



23 October 2020

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 9:00 am (IST) in connection with the results of the Company for the quarter and half year ended 30 September 2020.

The presentation is also being hosted on the website of the Company at 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



Safe Harbor

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.



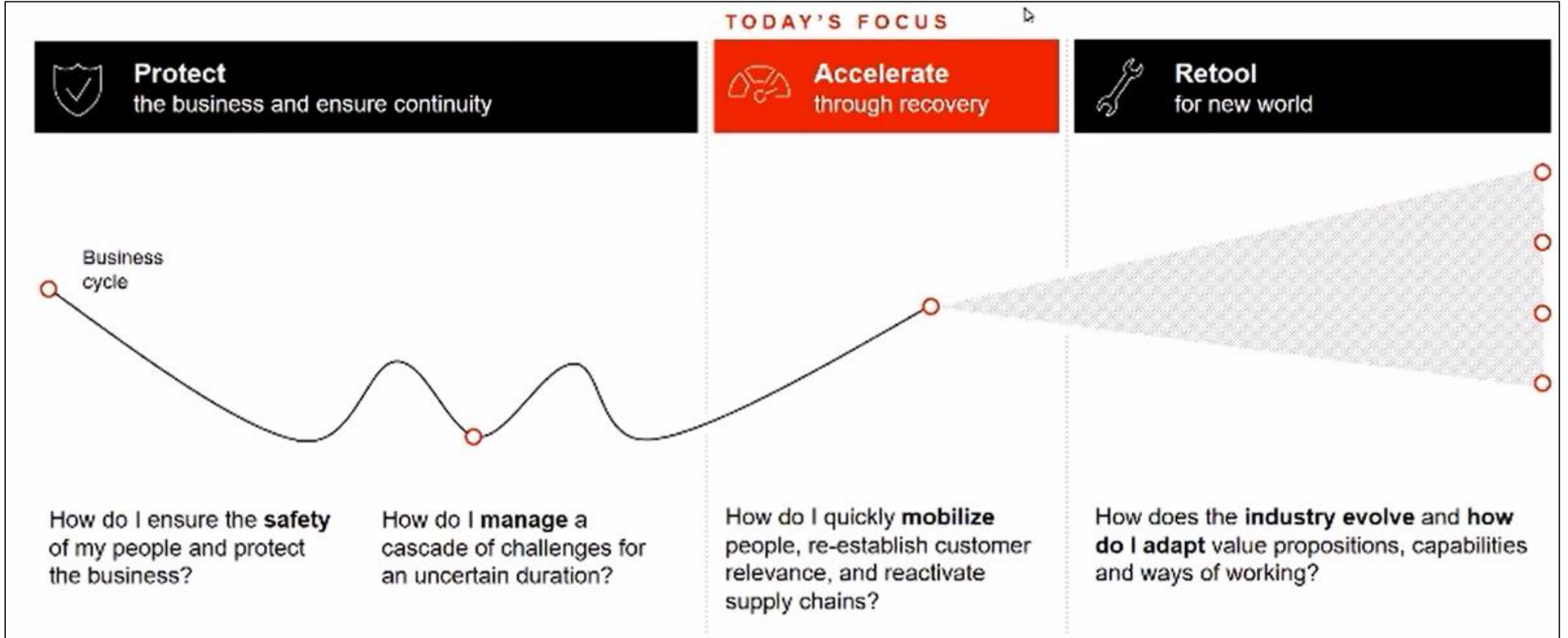


Quarterly Investor Update

Q2 FY 2021

The timing and shape of the Recovery varies by Industry and Geography

It is taking place as we continue to project and Re-envision the business

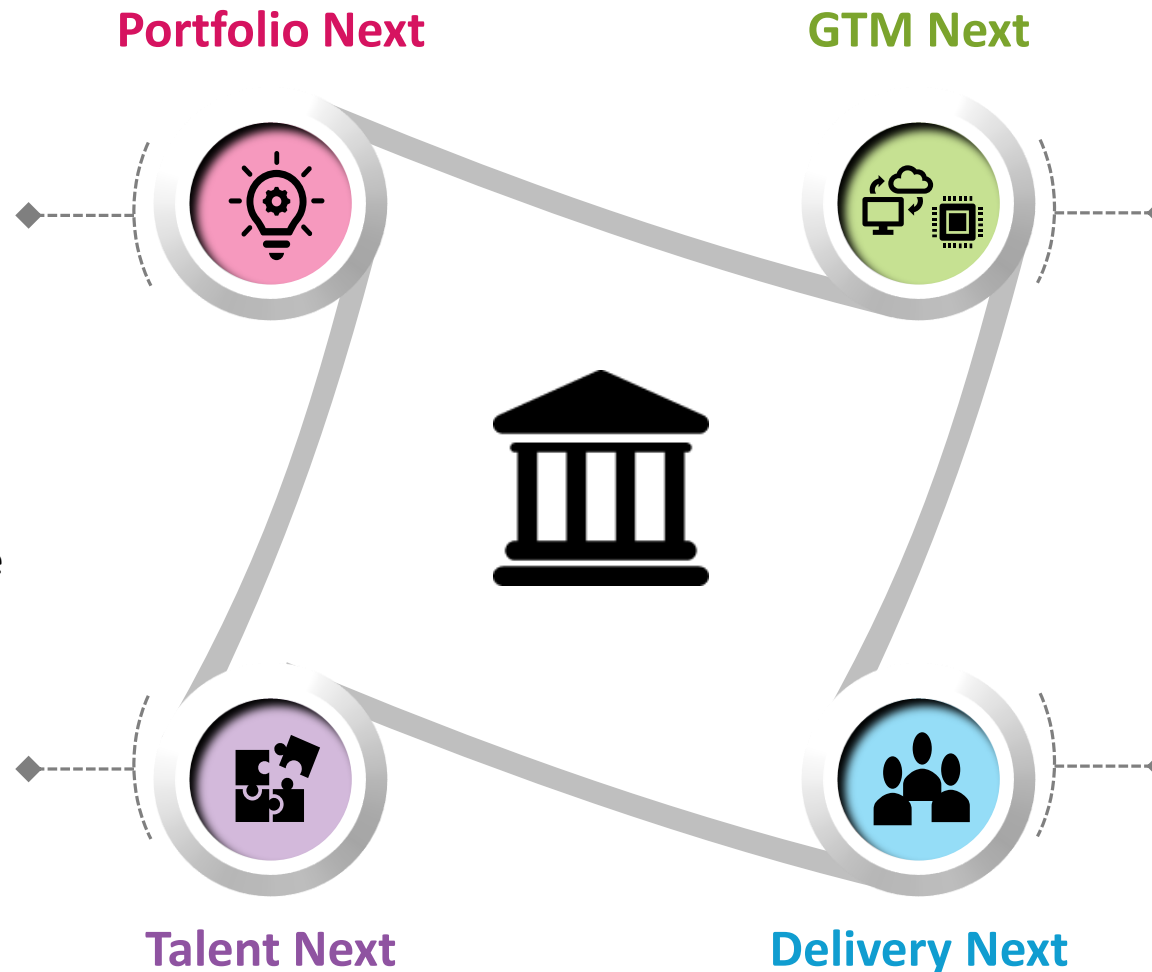


Source: Bain & Company - Covid-19: Macroeconomic Update and Accelerating through the Recovery



reefined the Next : Key Transformation Pillars

- Tribes 2.0
- Relevant Offerings: Validated by clients
- Zero Cost Transformation
- Tech Ops Play
- Platform Driven Enterprise
- Cyber Security, Cloud, Digital
- Virtual Recruitment & Remote Onboarding
- Ensuring Remote Workforce Productivity
- Employee Wellness
- Fungible & Multi-skilled resource pool
- On-demand learning platform



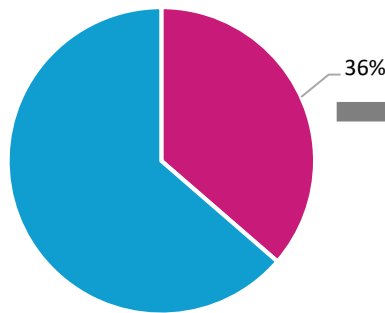
- Large Deal Origination
- Next Gen Acct Planning
- Partnerships
- Virtual design workshops/ assessments
- Outcome oriented commercials
- Next Gen Delivery
- Delivery Digitization
- Distributed Agile delivery models (“home shoring”, “near shoring”)
- Live Digital Dashboards
- Automation



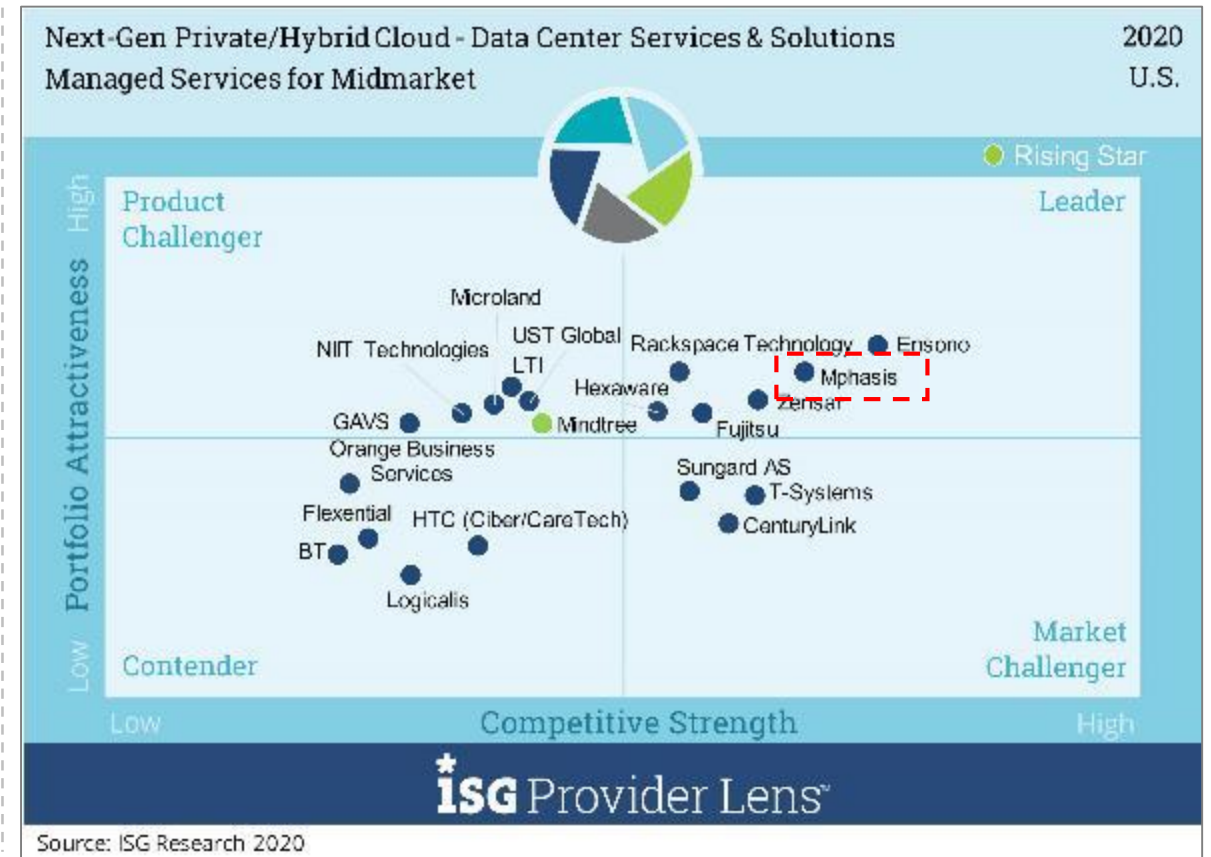
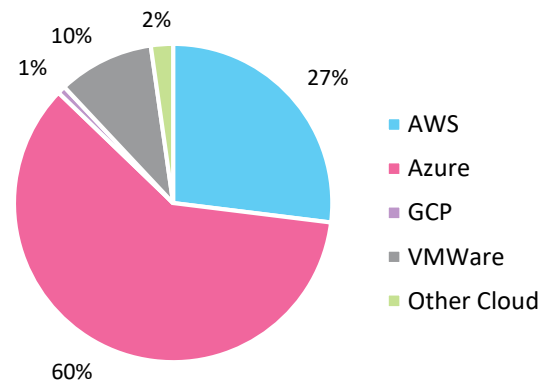
Recalibrated our Partner Strategy: Doubling Down on Cloud

Established a robust pipeline across multiple cloud platforms
with a 3X YoY jump in cloud pipeline

Cloud contribution to overall pipeline



Cloud pipeline by partner channel



Improved positioning across analysts and partners

- Established as the product challenger as per the ISG Next Gen Hybrid Cloud Data Center Services '2020
- AWS Launch Partner for the airline domain; continued focus on other verticals of healthcare, trade finance etc.
- Recognized as a major contender by Everest as part of their Cloud Native Dev Services '2020
- Established partnership with new providers such as Snowflake



we realigned our tribes to Address the Changing Enterprise Consumption Patterns

Therefore, we Re-created new tribes and transformed some of the existing ones

1. Next Gen App Dev



1. Everything as a Platform

2. Modernization

2. Modernization

3. DevOps

3. DevOps

4. Enterprise Automation



4. Next Ops

5. NextGen Data

5. NextGen Data

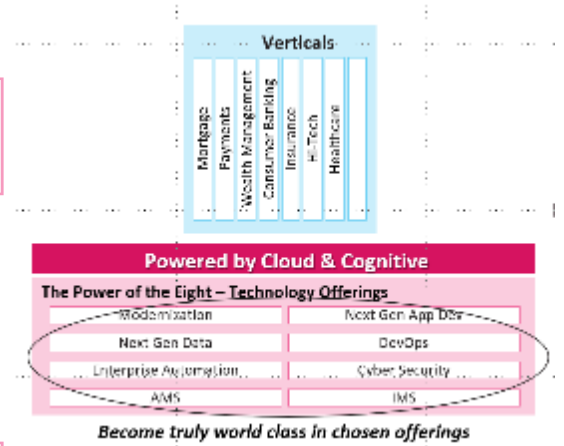
6. Application Maintenance Services
7. Infrastructure Managed Services



6. Next Gen IT Ops

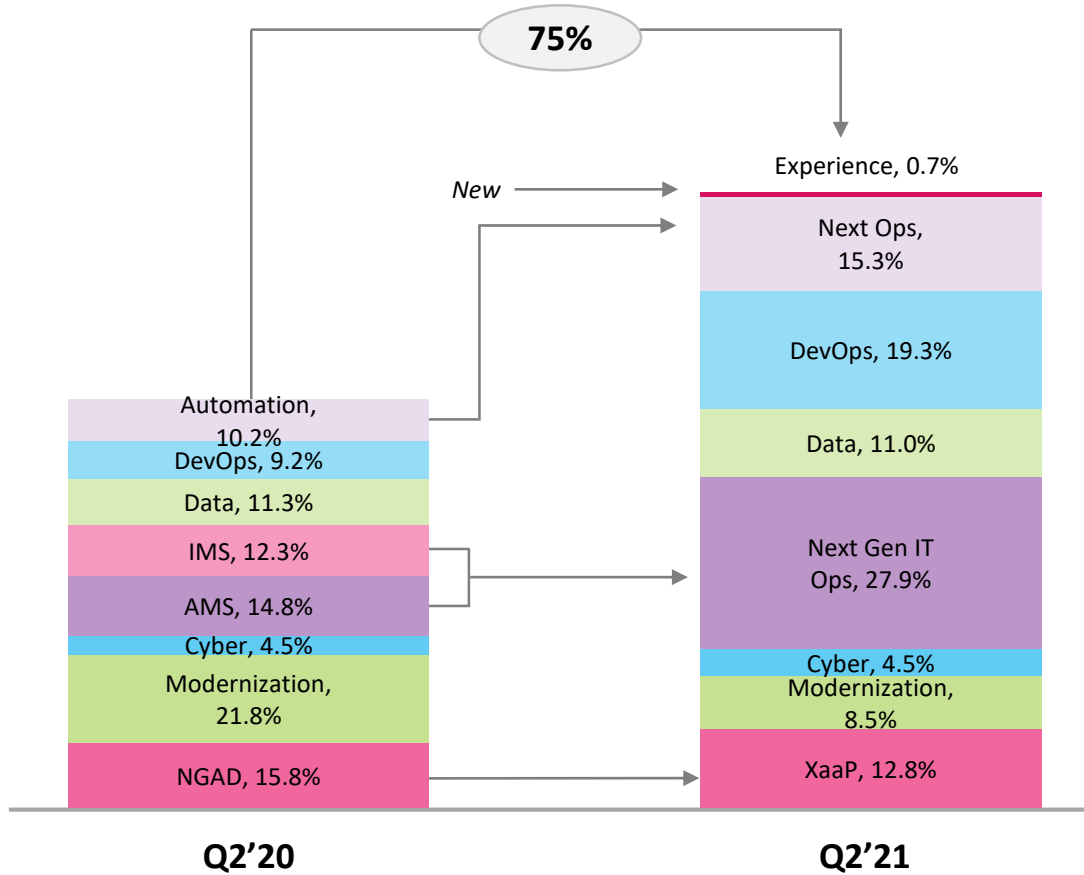
8. Cybersecurity

7. Cybersecurity
8. Experience

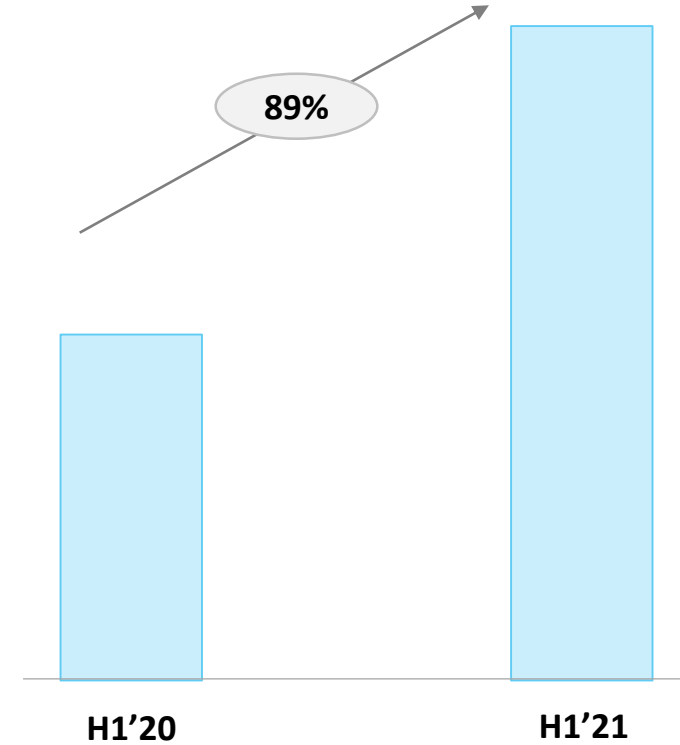


AS a result, we have seen Increased Pipeline and Wins over the past year

Tribes-led increased inflow of pipeline



Tribes-led increased TCV wins



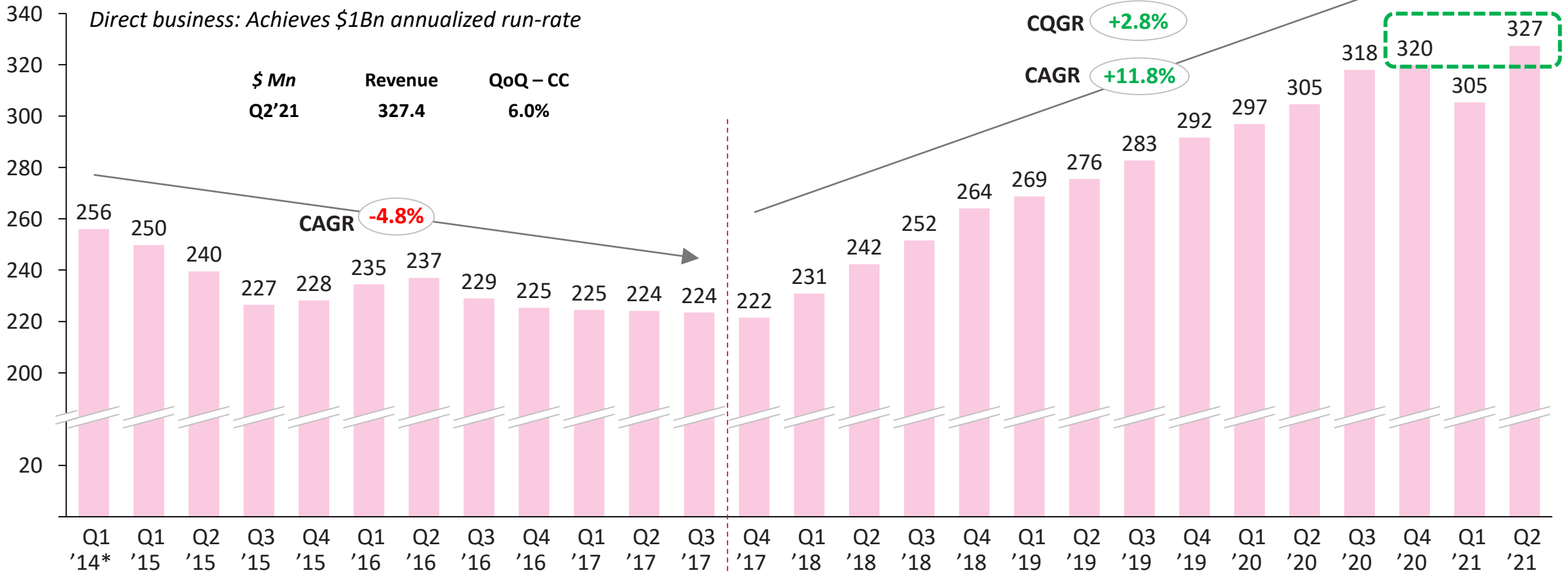
Our Numbers Continue to Tell the Story: Consistency and Transformation

Direct revenue grew 9.7% QoQ in Q2 FY21 on a reported basis and 10.9% QoQ in Constant Currency

Highest Overall QoQ CC organic growth in over a decade

Highest Quarterly revenue of \$327.4M; Crosses pre-pandemic peak revenue of Q4'20

Direct business: Achieves \$1Bn annualized run-rate



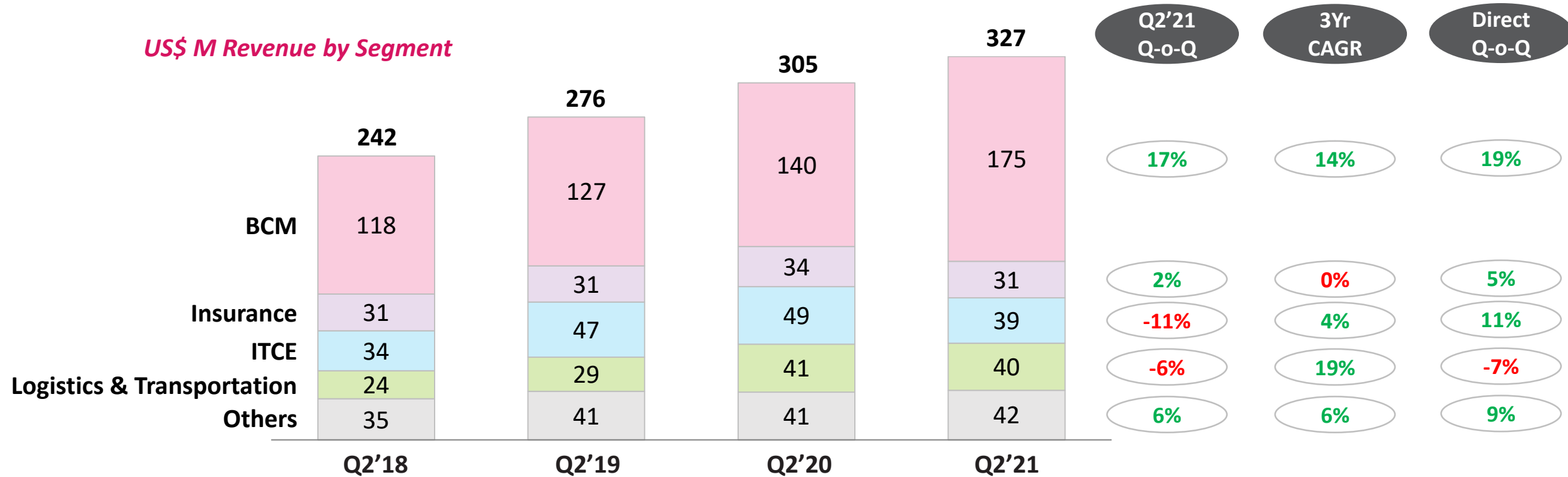
Overall Gross Revenue in USD \$M at average USD/INR rate for the respective quarters

* Transition Year 5 months adj.



We Continue to Grow in Focus Areas

US\$ M Revenue by Segment

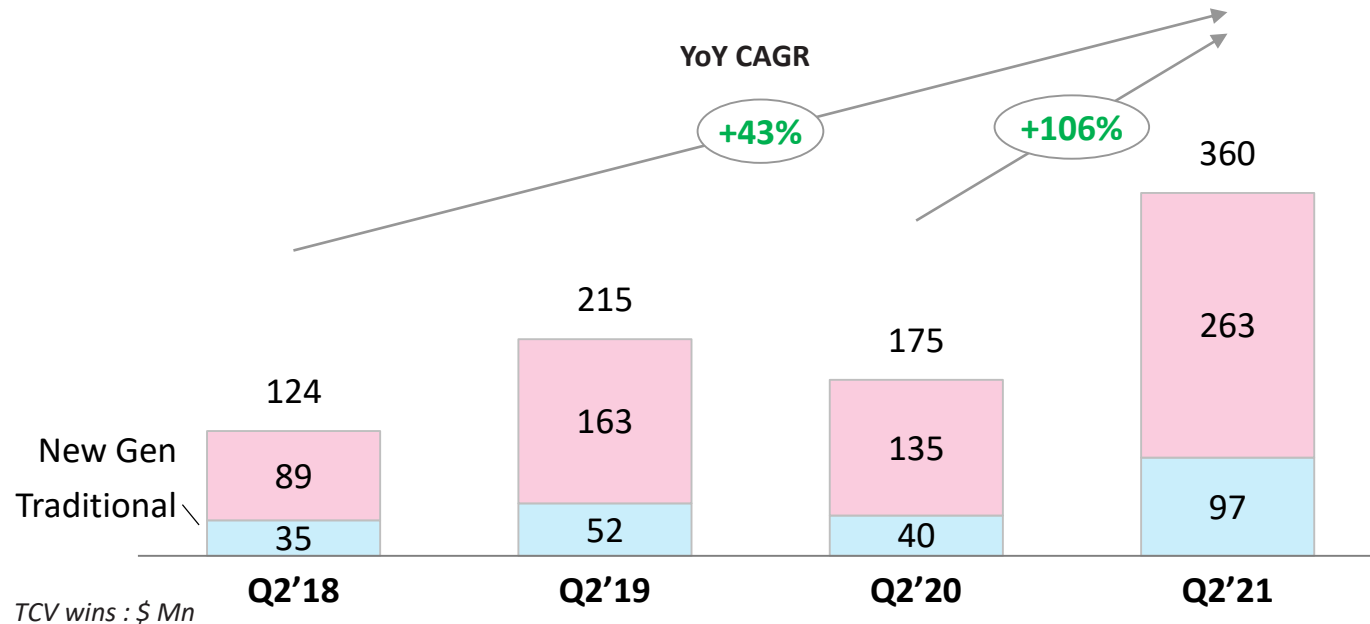


- BCM: Consistent track record of double-digit YoY growth
 - QoQ growth of 17.4%; “Best in class performance”
- Insurance: QoQ overall growth of 2.5%;
 - Strong pipeline visibility; Expect to translate this into growth in the coming quarters
- Broad based and strong growth across verticals in Direct business
- Europe grew 8.2% YoY in Q2'21 in CC; Direct business in Europe grew 23% YoY in CC

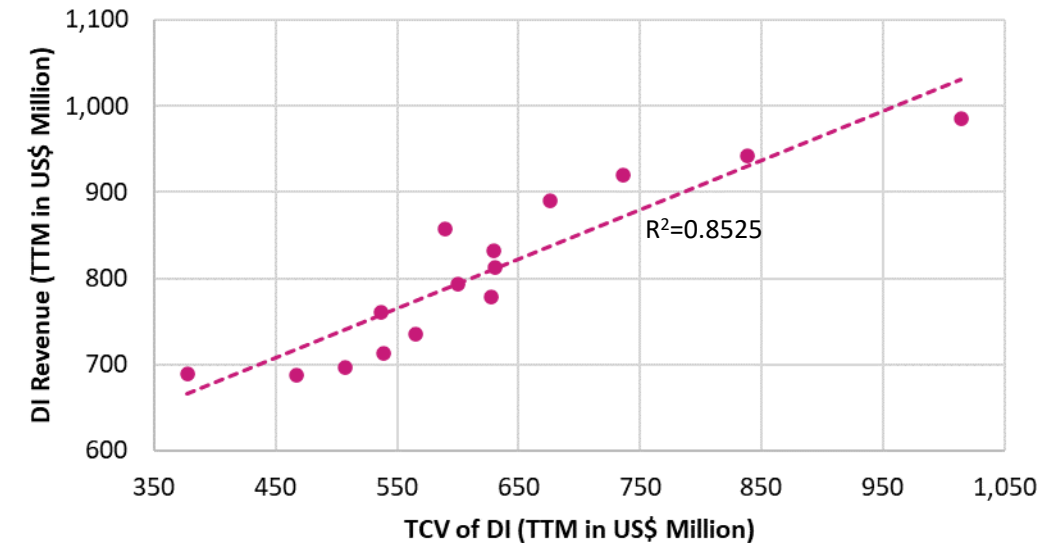


Strong Deal Win Momentum in Direct

Direct TCV Wins[^]



Direct: Revenue vs TCV – Strong Correlation



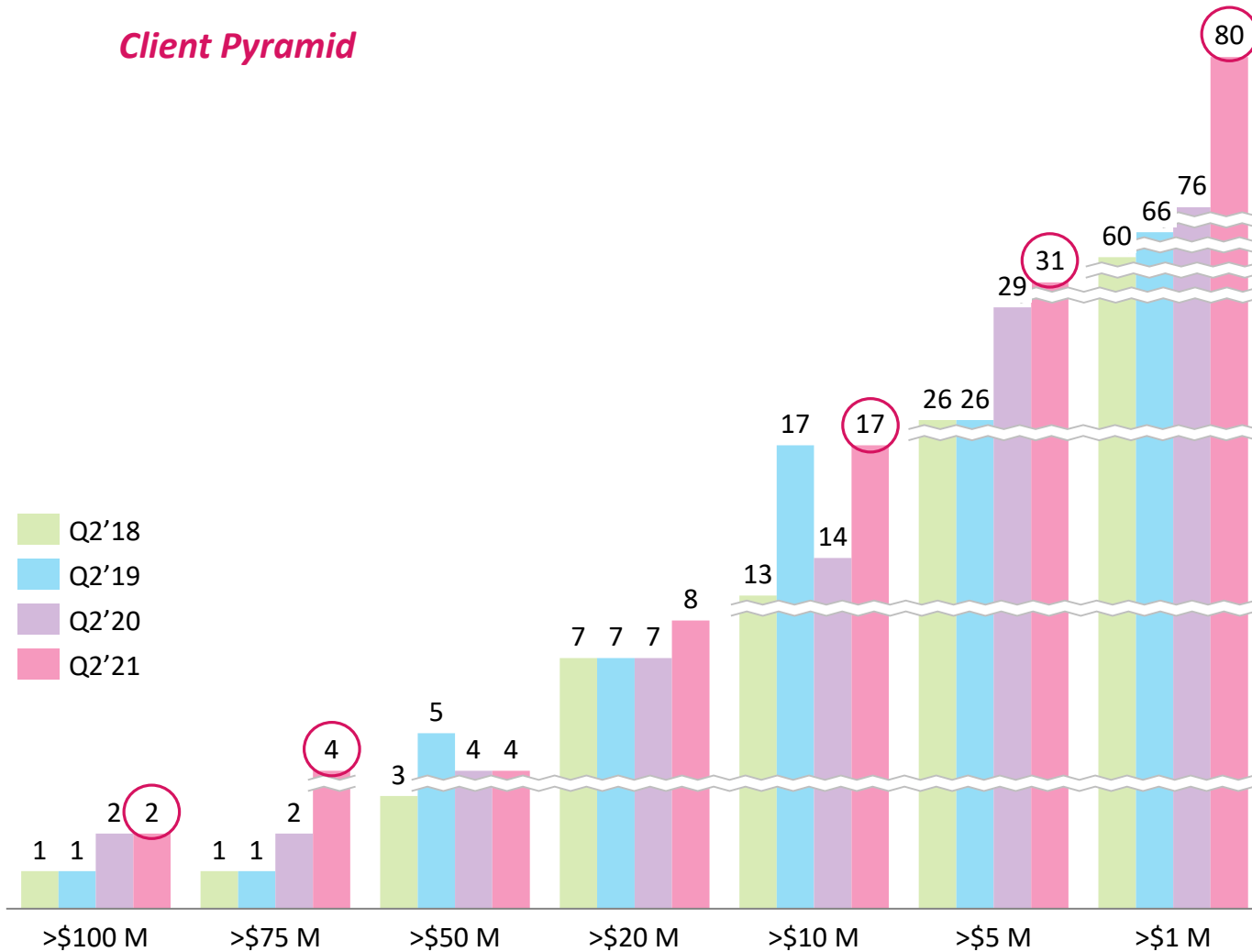
- Q2'21 Direct TCV wins of \$360M
 - Highest ever quarterly TCV win for a quarter; includes one large deal of > \$200M
 - US\$ 1bn+ TCV (TTM), up 74% Y/Y vs prior period; 75% increase in deal pipeline as of end of Q2 '21
 - Third consecutive quarter of \$200M TCV wins
- 73% of Q2'21 deal wins came from New-Gen areas; 95% YoY growth in New-Gen TCV wins
- Our New Gen wins are witnessing increased deal sizes

Note: Direct TCV for all periods restated to include direct business moved from erstwhile DXC/HP business into Direct effective Q1'21



Direct: Transformation in Client Metrics

Client Pyramid



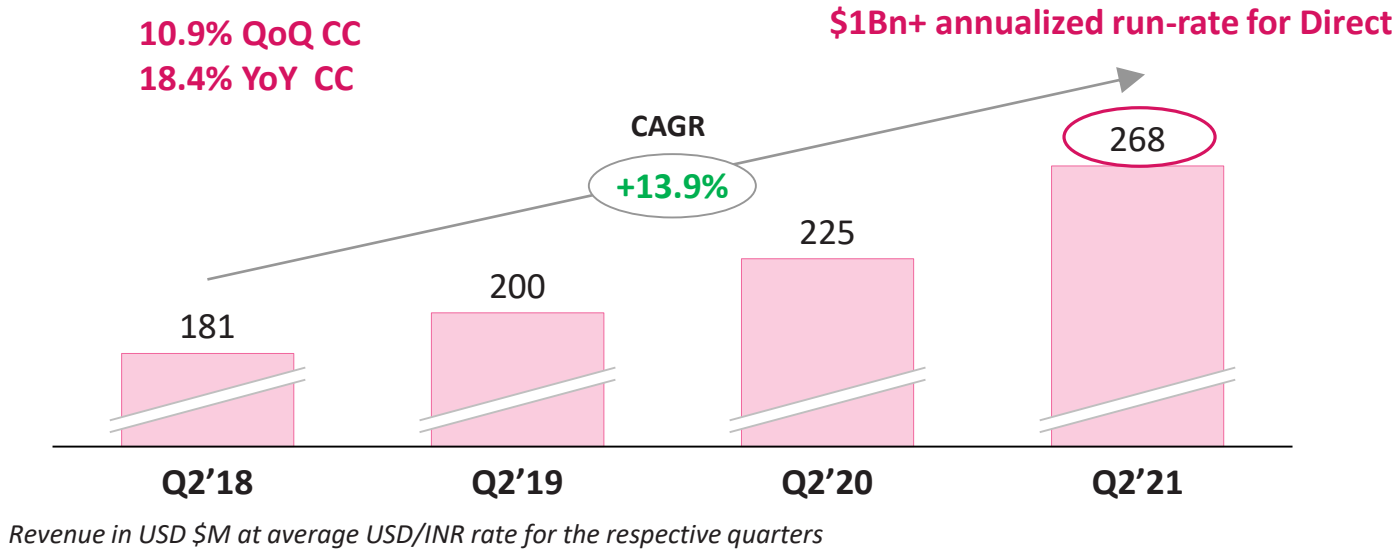
- Continuous improvement in client pyramid driven by expansion of wallet share in large clients and consistent new client wins
- Healthy conversion of clients at each stage to the next (50% conversion rate)
- In the past 12 months we have added:
 - 2 clients in >\$75M
 - 1 client in >\$20M
 - 3 clients in >\$10M
 - 4 clients in >\$1M
- Since Q2'18 we have added:
 - 1 client in >\$100M
 - 3 clients in >\$75M
 - 4 clients in >\$10M
 - 5 clients in >\$5M
 - 20 clients in >\$1M

Note: All metrics based on trailing twelve months of revenue; Excludes DXC



Direct Business has been Consistently Delivering Strong Growth

Accelerated Growth in Direct Revenue



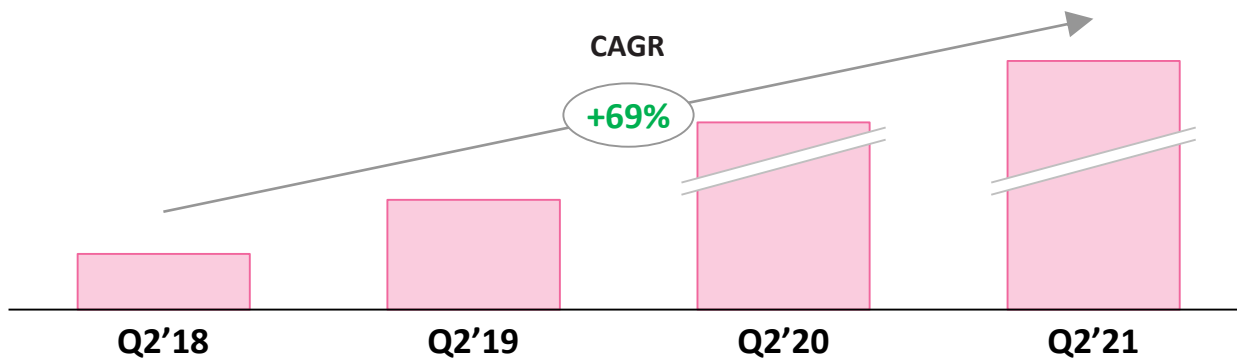
Q2'21

Strong QoQ and YoY growth in Direct Business; Broad based growth across all units

YoY

New Clients revenue grew 29.4% YoY in Q2'21

New Client Wins have fueled growth in Direct



CAGR

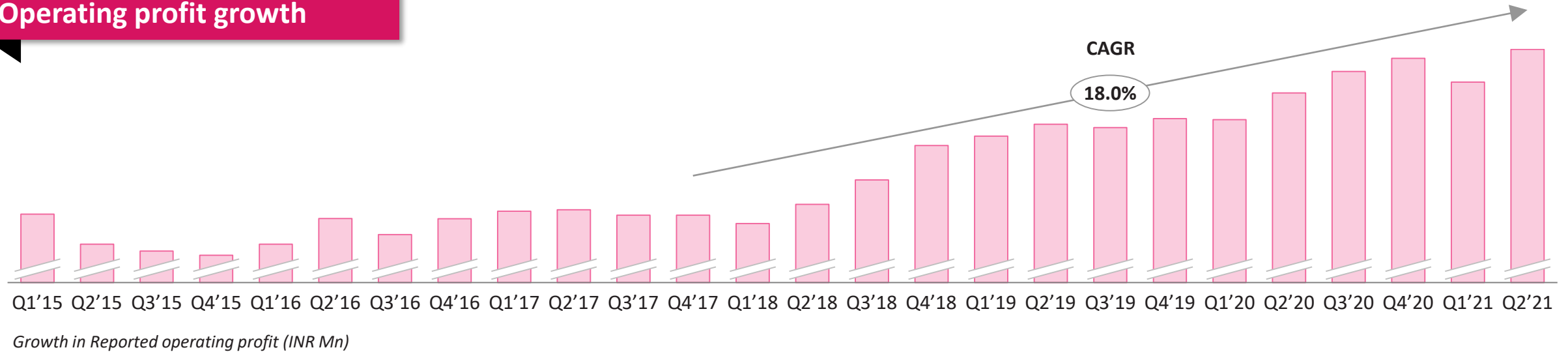
Europe region delivering strong growth; growing at a healthy 3-year CAGR of 17%

Note: Direct revenue for all periods restated to include direct business moved from erstwhile DXC/HP business into Direct effective Q1'21

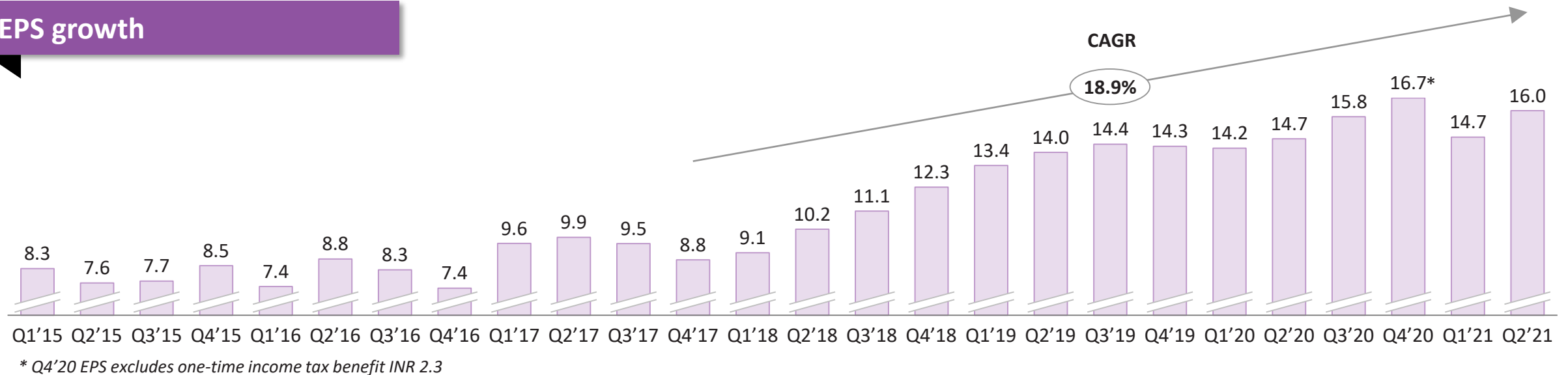


Strong Operating Profit Growth driving EPS Growth

Operating profit growth



EPS growth



Summary



1. Robust growth with revenue overtaking pre-pandemic peak; highest sequential organic growth in over a decade
2. Sequential double-digit growth in Direct; growth supported by rising TCV trend – highest-ever TCV at \$360 mn
 - TCV (TTM) crosses US\$1 bn, up 74% over the prior period
3. Track record in winning large deals consistently improving marked by increasing deal sizes (US\$50 mn → US\$100 mn → now US\$200 mn);
 - Nature of large deals increasingly transformation-led;
 - Record pipeline (up over 75% YoY) characterized by multiple large deal pursuits
4. Our client mining metrics across revenue buckets is improving with a healthy 50% conversion in converting a client from one bucket to the next
5. Building visibility in DXC beyond September '21; strong business & operational realignment in DXC relationship
6. Margin stability – we have operated in a fairly steady margin band over the past 2-3 years and have articulated our intent to invest back in the business



Q & A

Industry Analysts Continue Recognizing our Strengths in Focus Areas

NelsonHall | **LEADER**
Mortgage & Loan Services

Private/Hybrid Cloud
- Data Center Solutions and Services Partners

* ISG **Leader** 2020



FORRESTER

NOW TECH Next-Gen Oracle Applications

FORRESTER

NOW TECH Software-Defined WAN Services, Q3 2020

FORRESTER

NOW TECH Digital Business Transformation Services

Everest Group
PEAK MATRIX | **STAR PERFORMER & MAJOR CONTENDER**
Banking BPS, 2020

Everest Group
PEAK MATRIX | **MAJOR CONTENDER**
BFS Risk & Compliance IT Services, 2020

Everest Group
PEAK MATRIX | **MAJOR CONTENDER**
Mortgage Operations BPO

Everest Group
PEAK MATRIX | **MAJOR CONTENDER**
Intelligent Automation in Business Process (IABP) Solutions

Everest Group
PEAK MATRIX | **MAJOR CONTENDER**
Healthcare Payer Operations

Everest Group
PEAK MATRIX | **MAJOR CONTENDER**
Wealth Management Operations, 2020

Mphasis Javelina awarded in the categories -
a. Breadth of Functionality
b. Xcelent Customer Base

XCELENT Awards 2020

GARTNER

MARKET GUIDE

Blockchain Consulting & POC Development Services

GARTNER

MARKET GUIDE

Customer Management BPO Service





THANK YOU

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 the Mphasis' [Front2Back™](#) Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized ($C=X2C^2_{TM}=1$) digital experience 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. Click [here](#) to know

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