

# Performance of Wipro Limited for the Quarter ended September 30, 2009

October 27, 2009

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

# Financial Summary for the Quarter ended Sept 30, 2009 (Indian GAAP)



## Wipro Limited (Consolidated)

Particulars	Revenue Rs. Crores	Growth YoY
Revenue	6,917	6%
Profits Before Interest & Tax	1,303	18%
Profits After Tax	1,162	19%

## Key Segmental Results

Segment	Revenue Rs. Crores	Growth YoY	PBIT Rs. Crores	Growth YoY
IT Services	4,996	5%	1,187	19%
IT Products	1,183	18%	60	39%
Consumer Care & Lighting	587	11%	73	13%

# Highlights for the Quarter – IT Services



- Strong Operational Performance
- An improving demand environment

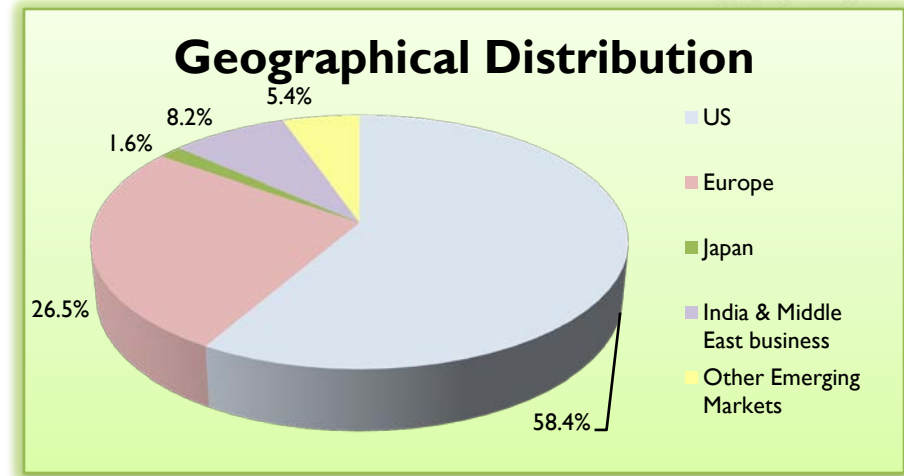
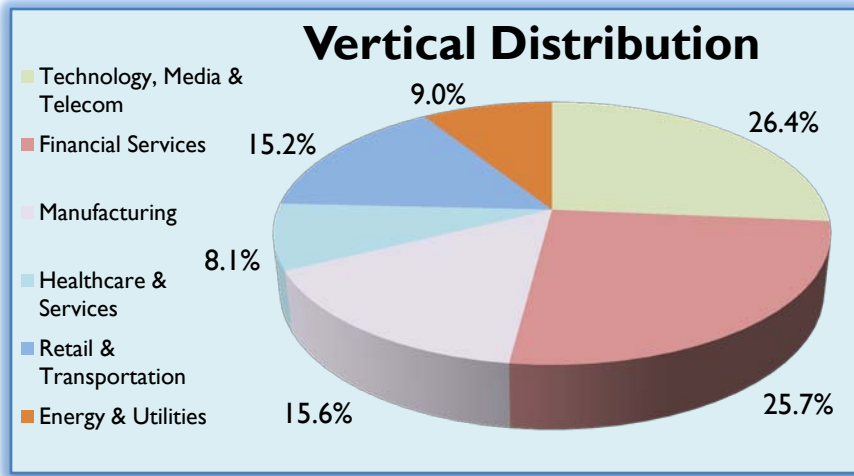
- Reported revenue at **\$1,065Mn**, sequential growth of 3.2%
- Constant currency revenue at **\$1,052Mn**, sequential growth of 1.9%

- Margin expansion to 23.8% , 1.4% QoQ and 2.8% YoY

- Revenues from Fixed Price Projects improved 1.9% sequentially to 40.3%

- Gross utilization increased by 84bps sequentially to 70.8%

# Revenue Dynamics – IT Services



## Service Lines:

- BPO grew 7% sequentially
- Consulting grew 16% sequentially, while Application Development & Maintenance grew 5% sequentially

## Geographies:

- Europe grew 7% sequentially
- India & Middle East business grew 7% sequentially
- Other Emerging Markets (which include APAC and Australia) grew 9% sequentially and 52% yoy

## Verticals:

- Energy & Utilities grew 11.5% sequentially, while Communication & Media Service Provider grew 11% sequentially
- Manufacturing vertical bucked the trend with strong sequential growth of 3.9%
- Healthcare & Services and Retail & Transportation grew 5% and 3% sequentially

# IT Services – Ratings & Recognition



## Credit Rating:

- Assigned an **investment grade rating of "BBB"** with a stable outlook, which is higher than India's sovereign rating

## Awards and Recognition:

- Joint second position globally in the list of **Top 5 Green Electronics Brand** test edition of the Greenpeace Guide to Greener Electronics
- "ASTD Best Award Winner, 2004-2009"** - Won the 2009 ASTD (American Society of Training and Development) BEST Awards Competition for a sixth year in succession
- Won the **2009 Asian MAKE awards** for enterprise knowledge sharing and collaboration for a seventh time
- Cited as a **Leader in The Forrester Wave: SAP implementation services, Q3 2009** and "a leading provider of AMS services"
- Awarded the **WebAward for "Outstanding Achievement in Web Development"** under the category - Consulting Standard of Excellence by Web Marketing Association for our website

# IT Services – Deal Wins



- Five-year engagement with British Petroleum to provide IT Applications Development and Maintenance services for BP's Fuels Value Chain and Corporate businesses globally

- Multi-year deal with a leading pharmaceutical company to provide end-to-end Infrastructure Management spanning 38 countries

- Multi-year contract with a leading brewing company based in Australia
- Deliverables include managing and supporting customer's IT infrastructure, business applications, data centers, & providing Disaster Recovery Services

- Wipro will take over the global responsibility for providing Nokia Siemens Networks with application management services for SAP, delivery, marketing and sales, and product data management applications

- Joint venture with DIAL (Delhi International Airport Limited)
- Multi-year Total Outsourcing contract to provide world class IT Infrastructure and Services for Indira Gandhi International Airport, New Delhi

- Strategic partnership with Lavasa to provide integrated and effective solutions for enhancing IT operations within the Hill city

# Other Highlights



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

- Consumer Care and Lighting business recorded Revenues of Rs. 5.87 billion, a growth of 11% YoY and PBIT of Rs. 725 million, a growth of 13% YoY
- International Business had a great quarter with leading growth in Vietnam, China and Indonesia
- Santoor, our flagship brand, remains the #1 toilet soap brand in South India

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

- Business environment in India recovers sharply
- Ambitious plans on Road projects generating a lot of positive sentiment

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

- Multiple contract wins in the Renewable Energy space – across a range of technologies – amounting to over Rs 750 million. Key wins:
  - Consulting and implementation of Green Energy for an Infrastructure Project
  - End-to-end implementation of a Green Data Centre
  - Consulting and implementation for a Green Factory
- Resounding endorsement of our value proposition with our customers.
- Tie ups with product vendors and research institutions to bring unique mix of appropriate technologies

# Summary



## Improving Demand Environment

- Unplanned ramp downs have stopped with volumes and pricing started to stabilize

## Solid Execution

- Unwavering commitment to improving 'Operational efficiency' continues to pay dividend with 14% sequential growth in Profit After Tax

## 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 Capabilities, In people, In Non-linearity
- We see greater traction from our strategic acquisitions

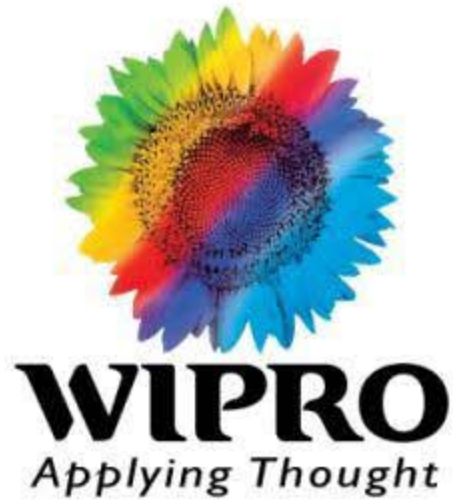


# Looking ahead



Looking ahead, for the quarter ending December 31, 2009, we expect the Revenue from our IT Services business to be in the range \$1092\*M to \$1113\*M

\*Based on constant currency exchange rates of GBP/USD at 1.64, Euro/USD 1.44 and USD/INR at 48.33



## Supplemental Data

Financial Results as per IFRS  
Key Operating Metrics in IT Services

# Financial Summary for the Quarter ended September 30, 2009 (IFRS)



## Wipro Limited (Consolidated)

Particulars	Revenue Rs. Crores	Growth YoY
Revenue	6,918	6%
Profits Before Interest & Tax	1,319	20%
Profits After Tax	1,171	21%

## Key Segmental Results

Segment	Revenue Rs. Crores	Growth YoY	PBIT Rs. Crores	Growth YoY
IT Services	4,998	5%	1,180	19%
IT Products	1,185	19%	61	48%
Consumer Care & Lighting	556	15%	73	12%

# Key Operating Metrics in IT Services for the Quarter ended September 30, 2009



Particulars	Q2 10	Q1 10	Q2 09
<b>Revenue Composition:</b>			
Technology, Media & Telecom	26.4%	26.7%	29.2%
Financial Services	25.7%	26.3%	26.3%
Manufacturing	15.6%	15.5%	14.7%
Healthcare & Services	8.1%	8.0%	7.9%
Retail & Transportation	15.2%	15.2%	13.6%
Energy & Utilities	9.0%	8.3%	8.3%
<b>Geography Composition:</b>			
US	58.4%	59.7%	59.4%
Europe	26.5%	25.5%	26.9%
Japan	1.6%	1.8%	2.5%
India & Middle East business	8.2%	7.9%	7.8%
Other Emerging Markets	5.4%	5.1%	3.4%
<b>People related</b>			
Number of employees	97,891	98,521	97,552
Net Additions	(630)	711	1,877

# Key Operating Metrics in IT Services for the Quarter ended September 30, 2009



Particulars	Q2 10	Q1 10	Q2 09
<b>Customer Concentration</b>			
Top Customer	2.7%	2.6%	2.7%
Top 5	11.3%	11.4%	11.5%
Top 10	19.7%	20.6%	20.4%
Active Customers	840	830	906
No. of New Customers	37	26	28
Revenue from New Customers	1.9%	0.5%	1.6%
Onsite Revenue (IT Services)	49.9%	49.6%	54.1%
Off Shore Revenue (IT Services)	50.1%	50.4%	45.9%
<b>Customer Size Distribution</b>			
\$ 50 M	16	17	16
\$20- 50Mn	35	36	34
\$10 -\$20Mn	48	44	35
\$5 -\$10Mn	53	59	59
\$3- \$5Mn	64	63	77
\$1-\$3Mn	187	194	205
Total >\$1Mn	403	413	426