

17 October 2024

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: Presentation for Investor(s)/Analyst(s) call**

Please find enclosed a copy of the presentation proposed to be made at the Investor/Analyst call to be held today at 8:30 AM (IST) in connection with the results of the Company for the quarter ended 30 September 2024.

The presentation is also being hosted on the website of the Company at [www.mphasis.com](http://www.mphasis.com) under the Investors section.

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**



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

Encl: As above

# Continuing Focus on Execution & Expanding AI adoption

**Nitin Rakesh**

CEO & Managing Director

**Aravind Viswanathan**

CFO

October 2024



[www.mphasis.com](http://www.mphasis.com)



Certain statements mentioned in this presentation concerning our future growth prospects are forward looking statements (the “Forward Statements”) 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 Statements. The risks and uncertainties relating to these Forward Statements include, but are not limited to, risks and uncertainties regarding fluctuations in our earnings, fluctuations in foreign exchange rates, 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, time and cost overruns on fixed-price and fixed-time frame contracts, restrictions on immigration, industry segment concentration, our ability to manage our international operations, our revenues being highly dependent on clients in the United States of America, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of fiscal governmental incentives, political instability, adverse impact of global pandemics (including COVID-19 impact), war, legal restrictions on raising capital or acquiring companies, unauthorized use of our intellectual property(ies) and general economic conditions affecting our businesses and industry. We may, from time to time, make additional written and oral Forward Statements. We do not undertake to update any Forward Statements that may be made from time to time by us or on our behalf, unless required under the law.





# There is a lot happening...

**Fed cut interest rate by 50 bps**

**European Central Bank too eases another 25 bps**

**Some stability in client spends with sentiments showing a slight uptick**

**Up to 26% boost in GDP from AI by 2030**

**AI isn't replacing jobs of someone who understands AI**

**Increasing consensus of economy heading toward a soft landing**

**Software Platform Consolidation**

**Green shoots of spend in select areas**

**Re-architecting tech stack for AI-first architecture**

**Scaling of AI adoption to "AI Everywhere"**

**Geopolitical tensions and risks surging**

**US Elections: Economic factors and issues**

**AI and other new emerging technologies continuing to drive conversations**

**Gen AI is an imperative. Initial pilots demonstrate the incredible power of advanced use cases**

**Talent supply chain rejigs to rapidly scale a market ready gen AI workforce**

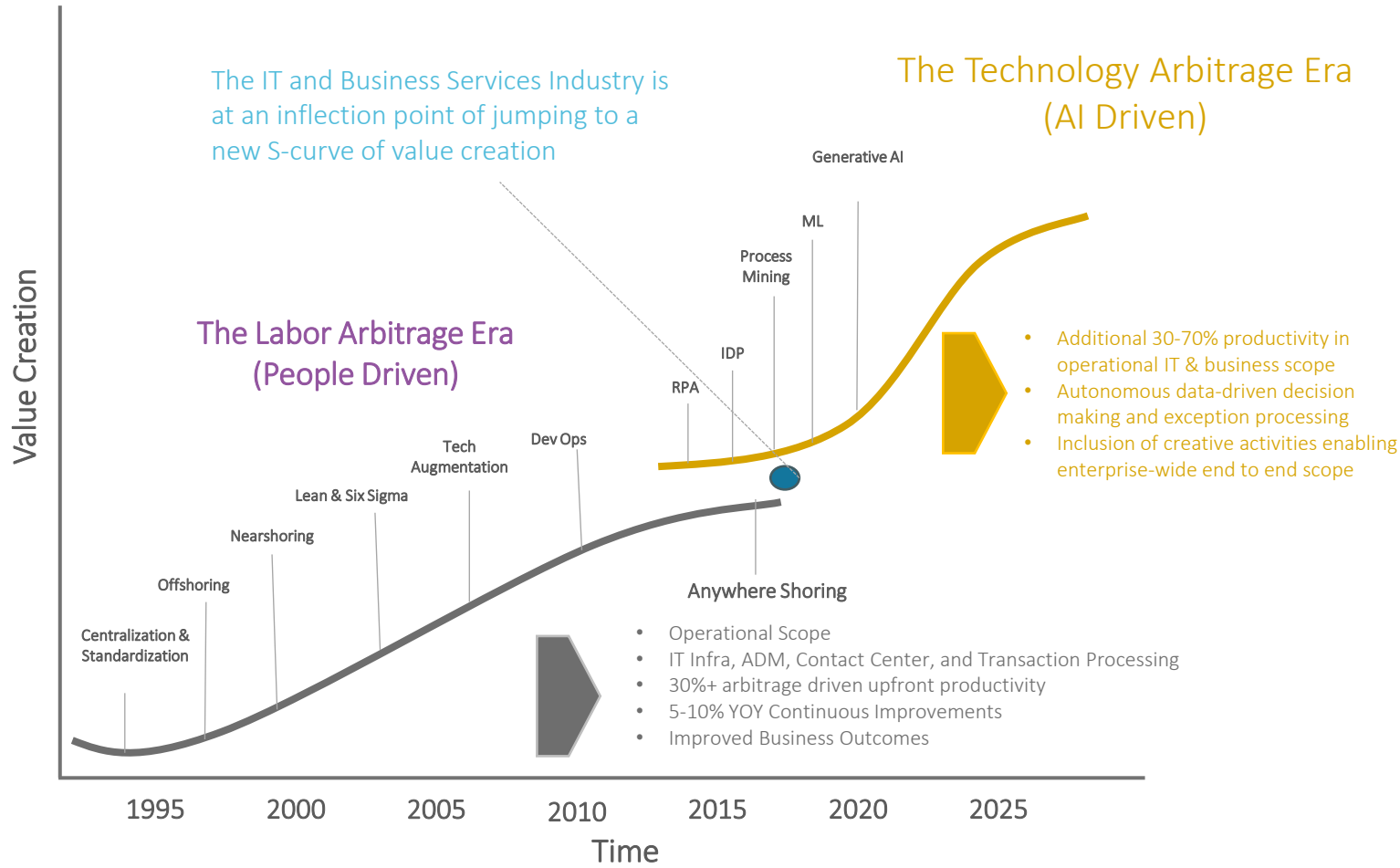
**Enterprises aiming to maximize value from Transformation while staying focused on Costs and ROI**

**Growth needs best in class tech landscape. Cloud is still relevant**





# Tech Disrupting Tech...



Source : HfS Research

Savings-led Transformation™ enabled by our platforms and partnerships is powering...



**Smarter Operations**  
InfraGenie, NeoZeta



**Reimagined Processes**  
Kore.ai, WorkFusion



**Superior Experiences**  
Blink, Kore.ai, NeoCruz



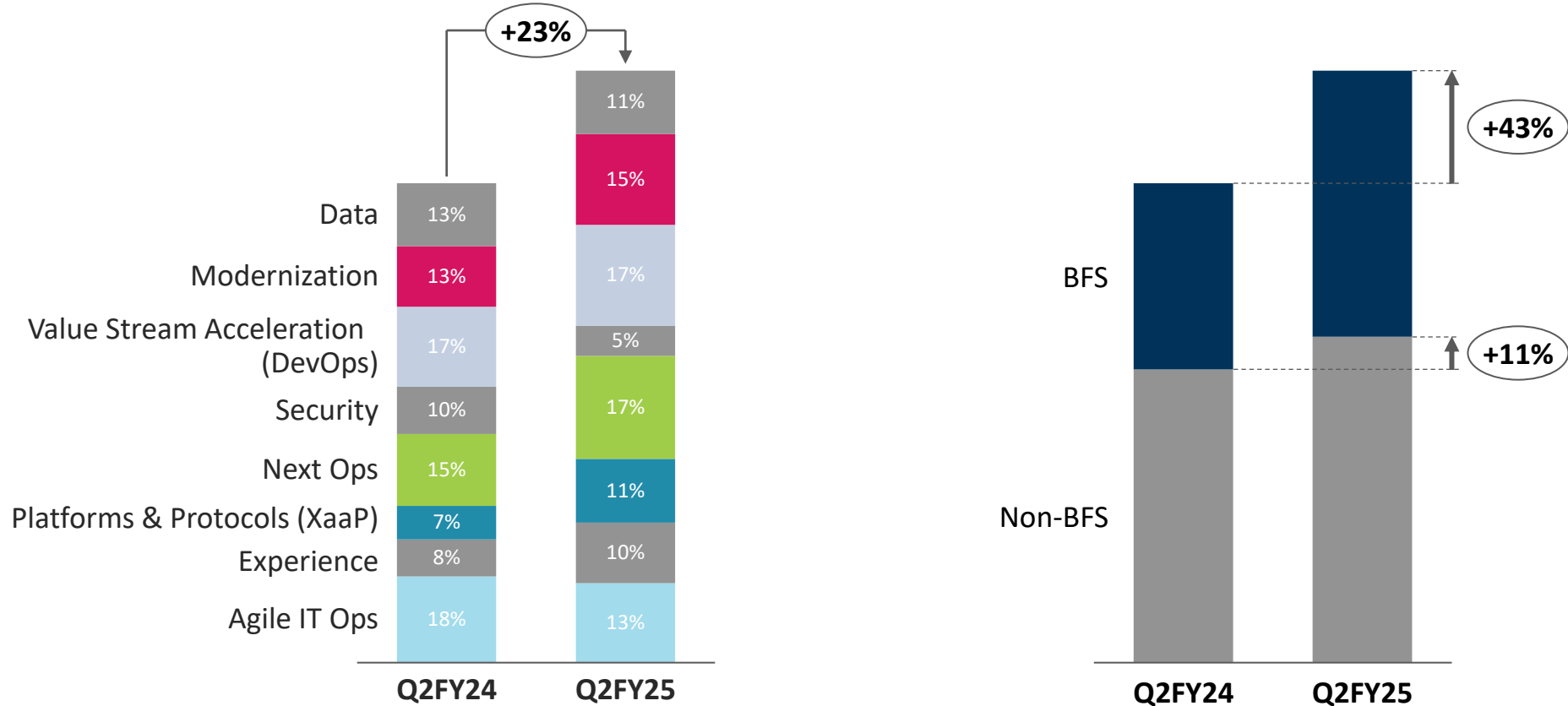
**Supercharged Productivity**  
WorkFusion, Neo platforms





# Expanding AI Adoption: 35% of our Pipeline is AI-led

## Archetypes Driven Pipeline

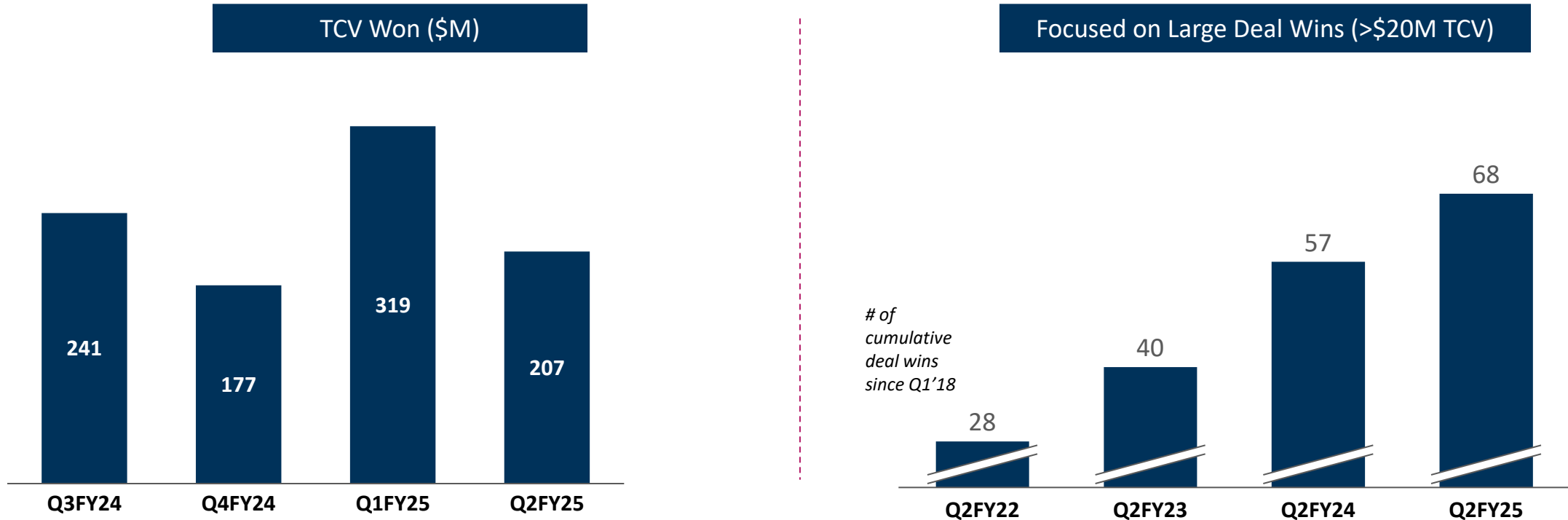


- Broad-based pipeline growth across all chosen verticals with US pipeline up by 28% YoY
- BFS pipeline up 43% YoY and non BFS is up 11% YoY
- Pipeline remains strong





# Execution Focused Amidst Stable Deal Activity

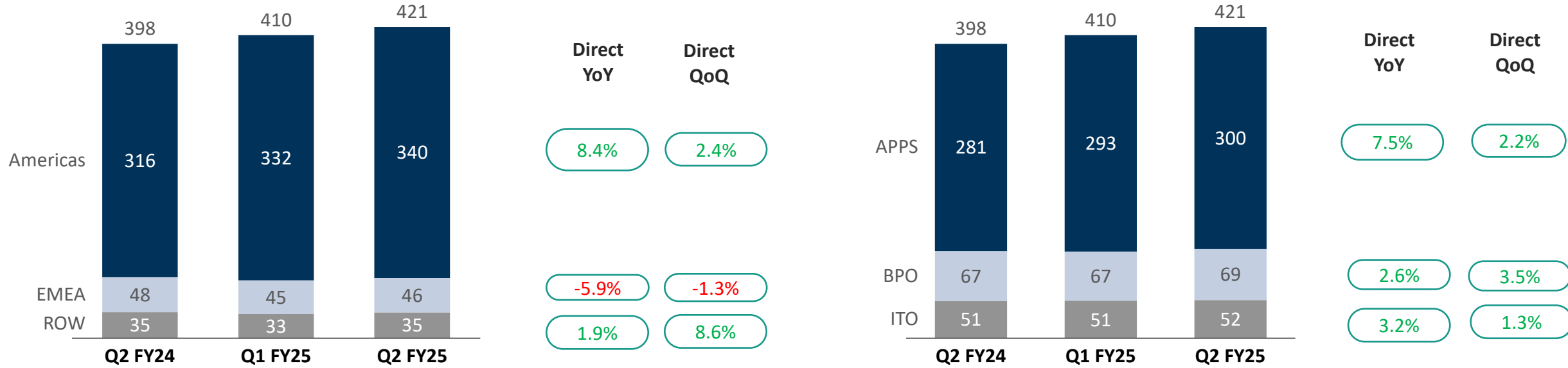


- TCV for the quarter at \$ 207 M
- H1 TCV wins at \$ 526 M; 3 large deals in Q2FY25 and 6 large deals for the half year
- Continued higher share of proactive deal wins, focused on deal-making
- Broad-based TCV wins across verticals, client pyramid, and strategic customers
- Conversion to revenue pace has picked up





# Q2FY25 Performance by Segment: Quarterly View



## Direct performance in Q2FY25

- Direct QoQ growth of 2.4%, YoY growth of 6.2%
- Gradual recovery in discretionary spend, new accounts ramp up
- Early signs of pick up in mortgage
- Order book and Pipeline continue to remain encouraging, broad based revenue uptick

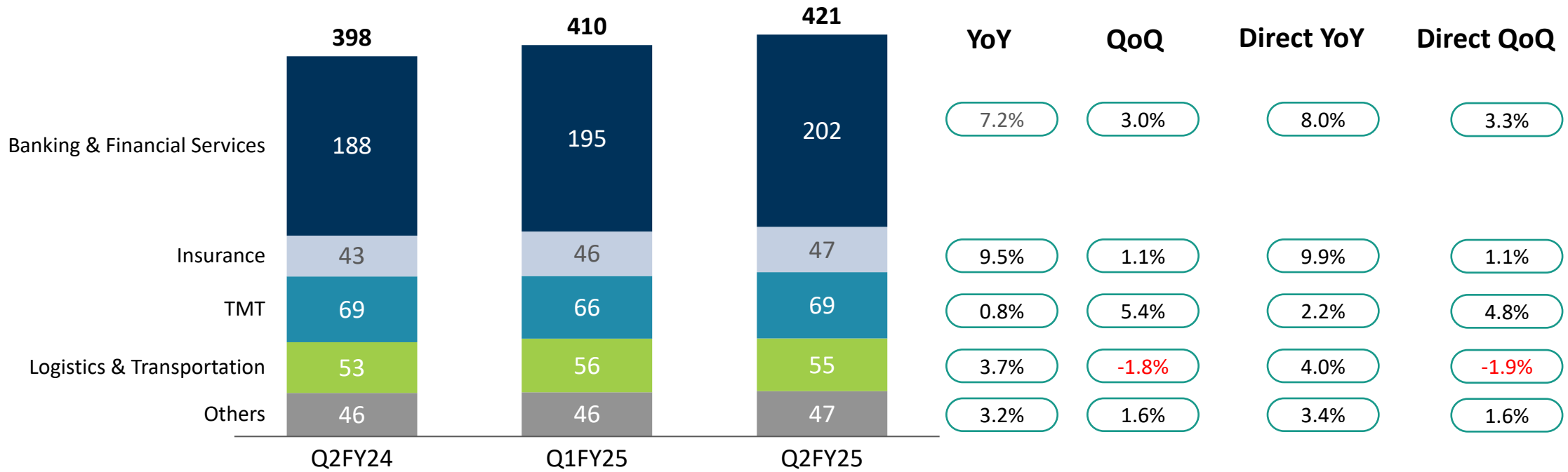
Revenue in USD M at average USD/INR rate for the respective periods  
 Revenue growth in constant currency







# Q2 FY25 Performance by Vertical



- Broad-based growth across verticals in Direct business
- Focus on new engines of Direct growth paying off
- Healthy revenue ramp-up in new customers across segments

Revenue in USD M at average USD/INR rate for the respective periods  
 Revenue growth in constant currency

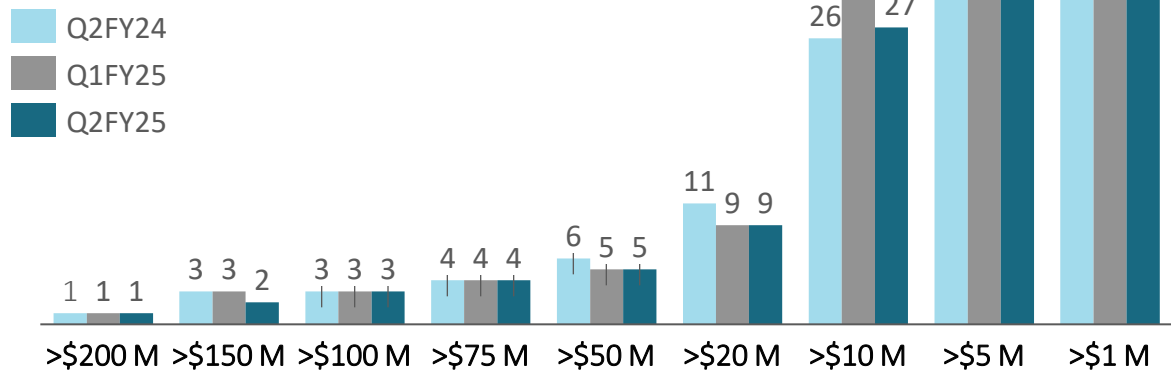




# Client Pyramid Performance: Direct

## Client Additions

Category	YoY	QoQ
\$200M +	-	-
\$100M +	-	-
\$150M +	(1)	(1)
\$75M +	-	-
\$50M +	(1)	-
\$20M +	(2)	-
\$10M +	1	(3)
\$5M +	5	3



## Top Client Metrics QoQ

- Top 1-10 grew 2.1%
- Top 11-30 grew 11.2%

## Top Client Metrics LTM

- Top 1-10 declined 7.9% YoY
- Top 11-30 grew 2.6% YoY

NCA continues to lead growth in Direct; YoY growth of 14.3%

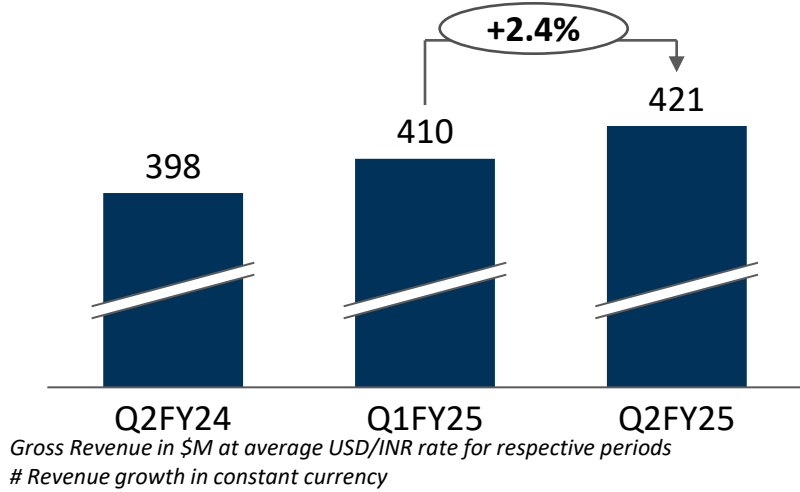
*Revenue growth in Constant currency  
Top clients based on LTM rankings*



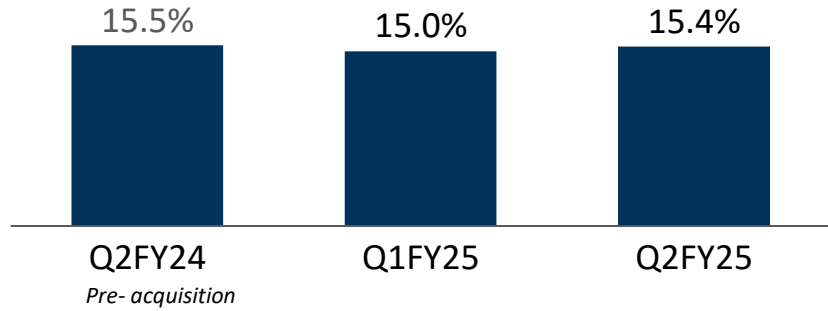


# Financial Metrics Quarterly Performance

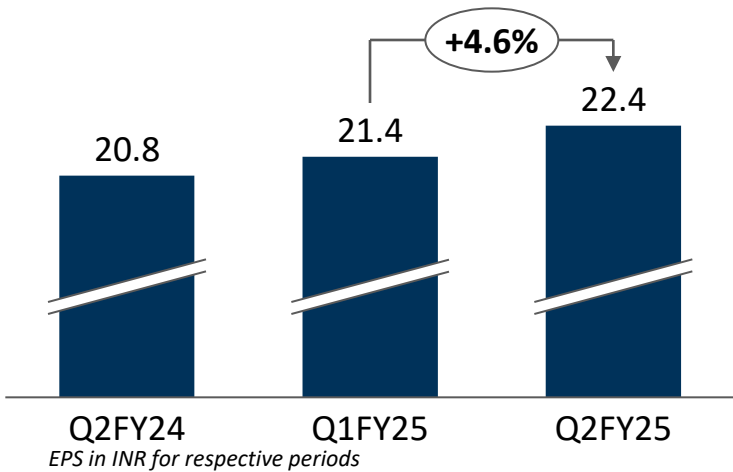
## Revenue trend



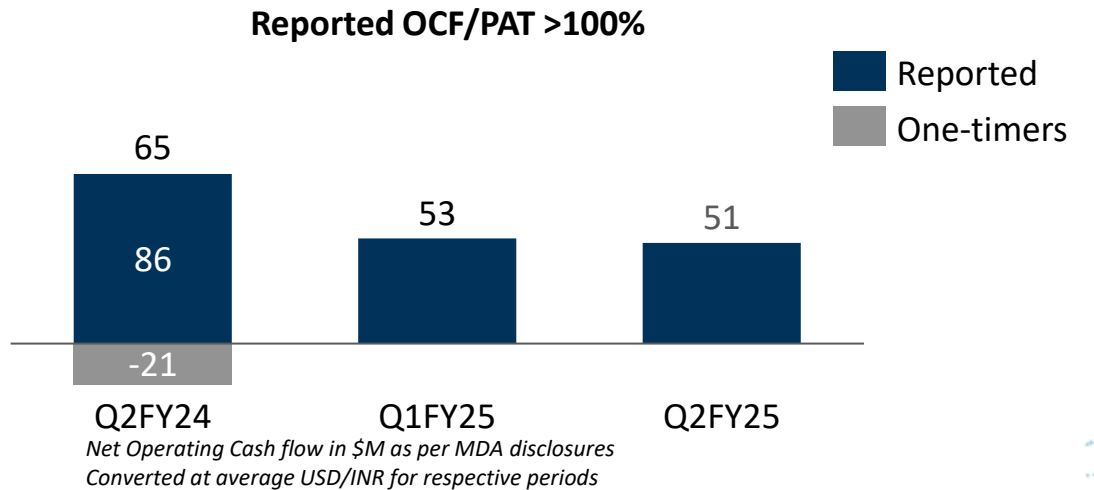
## Operating Margin Trend



## EPS Trend



## Cash Flow Generation





## Q2FY25 in Summary: Executing to Steady and Sustainable Growth

- Executing with focus on micro amidst a busy macro environment
- Continuing to gain from our Tech-led, Account-focused strategy
- Stability in all key verticals and geos, continuing trend of green shoots across our client portfolio
- Strong pipeline reflecting consolidation opportunities and modernization deals driven by Savings Led Transformation™ thesis
- Continued higher share of proactive deal wins, broad-based wins across verticals and client pyramid
- Accelerating adoption of AI across the enterprise is a broad theme across our customers
- Improving trajectory of TCV-to-revenue conversion; pace of ramp-ups and monetization of TCV steadily improving
- Steady growth across our verticals and client cohorts; with BFS and TMT driving the growth
- Delivered margin within the target band of 14.6% to 16%





## Outlook: Continuing Focus on Execution

- Continue to execute in an environment steadily moving in the right direction
  - Focus on the micro as gradual improvement plays out
- Continue to see recovery in BFS
  - Signs of uptick visible in mortgage
- Expect to be above industry growth, gaining from tech-led, account-focused strategy
- Target sustainable operating (EBIT) margin within stated band of 14.6% - 16%



Link to financial data for the past three years: <https://www.mphasis.com/home/corporate/investors.html>



**THE NEW ERA  
OF MPHASIS ON THE  
FOUNDATION OF  
OUR GLORIOUS**



**TRANSFORMATION**  
*for Employees, Clients and Investors*





# Analyst Recognition: Q2 FY25



Mphasis wins Global Workforce L&D Award by HRAI for outstanding performance in empowering its workforce with Learning & Development initiatives



Mphasis Silverline's CalendarAnything won Demo Jam Session at Southeast Dreamin' Conference 2024



Mphasis wins NASSCOM AI Gamechangers Awards 2023-24 in the Healthcare & Pharma category for Enterprise



Pavan Goyal, CIO, Mphasis wins CIO100 Awards 2024

