Genpact Limited (G)

Updated May 16th, 2026, by Kody Kester

Key Metrics

Current Price:	$29	**5 Year CAGR Estimate:**	28.8%	**Market Cap:**	$4.9B
Fair Value Price :	$61	**5 Year Growth Estimate:**	10.0%	**Ex-Dividend Date:**	06/10/26
% Fair Value:	48%	**5 Year Valuation Multiple Estimate:**	16.0%	**Dividend Payment Date:**	06/25/26
Dividend Yield:	2.6%	**5 Year Price Target**	$98	**Years Of Dividend Growth:**	9
Dividend Risk Score:	A	**Sector:**	Industrials	**Rating:**	Buy

Overview & Current Events

Founded in 1997, Genpact Limited is a global professional services and solutions company. Genpact provides Digital Operations and Data-Tech-AI Services to corporate clients in 35 countries throughout Asia, North America, Latin America, and Europe. The former services embed digital, advanced analytics, and cloud-based offerings into their business process outsourcing solutions. This frees up clients to focus on high-value work and better compete in their industries. Digital Operations made up a majority (51.9%) of its $5.08 billion in total net revenue in 2025. Data-Tech-AI Services designs and builds solutions to assist clients in building new products and services, creating digital workspaces, and driving engagement with customers, clients, and employees. This comprised the remaining 48.1% of total net revenue in 2025.

Genpact organizes its operations into the following two segments:

1. Advanced Technology Solutions: This focuses on high-value, tech-led consulting and the implementation of AI and data platforms. The segment designs and builds the digital infrastructure that allows a company to become autonomous via its Agentic Operations (AgenTeq) suites.
2. Core Business Services (or Digital Operations): This segment manages day-to-day business processes for clients. These include finance and accounting, customer care, and supply chain management.

On May 7th, Genpact shared its earnings report for the first quarter ended March 31st, 2026. The company's total net revenue grew by 6.7% over the year-ago period (5.6% on a constant currency basis) to $1.30 billion during the quarter. Genpact's Advanced Technology Solutions segment put up blistering growth in the quarter, advancing 24.3% year-over-year to $345 million. It now represents 27% of the company's total net revenue. All the while, the legacy Core Business Services segment grew 1.4% over the year-ago period to $951 million for the quarter. Genpact's adjusted diluted EPS jumped 16.7% year-over-year to $0.98 during the quarter. This topped the analyst consensus in the quarter by $0.06. Thanks to a growing mix of higher-margin Advanced Technology Solutions business and a lower share count from share buybacks, adjusted diluted EPS growth handily outpaced net revenue growth for the quarter.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$1.46	$1.62	$1.80	$2.05	$2.12	$2.45	$2.74	$2.98	$3.28	$3.65	***$4.06***	***$6.54***
DPS	-	$0.24	$0.30	$0.34	$0.39	$0.43	$0.50	$0.55	$0.61	$0.68	***$0.75***	***$1.21***
Shares[1]	198.8	192.8	189.4	190.1	189.1	185.3	182.9	179.5	174.7	170.3	***169.5***	***153.0***

Since 2016, Genpact's adjusted diluted EPS has grown by about 11% annually. We still believe there will be a slight deceleration in the company's growth from those levels to 10% annually through 2031, off an anticipated 2026 base of $4.06. That's due to the law of large numbers, as Genpact is now a much bigger enterprise. Continued mid-single-digit topline growth (our rationale is that the Advanced Technology Solutions segment is growing rapidly and becoming a larger mix of the business), incremental margin expansion from a more favorable business mix, and a 2% annual reduction in the outstanding share count remain the core components of our forecast.

[1] Share count is in millions.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Avg. P/E	16.7	19.6	14.9	20.7	19.5	21.7	16.9	11.7	13.1	12.8	***7.2***	***15.0***
Avg. Yld.	-	0.8%	1.1%	0.8%	0.9%	0.8%	1.1%	1.6%	1.4%	1.5%	***2.6%***	***1.2%***

Over the last decade, G stock has been priced at a P/E ratio as low as the high single-digits and as much as the low 20s. In that time, the average P/E ratio was nearly 17. Moving forward, we still think that a valuation multiple of 15 approximates fair value. In our view, that builds in a margin of safety if growth slows a bit. From the current P/E ratio of 7.2, Genpact's shares are now trading at a bargain-bin valuation.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	-	15%	17%	17%	18%	18%	18%	18%	19%	19%	***18%***	***18%***

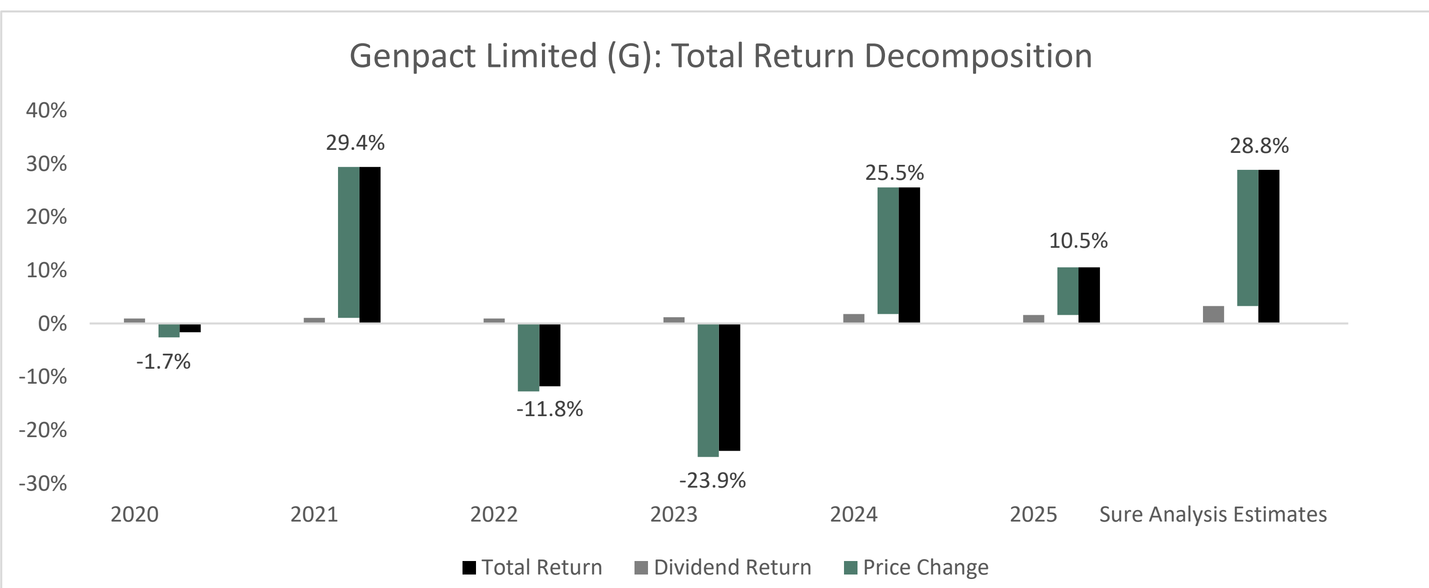
Genpact's competitive edge lies in staffing its operations in India. This helps to keep the company's rates competitive. Low pricing and extensive product offerings are how the company retains existing customers and attracts new ones. That's what has made it possible for adjusted diluted EPS to steadily climb higher over time.

Additionally, Genpact is financially stable. The company's interest coverage ratio was 16x in Q1 2026. That's sufficient to provide room for Genpact to navigate any temporary downturns in profits while remaining solvent. This also explains why the company's corporate credit rating from S&P is BBB-, which is investment-grade. Since initiating a dividend in 2017, Genpact has also made sure that the payout is handily covered by earnings. For 2026, the adjusted diluted EPS payout ratio should be in the high teens range. That's about in line with where it has been since Genpact began paying dividends in 2017. Thus, annual dividend growth of around 10% is our expectation over the next several years.

Final Thoughts & Recommendation

Genpact's 2.6% yield, 10.0% annual adjusted diluted EPS growth prospects, and 16.0% annual valuation multiple expansion potential could generate 28.8% annual total returns through 2031. Fears over generative AI cannibalizing low-end BPO and customer service billing hours faster than Genpact can scale its enterprise data consultancy have led shares to sell off further since February. The latest quarterly results show that the company is capturing high-margin AI architecture implementation, while client retention remains reasonably high for classic IT billing. That's why we're reaffirming our Buy rating.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	2,558	2,731	3,002	3,514	3,705	4,021	4,368	4,476	4,765	5,079
Gross Profit	982	966	1,028	1,170	1,263	1,361	1,499	1,534	1,655	1,822
Gross Margin	38.4%	35.4%	34.2%	33.3%	34.1%	33.8%	34.3%	34.3%	34.7%	35.9%
SG&A Exp.	653	689	694	795	790	866	938	913	967	1,047
D&A Exp.	82	95	104	129	160	168	130	104	96	95
Operating Profit	343	281	343	392	477	493	562	621	687	778
Operating Margin	13.4%	10.3%	11.4%	11.1%	12.9%	12.3%	12.9%	13.9%	14.4%	15.3%
Net Profit	268	261	281	305	308	369	353	631	514	552
Net Margin	10.5%	9.6%	9.4%	8.7%	8.3%	9.2%	8.1%	14.1%	10.8%	10.9%
Free Cash Flow	257	285	179	319	503	637	389	432	530	724
Income Tax	62	60	81	95	92	114	112	(29)	163	178

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	2,886	3,450	3,529	4,454	4,874	4,975	4,589	4,806	4,987	5,843
Cash & Equivalents	457	553	403	467	680	899	647	584	672	1,204
Accounts Receivable	615	693	774	933	890	896	1,006	1,134	1,231	1,276
Goodwill & Int.	1,141	1,469	1,571	1,805	1,932	1,901	1,774	1,737	1,697	1,848
Total Liabilities	1,595	2,021	2,125	2,765	3,039	3,078	2,763	2,557	2,598	3,294
Accounts Payable	10	15	43	22	14	25	36	28	36	28
Long-Term Debt	741	1,050	1,013	1,706	1,679	1,938	1,493	1,443	1,392	1,712
Shareholder's Equity	1,287	1,424	1,404	1,689	1,834	1,897	1,826	2,248	2,390	2,549
LTD/E Ratio	0.70	0.86	0.93	1.09	1.08	1.05	0.93	0.67	0.60	0.69

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	9.4%	8.2%	8.1%	7.6%	6.6%	7.5%	7.4%	13.4%	10.5%	10.2%
Return on Equity	20.6%	19.2%	19.9%	19.7%	17.5%	19.8%	19.0%	31.0%	22.2%	22.4%
ROIC	12.4%	10.8%	10.5%	9.8%	8.4%	9.6%	9.5%	17.4%	13.5%	13.6%
Shares Out.	198.8	192.8	189.4	190.1	189.1	185.3	182.9	179.5	174.7	170.3
Revenue/Share	12.17	13.86	15.47	18.00	18.92	20.84	23.22	24.17	26.41	28.75
FCF/Share	1.22	1.45	0.92	1.64	2.57	3.30	2.07	2.33	2.94	4.10

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.