# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

#### **CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 Date of Report (Date of earliest event reported): November 9, 2022

## **GENPACT LIMITED**

(Exact name of registrant as specified in its charter)

Bermuda (State or other jurisdiction of incorporation) 001-33626 (Commission File Number) 98-0533350 (I.R.S. Employer Identification No.)

Canon's Court, 22 Victoria Street Hamilton HM 12, Bermuda (Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (441) 298-3300

Not Applicable name or former address, if changed since la

	(Former nar	me or former address, if changed since	e last report) —
	k the appropriate box below if the Form 8-K filing is into wing provisions:	ended to simultaneously satisfy t	he filing obligation of the registrant under any of the
	Written communications pursuant to Rule 425 under the	ne Securities Act (17 CFR 230.42	25)
	Soliciting material pursuant to Rule 14a-12 under the B	Exchange Act (17 CFR 240.14a-	12)
	Pre-commencement communications pursuant to Rule	14d-2(b) under the Exchange Ad	ct (17 CFR 240.14d-2(b))
	Pre-commencement communications pursuant to Rule	13e-4(c) under the Exchange Ac	et (17 CFR 240.13e-4(c))
Secui	Title of each class  Common shares, par value \$0.01 per share	<b>Trading Symbol</b> G	Name of each exchange on which registered New York Stock Exchange
	ate by check mark whether the registrant is an emerging er) or Rule 12b-2 of the Securities Exchange Act of 1934		cule 405 of the Securities Act of 1933 (§230.405 of this
Emer	ging growth company		
	emerging growth company, indicate by check mark if the vised financial accounting standards provided pursuant to	•	e the extended transition period for complying with any new Act. $\Box$

#### Item 2.02 Results of Operations and Financial Condition.

On November 9, 2022, Genpact Limited (the "Company") issued a press release announcing its financial results for the three months ended September 30, 2022. The Company is furnishing this Form 8-K pursuant to Item 2.02, "Results of Operations and Financial Condition." A copy of the press release, attached hereto as Exhibit 99.1, is incorporated herein by reference.

The information in this report (including Exhibit 99.1) is being furnished pursuant to Item 2.02 and shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

The Company is making reference to non-GAAP financial information in the press release and on the conference call. A reconciliation of the non-GAAP financial measures to the most directly comparable GAAP financial measures is contained in the attached press release.

#### Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit 99.1 Press release dated November 9, 2022

Exhibit 104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

#### Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

### GENPACT LIMITED

Date: November 9, 2022 By: /s/ Heather D. White

Name: Heather D. White

Title: Senior Vice President, Chief Legal Officer and Secretary



### **Genpact Reports Third Quarter 2022 Results**

Total revenue of \$1.111 billion, Up 9% (12% on a constant currency basis)<sup>1,2</sup>
Data-Tech-AI services revenue of \$510 million, Up 19% (21% on a constant currency basis)<sup>1,2</sup>
Digital Operations services revenue of \$601 million, Up 2% (6% on a constant currency basis)<sup>1</sup>
Diluted EPS of \$0.51, Down 4%; Adjusted Diluted EPS<sup>3</sup> of \$0.75, Up 14%

**NEW YORK, November 9, 2022** — Genpact Limited (NYSE: G), a global professional services firm focused on delivering outcomes that transform businesses, today announced financial results for the third quarter ended September 30, 2022.

"We delivered another quarter of solid results with revenue, adjusted operating income margin and adjusted diluted EPS all inline with our expectations," said "Tiger" Tyagarajan, Genpact's president and CEO. "Demand for both our Data-Tech-AI and Digital Operations services remained strong, as we continue to help clients address pressing challenges around cost and productivity, growth, mitigating risk and building long-term resiliency in their operating models. In these times, we believe the essential and non-discretionary nature of most of our services makes us even more valuable to our clients."

#### **Key Financial Highlights - Third Quarter 2022**

- Total revenue was \$1.111 billion, up 9% year-over-year (12% on a constant currency basis).
- Revenue from Data-Tech-AI services was \$510 million, up 19% year-over-year (21% on a constant currency basis), 1,2 representing 46% of total revenue.
- Revenue from Digital Operations services was \$601 million, up 2% year-over-year (6% on a constant currency basis), representing 54% of total revenue.
- Net income was \$96 million, down 6% year-over-year, with a corresponding margin of 8.6%.
- Income from operations was \$131 million, down 1.1% year-over-year, with a corresponding margin of 11.8%. Adjusted income from operations was \$189 million, up 12% year-over-year, with a corresponding margin of 17.1%. 4.5
- Diluted earnings per share was \$0.51, down 4% year-over-year, and adjusted diluted earnings per share³ was \$0.75, up 14% year-over-year.
- Income from operations and diluted earnings per share include a \$21 million impairment charge as well as a \$7 million loss related to the business previously designated as held for sale. These items are excluded from adjusted income from operations<sup>4</sup> and adjusted diluted earnings per share.<sup>3</sup>
- Cash generated from operations was \$226 million, up 8% from \$210 million in the third quarter of 2021.
- Genpact repurchased approximately 627,000 of its common shares during the quarter for total consideration of approximately \$30 million at an average price per share of \$47.86.

<sup>&</sup>lt;sup>1</sup> Revenue growth on a constant currency basis is a non-GAAP measure and is calculated by restating current-period activity using the prior fiscal period's foreign currency exchange rates adjusted for hedging gains/losses in such period.

<sup>&</sup>lt;sup>2</sup> Total revenue and revenue from Data-Tech-AI services includes \$4 million of revenue associated with a business designated as held for sale.

<sup>&</sup>lt;sup>3</sup> Adjusted diluted earnings per share is a non-GAAP measure. A reconciliation of GAAP diluted earnings per share to adjusted diluted earnings per share is attached to this release

<sup>&</sup>lt;sup>4</sup> Adjusted income from operations and adjusted income from operations margin are non-GAAP measures. Reconciliations of each of GAAP income from operations and GAAP net income to adjusted income from operations margin are attached to this release.

<sup>&</sup>lt;sup>5</sup> Adjusted income from operations margin is derived by adjusting total revenue to exclude \$4 million of revenue associated with a business designated as held for sale.

#### Full Year 2022 Outlook

#### Genpact now expects:

- Total revenue in the range of \$4.32 billion to \$4.355 billion, up 7.5% to 8.5%, or 10.0% to 11.0% year-over-year on a constant currency basis,¹ compared to the prior full-year outlook in the range of \$4.32 billion to \$4.37 billion, up 7.5% to 9.0%, or 9.5% to 11.0% year-over-year on a constant currency basis.¹ This full-year revenue outlook now assumes an additional adverse impact of \$15 million from foreign currency (at current exchange rates) compared to the prior outlook and includes expected full-year revenue of approximately \$21 million associated with a business designated as held for sale, down from our prior outlook of \$28 million.
- Adjusted diluted EPS<sup>6</sup> in the range of \$2.69 to \$2.74, compared to the prior outlook in the range of \$2.68 to \$2.74.

#### Genpact continues to expect:

• Adjusted income from operations margin<sup>7</sup> at the high end of the 16.0% to 16.5% outlook.

#### **Conference Call to Discuss Financial Results**

Genpact's management will host an hour-long conference call beginning at 4:30 p.m. ET on November 9, 2022 to discuss the company's performance for the third quarter ended September 30, 2022. Those who wish to participate can <u>register here</u> to receive a dial-in number and unique PIN to access the call seamlessly. It is recommended callers join 10 minutes prior to the start of the event (although you may register and dial in at any time during the call). A live webcast of the call will also be made available on the Genpact Investor Relations website at https://www.genpact.com/investors. For those who cannot join the call live, a replay will be archived on the Genpact website after the end of the call. A transcript of the call will also be made available on the website.

<sup>&</sup>lt;sup>6</sup> Adjusted diluted earnings per share is a non-GAAP measure. A reconciliation of the outlook for GAAP diluted earnings per share to adjusted diluted earnings per share is attached to this release.

<sup>&</sup>lt;sup>7</sup> Adjusted income from operations margin is a non-GAAP measure. A reconciliation of the outlook for each of GAAP income from operations margin and GAAP net income margin to adjusted income from operations margin is attached to this release.

#### **About Genpact**

Genpact (NYSE: G) is a global professional services firm delivering the outcomes that transform our clients' businesses and shape their future. We're guided by our real-world experience redesigning and running thousands of processes for hundreds of global companies. Our clients – including many in the Global Fortune 500 – partner with us for our unique ability to combine deep industry and functional expertise, leading talent, and proven methodologies to drive collaborative innovation that turns insights into action and delivers outcomes at scale. We create lasting competitive advantages for our clients and their customers, running digitally enabled operations and applying our Data-Tech-AI services to design, build, and transform their businesses. And we do it all with purpose. From New York to New Delhi and more than 30 countries in between, our 115,000+ team is passionate in its relentless pursuit of a world that works better for people.

#### Safe Harbor

This press release contains certain statements concerning our future growth prospects, including our outlook for 2022, financial results and other forward-looking statements, as defined in the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those in such forward-looking statements. These risks, uncertainties, and other factors include but are not limited to the impact of the invasion of Ukraine by Russia and the related sanctions and other measures being implemented or imposed in response thereto, as well as any potential expansion or escalation of the conflict or its economic disruption beyond its current scope, general inflationary pressures and our ability to share increased costs with our clients, wage increases in locations in which we have operations, our ability to attract and retain skilled professionals, our ability to effectively price our services and maintain pricing and employee utilization rates, the impact of the COVID-19 pandemic on our business and on our employees, clients, partners and suppliers, a slowdown in the economies and sectors in which our clients operate, a slowdown in the business process outsourcing or information technology services sectors, our ability to develop and successfully execute our business strategies, the risks and uncertainties arising from our past and future acquisitions, our ability to convert bookings to revenues, our ability to manage growth, factors which may impact our cost advantage, changes in tax rates and tax legislation and other laws and regulations, risks and uncertainties regarding fluctuations in our earnings, foreign currency fluctuations, general economic conditions affecting our industry, political, economic or business conditions in countries in which we operate, including the withdrawal of the United Kingdom from the European Union, commonly known as Brexit, as well as other risks detailed in our reports filed with the U.S. Securities and Exchange Commission, including Genpact's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. These filings are available at www.sec.gov. Genpact may from time to time make additional written and oral forward-looking statements, including statements contained in our filings with the Securities and Exchange Commission and our reports to shareholders. Although Genpact believes that these forward-looking statements are based on reasonable assumptions, you are cautioned not to put undue reliance on these forward-looking statements, which reflect management's current analysis of future events and should not be relied upon as representing management's expectations or beliefs as of any date subsequent to the time they are made. Genpact undertakes no obligation to update any forward-looking statements that may be made from time to time by or on behalf of Genpact.

#### **Contacts**

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### GENPACT LIMITED AND ITS SUBSIDIARIES

#### Consolidated Balance Sheets (Unaudited) (In thousands, except per share data and share count)

	As of	December 31, 2021	A	As of September 30, 2022
Assets				
Current assets				
Cash and cash equivalents	\$	899,458	\$	518,680
Accounts receivable, net of allowance for credit losses of \$24,329 and \$20,437 as of December 31, 2021 and September 30, 2022, respectively		887,742		994,250
Prepaid expenses and other current assets		134,441		229,825
Assets of business held for sale		_		15,621
Total current assets	\$	1,921,641	\$	1,758,376
Property, plant and equipment, net		215,089		180,379
Operating lease right-of-use assets		270,603		191,371
Deferred tax assets		106,322		111,932
Intangible assets, net		169,635		101,226
Goodwill		1,731,027		1,680,932
Contract cost assets		238,794		218,137
Other assets, net of allowance for credit losses of \$3,711 and \$3,198 as of December 31, 2021 and September 30, 2022, respectively		322,158		294,319
Total assets	\$	4,975,269	\$	4,536,672
Liabilities and equity				
Current liabilities				
Short-term borrowings	\$	_	\$	200,000
Current portion of long-term debt		383,433		535,142
Accounts payable		24,984		27,925
Income taxes payable		47,353		107,172
Accrued expenses and other current liabilities		791,440		700,484
Operating leases liability		61,591		53,976
Liabilities of business held for sale				8,410
Total current liabilities	\$	1,308,801	\$	1,633,109
Long-term debt, less current portion		1,272,476		746,613
Operating leases liability		247,707		186,057
Deferred tax liabilities		3,942		3,634
Other liabilities		245,210		235,413
Total liabilities	\$	3,078,136	\$	2,804,826
Shareholders' equity				
Preferred shares, \$0.01 par value, 250,000,000 authorized, none issued		_		_
Common shares, \$0.01 par value, 500,000,000 authorized, 185,336,357 and 183,008,135 issued and outstanding as of December 31, 2021 and September 30, 2022, respectively		1,847		1,825
Additional paid-in capital		1,717,165		1,740,271
Retained earnings		732,474		745,172
Accumulated other comprehensive income (loss)		(554,353)		(755,422)
Total equity	\$	1,897,133	\$	1,731,846
Total liabilities and equity	\$	4,975,269	\$	4,536,672

### GENPACT LIMITED AND ITS SUBSIDIARIES

#### Consolidated Statements of Income (Unaudited) (In thousands, except per share data and share count)

Three months ended September

	<b>30</b> ,			Nine months ended Septemb				
	 2021		2022		2021		2022	
Net revenues	\$ 1,015,737	\$	1,111,037	\$	2,949,934	\$	3,268,627	
Cost of revenue	653,686		717,219		1,887,596		2,117,437	
Gross profit	\$ 362,051	\$	393,818	\$	1,062,338	\$	1,151,190	
Operating expenses:								
Selling, general and administrative expenses	215,957		231,436		620,857		701,828	
Amortization of acquired intangible assets	13,898		10,604		44,624		32,805	
Other operating (income) expense, net	(93)		20,937		(217)		42,157	
Income from operations	\$ 132,289	\$	130,841	\$	397,074	\$	374,400	
Foreign exchange gains (losses), net	2,733		3,867		11,529		9,312	
Interest income (expense), net	(12,765)		(13,399)		(38,198)		(36,691)	
Other income (expense), net	1,480		(235)		8,966		(4,902)	
Income before income tax expense	\$ 123,737	\$	121,074	\$	379,371	\$	342,119	
Income tax expense	21,351		25,231		83,008		78,427	
Net income	\$ 102,386	\$	95,843	\$	296,363	\$	263,692	
Earnings per common share								
Basic	\$ 0.55	\$	0.52	\$	1.58	\$	1.43	
Diluted	\$ 0.53	\$	0.51	\$	1.54	\$	1.40	
Weighted average number of common shares used in computing earnings per common share								
Basic	187,856,026		183,312,013		187,945,234		184,456,047	
Diluted	193,159,929		187,399,204		192,885,252		188,274,420	

## GENPACT LIMITED AND ITS SUBSIDIARIES

#### Consolidated Statements of Cash Flows (Unaudited) (In thousands)

Speaking strictsTotal strictsTotal strictsWhen the stricts\$ 0,000,000\$ 0,000When the stricts for contricts for the stricts of contricts for the stricts and producting fluing fluing stricts and producting fluing fluing stricts and product planting fluing stricts and product planting fluing stricts and producting fluing	(	N	Nine Months end	led So	entember 30.
Mel mome         8         196, 196, 196, 196, 196, 196, 196, 196,					
Page	Operating activities				
Report   R		\$	296,363	\$	263,692
Amortation of debt issuance costs         4,064         3,085           Amortation of intangible assets and properly plant and equipment         4,064         3,085           Wirel-down of intangible assets and productly plant and equipment flows         5,004         1,000           Unreal flowers         4,000         1,000           Unreal control intangible assets and productly plant and equipment flowers         4,000         1,000           Unreal control intended in Section         4,000         1,000         1,000           Stock-based companion capeas         6,000         1,000	Adjustments to reconcile net income to net cash provided by operating activities:				
Amont a dequired thanghle assets and prodety, plant and equipment         91         1.78           Write-down of intanghle assets and prodety light and equipment         91         1.78           Write-down of intanghle assets and prodety light and experiment charge on intanghle assets and prodety light and the fore-sale         2.18         0.18           Allowand for certifi losses         3.64         3.60         2.18           Stock and compensation expess         9.50         3.50         7.00	Depreciation and amortization		82,344		68,169
With classes and property, plant and equipment (large) intamplike assets and good will held-for-sale         1,92         1,92           Inspirement charge on intamplike assets and good will held-for-sale         2,14         1,04           Chrowate (rewill tosse)         2,12         1,04           Chrowate (argin)/loss on revaluation of foreign currency asset/fishility         8,60         4,08           Stock-based companier right-of-use assets and other assets         8,60         1,02           Wirk-clower to openuting right-of-use assets and the assets         7,02         1,02           Wirk-clower to age and institution         7,02         1,02           There are in accounts recruited for the property of the accounts propared to genesic short-current institutions are common to a second page space and institutions are common to a second page space and property plant and equipment and there are common to a second page space and	Amortization of debt issuance costs		1,969		1,825
Wind concominating place as sels and property, plant and equipment         9         1.37           Rispiance for credit closes         1.24         1.24           All conces for credit closes         2.42         1.24           Chronate (aguin) Joes on realization of foreign currency asser/failability         8.50         4.50           Stock-based companier in close as est and other asses         9.60         1.00           Witt-close on Gonding right-fores as est and other asses         1.00         1.00           Witt-closed on gonerating asses and liabilities         7.00         1.00           Brough asses and liabilities         1.00         1.00           Brough asses and counts receivable         1.00         1.00           Increase in accounts receivable         1.00         1.00           Brough asses and counts papable         1.00         1.00           Brough asses and counts papable         1.00         1.00           Brough asses in income taxes papable         1.00         1.00           Brough asses in close papable         1.00         1.00           Brough asses in income taxes papable         1.00         1.00           West asses from papare and liabilities         1.00         1.00           Brough asses from liabilities (aguantity in the papead papead papead papead papead pa	Amortization of acquired intangible assets		44,624		32,805
Manual	Write-down of intangible assets and property, plant and equipment		915		1,377
Broke-based compensation expense         5,636         5,148-00           Stok-based compensation expense         5,636         5,148-00           Witt-color of operating right-of-use assets and other assets         6,036         3,030           Others, no constructing inserting inserting passes and liabilities         8,08         3,030           Horse se in accounts receivable (Increase) decrease in preparing expenses, other current assets, ontract cost assets, operating lasses right-of-uses as in propriat depenses, other current assets, ontract cost assets, operating lasses right-of-uses as a counts speakly of the current assets, ontract cost assets, operating lasses right-of-uses as a count speakly of the current assets, ontract assets as a count speakly of the current assets, ontract cost assets, operating lasses right-of-uses as a count speakly of the current assets, ontract assets as a count of the current assets (assets as a count speakly of the current assets (assets as a count of the current assets as a count of the current assets as a count of the current as a count of the curren	Impairment charge on intangible assets and goodwill held-for-sale		_		21,426
Skolethaled compensation expense         5,860 mm         7,650 mm           Defined to benefit a benefit of the last benefit of the potential gright-of-use assets and other assets         -         6,000 mm	Allowance for credit losses		2,412		1,045
before lack benefit         (6,20)         (7,50)           Wite-down of operating right-of-use sease and other assets         3         3           Chord, in operating assets and liabilities         (7,80)         (10,10)           Increase in accounts receivable         (7,80)         (10,10)           Increase in accounts prepaid expenses, other current assets, contract out assets, operating lease right-of-uses in accounts payable         1,30,7         (5,70)           Increase in accounts payable         8         4,70,7         (5,70)           Increase in accounts payable         8         4,70,7         (5,70)           Increase in accounts payable         8         4,70,7         (5,70)           Increase in mome taxus payable         6         4,00         (5,70)           Increase in mome taxus payable         (3,13)         (5,80)         (5,80)           Increase in mome taxus payable         (3,13)         (3,53)         (5,90)         (5,90)         (3,90)         (5,90) <td>Unrealized (gain)/loss on revaluation of foreign currency asset/liability</td> <td></td> <td>(4,252)</td> <td></td> <td>2,150</td>	Unrealized (gain)/loss on revaluation of foreign currency asset/liability		(4,252)		2,150
Defect place benefit         (6,26)         (7,65)           Wite-down of operating right-of-use asees and other assets         3         3           Chours.         (80)         3           To appear in operating assets and liabilities         (7,60)         (10,10)           Increase in accounts receivable         (7,60)         (10,10)           Increase in accounts payable         3,307         (8,70)           Increase in accounts payable         8         3,407         (8,70)           Increase in accounts payable         8         34,70         (8,70)           Increase in mome taxes payable         (8,10)         (8,10)         (9,70)           Increase in mome taxes payable         (8,10)         (8,10)         (9,70)           Provessed from sone daxes payable         (8,10)         (8,10)         (9,70)           Provessed from sone daxes payable         (8,10)         (8,10)         (9,70)           Provessed from sone daxes payable         (8,10)         (8,10)         (9,10)	Stock-based compensation expense		58,604		54,894
Obers (Description from the state and liabilities)         (7,000)         (7,00	Deferred tax benefit		(6,236)		(7,655)
Others         Charge in operating assets and liabilities:         (76,000)         (12,000)           Charge in operating assets and liabilities:         (76,000)         (12,000)           Charge in corounts recivable         (76,000)         (57,000)           Increase in accounts payable         11,000         (57,000)           Decrease in accrual cexpense, other current liabilities operating lease liabilities and other assets in accrual expense, other current liabilities, operating lease liabilities and other assets in accrual expense, other current liabilities, operating lease liabilities and other assets in accrual expense, other current liabilities, operating lease liabilities and other assets in accrual expense, other current liabilities, operating lease liabilities and other assets in accrual expense, other current liabilities, operating lease liabilities and other assets and current liabilities, operating lease liabilities and other liabilities and other liabilities and contributions are contributed of the property, plant and equipment         4,000         (50,000)         (50,00	Write-down of operating right-of-use assets and other assets		_		20,307
Recease in accounts receivable	Others, net		806		
Increase in accounts receivable	Change in operating assets and liabilities:				
Content   Properties   Proper			(78,626)		(121,038)
Increase in accounts payable					
Decrease in accrued expense, other current liabilities, operating lease liabilities and other liabilities in income taxes payable         (74,085)         (73,024)           Net case in income taxes payable         \$ 447,479         \$ 28,447,470           Net case in income taxes payable         \$ 447,470         \$ 28,442,470           Investiris activities         \$ 31,321         \$ 35,321           Processor property, plant and equipment         \$ 36,921         \$ 36,321           Ryment for internally generated intangible sests (including intangibles under development)         \$ 4,61         \$ 6,72           Ryment for internally generated intangible sests (including intangibles under development)         \$ 4,61         \$ 6,72           Ryment of frink and equipment         \$ 4,51         \$ 36,72         \$ 36,72           Ryment of investment         \$ 40,22         \$ 36,72					
Increase in income taxes payable         68, 447,77         8 21,404           Net cash provided by operating activities         8 447,77         8 21,404           Investing activities         6 (31,385)         (35,321)           Purchase of property, plant and equipment         (33,907)         (35,907)           Proceeds from sale of property, plant and equipment (14,000)         (30,907)         (30,907)           Proceeds from sale of property, plant and equipment (14,000)         (30,907)         (30,907)           Proceeds from sale of property, plant and equipment (14,000)         (30,907)<					
Net cash provided by operating activities         8         447.47         \$ 214,042           Investing activities         3(3)35         (3)535         (3)535           Purples of peopery, plant and equipment         3(3)07         (2,972)           Proceeds from sale of property, plant and equipment         (5)63         3(3)07           Proceeds from sale of property, plant and equipment         (6)63         9           Proceeds from sale of property, plant and equipment         (6)63         9           Proceeds from sale of property, plant and equipment         (6)63         9           Proceeds from sale of property, plant and equipment         (6)63         9           Proceeds from sale of property, plant and equipment         (6)63         9           Proceeds from sale of property, plant and equipment         (6)63         9           Proceeds from sale of property, plant and equipment         (8)63         (10,002)           Proceeds from sale of property, plant and equipment         (8)63         (10,002)           Property Sale (10)         (8)69         (10,002)           Property Sale (10)         (8)69         (10,002)           Property Sale (10)         (8)69         (10,002)           Payment of france less obligations         (8)69         (8)69           Pay					
Pursiting activities   Pursiting activities   Pursiting activities   (31,385)   (35,312)     Payment for internally generated intangible assets (including intangibles under development)   (30,97)   (20,92)     Proceeds from sale of property, plant and equipment   (36,61)   (36,61)     Payment)/refund for business acquisitions, net of cash acquired   (36,61)   (36,61)     Payment)/refund for business acquisitions, net of cash acquired   (36,61)   (36,61)     Payment of insure times times   (36,61)   (36,61)     Payment of insure telescobligations   (36,65)   (30,728)     Payment of finance lease obligations   (36,65)   (30,728)     Payment of finance formion shares under stock-based compensation plans   (36,65)   (30,728)     Payment of carn-out consideration shares under stock-based compensation plans   (36,65)   (36,65)     Payment of carn-out consideration shares under stock-based compensation plans   (36,65)   (36,65)     Payment of carn-out consideration shares under stock-based compensation plans   (36,65)   (36,65)     Payment of carn-out consideration shares under stock-based compensation plans   (36,65)   (36,65)     Payment of carn-out consideration shares under stock-based compensation plans   (36,65)   (36,65)     Payment of carn-out consideration shares under stock-based compensation plans   (36,65)   (36,65)     Payment of carn		ф		ф	
Purchase of property, plant and equipment         (3,385)         (35,312)           Payment for internally generated intangible assets (including intangibles under devolopment)         (3,097)         (2,972)           Proceed from sale of property, plant and equipment         (6,613)         (973)           (Payment) / refund for business acquisitions, net of cash acquired         (6,613)         (973)           Proceed from sale of investment         142         -           Net cash used for investing activities         (8,659)         (10,305)           Propage of finance lease obligations         (8,659)         (10,305)           Payment of finance lease obligations         (8,659)         (10,305)           Payment of debt issuance costs         (8,659)         (10,305)           Proceeds from Insert ender         (8,550)         (35,500)           Proceeds from short-term borrowings         (8,500)         (50,000)           Repayment of short-term borrowings         (8,304)         (8,000)           Proceeds from insurance of common shares under stock-based compansation plans         (8,304)         (8,000)           Proceeds from insurance of common shares under stock-based compansation plans         (8,004)         (8,004)           Proceeds from insurance of common shares under stock-based compansation plans to stock repure to seal compansation plans to stock repure to sev		<u></u>	447,477	Þ	214,042
Payment for internally generated intangible assets (including intangible sunder development)         4,50%         5,50%           Proceeds from sale of property, plant and equipment         6,61%         9,78           Proceed from sale of property, plant and equipment         6,61%         9,78           Proceed from sale of investment         1,24         2,2           Net cash used for investing activities         8,30,20%         3,03,20%           Proceeds from sale obligations         8,50,20%         1,03,00%           Repayment of idebt issuance osts         4,03,00%         2,00           Ryment of short-tern bortowings         2,05,00%         3,55,00%           Ryment of short-tern borrowings         2,00         3,00         3,55,00%           Ryment for net settlement of stock-based awards         2,00         3,00         3,55,00%           Ryment for net settlement of stock-based awards         2,00         3,00			(21.20=)		(07.040)
Proceeds from sale of property, plant and equipment         4,511         6,86           (Payment) / refund for business acquisitions, net of cash acquired         6,613         9.73           Proceed from sale of investment         8,37,220         \$ 3,73,220           Net cash used for investing activities         8,37,220         \$ 3,73,220           Flamenting activities         8,53,200         10,30,30           Payment of finance lease obligations         8,50,50         10,30,30           Proceeds from lance lease obligations         35,000            Proceeds from debt         35,000            Proceeds from getern debt         25,000         35,000           Repayment of long-term debt         25,000         35,000           Repayment of short-term borrowings         25,000         50,000           Proceeds from shares under shore-based accompany share shore shore shore shared shore shared shore shared shore shore shared shore shore shared shore shared shore shared shared shore shared shared shore shared shar					
(Pymentt)/refund for business acquisitions, net of cash acquired         (6,63)         9.7           Proced from sale of investment         12         7           Net cash used for investing activities         8 (7,22)         8 (7,22)         8 (7,22)         8 (7,22)         8 (7,22)         8 (7,22)         8 (7,22)         8 (7,22)         8 (7,22)         8 (7,22)         9 (7,22) <th< td=""><td></td><td></td><td></td><td></td><td></td></th<>					
Proceed from sale of investing activities         114         9         3 <td></td> <td></td> <td></td> <td></td> <td></td>					
Net cash used for investing activities         \$ (37,25)         \$ (37,25)           Financing activities         (8,65)         (10,305)           Payment of finance lease obligations         (8,65)         (10,305)           Proceeds from long-term debt         35,000         (37,500)           Repayment of long-term debt         (25,500)         (37,500)           Repayment of long-term debt         (25,000)         (30,000)           Repayment of short-term borrowings         (29,700)         (50,000)           Repayment of short-term borrowings         (33,40)         (40,40)           Proceeds from issuance of common shares under stock-based compensation plans         29,786         13,042           Payment for net settlement of stock-based awards         (33,40)         (44,424)           Payment for stock repurchased and retired (including expenses related to stock repurchase)         (60,40)         (68,942)           Potters         (60,40)         (70,000)         (70,000)           Payment for stock repurchased and retired (including expenses related to stock repurchase)         (10,722)         (70,000)           Potters         (50,40)         (70,000)         (70,000)           Potters         (50,40)         (70,000)         (70,000)           Potters         (70,000)         (70,0					9/3
Financing activities         Case any ment of finance lease obligations         (8,659)         (10,305)           Payment of finance lease obligations         (8,659)         (10,305)           Payment of debt issuance costs         (3,008)         –           Proceeds from long-term debt         (25,500)         (375,500)           Repayment of long-term debt         –         25,000           Repayment of short-term borrowings         (25,000)         (50,000)           Repayment for short-term borrowings         (29,786)         (33,407)           Proceeds from issuance of common shares under stock-based compensation plans         (29,786)         (33,042)           Payment for net settlement of stock-based awards         (25,500)         (44,942)           Payment of earn-out consideration         (80,401)         (60,401)         (44,942)           Payment for stock repurchased and retired (including expenses related to stock repurchase)         (147,222)         (182,002)           Others         (147,222)         (182,002)         (147,222)         (182,002)           Others         (147,222)         (182,002)         (147,102)         (182,002)         (147,102)         (147,102)         (147,102)         (147,102)         (147,102)         (147,102)         (147,102)         (147,102)         (147,102)		<u></u>		_	(
Repayment of finance lease obligations         (8,659)         (10,305)           Payment of debt issuance costs         330,000         ————————————————————————————————————		\$	(37,252)	\$	(37,253)
Payment of debt issuance costs         (3,018)         — Proceeds from long-term debt         350,000         — Proceeds from long-term debt         350,000         — Proceeds from short-derm beth         (25,500)         (375,500)         — Proceeds from short-term borrowings         — Proceeds from short-term borrowings         — Proceeds from short-term borrowings         — Proceeds from issuance of common shares under stock-based compensation plans         29,786         13,042         — Proceeds from issuance of common shares under stock-based compensation plans         29,786         13,042         — Proceeds from issuance of common shares under stock-based compensation plans         29,786         13,042         — Proceeds from issuance of common shares under stock-based compensation plans         29,786         13,042         — Proceeds from issuance of common shares under stock-based compensation plans         29,786         13,042         — Proceeds from issuance of common shares under stock-based compensation plans         29,786         13,042         — Proceeds from issuance of common shares under stock-based compensation plans         29,786         14,4942         — Proceeds from issuance of common shares under stock-based compensation plans         14,4942         — Proceeds from issuance of common shares under stock-based compensation plans         16,8942         — Proceeds from issuance of common shares under stock-based compensation plans         18,2942         — Proceeds from issuance of common shares under stock-based compensation plans         18,29,718         — Proceeds from issuance of common shares			(0 ()		()
Proceeds from long-term debt         350,000         —           Repayment of long-term debt         (25,500)         (375,500)           Proceeds from short-term borrowings         ————————————————————————————————————	• • • • • • • • • • • • • • • • • • • •				(10,305)
Repayment of long-term debt         (25,500)         (375,500)           Proceeds from short-term borrowings         (25,000)         (50,000)           Repayment of short-term borrowings         (25,000)         (50,000)           Proceeds from issuance of common shares under stock-based compensation plans         29,786         13,042           Payment for net settlement of stock-based awards         (33,407)         (44,942)           Payment of earn-out consideration         (60,461)         (68,942)           Dividend paid         (60,461)         (182,902)           Payment for stock repurchased and retired (including expenses related to stock repurchase)         (147,224)         (182,092)           Payment for stock repurchased and retired fineluding expenses related to stock repurchases         (60,461)         (86,394)           Others         (60,461)         (147,224)         (182,092)           Payment for stock repurchased and retired (including expenses related to stock repurchase)         (60,461)         (86,394)           Others         (60,461)         (147,224)         (182,092)           Payment for stock repurchased and retired (including expenses related to stock repurchase)         (10,681)         (86,391)           Ret cash used for financing activities         259,102         (294,387)         (86,391)           Sch and cash equiva	•				_
Proceeds from short-term borrowings         — 250,000           Repayment of short-term borrowings         (250,000)         (50,000)           Proceeds from issuance of common shares under stock-based compensation plans         29,786         13,042           Payment for net settlement of stock-based awards         (33,467)         (44,942)           Payment of earn-out consideration         (50,600)         (2,437)           Dividend paid         (60,461)         (68,942)           Payment for stock repurchased and retired (including expenses related to stock repurchase)         (147,224)         (182,092)           Others         (6)         —           Net cash used for financing activities         (15,1105)         (47,176)           Effect of exchange rate changes         (17,085)         (86,391)           Net increase /(decrease) in cash and cash equivalents         259,120         (294,387)           Cash and cash equivalents at the beginning of the period         680,440         899,458           Cash and cash equivalents at the end of the period         892,475         518,680           Supplementary information         \$ 25,715         \$ 30,430					_
Repayment of short-term borrowings         (250,000)         (50,000)           Proceeds from issuance of common shares under stock-based compensation plans         29,786         13,042           Payment for net settlement of stock-based awards         (33,467)         (44,942)           Payment of earn-out consideration         (2,556)         (2,437)           Dividend paid         (60,461)         (68,942)           Payment for stock repurchased and retired (including expenses related to stock repurchase)         (147,224)         (182,092)           Others         (6)         -           Net cash used for financing activities         (17,085)         (86,391)           Effect of exchanges rate changes         (17,085)         (294,387)           Vash and cash equivalents at the beginning of the period         680,440         899,458           Cash and cash equivalents at the end of the period         680,440         899,458           Supplementary information         \$ 25,115         \$ 30,430			(25,500)		
Proceeds from issuance of common shares under stock-based compensation plans         29,786         13,042           Payment for net settlement of stock-based awards         (33,467)         (44,942)           Payment of earn-out consideration         (2,556)         (2,437)           Dividend paid         (60,461)         (88,942)           Payment for stock repurchased and retired (including expenses related to stock repurchase)         (147,224)         (182,092)           Others         (6)         -           Net cash used for financing activities         (151,105)         (471,176)           Effect of exchange rate changes         (17,085)         (86,391)           Net increase /(decrease) in cash and cash equivalents         259,120         (294,387)           Cash and cash equivalents at the beginning of the period         680,440         899,458           Cash and cash equivalents at the end of the period         8 922,475         518,680           Supplementary information         \$ 25,715         30,430			_		
Payment for net settlement of stock-based awards         (33,467)         (44,942)           Payment of earn-out consideration         (2,556)         (2,437)           Dividend paid         (60,461)         (68,942)           Payment for stock repurchased and retired (including expenses related to stock repurchase)         (147,224)         (182,092)           Others         (6)         -           Net cash used for financing activities         (151,105)         (471,176)           Effect of exchange rate changes         (17,085)         (86,391)           Net increase /(decrease) in cash and cash equivalents         259,120         (294,387)           Cash and cash equivalents at the beginning of the period         680,440         899,458           Cash and cash equivalents at the end of the period         58,040         899,458           Supplementary information         25,715         30,430					
Payment of earn-out consideration         (2,556)         (2,437)           Dividend paid         (60,461)         (68,942)           Payment for stock repurchased and retired (including expenses related to stock repurchase)         (147,224)         (182,092)           Others         (6)         -           Net cash used for financing activities         (151,105)         (471,176)           Effect of exchange rate changes         (17,085)         (86,391)           Net increase / (decrease) in cash and cash equivalents         259,120         (294,387)           Cash and cash equivalents at the beginning of the period         680,440         899,458           Cash and cash equivalents at the end of the period         \$ 922,475         \$ 18,680           Supplementary information         \$ 25,715         \$ 30,430					
Dividend paid         (60,461)         (68,942)           Payment for stock repurchased and retired (including expenses related to stock repurchase)         (147,224)         (182,092)           Others         (6)         -           Net cash used for financing activities         (151,105)         (471,176)           Effect of exchange rate changes         (17,085)         (86,391)           Net increase /(decrease) in cash and cash equivalents         259,120         (294,387)           Cash and cash equivalents at the beginning of the period         680,440         899,458           Cash and cash equivalents at the end of the period         \$ 922,475         \$ 518,680           Supplementary information         \$ 25,715         \$ 30,430	·				
Payment for stock repurchased and retired (including expenses related to stock repurchase)(147,224)(182,092)Others(6)-Net cash used for financing activities\$ (151,105)\$ (471,176)Effect of exchange rate changes(17,085)(86,391)Net increase / (decrease) in cash and cash equivalents259,120(294,387)Cash and cash equivalents at the beginning of the period680,440899,458Cash and cash equivalents at the end of the period\$ 922,475\$ 518,680Supplementary informationCash paid during the period for interest\$ 25,715\$ 30,430	·				
Others         (6)         —           Net cash used for financing activities         \$ (151,105)         \$ (471,176)           Effect of exchange rate changes         (17,085)         (86,391)           Net increase / (decrease) in cash and cash equivalents         259,120         (294,387)           Cash and cash equivalents at the beginning of the period         680,440         899,458           Cash and cash equivalents at the end of the period         \$ 922,475         \$ 518,680           Supplementary information         \$ 25,715         \$ 30,430	•				
Net cash used for financing activities         \$ (151,105)         \$ (471,176)           Effect of exchange rate changes         (17,085)         (86,391)           Net increase / (decrease) in cash and cash equivalents         259,120         (294,387)           Cash and cash equivalents at the beginning of the period         680,440         899,458           Cash and cash equivalents at the end of the period         \$ 922,475         \$ 518,680           Supplementary information         25,715         \$ 30,430					(182,092)
Effect of exchange rate changes       (17,085)       (86,391)         Net increase /(decrease) in cash and cash equivalents       259,120       (294,387)         Cash and cash equivalents at the beginning of the period       680,440       899,458         Cash and cash equivalents at the end of the period       \$ 922,475       \$ 518,680         Supplementary information         Cash paid during the period for interest       \$ 25,715       \$ 30,430					_
Net increase / (decrease) in cash and cash equivalents  Cash and cash equivalents at the beginning of the period  Cash and cash equivalents at the end of the period  Cash and cash equivalents at the end of the period  Supplementary information  Cash paid during the period for interest  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)  (294,387)		\$		\$	
Cash and cash equivalents at the beginning of the period680,440899,458Cash and cash equivalents at the end of the period\$ 922,475\$ 518,680Supplementary information\$ 25,715\$ 30,430			(17,085)		(86,391)
Cash and cash equivalents at the end of the period\$ 922,475\$ 518,680Supplementary informationCash paid during the period for interest\$ 25,715\$ 30,430			259,120		
Supplementary information Cash paid during the period for interest \$ 25,715 \$ 30,430			680,440		899,458
Cash paid during the period for interest \$ 25,715 \$ 30,430	Cash and cash equivalents at the end of the period	\$	922,475	\$	518,680
	Supplementary information				
Cash paid during the period for income taxes, net of refund \$ 38,040 \$ 114,343	Cash paid during the period for interest	\$	25,715	\$	30,430
	Cash paid during the period for income taxes, net of refund	\$	38,040	\$	114,343

#### **Non-GAAP Financial Measures**

To supplement the consolidated financial statements presented in accordance with GAAP, this press release includes the following non-GAAP financial measures:

- Adjusted income from operations;
- Adjusted income from operations margin;
- Adjusted diluted earnings per share; and
- Revenue growth on a constant currency basis.

These non-GAAP financial measures are not based on any comprehensive set of accounting rules or principles and should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and may be different from non-GAAP financial measures used by other companies. Accordingly, these non-GAAP financial measures, the financial statements prepared in accordance with GAAP and the reconciliations of Genpact's GAAP financial statements to such non-GAAP financial measures should be carefully evaluated.

Prior to July 2012, Genpact's management used financial statements that excluded significant acquisition-related expenses, amortization of related acquired intangibles, and amortization of acquired intangibles recorded at the company's formation in 2004 for its internal management reporting, budgeting and decision-making purposes, including comparing Genpact's operating results to that of its competitors. However, considering Genpact's acquisitions of varying scale and size, and the difficulty in predicting expenses relating to acquisitions and the amortization of acquired intangibles thereof, since July 2012 Genpact's management has used financial statements that exclude all acquisition-related expenses and amortization of acquired intangibles for its internal management reporting, budgeting and decision-making purposes, including comparing Genpact's operating results to those of its competitors. For the same reasons, since April 2016 Genpact's management has excluded the impairment of acquired intangible assets from the financial statements it uses for internal management purposes. Acquisition-related expenses are excluded in the period in which an acquisition is consummated. Genpact's management also uses financial statements that exclude stock-based compensation expense. Because of varying available valuation methodologies, subjective assumptions and the variety of award types that companies can use when adopting ASC 718 "Compensation-Stock Compensation," Genpact's management believes that providing non-GAAP financial measures that exclude such expenses allows investors to make additional comparisons between Genpact's operating results and those of other companies.

During the second quarter of 2022, Genpact (a) initiated restructuring measures and, as a result, recorded a charge related to i) right-of-use lease assets and other assets related to certain abandoned leased office properties and ii) employee severance costs resulting from a focused reduction in Genpact's workforce and (b) approved a plan to divest a business that is no longer deemed strategic. Given the specialized nature of this business, we anticipate completing a transaction within twelve months after the end of the second quarter, and therefore, we have classified the revenues and expenses related to this business as held for sale. Additionally, during the third quarter of 2022, the Company recorded a non-cash impairment charge to adjust the carrying amount of the assets of the business designated as held for sale to their fair value. Genpact's management believes that excluding such restructuring charges and the revenues, expenses and impairment charge attributable to the business held for sale in calculating its non-GAAP financial measures provides useful information to both management and investors regarding the Company's financial performance and underlying business trends. Additionally, in its calculations of non-GAAP financial measures, Genpact's management has adjusted foreign exchange gains and losses, interest income and expenses and income tax expenses from GAAP net income, and other income and expenses, and certain gains, losses and impairment charges attributable to equity-method investments from GAAP income from operations, because management believes that the Company's results after taking into account these adjustments more accurately reflect the Company's ongoing operations. In its calculations of adjusted diluted earnings per share, Genpact's management adds back adjusted stock-based compensation expense, amortization and impairment of acquired intangible assets, acquisition-related expenses and the related tax impact of such adjustments from GAAP diluted earnings per share. For the purpose of calculating adjusted diluted earnings per share, the combined current and deferred tax effect is determined by multiplying each pre-tax adjustment by the applicable statutory income tax rate.

Genpact's management provides information about revenues on a constant currency basis so that the revenues may be viewed without the impact of foreign currency exchange rate fluctuations compared to prior fiscal periods, thereby facilitating period-to-period comparisons of the Company's true business performance. Revenue growth on a constant currency basis is calculated by restating current-period activity using the prior fiscal period's foreign currency exchange rates adjusted for hedging gains/losses in such period.

Accordingly, Genpact believes that the presentation of adjusted income from operations, adjusted income from operations margin, adjusted diluted earnings per share and revenue growth on a constant currency basis, when read in conjunction with the Company's reported results, can provide useful supplemental information to investors and management regarding financial and business trends relating to its financial condition and results of operations.

A limitation of using adjusted income from operations and adjusted income from operations margin versus income from operations, income from operations margin, net income and net income margin calculated in accordance with GAAP is that these non-GAAP financial measures exclude certain recurring costs and certain other charges, namely stock-based compensation expense and amortization and impairment of acquired intangible assets. Management compensates for this limitation by providing specific information on the GAAP amounts excluded from adjusted income from operations and adjusted income from operations margin.

The following tables show the reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures for the three and nine months ended September 30, 2021 and 2022:

## Reconciliation of Net Income/Margin to Adjusted Income from Operations/Margin (In thousands)

	Thr	Three months ended September 30,				Nine months ended September				
		2021		2022		2021		2022		
Net income	\$	102,386	\$	95,843	\$	296,363	\$	263,692		
Foreign exchange (gains) losses, net		(2,733)		(3,867)		(11,529)		(9,312)		
Interest (income) expense, net		12,765		13,399		38,198		36,691		
Income tax expense		21,351		25,231		83,008		78,427		
Stock-based compensation expense		21,485		19,202		58,604		54,894		
Amortization and impairment of acquired intangible assets		13,688		10,516		43,977		32,709		
Restructuring expenses		_		_		_		38,815		
Loss relating to business held for sale		_		7,069		_		14,291		
Impairment charge on assets classified as held for sale		_		21,426		_		21,426		
Adjusted income from operations	\$	168,942	\$	188,819	\$	508,621	\$	531,633		
Net income margin		10.1 %		8.6 %		10.0 %		8.1 %		
Adjusted income from operations margin		16.6 %		17.1 %		17.2 %		16.3 %		

## Reconciliation of Income from Operations/Margin to Adjusted Income from Operations/Margin (In thousands)

Th	Three months ended September 30,			ine months end	ed September 30,		
	2021	2022		2021		2022	
\$	132,289	\$ 130,841	\$	397,074	\$	374,400	
	21,485	19,202		58,604		54,894	
	13,688	10,516		43,977		32,709	
	1,480	(235)		8,966		(4,902)	
	-	_		_		38,815	
	_	7,069		_		14,291	
	-	21,426		_		21,426	
\$	168,942	\$ 188,819	\$	508,621	\$	531,633	
	13.0 %	11.8 %		13.5 %		11.5 %	
	16.6 %	17.1 %		17.2 %		16.3 %	
		\$ 132,289 21,485 13,688 1,480 ————————————————————————————————————	2021         2022           \$ 132,289         \$ 130,841           21,485         19,202           13,688         10,516           1,480         (235)           —         —           —         7,069           —         21,426           \$ 168,942         \$ 188,819           13.0 %         11.8 %	2021         2022           \$ 132,289         \$ 130,841         \$           21,485         19,202         13,688         10,516           1,480         (235)         —         —           —         —         7,069         —           —         21,426         —         \$           \$ 168,942         \$ 188,819         \$           13.0 %         11.8 %         *	2021         2022         2021           \$ 132,289         \$ 130,841         \$ 397,074           21,485         19,202         58,604           13,688         10,516         43,977           1,480         (235)         8,966           —         —         —           —         7,069         —           —         21,426         —           \$ 168,942         \$ 188,819         \$ 508,621           13.0 %         11.8 %         13.5 %	2021         2022         2021           \$ 132,289         \$ 130,841         \$ 397,074         \$           21,485         19,202         58,604           13,688         10,516         43,977           1,480         (235)         8,966           —         —         —           —         7,069         —           —         21,426         —           \$ 168,942         \$ 188,819         \$ 508,621         \$           13.0 %         11.8 %         13.5 %	

## Reconciliation of Diluted EPS to Adjusted Diluted EPS<sup>8</sup>

(Per share data)

	Three months ended September 30,			Nine month Septembe				
		2021		2022		2021		2022
Diluted EPS	\$	0.53	\$	0.51	\$	1.54	\$	1.40
Stock-based compensation expense		0.11		0.10		0.30		0.29
Amortization and impairment of acquired intangible assets		0.07		0.06		0.23		0.17
Restructuring expenses		_		_		_		0.21
Loss relating to business held for sale		_		0.04		_		0.08
Impairment charge on assets classified as held for sale		_		0.11		_		0.11
Tax impact on stock-based compensation expense		(0.03)		(0.02)		(0.10)		(0.08)
Tax impact on amortization and impairment of acquired intangible assets		(0.02)		(0.01)		(0.06)		(0.04)
Tax impact on restructuring expenses		_		(0.03)		_		(0.08)
Tax impact on loss relating to business held for sale		_		(0.01)		_		(0.02)
Adjusted diluted EPS	\$	0.66	\$	0.75	\$	1.91	\$	2.04

 $<sup>^{8}</sup>$  Due to rounding, the numbers presented in this table may not add up precisely to the totals provided.

The following tables show the reconciliation of forward-looking non-GAAP financial measures to the most directly comparable GAAP measures for the year ending December 31, 2022:

#### Reconciliation of Outlook for Net Income Margin to Adjusted Income from Operations Margin<sup>9</sup>

	Year ending December 31, 2022
Net income margin	8.3%
Estimated foreign exchange (gains) losses, net	(0.2)%
Estimated interest (income) expense, net	1.1%
Estimated income tax expense	2.6%
Estimated stock-based compensation expense	1.8%
Estimated amortization and impairment of acquired intangible assets	1.0%
Estimated restructuring expense	0.9%
Estimated loss relating to business held for sale	0.5%
Estimated impairment charge on assets classified as held for sale	0.5%
Adjusted income from operations margin	16.5%

## Reconciliation of Outlook for Income from Operations Margin to Adjusted Income from Operations Margin $^9$

	Year ending December 31, 2022
Income from operations margin	12.0%
Estimated stock-based compensation expense	1.8%
Estimated amortization and impairment of acquired intangible assets	1.0%
Estimated other income (expense), net	(0.1)%
Estimated restructuring expense	0.9%
Estimated loss relating to business held for sale	0.5%
Estimated impairment charge on assets classified as held for sale	0.5%
Adjusted income from operations margin	16.5%

## Reconciliation of Outlook for Diluted EPS to Adjusted Diluted EPS<sup>9</sup> (Per share data)

	Year ending December 31, 2022				
	Lower	Upper			
Diluted EPS	\$ 1.90	\$ 1.95			
Estimated stock-based compensation expense	0.41	0.41			
Estimated amortization and impairment of acquired intangible assets	0.23	0.23			
Estimated restructuring expense	0.21	0.21			
Estimated loss relating to business held for sale	0.10	0.10			
Estimated impairment charge on assets classified as held for sale	0.11	0.11			
Estimated tax impact on stock-based compensation expense	(0.11)	(0.11)			
Estimated tax impact on amortization and impairment of acquired intangible assets	(0.06)	(0.06)			
Estimated tax impact on restructuring expense	(0.08)	(0.08)			
Estimated tax impact on loss relating to business held for sale	(0.03)	(0.03)			
Adjusted diluted EPS	\$ 2.69	\$ 2.74			

 $<sup>^{\</sup>rm 9}$  Due to rounding, the numbers presented in this table may not add up precisely to the totals provided.