

# Performance of Wipro Limited for the Quarter ended December 31, 2009

January 20, 2010

**Suresh C Senapaty**  
Executive Director & Chief Financial Officer

# Financial Summary for the Quarter ended Dec 31, 2009 (Indian GAAP)



## Wipro Limited (Consolidated)

Particulars	Revenue Rs. Crores	Growth YoY
Revenue	6,966	5%
Profits Before Interest & Tax	1,362	21%
Profits After Tax	1,217	21%

## Key Segmental Results

Segment	Revenue Rs. Crores	Growth YoY	PBIT Rs. Crores	Growth YoY
IT Services	5,164	2%	1,227	17%
IT Products	1,002	20%	58	34%
Consumer Care & Lighting	601	14%	74	21%

# Highlights for the Quarter – IT Services



- Positive Demand Environment
- Stable Operating Margins

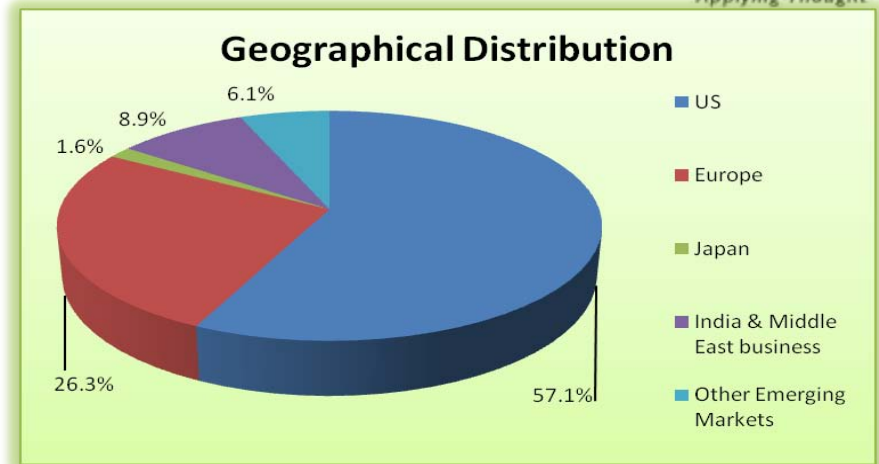
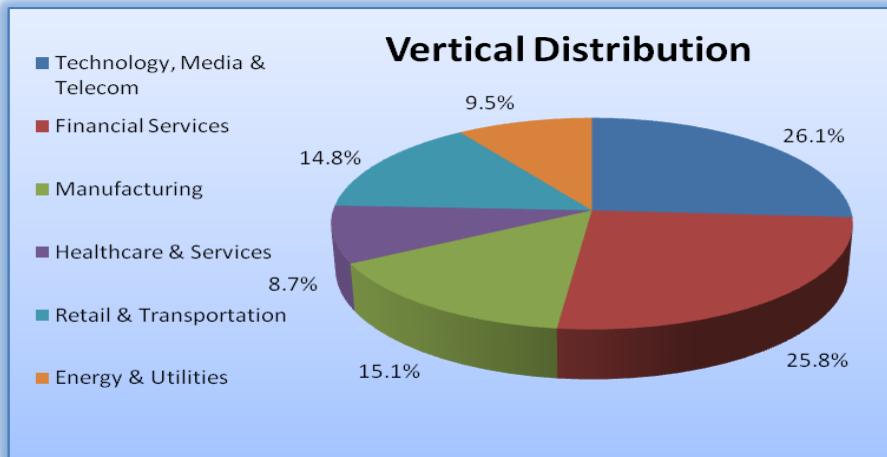
- Reported revenue at **\$1,127Mn**, sequential growth of 5.8%
- Constant currency revenue at **\$1,117Mn**, sequential growth of 4.9%

- Margin at 23.8% , flat QoQ and 3.2% expansion YoY

- Revenues from Fixed Price Projects improved 2.2% sequentially to 42.5%

- Gross utilization increased 233bps sequentially to 73.2%

# Revenue Dynamics – IT Services



## Service Lines:

- TIS grew 9% sequentially & 12% YoY
- Product Engineering Services grew 9% sequentially, while BPO grew 7% sequentially

## Geographies:

- Europe grew 5% sequentially
- India & Middle East business grew 16% sequentially & 22% YoY
- Other Emerging Markets (which include APAC and Australia) grew 20% sequentially and 57% yoy

## Verticals:

- Healthcare & Services grew 14% while Energy & Utilities grew 12%, sequentially
- Financial Services grew 7% sequentially while Communication & Media Service Provider grew 8%

# IT Services – Awards & Recognition



## Awards and Recognition:

- Won the **2009 Global MAKE (Most Admired Knowledge Enterprises) Award** for a third time, for ‘developing knowledge workers through senior management leadership’ and ‘creating an environment for collaborative knowledge sharing’
- Awarded the **5th Annual Davey Award** by the International Academy of Visual Arts for outstanding work in digital design
- Was ranked **8th in India’s most valuable Brand (2009)** study carried out by Brand Finance, a global brand valuation firm for Economic Times
- Commitment to mitigating effects of climate change and furthering the green IT agenda recognized by **Asia Case Research Centre (ACRC)**, a premier portal for teaching case studies that has written a case study on Wipro’s green IT initiatives
- Won the Outsourcing Institute and Vantage Partners’ **RMMY award** for Best Performance Management Process for the second year in succession

# IT Services – Deal Wins



- Multi-year strategic program with large Europe-based global steel manufacturer, to leverage our business transformation expertise in strategic restructuring for the client

- Multi-year outsourcing engagement with leading global tobacco group to improve the effectiveness and efficiency of the application support services for its global operations

- India & Middle East business registered some strong wins
- Wipro Arabia won a very large order from an upcoming university in Saudi Arabia for end-to-end set up of their IT infrastructure

- Turnkey implementation in infrastructure segment of State Data Center projects for Gujarat and Maharashtra
- End-to-end implementation of a datacenter for Shipping Corporation of India, and upgrade of disaster recovery infrastructure for Oriental Bank of Commerce

# Other Highlights



## **Wipro Consumer Care and Lighting (WCCL)**

- Consumer Care and Lighting business recorded Revenues of Rs. 6.01 billion, a growth of 14% YoY and PBIT of Rs. 740 million, a growth of 21% YoY.
- International Business had a great quarter with leading growth in Vietnam, China and Indonesia.
- Yardley acquisition in personal care category which was earlier announced by us on 5<sup>th</sup> Nov 09 has been consolidated for reporting since 9<sup>th</sup> Dec 2009.
- Santoor, our flagship brand, remains the #1 toilet soap brand in South India both in urban and rural.

## **Wipro Infrastructure Engineering (WIN)**

- We have seen robust recovery in India.
- Europe market has bottomed out. We have grown our market share through the recession.

## **WIN-Eco-energy:**

- We continue to make big strides in this start-up business.
- We won the first contracts for consulting and implementation of utility scale Solar Photo Voltaic Plants.
- Our confidence in our business model has increased significantly, validated by the market.
- This business model is that of consulting led multi-technology solutions for renewable energy and energy efficiency.

# Summary



## Positive Demand Environment

- Broad based growth driven by significant uptick in volumes

## Solid Execution

- Stable margins despite the lesser number of working days, shutdowns and strong rupee appreciation

## Robust deal funnel

- Deal pipeline remains among the strongest we have seen

## Our portfolio of services

- Our broad portfolio of services and strong delivery excellence continues to position us as a partner of choice with customers, as they focus on capital conservation and cost transformation

## Investment

- We continue to 'invest' – In new Technologies, In new Solutions, In people, In Non-linearity
- We see greater traction from our strategic acquisitions

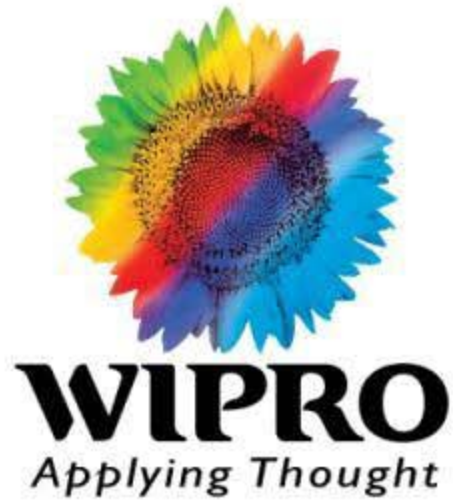


# Looking ahead



Looking ahead, for the quarter ending March 31, 2010, we expect the Revenue from our IT Services business to be in the range \$1161Mn\* to \$1183Mn\*

\*Based on constant currency exchange rates of GBP/USD at 1.63, Euro/USD at 1.46, AUD/USD at 0.91, USD/INR at 46.64



## Supplemental Data

Financial Results as per IFRS  
Key Operating Metrics in IT Services

# Financial Summary for the Quarter ended December 31, 2009 (IFRS)



## Wipro Limited (Consolidated)

Particulars	Revenue Rs. Crores	Growth YoY
Revenue	6,977	6%
Profits Before Interest & Tax	1,354	22%
Profits After Tax	1,203	19%

## Key Segmental Results

Segment	Revenue Rs. Crores	Growth YoY	PBIT Rs. Crores	Growth YoY
IT Services	5,165	2%	1,218	17%
IT Products	1,011	22%	61	51%
Consumer Care & Lighting	574	18%	75	20%

# Key Operating Metrics in IT Services for the Quarter ended December 31, 2009



Particulars	Q3 10	Q2 10	Q3 09
<b>Revenue Composition:</b>			
Technology, Media & Telecom	26.1%	26.4%	28.8%
Financial Services	25.8%	25.7%	26.0%
Manufacturing	15.1%	15.6%	15.3%
Healthcare & Services	8.7%	8.1%	7.3%
Retail & Transportation	14.8%	15.2%	14.5%
Energy & Utilities	9.5%	9.0%	8.1%
<b>Geography Composition:</b>			
US	57.1%	58.4%	60.0%
Europe	26.3%	26.5%	26.1%
Japan	1.6%	1.6%	2.4%
India & Middle East business	8.9%	8.1%	7.5%
Other Emerging Markets	6.1%	5.4%	4.0%
<b>People related:</b>			
Number of employees	1,02,746	97,891	96,965
Net Additions	4855	(630)	(587)

# Key Operating Metrics in IT Services for the Quarter ended December 31, 2009



Particulars	Q3 10	Q2 10	Q3 09
<b>Customer Concentration:</b>			
Top Customer	2.6%	2.7%	2.5%
Top 5	10.8%	11.3%	11.3%
Top 10	19.5%	19.7%	20.2%
Active Customers	822	840	882
No. of New Customers	31	37	31
Revenue from New Customers	2.2%	1.9%	3.3%
Onsite Revenue (IT Services)	50.3%	49.9%	53.2%
Off Shore Revenue (IT Services)	49.7%	50.1%	46.8%
<b>Customer Size Distribution:</b>			
\$ 50 M	16	16	16
\$20- 50Mn	37	35	36
\$10 -\$20Mn	42	48	37
\$5 -\$10Mn	61	53	62
\$3- \$5Mn	77	64	80
\$1-\$3Mn	165	187	205
Total >\$1Mn	398	403	436