

DATAMATICS GLOBAL SERVICES LIMITED Q3 & 9M FY19 Results Update JANUARY 2019





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- FINANCIAL OVERVIEW & SHAREHOLDING PATTERN
- AWARDS & CERTIFICATIONS

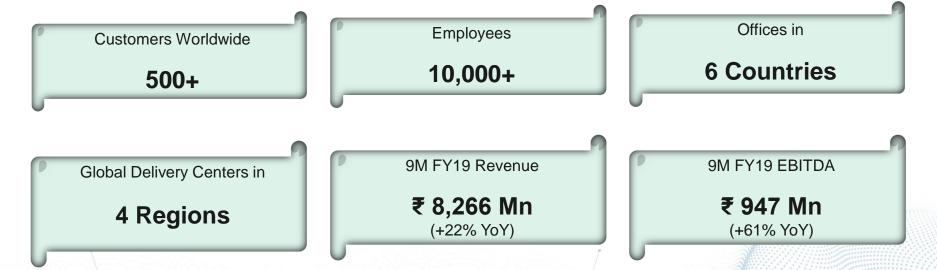




BRIEF PROFILE



We build intelligent solutions for data-driven businesses to enhance their productivity and customer experience



OUR PORTFOLIO



Business Process Management

- Finance & Accounting
- Banking Process Management
- Insurance Process Management
- Customer Support Service
- Robotics Process Automation (RPA)

- Publishing
- · Retail / e-Commerce
- Cloud Services
- Robotic Test Automation
- Enterprise Content Mgmt. & Workflow Solutions

IT Services

- Web Design & Development
- Application Management Services
- · Enterprise Mobility
- Virtual & Augmented Reality
- Digital Consulting

TruBot iPM

Big Data & Analytics

- Research & Analysis
- Advanced Analytics & Data Sciences
- Business Intelligence & Data Visualization
- Big Data and Data Lakes
- Enterprise Data Management

TruBI



Engineering Services

- · Automated Fare Collection
- Point of Sale & ATM Solutions
- Self Service Terminals
- Internet of Things

TruFare

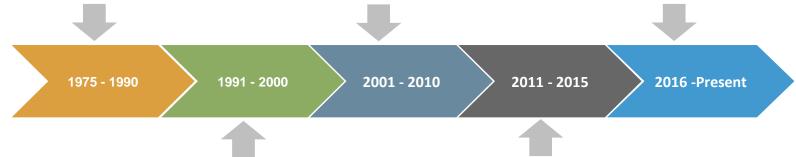
KEY MILESTONES



- Datamatics incorporated (1975)
- India's 1st offshore development centre for Wang Labs, USA (1983)
- 1st to develop & export S/W via satellite to Bell Labs (1989)

- Acquired Saztec (USA,2003)
- Acquired Corpay for Accounts Payable solutions (USA, 2003)
- BUPA on boarded as customer (2003)
- IPO (2004)
- JV with Cybercom (2006)
- Launch of iPM & iQ (2007)

- Opened new delivery centre in USA
- Acquired TechJini, boutique mobile & web technology provider (India, 2017)
- Acquired RJGlobus Solutions, voice & text based customer service provider (2018)
- TruBot debut in Everest Group's PEAK Matrix for RPA (2018)



- India's 1st e-publishing co. (1992)
- 1st in India & 2nd in the world to obtain ISO 9002 certification in e-publishing (1998)
- Most innovative S/W product awarded by the Prime Minister of India (1999)

- Launched DataLabs (2011)
- Acquired Cignex, open source ECM (USA, 2011)
- Acquired PMG, publishing service provider (India, 2013)
- Launched own RPA product TruBot (2014)
- Acquired TruBI from MAIA Intelligence (India, 2015)

KEY FOCUS AREAS



SHORT TERM

MEDIUM TERM

Account Penetration & Focus on larger deals

Invest in Automation to improve productivity

AFC opportunity – Focus on Indian Metro Rail Projects

Strategic Acquisitions

Digital

Establish Partners & Reseller Channel

Focus on Products – Robotics & Advance Analytics

Artificial Intelligence

ROBOTIC PROCESS AUTOMATION – TRUBOT





2,600+ active TruBots

An active customer base of **96 globally**

Over 23 million documents processed through OCR

70% clients with over\$5 billion revenue

Catering to customers across Banking, Healthcare, Insurance, Manufacturing and Logistics

TRUBOT RECOGNISED IN GARTNER, IDC AND EVEREST REPORTS

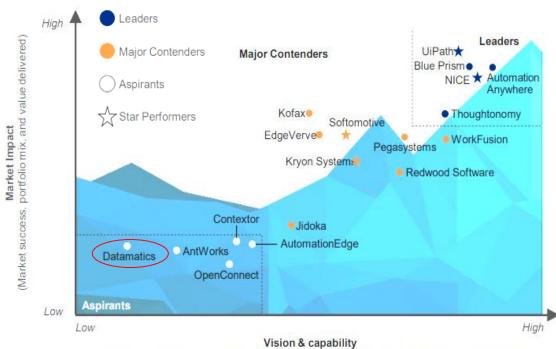


As per Grand View Research Report (Oct 2018), RPA Market will be worth USD 3.11 Bn by 2025

"Our extensive research on various RPA vendors, done as part of 'The Future of Work and Robotic Process Automation Vendor Assessment 2018 for Asia Pacific (Excluding Japan)' report suggests that Datamatics effectively leverages its heritage in document processing-related business process services to encode its deep domain expertise into ready-to-use, cognitive-enabled bot offerings such as the TruBot Neuro.

Another interesting differentiator is that a single TruBot can be trained in multiple processes so the same bot can perform different activities at different times, allowing customers to optimize their bot license costs."

Mr. Pushkaraksh Shanbag IDC Analyst



(Vision & strategy, development & integration, deployment & maintenance, product training & support, and commercial model)

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EXPERIENCED MANAGEMENT TEAM





DR. LALIT KANODIA Chairman



RAHUL KANODIA Vice-Chairman & CEO



SANDEEP MANTRI VP & Chief Financial Officer



BRAJESH UGRA
President – Global Head - Sales



NAVIN GUPTA EVP & Global Head BPO Services



SANJEEV SUBHEDAREVP & Global Head Engineering Solutions



SACHIN RANE EVP & Global Head -Software Solutions



SANJEET BANERJI EVP & Global Head – Al & Cognitive Sciences



SHASHI BHARGAVA EVP & Global Head -Solutions Group



SANDEEP ARORA
EVP & Global Head – Consulting &
Advisory Practice



RAJESH AGARWAL Head – Robotic Process Automation



MITUL MEHTA
SVP & Global Head - Marketing
& Communications



DIVYA KUMATEVP, Chief Legal Officer
& Company Secretary



ALOK KUMAR JHA EVP & CHRO



GOPAL RANJAN Global Head Quality



QUARTERLYUPDATE

Q3 & 9M FY19 - KEY HIGHLIGHTS





Description (In Rs. Mn.)	Q3 FY 18-19	Q3 FY 17-18	Growth %	9M FY 18-19	9M FY 17-18	Growth %
Revenue	2,859	2,348	21.8%	8,266	6,755	22.4%
EBITDA	317	208	52.5%	947	590	60.6%
PBT	193	249	-22.7%	792	705	12.0%
PAT	128	185	-30.8%	580	563	3.0%
EBITDA as % of Revenue	11.1%	8.8%	223 bps	11.5%	8.7%	273 bps



Revenue - Rs. 2,859 mn, up 21.8%

Q3 FY19 - YoY Analysis

- Region Wise USA (+28.3%), Europe (+7.7%)
- Industry Wise Manufacturing (+56.1%), Publishing (+21.4%)
- EBITDA Rs. 317 mn, up 52.5%; Margin 11.1%, up 223 bps
- PBT Rs. 193 mn, down 23% primarily due to forex hedging gains accrued in FY 2018 and exchange loss in current quarter due to revaluation of foreign currency debtors at closing exchange rate.



• Revenue - Rs. 8,266 mn, up 22.4%.

9M FY19 - YoY Analysis

- Constant Currency growth of 15.8%, including 4.0% inorganic growth
 - Region Wise USA (+18.2%), Europe (+43.0%)
 - Industry Wise BFSI (+26.1%), Publishing (+25.3%).
- EBITDA Rs. 947 mn, up 60.6%; Margin 11.5%, up 273 bps
- PAT Rs 580 mn, up 3.0%; Margin 7.0%

Q3 FY19 - KEY HIGHLIGHTS





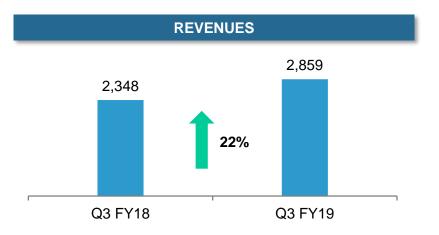
- 6 new customers added in Q3 FY19.
- Focus on growing the partnership and re-seller program; signed 15 partners (22 in 9M FY19) for TruBot and TruBI products, taking the total partner strength to 30.
- Launched the new version of RPA product TruBot 3.0. The user-friendly updated version makes it
 easier for our business users and customers to scale up their RPA programme with less dependence
 on technical support.
- Proposed Demerger: The Board of Directors of Datamatics and Lumina Datamatics approved a
 proposal to merge the two companies into Datamatics. The merged company would then be vertically
 demerged into two companies, namely, Datamatics Global Services Ltd. and LDR E-Retail Ltd. The
 latter will be renamed as Lumina Datamatics Limited.

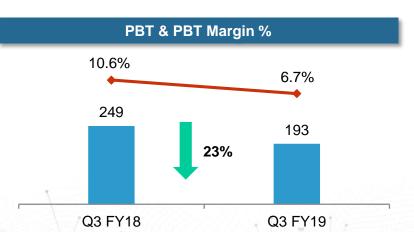


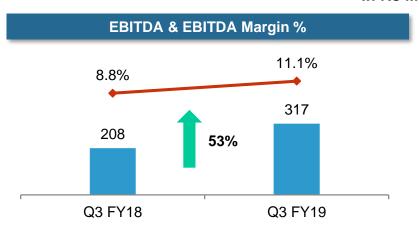
- Featured in IDC report on "RPA Vendor Assessment 2018" in APAC region (excl. Japan) and got recognized as a leading technology vendor in the RPA space.
- Recognised as the "Best Cognitive Technology Provider 2018" by Computer Society of India for TruBot (RPA product of Datamatics), which aided a leading national bank automate its credit limit extension process.
- Recognised as RPA service provider in the recent Forrester Report "Now Tech: RPA Services 2018."

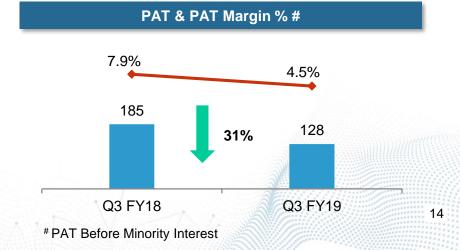
Q3 FY19 – KEY RESULT HIGHLIGHTS





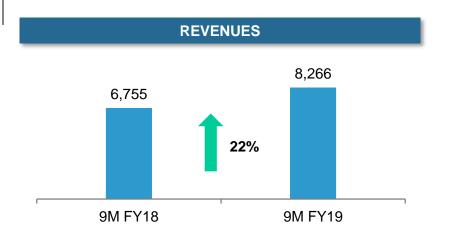


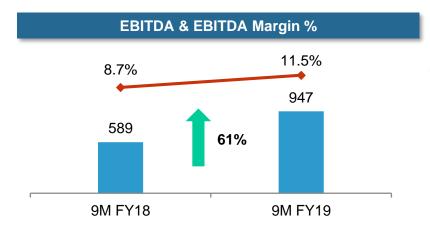


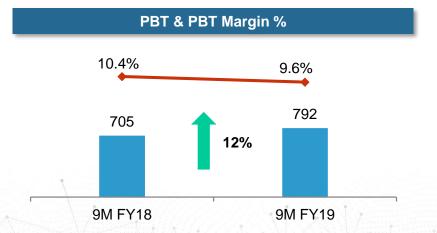


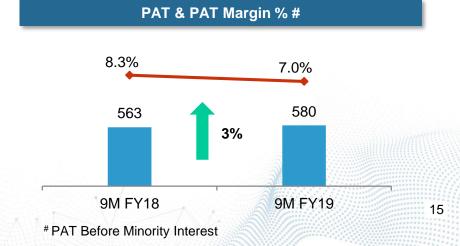
9M FY19 - KEY RESULT HIGHLIGHTS







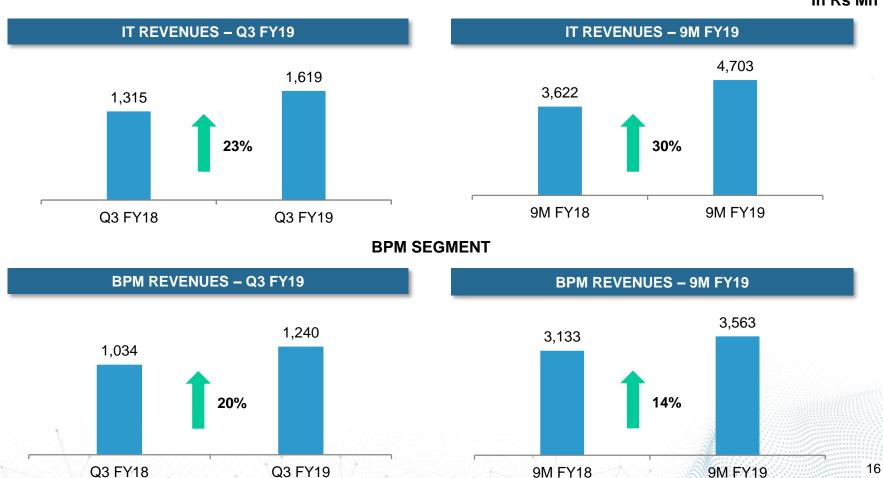




Q3 & 9M FY19 - REVENUE ANALYSIS



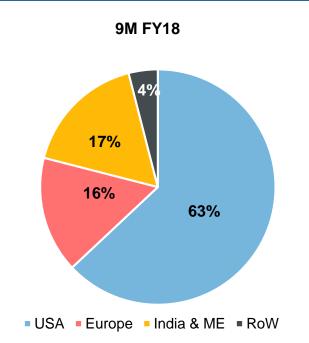


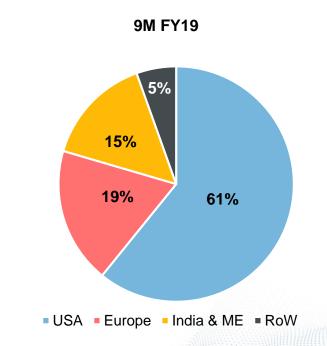


9M FY19 - REVENUE ANALYSIS



REGION-WISE REVENUES

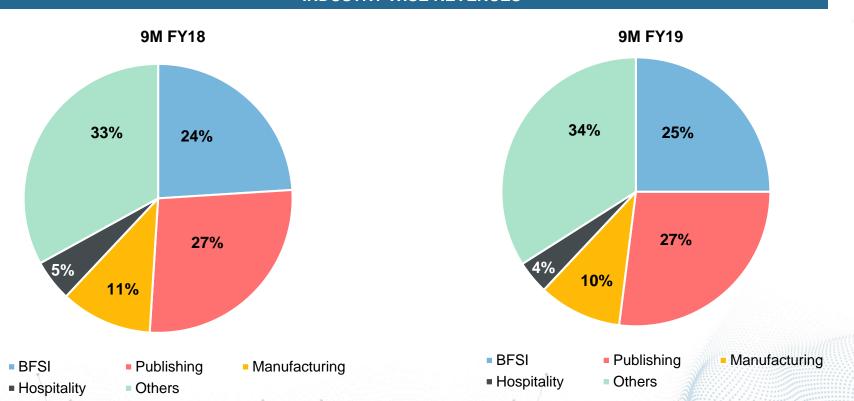




9M FY19 - REVENUE ANALYSIS



INDUSTRY-WISE REVENUES

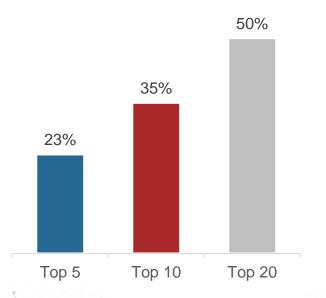


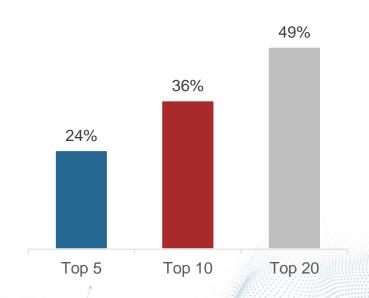
9M FY19 - REVENUE ANALYSIS



CLIENT CONCENTRATION MAINTAINED AT A COMFORTABLE LEVEL

9M FY18 9M FY19





Q3 & 9M FY19 – CONSOLIDATED PROFIT AND LOSS



Particulars (Rs in Mn)	Q3 FY19	Q3 FY18	YoY %	Q2 FY19	QoQ %	9M FY19	9M FY18	YoY%
Revenue from Operations	2,859.3	2,348.4	21.8%	2,799.0	2.2%	8,266.3	6,755.0	22.4%
Purchase of Products and Licences	18.9	23.7	-20.1%	40.3	-53.1%	76.1	62.9	21.0%
Employee Benefits Expenses	1,764.2	1,427.3	23.6%	1,740.0	1.4%	5,131.0	4,151.2	23.6%
Other Expenses	759.5	689.8	10.1%	705.5	7.7%	2,112.3	1,951.4	8.2%
EBITDA	316.6	207.6	52.5%	313.3	1.1%	946.9	589.5	60.6%
EBITDA Margin %	11.1%	8.8%	223 bps	11.2%	-12 bps	11.5%	8.7%	273 bps
Depreciation/Amortization	66.2	44.4	49.1%	68.4	-3.2%	195.9	132.5	47.8%
Finance Costs	9.7	10.2	-4.9%	14.3	-32.2%	35.3	28.0	25.9%
Other Income	-52.4	90.0	-158.2%	89.9	-158.3%	60.8	256.6	-76.3%
Share of Net Profits of Associates and JVs	4.3	6.2	-30.1%	5.9	-26.9%	15.8	20.0	-21.1%
PBT	192.7	249.3	-22.7%	326.4	-41.0%	792.3	705.4	12.3%
PBT Margin %	6.7%	10.6%	-388 bps	11.7%	-492 bps	9.6%	10.4%	-86 bps
Tax Expense	64.3	63.9	0.7%	90.7	-29.1%	212.1	142.4	49.0%
% Tax Rate	33.4%	25.6%	-	27.8%	-	26.8%	20.2%	-
PAT	128.4	185.4	-30.8%	235.8	-45.6%	580.2	563.1	3.0%
PAT Margin %	4.5%	7.9%	-341 bps	8.4%	-393 bps	7.0%	8.3%	-132 bps
Non-Controlling Interest	24.7	11.4	-	32.0	-	87.6	28.8	mm))/////((\ `
PAT after Minority Interest	103.7	174.0	-40.4%	203.8	-49.1%	492.6	534.3	-7.8%
EPS (Basic) (Rs)	1.76	2.95	-40.4%	3.46	-49.1%	8.36	9.06	-7.8%

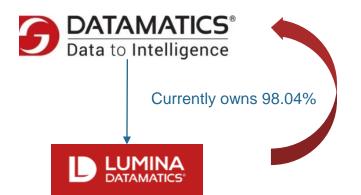


DATAMATICS – LUMINA PROPOSED DEMERGER

DEMERGER SPECIFICS







Lumina Datamatics will be merged with Datamatics Global Services Limited

Step 2:



Vertically Split as per businesses

DATAMATICS GLOBAL SERVICES LIMITED

(ex-Publishing & Retail / E-commerce)

LDR E-RETAIL LIMITED

To be renamed as Lumina Datamatics Limited

Will be Separately listed

DEMERGER RATIONALE



ADVANTAGE MANAGEMENT

ADVANTAGE SHAREHOLDERS

Diversified Offerings

sses of the two companies, serve

The businesses of the two companies, serve completely different market segments and have varied offerings.

Enhanced Visibility

Give direct visibility in terms of opportunities for both the companies, which will aid the management mould business strategies, accordingly.

Renewed Focus

Allow the managements of the each Company to focus on and pursue growth strategies tailored to the segments they serve.

Value Unlocking

Unlock the value for the shareholders of the Transferee Company / Demerged Company by listing of the shares of Lumina Datamatics.

Capital Access

Enabling achievement of expected valuation based on respective risk-return profiles and cash flows, attracting the right investors and thereby granting ease-of-access to capital.

DEMERGER RATIONALE

Shareholders' Interests

Enhancing liquidity of the ESOPs held by Key Management Personnel and other shareholders.

DEMERGER INDICATIVE TIMELINE



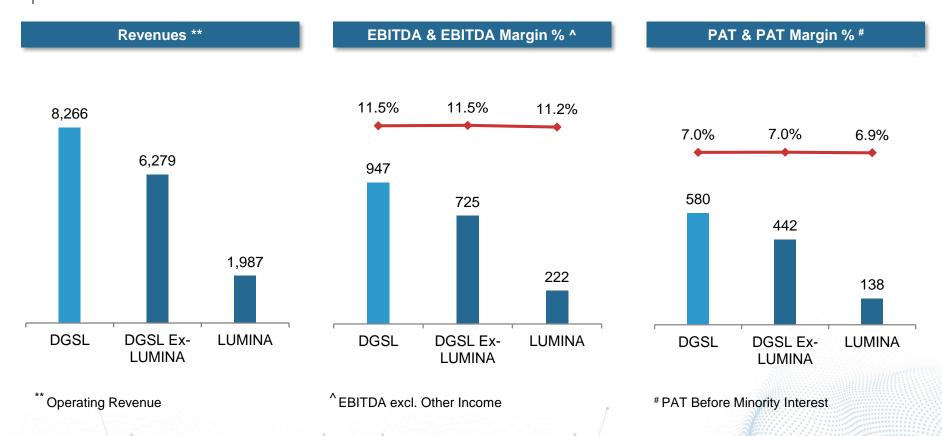


DEMERGER IMPACT ON FINANCIALS





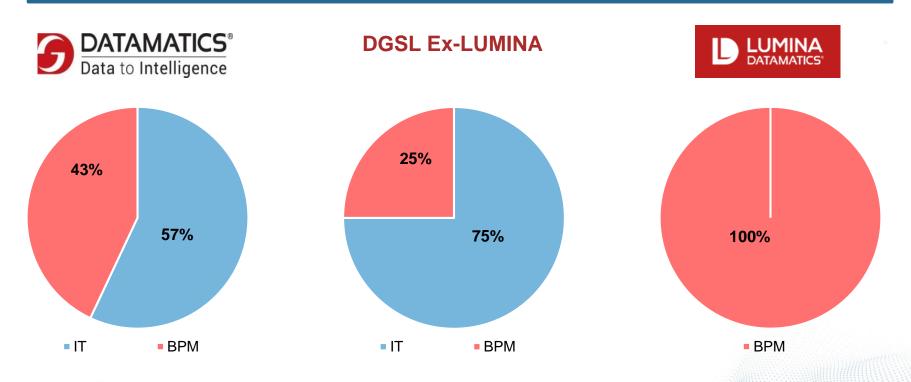
In Rs Mn



DEMERGER IMPACT ON FINANCIALS



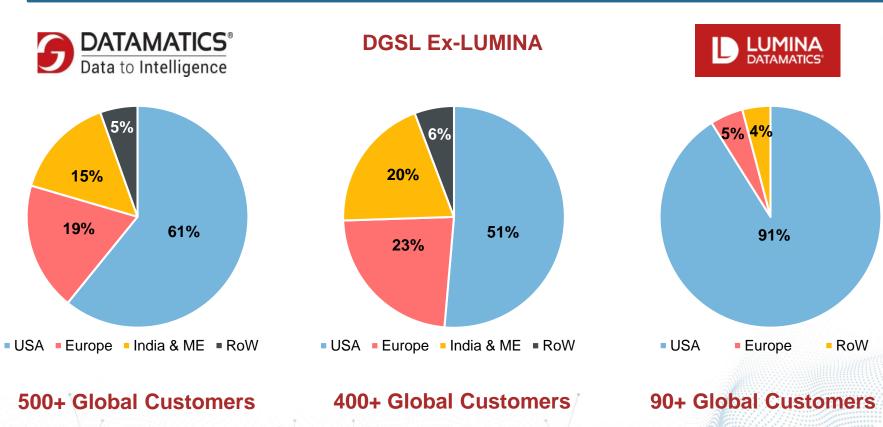
SEGMENT-WISE REVENUES (IT vs. BPM) – 9M FY19



DEMERGER IMPACT ON FINANCIALS



REGION-WISE REVENUES – 9M FY19

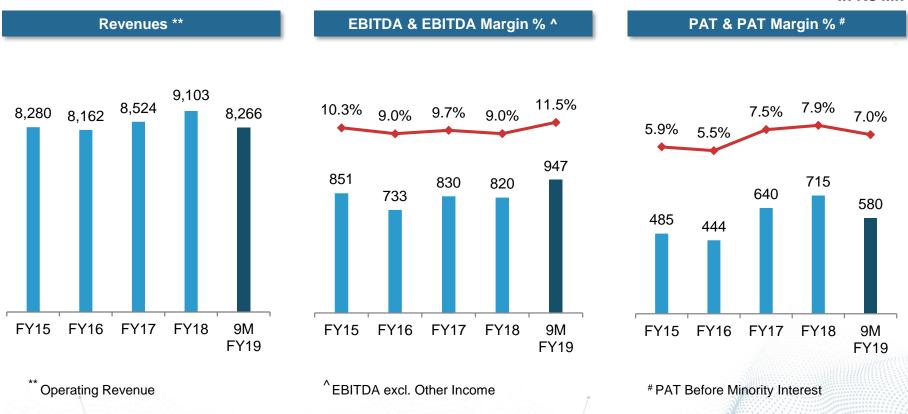




FINANCIAL OVERVIEW SHAREHOLDING PATTERN

STEADY GROWTH OVER LAST 5 YEARS





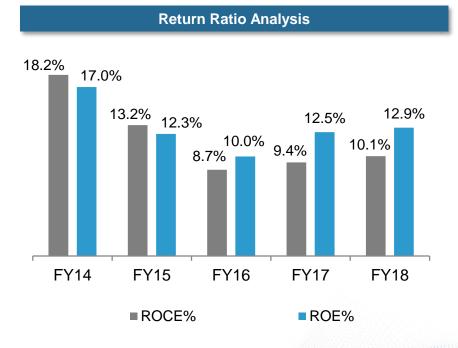
HEALTHY BALANCE SHEET POSITION



In Rs Mn

Leverage Analysis 0.25 0.22 0.19 0.11 0.05 5,827 5,231 4,673 4,186 3,707 913 922 901 658 286 FY14 FY15 FY16 FY17 FY18 Debt Equity + MI → D/E

FY14 to FY16 Equity and Debt Figures are as per I-GAAP and FY17 & FY18 are as per IND-AS standards.

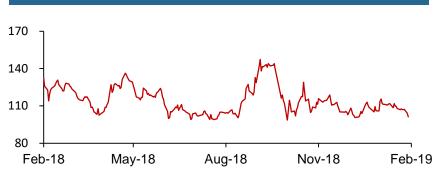


FY14 to FY17 Return Ratios calculated on I-GAAP figures and FY18 as per IND-AS standards.

SHAREHOLDING SUMMARY

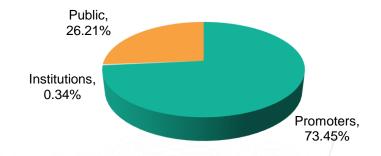


SHARE PRICE PERFORMANCE



MARKET DATA	AS ON 31st JANUARY 2019				
Market Capitalization (Rs Cr)	591.0				
Price (Rs)	101.0				
No. of Shares Outstanding (Cr)	5.9				
Face Value (Rs)	5.0				
52 Week Low-High (Rs)	99.1 / 146.0				

SHAREHOLDING – 31st DECEMBER 2018





AWARDS & CERTIFICATIONS

CERTIFICATIONS





RECENT AWARDS & RECOGNITIONS





CIO Choice 2019 – Recognised for Robotic Process Automation (RPA)



Best Cognitive Technology Provider of the Year 2018 – Recognised for RPA



CIO Choice 2018 – Artificial Intelligence, Business Intelligence & Doc. Mgmt.



7th Global Economic Summit 2018 – Services Category

NASSCOM®

NASSCOM Analytics Challenge 2018 – Fraud Detection Solution

FOR FURTHER QUERIES





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DICKENSON

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These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond DGS' control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of DGS.

In particular, such statements should not be regarded as a projection of future performance of DGS. It should be noted that the actual performance or achievements of DGS may vary significantly from such statements.