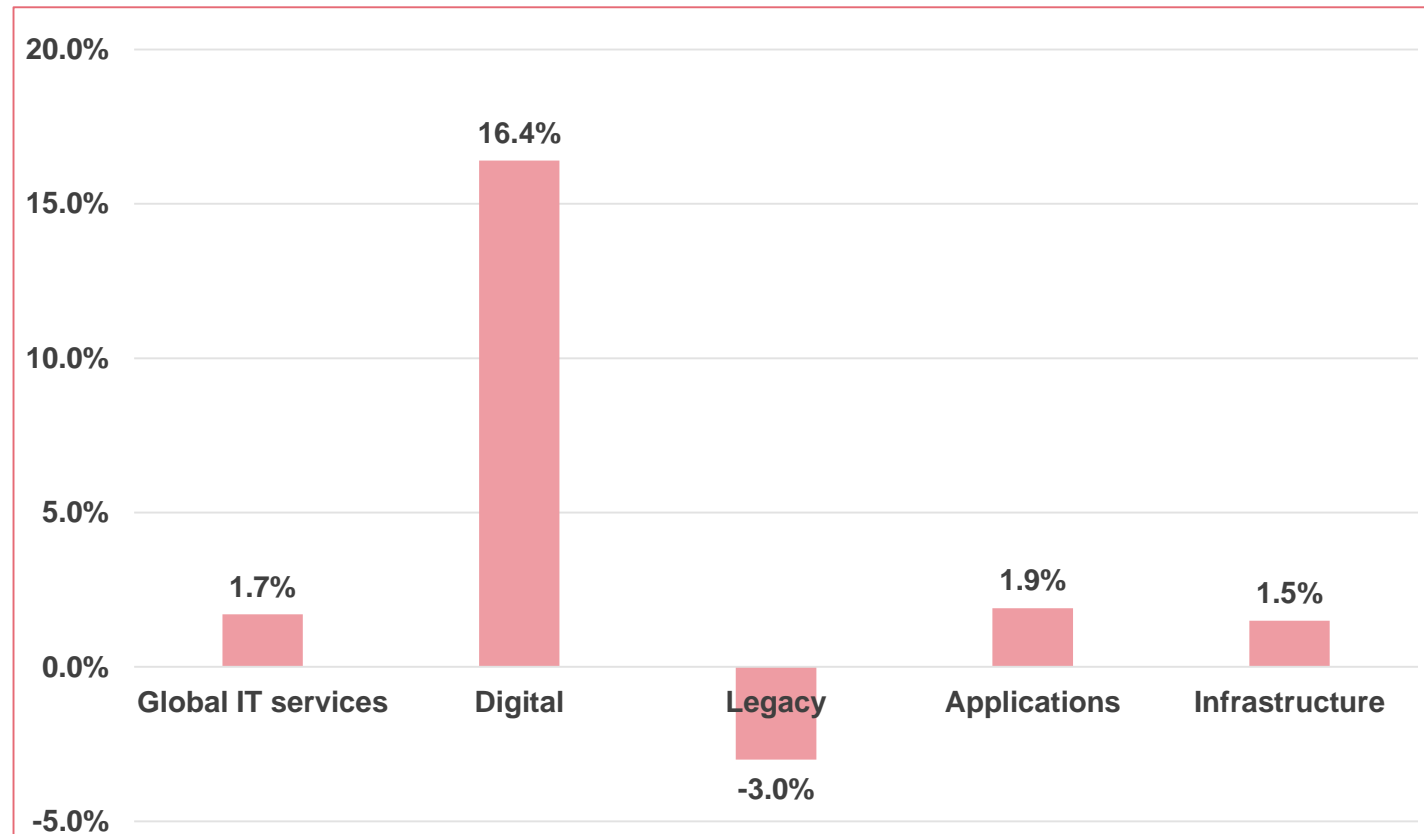
**Need for  
Simplification  
of Core**

# Shift in Technology Consumption

**Global ITS market**  
US\$ billion



CAGR (2018-22E)



Source: Everest Group (2019)





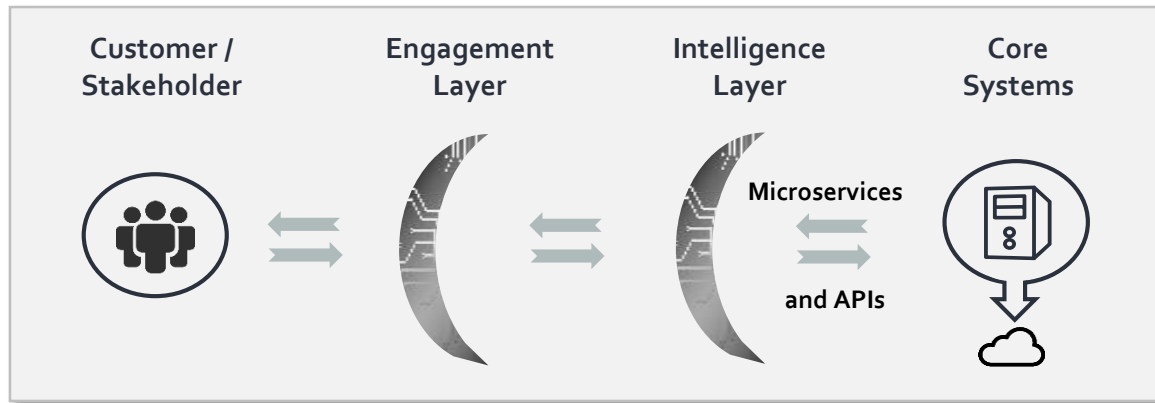
# Mphasis Approach

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# The Secret Sauce

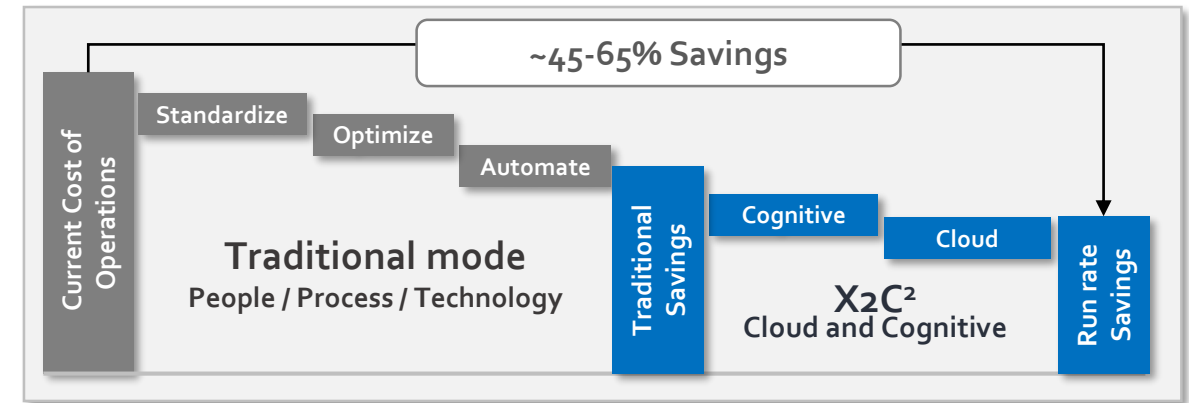
## Mphasis Proprietary Methodologies

### 1. Front2Back – Digital Transformation



1. F2B approach delivers **chunks of business value** fast
2. Focusing on effective changes in the engagement and intelligence layer applying cutting edge technology
3. Leveraging APIs and microservices to keep core system reliance and disruption to a minimum

### 2. Service Transformation



1. Mphasis' X2C<sup>2</sup>™ approach "Moving anything to Cloud powered by cognitive" allows for an end-to-end integrated service transformation approach.
2. Delivers high impact transformation ensuring 45-65% cost optimization in application development & maintenance



# Next Gen Portfolio: “Bringing the T back into IT”: Our solutions our heroes

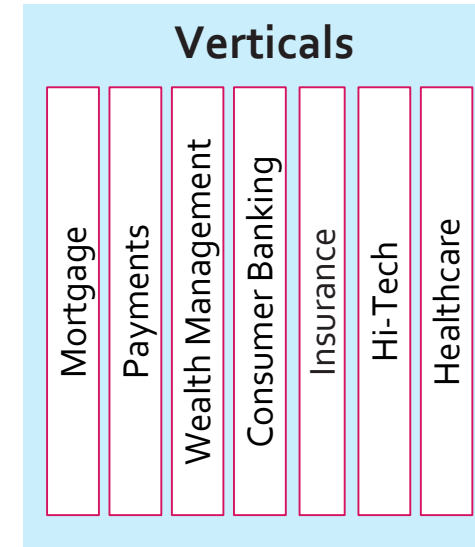
Next Gen Solutions bring together deep domain expertise and cutting edge technology

## Deep Domain Expertise

- Long tenured preferred relationship with **marquee customers**

## Deep Technology Expertise

- **NextStep Platform** – Mphasis IP Platform
- **NextLabs** –in Cloud AI & Cognitive Innovation Lab
- **Sparkle Program** – Startup Innovation Ecosystem



## Powered by Cloud & Cognitive

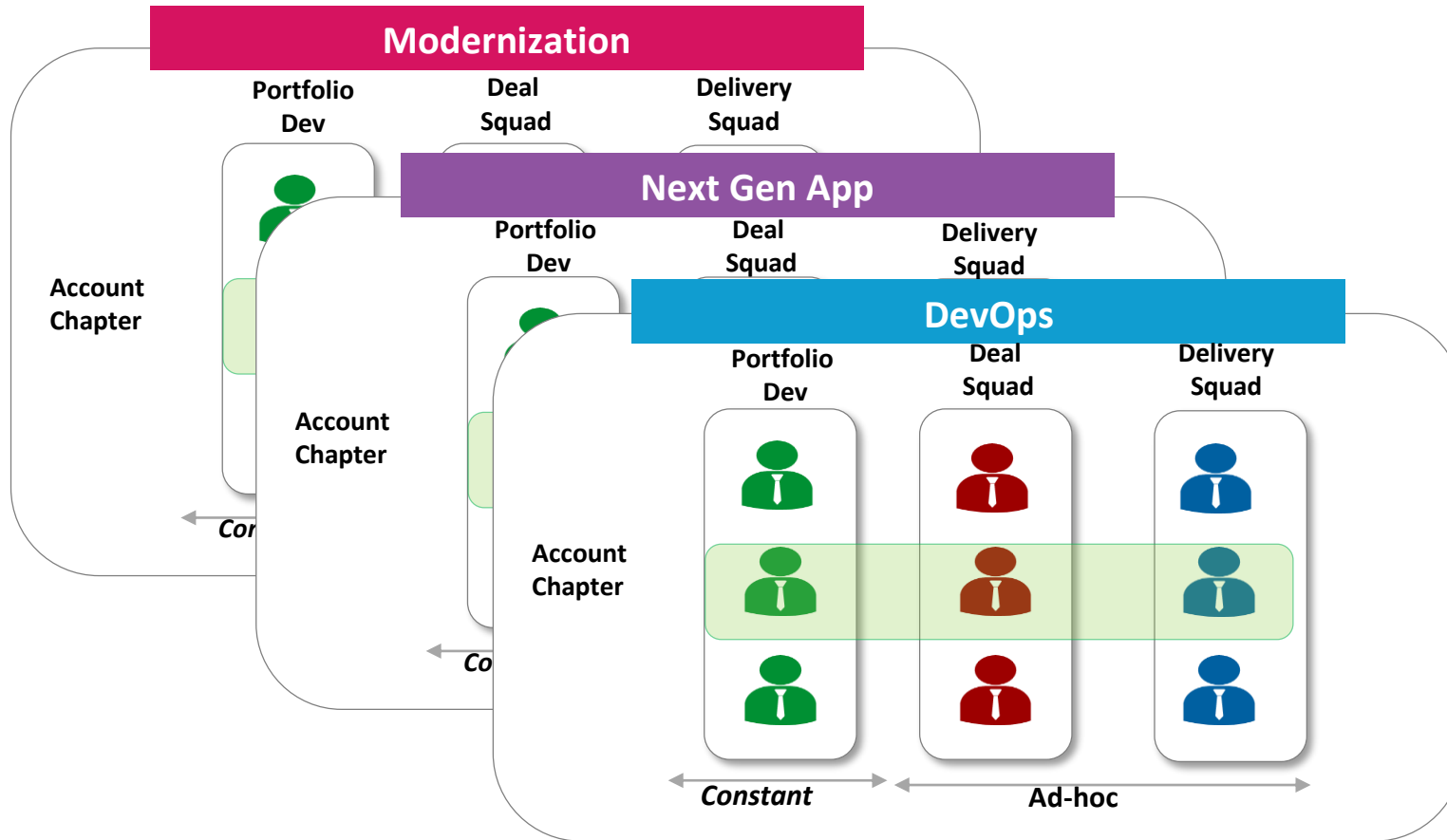
### Technology Offerings

Modernization	Next Gen App Dev
Next Gen Data	DevOps
Enterprise Automation	Cyber Security
AMS	IMS



# Next Gen Portfolio: Teaming for success – Tribe/Squad Model

Go-To-Market teams, organized around Tribe / Squad Model, bring agility and innovation to our clients



- Design Thinking Workshops
- Hackathons
- POC led engagements
- Co-Innovation
- Solution Studio

**Tribe:** Cross functional Team, focused on developing, evolving and building next-gen offerings

**Squad:** Each portfolio Tribe (Mod., DevOps...) has cross-functional **Squads** that come together to build and deliver specific offerings using **Agile** methodologies



# DIRECT CORE

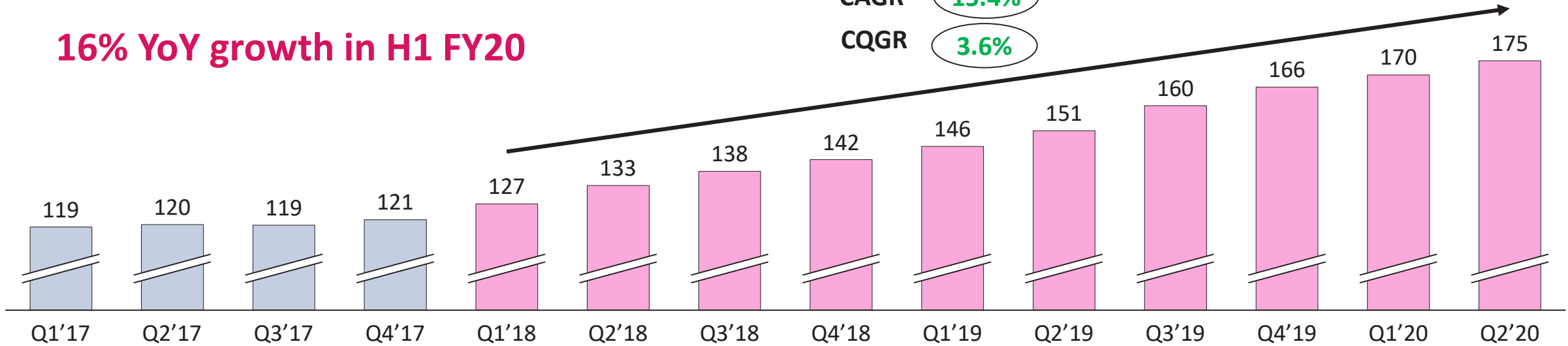
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# Direct Core Business has been consistently delivering strong growth

**16% YoY growth in H1 FY20**

CAGR **15.4%**

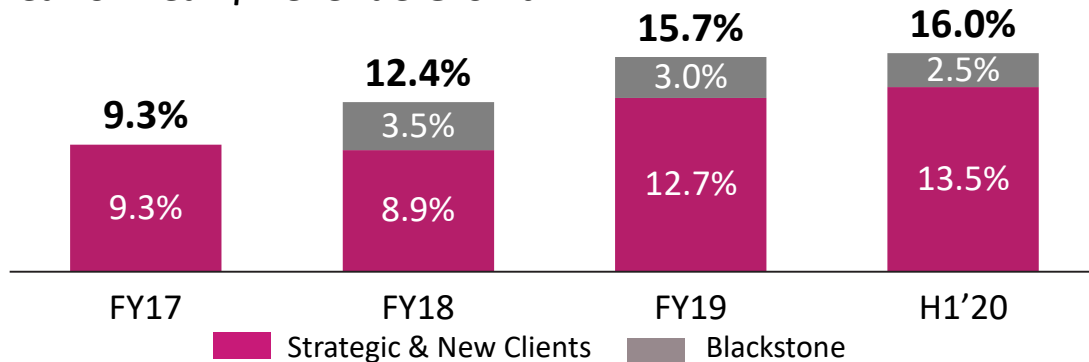
CQGR **3.6%**



Revenue reported is in USD @ Avg USD INR Ex. Rates

## Consistency: Growth across the Board

### Year on Year \$ Revenue Growth

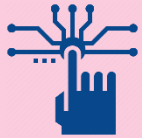


- Double digit growth in Strategic Accounts Y-o-Y in Q2'20
- ~80% of deals won came from new gen areas in FY'19 and H1'20
- H1'20 New Clients growth > 80% YoY and Blackstone accounts grew >50% YoY

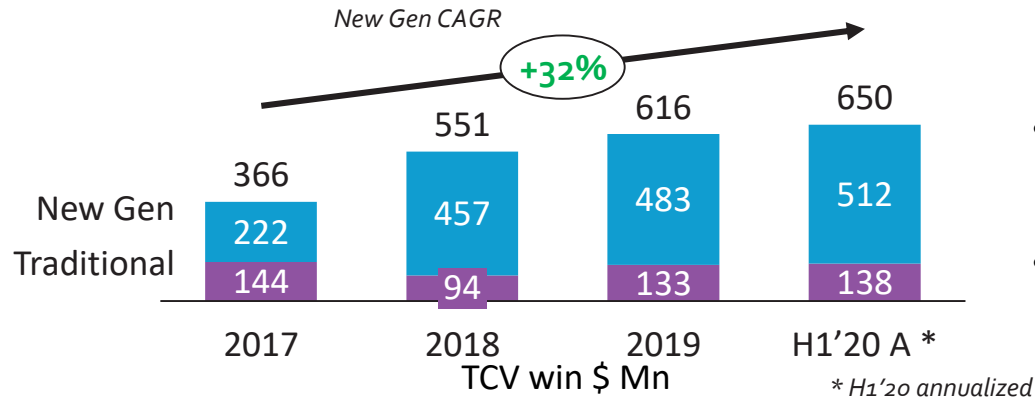


# Direct Core growth is Powered by Our Three Pillars

1



## Leading with Next Gen Portfolio

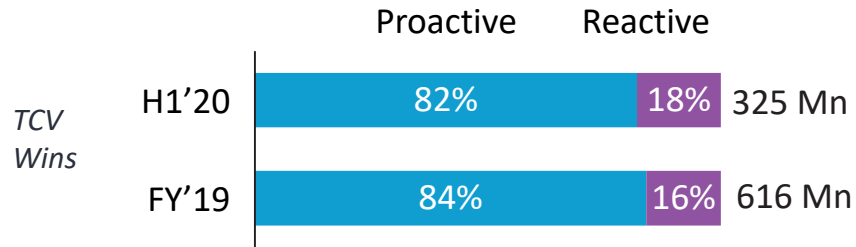


- 8 Handpicked World Class Technology Portfolios
- Bringing the “T” back into IT

2



## Catching deals upstream, proactively



- Institutionalized early engagement sales process and robust account planning

In proactive pursuits with next gen solutions, win rate is 49%

3



## Next Gen Engagement Model

### Organized As Tribes/ Squads - To Cut Down Silos, Boost Agility And Innovation



Design Thinking



Solution Studio



Next Lab/Next STEP



Sparkle



Hackathons & POCs



Talent Next



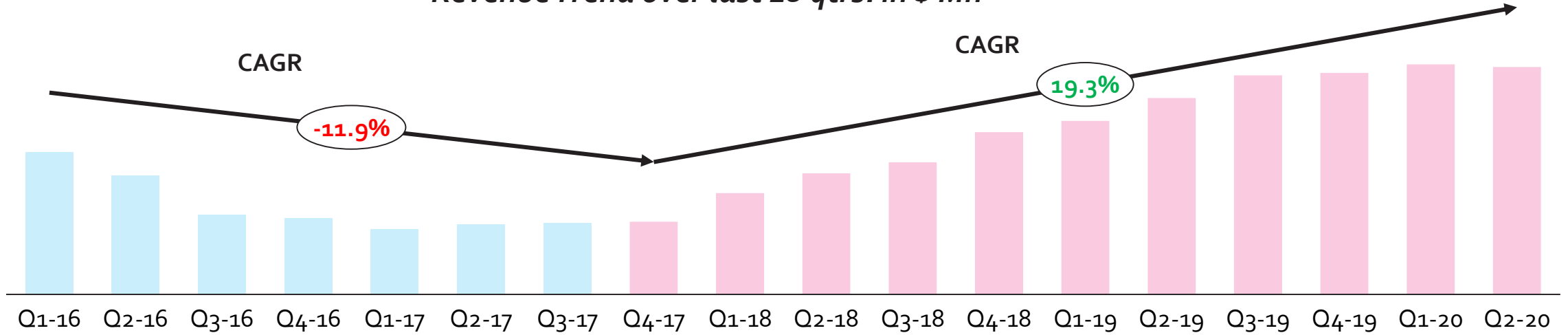
# **DXC – TRANSFORMING PARTNERSHIP**

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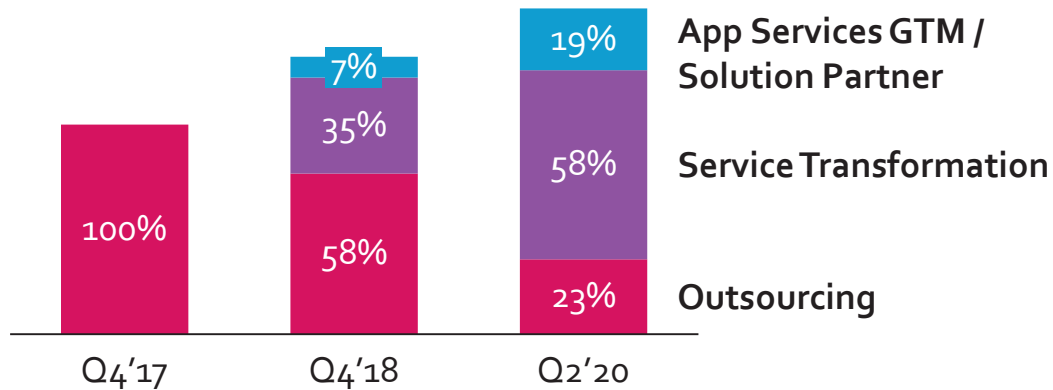


# DXC-Mphasis Relationship Transformation delivering results

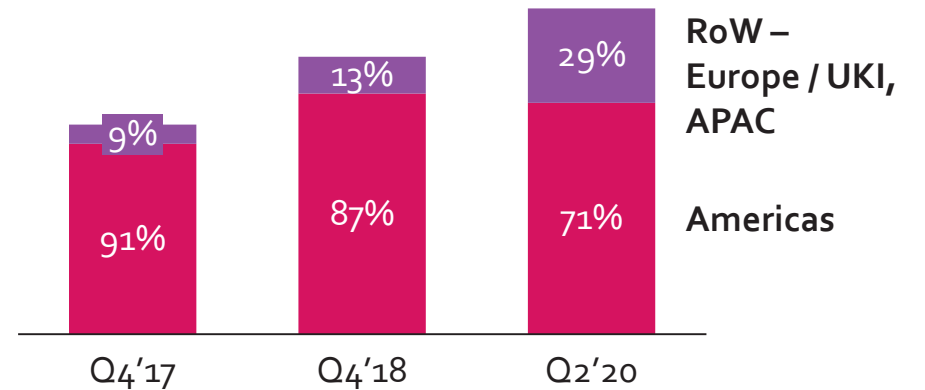
Revenue Trend over last 18 qtrs. in \$ Mn



Business Shift



Geographical Penetration

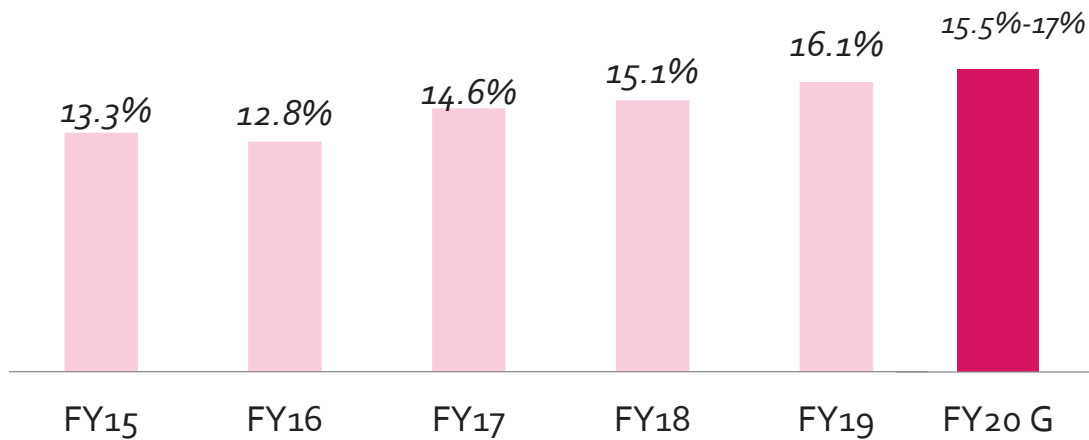


# VALUE CREATION FOR SHAREHOLDERS

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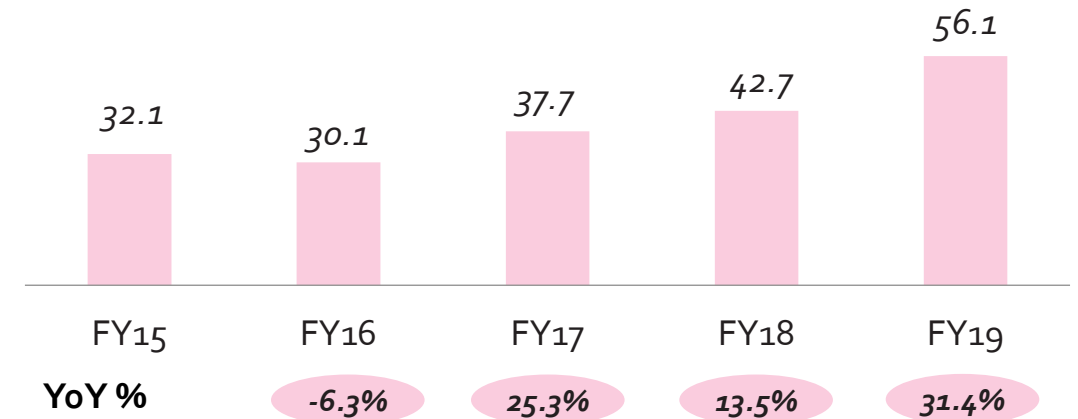
# Strong Earnings Growth and Optimal Cash Strategy to maximize shareholder value

## Improving operating margin



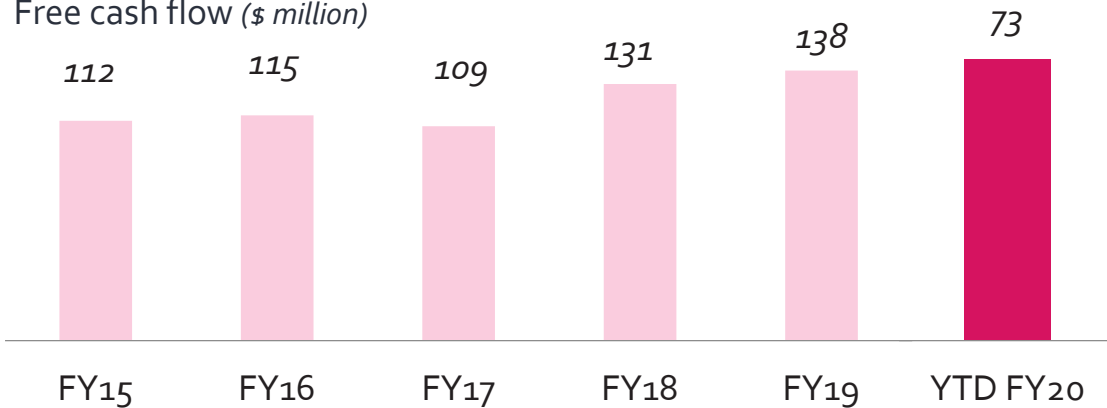
\* FY20 G – FY20 Guidance

## Strong growth in EPS



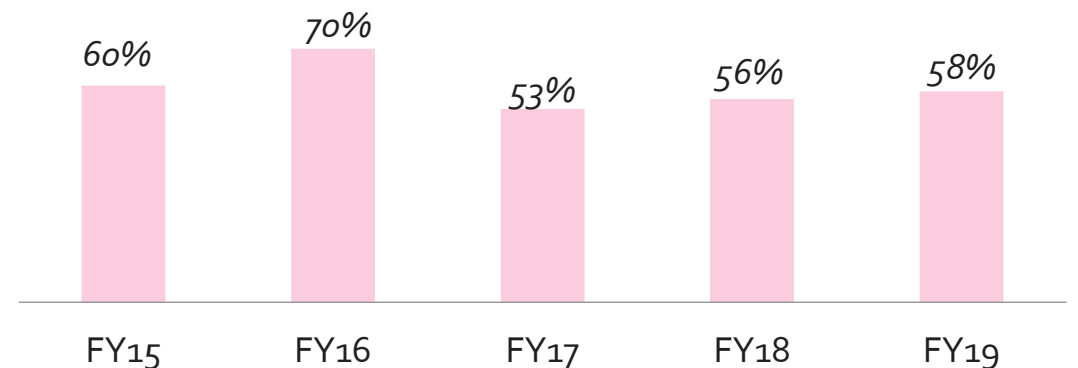
## Consistent free cash flow generation

Free cash flow (\$ million)



## Track record of healthy Dividends

Dividend Payout (DPS including tax / EPS before exceptional items)



Returned \$ 314 Mn through buy-back in FY18 & FY19



# Core Investment Thesis : H1 FY20 Execution Update

1. **Accelerate Direct Core** : Consistently outgrow the market
  - Farming Strategic Accounts
  - New Client Acquisition (NCA)
  - Continue momentum in BX channel
2. **Strategic Partnership with DXC/HP** : Continuous transformation in relationship
  - Applications Partnership Growth
  - Expand Vertical and Geographic Footprint
  - Increase Service Transformation Participation
3. Continued focus on **Margin optimization to fuel Growth (EBIT 15.5%-17%)**
4. Investment Capability building : Talent Next, Next Labs and inorganic tuck-ins
5. **Strong Cash flow Generation and Optimal Cash Strategy** to maximize shareholder value

*Strong growth of 16.0% YoY;*

*NCA grew 80+% and BX grew 50+%*

*Continued momentum in Deal wins: YTD TCV wins of \$325M; New-Gen Services at 79%*

*Consistent sequential growth since Q4'17; \$ revenue CAGR of 19.3%*

*Solutions Partner: 58% revenue from Service transformation in Q2'20*

*FY20 Margin guidance at 15.5% to 17.0%*

*Continued progress in implementation of Next Labs and Talent Next Programs*

*Completed acquisition of Stelligent in FY'19*

*Strong Free cash flow generation of \$73M in YTD FY20, Cash balance of \$254M\**

*\* Post dividend payout of \$86M in Q2'20*



# APPENDIX

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# Strong Leadership Team



**Nitin Rakesh**  
CEO



**Dinesh Venugopal**

10+ yrs in Mphasis  
and in ExCo

- President, Mphasis Digital & Direct Core GTM



**Sundar Subramanian**

Joined in October  
2017

- President, Global Delivery



**Elango R**

12+ yrs in Mphasis  
and in ExCo

- President, DXC/HP Business Unit



**Suryanarayanan**

9 yrs in Mphasis  
4+ yrs in ExCo

- Chief Financial Officer



**Srikanth Karra**

Joined in May 2017

- Chief Human Resource Officer



**Eric Winston**

Joined in October  
2017

- EVP, General Counsel and  
Chief Ethics & Compliance Officer



**Ravi Vasanthraj**

Joined in May  
2019

- Senior Vice President and Global Head - Business  
Process Services



# Experienced Board



**Davinder Singh Brar**  
*Chairman, Independent Director*

Promoter of GVK Biosciences  
Formerly Director of the Reserve Bank of India (RBI)



**Nitin Rakesh**  
*CEO and Director*

CEO and Director at Mphasis  
Previously CEO and President of Syntel



**N Kumar**  
*Independent Director*

Vice Chairman of the Sanmar Group, a multinational conglomerate  
Honorary Consul General of Greece in Chennai



**Jan Kathleen Hier**  
*Independent Director*

Formerly Executive VP at Charles Schwab  
Served as VP Engineering at Transaction Technology, a Citicorp subsidiary



**David Lawrence Johnson**  
*Director*

Senior Advisor at Blackstone based in New York  
Formerly Senior VP of Strategy at Dell



**Marshall Lux**  
*Director*

Financial Services consultant and practitioner for over 30 years  
On the board/ advisory council of various PEs across industries and geographies



**Paul James Upchurch**  
*Director*

- Executive Director at Blackstone
- Formerly an Executive VP at Nielsen



**Amit Dixit**  
*Director*

Senior Managing Director and Head of Private Equity in India for Blackstone  
Formerly a Principal at Warburg Pincus



**Amit Dalmia**  
*Director*

Managing Director in the Private Equity group in India for Blackstone  
Formerly served various management roles at Hindustan Unilever India

 Blackstone  Independent Directors



