



19 August 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**

We wish to inform you that the Company will be meeting Investor(s)/Analyst(s), on one on one and group basis, on 20 August 2019 at the Motilal Oswal Annual Investor conference at Mumbai.

The presentation proposed to be used at the above meeting is enclosed. The aforesaid presentation is 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**

DS  
kk

Encl.- As Above



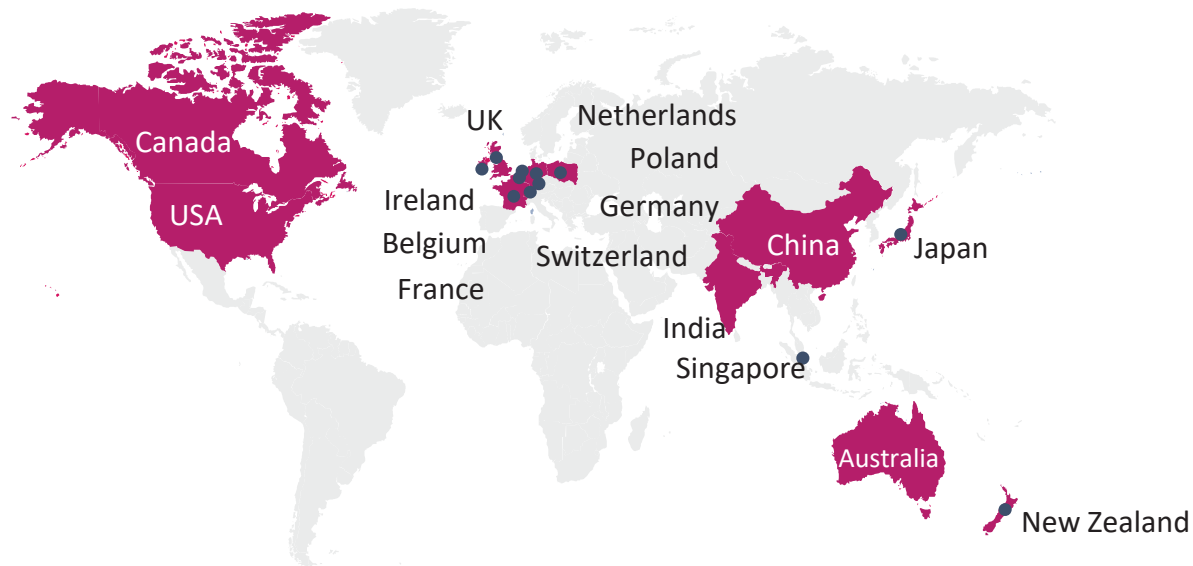
# Investor Presentation

Q1 2020

# Mphasis at a Glance

## Applied Technology Company

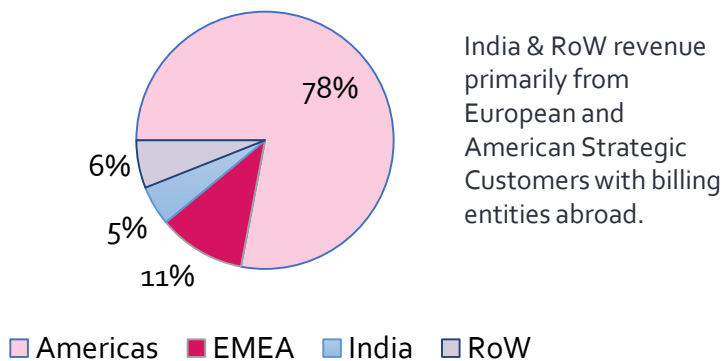
- Incorporated in 1998
- 52.3% owned by Blackstone\*, a Global Private Equity firm
- Integrated services offerings in Application, Infrastructure & BPS
- Global footprint: 60 sales and delivery centers across 19 countries
- Headcount: 25,500\*
- Renewed focus in Europe in 2018
- Mphasis acquired Stelligent Systems LLC – Nov 2018



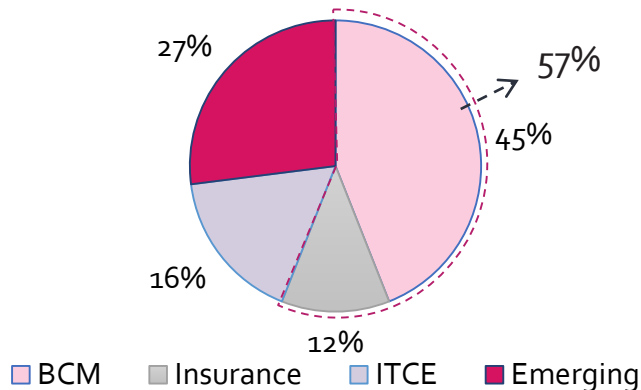
### Financial Strength

Market Cap*	Revenue^	Cash*
\$2. 71 billion	\$1,147 million	\$313 million

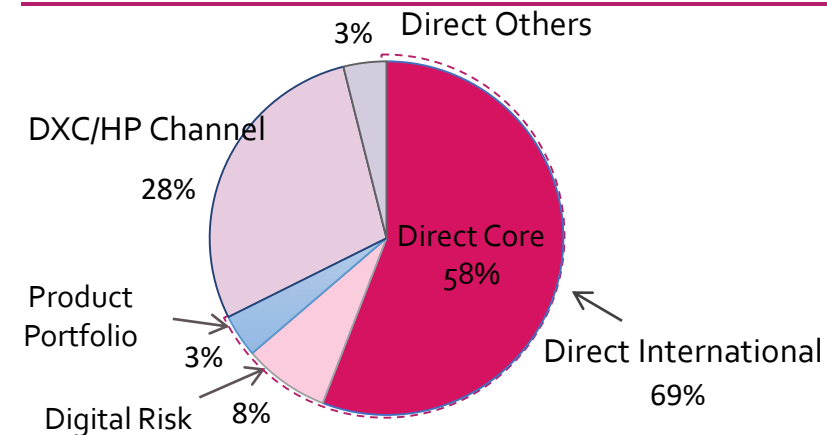
### Geographical Split of Revenue #



### Deep domain expertise in BFSI #



### 69% of Revenue from Direct International #



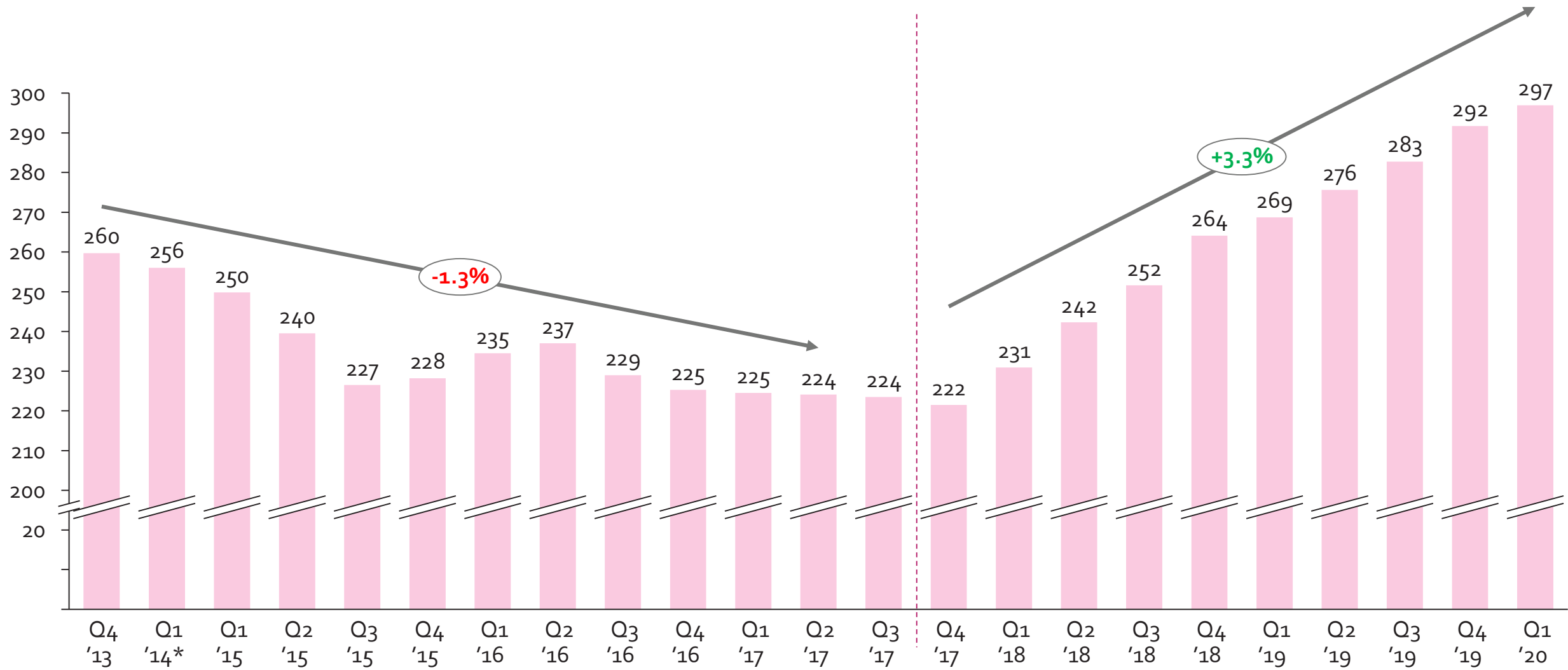
\* As of 30th Jun 2019

# Quarter ended 30th Jun 2019

^ trailing 12 months



# Mphasis Turn Around Story



Company Revenue in USD \$M (gross)

\* Transition Year 5 months adj.



# Core Investment Thesis

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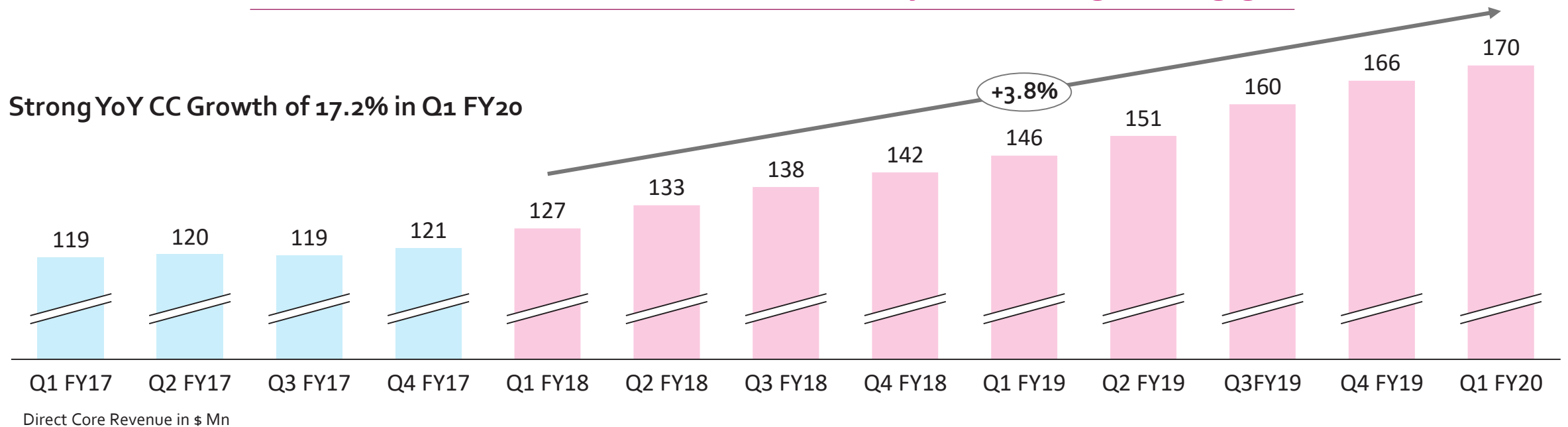
- 1. Accelerate Direct Core** : Consistently outgrow the market
  - Farming Strategic Accounts
  - New Client Acquisition
  - Continue momentum in BX channel
- 2. Strategic Partnership with DXC/HP** : Continuous transformation in relationship
  - Applications Partnership Growth
  - Expand Vertical and Geographic Footprint
  - Increase Service Transformation Participation
- 3. Continued focus on Margin optimization to fuel Growth (EBIT 15%-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



# 1. DIRECT CORE

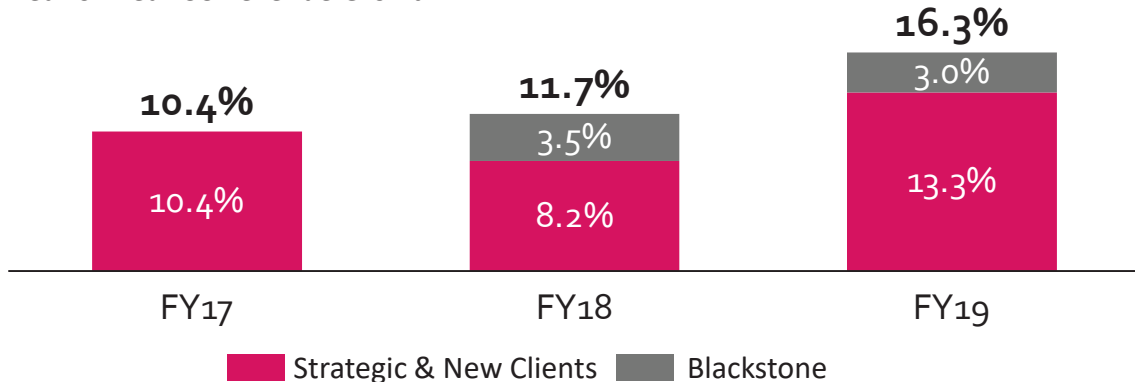
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# Direct Core Business has been consistently delivering strong growth



## Consistent growth across the board

Year on Year CC Revenue Growth



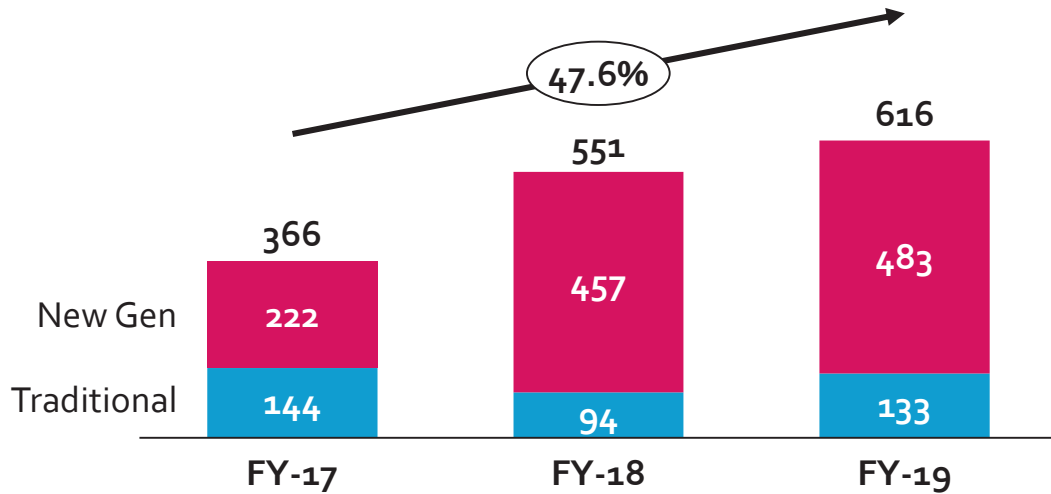
- 3 of the Top 5 strategic accounts grew at >20% Y-o-Y in FY'19
- >80% of deals won came from new gen areas in FY'19
- FY'19: New Client Acq grew ~91% and Blackstone accounts grew ~98%
- Q1'20: New Client Acq grew ~104% YoY and Blackstone accounts grew ~55% YoY



# Direct Core growth fueled by New Gen Services

## New Gen areas dominate new wins

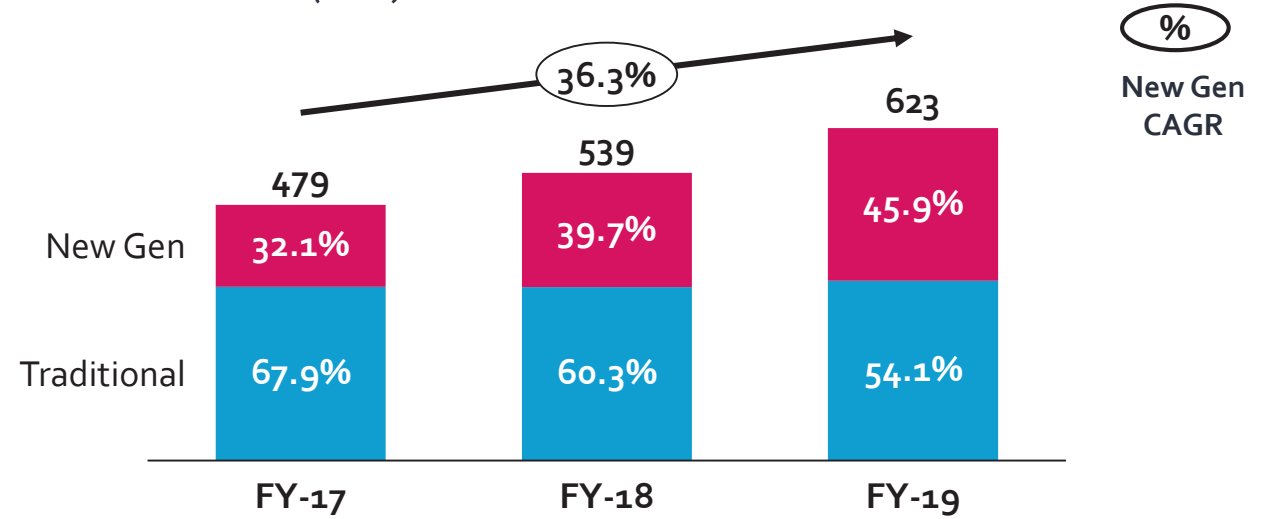
Direct TCV wins (\$ MN)



Q1'20 TCV wins \$151 M with 80% New Gen Services

## Significant revenue growth in New Gen Services

Direct Core revenue (\$ MN)



Q1'20 New Gen Services revenue ~51%; CQGR of ~8%\*

## Next Gen Partnerships help grow New Gen Services

<b>TCV with Partner Collaboration</b> <b>\$200 M</b>	<b>Partner led Deal Wins</b> <b>70+</b>	<b>Start Up Partners</b> <b>25+</b>
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- Stelligent acquisition jump-started **AWS** partnership
- Gold Partner of **Microsoft Azure** for Cloud App Dev
- Development and GTM Partner of **Google Cloud Platform**
- Top Partner for **Pivotal**

\* since Q1'17

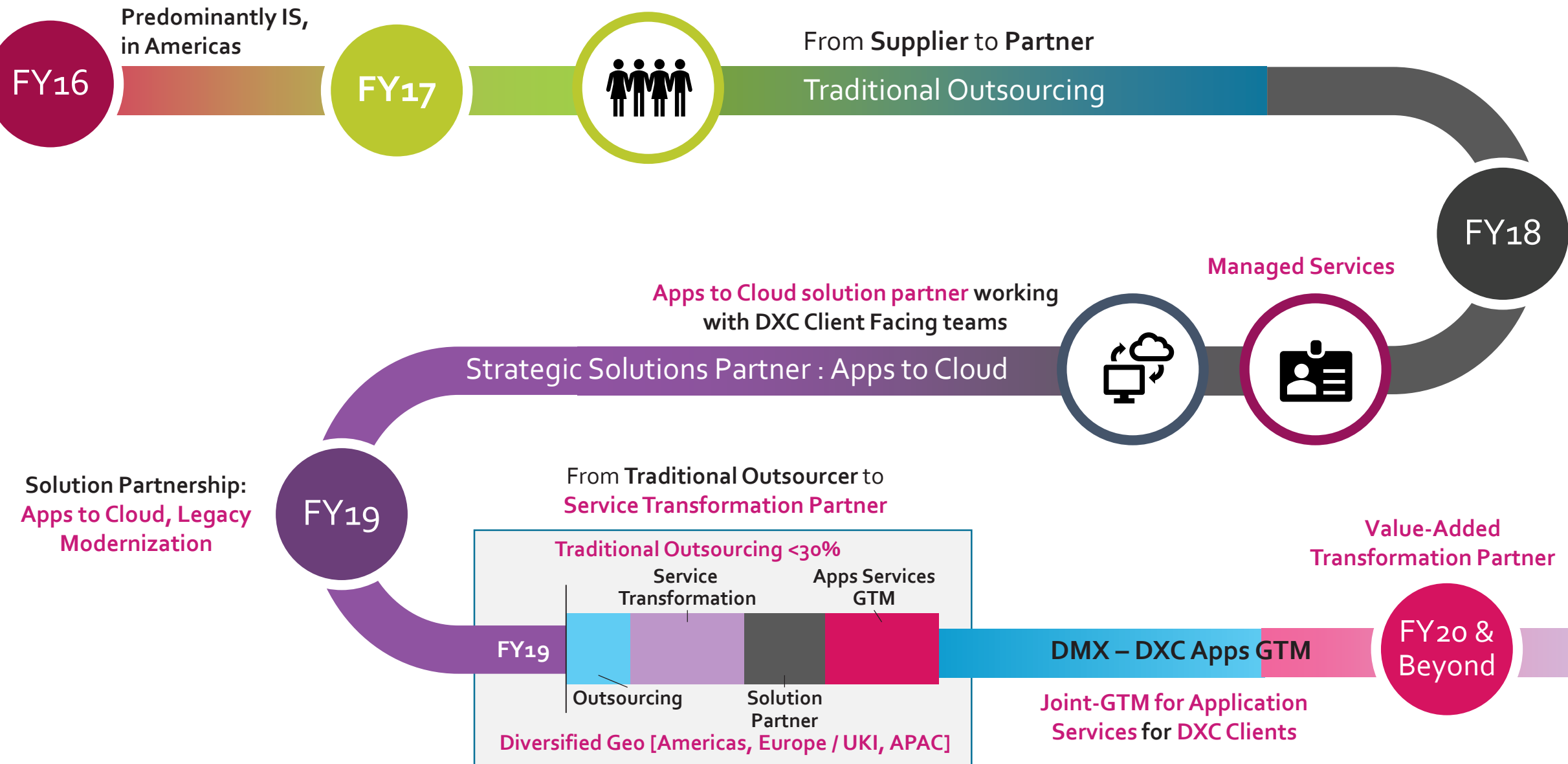




## 2. DXC – TRANSFORMING PARTNERSHIP

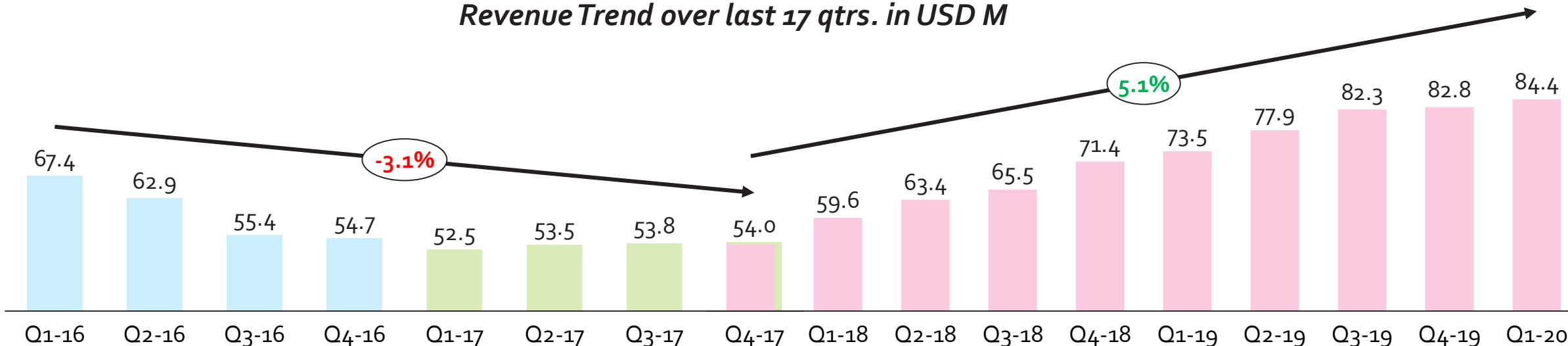
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# DXC-Mphasis relationship transformation

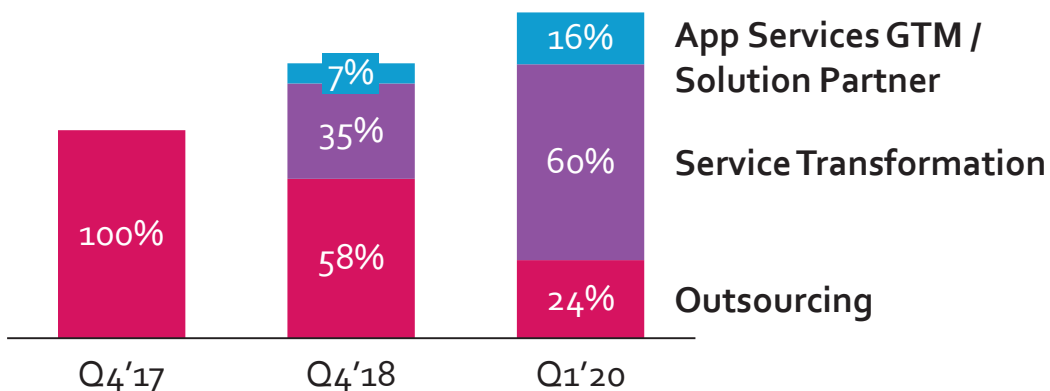


# Relationship Transformation delivering results

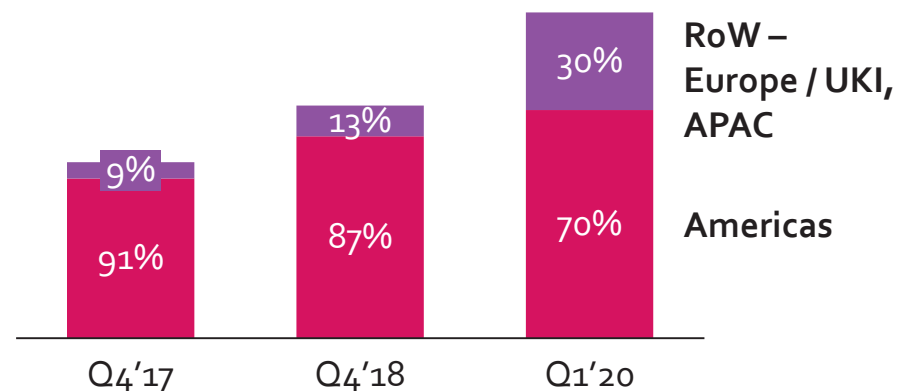
Revenue Trend over last 17 qtrs. in USD M



Business Shift



Geographical Penetration



# HOW WE ACHIEVE THIS

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# Mphasis is preparing for a vastly different future

## Past

## Today / Future



### 1. Next Gen Portfolio / IP

- Application IDEs
- Dev ops tools
- QA Automation tools

- DevOps
- Cloud Sandbox
- Containers
- Auto Code generators
- Microservices



### 2. Customer Engagement

- Decisions mostly taken by IT
- RFP driven Sale Process
- Project driven
- Staff augmentation

- Decision taken by business and IT
- Proactive Change Management
- Proof of Concept (POC) driven
- Outcome based structure
- KPI Driven / new commercial models



### 3. Talent Transformation

- BAs, App architects
- Developers specializing in different layers
- QA and deployment teams

- Designers
- Full stack developers
- SRE engineers



# 1. Next Gen Portfolio: “Bringing the T back into IT”

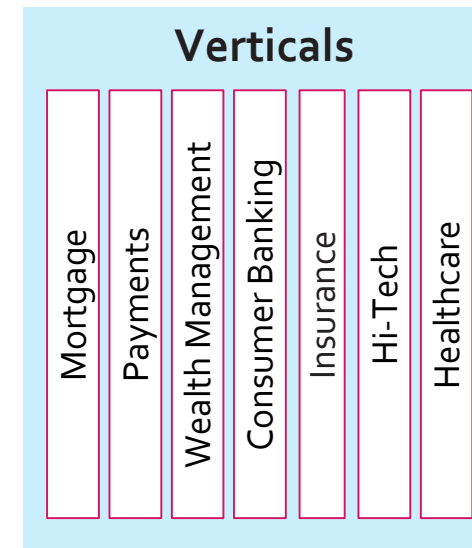
Next Gen Solutions bring together deep domain expertise and cutting edge technology

## 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

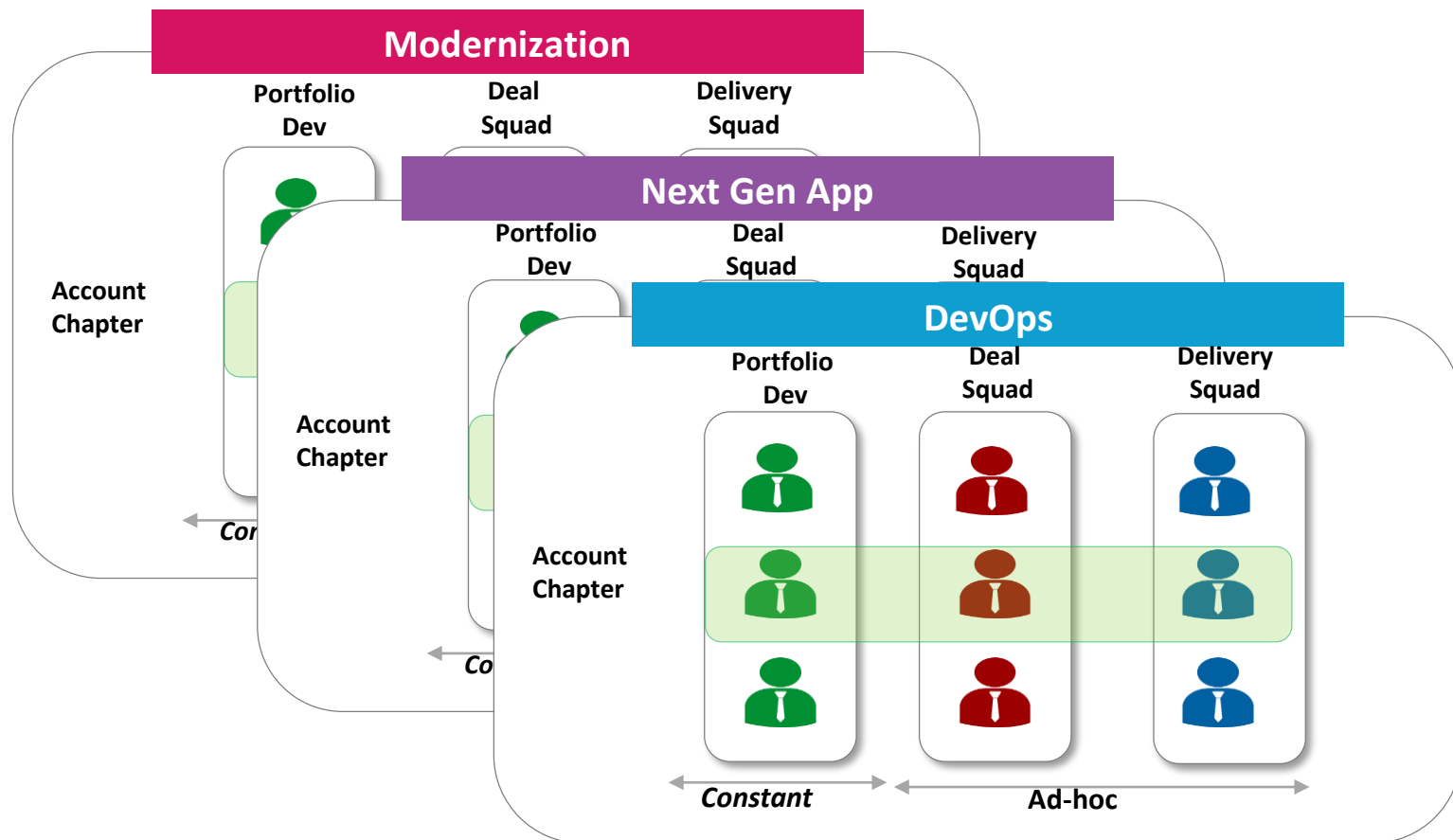
### Technology Offerings

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



# 1. 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



# 1. Next Gen Portfolio: Making Digital Transformation Real for Customers



Modernization  
Tribe

*Accelerated legacy modernization by migrating applications to the cloud for a Fortune 50 company*

**20%**  
TCO reduced

**35%**  
Services Cost  
reduced

**1yr**  
Cloud Timeline reduced



Next Gen App Dev  
Tribe

*Building a cloud based high transaction high performance Global Payments Systems for at a Fortune 50 bank*

**60%**  
TCO reduction

**30%**  
Time to Market  
reduction

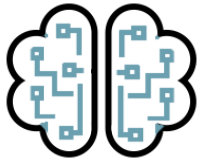
**100M**  
Transactions / Day





## 2. IP/Capability: Next Gen Offerings powered by NextStep™ Platform

*Focused effort in building IP in Cognitive, Cloud and Service Transformation*



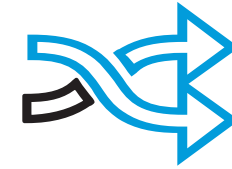
### Cognitive

Cognitive CoE / DeepInsights  
Cognitive Twin / Autocode



### Cloud

Cloud CoE / Cloud Maturity assessment tool:  
Stelligent DevOps & DevSecOps Platform



### Service Transformation

Infragenie / ADM Virtual Assistant  
BPS Commercial lending Ops / Amplify



Winner – Best  
Application of Artificial  
Intelligence (AI) for  
Financial Services



Stratus Awards for  
Cloud Computing' in  
the Artificial  
Intelligence category



## 3. Transforming our talent

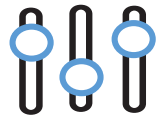
### Talent Next



Next Gen HR Platform



Advanced Skill Mapping



Hyper Personalized



On-Demand Learning Platform



Effective Communication



Online & Offline Training Catalogue

- Talent Next is the catalyst to up-skilling and cross-skilling our workforce on next-gen skills/technologies.
- Since inception in FY18:
  - Five sprints for over 60 skill-proficiency solutions
  - Coverage to global technical associates
  - Large percentage of technical associates are now certified
  - Primary source of talent supply chain, with increased adoption

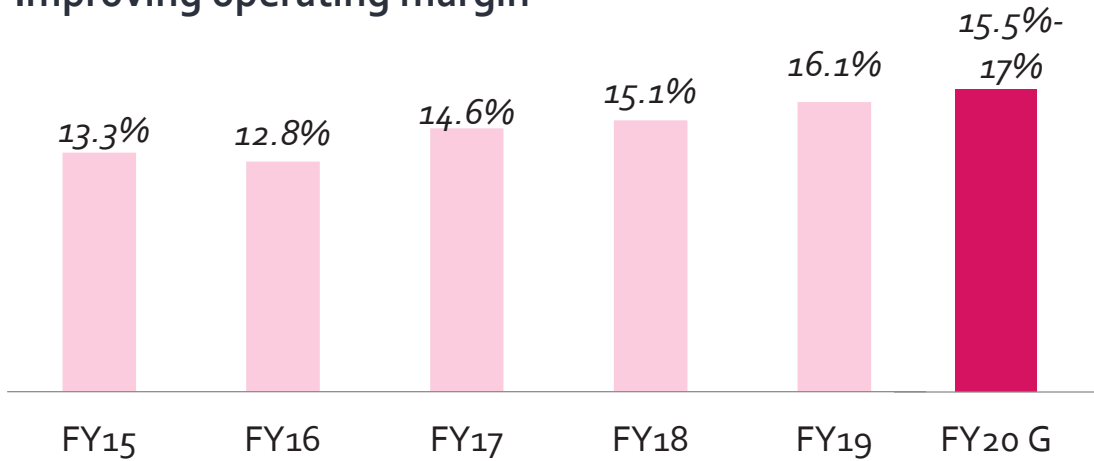


# VALUE CREATION FOR SHAREHOLDERS

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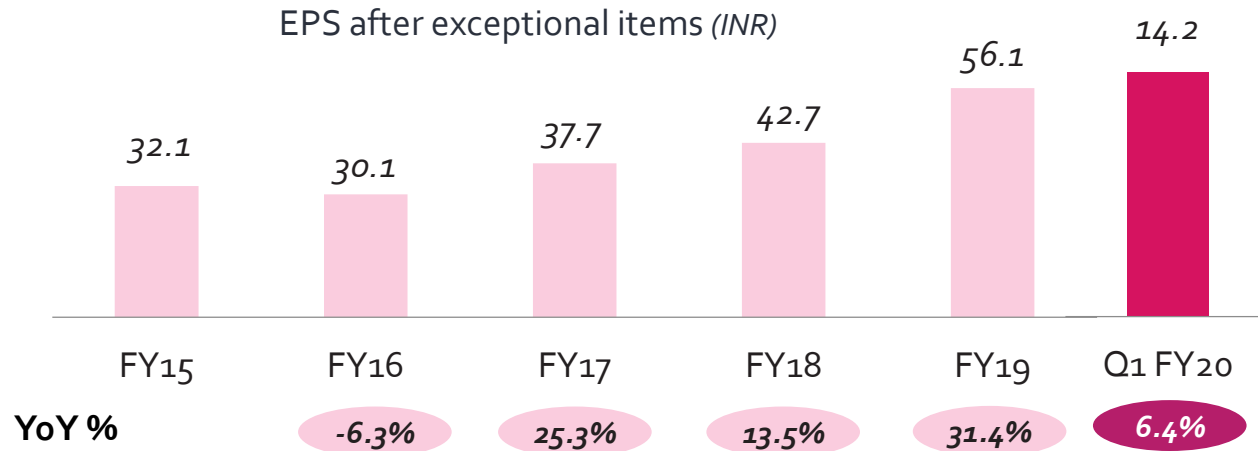
# Strong Earnings Growth and Optimal Cash Strategy to maximize shareholder value

## Improving operating margin



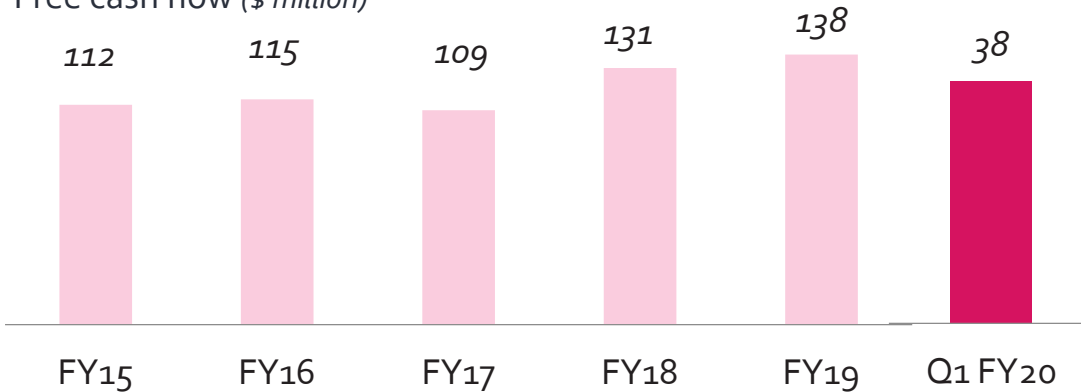
\* FY20 G – FY20 Guidance

## Strong growth in EPS



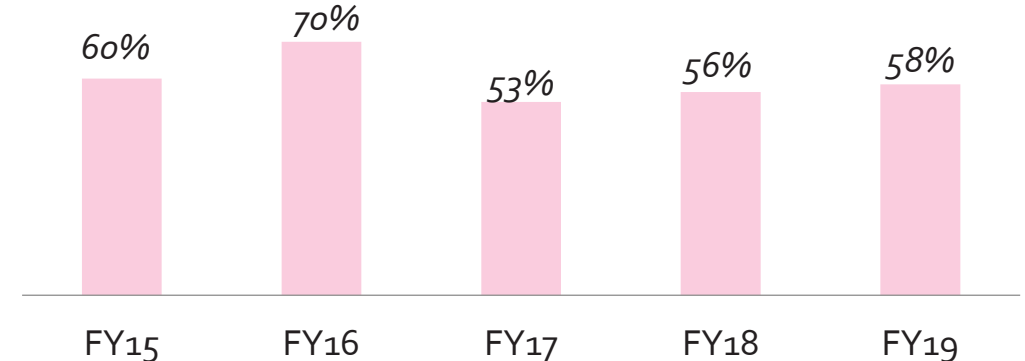
## Consistent free cash flow generation

Free cash flow (\$ million)



## Track record of healthy Dividends

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



Returned INR 21,009 Mn through buy-back in FY18 & FY19



# Core Investment Thesis : Q1 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%-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 17.2% YoY in Constant Currency; NCA grew 104% and BX grew 55%*

*Continued momentum in Deal wins: \$151M TCV; New-Gen Services at 80%*

*Sequential growth in all quarters since Q4'17; \$ revenue CQGR of 5.1%*

*Solutions Partner: 60% revenue from Service transformation in Q1'20*

*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 \$38M in Q1 FY20, Cash balance of \$313M*



# 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 Vasantraj**

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





# Industry Analysts are recognizing our strengths in focus areas



Based on 60+ mentions by Analyst firms in there research over the last 15 months

