



Putting Pakistan on the Global BPO Map

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TRG Introduction

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Largest BPO Company in Pakistan

Over 1,000 Employees in Pakistan; Over 5,000 globally

Largest IT Enabled Services Company on KSE

Consolidated Revenue Run Rate - \$175 million

18 Acquisitions Completed to date

Pioneer in Acquisition Driven Growth by Off-Shore Controlled Companies



TRG Initial Strategy and Challenges

Start-up Experience



Post 9/11/01 Scenario:

Entire book of business discontinued due to perceived political risk

International Customers reluctant to consider Pakistan as a Source for Services

Acquisition driven strategy adopted

Initial focus Telephone Answering Services (TAS)

Acquire and Migrate Model Developed

Start-up Experience



Limited Capital for Acquisition Capital

Too risky for International PE Investors

Too much capital for Pak private investors

Solution: List on KSE as Special Purpose Acquisition Vehicle (NBFC with Venture Capital License)

Several Exemptions required to enable Business Model



TRG Growth Phase

TRG Growth Phase



Capital Raising:

Raised \$70 million in Pakistan Capital Markets

Raised PE Rounds with IFC, AIG Capital Partners & EMP

Acquisition

Focus shifted to mid cap companies; lower multiple targets in financial distress

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Business not as readily off-shore able as smaller TAS clients

TRG Growth Phase



Focus on Operational Stabilization and Consolidation

Off-shored most support functions (IT, Software & Finance)

Marketed Overflow services from Pakistan

Set up further sites including Philippines and Senegal



TRG Current Position

TRG Current Standing



Acquisition Capital no longer a constraint

Expansion into non-voice verticals – TPA's,
Claims processing

Operational integration of call-center verticals
near completion

Growth primarily organic through sales and
marketing

TRG Offshore Capabilities: Pakistan



Operational centres	4 centres in 2 cities – Total 650 seats	
Programs	120 client programs / 8 million contacts per year	
Verticals Served	Automotive Consumer Products FMCG Financial Services	Non-Profit / Charity Telecommunications Travel and Leisure Healthcare
Contact Types Supported	Inbound Voice Outbound Voice Email & Chat	Back-office Support Software Development Finance & Accounting
Languages Supported	English, Urdu	
Agent Profile	Male Female Average Age	65% 35% 26 years
Markets Served	North America UK Domestic	70% 25% 5%



The Pakistan Potential



Pakistan

Population	164 million
GDP (ppp)	\$500 billion
Per Capita (ppp)	\$3000
Per Capita (nominal)	\$830
GDP growth	7.5%
Population growth	2.5%
Typical BPO Wage	\$3.30 / hour
Inflation	7%
Land Area	800,000 sq km



Strong BPO fundamentals

Relative to peer group (India, Philippines)

Most UK-friendly English accent and idiom

Lowest wages

Lowest labour attrition

445,000 college graduates per year

Competitively priced, redundant global telecom connectivity

Real estate costs 40% - 60% below India

Attractive government incentives for BPO industry



Telecom Infrastructure

\$5,500/month dedicated fibre E1; \$7000/satellite E1
3 international terrestrial fibre cables (SMW3, SMW4, TWA1)

Multiple redundant domestic fibre transports

PTCL redundant loop

Malaysia Telecom

Mobilink

22-city WiMax network deploying in 2008



Some Press Clippings...

“Going by Pakistan’s history, there’s a consensus that **economic and trade policies will more or less remain the same even if governments change.** . . . And the military government has been more successful than democratic governments in executing economic policies”.

– **Forbes.com**

“Pakistan has several fundamental advantages over other markets, making it a viable location for the ITO/BPO space. The two main drivers of success that Pakistan possesses are its **low labour cost and sufficient supply of educated workers**”.

– **Lehman Brothers**

“We believe the Pakistan Banking sector is one of the **highest growth stories in the Asia Pacific** region”.

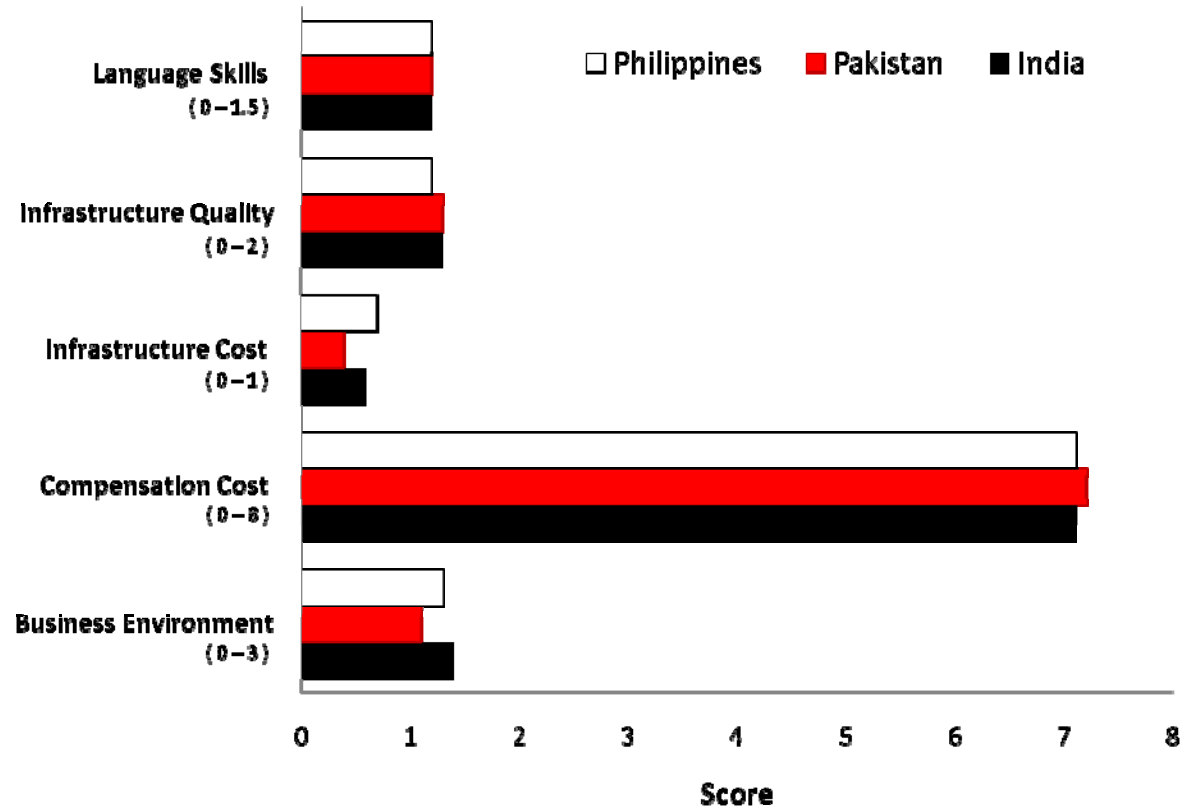
– **Merrill Lynch**



A.T. Kearney Global Services Location Index 2007

Pakistan ranked amongst top 5 for "Financial Attractiveness"

Higher scores reflect higher rank





Perception and Reality in Pakistan

International Media Headlines

Civil War

Country is heading to stone age

Terrorism

Mushrooming of madrassas

Work interruption

Unreported Stories

Last 8 years have unprecedented growth and liberalization

Unprecedented media liberties and freedoms of expression

Also the country that is fighting terrorism the hardest

Dwarfed by growth in enrolment in UK GSCE schooling (grown 1,200% since 1990)

Not a single day of work interruption in 47 years



Q & A