

NSE & BSE / 2019-20 / 104

January 30, 2020

The Manager,
Corporate Services,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai 400051

The Manager,
Corporate Services,
BSE Limited
14th Floor, P J Towers, Dalal Street,
Mumbai 400001

Ref: Symbol: PERSISTENT

Ref: Scrip Code: 533179

Dear Sir / Madam,

**Sub.: Fact Sheet – Consolidated Financial Data – for the quarter and period ended
December 31, 2019**

Please find enclosed fact sheet of the Consolidated Financial Data for the quarter and period ended December 31, 2019.

The Company has scheduled an investor / analyst call on Thursday, January 30, 2020 at 5.30 PM IST. During such call, the Management will comment on the financial results for the quarter and period ended December 31, 2019 as well as on the business outlook.

Please acknowledge the receipt.

Thanking you,

Yours sincerely,
For Persistent Systems Limited



Amit Kulkarni
Company Secretary
ICSI Membership Number: ACS 20507



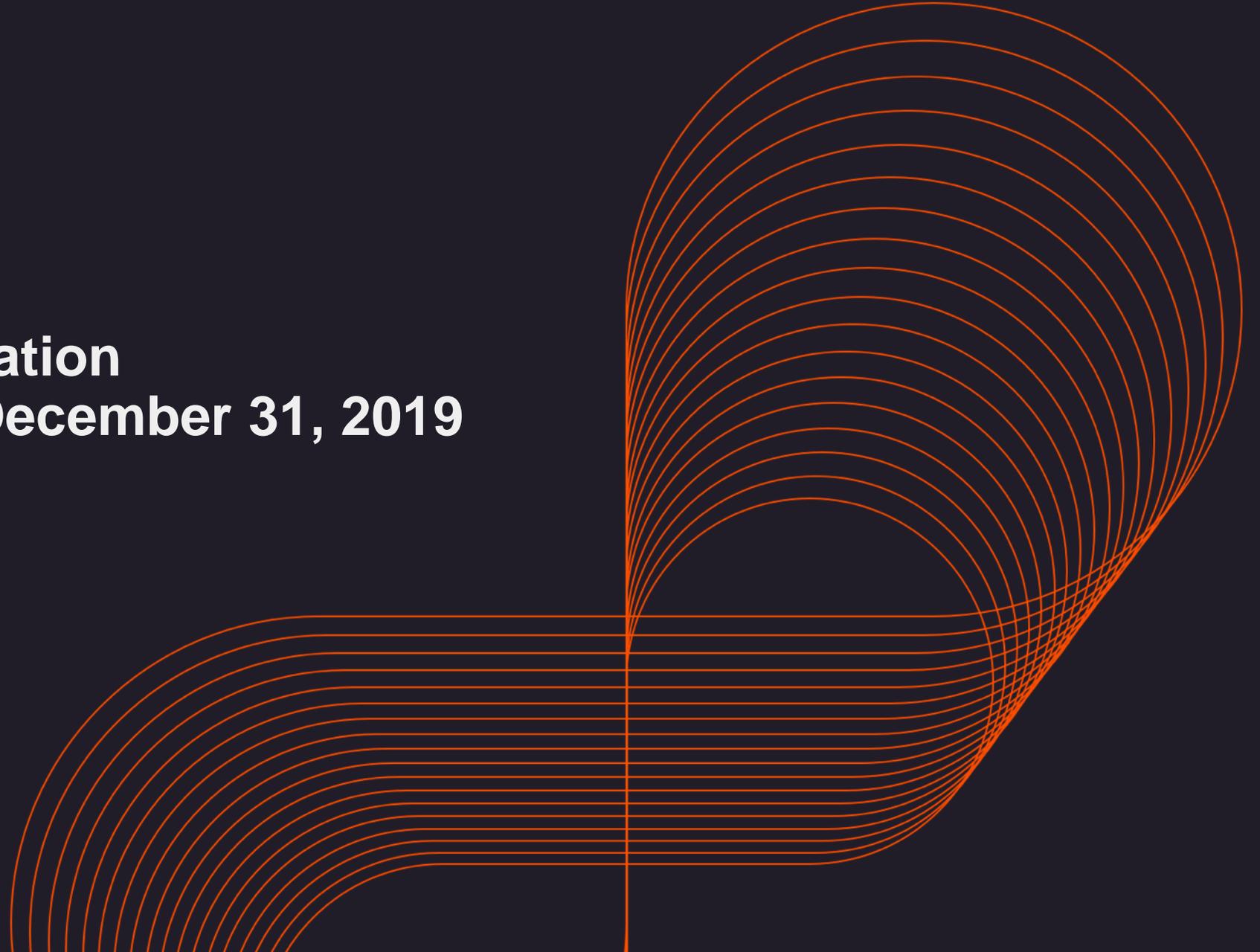
Encl: As above



Persistent

Analyst Presentation Quarter ended December 31, 2019

January 30, 2020



Forward-looking and Cautionary Statements

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 IT services including those factors which may affect our cost advantage, our revenues highly dependent on customers located in the United States, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, concentration of major operations of the Company in one city, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Stock Exchanges and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.

We are a **global solutions** company delivering **digital business acceleration** and **enterprise modernization** for businesses across industries and geographies.



Why Persistent?

Boutique mindset, combined with enterprise scale in our execution

Diverse, open and innovative business partner ecosystem for maximum flexibility

30-year legacy of leadership in Software Engineering & Digital Transformation

Trusted security and dedication to data privacy across our enterprise

1990

Founded

20

Countries

10K

Industry & Tech Experts

1,000+

Active Clients Annually

Expanding Our Business Partner Ecosystem to Deliver a Composable Digital Mosaic for Our Clients

Our Approach

We are designing and delivering a composable digital mosaic for all our industries and technology categories to rapidly accelerate time to value for our clients and increase business agility.

At its core, this strategy combines Persistent's deep industry and solution expertise with a flexible, open partner ecosystem, tailored to each client's situation.

Our approach radically reduces two core challenges organizations face in transforming into a modern digital enterprise: **complexity of choice and integration.**

Digital Mosaic for Banking delivered through our Persistent Digital Bank Solution™

Customers			
CRM	Loan & Deposit Origination	Credit Decisioning Underwriting, Credit Score	Customer Due Diligence (Identification, Address Verification)
Customer Acquisition		Credit & Debit Cards	
Customer Experiences		Documents, E-Sign	
Persistent Digital Layer: Adapter Microservices		Communications	
Digital Loan & Deposit Management		Payments	
Compliance & Regulatory Reporting, AML		Hosting	Security
Data Analytics	GL & Acc	Operations Automation	
Existing Internal Systems			

Illustrative Partner Ecosystem



Perspective from our Partners



“AWS helps ease the deployment of sophisticated banking solutions for community banks and credit unions, while enabling them to benefit from the agility, scalability, and security that the cloud offers.”

By extending our relationship and work with Persistent, community credit unions and challenger banks will have access to a complete cloud-native lending aggregation service, in turn providing the foundation for a fast and efficient banking experience for consumers through the Community Lenders Go Digital® Platform.”

Nitin Gupta

Global Head, Financial Services Solutions and Partners
Amazon Web Services



***“Gojoko and Persistent have built a fintech ecosystem, giving My Community Bank access to a state-of-the-art and end-to-end banking infrastructure. This digital infrastructure integrates several cutting edge technologies from partners like Mambu and Salesforce, and runs on AWS.*”**

My Community Bank has been able to leverage this infrastructure to become the fastest growing credit union in the UK and helps us to deliver a best-in-class product to our customers.”

Philip Acton

CEO
MyCommunity Bank

Reinventing a large Bank in APAC

Challenges

A bank with all the traditional products and channels trying to become digital-first

Build out consumer-centric products targeting unbanked and underbanked customers in the region, co-existing with current legacy setup

Multiple technologies and associated vendors

Delivered Value

Assessment and articulation of the digital-roadmap through Persistent Digital Greenhouse

Formation of Technology Advisory Council to enable collaboration with partners (Mambu, AWS) on the roadmap, new trends and alignment with the market

Change management to adopt digital-first mindset

Solution Highlights

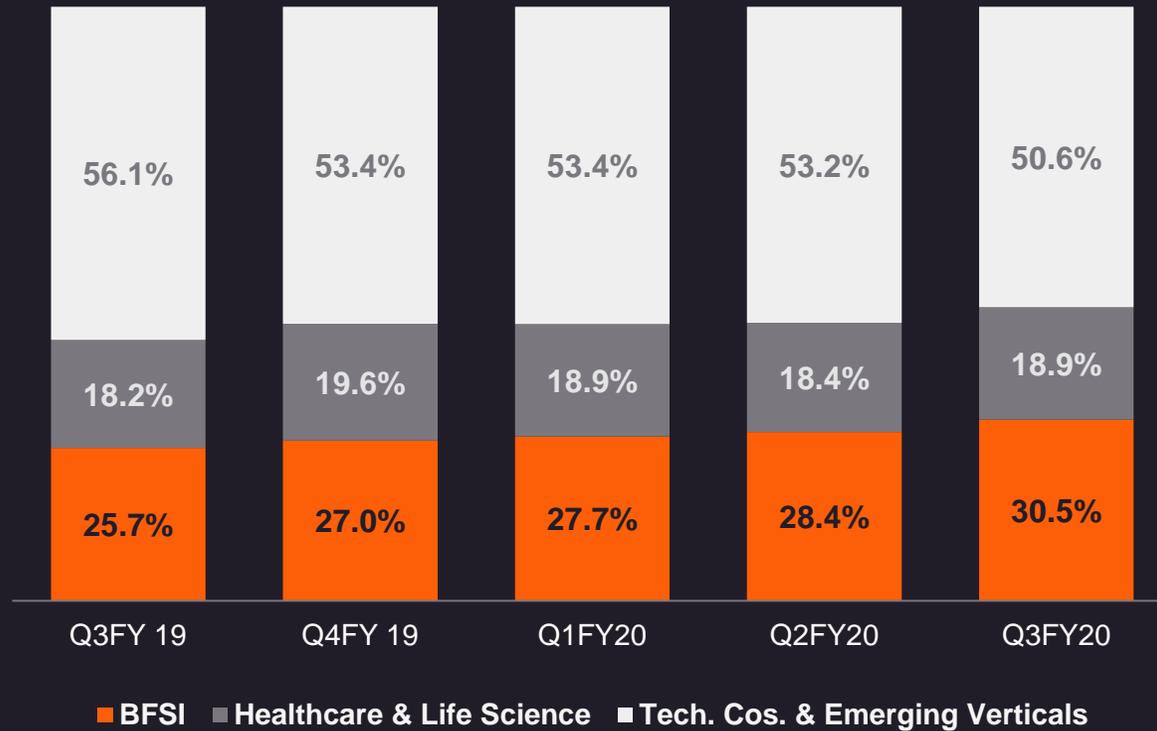
Leveraged Digital Mosaic approach orchestrated by Persistent Digital Bank Solution™

Phased agile execution to align to the bank's goals on aggressive timelines

End to end ownership for multi-year development and support through managed services

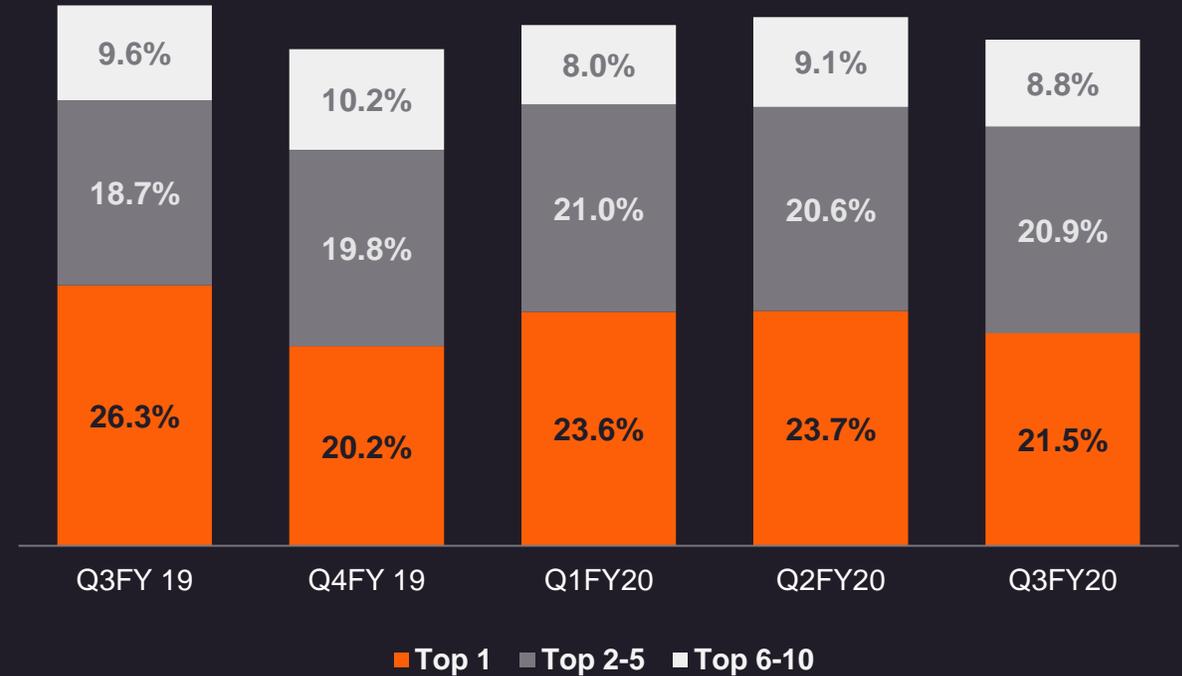
Highlights for the Quarter

Industry Revenue Mix



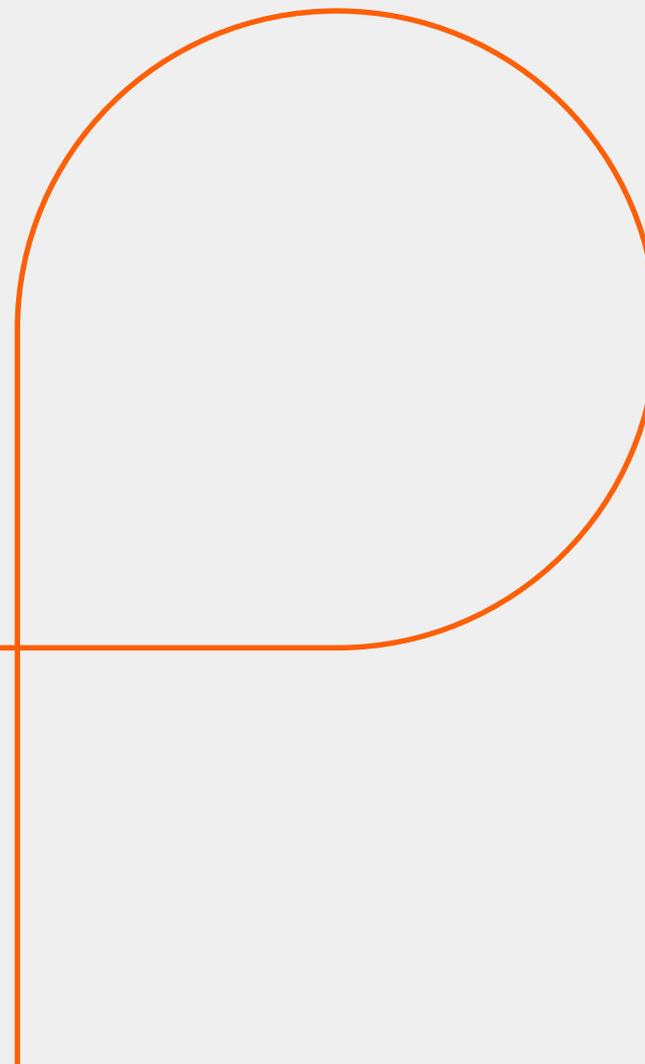
- The share of revenue from BFSI customers has increased from 25.7% in Q3FY19 to 30.5% in Q3FY20

Customer Concentration



- The share of Top Customer has reduced from 26.3% in Q3FY19 to 21.5% in Q3FY20

Financial highlights



Financial Highlights for Q3FY20

- USD Revenue at US\$ 129.43 Million, growth of 3.1% QoQ and 7.1% YoY
- INR Revenue at ₹ 9,227.29 Million, growth of 4.3% QoQ and 6.8% YoY
- EBITDA ₹ 1,234.31 Million @ 13.4% of revenue, increase of 1.5% QoQ and decline of 27.5% YoY
- PAT ₹ 879.26 Million @ 9.5% of revenue, increase of 2.2% QoQ and decline of 4.1% YoY

Financial Highlights for YTD December 2019:

- USD Revenue at US\$ 374.56 Million, YoY growth of 3.3%
- INR Revenue at ₹ 26,394.43 Million, YoY growth of 4.2%
- EBITDA ₹ 3,652.69 Million @ 13.8% of revenue
- PAT ₹ 2,564.68 Million @ 9.7% of revenue

Sequential Q3 FY20 vs Q2 FY20

Particulars	Q3FY20	Q2FY20	Change QoQ	Exps / Sales %	
				Q3FY20	Q2FY20
Revenue (\$ M)					
Services	102.02	97.26	4.9%		
IP Led	27.41	28.25	-3.0%		
Revenue (\$ M)	129.43	125.51	3.1%		
Avg. Exchange Rate Rs. /US\$	71.29	70.48	1.2%		
Revenue (Rs. M)	9,227.29	8,846.00	4.3%		
Cost of Revenue	Rs. M	Rs. M			
Employee Related Expenses	5,675.33	5,366.91	5.7%	61.5%	60.7%
Purchase / Royalty	349.89	274.65	27.4%	3.8%	3.1%
Project related Travel Expenses	132.21	131.69	0.4%	1.4%	1.5%
Total Direct costs	6,157.43	5,773.25	6.7%	66.7%	65.3%
Gross Profit	3,069.86	3,072.75	-0.1%	33.3%	34.7%
Sales & Marketing Exps	957.93	969.59	-1.2%	10.4%	11.0%
Admin. & Other Exps	843.43	845.41	-0.2%	9.1%	9.6%
Doubtful Debt Provision	15.35	22.50	-31.8%	0.2%	0.3%
CSR Activities	18.84	18.80	0.2%	0.2%	0.2%
Total SGA	1,835.55	1,856.30	-1.1%	19.9%	21.0%
EBITDA	1,234.31	1,216.45	1.5%	13.4%	13.8%
Depreciation	116.24	115.91	0.3%	1.3%	1.3%
Amortization	312.06	308.99	1.0%	3.4%	3.5%
EBIT	806.01	791.55	1.8%	8.7%	8.9%
Other Income / (Loss)	231.64	226.16	2.4%	2.5%	2.6%
Exchange Gain/(Loss)	102.10	137.92	-26.0%	1.1%	1.6%
PBT	1,139.75	1,155.63	-1.4%	12.4%	13.1%
Tax	260.49	294.91	-11.7%	2.8%	3.3%
PAT	879.26	860.72	2.2%	9.5%	9.7%

YoY Comparison Q3 FY20 vs Q3 FY19

Particulars	Q3FY20	Q3 FY19	Change QoQ	Exps / Sales %	
				Q3FY20	Q3 FY19
Revenue (\$ M)					
Services	102.02	90.64	12.6%		
IP Led	27.41	30.20	-9.2%		
Revenue (\$ M)	129.43	120.84	7.1%		
Avg. Exchange Rate Rs. /US\$	71.29	71.52	-0.3%		
Revenue (Rs. M)	9,227.29	8,642.49	6.8%		
Cost of Revenue		Rs. M			
Employee Related Expenses	5,675.33	5,075.48	11.8%	61.5%	58.7%
Purchase / Royalty	349.89	129.16	170.9%	3.8%	1.5%
Project related Travel Expenses	132.21	136.51	-3.1%	1.4%	1.6%
Total Direct costs	6,157.43	5,341.15	15.3%	66.7%	61.8%
Gross Profit	3,069.86	3,301.34	-7.0%	33.3%	38.2%
Sales & Marketing Exps	957.93	774.80	23.6%	10.4%	9.0%
Admin. & Other Exps	843.43	785.51	7.4%	9.1%	9.1%
Doubtful Debt Provision	15.35	16.88	-9.1%	0.2%	0.2%
CSR Activities	18.84	20.98	-10.2%	0.2%	0.2%
Total SGA	1,835.55	1,598.17	14.9%	19.9%	18.5%
EBITDA	1,234.31	1,703.17	-27.5%	13.4%	19.7%
Depreciation	116.24	115.83	0.4%	1.3%	1.3%
Amortization	312.06	280.49	11.3%	3.4%	3.2%
EBIT	806.01	1,306.85	-38.3%	8.7%	15.1%
Other Income / (Loss)	231.64	229.25	1.0%	2.5%	2.7%
Exchange Gain/(Loss)	102.10	(240.89)	-142.4%	1.1%	-2.8%
PBT	1,139.75	1,295.21	-12.0%	12.4%	15.0%
Tax	260.49	378.04	-31.1%	2.8%	4.4%
PAT	879.26	917.17	-4.1%	9.5%	10.6%

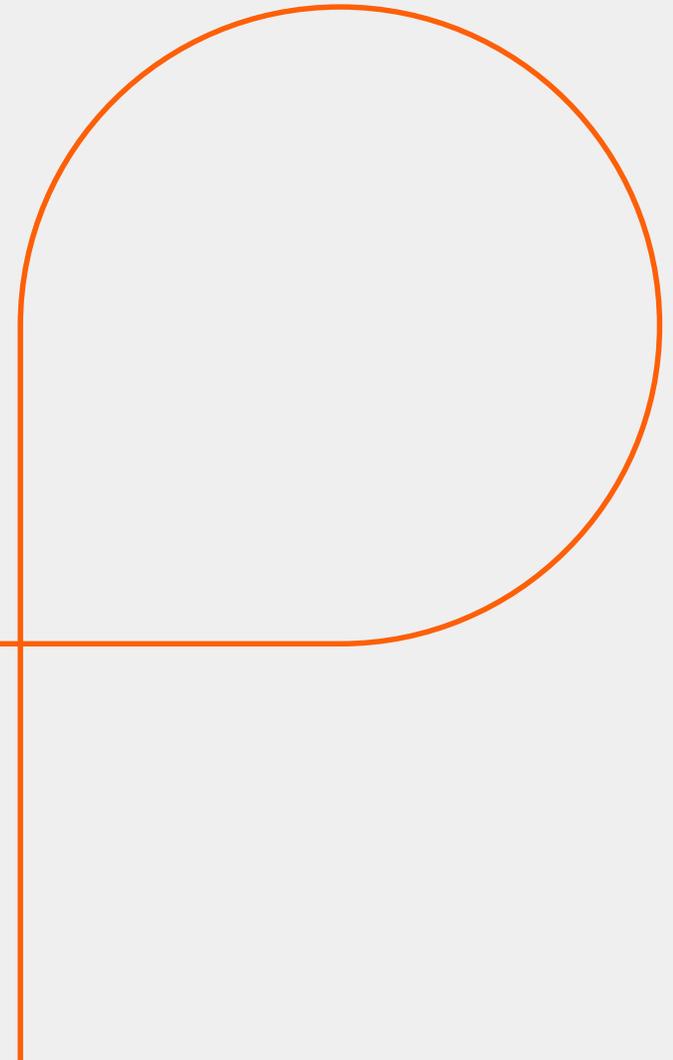
YTD Comparison Dec 2019 vs Dec 2018

Particulars	YTD Dec 19	YTD Dec 18	Change	Exps / Sales %	
				YTD Dec 19	YTD Dec 18
Revenue (\$ M)					
Services	293.14	268.38	9.2%		
IP Led	81.42	94.29	-13.6%		
Revenue (\$ M)	374.56	362.67	3.3%		
Avg. Exchange Rate Rs. /US\$	70.47	69.87	0.9%		
Revenue (Rs. M)	26,394.43	25,340.87	4.2%		
Cost of Revenue					
Employee Related Expenses	16,103.43	14,876.67	8.2%	61.0%	58.7%
Purchase / Royalty	818.12	757.74	8.0%	3.1%	3.0%
Project related Travel Expenses	443.15	489.18	-9.4%	1.7%	1.9%
Total Direct costs	17,364.70	16,123.59	7.7%	65.8%	63.6%
Gross Profit	9,029.73	9,217.28	-2.0%	34.2%	36.4%
Sales & Marketing Exps	2,692.76	2,288.73	17.7%	10.2%	9.0%
Admin. & Other Exps	2,582.55	2,270.20	13.8%	9.8%	9.0%
Doubtful Debt Provision	45.08	60.82	-25.9%	0.2%	0.2%
CSR Activities	56.65	57.67	-1.8%	0.2%	0.2%
Total SGA	5,377.04	4,677.42	15.0%	20.4%	18.5%
EBITDA	3,652.69	4,539.86	-19.5%	13.8%	17.9%
Depreciation	342.21	358.41	-4.5%	1.3%	1.4%
Amortization	897.16	837.30	7.1%	3.4%	3.3%
EBIT	2,413.32	3,344.15	-27.8%	9.1%	13.2%
Other Income / (Loss)	659.82	590.69	11.7%	2.5%	2.3%
Exchange Gain/(Loss)	319.85	(184.59)	-273.3%	1.2%	-0.7%
PBT	3,392.99	3,750.25	-9.5%	12.9%	14.8%
Tax	828.31	1,078.19	-23.2%	3.1%	4.3%
PAT	2,564.68	2,672.06	-4.0%	9.7%	10.5%

Balance sheet

Particulars	As on December 31, 2019	As on March 31, 2019	As on December 31, 2018
Assets			
PPE and Intangible assets	4,695.44	4,323.53	4,637.84
Non-Current Assets	1,258.17	637.36	637.33
Cash and Investments	13,485.65	14,767.22	14,337.04
Other Current Assets	9,778.77	8,827.88	9,572.67
Total	29,218.03	28,555.99	29,184.88
Equity and Liabilities			
Equity	23,855.74	23,446.80	23,875.37
Non-Current Liabilities	614.35	188.74	181.80
Current Liabilities	4,747.94	4,920.45	5,127.71
Total	29,218.03	28,555.99	29,184.88

Fact Sheet – Q3FY20



Fact Sheet

Revenue	Description / Nos. / %	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	Revenue from Operations, USD M	129.43	125.51	119.62	118.30	120.84	480.97	470.55
	% QoQ / YoY growth	3.1%	4.9%	1.1%	-2.1%	2.2%	2.2%	9.7%
	Revenue from Operations, INR M	9,227.29	8,846.00	8,321.14	8,318.54	8,642.49	33,659.41	30,337.03
	% QoQ / YoY growth	4.3%	6.3%	0.0%	-3.7%	3.4%	11.0%	5.4%

Business Offerings Revenue Mix	Description / %	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	Services	78.8%	77.5%	78.5%	78.4%	75.0%	75.1%	74.4%
	IP Led	21.2%	22.5%	21.5%	21.6%	25.0%	24.9%	25.6%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Segment Revenue Mix	Description / %	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	Technology Services (Services)	46.5%	45.2%	45.8%	44.6%	41.9%	42.7%	43.8%
	Technology Services (Digital)	23.2%	22.4%	22.7%	24.4%	22.9%	22.7%	21.3%
	Alliance	26.7%	28.1%	27.8%	24.8%	29.4%	29.0%	27.6%
	Accelerite	3.6%	4.3%	3.7%	6.2%	5.8%	5.6%	7.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Fact Sheet

Industry Revenue Mix	Description / %	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	BFSI	30.5%	28.4%	27.7%	27.0%	25.7%	25.3%	25.7%
	Healthcare & Life Science	18.9%	18.4%	18.9%	19.6%	18.2%	18.4%	16.8%
	Tech. Cos. & Emerging Verticals	50.6%	53.2%	53.4%	53.4%	56.1%	56.3%	57.5%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Geography Revenue Mix	Description / %	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	North America	80.1%	81.4%	82.5%	80.9%	83.7%	81.7%	83.5%
	Europe	10.6%	9.9%	8.5%	7.9%	7.6%	8.8%	7.5%
	India	7.4%	6.7%	6.7%	7.7%	6.8%	7.0%	6.3%
	ROW	1.9%	2.0%	2.3%	3.5%	1.9%	2.5%	2.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Industry Classification	Description / %	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	ISV	39.0%	38.6%	40.6%	41.2%	39.8%	39.8%	39.9%
	Enterprise	39.8%	38.9%	37.9%	37.2%	35.2%	35.3%	34.5%
	IP Led	21.2%	22.5%	21.5%	21.6%	25.0%	24.9%	25.6%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Fact Sheet

Revenue by Delivery Centers	Description / %	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	Global Development Centers	31.5%	31.0%	30.5%	31.4%	29.9%	30.5%	32.0%
	India	47.3%	46.5%	48.0%	47.0%	45.1%	44.6%	42.4%
	IP Led	21.2%	22.5%	21.5%	21.6%	25.0%	24.9%	25.6%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Client Billed	Nos.	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	Services	483	470	429	420	437	586	569
	IP Led	154	156	167	185	192	287	387

Includes one-time clients with overlap across business offerings

Revenue Concentration	Description / %	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	Top 1	21.5%	23.7%	23.6%	20.2%	26.3%	24.0%	25.9%
	Top 5	42.3%	44.3%	44.6%	40.0%	45.0%	42.4%	43.9%
	Top 10	51.1%	53.4%	52.6%	50.2%	54.6%	51.8%	53.5%

DSO	Nos.	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	Days		68	64	65	63	61	63

Fact Sheet

Client Engagement Size	Nos.	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	Large > USD 3M	22	20	22	20	20	20	18
	Medium > USD 1M, < USD 3M	53	56	56	57	56	57	53

Yield*	USD / Per Person Month	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
			5,231	5,134	4,953	5,082	5,386	5,321

*Yield is computed as a ratio of total revenue to billable person months excluding employees under training.

Linear Revenue Per Billed PM*	USD / Per Person Month*	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	Global Delivery Centres	16,761	17,155	16,742	16,846	16,204	16,299	16,267
	India	4,420	4,437	4,427	4,385	4,392	4,371	4,232

*Revenue per billed PM excludes IP Led revenue and calculated on total revenue including contractual reimbursable portion.

Attrition Rate	%	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	TTM Basis		14.9%	15.7%	17.1%	16.7%	16.4%	16.7%

IP Led	Nos.	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	IP Led Person Months		4,325	4,602	4,711	4,618	4,613	18,826

Fact Sheet

People Numbers	Nos.	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	Technical	9,729	9,726	9,363	9,185	8,761	9,185	8,329
	Sales and Business Development	266	285	272	273	266	273	211
	Others	537	532	532	504	503	504	436
	Total	10,532	10,543	10,167	9,962	9,530	9,962	8,976

Efforts and Utilization Mix - Linear	Description / Nos. / %	Q3FY20	Q2FY20	Q1FY20	Q4FY19	Q3FY19	FY19	FY18
	Billable Person Months	20,419	19,846	19,441	18,663	17,822	71,563	71,207
	- Global Delivery Centers	2,893	2,779	2,658	2,630	2,659	10,703	10,609
	- India	17,526	17,067	16,783	16,034	15,163	60,860	60,597
	Billed Person Months	16,295	15,409	15,141	14,879	14,635	58,037	56,405
	- Global Delivery Centers	2,430	2,271	2,179	2,206	2,232	9,007	9,255
	- India	13,865	13,138	12,962	12,674	12,403	49,030	47,151
	Linear Utilization							
	- Blended	79.8%	77.6%	77.9%	79.7%	82.1%	81.1%	79.2%
	- Global Delivery Centers	84.0%	81.7%	82.0%	83.9%	83.9%	84.2%	87.2%
- India	79.1%	77.0%	77.2%	79.0%	81.8%	80.6%	77.8%	