

ANALYST & INVESTOR MEET 2018



WELCOME AND INTRODUCTION

Ravi Ramalingam

Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve 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 earnings, our ability to manage growth, intense competition in the BPO industry including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-timeframe contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Hinduja Global has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Hinduja Global may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.

Topic	Speaker
HGS Overview -Present and Future	Partha DeSarkar
Healthcare Business @ HGS	Ramesh Gopalan
Business Transformation - A Client and Market Perspective	Tim Schuh + Adam Foster
Transforming Businesses through Innovation	Ram Mohan Natarajan
Talking Digital	Venkatesh Korla + Sachin Karweer
Financial Overview	Srinivas Palakodeti
Wrap up	Partha DeSarkar
Q&A	
Closing remarks	Ramalingam Ravi
Cocktails & Dinner	

HGS – PRESENT & FUTURE

**PARTHA DESARKAR,
GLOBAL CEO, HGS**

Macro shifts create opportunities and risks

- ✓ New Heads of State and new thinking
- ✓ Trade wars
- ✓ Protectionism and tighter visa regimes
- ✓ Volatility of the Indian Rupee, Philippine peso
- ✓ Across the globe increase in minimum wages – gradual in some, sudden in some others
- ✓ Brexit – GDPR, Data Protection conversations globally
- ✓ Increased sophistication of data thieves

Trending now...

- ✓ Digital is reinventing the experience that clients deliver to customers
- ✓ SMAC creating new frontiers of opportunity
- ✓ Accelerated adoption of customer intelligence technology to drive personalized CX
- ✓ CX and customer outcomes converge
- ✓ Rising use of AI & automation
- ✓ New areas for healthcare focus – Clinical care management and Population health management

- ✓ Huge Market opportunity – CAGR of 5.1% to touch US\$206.7 Bn by 2022
- ✓ Fragmented, nobody big enough to corner disproportionate market share
- ✓ Ongoing market consolidation and PE activity creates opportunity for stable player to nibble away clients from distracted incumbents
- ✓ The New “Gig” economy and its implication on how people work

VERTICALISE Healthcare

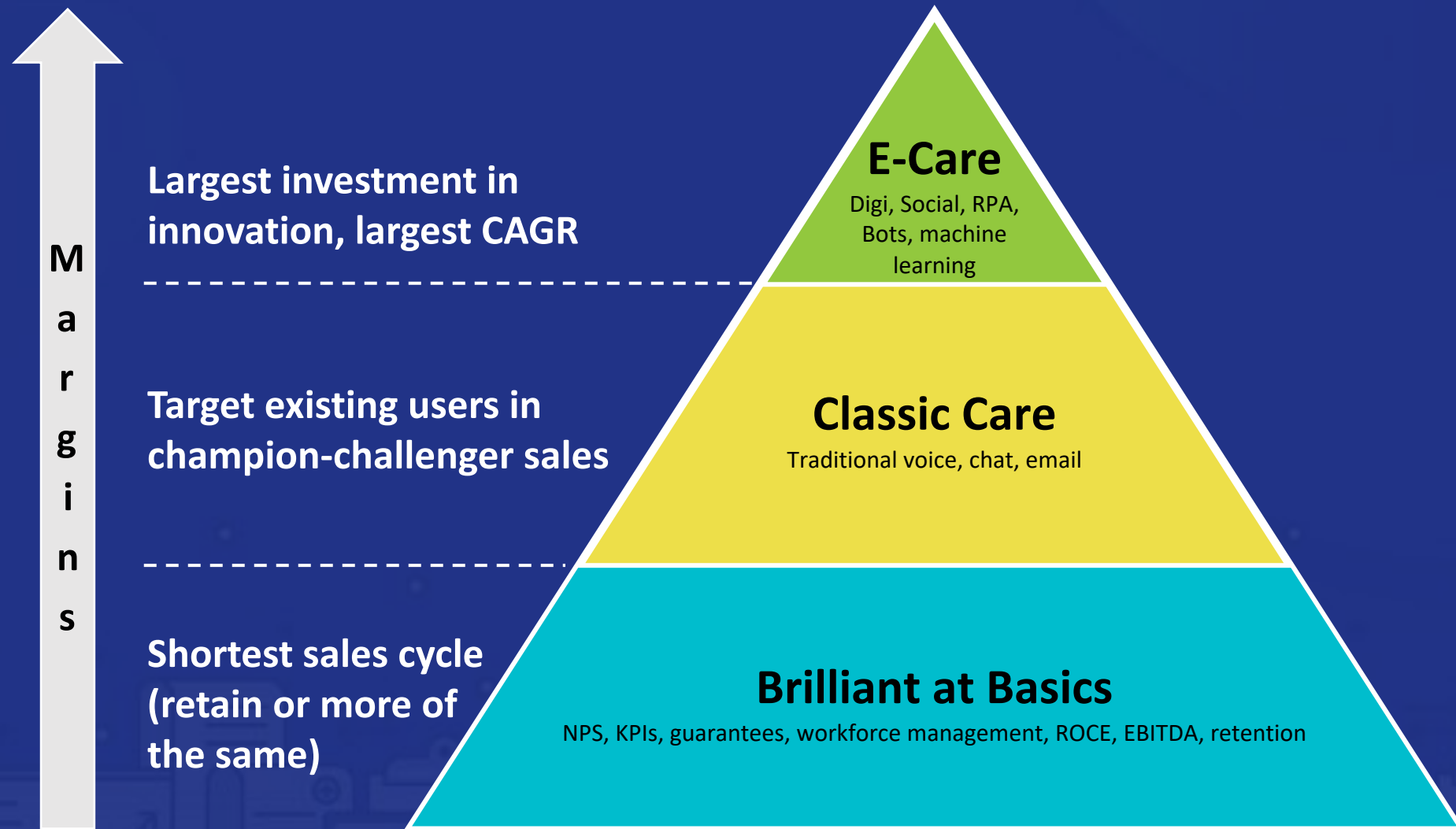
- 8 Practice areas with deep domain expertise
- Expansion of digital & clinical transformative capabilities

Adding \$42M ABR*

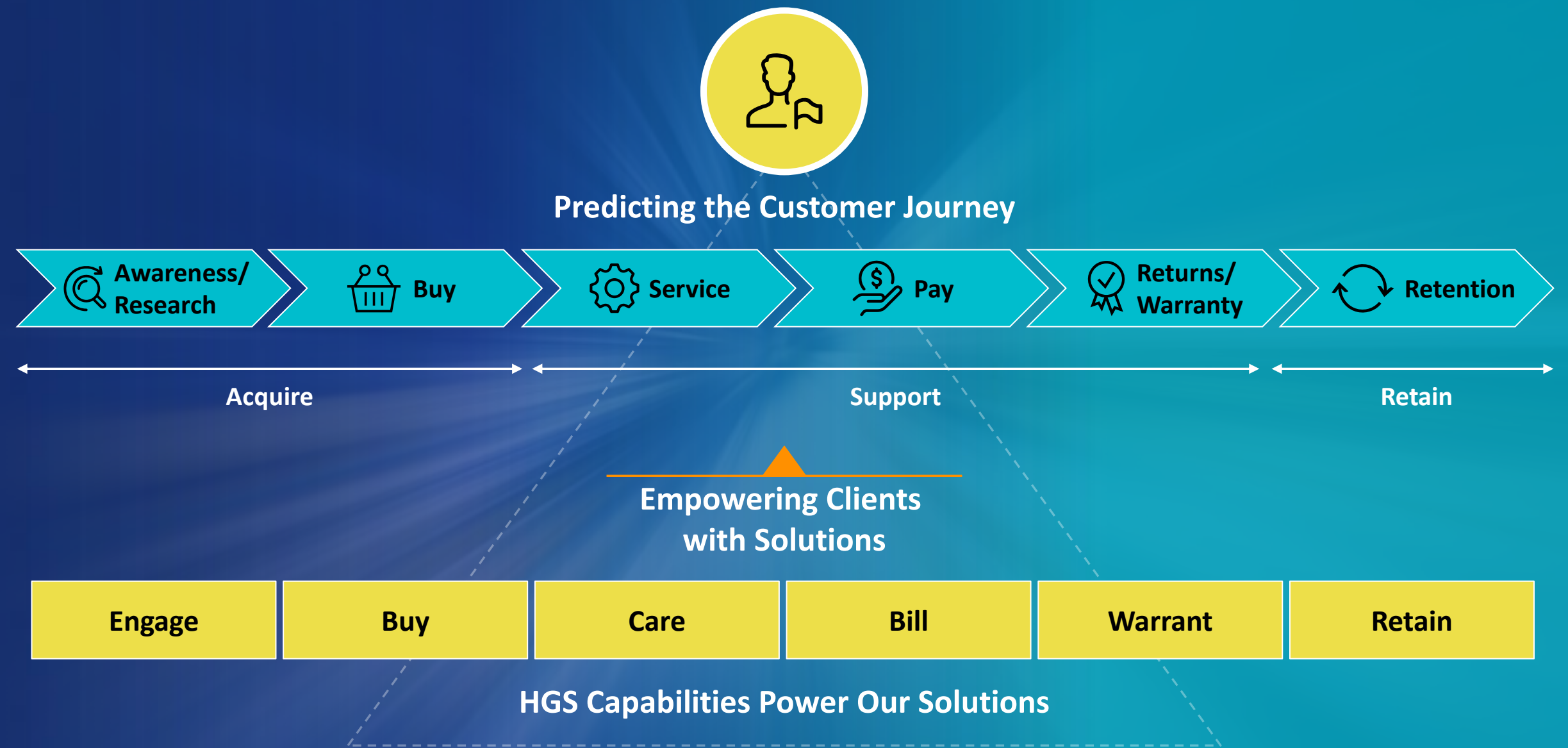
FOCUS on Consumer Solutions

- Brilliant at Basics
- Traditional + eCare Solutions

Adding \$53M ABR*



HGS Solutions Aligned to Customer Journey Stages



Engage

Buy

Care

Bill

Warrant

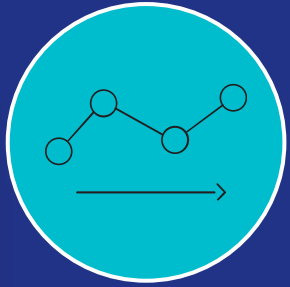
Retain

E-Care

- Emerging digital buyer
- B-C, B-B-C
- Select deals based on “land & expand”
- Travel, hospitality, logistics, retail, selective tech prospects, insurance & large CPG, FinServ

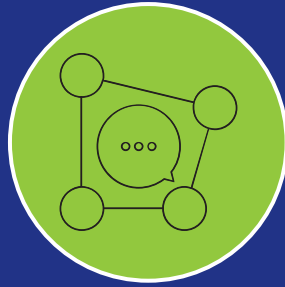
Classic Care

- Late adopters, Smaller enterprises
- Traditional buyers in traditional sales channels
- Select deals based on existing qualification metrics
- Focus on scale deals offshore – Telecom & media, financial services, retail



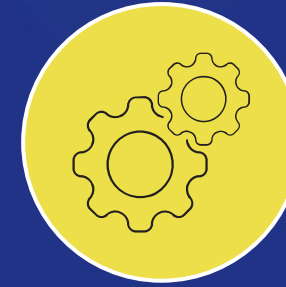
ANALYTICS CoE

- Interaction Analytics services institutionalized
- Bringing Right Skill-set for Advanced Analytics – Data Scientists, Data Architects, Analytics Consultants etc
- Building partnerships with analytics tech players
- Multiple engagements with clients and prospects



DIGITAL CoE

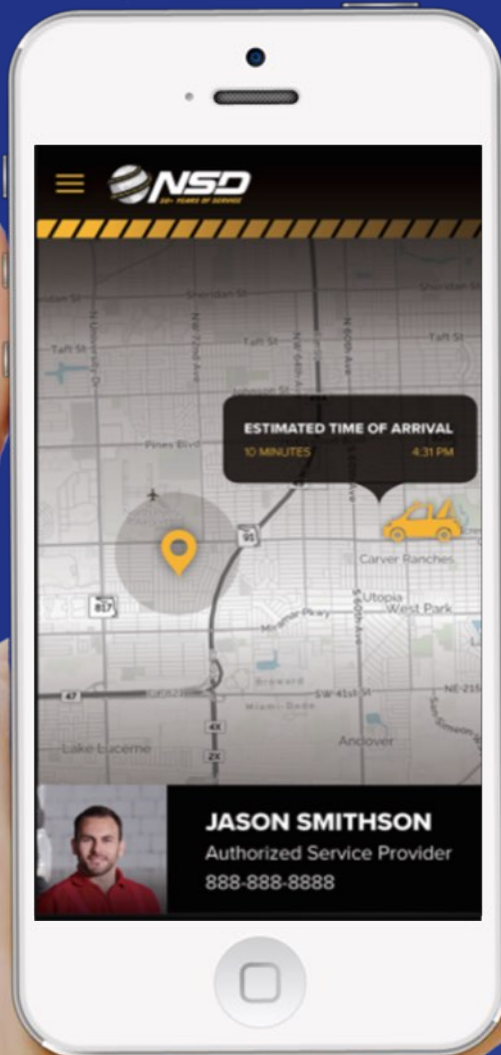
- Launch of DigiCX services suite
- Partnerships with platforms such as Liveperson, Sprinklr, Conversable etc
- Integrated Digital Marketing and Digital Contact Centre Services
- Some key client engagements



AUTOMATION CoE

- BOTs deployed across clients
- Capability built on multiple systems such as AA, BluePrism, UiPath, Nice etc
- RPA as a Service generating high margin revenues (Gain-share)
- AI, Machine Learning, Cognitive RPA solution concepts being tested – ChatBOTs, Avatars etc

HGS Opens Consumer Logistics CoE



- ✓ New Site in Jacksonville, Florida
- ✓ Hiring 200+ staff
- ✓ State-of-the-art Digital Emergency Roadside CX
- ✓ Partnering with largest towing network in the US
- ✓ Expect over 650,000 Emergency Roadside Services dispatches in 2019



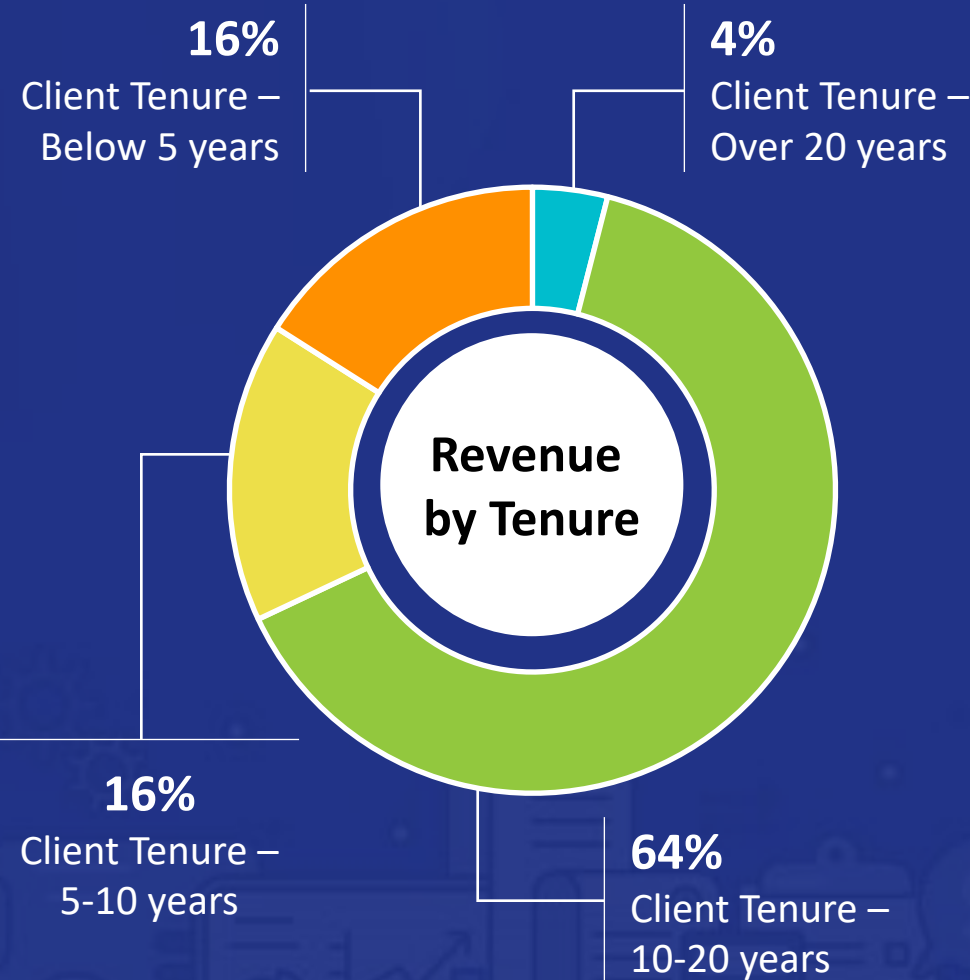
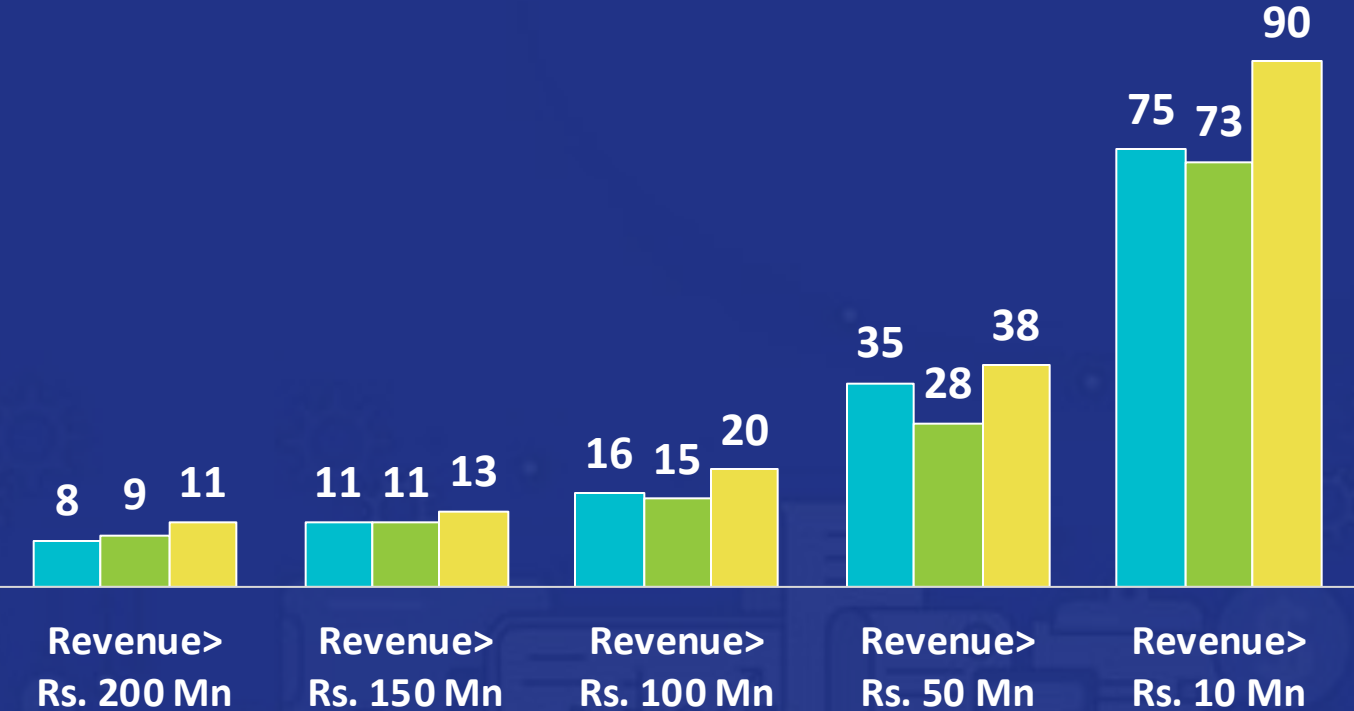
Delighting Clients

Focus on building partnerships

Highest ever CSAT for
HGS – Ex Index* of
61.6

Quarterly Revenues Contributions

■ Q4 FY 17 ■ Q4 FY 18 ■ Q2 FY 19



Analyst Endorsement

We stand out as a Leader in our industry because we strive to continually exceed expectations for our clients and their customers.

But don't just take our word for it . . .



Leader ISG Provider Lens™

- Social Media Consulting and Management Services



Neat Leader

- CMS in Analytics, Multichannel, Digital Marketing, Telecom, Retail, CPG, Healthcare, High Tech
- Business Transformation through RPA & AI for Healthcare & Insurance

Gartner

Magic Quadrant for Customer Management Contact Center BPO



Peak Matrix

- Contact Center Outsourcing
- BPO Healthcare Payer
- BPO Healthcare Provider



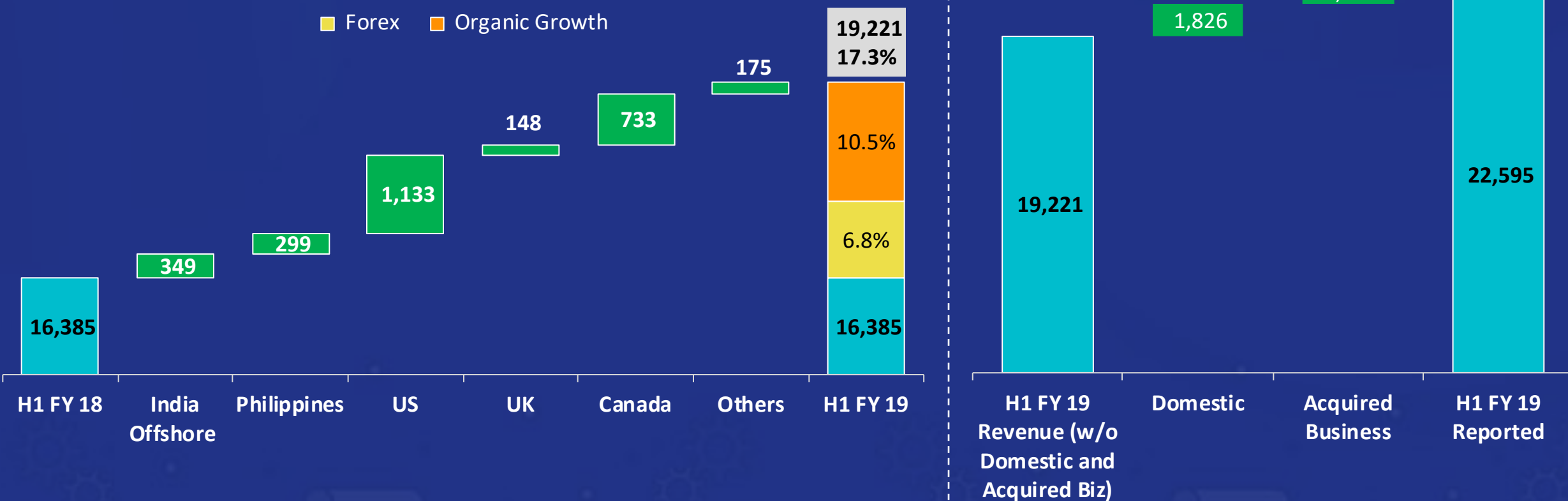
Blue Print Winner's Circle

- Digitally Enabled Contact Center
- Healthcare Operations

FY2019 – The Story behind the Numbers

Revenue bridge – H1 FY 18 to H1 FY 19

Revenue Bridge between H1 FY 18 and H1 FY 19 without Domestic & Acquisitions (in Rs Mn)



- Reported growth of 20.8% - Constant currency organic growth of 6.6%
- Without India domestic, constant currency growth of 10.5%, supported by growth from all major geographies

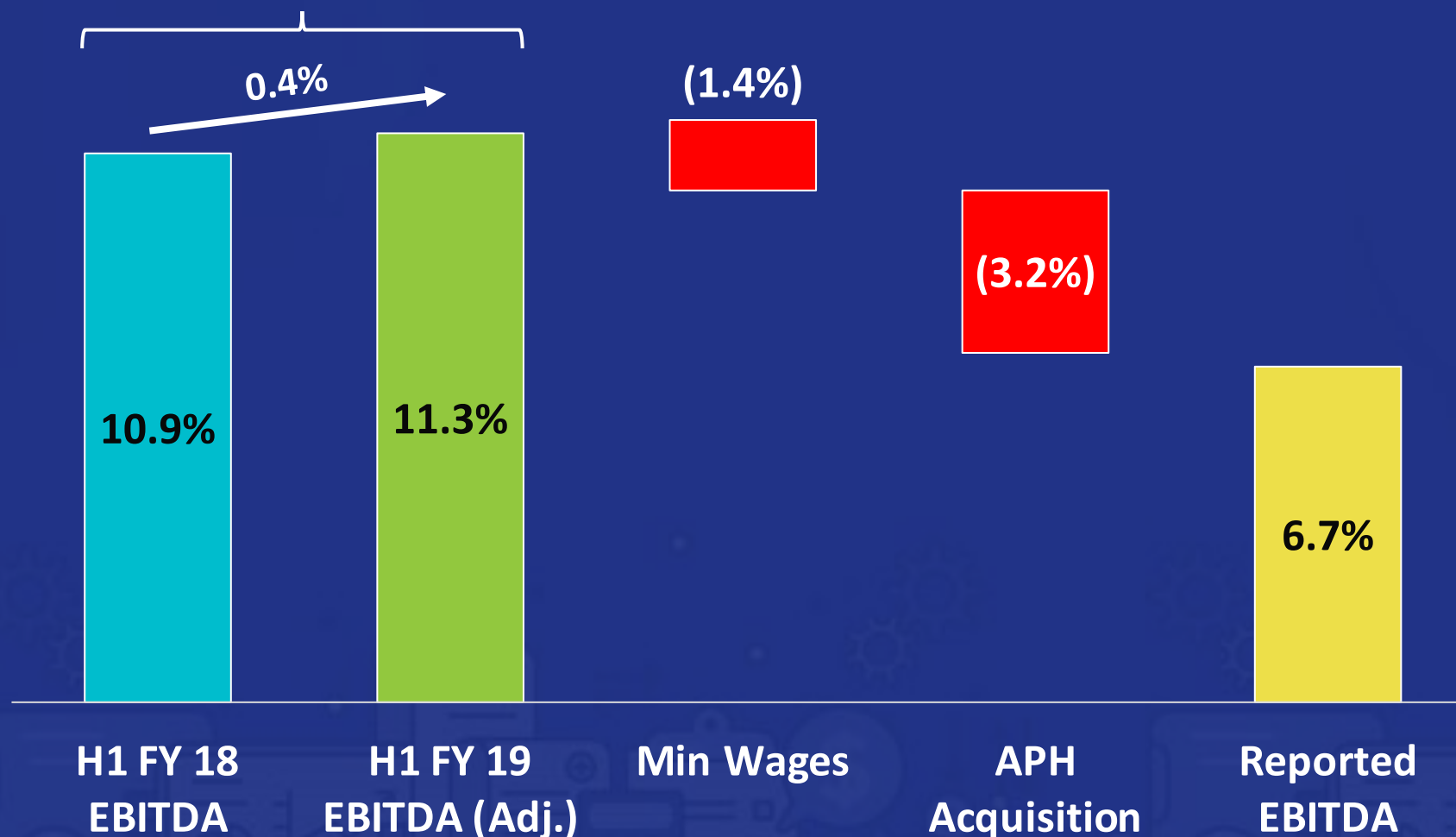
Performance of Key Delivery Geographies

H1 FY19 as compared to H1 FY18	USA	Canada	UK	India Offshore	Philippines Offshore	Jamaica Nearshore
Growth	 27.1%	 38.8%	 11.0%	 9.4%	 8.6%	 9.0%
Change in Delivery Margins	 0.3%	 1.0%	 5.0%	 1.9%	 5.0%	 -6.6%

- In H1 FY19 Core business margin improved driven by margin improvement from all the key operating geographies
- Strong growth in USA driven by new signings for Onshore delivery
- Margin improvement in Canada muted due to ramp cost related to 40% growth
- Successful turnaround of the UK business driven by operational improvements
- Further improvement in margins from Offshore business
- Delivery margin in Jamaica impacted by wage increases

EBITDA Margin as compared to H1 FY 18

Improvement in margins
from the core business



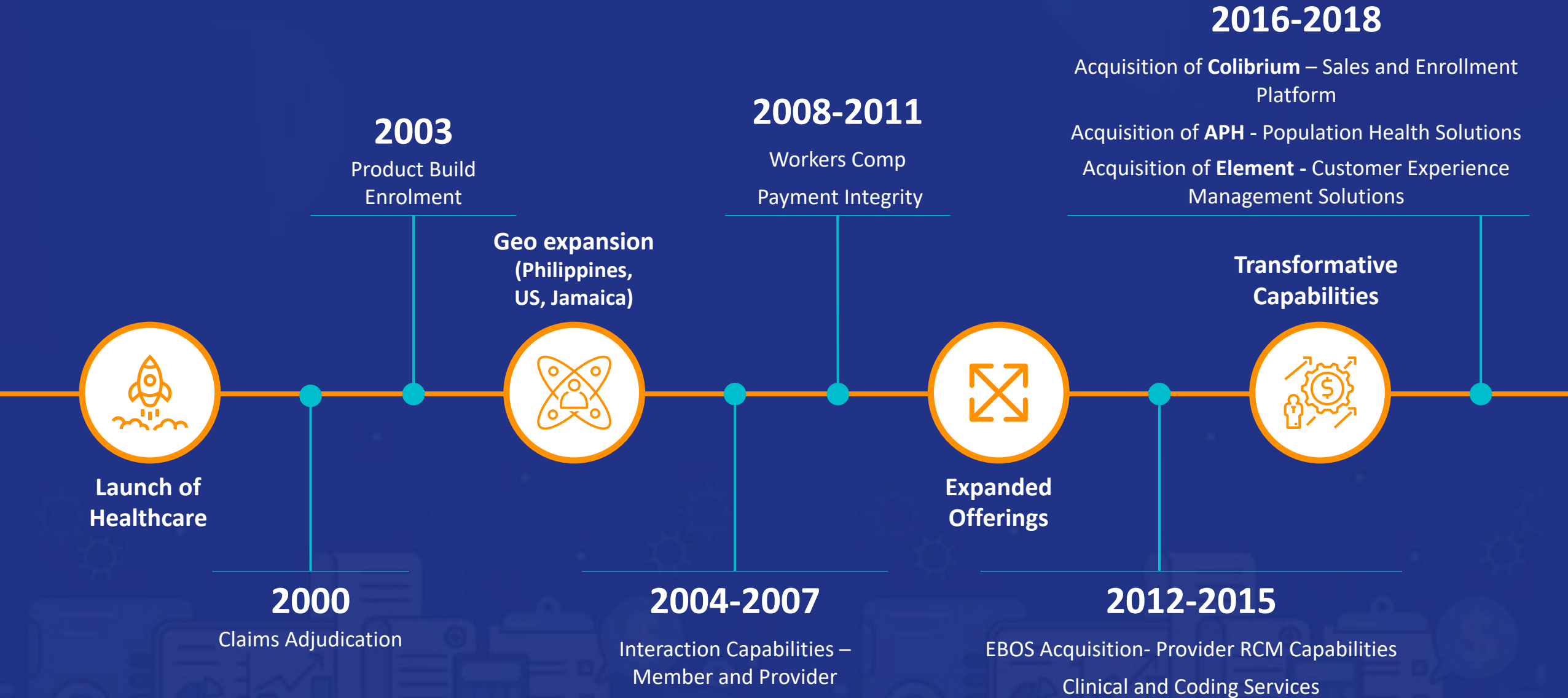
- The reported EBITDA margin of 6.7% - impacted by impact of minimum wage and AxisPoint acquisition
- Excluding the impact of these the margins have improved by 40 Bps as compared to H1 FY 18

India Domestic business – A Snapshot

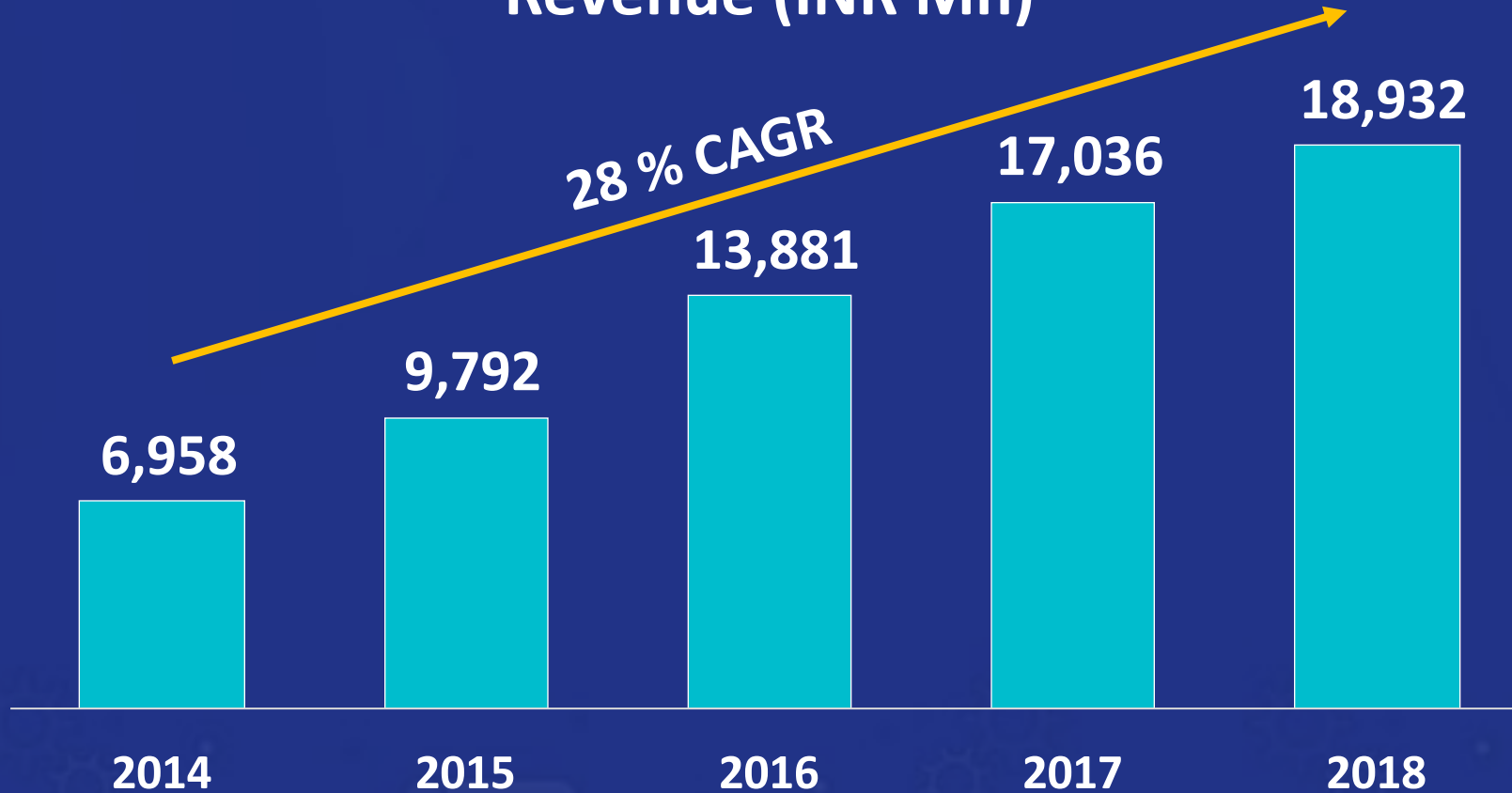
- ✓ Challenge in India CRM business continues due to domestic mobile operators facing pressure
- ✓ Focus on reducing dependency on telecom vertical in India – expect to reduce contribution to India revenue from 70% to 50% by Q4 FY2019
- ✓ BFS vertical more than doubled in revenues for H1 FY2019 compared to H1 FY2018 – accounts for 14.2% of India domestic revenues
- ✓ Focus on premium LoBs and seat consolidation
- ✓ Minimum wages in the state with largest headcount increased by nearly 90%, effective December 2017
- ✓ Impact of wage revision fully provided for - Rs 239 million in H1 FY 2019, Rs 380 million in Jan – Sept 2018
- ✓ Corrective action – price revision or closure of impacted accounts
- ✓ In the event of a favorable High Court order, accrued costs will be reversed

HEALTHCARE BUSINESS @ HGS

Ramesh Gopalan



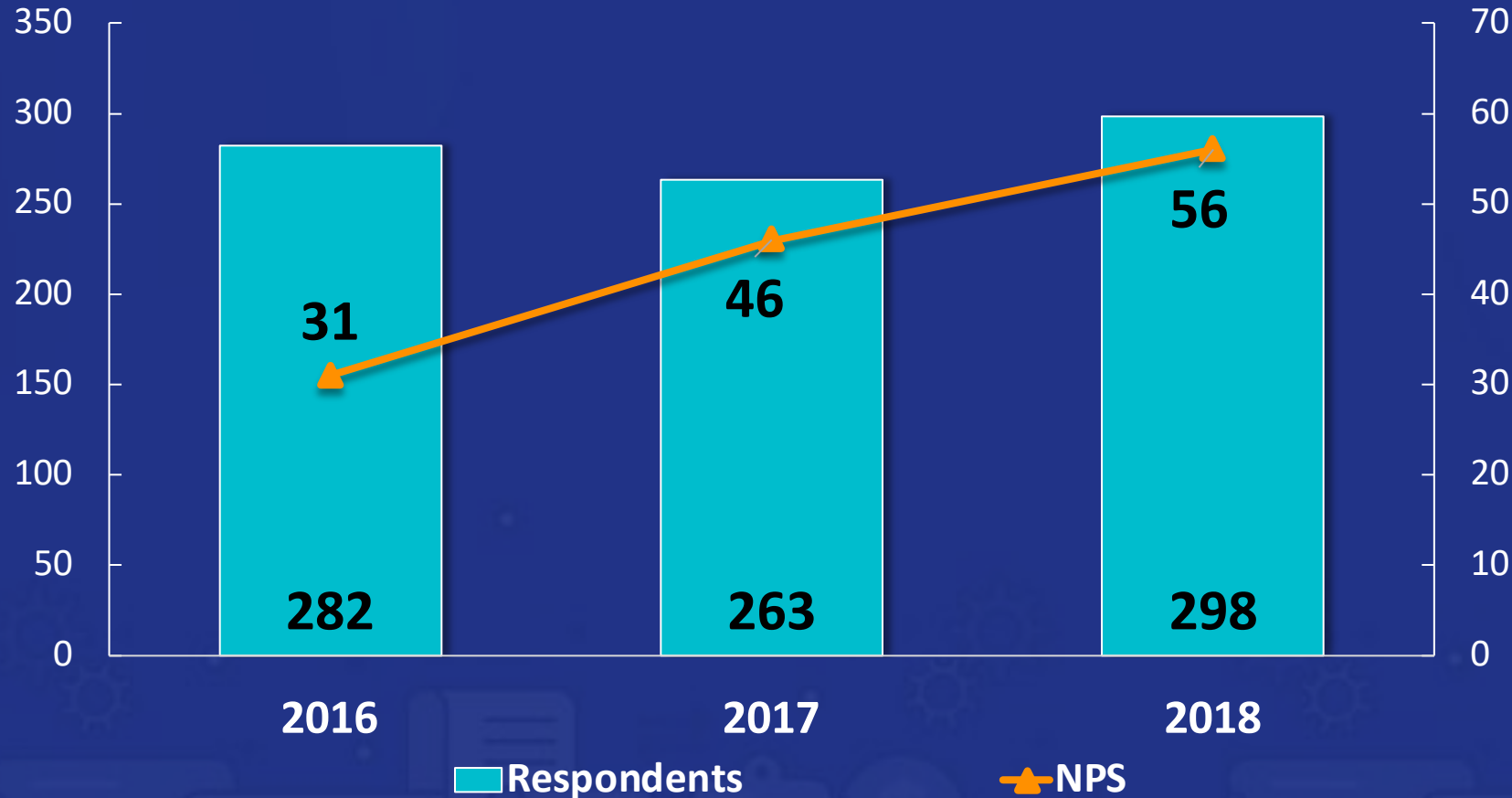
Revenue (INR Mn)



- **5** delivery geographies
- Healthcare business at scale
 - **75M** claims
 - **120M** interactions
 - **\$836M** in Financial Recovery
- Continued growth of existing client relationships

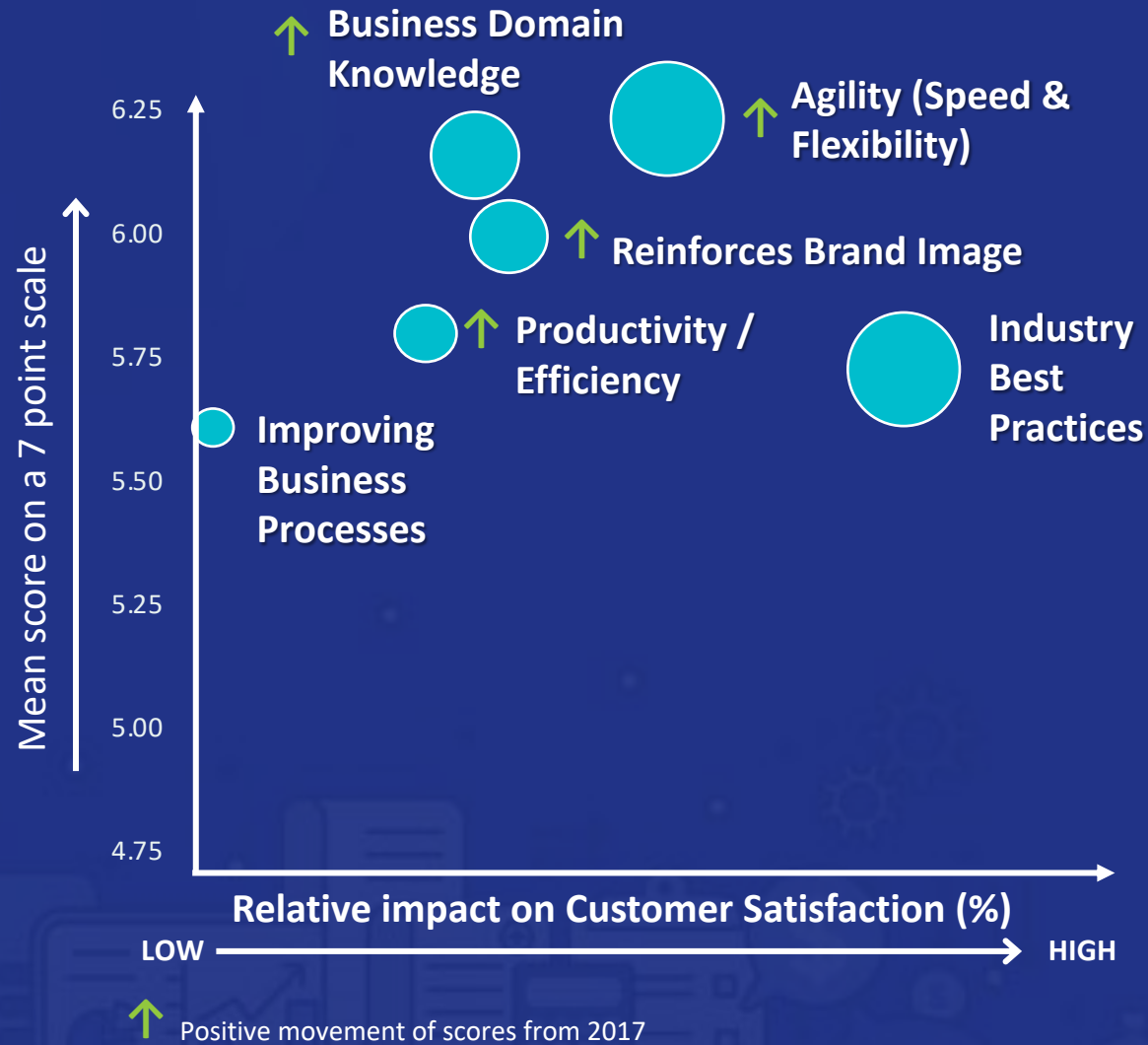
- 11% growth in FY18; almost doubled revenue between FY15 and FY18
- Provider business share of total healthcare revenue has grown from 7% to 15% between FY15 and FY18

NPS – Healthcare



HGS Healthcare NPS beats industry benchmark (43) for second year consecutively; results based on a large number of respondents with the response rate in the high 80s

Bringing in Industry Best Practices – Key contributor to Client Satisfaction



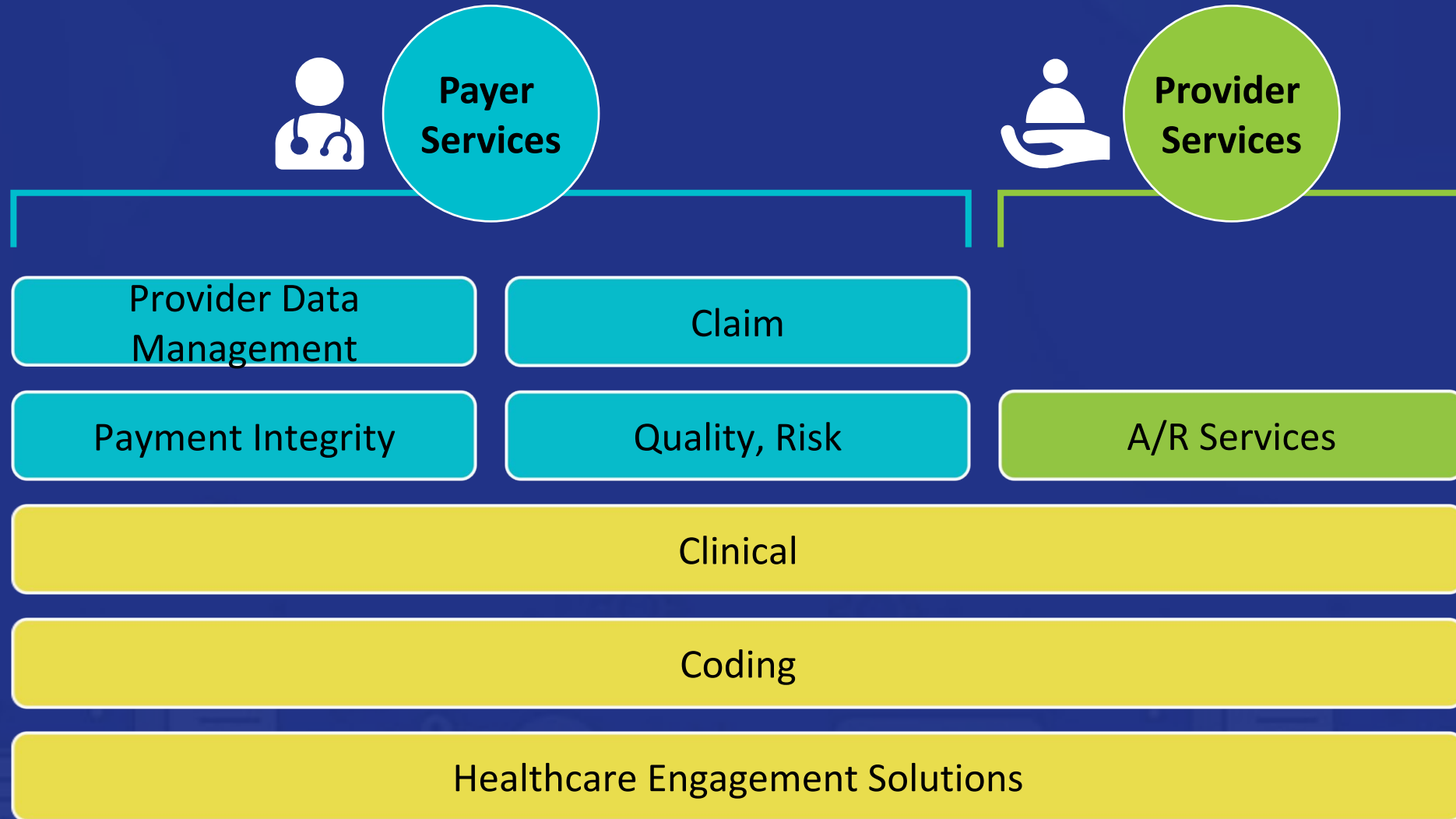
Embedding deep domain knowledge to transform industry practices and add value to a client's business

Realigning Organization to Partner through Innovation to impact Outcomes

Verticalised business	Global Innovation Hub	Acquire/Partner for Capabilities
✓ Global Operations ✓ One HGS- seamless delivery ✓ Healthcare Practice ✓ Capability maturity ✓ Thought leadership ✓ Driving value multipliers	✓ Digital Innovation ✓ RPA ✓ Analytics ✓ Customer Journey Mapping	✓ Population Health Management ✓ Social Media Marketing ✓ Customer Journey Analytics ✓ Platform driven Smart Plan Selection

Outcomes: 18 Innovative projects completed; unified training and Business excellence globally; **8 Practices** driving maturity of engagement; Innovative operations as well as thought leadership led value creation

We have reorganized our Healthcare Practice to focus on solutions that matter to our clients





Claims

- Expertise in both US and international claims handling
- Point solutions for inventory control, quality and rework reduction
- Industry benchmarks established

Provider Data Management

- Proprietary technology led solutions for keeping provider data accurate and current
- Scaled PDM practice across 3 new accounts
- Added Credentialing capability for large national network provider

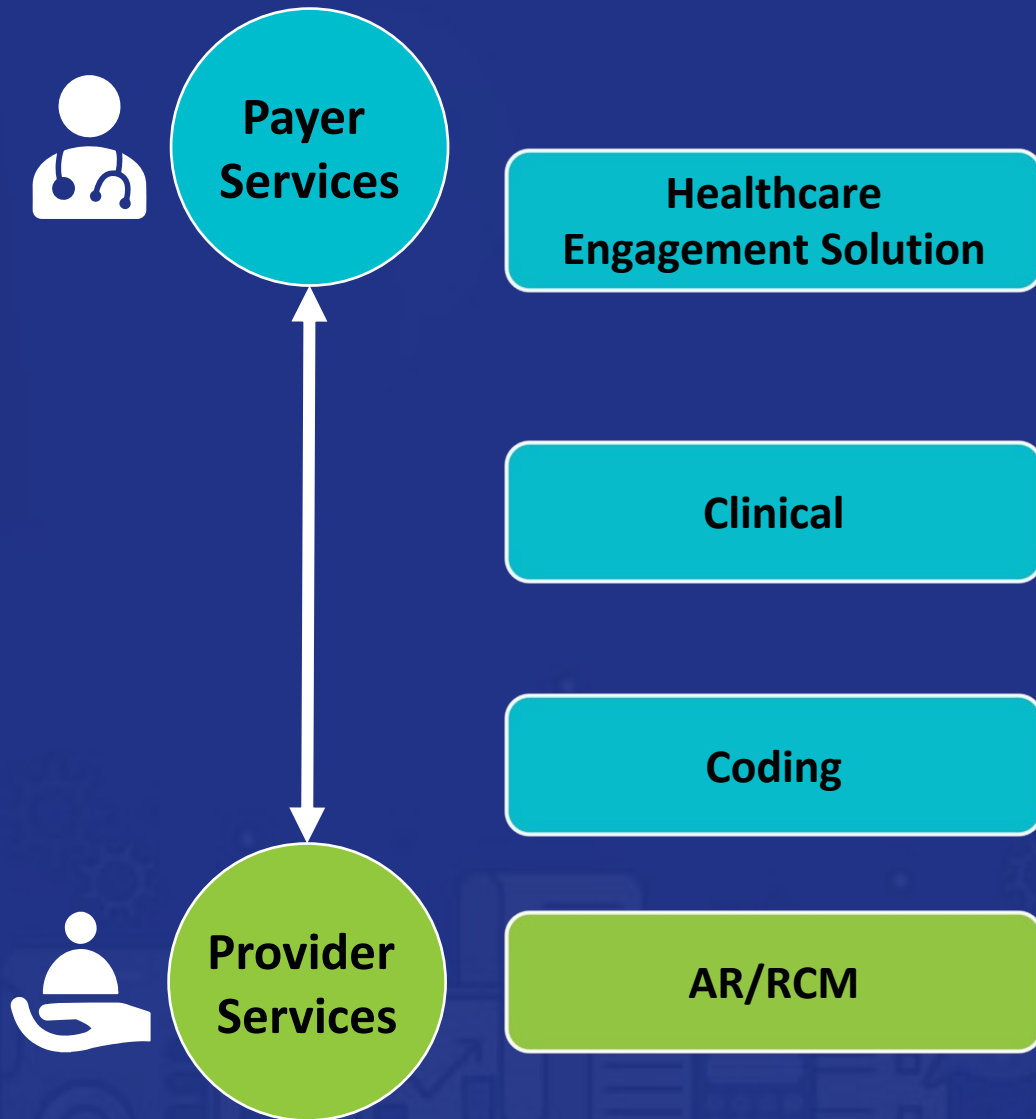
Payment Integrity

- Proprietary ROI dashboards across all client's vendors for all PI services
- Proprietary algorithms have enabled >\$100M in savings from upcoding, unbundling and medical appropriateness of services

Quality, Risk

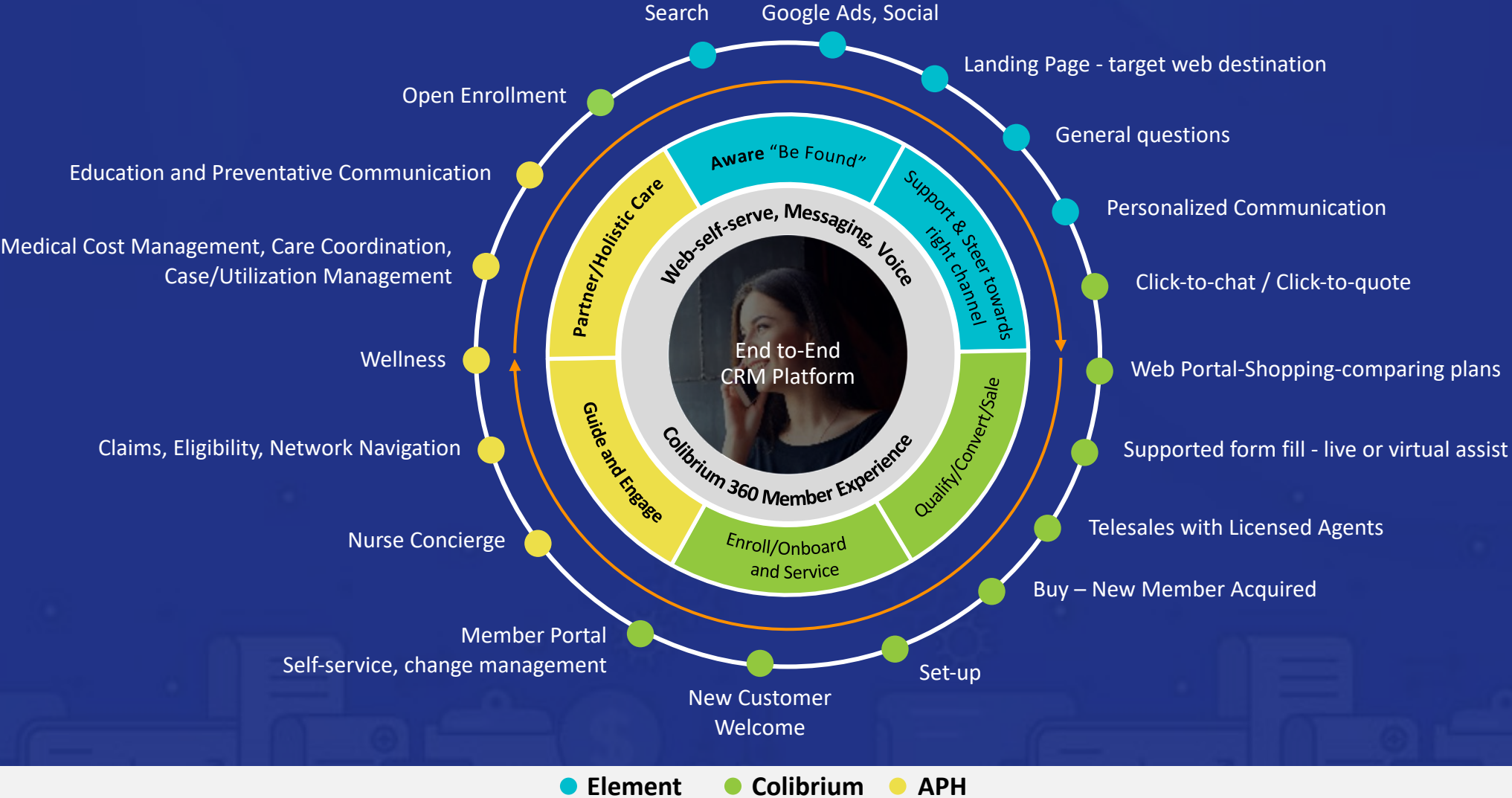
- HCC coding capability along with Risk analytics – proprietary go-to-market solution

Practices Across Payer and Provider

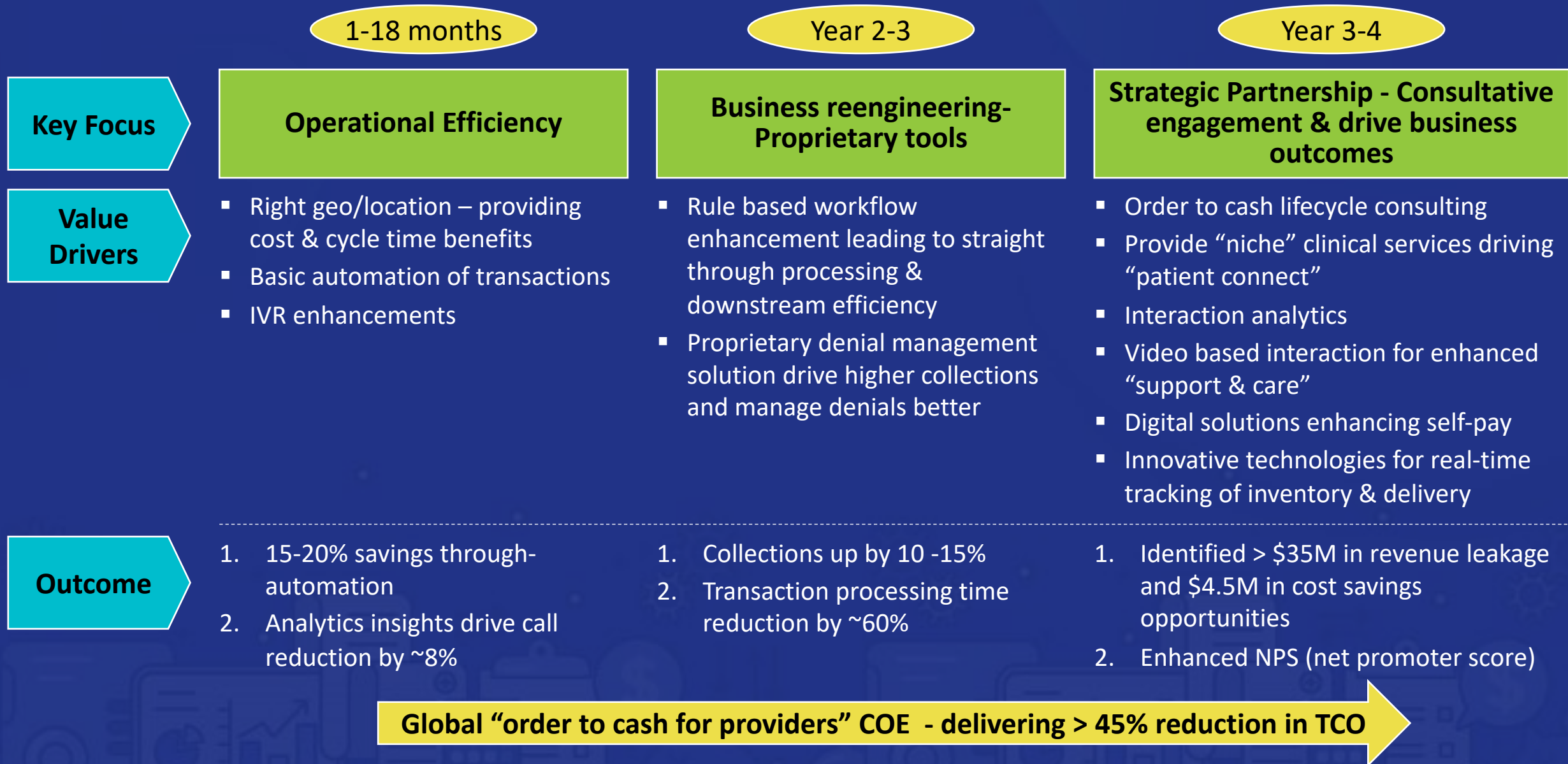


- Offshore and nearshore locations, meet and exceed client onshore NPS
 - Digital channel engagement mix increased by 10-15% (chat, automated messaging)
 - Interaction analytics capability
-
- Deliver 2x ROI through case, conditional management solutions
 - Proprietary technology led population health management through APH acquisition
 - Growth in onshore and nearshore locations
-
- Growth in complex code review
 - Additional coding capability in Hierarchical condition category, Benefit coding category
-
- Growing outcome based contracts, exploring large TCO reduction deals
 - Built proprietary predictive propensity to collect model to improve collection to effort ratio

Member Engagement - Leveraging acquisitions and building lifecycle impact



Case Study - Unlocking the value - through “Deep Partnership”



AxisPoint Acquisition

Expands expertise outside of admin spend (15-20% of premium dollars)
to medical spend (80-85% of premium dollars)

Full suite of offering in the care management space

Onshore clinical delivery capability

Market Conditions

- **60%** of Americans have at least **1** chronic condition and **>20%** have at least **5** conditions
- **\$750** billion in avoidable healthcare costs annually,
 - **\$210** billion from unnecessary services
 - **\$38** billion from overuse of Emergency Departments (EDs).
- Clinician shortage requiring remote and one to many engagement models
- **>\$500B** spend due to non adherence to treatment and medication regime

APH Solutions

CAREPOINT

Condition management and case management solutions to improve health outcomes, increase member satisfaction, and reduce costs

GUIDEPOINT

Clinically-led and analytically-backed nurse guidance technology and algorithms that can help with, navigation, and member engagement that improves quality and lowers costs

ANALYTIX

Provides quick and automatic identification of conditions and gaps in care and ensures members are stratified and prioritized for outreach

Clinically led, logic based nurse triage, guidance, navigation and member engagement

Services



Referrals and navigation



Telemedicine referrals



Outbound campaigns



Omni-channel access



Transparent reporting

Key features

400+ symptom based algorithms

4 Modules for Adult, Pediatric,
Women's health and Mental Health

7 End Points from emergency to
self-care

Key benefits

 **Repeatable**

 **Scalable**

 **Algorithm-Based**

 **Claims-Based ROI**

 **Cost Savings**

>2:1

average Return on Investment across AxisPoint Health's book of business¹

>99%

agreement for each level of care recommendation given by our nurses as compared to on-call physicians³

82%

of callers with a pre-intent to visit the ED are redirected to a less emergent, clinically-appropriate level of care²

80%

of callers with a pre-intent to visit the ED follow the nurse's guidance and utilize a less emergent level of care¹

73%

of all callers are redirected to a more appropriate level of care²

¹AxisPoint Health Research & Outcomes Department, 2017

²AxisPoint Health Redirection Report, 2017

³Archives of Pediatrics & Adolescent Medicine, 2003

Requirements for real outcomes:

Utilization by the right people

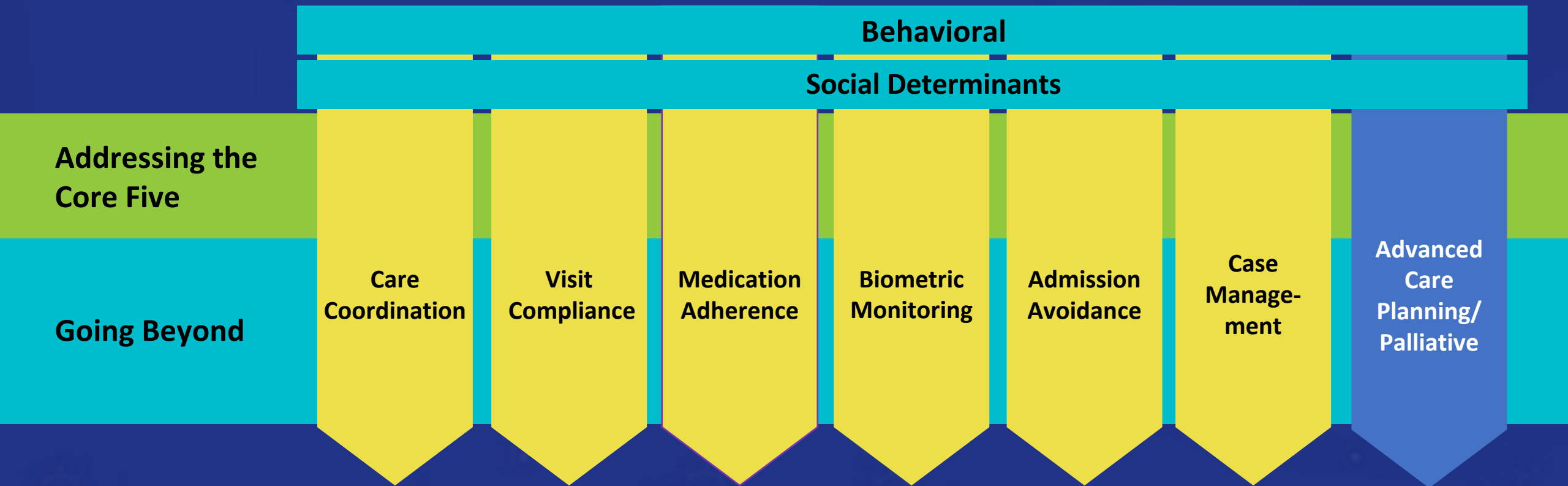
High **redirection** rates that align with physician advice

Low variation in clinical level of care recommendations between calls

Proof that members actually follow the recommendations provided to them

CarePoint

Transforming condition and case management with predictive intelligence, laser-focused targeting, and pulsed interventions for individuals and their caregivers and support circles, informed by a mobile app



**Pivoting from
condition focus to
priority interventions**

- Precision aim transcending all conditions and hurdles
- Care tracks are chronic + complex condition agnostic
- Allows care teams to focus on the most clinical + cost impactful problems



- Health Coach
- Social Worker
- Nurse Generalist
- Behavioral Health Specialist

- Nurse Specialist
- Pharmacist
- Behavioral Health Specialist
- Dietician

Expert Guidance **WHERE NEEDED**

- Pulsed touches from care manager to drive behavior change
- Person + support circle with their medical team at the center
- Full spectrum of support addressing physical, behavioral, social + spiritual needs
- Boots on the ground to the cloud across all care settings
- Multi-channel communication
- Driving productive engagement

Digitally Guiding the Consumer Experience

Gathering
personal
preferences



Ongoing
2-way digital
communication



Targeting health
information to guide
and support



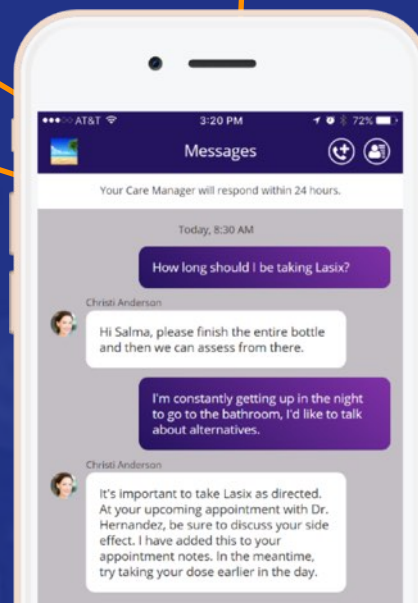
Helping
understand
health goals



Bringing family
and friends in as
social support



Reaching out to begin interaction
Integrating digital channels +
features



Elevating + simplifying
the consumer experience
Driving engagement

Concerns

Losses in FY19 were much higher than anticipated

- Exit of a large contract earlier than expected
- Higher G&A : Technology infrastructure and some support functions
- Unprofitable contracts as a result of lower labour utilization

Corrective Actions

- Rationalized operational headcount
- Synergy projects under implementation, to be completed end of Q3
 - Telephony integrated with HGS infrastructure
 - Server infrastructure migrated to a more cost effective model
 - Work Force Management and technical support combined with HGS
- Unprofitable contracts : Negotiate favourable terms or exit

**Q4 to be the start of the turnaround in AxisPoint performance;
H2 to be significantly better than H1**

BUSINESS TRANSFORMATION – A CLIENT AND MARKET PERSPECTIVE

Tim Schuh and Adam Foster

Market Overview

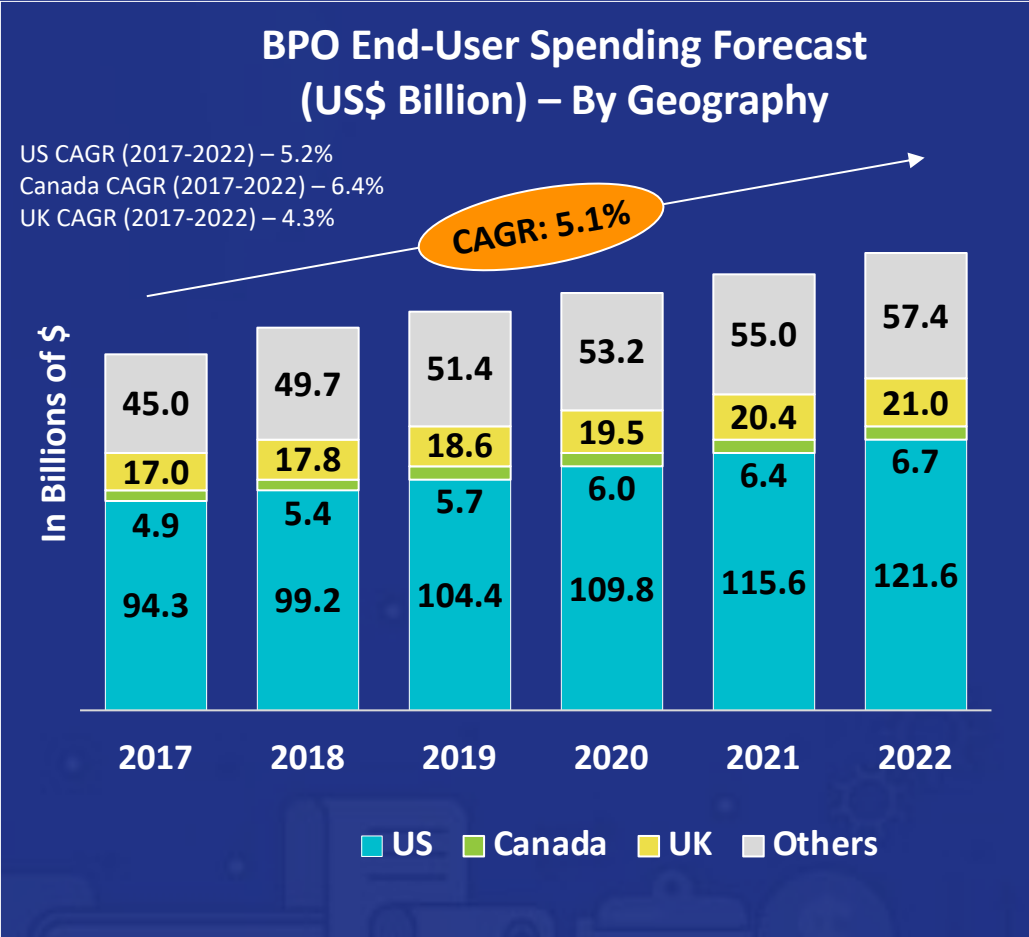
Client demands are shifting in the following ways:



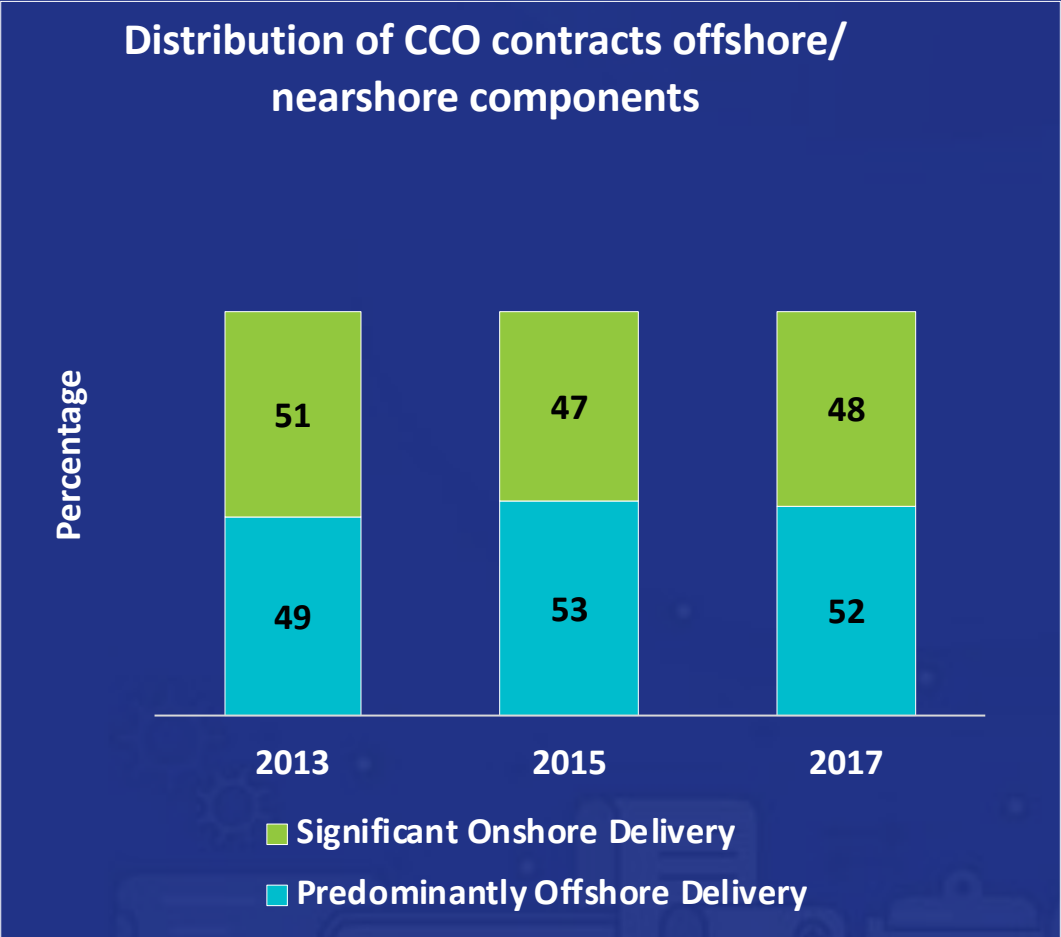
CX is **CHANGING**

Global BPO Spending Macro Market Overview

Client demands for BPO is growing as the overall volume of interactions grows. Offshore stable.



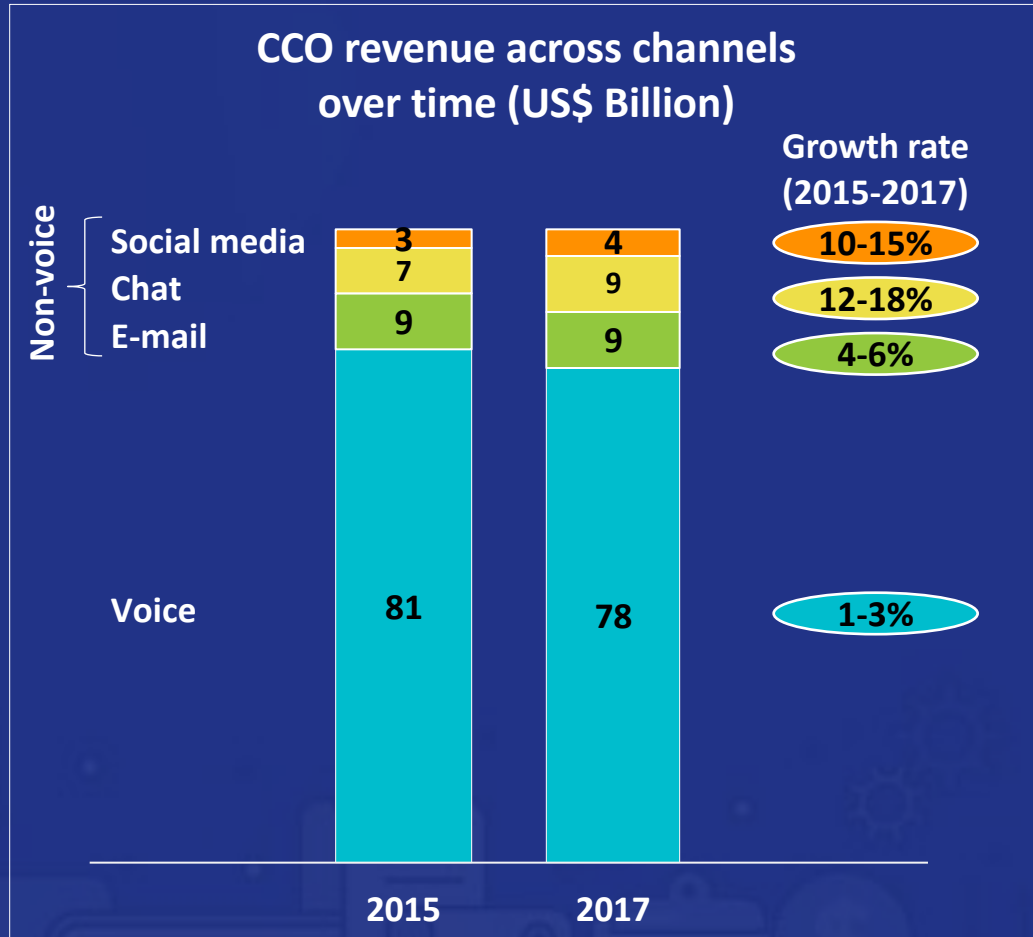
Source: Gartner Service line Forecast 2018Q1



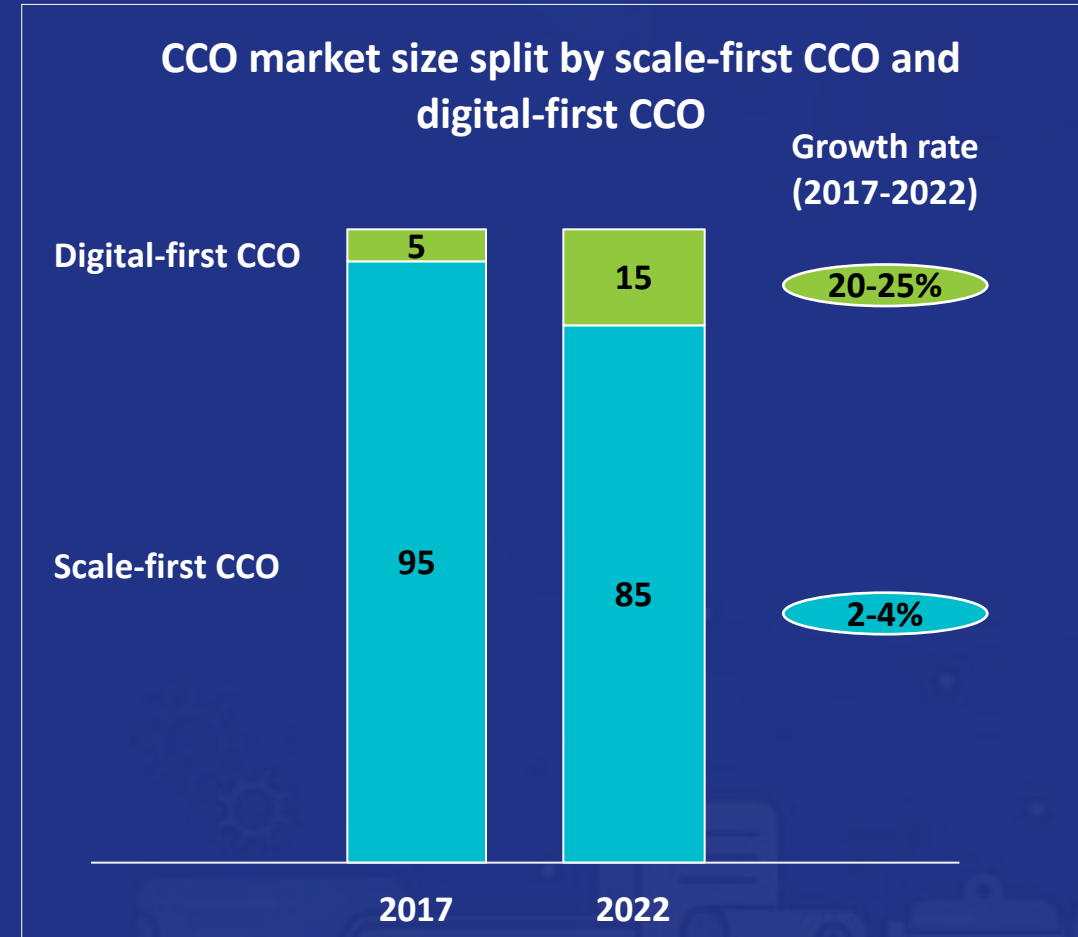
Source: Everest, CCO Annual Report 2018

Adoption of Digital vs Traditional

Client demand is growing the fastest across digital channels. More businesses are leading with digital.



Source: Everest, CCO Annual Report 2018



Source: Everest, CCO Annual Report 2018

Secure
specialist
talent in key
Sectors

Invest in
upmarket
capabilities

Rapid onshore
& offshore
expansion

Leverage
third party
partnerships –
sell through

Lean in
on Social



Exponential
expansion of
non-voice
capabilities



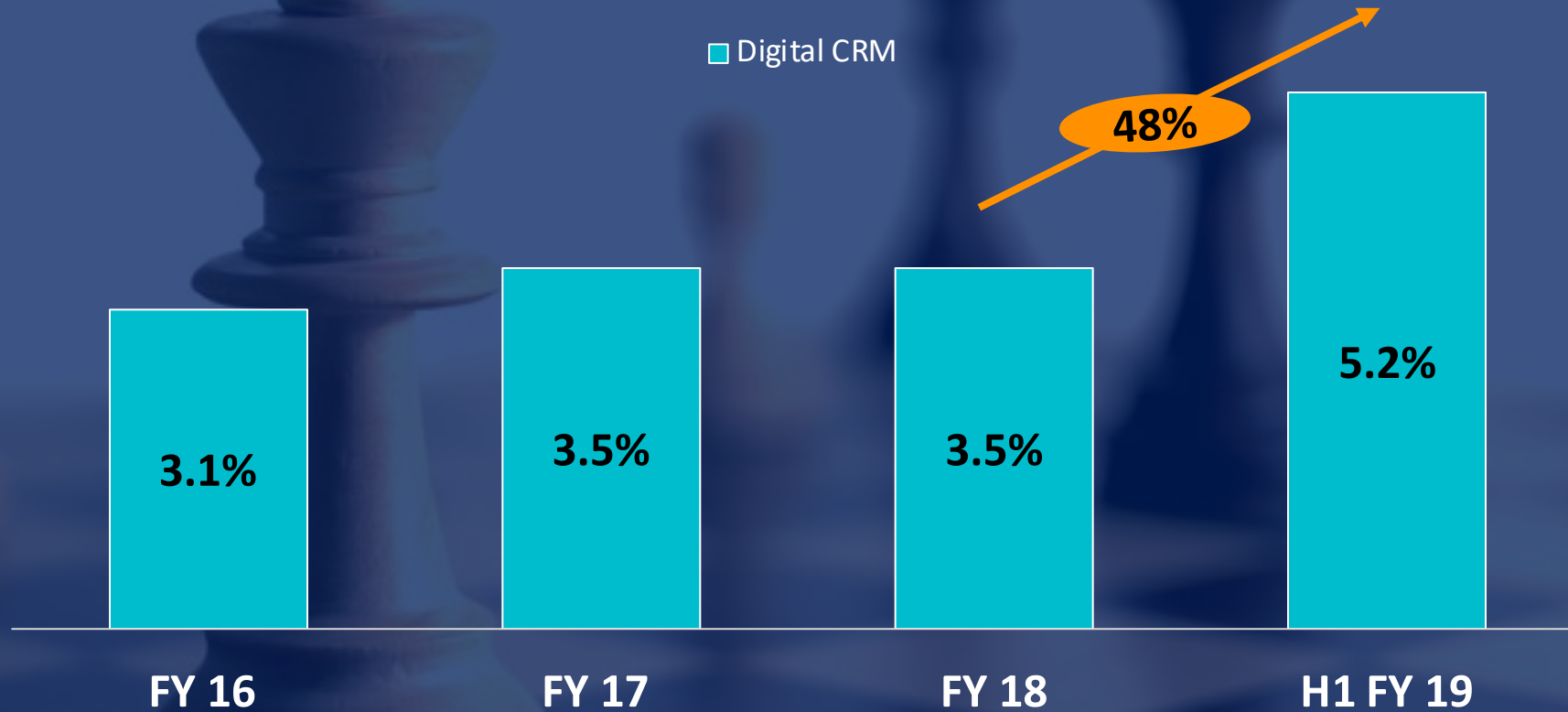
Globalized
organizational
structure &
optimize SG&A



HGS Growth

Client demands for Digital up 48% YTD. Including social media expansions with large global brands.

HGS Revenue Channel



Yes!

Can I get the
CARFAX?

Exclusive provider of 100% non-voice
(text & chat)

Online lead generation & qualification
for used car sales.



30% increase in number
of dealer appointments

Best in Biz
A W A R D S



Award Winning



Driving Results. Consistently.



Provide customer care support via 5 channels – phone, email, mail, chat, social media – for 32 UK brands



Driving Results. Consistently.



40% reduction in volume thanks to Chatbot implementation

100% of actionable Social posts responded



Driving Results. Consistently.

HGS – EPIC Social Media Approach



Engage

Engage with customers to deepen relationships and answer common questions.



Protect

Identifying, escalating and mitigating issues before they become crisis



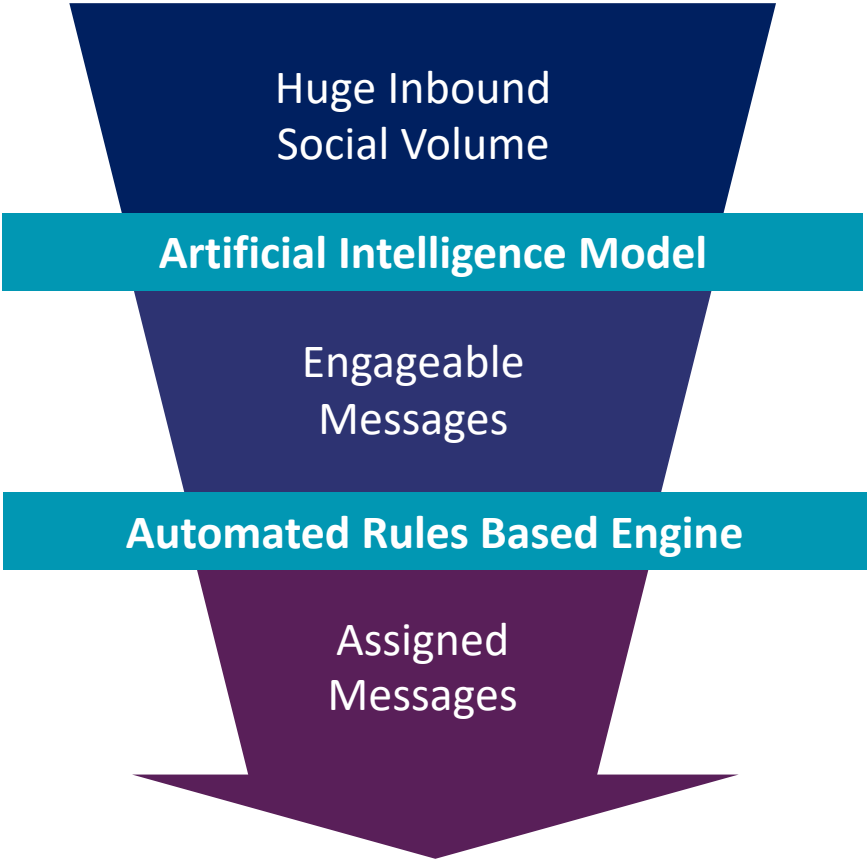
Inform

Decode the Voice of the Customer to inform operational business decisions.



Create

Engaging with influencers, and amplify positive media coverage.



Customer Care Agents	PR Professionals
• Customer complaints • Customer questions • Customer suggestions	• Opportunity to amplify the positive • Potential crisis, or real crisis
Dashboards, Reporting & Analytics	

4M Mentions | 15K Restaurant Pages



Engage – to answer customers



Protect – the brand from a potential crisis



Inform – the business with insights



***iSG** Provider Lens™

Award Winning



Driving Results. Consistently.

HGS Strategy – Fortune 200 Quick Service Restaurant Giant

\$1.2 million cost savings

150K likes, shares, comments



***iSG** Provider Lens™

Award Winning



Driving Results. Consistently.

10M Mentions | **5K** Store Pages

**Engage, Protect,
Inform...**



+ Create – memorable
moments



Driving Results. Consistently.



\$3.5 million savings

8-10x more posts filtered via AI

51% more customers engaged



Driving Results. Consistently.

INNOVATION & TRANSFORMATION

Ram Mohan Natarajan

HGS Innovation and Transformation Framework

Our VISION

To be a globally preferred business process *transformation partner* for our clients, creating value in their business through *innovative outsourcing solutions*

Our MISSION

Make our clients more *competitive*

Innovation Focus Areas

AUTOMATION SOLUTIONS

'Bots and Brain' Integration

AI & ANALYTICS SOLUTIONS

Predictive, Proactive, Cognitive

DIGITAL SOLUTIONS

Improve 'CX and EX' Index, Personalized

Reduce
Operating
Costs

Increase
Customer
Experience

Increase
Revenues

Reduce
Customer
Effort

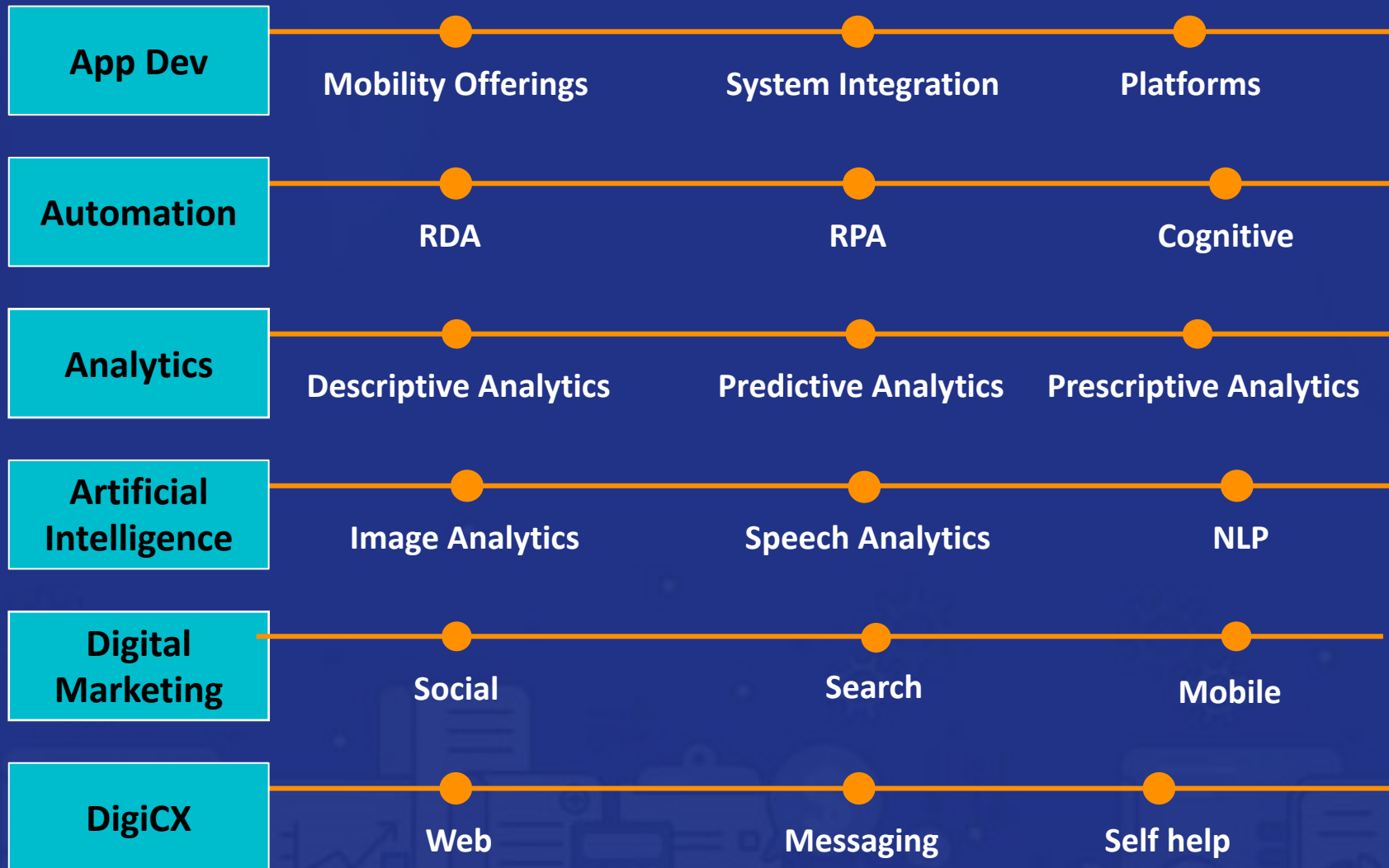


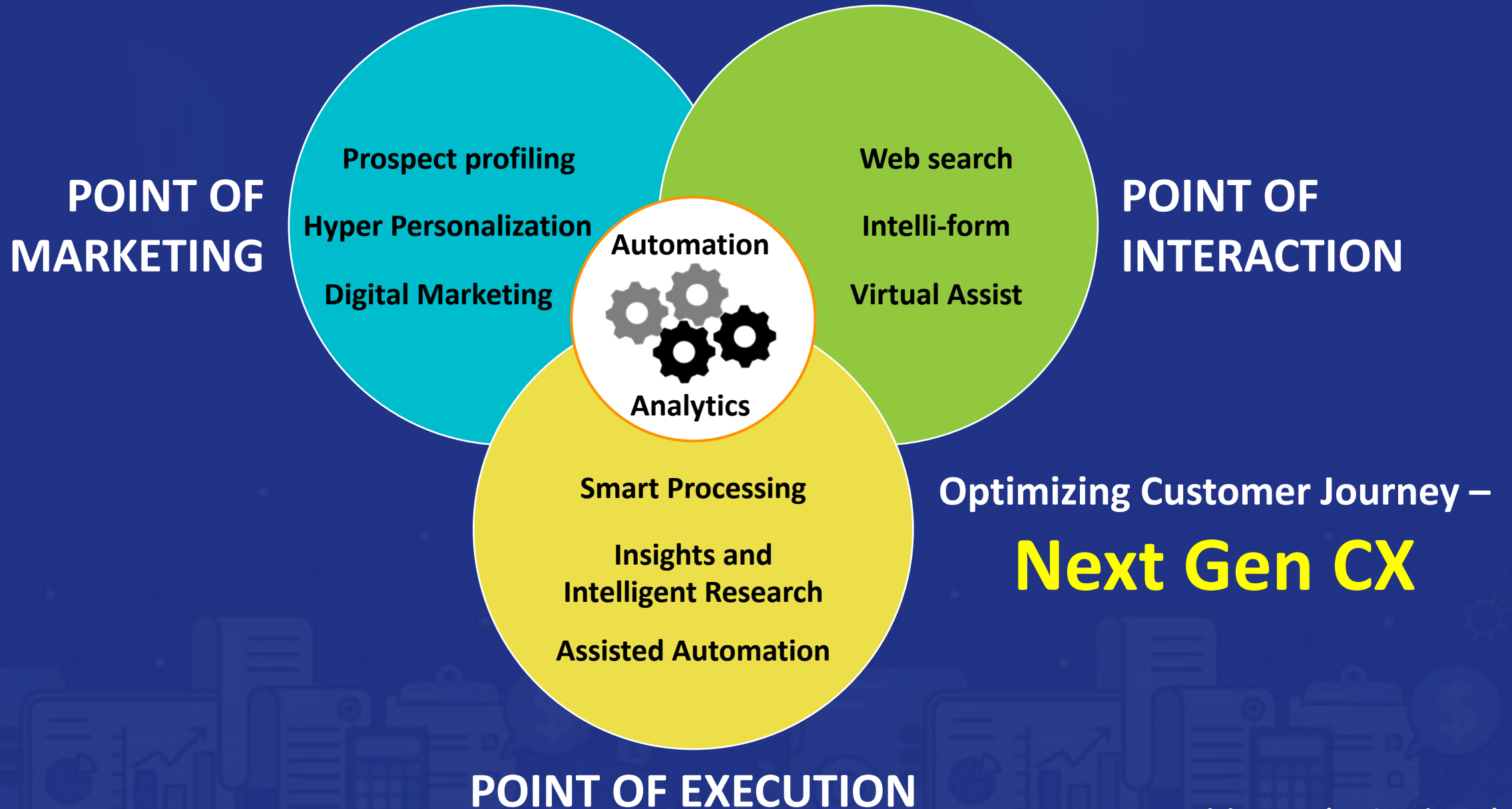
Our APPROACH

- Innovate/ Co-create: New Concept Incubation and Solution Creation
- Embed: Scale up Proven Solution Deployment

Innovation & Transformation – Capability Focus Areas

Focus on both Horizontal Capabilities and Domain Expertise





HGS has been investing
in the **CX of Tomorrow**

DIGITAL SOLUTIONS

Improve 'CX and EX' Index

AI & ANALYTICS SOLUTIONS

Predictive, Proactive, Cognitive

AUTOMATION SOLUTIONS

'Bots and Brain' Integration

Significant growth in the **Automation Centre of Excellence**. Saved over \$3 million for a US health insurance client

Multiple new **logo wins** for **RPaaS** (RPA as a Service). Automated over 55 process across life insurance, group insurance and retirement process for a US insurance client

Investment in different areas of automation such as Front office Automation, Cognitive, NLP/AI driven Automation etc.

Automation embedded contracts in multiple domains

DIGITAL SOLUTIONS

Improve 'CX and EX' Index

AI & ANALYTICS SOLUTIONS

Predictive, Proactive, Cognitive

AUTOMATION SOLUTIONS

'Bots and Brain' Integration

Interaction Analytics – Insights from calls, emails, chats, social media interactions

Improvement in collection by 18 % and productivity by 15% by building **Propensity to Collect model**

Built **forecasting models** for over \$ 2 billion collections with much higher accuracy

Analytics capabilities in the area of **Population Health Management, Payment Integrity**

DIGITAL SOLUTIONS

Improve 'CX and EX' Index

AI & ANALYTICS SOLUTIONS

Predictive, Proactive, Cognitive

AUTOMATION SOLUTIONS

'Bots and Brain' Integration

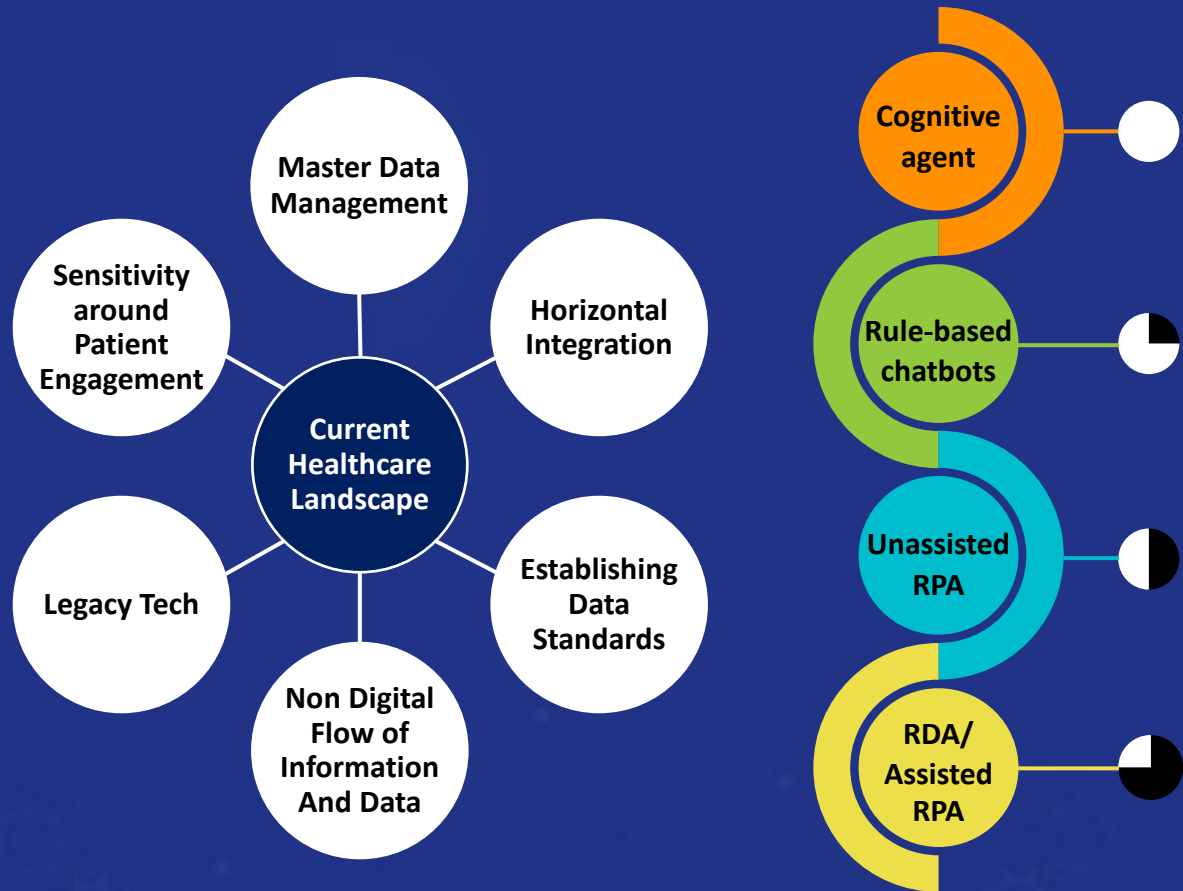
Implemented **Mobile Cam** solution for a US client that resulted in improving the customer experience and handle time significantly

Social Media capabilities – Saved \$3.5 million for a client by using automation and analytics

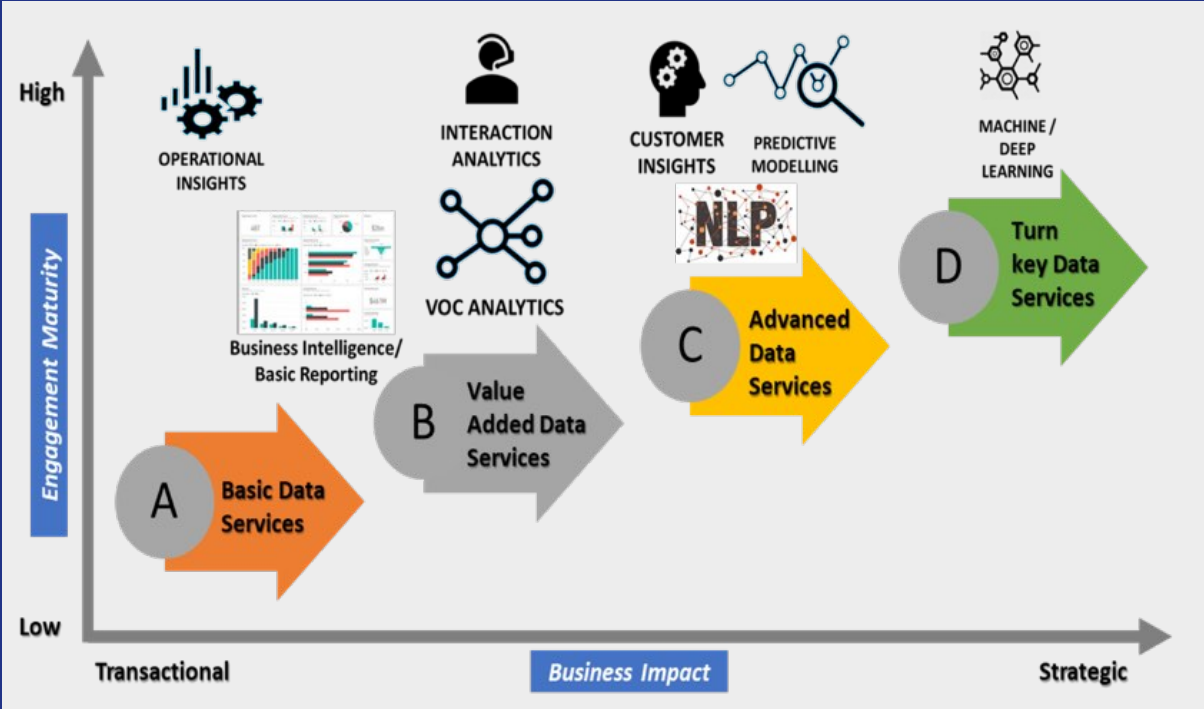
Launched **Multi Channel Survey** and action plan for multiple clients that increased NPS by 11-15 basis points

Digital **e-Learning Solution** that helped reduce training time by 17% and improved speed to proficiency by 3 weeks

Domain Specific Solutions – An Example



Source: Everest Group, 2017

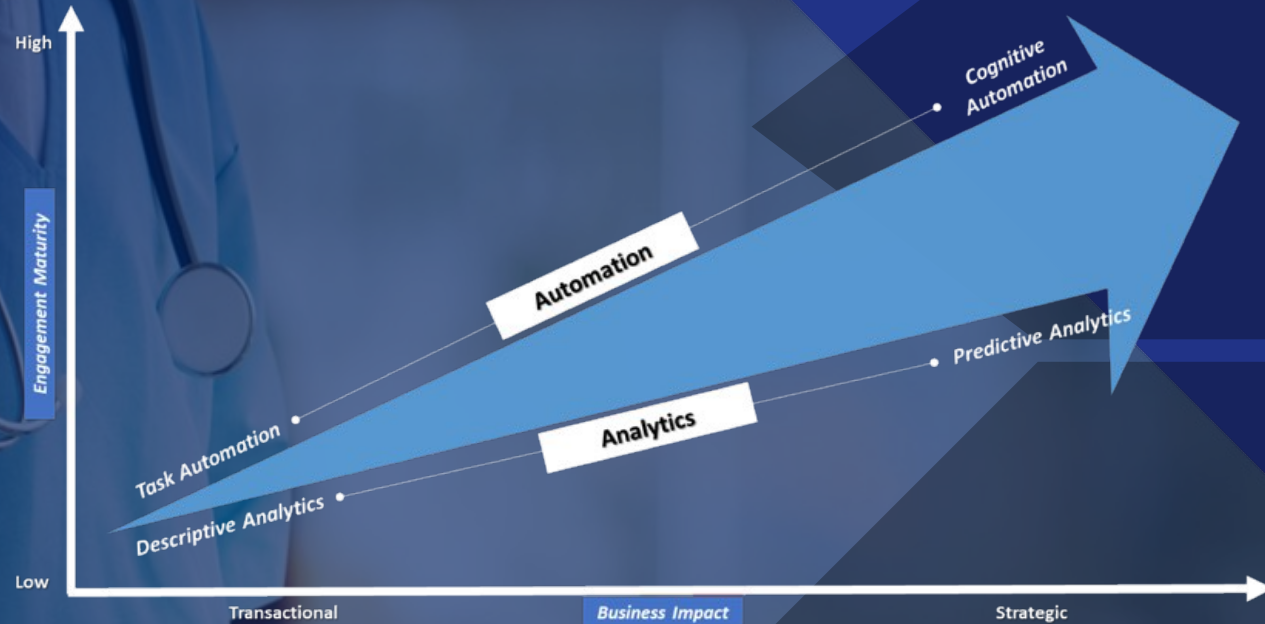


Create vertically aligned
Digital Transformation
Strategy

Focus on cognitive
automation

Enable delivery with business
insights

Domain Specific Solutions – An Example



Automation Benefits:

- Automated over 30 processes for clients
- Savings of over 3 Mn USD for client

Analytics Benefits:

- Reduction in variance by over \$1 Million per month
- Improve Collections Days Outstanding

Recognition



Won in transformation
category two years
in a row



Best Use of Self
Service Technology –
Global/ Americas



Cultural Transformation
Leader of the Year
Business Transformation
Leader of the Year



Gold Stevie Winner
in the American
Business Awards for
Business to Business
services – Innovation



New Product Innovation
Award for DigiCX®

Element

An HGS Company

VENKATESH KORLA, FOUNDER/CEO

DECEMBER 2018

ANALYST & INVESTOR MEET 2018



Create frictionless digital experiences that solve business problems and improve people's lives.



HISTORY

2003

Founded as Element115

with a vision to transform healthcare through digital experience

2005

eHealth Accelerator released to market

A healthcare provider focused digital experience solution released in partnership with Fatwire.

2009

Completed over 100 Healthcare provider web implementations

2011

Renamed company to Element Solutions

Changed direction to deliver Digital Experience Solutions across multiple industries

2014

Started Managed Cloud Services Practice

2017

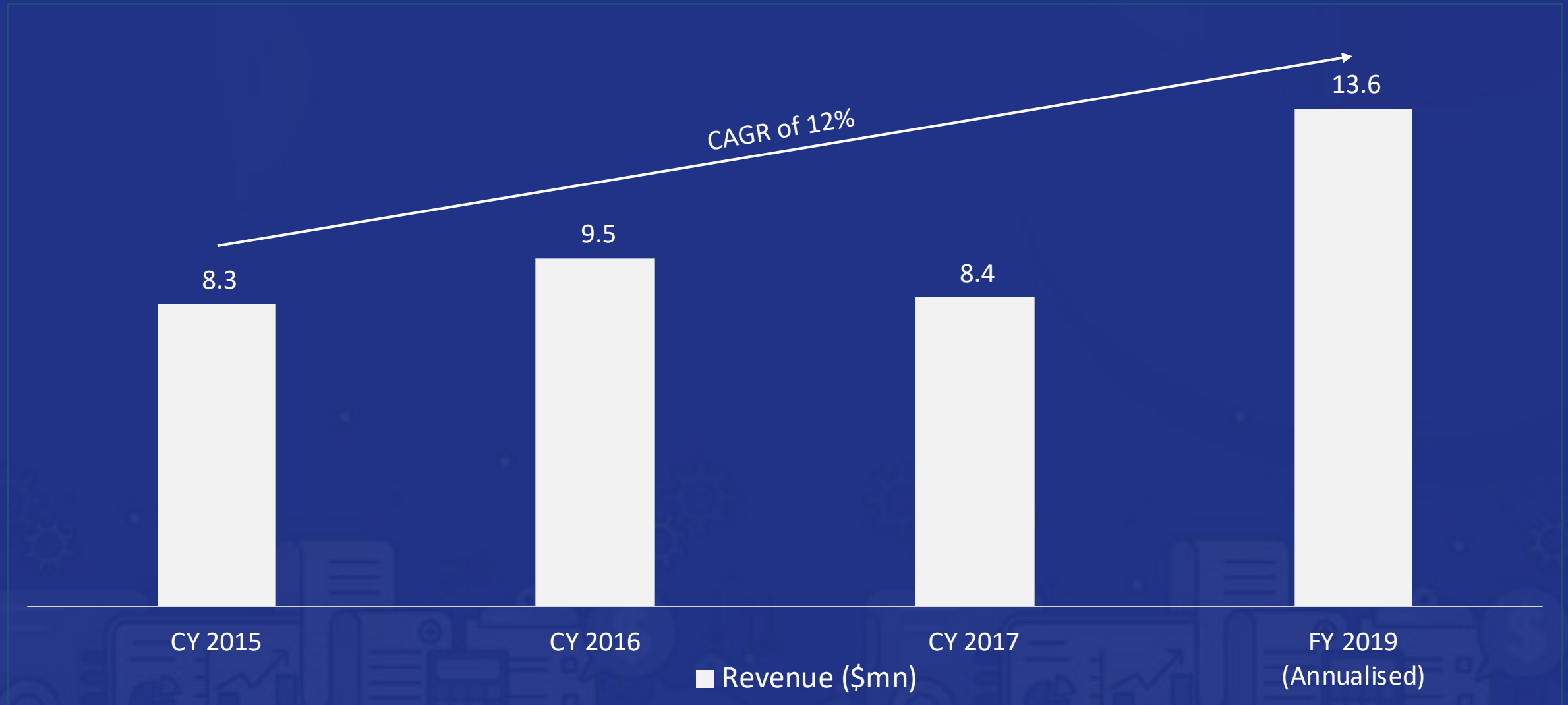
Started Data Driven Intelligence Practice

2018

Joined the HGS Family

HGS Interactive & Element Skills have been combined to drive scalability & Augment capabilities

Element Solutions: Revenue Growth



Today's Customer Experience

- Chaotic
- Consists of Micro-Moments
- Multi-Channel
- Emotional

89 %

Of customers admit
they would leave a
company after a bad
experience

Optimizing the Experience is Key

Driving Results. Consistently.

THE EFFORTLESS EXPERIENCE



DESIGN



TECHNOLOGY



Insights

DIGITAL SERVICES

Context

Convenience

Empathy

Speed

Resources

Empower

Engage

Enable



PEOPLE



PROCESS



DATA

BUSINESS PROCESS
MANAGEMENT

DIGITAL SERVICES

DIGITAL EXPERIENCE

- Web Experience Technologies
- Mobile Strategy and Apps
- Chatbots & Voice Assistants
- Omni-Channel Context Integration



DIGITAL AGILITY

- Cloud Enablement & Optimization
- Artificial Intelligence
- Digital Marketing Production
- Social Interactions Management

DATA-DRIVEN INTELLIGENCE

- Customer Data Platforms
- Hyper-Personalization
- Marketing Automation
- Digital Privacy & Governance

A World Leader in Cancer Research & Treatment

IMPLEMENTED A MULTI-HOSPITAL SITE INFRASTRUCTURE ON AMAZON WEB SERVICES

Previous site had daily or weekly down-times



Design – Web design and content



Implement – WebCenter Sites



Strategize – Optimal cloud solutions



Driving Results. Consistently.

A World Leader in Cancer Research & Treatment

99.999%

Guaranteed Site Availability



Best-in-Class
Digital User
Experience

Intention to Donate

183%

Web Traffic

10%

Outpatient
Visits

17%

Increase
Donations

23%

A \$17.6B Semiconductor Company and Market Leader in the U.S.



IMPROVED THEIR SPEED TO MARKET WITH
CLOUD-BASED CONTENT MANAGEMENT SOLUTION



Engage

Establish a scalable architecture



Protect

Integrate cloud & legacy technologies



Inform

Optimize cloud environment



Driving Results. Consistently.

A \$17.6B Semiconductor Company and Market Leader in the U.S.



35%

Reduction in IT Infrastructure
costs, year-on-year

- Improved Capabilities
- Delivered Better Customer Experiences
- Realized Optimal ROI

Driving Results. Consistently.

\$90B Health Insurance Company in the U.S.

LOWER COSTS AND BETTER SECURITY WITH **CLOUD MIGRATION**



Drive IT modernization



Reduce total cost of ownership



Gain flexibility to scale on demand

A \$17.6B Semiconductor Company and Market Leader in the U.S.

A large background image on the left side of the slide shows a person with a backpack standing on a rocky mountain peak. The person is silhouetted against a bright, hazy sky with soft clouds, suggesting a sunrise or sunset. The foreground is filled with dark, jagged rocks.

40%

Estimated reduction in TCO

- New portals
- New business ventures
- Big data platform migration

Driving Results. Consistently.

India's Second Largest Paint Company

A 360 DEGREE DIGITAL TRANSFORMATION LED BY
CONTENT MARKETING STRATEGY



Engage



Protect



Inform

Build – a profile for the brand

Equate – colours to different human senses

Amplify – brand reach with the help of influential guest bloggers



Driving Results. Consistently.

India's Second Largest Paint Company



500% growth in website traffic

15x increase in Facebook fans

#1 Twitter handle in Paints industry



Driving Results. Consistently.

UNIFIED MARKETING CHANNELS TO IMPROVE CUSTOMER ENGAGEMENT



Align – all marketing channels



Recruit – a team of content writers



Customize – responses and make them interactive



Driving Results. Consistently.



70% cases closed within 5mins

20x improvement in response
quality score

#1 Media brand in terms of positive
sentiment



Driving Results. Consistently.

\$3.2B Donut and Ice Cream Global Brand with 19K stores

UI/UX PORTAL TRANSFORMATION FOR 20K FRANCHISEES AND EMPLOYEES



Engage

New digital experience design



Protect

Framework for multi-brands



Inform

Better tool/content access



Driving Results. Consistently.

\$3.2B Donut and Ice Cream Global Brand with 19K stores



- Design work rated “Very successful”
- High-satisfaction from executive committee
- Top ratings from users and stakeholders



Driving Results. Consistently.

A DATA-DRIVEN EXPERIENCE **DEMO**

OMNI-CHANNEL DATA UNIFICATION DRIVES PERSONALIZATION IN CONTEXT



LESS ARTIFICIAL. MORE INTELLIGENCE.

Together, HGS can humanize this data-driven CX world.

FINANCIAL OVERVIEW

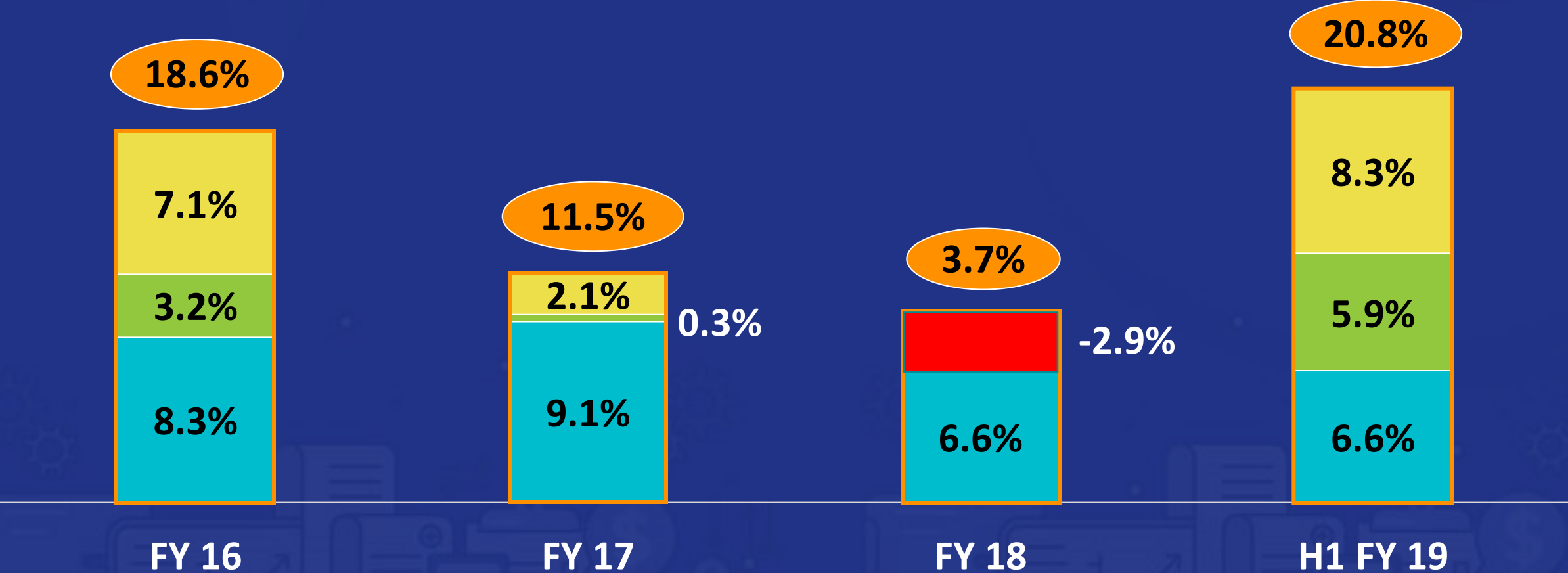
SRINIVAS PALAKODETI, GLOBAL CFO, HGS

ANALYST & INVESTOR MEET 2018

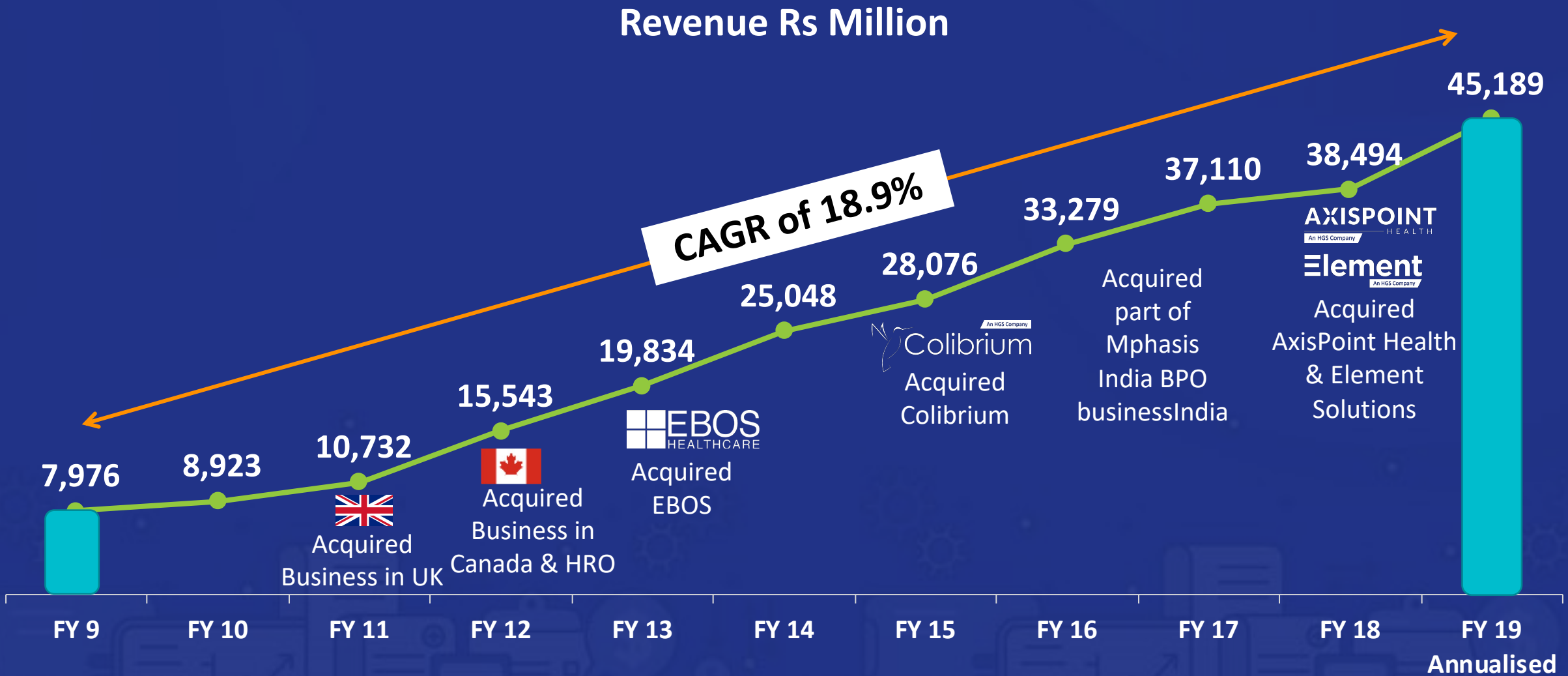


Growth Summary

■ Volume Growth ■ FX Impact ■ Impact of Acquisitions

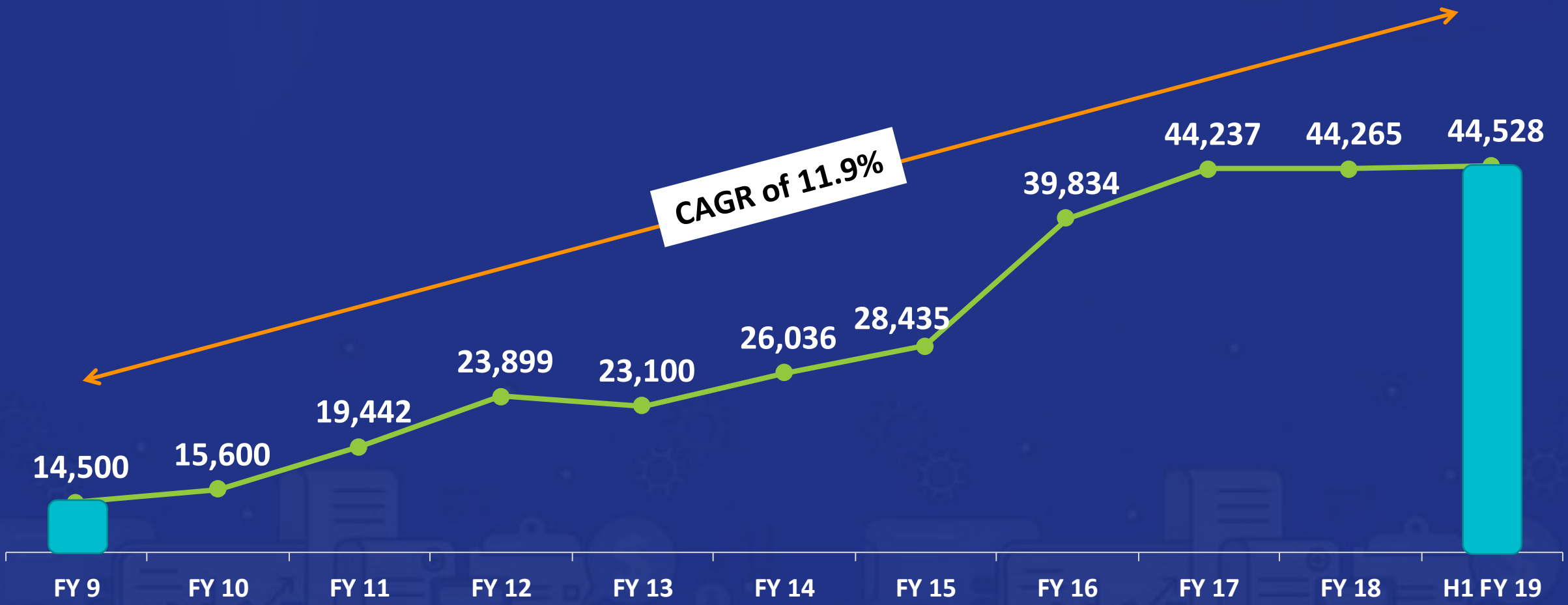


HGS Revenue Growth Trendline

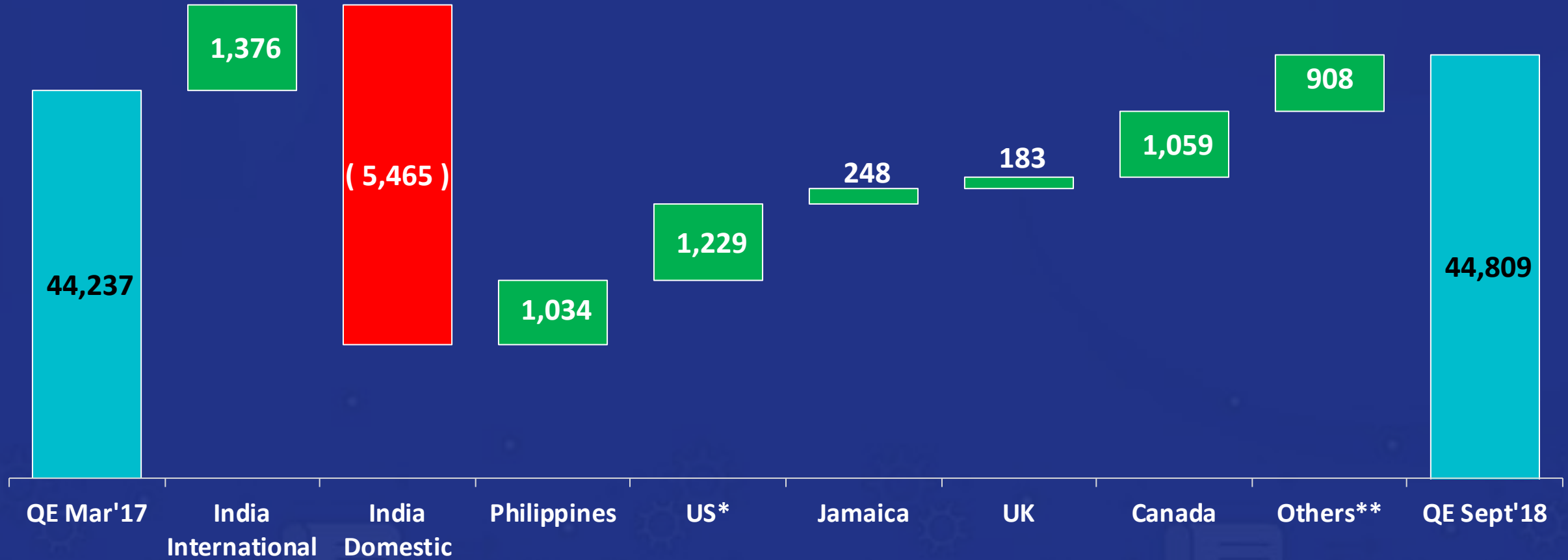


Last 10 years – Headcount CAGR of 12%

Headcounts



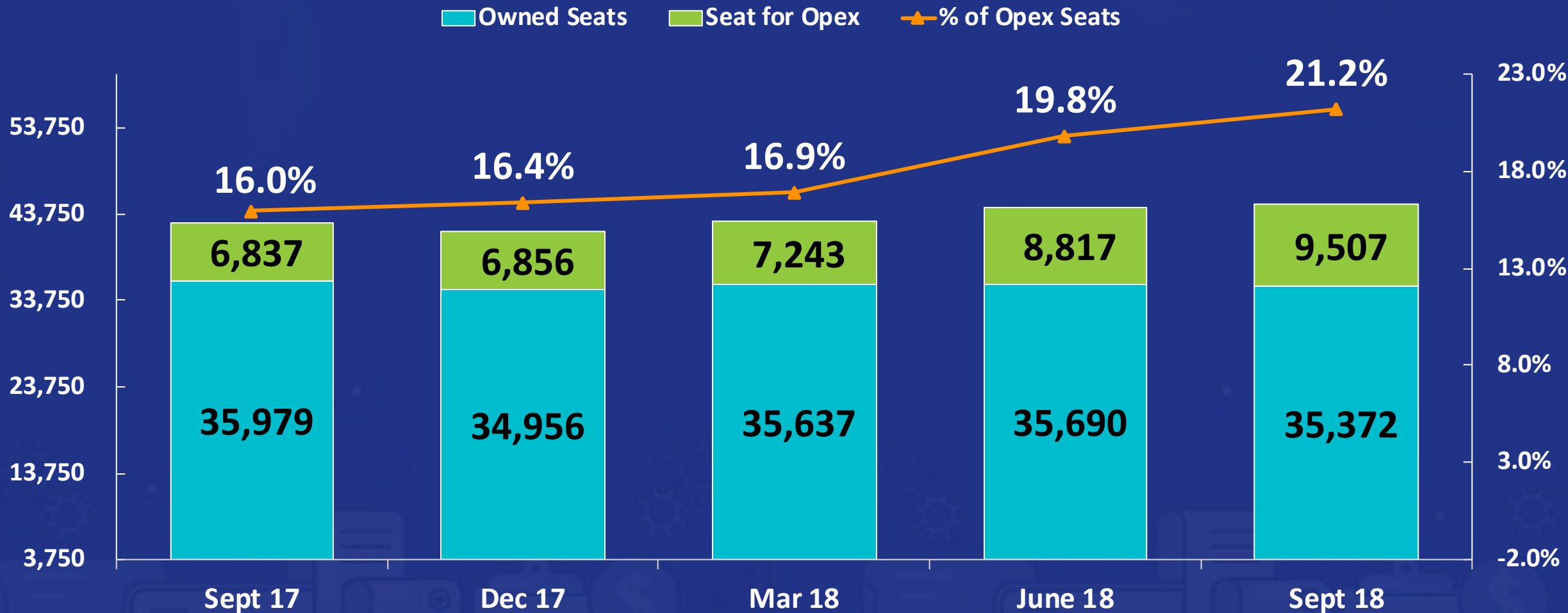
QE Mar 17 to QE Sept 18: 23 % Revenue Growth on flat head count !



* US –Headcount includes USA, Colibrium, Axis Point, Element Solutions

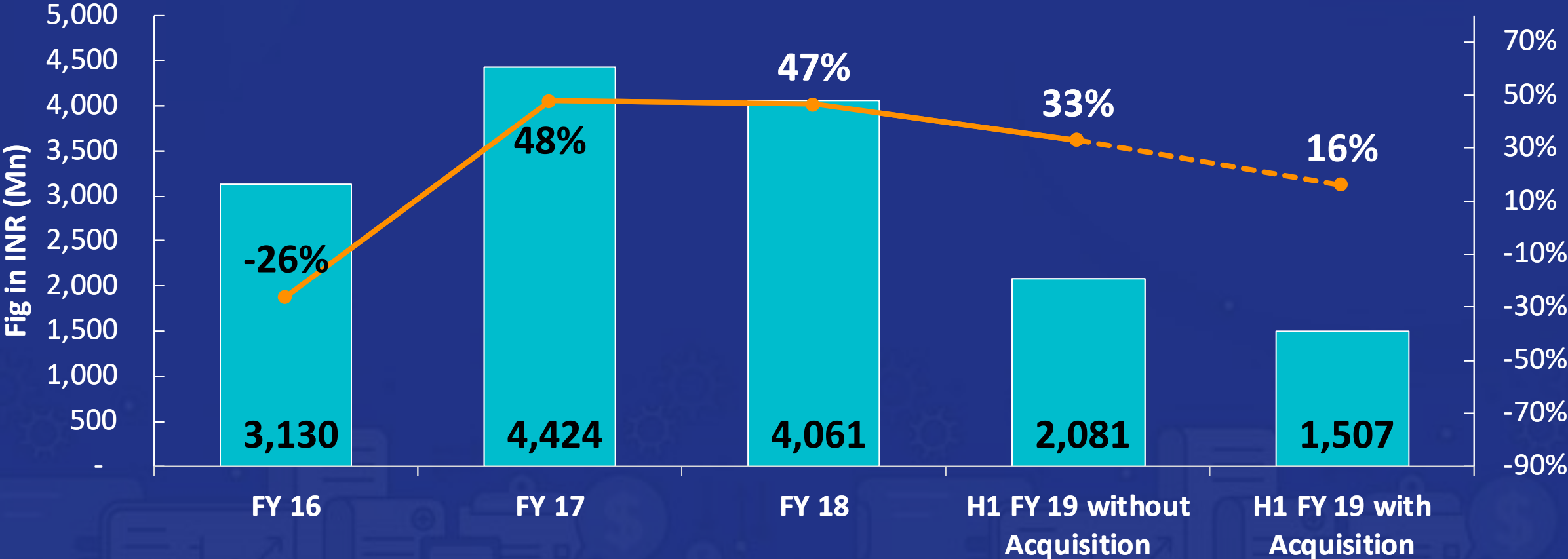
** Others – HBS & Shared Services

More Seats On Opex Model, Philippines has made a beginning

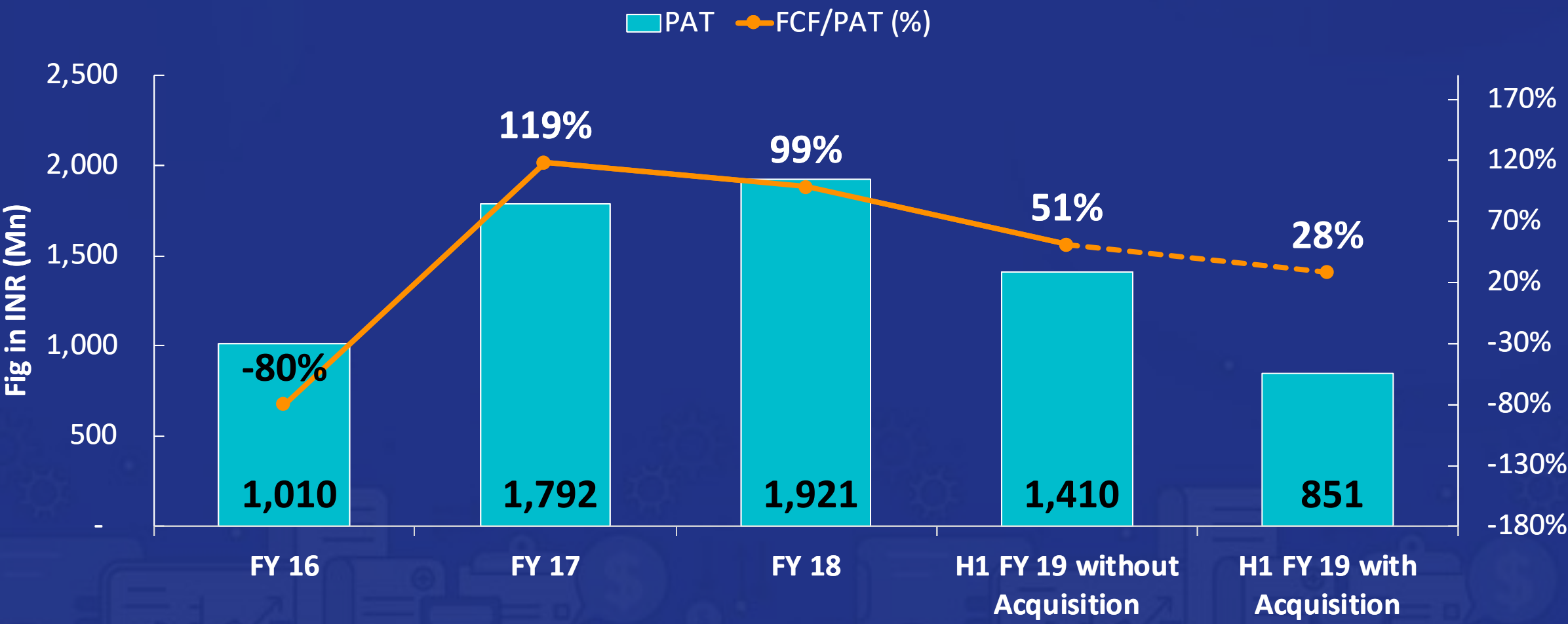


FREE CASH FLOW to EBITDA Ratio

EBITDA FCF/EBITDA (%)

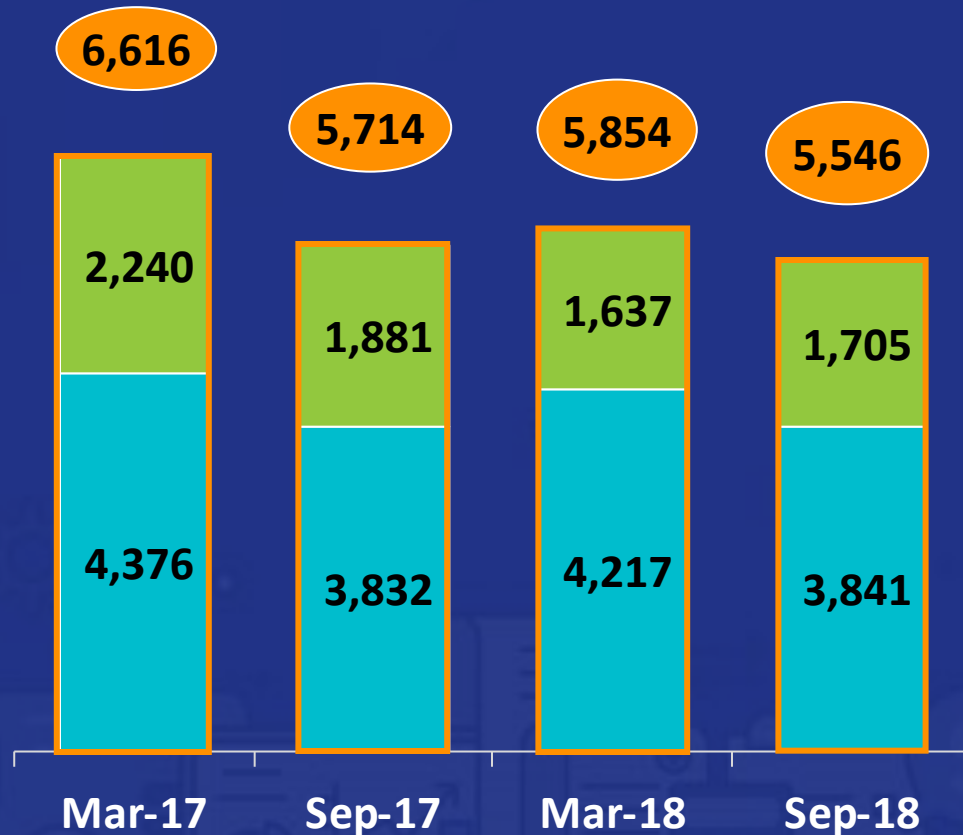


FREE CASH FLOW to PAT Ratio



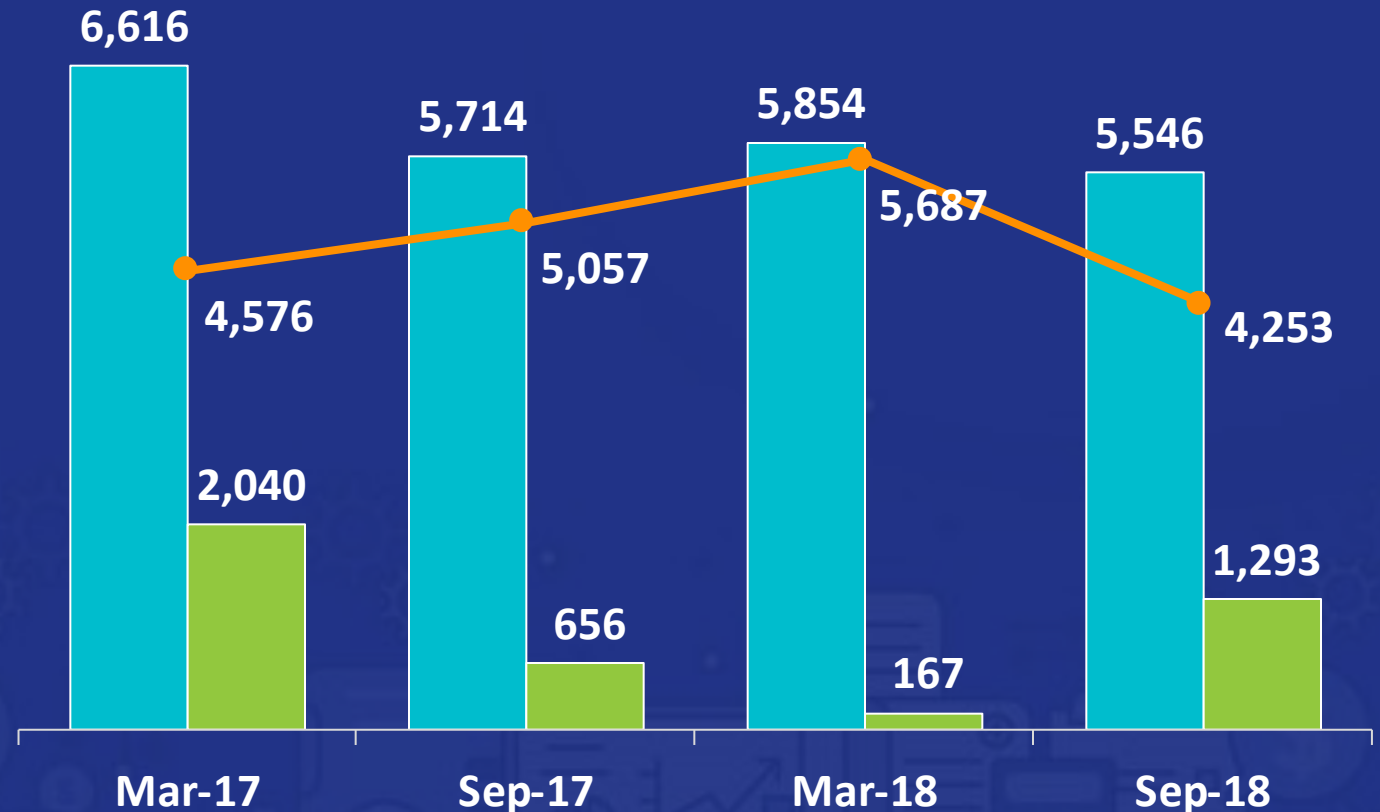
Debt Movement (In INR Mn)

Working Capital Term Loan



Gross Debt, Net Debt & Cash movement (In INR Mn)

Gross Debt Net Debt Cash & Cash equivalent



Leverage Ratio

Leverage ratio

—●— Gross Debt/TTM EBITDA —●— Net Debt/TTM EBITDA



Business ROCE & ROE Trend

—●— Business ROCE (%) —●— ROE (%) excl Treasury Cash



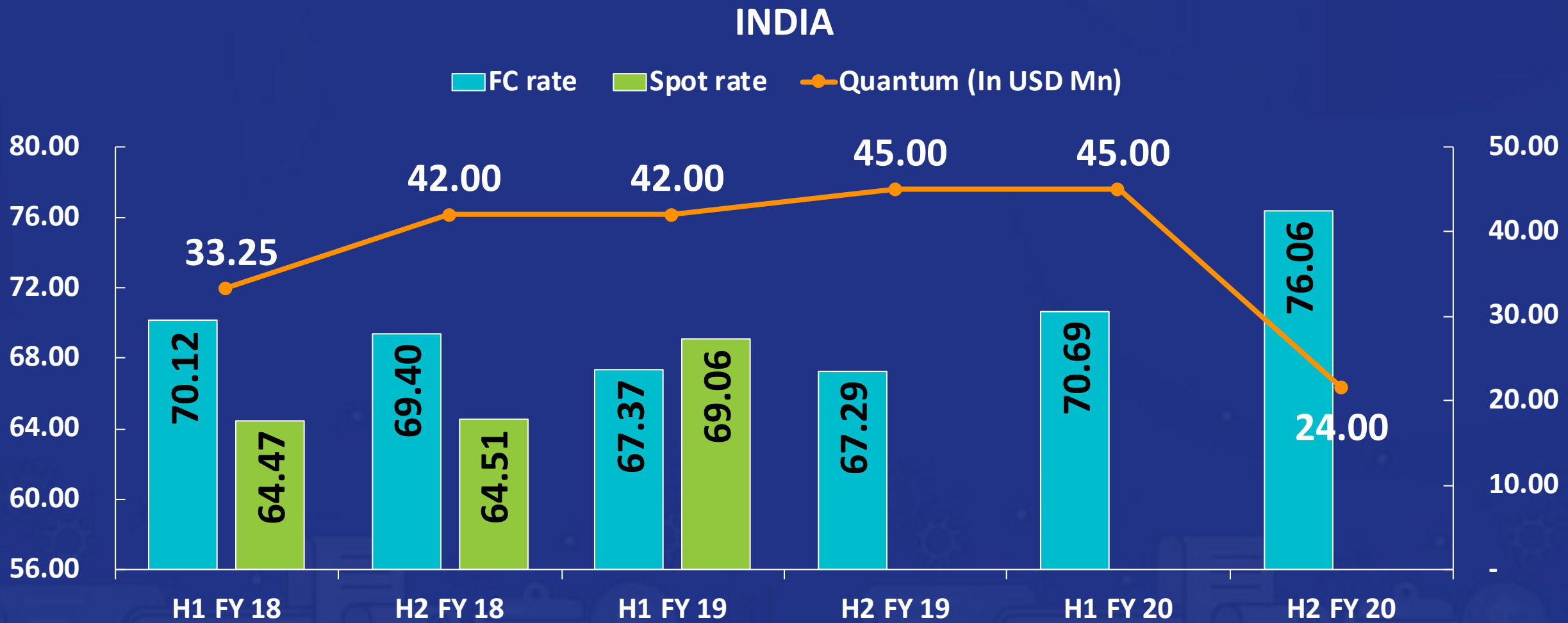
FY 16

FY 17

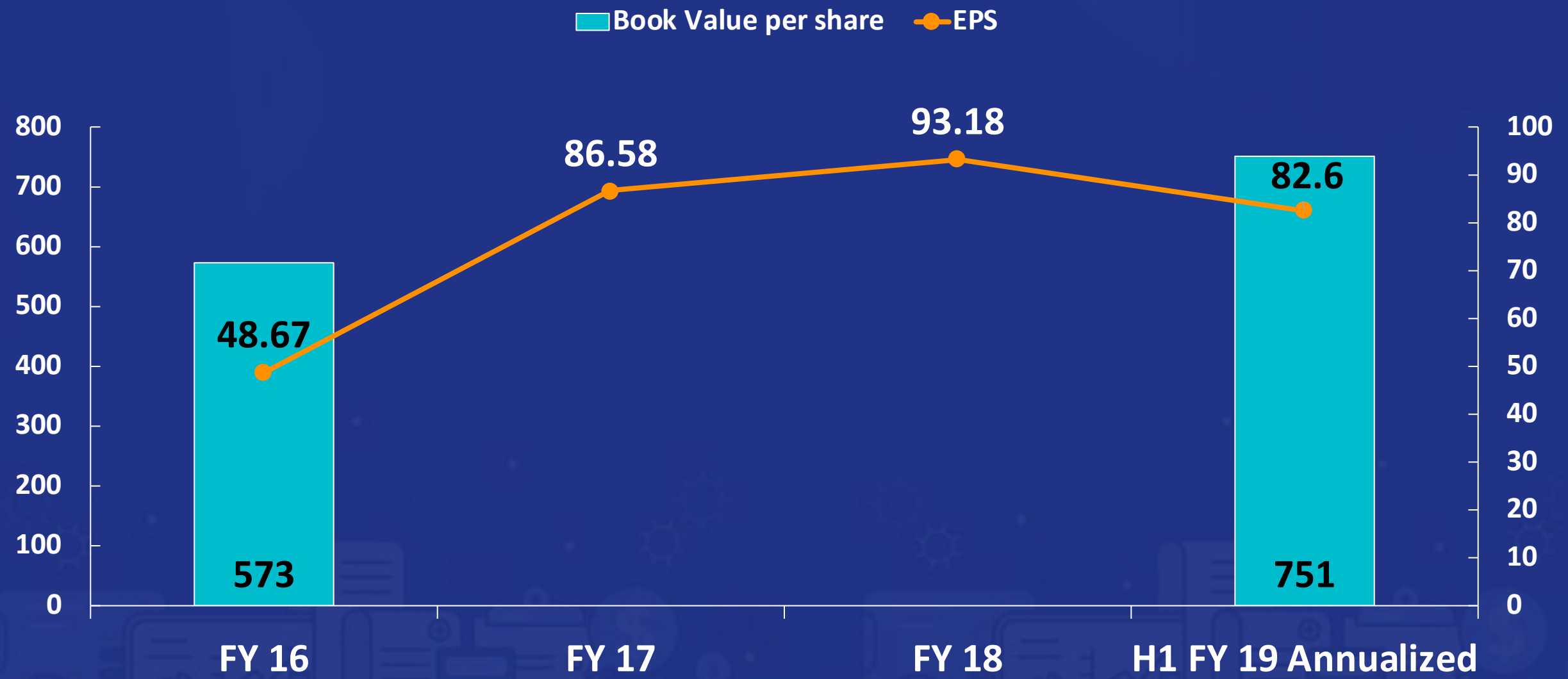
FY 18

H1 FY 19 without
Acquisition

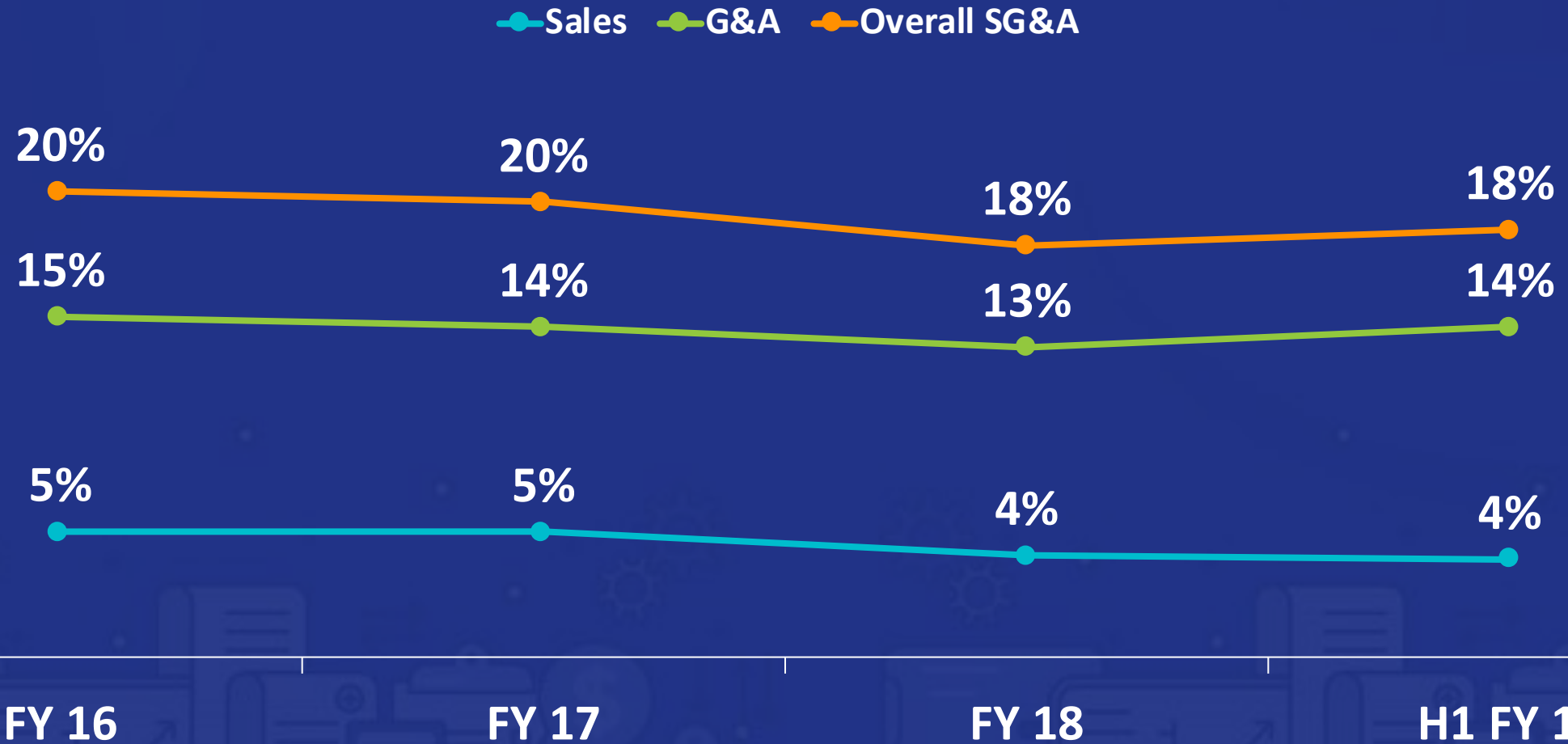
H1 FY 19 with
Acquisition



Book Value & EPS in INR



Expense as a % of Revenue



THANK YOU

WRAP UP

**PARTHA DESARKAR,
GLOBAL CEO, HGS**

HGS – A Future of Promise

Success Mantras

- ✓ A BPM market that shows no sign of slowdown
- ✓ HGS is a pure-play BPM player... An award-winning leader with deep domain knowledge
- ✓ Tenured relationships with clients
- ✓ Recognized for our superior digital transformation expertise
- ✓ Key partnerships with technology companies and start-ups
- ✓ Our diverse, multi-cultural workforce
- ✓ Leadership Tenure

To Sum Up

- ✓ Core business is strong and profitable
- ✓ Digital revenues growing at a rapid pace
- ✓ Building CoEs for new solutions and verticals
- ✓ APH pulled down profitability in H1; Significant cost synergies completed
- ✓ Improvement in APH profitability expected in Q4 onwards
- ✓ Trend of better H2 than H1 to continue in FY2019
- ✓ Focus on profitable growth and stronger free cash flow generation



THANK YOU





Impacting local communities every day through
corporate CSR programs and employee volunteering



HGS' CSR Program directly touches over
1,53,000 lives in India

