Market Opportunity and Company Outlook
Digital is the single biggest factor impacting the future of enterprises

new technologies led strategy, business model

disrupts status quo

Relevancy – the most important currency
Zensar is focused on **Return on Digital** for our customers enabled by

**Digital Agility,**

**Digital Cross-over of Business & IT Processes,**

& **Stability of Core systems**
Effective business is about Return on Digital

- ^ in sales for B2C
- ^ in customer loyalty for an Insurer
- ^ as a service products for a Manufacturer
- Personalized consumer experience
- Customizable premiums
- Platform based digital solutions, sensors driven, Analytics
Agility through Digital

**Analytics**
Manage and Analyse Internal and External data through proprietary platforms
Enable customers make data/information driven decision

**Cloud**
Migrate on premise application to public/private cloud
Integrate applications across Infrastructure

**Customer Experience**
Provide insights to enable customized customer experience
Click-and-Collect solution for omni-channel experience

**Automation**
Reduced development time and cost through automation

**Commerce**
Commerce platform implementation and 100% uptime during peak season
Uniform experience across channels
Digital Delivery • Business Outcome

Return on Digital
- Insightful Discoveries
- Effective Engagement
- Delightful Experiences
- Native Digital Business
- Predictable Lifetime Value

Digital Stack
- Social Business
- Internet of Things
- Commerce
- Cloud
- Analytics

Modernization & Automation
Reinvent business applications with intelligent automation

Technology Stack
- Custom Applications
- Enterprise Applications
- Infrastructure Management
Digital Ready - The multi-speed world

Traditional
- Custom Apps & Testing
  '0' disruption to business with Zensar’s tool ServiceEdge
- Enterprise Apps
  Template & domain based Implementations, Rollouts
- Infrastructure Services
  Managed Services in Infrastructure across data centre, end-user, networks, security & mobility

Cross-over
- Hybrid IT
- Transform & align existing infrastructure with Cloud Infrastructure
- Legacy Modernization
- Business processes led custom/package apps & cloud deployment
- Next Gen End User Engagements
- Self Service, Admin based unique tool across devices

Digital
- Commerce
- Native digital and Omni-channel
- Digital Analytics
- Business outcome driven engagements
- Customer & User Experience
- Analytics & Usability drives adoption and business results

CMO/CXO Focus

Stability Through Core Systems

Managed Services
Outcome based services framework ensures 99.9% uptime for customers

Custom Apps with Domain Experience
Helps organizations build domain specific next-gen applications extensible across systems

Infrastructure Mgmt.
Enables leading companies worldwide to optimize, secure, manage and support their mission-critical infrastructure

Oracle
Trusted Transformation Partner globally across the Oracle Stack with 800+ Implementations, Upgrades, & Global Rollouts

60% reduction in test cycles thru automation, improving the multi country time-to-market by 30% for a leading Insurance company

100% of orders from B2B platform resulting in year-on-year revenue 8% increase for Fortune 100 Mfg Leader

70% savings thru Self-Service Digital platform integrated with Legacy Claims system for leading Insurance provider

91% increase in online revenue and 60% increase in order placed for a leading luxury fashion retailer

17% increase in revenues for a leading supermarkets chain thru Recommendation engine built on Zensar Analytics platform

91% increase in online revenue and 60% increase in order placed for a leading luxury fashion retailer

Delivering the Return

Through Zensar’s Solutions & IPs

Robotics Process Automation

Oracle IoT

Next-Gen IM Services

CMO Solutions
Our **Growth Engines**

### Zensar Digital
- To grow to 30% of Revenues in 12 months
- 15% of Revenues from Oracle Commerce & Magento
- Balance from Other Digital and Cross-Over services
- Largest Oracle Commerce practice in the world
- Analytics focus on CX and Shopfloor & IOT

### IMS Cloud
- To grow to 15% of Zensar Revenues in 12 months
- Hybrid IT and RIM* to drive all growth
- Zensar’s cutting edge Automation IP key differentiator

### Strategic Deals
- Focus on Deal sizes of 10+ M TCV
- Zensar’s differentiation is its Automation frameworks
- Multi-service focus
- Digital led

### Oracle
- 33% of Zensar’s revenues from the Oracle Ecosystem
- Oracle Platinum partner
- Complete Portfolio of Services
- Big Bet on Oracle Cloud SaaS and PaaS solutions

---

[Image: www.zensar.com | © Zensar Technologies 2016]
80% incremental spend to be around Digital

Significant shift in the spending mix

Global enterprise technology and business services spend

USD billion

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2020E</th>
<th>Growth In Traditional Service lines</th>
<th>Digital Service Lines</th>
<th>2020E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital tech.¹</td>
<td>2,757</td>
<td></td>
<td>-15-25%</td>
<td>2,100 - 2,300</td>
<td>190 - 290</td>
</tr>
<tr>
<td>Consulting SI</td>
<td></td>
<td></td>
<td></td>
<td>1,000-1,190</td>
<td></td>
</tr>
<tr>
<td>BPO</td>
<td></td>
<td></td>
<td></td>
<td>3,440-3,550</td>
<td></td>
</tr>
<tr>
<td>ADM</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Packaged Software</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Opportunities

- **SaaS**
  - 4x increase in apps
  - Market will reach $70B by 2025

- **PaaS**
  - 36% CAGR growing at 8%

- **Omni Commerce**
  - $25B by 2020

- **CMO organization**
  - Key driver for revenue growth
  - Leading consumer of Digital services

- **Big Data / Analytics**
  - 4x increase driven by micro use cases

- **IoT**
  - 20% Y-o-Y growth in software and sensors

- **Legacy-Digital integration**
  - $0.1-1 for every $1 Digital investment

SOURCE: Gartner (April 2014); IDC; Team analysis

¹ Digital Technologies include Social Media, Mobile Applications, Big Data/Analytics, Cloud (IaaS, SaaS, BaaS) and Cyber Security
Zensar Digital – Solutions Stack

**Big Data & Analytics**
- Grew 29% YoY
- Data Wrangling, Data Science, Analytics & Visualization
- Retail, Insurance, Manufacturing Solutions
- Zensar’s proprietary context platform

**Cloud**
- Grew 30% YoY
- SaaS, IaaS, PaaS
- Migration, Integration & development
- Focus on Hybrid Application & Infra clouds with cloud architecture
- Oracle, SFDC, SAP, AWS, Navisite

**Design Experience**
- Grew 34% YoY
- Customer Journey Mapping, UX, CXM, Augmented Reality, Wearables
- Delivering E2E customer experience across multiple channels & devices
- Zensar’s proprietary experience platform

**Digital Marketing Services**
- Grew 37% YoY
- Web ops, Data ops, Marketing ops, Social ops
- Business Outcome driven engagements
- Adobe, Oracle, Marketo, SFDC, Sitecore
Zensar Digital – Solutions Stack

**B2C Commerce**
- Grew 25% YoY
- Implementation of high performance Omni channel experience
- Ecommerce, Mobile Commerce, Data Analytics, UX, CX
- Oracle Commerce, SAP Hybris & Magento

**B2B Commerce**
- Grew 35% YoY
- Customer Acquisition to Service
- Implementation, Integration & Development
- Focus on E2E Customer Success
- Oracle, SFDC, SAP

**IoT/ Industrial Internet**
- Extensive domain expertise in discrete manufacturing & SCM
- Proven Solution framework with Outcome-based delivery model
- Strong partner eco system with respective proprietary frameworks

**Cybersecurity**
- Grew 21% YoY
- Zensar’s proprietary Compliance and Risk Assessment tool
- Capability across GRC, SEIM, HIPPA, PCI DSS, Threat & Vulnerability Management, DLP, Threat Discovery & Analytics
Zensar IMS and Cloud Solutions

**Unified IT Management**
- Driven by automation, orchestration, and analytics
- **IP:** Bimodal IT Operations Management through platform integration and orchestration
- **Partners:** Computer Associate, Arago, ServiceNow, BMC, Manage Engine, Solarwinds
- Up to 30% productivity gains and 40% MTTR improvement delivered for a large Credit Rating agency

**Next-Gen EUC**
- Proactive support, with 360 real time visibility around user experience and productivity
- **IP:** Zensar WorkEdge provides Proactive, Preventive and Predictive support
- **Partners:** Aternity, Nano Heal, Lakeside Software, ServiceNow
- Up to 54% business app performance Improvement, 36% productivity gains delivered for a US Finance Major

**Hybrid IT**
- Automated and Orchestrated provisioning and management of Public, Private and On-Premise Infrastructure
- **IP:** Integrated platform across technologies and hosting models
- **Partners:** AWS, Azure, NaviSite, OpenStack, VMware, Docker, Chef, Puppet
- Up to 45% cost reduction over on premise hosting for a large Manufacturing company

**Network Security**
- Design, Implement and Manage comprehensive IT Security frameworks,
- **IP:** Global SOC built on market leading automation technologies with predictable defence mechanism
- **Partners:** Check Point, RSA, Infoblox, Extreme Networks, Forescout
- Up to 32% efficiency gains, security prevention improvements of 40% for a leading Chip manufacturer
Superscaling Farm

- 65 High Potential Accounts with an average relationship age of 6 years
- Zensar rated highly in Delivery in all these accounts
- Multiple Vectors at play where Zensar is ideally positioned to grow

**Core Services**
- Automation based AMS and IM
- Application cloud migration with Zensar’s differentiated capability in SaaS and PaaS

**Disintermediation through Commerce**
- Commerce to scale Online B2C business for retail and Insurance
- B2B commerce to help scale Manufacturing accounts
- Digital CX solutions to stitch the entire Customer experience together

**Outcome based models**
- Integration of Application – Infra – Business Process to help Zensar scale these accounts through out-come models

**Other Investments**

- Three-in-a-box
- Client Partner Model
- Client Specific IP

Client Specific IP
FY 16
Business Highlights
Highlights for FY16

- **Revenue Performance:**
  - Grew 5.1% Year-on-Year in CC organic basis led by good growth in our Applications business which grew at 11.3% Year-on-Year on CC organic basis
  - The efforts to mine existing accounts and to add new clients and reduce tail accounts continues to show good results with Top 20 accounts now accounting for 55% against 51% last year
  - Large deal wins across all key geographies

- **Profitability & EPS Performance:**
  - All profitability parameters showed improvement on a Year-on-Year basis
  - Profit After Tax grew by 9.4%, Operating profit grew 5.1%
  - Diluted EPS grew 15.7%

- **Digital Performance:**
  - Digital now accounts for 27% of Zensar revenues, led by strong growth in Digital Commerce
  - Digital commerce increased 25% Year-on-Year
  - All aspects of Digital have recorded a growth of 25%+
Highlights for FY16

- **Key Territory Performance:**
  - Africa grew 30% Year-on-Year in Constant currency
  - Europe grew 10% Year-on-Year in Constant currency
  - US grew by 7% and we continue to see increased customer traction led by Digital conversations

- **Key Verticals Performance:**
  - Retail continues to grow strongly on the back of commerce and digital revenues and grew 27% in USD terms
  - BFSI was impacted both by the loss of a key account and the continuing slide of the ZAR
  - Manufacturing was impacted by large project ramp downs and the delay in start of a few projects

- **Onsite-Offshore portfolio:**
  - Onsite offshore mix has improved from 66:34 to 64:36
  - Managed Services as a component of total revenue continue to improve now at 51% against 47% last year
Several Large Deal Wins in FY16

- Won a Multi-year Managed Services Deal for UK’s largest department store retailer to manage their Custom and package applications.

- Chosen by one of Great Britain’s leading purchaser of energy generated by the independent sector, to be the sole system integrator across SFDC and other 3rd part systems.

- Won a multimillion dollar with a leading US kids products retailer to build and install their Ecommerce site.

- Signed our first Oracle Commerce Cloud deal with Latin America’s leading Speciality retailer and financial services company.

- Chosen by an International inter-governmental organisation to enhance and reengineer its ERP & BI applications as a part of a multi-year business transformation program.
Analyst Recognition for Zensar

- Recognized by Gartner as a ‘Key Player’ in the 2016 Market Trends for Application Testing Services Must Address the Shift to Digital Business – May 2016
- Included in the Gartner Digital Commerce Vendor Guide, 2016 for its Digital Commerce Services – June 2017
- Identified by Gartner as a niche player in its Magic Quadrant for ‘Data Centre Outsourcing and Infrastructure Utility Services’ in North America – July 2015
- Recognized by IDC in its report on IoT capabilities offered by SIs in manufacturing – Jan 2016
- Recognized by Forrester for its Digital Experience Delivery Services – Feb 2016
- Acknowledged by Everest in its PEAK Matrix as a major contender for Insurance Application Outsourcing – Nov 2015
- Acknowledged by Everest in its PEAK Matrix for its Digital Services – Nov 2015
- Silver Shield for Excellence in Financial Reporting by the Research & Development committee of the Institute of Chartered Accountants of India for FY14-15 – Feb 2016
## FY16 Financials

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY16</th>
<th>Year-on-Year Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD Mn</td>
<td>INR Cr</td>
</tr>
<tr>
<td>Revenue</td>
<td>$453</td>
<td>₹2,964</td>
</tr>
<tr>
<td>EBITDA</td>
<td>$67</td>
<td>₹440</td>
</tr>
<tr>
<td>EBIT</td>
<td>$60</td>
<td>₹395</td>
</tr>
<tr>
<td>PAT</td>
<td>$47</td>
<td>₹309</td>
</tr>
</tbody>
</table>

### Traditional to the Transformational

Complete technology services portfolio – Applications, Infrastructure, Digital & Industry specific solutions

## FY16 Performance

<table>
<thead>
<tr>
<th>US$ Million</th>
<th>FY16</th>
<th>FY15</th>
<th>YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$ 452.8</td>
<td>$ 429.7</td>
<td>5.4%</td>
</tr>
<tr>
<td>Revenue growth (CC)</td>
<td>$ 466.4</td>
<td>$ 429.7</td>
<td>8.5%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>$ 67.4</td>
<td>$ 64.1</td>
<td>5.1%</td>
</tr>
<tr>
<td>EBITDA%</td>
<td><strong>14.9%</strong></td>
<td><strong>14.9%</strong></td>
<td></td>
</tr>
<tr>
<td>Tax</td>
<td>$ 17.9</td>
<td>$ 16.6</td>
<td></td>
</tr>
<tr>
<td>Effective Tax Rate</td>
<td><strong>27.3%</strong></td>
<td><strong>27.7%</strong></td>
<td></td>
</tr>
<tr>
<td>PAT*</td>
<td>$ 47.3</td>
<td>$ 43.2</td>
<td>9.4%</td>
</tr>
<tr>
<td>PAT%</td>
<td><strong>10.4%</strong></td>
<td><strong>10.1%</strong></td>
<td></td>
</tr>
<tr>
<td>EPS - Diluted (INR)</td>
<td>68.6</td>
<td>59.3</td>
<td></td>
</tr>
</tbody>
</table>

*PAT after minority interest*
Long-term Growth and Profitability Track Record

- **Revenue (USD Mn)**: 12.5% CAGR
  - FY11: 251
  - FY12: 372
  - FY13: 389
  - FY14: 383
  - FY15: 430
  - FY16: 453

- **EBITDA (USD Mn)**: 11.0% CAGR
  - FY11: 40
  - FY12: 52
  - FY13: 56
  - FY14: 59
  - FY15: 64
  - FY16: 67

- **PAT (USD Mn)**: 10.1% CAGR
  - FY11: 29
  - FY12: 33
  - FY13: 32
  - FY14: 39
  - FY15: 43
  - FY16: 47
FY16 Revenue Mix

### Services
- Application Management: 76%
- Infrastructure Management: 24%
- IMS: 16%
- MVS: 8%

### Industries
- Manufacturing: 54%
- Retail, CPG: 22%
- Financial Services: 19%
- Emerging: 5%

### Geographies
- US: 77%
- Europe: 10%
- Africa: 8%
- ROW: 5%

### Project
- Time & Material: 49%
- Fixed Price: 51%
Infrastructure Business

- **Focused Businesses:**
  - MVS and IMS & Cloud to be run separately as focused businesses
  - Each entity being staffed with relevant Industry experts

- **IMS & Cloud:**
  - Now being run as an independent end-to-end horizontal
  - Focused on growing through multi-service deals in existing marquee clients
  - Zensar’s differentiated propositions include Hybrid IT, Unified IT, Next-Gen EUC, and Network Security solutions

- **MVS:**
  - Separate entity to focus on Scale & Density
  - Increase focus on Direct clients and revamp Product Mix
### Million Dollar Clients

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 Mn Dollar+</td>
<td>2</td>
</tr>
<tr>
<td>10 Mn Dollar+</td>
<td>4</td>
</tr>
<tr>
<td>5 Mn Dollar+</td>
<td>5</td>
</tr>
<tr>
<td>1 Mn Dollar+</td>
<td>64</td>
</tr>
</tbody>
</table>

### Revenue Concentration

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 5 Clients</td>
<td>37%</td>
</tr>
<tr>
<td>Top 10 Clients</td>
<td>45%</td>
</tr>
<tr>
<td>Top 20 Clients</td>
<td>55%</td>
</tr>
</tbody>
</table>
FY16 Employee Details

### Headcount

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FY15 Headcount</td>
<td>8,174</td>
</tr>
<tr>
<td>Net Additions</td>
<td>82</td>
</tr>
<tr>
<td><strong>FY16 Headcount</strong></td>
<td><strong>8,256</strong></td>
</tr>
<tr>
<td>Technical – Onsite</td>
<td>1,522</td>
</tr>
<tr>
<td>Technical – Offshore</td>
<td>5,633</td>
</tr>
<tr>
<td>Technical – BPO/Others</td>
<td>361</td>
</tr>
<tr>
<td>Marketing</td>
<td>137</td>
</tr>
<tr>
<td>Support (including Trainees)</td>
<td>603</td>
</tr>
<tr>
<td><strong>% of women employees</strong></td>
<td><strong>25.1%</strong></td>
</tr>
</tbody>
</table>

### Utilization

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Excluding Trainees</td>
<td>81%</td>
</tr>
</tbody>
</table>

### Attrition

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Attrition (Annualised)</strong></td>
<td><strong>16.0%</strong></td>
</tr>
</tbody>
</table>

### Revenue Mix

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Onsite</td>
<td>64%</td>
</tr>
<tr>
<td>Offshore</td>
<td>36%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>
Balance Sheet and Cash Flow

### DSO (Days)

<table>
<thead>
<tr>
<th></th>
<th>FY15</th>
<th>FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billed</td>
<td>63</td>
<td>65</td>
</tr>
<tr>
<td>Unbilled</td>
<td>24</td>
<td>29</td>
</tr>
</tbody>
</table>

### Cash Conversion (% of EBITDA)

<table>
<thead>
<tr>
<th></th>
<th>FY15</th>
<th>FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>64%</td>
<td>67%</td>
</tr>
</tbody>
</table>

### USD Mn

<table>
<thead>
<tr>
<th></th>
<th>FY15</th>
<th>FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short Term Debt</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Long Term Debt</td>
<td>24</td>
<td>16</td>
</tr>
<tr>
<td>Cash and Cash Equivalent</td>
<td>32</td>
<td>43</td>
</tr>
<tr>
<td><strong>Net Cash:</strong></td>
<td><strong>4</strong></td>
<td><strong>21</strong></td>
</tr>
</tbody>
</table>

### Capex (US$ Mn)

<table>
<thead>
<tr>
<th></th>
<th>FY15</th>
<th>FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex</td>
<td>7.5</td>
<td>6.9</td>
</tr>
</tbody>
</table>
Stock Price and Shareholding

**Shareholding Pattern (as on 31\textsuperscript{st} Mar 2016):**

- Promoter: 15.0%
- Apax Partners: 23.1%
- FII / FPI: 47.8%
- DII, Banks and Others: 4.5%
- Fidelity: 9.6%

**Equity Share Information:**

- Share Price (23 June,16): INR 974 / share
- Market Cap (23 June,16): INR 4,352 Crs.
- Financial Year: April to March
- Face Value: INR 10 / share
- Listed on Indian Stock Exchanges:
  - Bombay Stock Exchange (code: 504067)
  - National Stock Exchange (code: ZENSARTECH)
- Bloomberg Code: ZENT.IN
- Reuters Code: ZENT.BOx
Thank You