

Genpact LTD
Form 424B7
February 13, 2019
Table of Contents

Filed Pursuant to Rule 424(b)(7)
Registration No. 333-210729

The information in this preliminary prospectus supplement and the accompanying prospectus is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell the securities nor do they seek an offer to buy the securities in any jurisdiction where the offer or sale is not permitted.

Prospectus Supplement (To Prospectus dated April 13, 2016)

Subject to Completion, dated February 12, 2019

10,000,000 Shares

Common Shares

The selling shareholders identified in this prospectus supplement are offering 10,000,000 common shares of Genpact Limited. The selling shareholders will receive all net proceeds from the sale of our common shares in this offering.

Our common shares are listed on the New York Stock Exchange under the symbol G. The last reported sale price of our common shares on the New York Stock Exchange on February 11, 2019 was \$32.59 per share.

	Per share	Total
Public offering price	\$	\$
Underwriting discounts and commissions	\$	\$
Proceeds to selling shareholders, before expenses	\$	\$

Investing in the common shares involves risks. See Risk Factors on page S-8 and in the documents incorporated by reference in this prospectus supplement and accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The underwriter expects to deliver the common shares to purchasers on _____, 2019.

Goldman Sachs & Co. LLC

, 2019

Table of Contents**TABLE OF CONTENTS**

	Page
PROSPECTUS SUPPLEMENT	
<u>SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	S-iii
<u>SUMMARY</u>	S-1
<u>RISK FACTORS</u>	S-8
<u>USE OF PROCEEDS</u>	S-13
<u>DIVIDEND POLICY</u>	S-14
<u>DESCRIPTION OF SHARE CAPITAL</u>	S-15
<u>SELLING SHAREHOLDERS</u>	S-24
<u>CERTAIN MATERIAL BERMUDA AND UNITED STATES FEDERAL TAX CONSEQUENCES</u>	S-25
<u>UNDERWRITER</u>	S-29
<u>VALIDITY OF SECURITIES</u>	S-34
<u>EXPERTS</u>	S-34
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	S-35
PROSPECTUS	
<u>ABOUT THIS PROSPECTUS</u>	1
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	2
<u>INCORPORATION BY REFERENCE</u>	2
<u>FORWARD-LOOKING STATEMENTS</u>	3
<u>ABOUT GENPACT LIMITED</u>	5
<u>CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES AND PREFERENCE DIVIDENDS</u>	6
<u>USE OF PROCEEDS</u>	7
<u>DESCRIPTION OF DEBT SECURITIES</u>	8
<u>DESCRIPTION OF SHARE CAPITAL</u>	17
<u>DESCRIPTION OF DEPOSITARY SHARES</u>	25
<u>DESCRIPTION OF SHARE PURCHASE CONTRACTS AND SHARE PURCHASE UNITS</u>	28
<u>DESCRIPTION OF WARRANTS</u>	29
<u>FORMS OF SECURITIES</u>	30
<u>PLAN OF DISTRIBUTION</u>	32
<u>LEGAL MATTERS</u>	35
<u>EXPERTS</u>	35

This prospectus supplement updates information in the prospectus dated April 13, 2016. You should read this prospectus supplement in conjunction with the prospectus. This prospectus supplement is not complete without, and may not be delivered or used except in conjunction with, the prospectus, including any amendments or supplements to it. This prospectus supplement is qualified by reference to the prospectus, except to the extent that the information provided by this prospectus supplement supersedes information contained in the prospectus.

This prospectus supplement incorporates by reference important information. You should read the information incorporated by reference before deciding to invest in our common shares, and you may obtain this information incorporated by reference without charge by following the instructions under "Where You Can Find More Information" appearing below. Unless the context otherwise indicates, references in this prospectus supplement to Genpact, the company, we, our and us refer, collectively, to Genpact Limited, a Bermuda company, and its consolidated subsidiaries.

S-i

Table of Contents

We, the selling shareholders and the underwriter have not authorized anyone to provide you with any information other than that contained or incorporated by reference in this prospectus supplement. We, the selling shareholders and the underwriter take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give to you. The selling shareholders are offering to sell, and seeking offers to buy, common shares only in jurisdictions where offers and sales are permitted. The information contained or incorporated by reference in this prospectus supplement is accurate only as of its date. Our business, financial condition, results of operations and prospects may have changed since that date.

S-ii

Table of Contents

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the information incorporated by reference in this prospectus supplement include forward-looking statements. In some cases, you can identify these statements by forward-looking terms such as expect, anticipate, intend, plan, believe, seek, estimate, could, may, shall, will, would and v and similar expressions, or the negative of such words or similar expressions. These forward-looking statements, which are subject to risks, uncertainties and assumptions about us, may include projections of our future financial performance, which in some cases may be based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from those expressed or implied by the forward-looking statements. In particular, you should consider the numerous risks outlined in the risk factors and cautionary statements described in the other documents we file from time to time with the Securities and Exchange Commission (the SEC), specifically our most recent Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K.

These forward-looking statements include, but are not limited to, statements relating to:

our ability to retain existing clients and contracts;

our ability to win new clients and engagements;

the expected value of the statements of work under our master service agreements;

our beliefs about future trends in our market;

political, economic or business conditions in countries where we have operations or where our clients operate;

expected spending on business process outsourcing and information technology services by clients;

foreign currency exchange rates;

our ability to convert bookings to revenue;

our rate of employee attrition;

our effective tax rate; and

competition in our industry.

Factors that may cause actual results to differ from expected results include, among others:

our ability to grow our business and effectively manage growth and international operations while maintaining effective internal controls;

our dependence on favorable policies and tax laws that may be changed or amended in a manner adverse to us or be unavailable to us in the future, including as a result of tax reform legislation adopted in the United States, the overall impact of which is still under evaluation, and our ability to effectively execute our tax planning strategies;

our ability to comply with data protection laws and regulations and to maintain the security and confidentiality of personal and other sensitive data of our clients, employees or others;

our dependence on revenues derived from clients in the United States and Europe and clients that operate in certain industries, such as the financial services industry;

our ability to successfully consummate or integrate strategic acquisitions;

our ability to maintain pricing and asset utilization rates;

our ability to hire and retain enough qualified employees to support our operations;

increases in wages in locations in which we have operations;

our relative dependence on the General Electric Company (GE) and our ability to maintain our relationships with divested GE businesses;

S-iii

Table of Contents

financing terms, including, but not limited to, changes in the London Interbank Offered rate, or LIBOR, and changes in our credit ratings;

our ability to meet our corporate funding needs, pay dividends and service debt, including our ability to comply with the restrictions that apply to our indebtedness that may limit our business activities and investment opportunities;

restrictions on visas for our employees traveling to North America and Europe;

fluctuations in currency exchange rates between the U.S. dollar, Australian dollar, Chinese renminbi, Euro, Indian rupee, Japanese yen, Mexican peso, Philippine peso, Polish zloty, Romanian leu and U.K. pound sterling;

our ability to retain senior management;

the selling cycle for our client relationships;

our ability to attract and retain clients and our ability to develop and maintain client relationships on attractive terms;

legislation in the United States or elsewhere that adversely affects the performance of business process outsourcing and information technology services offshore;

increasing competition in our industry;

telecommunications or technology disruptions or breaches, or natural or other disasters;

our ability to protect our intellectual property and the intellectual property of others;

deterioration in the global economic environment and its impact on our clients, including the bankruptcy of our clients;

regulatory, legislative and judicial developments, including the withdrawal of governmental fiscal incentives;

the international nature of our business;

technological innovation;

our ability to derive revenues from new service offerings; and

unionization of any of our employees.

Although we believe the expectations reflected in any forward-looking statements are reasonable at the time they are made, we cannot guarantee future results, level of activity, performance or achievements. Achievement of future results is subject to risks, uncertainties and potentially inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could differ materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements. We undertake no obligation to update any of these forward-looking statements after the date of this prospectus supplement to conform our prior statements to actual results or revised expectations.

S-iv

Table of Contents

SUMMARY

This summary highlights information contained or incorporated by reference in this prospectus supplement. This summary does not contain all of the information that you should consider before deciding to invest in our common shares. You should read this entire prospectus supplement carefully, including the information incorporated by reference in this prospectus supplement. See Risk Factors in this prospectus supplement and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2018, June 30, 2018 and September 30, 2018, each incorporated by reference herein.

GENPACT LIMITED

We are a global professional services firm focused on delivering digital-led innovation and running digitally-enabled intelligent operations for our clients. Guided by our experience running thousands of processes for hundreds of Fortune 500 clients, we strive to help our clients achieve their operational goals by applying our industry expertise, proprietary digital technology and analytics. We employ over 87,000 people in more than 20 countries.

Genpact Limited is a Bermuda exempted company. Our registered office is located at Canon's Court, 22 Victoria Street, Hamilton, HM 12, Bermuda, and our telephone number at that address is (441) 294-8000. The administrative office of our affiliate in the United States is located at 1155 Avenue of the Americas, 4th Floor, New York, NY 10036.

RECENT DEVELOPMENTS

Unaudited Financial Results

On February 7, 2019, we reported unaudited financial results for the three months and twelve months ended December 31, 2018, which are set forth below. These unaudited financial results could change materially between now and the time the audited financial results for our 2018 fiscal year are finalized and publicly reported on our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 after the completion of the audit by our independent registered public accounting firm, which will occur after this offering has been completed. Set forth below are our unaudited consolidated balance sheet as of December 31, 2018, unaudited consolidated statement of income for the three months and year ended December 31, 2018 and unaudited consolidated statement of cash flows for the year ended December 31, 2018. The audit of our financial statements as of and for the fiscal year ended December 31, 2018 will not be completed until immediately prior to the filing of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 with the SEC.

You should read the information in this section together with our consolidated financial statements and the related notes and the Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018, each incorporated by reference herein.

Table of Contents**GENPACT LIMITED AND ITS SUBSIDIARIES**

Consolidated Balance Sheet

(Unaudited)

(In thousands, except per share data and share count)

	As of December 31, 2018
Assets	
<i>Current assets</i>	
Cash and cash equivalents	\$ 368,396
Accounts receivable, net	774,184
Prepaid expenses and other current assets	212,477
Total current assets	\$ 1,355,057
Property, plant and equipment, net	212,715
Deferred tax assets	74,566
Investment in equity affiliates	836
Intangible assets, net	177,087
Goodwill	1,393,832
Contract cost assets	160,193
Other assets	155,159
Total assets	\$ 3,529,445
Liabilities and equity	
<i>Current liabilities</i>	
Short-term borrowings	\$ 295,000
Current portion of long-term debt	33,483
Accounts payable	42,584
Income taxes payable	33,895
Accrued expenses and other current liabilities	571,350
Total current liabilities	\$ 976,312
Long-term debt, less current portion	975,645
Deferred tax liabilities	8,080
Other liabilities	165,226
Total liabilities	\$ 2,125,263
Redeemable non-controlling interest	
Shareholders equity	
Preferred shares, \$0.01 par value, 250,000,000 authorized, none issued	1,888

Edgar Filing: Genpact LTD - Form 424B7

Common shares, \$0.01 par value, 500,000,000 authorized, 189,346,101 issued and outstanding as of December 31, 2018

Additional paid-in capital	1,471,301
Retained earnings	438,453
Accumulated other comprehensive income (loss)	(507,460)
Total equity	\$ 1,404,182
Total liabilities, redeemable non-controlling interest and equity	\$ 3,529,445

S-2

Table of Contents**GENPACT LIMITED AND ITS SUBSIDIARIES**

Consolidated Statement of Income

(Unaudited)

(In thousands, except per share data and share count)

	Three months ended December 31, 2018
Net revenues	\$ 835,339
Cost of revenue	533,134
Gross profit	\$ 302,205
<i>Operating expenses:</i>	
Selling, general and administrative expenses	178,580
Amortization of acquired intangible assets	9,716
Other operating (income) expense, net	3,068
Income from operations	\$ 110,841
Foreign exchange gains (losses), net	186
Interest income (expense), net	(9,473)
Other income (expense), net	5,078
Income before equity-method investment activity, net and income tax expense	\$ 106,632
Equity-method investment activity, net	10
Income before income tax expense	\$ 106,642
Income tax expense	27,495
Net income	\$ 79,147
Net loss attributable to redeemable non-controlling interest	
Net income attributable to Genpact Limited shareholders	\$ 79,147
Net income available to Genpact Limited common shareholders	\$ 79,147
Earnings per common share attributable to Genpact Limited common shareholders	
Basic	\$ 0.42
Diluted	\$ 0.41
Weighted average number of common shares used in computing earnings per common share attributable to Genpact Limited common shareholders	
Basic	189,724,744
Diluted	193,149,836

S-3

Table of Contents**GENPACT LIMITED AND ITS SUBSIDIARIES**

Consolidated Statement of Income

(Unaudited)

(In thousands, except per share data and share count)

	Year ended December 31, 2018
Net revenues	\$ 3,000,790
Cost of revenue	1,921,768
Gross profit	\$ 1,079,022
<i>Operating expenses:</i>	
Selling, general and administrative expenses	693,865
Amortization of acquired intangible assets	38,850
Other operating (income) expense, net	(1,845)
Income from operations	\$ 348,152
Foreign exchange gains (losses), net	15,239
Interest income (expense), net	(37,119)
Other income (expense), net	35,761
Income before equity-method investment activity, net and income tax expense	\$ 362,033
Equity-method investment activity, net	(12)
Income before income tax expense	\$ 362,021
Income tax expense	80,763
Net income	\$ 281,258
Net loss attributable to redeemable non-controlling interest	761
Net income attributable to Genpact Limited shareholders	\$ 282,019
Net income available to Genpact Limited common shareholders	\$ 282,019
Earnings per common share attributable to Genpact Limited common shareholders	
Basic	\$ 1.48
Diluted	\$ 1.45
Weighted average number of common shares used in computing earnings per common share attributable to Genpact Limited common shareholders	
Basic	190,674,740
Diluted	193,980,038

S-4

Table of Contents**GENPACT LIMITED AND ITS SUBSIDIARIES**

Consolidated Statement of Cash Flows

(Unaudited)

(In thousands)

	Year ended December 31, 2018
Operating activities	
Net income attributable to Genpact Limited shareholders	\$ 282,019
Net loss attributable to redeemable non-controlling interest	(761)
Net income	\$ 281,258
<i>Adjustments to reconcile net income to net cash provided by (used for) operating activities:</i>	
Depreciation and amortization	64,868
Amortization of debt issuance costs (including loss on extinguishment of debt)	3,975
Amortization of acquired intangible assets	38,850
Write-down of intangible assets and property, plant and equipment	4,265
Reserve for doubtful receivables	1,857
Unrealized loss (gain) on revaluation of foreign currency asset/liability	3,352
Equity-method investment activity, net	12
Stock-based compensation expense	48,998
Deferred tax expense (benefit)	6,054
Loss (gain) on divestiture	
Others, net	1,317
<i>Change in operating assets and liabilities:</i>	
Increase in accounts receivable	(76,894)
Increase in prepaid expenses, other current assets, contract cost assets and other assets	(76,392)
Increase (decrease) in accounts payable	26,401
Increase in accrued expenses, other current liabilities and other liabilities	5,993
Increase in income taxes payable	5,597
Net cash provided by operating activities	\$ 339,511
Investing activities	
Purchase of property, plant and equipment	(84,978)
Payment for acquired/internally generated intangible assets (including intangibles under development)	(75,439)
Proceeds from sale of property, plant and equipment	668
Investment in equity affiliates	
Payment for business acquisitions, net of cash acquired	(111,571)
Proceeds from divestiture of business, net of cash divested	

Payment for purchase of redeemable non-controlling interest	(4,730)
Net cash used for investing activities	\$ (276,050)

S-5

Table of Contents

**Year ended
December 31,
2018**
