"Mphasis Limited Q3FY15 Earnings Conference Call"

February 13, 2015

MANAGEMENT: **MR. GANESH AYYAR – CHIEF EXECUTIVE OFFICER, MPHASIS LIMITED**
MR. V. SURYANARAYANAN – CHIEF FINANCIAL OFFICER, MPHASIS LIMITED

Moderator: Ladies and Gentlemen, Good Day and Welcome to the Mphasis Limited Q3FY15 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during the conference call please signal an operator by pressing '*' and then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Varun Divadkar of CDR India. Thank you. And over to you, sir.

Varun Divadkar: Thanks, Shaima. Good Evening everyone and thank you for joining us on Mphasis's Q3FY15 Results Conference Call. We have with us today Mr. Ganesh Ayyar — the CEO and Mr. Suryanarayanan --the CFO.

Before we begin, I would like to state that some of the statements in today's discussion may be forward-looking in nature and may involve certain risks and uncertainties. A detailed statement in this regard is available on the Q3FY15 Group Overview Document sent to you earlier. This conference will be archived and the transcript will be made available on Mphasis' corporate website www.mphasis.com. I now invite Mr. Ganesh Ayyar to begin the proceedings of the call.

Ganesh Ayyar: Thank you Varun. Good Evening everyone. We are coming together for the first time in 2015, so let me begin by wishing all of you a very happy 2015.

I hope you had the opportunity to read our MD&A which provides details of our operational and financial Performance for Q3 FY15.

Let me begin by discussing the progress that we are making on the Direct business. We continue to witness strong traction in our direct business where the deal wins and pipeline continues to be very robust. In Q3 FY15 we won $73 million TCV worth of deals. This takes the total deal wins in the first nine months of fiscal year to $183 million TCV and provides us with a good revenue visibility for the coming quarters in the Direct business.

Further, Direct organic revenue grew by 6.9% sequentially in rupee terms and 6% net of rupee depreciation in Q3FY15. Direct organic revenue in mature markets grew 2.6% on a reported basis or 1.6% adjusted for rupee depreciation, impacted by annual client shutdown.

Digital Risk which is the other significant part of our Direct business continues to be impacted by the slump in the US mortgage industry with revenue decline in Q3 FY15. However, I am pleased to announce that we have won a couple of deals in Q3

FY15 worth $52 million. This clearly gives us a better visibility in time to come. We are focused on executing our plans, both in the Direct organic space and in Digital Risk. We are investing in go-to-market and in Digital Risk we have a recovery plan and we believe that we are tracking to it. You may have seen some news reports stating that two of the founding partners have decided to move on and we now have leadership in stable condition and in position to ensure that these plans are executed.

Now let me move on to HP channel, revenue witnessed a decline of 6.6% quarter-on-quarter with negligible impact of rupee deprecation. This was a combination of seasonality and ramp downs impacting the revenue.

Moving on to margins, EBIT margins for Q3 FY15were flat at 13% for this quarter. Rollout of wage hike, decline in Digital Risk revenue, and the usual seasonality of December month were all part of this 13% and these things have been handled in Q3 FY15 itself.

Let me move to the receivables position as reflected by the DSO. It remained at 72 days at the end of Q3 FY15. We continue to demonstrate strong cash generation with $19 million generated through operations during the quarter. This strong cash position augurs well for our growth strategy.

To conclude, our journey of growing Direct business in the mature markets with specific focus in areas such as Governance, Risk and Compliance, Digital, AMS, and Infrastructure Services is gaining traction. We see robust pipeline, we are winning deals and we are bringing in good TCV which gives us the visibility. We have a task ahead of producing turnaround in Digital Risk. While it is impacted by market-related factors, we have worked on various initiatives and the wins that we have had in Q3 FY15 is giving us greater confidence in our ability to recover.

On that note, I thank you for your continued interest and let me ask the moderator to open the line of Q&A.

Moderator: Thank you, sir. Participants, we will now begin the question-and-answer session. We have the first question from the line of Priya Rohira from Axis Capital. Please go ahead.

Priya Rohira: My first question relates to the decline in selling and marketing spend, which we have seen this quarter compared to the last quarter. There seems to be a little downward movement, and going by the way we want to grow the non-HP business, I expect this to remain steady in the future quarters. So, if you could just help us on your thought plans? The second thing is on the TCV wins of $73 million, if you could highlight the verticals across where you are seeing these wins? And the third one on the HP revenues, if you could give some outlook on where do we finally see this decline settling given HP's market share is on a downward spiral in international markets? Is there a lower limit which one could expect?

Ganesh Ayyar: Let me begin by addressing the first question about our investment in sales, how we see that going forward and the focus on Direct business which is our strategy. What you are seeing is predominantly due to a seasonality-related aspect, there is nothing much to read in the shift in selling expenses. We continue to stay focused on investing in sales and go-to-market and our focus is to continue investing in both Direct Mature and Digital Risk to ensure that we continue to win robust business. To address the second question about TCV and its split, I can share with you that Digital Risk was about $50 million and $23 million came from other industry. Then your question on HP decline and where will it stop. As we have always mentioned our focus has been in growing direct business. We would like to see stability in HP business and at some point of time growth coming back, but I do not have any visibility which will give me prediction on when it will happen, where it will stop and when the growth will return.

Priya Rohira: Just as a follow-up on selling and marketing spend, what should we look at say as a percentage of revenues or minimum million dollar spends, which you would want to do given the fact that you are seeing a pipeline building up in the non-HP revenues? We had 8% then coming down to 5%. What should be the thumb rule one should look at? Also, what is the effective tax rate we should look at?

Ganesh Ayyar: I will get the effective tax rate to be answered by Surya, but let me first take the question on sales and marketing. Many of you are demanding that we provide greater visibility into sales and marketing expenses relating to Direct business, because that is where our focus is. We will be working towards providing greater visibility around Direct International Services business and to share with you the current rate, and whether this rate is going to stay there or go up. I can comment specifically on that and probably give the impact on the overall company going forward. Our investment in sales and go-to-market around Direct International Services business is going to increase because we are seeing traction and our pipeline is robust, and if we invest more, we expect solid returns in time to come. You have to convert it into revenue and profits. So you will see increased investment in sales and marketing especially in Direct International Services business. Now, when I take it to the overall company level you can expect our investment to go up between 75-100 basis points.

V. Suryanarayanan: The effective tax rate going forward would be around 28%.

Moderator: Thank you. Our next question is from the line of Sandeep Shah from CIMB. Please go ahead.

Sandeep Shah: The first question is in terms of the material decline in the Digital Risk. We do agree that you have been highlighting it in the last three to four quarters, but it looks like the run rate now is lower than the run rate at the time when we acquired the company around 2.5 years back. It looks like things have not been going as per what we have planned and what we have valued the company at the time of acquisition. So, is it more to do with losing business to competitors or it is largely to do with the market conditions related to Digital Risk?

Ganesh Ayyar: Digital Risk decline is something which was obviously not foreseen. The turmoil in the mortgage industry is causing this. The turmoil consists of two factors: Firstly, the number of transactions, whether you are looking at origination or secondary, the transactions are down significantly. You are looking at transactions being down in the vicinity of 40-45%. Second thing which has happened is lots of settlements have been reached and as a result the Forensics business is also down. So that is causing this upheaval. It is a market-specific issue. We have focused on winning deals and as I mentioned at the beginning, we have concluded two transactions totaling to about $50 million TCV which is going to bring about necessary revenue base. In Services business when the revenue base declines below a certain level, your fixed cost causes you to lose money and that is the position we are in Q3 FY15. The wins are giving us a glide path which will take it back to profitability and growth. There is no Digital Risk specific issue, it is a market related issue in summary and the wins that we have is going to nurse the business back to health. We hope to sustain healthy business for Digital Risk for it to be profitable and growing and you will see that in our numbers in time to come. In my view the worst is over for Digital Risk in Q3 FY15.

Sandeep Shah: One can expect growth from Q4 in Digital Risk?

Ganesh Ayyar: Yes, Digital Risk will slowly start climbing back starting from Q4 FY15.

Sandeep Shah: Because of the low base, one can expect the growth to be in the high-teens or even higher than the teens?

Ganesh Ayyar: I certainly would like to provide you some guidance but at this point of time let me deliver Q4 FY15 and then I will give you guidance. I want to bring confidence back to both the team and to the market before I start making predictions. At this point in time, the line of sight clearly shows growth trajectory for Digital Risk, suffice to say.

Sandeep Shah: At the current run rate, is it fair to say that at operating level we may be making losses in Digital Risk?

Ganesh Ayyar: That is true, in Q3 FY15 we made losses.

Sandeep Shah: Do you believe that you will pick up from Q4 or will it take longer time?

Ganesh Ayyar: No. As the revenue grows, profitability will start getting back into picture because we do not have any fundamental issue in Digital Risk. It is a question of fixed cost and as the revenues starts coming back, you will see profitability improving. Both growth and profitability will improve.

Sandeep Shah: The second question is in terms of Direct business. The run rate including Digital Risk is closer to around $600 million, and we always said that our intention is to grow 1.5x the market. In that scenario, it looks like every quarter we might have to add $90-100 million worth of TCV wins on ongoing basis. Do you believe this is possible going forward?

Ganesh Ayyar: In the first three quarters we added close to $183 million of TCV. The pipeline continues to be robust. One of the things which I wanted to highlight from my perspective and all of you must be aware is that the market dynamics have changed dramatically in terms of demand pattern. If you look at demand pattern and where the increased investment is going from the customers, it is predominantly going into three areas; they include cyber security, the whole aspect of digital and the third area where highly regulated industries are investing in the space of Governance, Risk and Compliance. Of course, there are other areas related to Data Analytics, which is attracting investment, but from our perspective, these are the three areas. Now people are also looking at newer ways of doing traditional business. They are trying to take cost out of the existing system which also presents us with an opportunity. Our wins especially in the area of Digital, GRC and AMS in the last three quarters give us tremendous confidence. So these three portfolio areas will continue to be vibrant, two of them where the investment is going to increase, third one which is AMS, where people are looking at substantially taking cost out which will bring newer deals on to their front. So that is our objective. We continue to stay focused on adding TCV. What you have seen this quarter, we hope to replicate in coming quarters.

Sandeep Shah: Out of the $183 million, can you break it down in terms of what is the new business and what is renewal?

Ganesh Ayyar: Let me comment on the current quarter. $73 million which I reported is entirely new.

Sandeep Shah: So now on, whenever we indicate TCV it indicates a new business?

Ganesh Ayyar: Yes, we will report only new TCV. If there a deal where part of it is renewal, we are taking it out of our calculation and reporting only new.

Sandeep Shah: Is it fair to say three to four years as a tenure for this $183 million TCV?

Ganesh Ayyar: Average is about three years, Sandeep.

Sandeep Shah: In terms of margin, if I look at some of the one-offs in last quarter in sales and marketing as well as the revenue reversal in the Government business plus some rupee depreciation, the gross tailwind in this quarter was as big as 330 bps. While I do agree that there is a wage inflation of 170-200 bps, we had a balance margin uptick potential of almost 100-130 basis points, versus which the margin has been flat. So, is it in line with what you anticipated at the start of the quarter or something has gone wrong versus what we anticipated?

Ganesh Ayyar: I will let the puts and takes which you just highlighted for Surya to cover. There is nothing fundamentally wrong with our business. One of the attempts which we will be making by consulting some or many of you is to provide greater visibility starting FY16, but I can assure you that there is nothing fundamentally wrong with our business.

V. Suryanarayanan: As you said rightly, we had reversals in the last quarter for India Government business and we had the one-time selling expense. This was largely offset by the wage hike and the seasonal client shut down affecting the margins. We had more or less expected operating margin at 13% for Q3 FY15.

Sandeep Shah: Any color on how should we look this margin going forward?

Ganesh Ayyar: I had mentioned to you that we will maintain at a lower end of our margin spectrum for rest of the financial year and I am still sticking to it. I would be able to comment on future outlook about Q1 FY16 and beyond sometime next quarter because I do not want to rush to commenting on those.

Sandeep Shah: So, our comfort range is 13-15% at EBIT level?

Ganesh Ayyar: That is right.

Moderator: Thank you. We have the next question from the line of Ashwin Mehta from Nomura. Please go ahead.

Ashwin Mehta: The first thing is in terms of the deal flow that we have seen in Digital Risk. Are these in your existing areas like Origination and Forensics or have you started to target some adjacencies and that is where this deal flow has come in?

Ganesh Ayyar: One of the deals is in the area of Origination and the other is more of quality assurance and forensics combined. This is not a new service line; this is what we used to do and this gives us confidence to execute on wins.

Ashwin Mehta: In terms of the strong growth that we saw in the Direct channel emerging markets piece, what drove this strong growth and how sustainable do you think these revenues are?

Ganesh Ayyar: While you are seeing a growth of 6.9% without rupee depreciation or 6% with rupee depreciation, our focus is to grow Direct International business and we want to provide that kind of visibility to you in time to come. We will focus more and more in growing Direct International business and Digital Risk because the wins that we are clocking give us the confidence that we are on the right path and that is why we will be investing more in go-to-market. My advice to all of you would be to work with us and focus with us on Direct International Services business, because that is where we are going to push the pedal.

Ashwin Mehta: No, just I wanted to know what drove the strong growth?

V. Suryanarayanan: As Ganesh mentioned, our focus is going to be on Direct International business. With respect to this quarter, we had few deal wins in the emerging market which drove the growth in overall Direct channel.

Ashwin Mehta: Just wanted to get a sense in terms of whether it is largely project-based business or there is some annuity to it?

V. Suryanarayanan: It was a project-based business.

Ashwin Mehta: In terms of the $50 million of deal flow that you had in Digital Risk, is that too over a three-year average duration or the duration there is lower?

V. Suryanarayanan: It is a two year duration deal.

Moderator: Thank you. Our next question is from the line of Rahul Jain from Dolat Capital. Please go ahead.

Rahul Jain: Digital Risk has reached a run rate of $24-25 million a quarter. How do we see the sustainability on this run rate? Does it have any non-recurring component or in a way if I have to ask, in the fall of run-rate by 50% can you indicate what was the peak run rate on the same client portfolio?

Ganesh Ayyar: In Digital Risk we have hit the bottom in Q3 FY15. We have got the wins and we expect the revenue to pick up. I see revenue picking up in Q4 FY15. Beyond that, I will probably discuss it when we announce the Q4 FY15 results. As of now, we were almost at 60% of our peak run rate at one point of time. It is always easier to tumble down but difficult to climb up, but the climb has started.

Rahul Jain: On the Forensic side, we know that there have been cases of completion of project, but the other impact has been largely because of lower transactions. What I am trying to understand is because of the same client portfolio, if we have transactions improving that could be the trigger. So, on the same portfolio, what could be the peak revenue, which we might have drawn earlier?

Ganesh Ayyar: I have not fully understood your question, I guess you are talking about growth and predictability. Am I right?

Rahul Jain: If our revenue was 100, I think we were seeing 30% risk coming from Forensic, which I can assume project basis is over, but the 70% of the revenue had fallen down to maybe 45%-50%. So, I am saying, the same client set, which we were serving, remain with us, so that if that is the case, once the transaction improves, we could come back on the same portfolio plus the addition of the new deals.

Ganesh Ayyar: Of the $50 million TCV won in Q3 FY15, a part of it is in the Origination side, the other part is a combination of Forensic and due diligence kind of services. If you look at the split between the two, it is almost 50:50. What we have done is we have started working on a model where we can get greater share of wallet from our clients who are in Origination. We do not serve one client to say that this is coming from the same client, but our growth has been with the same client with whom we have been doing business as well. To that extent we have greater confidence.

Rahul Jain: And this $52 million is the peak deal value based on certain transaction component assumed or is there a fair visibility on this number?

Ganesh Ayyar: A reasonable visibility on this number. This is not the maximum which we are quoting and this is what we expect to clock in revenue by the time the contract ends.

Rahul Jain: There were two deals which we won in calendar 2013 year-end, two $100 million deals. Any progress that has happened to those deals?

Ganesh Ayyar: In those deals the volume came down dramatically as the market collapsed. The deal came in, we started servicing it and when the number of transactions collapsed, the number of files which came in went down as well. This is reflected in our numbers. What is not reflected in our numbers is this $52 million worth of TCV.

Rahul Jain: And segmental margins have gone up for us except for the BCM where I can understand that it could be because of Digital Risk run rate. Does this mean we would see a sharp recovery in margins as Digital Risk business improves?

Ganesh Ayyar: You will see recovery starting Q4 FY15, and recovery is always slower than decline. That is the nature of business.

Rahul Jain: Excluding Digital Risk in this quarter, can we say that rest of the portfolio has already seen margin uptick?

Ganesh Ayyar: Other set of margins is fairly benchmark margins. There is always a scope for improvement, and majority of decline that you have seen has been caused by Digital Risk decline in that segment.

Moderator: Thank you. The next question is from the line of Madhu Babu from HDFC Securities. Please go ahead.

Madhu Babu: Apart from BFSI, which are the other verticals where we are winning deals in the Direct channel?

Ganesh Ayyar: Our biggest focus is in Banking, Capital Markets and Insurance. We are also strong in select areas of manufacturing, we are strong in other verticals like Hospitality. Of the wins that we clocked last quarter, two of them were in the space of Banking and Capital Markets because that is where Digital Risk operates. Then we had wins from the other industries.

Madhu Babu: Are you thinking of adding more verticals, because we are trailing on the horizontals apart from Banking? So how is the progress there?

Ganesh Ayyar: As of now we do not have plans to add more verticals.

Madhu Babu: On the digital technologies, I mean SMAC initiatives, what is the percentage of revenue?

Ganesh Ayyar: Revenue is probably not the best question because you will have traditional revenue, and when the new area comes, it becomes a smaller percentage of revenue. One needs to focus on how much of TCV has been won leveraging Digital. When I look at the wins in the last three quarters, our wins in GRC, Digital, and AMS has been roughly about 60% of our wins.

Moderator: Thank you. We have the next follow-up question from the line of Sandeep Shah from CIMB. Please go ahead.

Sandeep Shah: What is the nature of the restructuring cost of around Rs. 3 crore?

V. Suryanarayanan: We had exit of a couple of founders from Digital Risk and as a part of their transition settlement this restructuring cost was incurred. We have accounted for the same accordingly.

Sandeep Shah: On the sales and marketing front, we are saying that we should look for 75-100 bps kind of increase, which could be possible from the current level?

V. Suryanarayanan: Correct.

Sandeep Shah: Is it possible to give us the number of employees now in the Digital Risk?

V. Suryanarayanan: We have about 1,000 employees in Digital Risk.

Sandeep Shah: All are on the payroll?

V. Suryanarayanan: Yes.

Moderator: Thank you. We have the next question from the line of Ashish Agarwal from Antique Stock Broking. Please go ahead.

Ashish Agarwal: Just wanted a clarification. Now, since the revenues from Digital Risk is lower than when we acquired it, any risk of goodwill write-down, etc., could happen?

Ganesh Ayyar: We undertake impairment testing for all our acquisitions on an annual basis. We are entering Q4 FY15 and we will be doing impairment testing. I have a point of view that it would not be the case at this point in time. Let us finish the impairment testing and go through the audit process in Q4 FY15 and then I would be able to answer conclusively. But if you ask for my opinion, which is not conclusive, I do not see any impairment taking place.

Ashish Agarwal: When will the sale of business which we have initiated earlier be completed? I think we were expecting to complete it by Q3-end?

Ganesh Ayyar: This is the Government business that we had. The whole issue is hinging upon some payment activity from the governments' side and unfortunately that has not moved. So we are not able to conclude it at this point of time. We are trying in Q4 FY15 for that to be concluded but the dependency is on the payment movement coming from the governments' side. We are hoping that it will start, and if it does, then we will be able to conclude it in Q4 FY15.

Moderator: We have the next question from the line of Ashish Chopra from Motilal Oswal Securities. Please go ahead.

Ashish Chopra: My first question was around Digital Risk. Just to be very clear, I wanted to know, roughly around $25 million deal in the Origination during the quarter, so would it be fair to assume despite that being a reasonable expectation, it could still be exposed to some risk from the number of transactions in the way they pan out going forward?

Ganesh Ayyar: Is it possible? Yes. If the question is if it's probable at this point in time on this contract: the probability is low, though the possibility does exist.

Ashish Chopra: How do we generally arrive at that kind of a metric given that it will always be a function of the number of originations going forward? Is there any extrapolation of that kind of a number basis, which we arrive at the deal, or the dynamics are slightly different in calculating the revenue that we will be able to make?

Ganesh Ayyar: This industry has been doing it for ages. When you sign a large time and material contract which has the ramp down provision, one is still able to provide some revenue visibility. Similarly we do it for transaction-based pricing model as well, where it is dependent on files. We attempt to the best of our ability that we do not inflate the figures and neither should we be deflating it because our jobs should be to provide a balanced guidance to the street. But when things go out of whack, whether positive or negative, these assumptions can come up, but in this case we have taken ample precaution to the best of our ability to bring these numbers to you.

Ashish Chopra: What could be the revenues from non-ES channel within HP during the quarter?

V. Suryanarayanan: It was around 14%.

Moderator: Thank you. We have the next follow-up question from the line of Madhu Babu from HDFC Securities. Please go ahead.

Madhu Babu: Last quarter, there was a revenue reversal in that India business. If you adjust it for the same, what could be the like-to-like growth in the Direct channel emerging market this quarter?

V. Suryanarayanan: The growth is close to around 4% from the emerging business*

Madhu Babu: Adjusted for that reversal, if you would, growth would be 4% quarter-on-quarter because now it is looking like 30% quarter-on-quarter, right?*

V. Suryanarayanan: Yes.*

Moderator: Thank you. We have the next follow-up question from the line of Sandeep Shah from CIMB. Please go ahead.

Sandeep Shah: We had started recruiting some senior executives from some of the large cap companies for revival in terms of our focus on the Direct business. Do you believe that exercise is over and how has this been panning out? And a follow-up question to that is, entering into FY16, do we believe that in Digital Risk the worst maybe behind? In terms of your Direct organic business, the TCV wins have been coming. So, excluding HP, you believe the rest of the business has a potential to at least grow in line with the industry or the NASSCOM growth rates of 12-14%?

Ganesh Ayyar: If you look at it on a mid-term basis, the answer is absolutely yes.

Sandeep Shah: In terms of the senior executives, is it still a work-in-progress?

Ganesh Ayyar: We are going to increase our investment in go-to-market, especially in the Direct International Services business, and that would mean that we would be looking for people. We do not target any specific company or the tier-1s'. We are after good people and we will be hiring more people.

Sandeep Shah: So, on the organic side, international market, which you like us to focus on, the focus would be on the BFSI as a vertical rather than going widespread across segments?

Ganesh Ayyar: Let me give you a quick two-minute rundown on what is going to be our focus. We will be holding sessions where we will come to you and provide some detailed strategy and how we are going to execute it, because you have been part of our success and we want to take you into confidence before we start FY16. Two ways to look at it — one is the industry vertical, the other one is domain. The domain area which we are focused on includes predominantly Digital, GRC, Operational Optimization Services which includes AMS followed by Infrastructure Services. In

* 4% quoted above is the growth of Direct Organic business. Direct Channel Emerging Markets grew 10.8% sequentially adjusted for the reversal in previous quarter.

industry vertical, if you look at verticalized solutions, our depth of expertise is greatest in Banking, Capital Markets and Insurance. If you put these together it will start telling our story in Direct International Services business.

Sandeep Shah: But, sir, at a base, are we not looking to go beyond our focus in terms of vertical: beyond BFSI?

Ganesh Ayyar: BFSI is for verticalized solution, which includes Banking, Capital Markets and Insurance. When it comes to things like Infrastructure Services, AMS and Digital, increasingly the lines of industry are getting blurred and you are seeing intersections. We will certainly be attacking the market in the area of Digital, AMS and Infrastructure Services and select BPO Services focused on verticals other than Banking, Capital Markets and Insurance, which will have added focus on verticalized solutions. For example, we do solutions in Banking and Capital Markets which one can call as GRC. So AMS solution for banking industry is highly specialized and specific to banking, and liquidity risk management is highly specialized to banking. In those kinds of solutions we have tremendous depth and we will focus on that vertical. When it comes to Digital which includes things like customer experience management using digital technology, we are not going to restrict ourselves to Banking, Capital Markets and Insurance.

Sandeep Shah: Do you believe most of the investment to drive the strategy has been largely made or it would be an ongoing thing going forward?

Ganesh Ayyar: It will always be ongoing. I do not think that the generational shift which is happening in the market will ever reach a point where I would say that we are 100% there.

Moderator: I would now request the management to add any closing comments before we conclude.

Ganesh Ayyar: I want to thank all of you. The intense dialogue that you have with us every quarter demonstrates your interest in Mphasis. I want to leave this thought with you that as the generational shift is happening in the marketplace, the traditional IP Services market is expected to decline at the rate of 9%, whereas new emerging services is expected to grow at the rate of 13%. Companies which will succeed are those who are able to manage both, and this is the transition and transformation that we have been going through for the last 18 months. Of course, we have our own unique challenges as well. What you see is our commitment to be continuously transforming and winning in newer areas such as GRC and Digital. Your focus, your support, and your help has been of tremendous value. We will come back to you with more dialogue in Q4 FY15, not just waiting for Q4 results to happen, because we want to map out better communication with you for FY16 and beyond. I look forward to meeting all of you in person and thank you for all your interest and we will stay connected.

Moderator: Thank you, sir. Ladies and Gentlemen, with that we conclude this conference call. Thank you for joining us. You may now disconnect your lines.