

## **Blackstone commits up to \$2.8 billion to acquire controlling stake in Mphasis; ADIA, UC Investments and other long-term investors to co-invest**

- Transaction will trigger open offer for acquisition of up to 26% stake at a price of INR 1,677.16 per share
- Blended purchase price to be INR 1,452 per share to INR 1,497 per share, depending on subscription in the open offer
- A wholly owned subsidiary of the Abu Dhabi Investment Authority (ADIA), UC Investments (Office of the Chief Investment Officer of The Regents, University of California) and others will co-invest along with Blackstone

*New York and Mumbai, April 26, 2021.* Blackstone (NYSE:BX) today announced that private equity funds managed by Blackstone have entered into definitive agreements to acquire a majority stake in Mphasis Limited (NSE: MPHASIS). A wholly owned subsidiary of the Abu Dhabi Investment Authority (ADIA), UC Investments and other long-term investors will co-invest along with Blackstone.

Mphasis is one of the leading providers of Information Technology services specializing in cloud and digital solutions. It has deep domain expertise in the Banking, Financial Services and Insurance sectors (BFSI) and serves 35 of the top 50 US BFSI firms. Mphasis also has long-term relationships with multiple marquee global customers. Mphasis is witnessing strong momentum on new business wins and has delivered its highest-ever quarterly Total Contract Value (TCV) wins in each of the last three quarters: Direct TCV wins have increased 64% YoY for the nine-month period ending December 31, 2020.

Amit Dixit, Co-Head of Asia Acquisitions and Head of India for Blackstone Private Equity, said: “Information technology and software services have been strong sectors for value creation for the last two decades. Mphasis is backed by strong secular tailwinds as global enterprises increasingly migrate to the cloud. The company is exceptionally well-positioned given a terrific management team, strong order backlog, long-term strategic customer base, deep domain expertise in financial services, and a world-class suite of cloud and digital offerings. This investment enables us to continue creating value for the long term with continuity in the management team and the board, and provide additional resources to further accelerate the company’s growth momentum. We are grateful to Mphasis’ customers, investors, employees and board for their continued support.”

Nitin Rakesh, CEO and Executive Director of Mphasis said: “We are gratified to continue our partnership with Blackstone, both as a leading investor as well as our client. We believe Blackstone’s sustained strategic partnership will help the company accelerate its growth and scale new heights. Sovereign and pension funds co-investing is a testimony of long-term commitment and a vote of confidence of a marquee set of shareholders.”

Satish Swamy, Senior Managing Director Asia and Global Rates, UC Investments (The Regents of the University of California), said: “Blackstone has an exceptional team and franchise in India. An ownership mindset with a business building approach has led to many successful investments including its flagship investment in Mphasis. We have known the company and the management team for a few years and are

delighted to now become investors. At UC Investments, we invest as partners with a long-term mindset in companies with secular tailwinds -- Mphasis perfectly fits that bill.”

This transaction will trigger a mandatory open offer for the purchase of up to 26% additional shares of the company from the public shareholders and the acquiring entity has released a public announcement to the stock exchanges. Based on the open offer subscription, the blended purchase price will vary between INR 1,452 to INR 1,497 per share (12-16% premium to 12-month average price and 3-6% discount to 6-month average price) and the purchase consideration will vary between INR 152 billion to INR 210 billion (or, approximately \$2.0 billion to \$2.8 billion). A different fund managed by Blackstone had acquired a controlling stake in Mphasis from Hewlett Packard Enterprise (NYSE: HPE) in September 2016.

The sale is expected to complete in the coming months, subject to customary closing conditions and regulatory approvals.

### **About Mphasis**

Mphasis (BSE: 526299; NSE: MPHASIS), applies next-generation technology to help enterprises transform businesses globally. Customer centricity is foundational to Mphasis and is reflected in Mphasis’ Front2Back™ Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized ( $C=X2C^2_{TM}=1$ ) digital experiences to clients and their end customers. Mphasis’ Service Transformation approach helps ‘shrink the core’ through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. Mphasis’ core reference architectures and tools, speed and innovation with domain expertise and specialization are key to building strong relationships with marquee clients.

For more information, please visit <https://www.mphasis.com/>

### **About Blackstone**

Blackstone is one of the world’s leading investment firms. We seek to create positive economic impact and long-term value for our investors, the companies we invest in, and the communities in which we work. We do this by using extraordinary people and flexible capital to help companies solve problems. Our \$649 billion in assets under management include investment vehicles focused on private equity, real estate, public debt and equity, life sciences, growth equity, opportunistic, non-investment grade credit, real assets and secondary funds, all on a global basis. Further information is available at [www.blackstone.com](http://www.blackstone.com). Follow Blackstone on Twitter @Blackstone.

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