



# Cognizant

Quarterly Update  
Report Abstract

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13 pages





## Who Is This Quarterly Update For?

NelsonHall's Quarterly Update on Cognizant 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 and BPO services and identifying vendor suitability for these 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.



## Highlights

### **Q1 2017 Performance: strong start to the year; revenues at top-end and Non-GAAP margin above guidance**

Growth was led by Products & Resources Group; with E&U and M&L revenues up \$91m

Continental Europe, up 26.1% as reported, boosted by the captive acquisitions in the Nordics from StoreFront and Aker

### **New capital allocation policy in place**

- Launched a \$1.5bn ASR program

### **Commences 3-year margin expansion program**

- To achieve its target of 22% non-GAAP operating margin in 2019

### **Ongoing investments in digital**

- Opened 'Collaboratories' in Amsterdam and Melbourne
- Now has chief digital officers (CDOs) in each of its industry and regional BUs

### **Ramping up U.S. onshore hiring**

**Financial Policy Committee formed; and two new independent directors appointed (per the agreement with activist investor Elliott)**

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Appendix C: Employee Data

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## Scope of the Report

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

It accompanies NelsonHall's Key Vendor Assessment program which looks at Cognizant's 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

13 pages

## Report Authors

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