

MPS

CEO Presentation

**Platforms and services for content creation, production,
and distribution**

**46^h Annual General Meeting
Chennai, India
July 19, 2016**

1. Who we are today...
2. Summary of Business Model
3. Focused Market Opportunity: Mobile First Publishing
4. Acquisition of Mag+
5. Road Ahead

Who we are today...

- 46-year service history as Macmillan's back-office has allowed MPS to build unique capabilities and talents through strategic outsourcing programs that are not typically outsourced to an outside supplier
- We are a global partner to world's leading publishers and platforms including Macmillan, McGraw-Hill Education, Cengage Learning, Kaplan, Elsevier, Springer, Wiley, Wolters Kluwer, American Chemical Society, Amazon, Apple, and Vital Source
- Widest range of service offerings with focused business units for technology services and digital product development
- 2,850+ associates across five facilities in India and five offices in the US
- Content and platform business are the fastest growing business areas



Summary of Business Model

Client Focus

- Always Publishing
- Comprehensive capabilities attract large clients
- Technology capabilities attract smaller clients

Efficient Operating Model

- Dehradun is our largest operations center in India and Orlando is our largest operations center in the US.
- Global Delivery

Technology Focus

- Commercial Software
- IT support
- Production Automation

Organic Growth

- Core partners
- Multi-segment revenues

Growth through acquisitions - New clients, New capabilities

Mobile Application Development Market

- “Demand for Enterprise Mobile Apps will outstrip available development capacity by five to one (in 2017)”- Gartner, June 2015.
- The total mobile application development platform market is expected to grow by a CAGR of 30% between 2014 and 2019 reaching a total market size of USD 7,151m in 2019
- Enterprise and business applications constitute a large share of this growth with spending on these applications estimated to double in size between 2012 and 2017.

Digital Publishing Platform Market

- Digital publishing has been in existence for some time. However, as new ways of leveraging the technology outside regular print and publishing services emerges, the rate of adaptation in other areas increases
- Research conducted by InfoTrends suggest that more than 90% of all enterprises are moving toward electronic documentation. These includes digital publications such as annual reports, brochures and other corporate documentation - spurring investments in the sector
- As a result InfoTrends estimates that the digital publishing platform market will grow by a 26% CAGR over the next five years, crossing USD 900 million in 2019

- **Niche market industry leader**
 - Mag+ and Adobe DPS are recognized by Infotrends as leaders and key influencers on the digital publication platform market.
- **Globally distributed blue chip client base**
 - The acquisition of Mag+ diversifies MPS' current customer concentration and provides access to new market segments - enterprises and magazine publishers.
- **Complementary offering**
 - The Mag+ platforms complement MPS' DigiCore and give it further depth in the mobile space.
- **Technology Emphasis**
 - The acquisition further stresses MPS' commitment to growing its business through its technology and platform businesses.
- **Allow MPS to perform the role of trusted advisors**
 - The enhanced platform capabilities will also position us to advise and support publishers in our existing markets as they define their mobile content strategies.

- Enhancing sales in Magplus' core market through value-added resellers and a partner model.
- Offering services that support the Design product to Magplus' customers. Earlier, Mag+ was unable to accept services revenue that required technology and operations horsepower.
- Developing custom products and services for MPS' customers based on the Mag+ products. The enhanced platform capabilities position MPS to advise and support publishers in its existing markets as they define their mobile content strategies
- Selling MPS platforms and services to Magplus' customers including enterprises and magazine publishers. These are new market segments for MPS.
- We also plan to rationalize the business gradually to fit into the MPS business model with respect to operating margins. This will include support from offshore development, testing, and support teams in India that will help scale the business.

Thank You