



Everest Group®

ENGINEERING
SERVICES
SERVICE PROVIDERS

TOP
50TM



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September 2023

WHAT IS THE EVEREST GROUP ENGINEERING SERVICES TOP 50™?

Engineering Services (ES) includes all activities (across software, embedded, mechanical, and process engineering functions) that support the design, development, testing, and management of products, both hardware and software. The Everest Group Engineering Services Top 50™ is a global list of the 50 largest third-party providers, based on their ES revenues and year-on-year growth. This is the fifth edition of the definitive listing.

WHY THE EVEREST GROUP ENGINEERING SERVICES TOP 50™?

This report provides a clear and objective overview of the third-party services market and how ES providers compare to each other. It will assist enterprises in identifying the top ES providers and their functional coverage, and ES providers in benchmarking themselves against peers. It will also be useful for other parties interested in the space, such as private equity and venture capital firms.

ES providers continued to boost their engineering capabilities and acquire companies to increase scale and gain access to new markets. Outsourcing has increased from 2021, driven by a platformization wave, increased investments in connected and electric cars, and a rise in sustainability and green technology practices toward software and digital engineering.

HOW DOES EVEREST GROUP DEFINE ENGINEERING SERVICES?

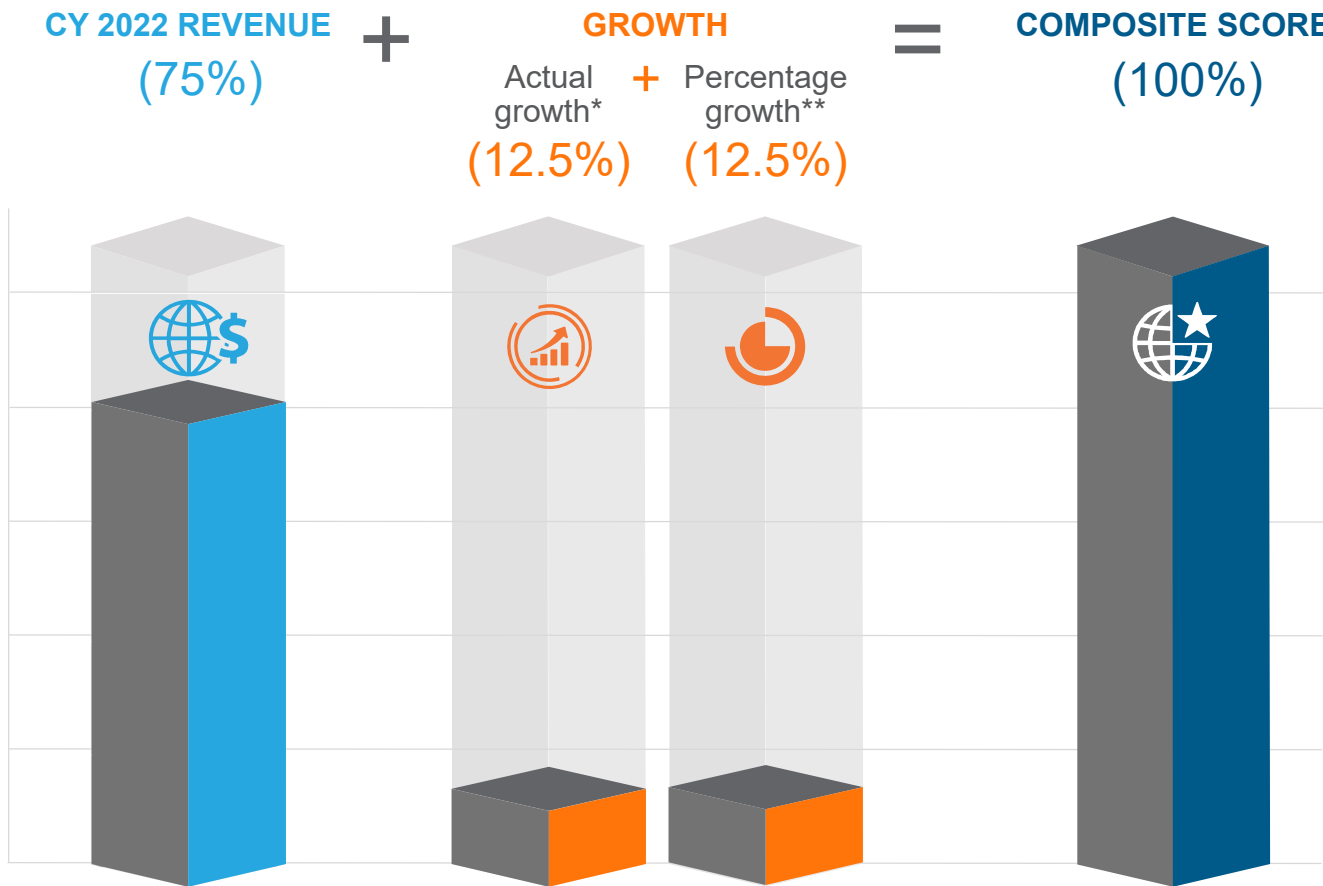
The major horizontals covered under engineering services are:

- **Software product engineering services:** Software product engineering services include developing all customer-facing and commercially off-the-shelf products/platforms. It excludes system integration and custom application development.
- **Embedded engineering services:** Embedded engineering services involve designing, developing, and integrating software, hardware, and firmware into products for enhanced functionality and seamless communication. These services encompass tasks such as system architecture, component selection, coding, testing, and integration to create efficient embedded systems.
- **Mechanical engineering services:** Mechanical engineering services are those associated with the design and maintenance of mechanical and electrical systems. They are common in the design and analysis of heating and cooling systems, transport systems, medical devices, weapons, etc.
- **Network engineering services:** Network engineering services covers the design, development, stimulated testing, certification, deployment, network assurance and orchestration, and maintenance of commercial telecommunication networks, as well as ideation, development, testing, and support of network hardware equipment.
- **Manufacturing engineering services:** Manufacturing engineering services refers to the design, optimization, and management of manufacturing processes, systems, and facilities to maximize efficiency, quality, and cost-effectiveness in the manufacturing of products.

HOW IS THE EVEREST GROUP ENGINEERING SERVICES TOP 50™ DETERMINED?

There are two distinct steps involved in determining the Engineering Services Top 50:

- **Criterion:** Only the 50 largest service providers, based on their previous year's ES revenue (CY 2022 for this report), qualify for the Engineering Services Top 50 assessment
- **Rank determination:** Service providers are ranked based on their previous year's ES revenue (CY 2022 for this report) and year-on-year growth. Growth comprises two parameters: absolute growth (measured as change in ES revenue in US\$) and percentage growth (measured as percentage change in ES revenue)



We use multiple sources of information to conduct our analysis and determine the list rankings, including:

- Reported ES revenues and growth figures by listed companies
- Bottom-up revenue and growth build leveraging Everest Group's proprietary ES databases, tracked and maintained at functional levels
- Information shared/validated by service providers

*Year-on-year revenue change in US\$

**Year-on-year percentage of revenue change

EVEREST GROUP ENGINEERING SERVICES TOP 50™ | 2023

Rank	Service provider	Revenue (CY 2022) US\$ billion	Growth rate (YoY)	Category	Key ES offerings by horizontal				
					Embedded engineering	Manufacturing	Mechanical engineering	Network engineering	Software product engineering services
1	Capgemini ^{3,4}	5.83	14%	Broad-based	✓	✓	✓	✓	✓
2	HCLTech ^{2,4}	3.67	18%	Broad-based	✓	✓	✓	✓	✓
3	Alten ¹	2.99	29%	Broad-based	✓	✓	✓	✓	✓
4	Tata Consultancy Services ^{3,4}	3.33	13%	Broad-based	✓	✓	✓	✓	✓
5	Accenture ³	2.75	25%	Broad-based	✓	✓	✓	✓	✓
6	Akkodis ²	2.80	12%	Broad-based	✓	✓	✓	✓	✓
7	Cognizant ^{3,4}	2.49	16%	Broad-based	✓	✓	✓	✓	✓
8	AFRY ¹	2.33	17%	Pure-play	✓	✓	✓	✓	✓
9	EPAM ³	1.93	28%	Broad-based	✓	✓	✓		✓
10	Wipro ^{2,4}	2.36	13%	Broad-based	✓	✓	✓	✓	✓
11	AVL ³	1.96	16%	Pure-play	✓	✓	✓		✓
12	Globant ^{1,2}	1.33	37%	Broad-based	✓	✓		✓	✓
13	GlobalLogic ²	1.20	33%	Broad-based	✓	✓			✓
14	DXC Technology ²	1.60	15%	Broad-based		✓			✓
15	Expleo Group ²	1.34	23%	Broad-based	✓	✓	✓		✓
16	Bertrandt ¹	1.11	20%	Pure-play		✓	✓		✓
17	FEV ³	1.05	22%	Pure-play	✓	✓	✓		✓
18	Infosys ²	1.22	14%	Broad-based	✓	✓	✓	✓	✓
19	Softserve ^{2,4}	0.82	31%	Broad-based		✓			✓
20	Endava ¹	0.56	36%	Broad-based		✓			✓
21	L&T Technology Services ^{1,2}	0.97	14%	Pure-play	✓	✓	✓	✓	✓
22	Tech Mahindra ²	1.02	11%	Broad-based	✓	✓	✓	✓	✓
23	Ferchau ³	0.80	21%	Pure-play		✓	✓		✓
24	Belcan ^{3,4}	0.80	30%	Pure-play	✓	✓	✓		✓
25	Persistent Systems ^{3,4}	0.60	30%	Broad-based		✓		✓	✓

1 Revenues and growth rates are based on public disclosures; growth rate is measured in the same currency as reported by the company

2 Revenues and growth rates are estimated and have been validated by the service provider

3 Revenues and growth rates are based on information collected through our annual RFI process, our proprietary Transaction Intelligence (TI) database, and our ongoing coverage/tracking of service provider activity; these figures have not been validated by the service provider

4 Revenue and growth rates are based on our comprehensive reevaluation of service providers' CY 2021 revenue and growth metrics, as extracted from the ES Top 50 2022 report

EVEREST GROUP ENGINEERING SERVICES TOP 50™ | 2023

Rank	Service provider	Revenue (CY 2022) US\$ billion	Growth rate (YoY)	Category	Key ES offerings by horizontal				
					Embedded engineering	Manufacturing	Mechanical engineering	Network engineering	Software product engineering services
26	Encora ^{2,4}	0.33	47%	Broad-based	✓			✓	✓
27	EDAG ¹	0.84	16%	Pure-play			✓		✓
28	IBM ³	1.01	8%	Broad-based	✓	✓		✓	✓
29	HARMAN Digital Transformation Solutions ³	1.01	4%	Broad-based	✓	✓	✓	✓	✓
30	Sii Group ^{1,4}	0.52	26%	Broad-based	✓		✓		✓
31	Cyient ^{1,2}	0.69	15%	Pure-play	✓	✓	✓	✓	✓
32	Tata Elxsi ^{1,2}	0.38	30%	Pure-play	✓	✓	✓	✓	✓
33	Safran Engineering Services ³	0.47	22%	Broad-based	✓		✓		✓
34	Segula Technologies ^{2,4}	0.68	11%	Pure-play		✓	✓		
35	Quest Global ²	0.68	10%	Pure-play	✓	✓	✓		✓
36	Tata Technologies ¹	0.50	17%	Pure-play	✓	✓			✓
37	NTT Data ^{3,4}	0.77	4%	Broad-based		✓		✓	✓
38	KPIT ¹	0.38	21%	Pure-play	✓		✓		✓
39	Infogain ²	0.34	23%	Broad-based					✓
40	LTIMindtree ^{2,4}	0.52	13%	Broad-based	✓	✓			✓
41	IAV ³	0.88	-3%	Pure-play	✓		✓		✓
42	Etteplan ¹	0.37	17%	Pure-play	✓	✓	✓		✓
43	Pactera ³	0.52	6%	Broad-based					✓
44	Virtusa ³	0.55	4%	Broad-based		✓			✓
45	Softtek ³	0.30	15%	Broad-based		✓			✓
46	Formel D ^{3,4}	0.37	11%	Pure-play					✓
47	Xoriant ²	0.21	19%	Broad-based	✓				✓
48	Mphasis ³	0.23	15%	Broad-based		✓	✓		✓
49	Ricardo ^{3,4}	0.30	11%	Pure-play	✓		✓		
50	Magna International ³	0.44	-7%	Broad-based		✓	✓		

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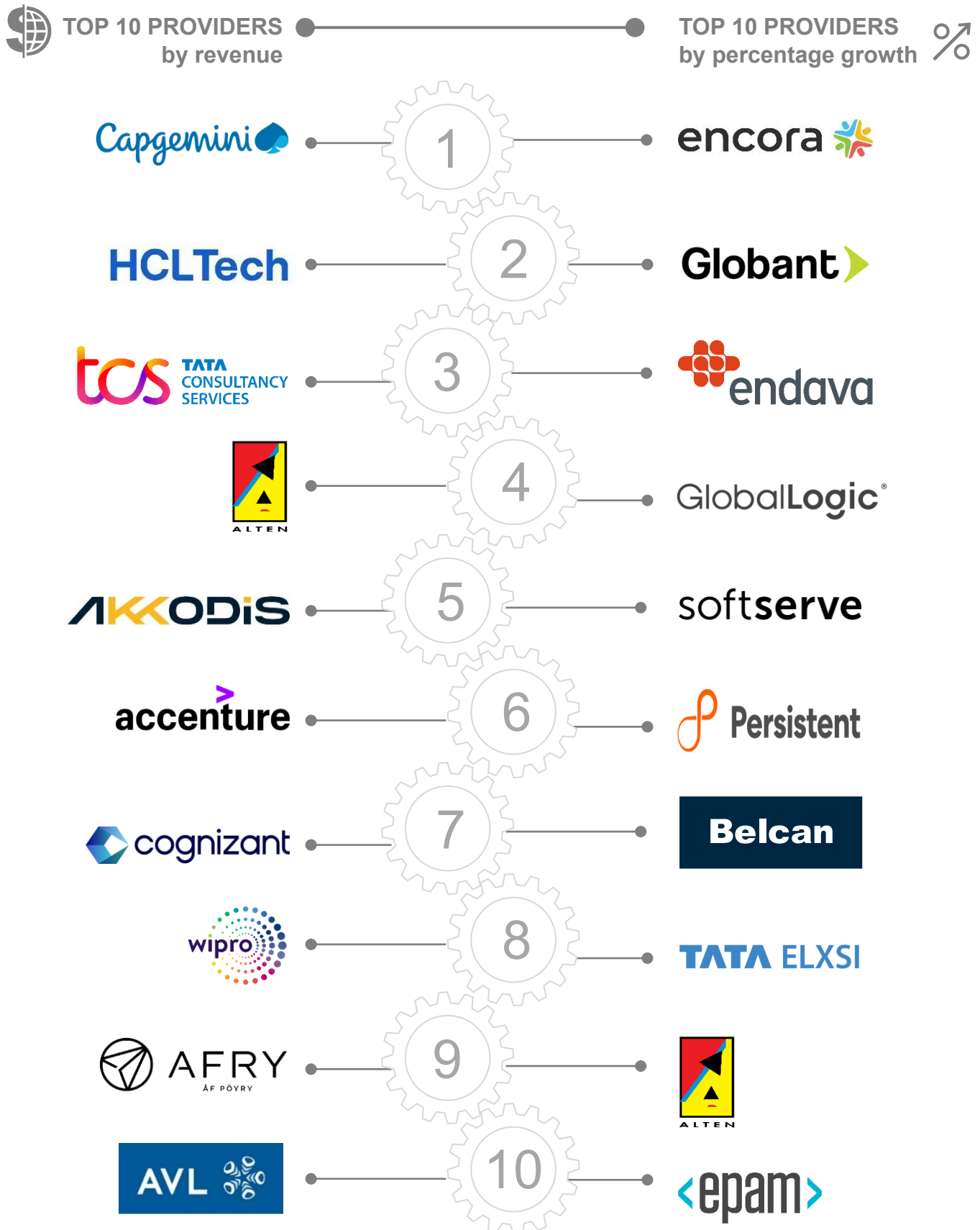
EVEREST GROUP ENGINEERING SERVICES TOP 50™ | 2023

Rank	Service provider	Key ES offerings by vertical													
		Aerospace & defense	Automotive, rail & off-highway mobility	Banking & financial services	Computing & storage	Consumer electronics	Energy, utilities, oil & gas	Healthcare & life sciences	Industrial products	Media & entertainment	Mining	Public sector	Retail	Semiconductors	Software products
1	Capgemini	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	HCLTech	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Alten	✓	✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓
4	Tata Consultancy Services	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Accenture	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Akkodis	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Cognizant	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓		✓	✓
8	AFRY	✓	✓				✓	✓	✓		✓			✓	✓
9	EPAM	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Wipro	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
11	AVL		✓				✓		✓					✓	
12	Globant		✓	✓		✓	✓	✓	✓	✓		✓		✓	✓
13	GlobalLogic		✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓
14	DXC Technology	✓	✓	✓			✓	✓		✓		✓		✓	✓
15	Expleo Group	✓	✓	✓			✓	✓	✓					✓	
16	Bertrandt	✓	✓				✓	✓	✓					✓	
17	FEV		✓												
18	Infosys	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
19	Softserve		✓	✓		✓	✓	✓		✓		✓		✓	✓
20	Endava		✓	✓			✓		✓			✓		✓	✓
21	L&T Technology Services	✓	✓			✓	✓	✓	✓	✓	✓		✓	✓	✓
22	Tech Mahindra	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
23	Ferchau	✓	✓				✓	✓							✓
24	Belcan	✓	✓				✓	✓	✓		✓				
25	Persistent Systems			✓	✓	✓		✓	✓	✓		✓	✓	✓	✓

EVEREST GROUP ENGINEERING SERVICES TOP 50™ | 2023

Rank	Service provider	Key ES offerings by vertical														
		Aerospace & defense	Automotive, rail & off-highway mobility	Banking & financial services	Computing & storage	Consumer electronics	Energy, utilities, oil & gas	Healthcare & life sciences	Industrial products	Media & entertainment	Mining	Public sector	Retail	Semiconductors	Software products	Telecom
26	Encora	✓		✓	✓	✓	✓	✓		✓			✓		✓	✓
27	EDAG	✓	✓													
28	IBM	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
29	HARMAN Digital Transformation Solutions		✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓
30	Sii Group	✓	✓	✓			✓	✓					✓	✓		✓
31	Cyient	✓	✓		✓		✓	✓	✓		✓		✓	✓	✓	✓
32	Tata Elxsi		✓			✓		✓	✓	✓	✓			✓		✓
33	Safran Engineering Services	✓	✓												✓	
34	Segula Technologies	✓	✓				✓	✓	✓							
35	Quest Global	✓	✓		✓	✓	✓	✓	✓					✓	✓	
36	Tata Technologies	✓	✓						✓							
37	NTT Data	✓	✓	✓			✓	✓	✓	✓		✓	✓		✓	✓
38	KPIT		✓													
39	Infogain	✓		✓				✓					✓		✓	
40	LTIMindtree		✓	✓			✓	✓		✓			✓		✓	
41	IAV		✓				✓								✓	
42	Etteplan	✓	✓			✓	✓	✓	✓		✓		✓			
43	Pactera		✓	✓				✓		✓		✓	✓		✓	✓
44	Virtusa			✓				✓		✓			✓		✓	✓
45	Softtek		✓	✓			✓	✓	✓	✓		✓	✓		✓	✓
46	Formel D		✓													
47	Xoriant		✓	✓				✓					✓	✓	✓	✓
48	Mphasis			✓	✓	✓	✓	✓	✓			✓		✓	✓	✓
49	Ricardo	✓	✓	✓			✓		✓		✓	✓				
50	Magna International		✓													

ES TOP 10 SERVICE PROVIDERS BY REVENUE AND GROWTH



KEY UPDATES FROM THE ENGINEERING SERVICES MARKET

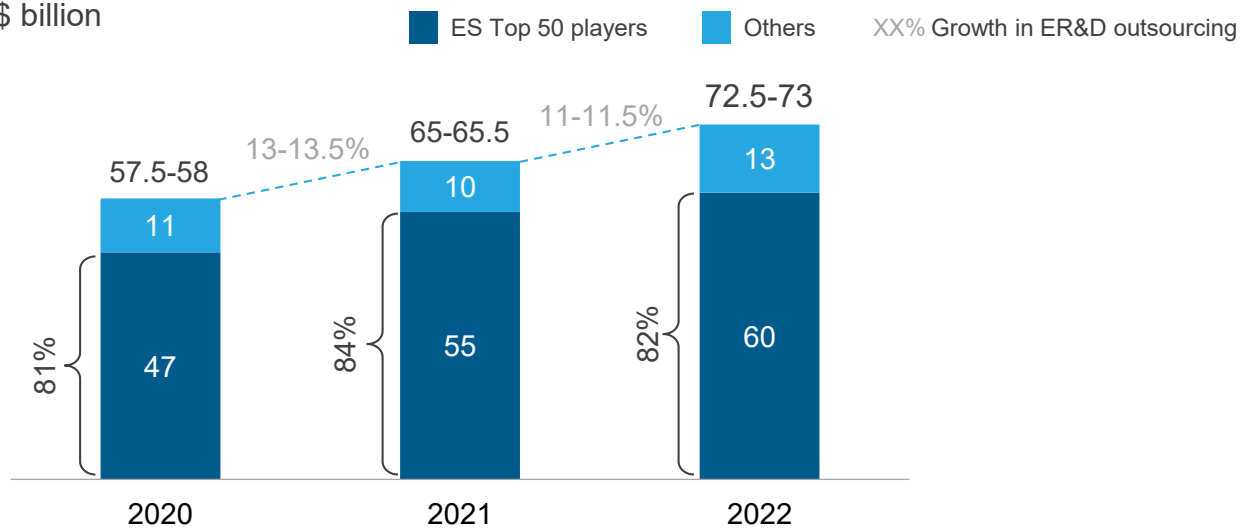
1 Decrease in share of ES Top 50 players in the engineering services market

Following an expansion in 2021, global ER&D outsourcing further increased by 11-11.5%, from US\$65-65.5 billion in 2021 to US\$72.5-73 billion in 2022. The market growth in the second half of 2022 encourages us to believe that the market will continue to stay resilient in the face of an economic slowdown.

The ES TOP 50's share of the global engineering services market total revenue declined by 2 percentage points from 2021 to 2022.

Share of ER&D outsourcing

2020-22, US\$ billion



2 Themes contributing to market growth in CY22



Investments in advanced self-driving vehicles, connected, and electric mobility solutions



Platformization and development of interconnected digital ecosystems that enhance collaboration and streamline processes leveraging data analytics



Increased adoption of Industry 4.0, which utilizes IoT, AI, and automation to create intelligent, interconnected manufacturing systems to improve productivity and efficiency



Focus on sustainability and green technologies to address environmental concerns

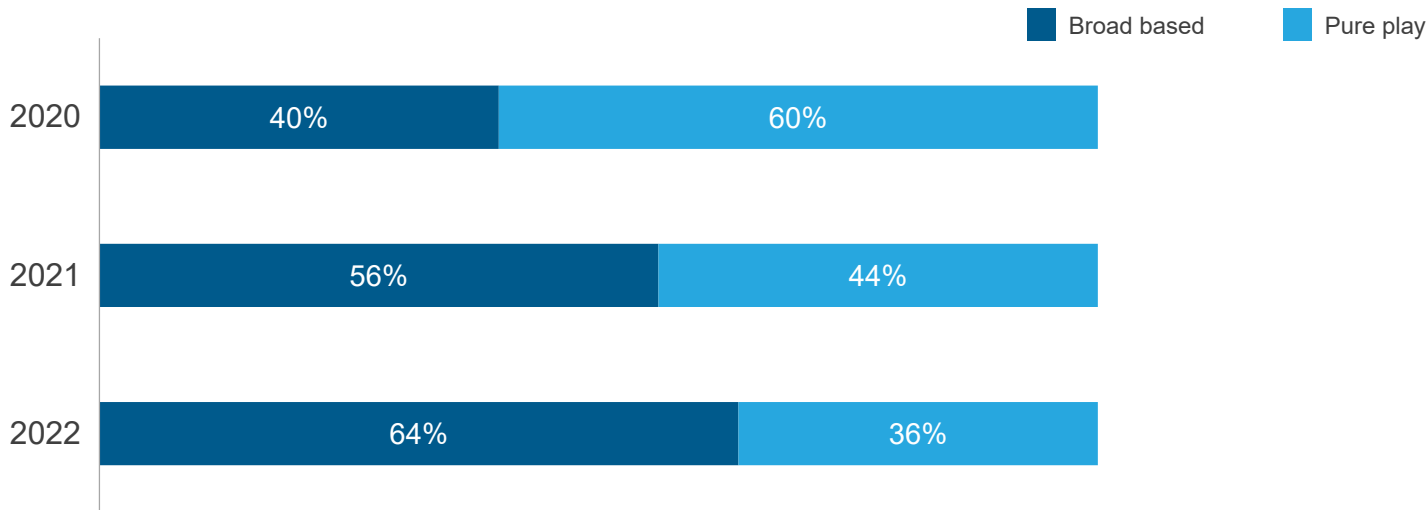


Cost take-out initiatives and increased outsourcing to combat the economic slowdown

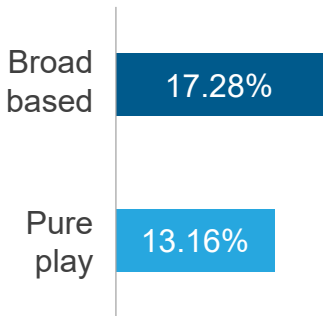
3 Accelerated growth in broad-based provider share

Service providers with diverse ranges of offerings that include engineering services as part of a broader portfolio (such as IT and/or business process services, consulting, or technology products) use engineering services to counter limited growth potential in IT and business process services. These broad-based providers are steadily gaining market share at the expense of pure-play ES providers. Several factors have contributed to this trend, including strategic acquisitions these providers have made to add scale and their traditional expertise in software engineering, which enables them to serve the digitalization wave across asset-heavy industries.

Share of broad-based vs. pure-play service providers in ES Top 50 list
2020-22



Average growth rate of broad-based versus pure-play service providers in ES Top 50 list
2021-22



4 Consistent growth in M&A activity

In CY 2022, more than 25% of firms listed in the ES Top 50 report engaged in M&A activity. Engineering service providers have continued to acquire companies to expand scale, boost engineering capabilities, and access markets and talent in regions such as Central and Eastern Europe, and Latin America.

Value addition to the acquiring entity

- Scaling/enhancing existing capabilities
- New/niche capabilities
- New market / Location access
- Enhancing presence in nearshore regions

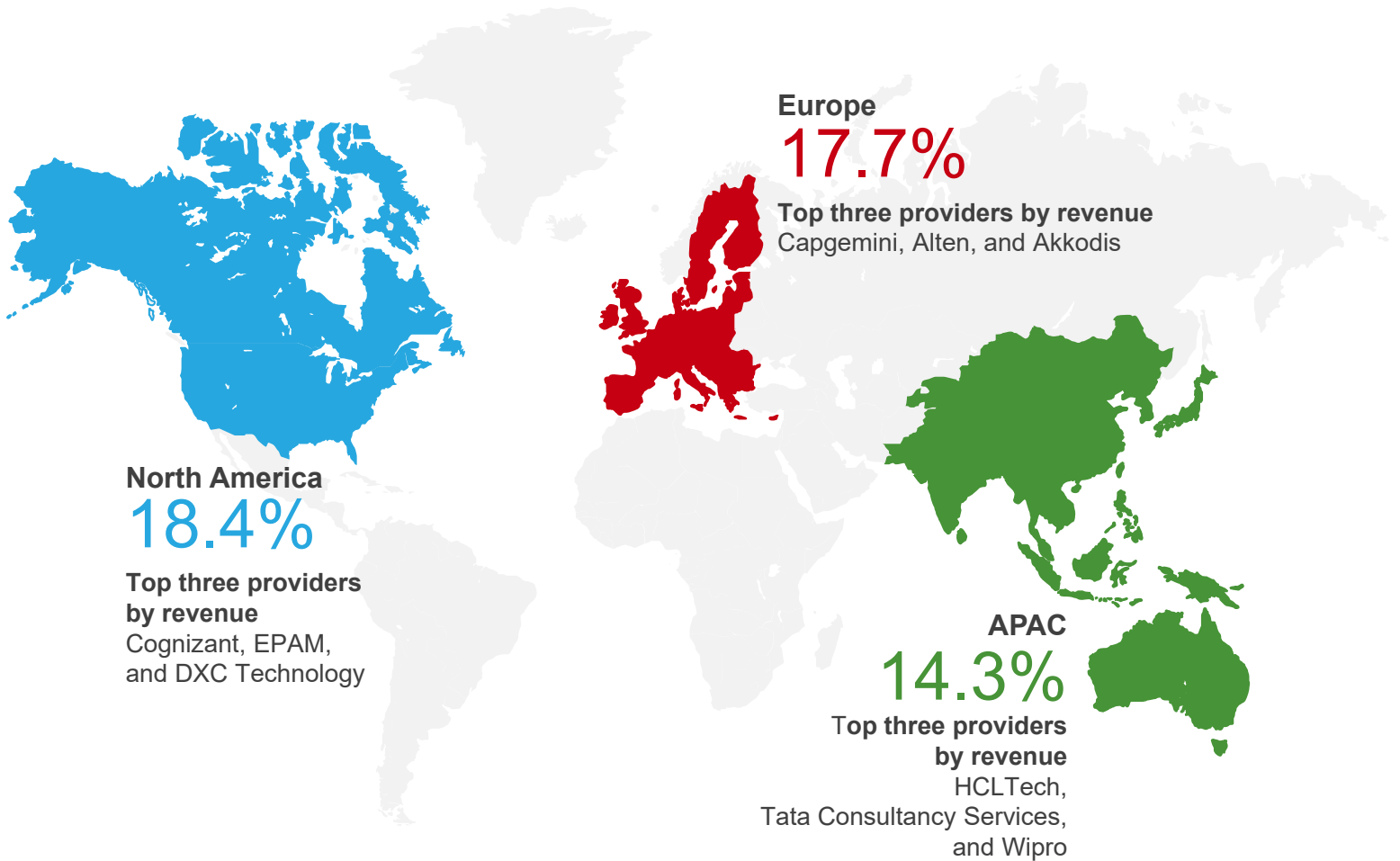


Note: Acquisitions announced in 2023 have not been showcased here

5 North America continues to hold a major share of the ES market

Among the providers listed in the Engineering Services Top 50™ 2023, North American companies expanded most rapidly, with a growth rate of 18.4%, followed by Europe, with a growth rate of 17.7%. APAC's growth rate was 14.3%. North America retains the largest share of engineering services revenue among featured providers. Predominantly, these firms are headquartered in Europe, followed by APAC and North America.

Growth rate for engineering service providers by region, 2022





With you on the journey

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