WNS

Quarterly Update Report Abstract

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12 pages

Who Is This Quarterly Update For?

NelsonHall's Quarterly Update on WNS provides a snapshot of developments at the company in the last quarter. It accompanies NelsonHall's more comprehensive Key Vendor Assessment program.

Both programs are designed for:

- Marketing, sales and business managers developing strategies to target service opportunities within the BPO/IT Services markets
- Sourcing managers monitoring the capabilities of existing suppliers of IT outsourcing services and identifying vendor suitability for IT services
- Consultants advising clients on vendor selection
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the BPO/IT services sector.

Key Findings & Highlights

- Q2 Performance: continues momentum of Q1, with 25.3% CC and 12.6% broad-based organic growth
- Even excluding a non-recurring $4m revenue benefit (which is becoming a trend for WNS), the growth is market-leading
- By geography, growth was led by North America (essentially U.S.), which accounted for most of the incremental revenues and, boosted by two acquisitions in Q4 FY17 y. All geographies posted growth
- Growth was broad-based across all of WNS' core target sectors, also in newer target sectors.
- By service line, growth was driven by Industry-specific BPS and F&A (both boosted by acquisition. Research & Analytics services and Contact Center also continue to enjoy strong organic growth.

Increasing proportion of revenues now coming from non-FTE-based pricing contracts, a good marker for non-linear growth.

Ongoing investments in upgrading HealthHelp technology and in automation tools will continue to impact margins for the next few years.

Confident outlook for FY18, with market leading organic and strong inorganic growth in spite of higher than usual headwinds which will slpw the rate of growth in H2.

Strong pipeline, with some larger opportunities in the mix. *"This is probably the healthiest kind of sales mix or pipeline mix that I have seen"* Keshav Murugesh

Is targeting opportunities to assist clients with RPA initiatives within their retained operations.

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Scope of the Report

The report provides a quarterly update on WNS, looking at financial performance and key developments during the period.

It accompanies NelsonHall's Key Vendor Assessment program which looks at WNS' IT and BPO offerings, capabilities, and market and financial strengths, including:

- Identification of the company's strategy, emphases and new developments
- Revenue breakdowns
- Analysis of the company's offerings and key service components
- Analysis of the profile of the company's client base including the company's targeting strategy and examples of current contracts
- Analysis of the company's strengths, weaknesses and outlook.

Report Length

12 pages

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