



Financial Statements as at 31 March 2017 and Management Report

TRANSLATION - AUDITOR'S REPORT

Wipro Technologies GmbH
Cologne, Germany

KPMG AG Wirtschaftsprüfungsgesellschaft

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Wipro Technologies GmbH, Cologne

Balance sheet as at 31 March 2017

Assets

	31 Mar. 2017	31 Mar. 2016
	EUR	EUR
A. Fixed assets		
I. Intangible assets		
1. Purchased concessions, industrial property rights and similar rights and assets as well as licences to such rights and assets acquired for a consideration	330,484.00	633,104.00
2. Customer list	5,991,115.00	0.00
3. Goodwill	459,772.42	0.00
	6,781,371.42	633,104.00
II. Property, plant and equipment		
1. Land, leasehold rights and buildings	14,885,521.68	5,384,781.56
2. Technical equipment and machinery	15,697,705.59	10,395,698.92
3. Other equipment, operating and office equipment	5,243,982.41	1,761,875.13
4. Advance payments and construction in progress	4,494.68	1,651,990.98
	35,831,704.36	19,194,346.59
	42,613,075.78	19,827,450.59
B. Current assets		
I. Inventories		
Work in progress	1,976,508.58	158,319.01
II. Receivables and other assets		
1. Trade receivables	18,312,408.25	12,209,741.60
2. Receivables from affiliated companies	131,669.13	3,723,158.42
3. Other assets	5,119,802.80	2,054,455.84
	23,563,880.18	17,987,355.86
III. Cash and cash equivalents	702.96	894.66
	25,541,091.72	18,146,569.53
C. Prepaid expenses	3,344,732.36	1,653,399.72
D. Excess of plan assets over pension and comparable long-term liabilities	1,691,584.64	720,394.09
E. Deficit not covered by equity	4,950,474.88	6,147,063.86
	78,140,959.38	46,494,877.79

Equity and Liabilities

	31 Mar. 2017	31 Mar. 2016
	EUR	EUR
A. Equity		
I. Subscribed capital	25,000.00	25,000.00
II. Capital reserves	8,800,000.00	8,800,000.00
III. Accumulated net loss, to the extent covered by equity	-8,825,000.00	-8,825,000.00
– Accumulated net loss totalling EUR 13,775,474.88 (PY: EUR 14,972,063.86) –		
– thereof not covered by equity EUR 4,950,474.88 (PY: EUR 6,147,063.86) see also item E. under assets –		
	0.00	0.00
B. Provisions		
1. Tax provisions	107,641.00	206,604.00
2. Other provisions	5,289,461.79	2,894,711.91
	5,397,102.79	3,101,315.91
C. Liabilities		
1. Liabilities to banks	18,500,000.00	373,655.96
2. Trade payables	15,843,554.79	12,688,458.87
3. Liabilities to affiliated companies	36,789,054.66	28,637,381.71
4. Other liabilities	1,198,796.74	745,367.76
	72,331,406.19	42,444,864.30
D. Deferred income	412,450.40	948,697.58
	78,140,959.38	46,494,877.79

Wipro Technologies GmbH, Cologne

Income statement for the period from 1 April 2016 to 31 March 2017

	2016/17	2015/16
	EUR	EUR
1. Revenue	49,475,016.93	47,146,123.42
2. Increase (PY: decrease) in work in progress	1,818,189.57	-278,513.18
3. Other operating income	3,079,526.50	2,191,552.74
4. Cost of materials		
a) Cost of purchased goods	-3,641,609.29	-7,916,187.85
b) Cost of purchased services	-12,144,482.94	-4,281,954.76
5. Personnel expenses		
a) Wages and salaries	-17,179,492.16	-16,108,897.93
b) Social security, pension and other benefits	-2,042,585.08	-2,532,663.29
– thereof for pensions: EUR 0.00 (PY: EUR 712,737.70) –		
6. Amortisation of intangible assets and depreciation of property, plant and equipment	-5,703,023.82	-4,010,521.21
7. Other operating expenses	-12,009,764.10	-11,335,705.99
8. Other interest and similar income	135,980.82	21,364.91
9. Interest and similar expenses	-603,905.65	-484,839.61
10. Income taxes	105,836.67	-206,604.00
11. Earnings after taxes	1,289,687.45	2,203,153.25
12. Other taxes	-93,098.47	-92,204.30
13. Net income for the year	1,196,588.98	2,110,948.95
14. Accumulated losses brought forward from prior year	-14,972,063.86	-17,083,012.81
15. Accumulated deficit	-13,775,474.88	-14,972,063.86

Wipro Technologies GmbH, Cologne

Notes to the financial statements for the 2016/17 financial year

1. General

Wipro Technologies GmbH is a subsidiary of Wipro Portugal S.A., with registered office in Porto, Portugal. The other shareholder is Wipro Information Technology Netherlands B.V., with registered office in Amsterdam, Netherlands. All companies are subsidiaries of Wipro Limited, with registered office in Bangalore, India. Wipro Technologies GmbH is thus part of the Wipro Group.

The financial statements as at 31 March 2017 were prepared in accordance with the accounting standards of the German Commercial Code [HGB]. In addition, the provisions of the German Limited Liability Companies Act [GmbHG] were observed.

Due to the change to the definition of revenue according to the EU Accounting Directive Implementation Act [BilRUG], no reclassification was necessary.

The Company meets the criteria of a large corporation according to the size criteria of Section 267 (1) HGB.

The balance sheet is consistent with the classification prescribed by Section 266 (2) and (3) HGB. The income statement was prepared using the total cost method in accordance with Section 275 (2) HGB.

Wipro Technologies GmbH has its registered offices in Cologne and is entered in the commercial register as a GmbH (German limited liability company). The Company is registered in the commercial register of the Cologne district court under file no. HRB 72035.

2. Going concern

Due to the positive net income for the year of KEUR 1,197 in 2016/2017, the deficit not covered by equity declined to KEUR 4,950 as at 31 March 2017. The Company nevertheless remains over-indebted in respect of the balance sheet as at 31 March 2017.

Wipro Portugal S.A. in Portugal, holds 85% of the shares in Wipro Technologies GmbH and issued a letter in favour of Wipro Technologies GmbH.

Herein Wipro Portugal S.A. guarantees Wipro Technologies GmbH sufficient liquidity and capital resources at all times such that the latter will always be in a position to meet its current and future payment obligations at the time of their maturity. This letter of comfort can be terminated at the end of each month with a notice period of two months. Termination is not possible if Wipro Technologies GmbH becomes insolvent as a result of this termination or if the Company is over-indebted.

We therefore assume that the continuation of the Company as a going concern remains highly probable and have prepared the financial statements as at 31 March 2017 under the assumption of the going concern principle.

3. Accounting policies

Intangible fixed assets and property, plant and equipment are valued at cost less amortisation and depreciation. Amortisation and depreciation is calculated using the straight-line method.

Low-value assets (value below EUR 410.00) are written off in full in the year of acquisition.

The following useful lives are used:

	years
Intangible assets	3-7
Goodwill and customer list	7
Buildings	30 - 40
Technical equipment and machinery	6 - 10
Operating and office equipment	2 - 13

Inventories are measured at cost or at the lower fair value.

Receivables and other assets are valued at nominal value, taking specific provisions into account in the appropriate case.

In accordance with Section 246 HGB, assets to which no other creditors have access and which are only used to meet liabilities from pension commitments or similar long-term commitments are offset against these liabilities. The fair value of these assets in excess of the fair value of these liabilities is shown separately in the balance sheet as an excess of plan assets over pension and comparable long-term liabilities. The fair value of the assets offset corresponds to the amortised cost of the reinsurance at the balance sheet date.

Cash and cash equivalents are recognised at their nominal values.

The Company's subscribed capital is allocated at nominal value.

The capital reserve is valued at the amount paid in.

Provisions take into account all discernible and latent risks as well as contingent liabilities and are recognised at the settlement amount deemed necessary based on sound business judgement.

Liabilities are measured at their settlement amounts.

Deferred tax liabilities are only reported if the Company has an overall tax liability. In the case of resulting tax relief (excess of deferred tax assets over deferred tax liabilities), no use is made of the capitalisation option for deferred tax assets pursuant to Section 274 (1) sentence 2 HGB.

Expenses incurred prior to the reporting date are reported as prepaid expenses where they represent expenses for a specific period after the reporting date. Deferred income comprises payments received before the reporting date, provided they represent income for a certain period after that date. Prepaid expenses and deferred income are recognised at their nominal values.

Current assets and liabilities denominated in foreign currency are translated at the average spot exchange rate on the reporting date.

4. Notes on the balance sheet

Fixed assets

Movements in fixed assets are shown in the statement of movements in fixed assets attached to the notes as an appendix.

The significant increase of intangible assets and tangible assets mainly relates to the acquisition of two Datacenter from RWE in connection with the subscription of a long term IT outsourcing contract. In this connection a customer list was acquired as well.

Inventories

Work in progress is recognised for customer orders. Inventories are recognised and measured based on the person days incurred and not invoiced by the reporting date, measured at sales prices less an average profit discount and costs which cannot be capitalised.

Receivables and other assets

Receivables from affiliated companies of KEUR 0 (PY: KEUR 3,671) relate to the indirect shareholder Wipro Ltd., Bangalore/India and KEUR 131 to Wipro China, Wipro UK and Wipro Brasil; these relate to ongoing clearing transactions.

Of the trade receivables of KEUR 18,312 (PY: KEUR 12,210), KEUR 4,862 (PY: KEUR 4,238) has a remaining term of more than one year.

Prepaid expenses and deferred income

Prepaid expenses mainly show accruals from maintenance agreements.

Deferred income mainly shows accruals from lease agreements.

Deferred taxes

The excess of deferred tax assets not recognised pursuant to Section 274 (1) HGB results mainly from valuation differences between the financial statements and the tax accounts in respect of pension provisions as well as from loss carryforwards. The Company's individual tax rate for assessing deferred taxes is 30.83% and takes account of corporation tax, the solidarity surcharge and trade tax.

Excess of plan assets over pension and comparable long-term liabilities

Assets to which no creditors have access and which serve the sole function of settling liabilities from pension obligations amounted to KEUR 11,974 (PY: KEUR 3,789) and were offset in the amount of KEUR 10,282 (PY: KEUR 3,069) against pension provisions in accordance with Section 246 (2) HGB. The surplus of unallocated fair value from reinsurance (amortised cost) over pension obligations of KEUR 1,692 (PY: KEUR 720) is recognised on the assets side as the excess of plan assets over pension and comparable long-term liabilities

Subscribed capital

The Company's share capital of KEUR 25 has been fully paid up.

Capital reserves

Capital reserve is allocated at the paid up amount of KEUR 8,800 at nominal value.

Deficit not covered by equity

The deficit not covered by equity amounts to KEUR 4,950 (PY: KEUR 6,147) as at 31 March 2017.

Provisions

Pension provisions are calculated on the basis of an actuarial report. The calculation is made using the Projected Unit Credit method (PUC), which recognises discounting at a discount rate of 3.93% (PY: 4.25%). This is based on the projected 10-year average interest rate for a maturity of 15 years for March 2016 within the meaning of the German Ordinance on the Discounting of Provisions [RückAbzinsV] (Status: February 2017). The projected 7-year average interest rate to determine the difference pursuant to Section 253 (6) HGB amounts to 3.11%. This results in a difference of KEUR 1,607, which is subject to a restriction on distribution.

Biometric actuarial assumptions continue to be based on Prof. Dr. Klaus Heubeck's 2005 G mortality tables. In addition, an annual salary increase of 2.75% was taken into account in calculating the provision of salary-dependent pension commitments. Eligible future pensions are adjusted annually by 1.5%. In addition, a pension increase of 1.5% was recognised for the valuation for financial statement purposes.

Furthermore, parts of the pension provision were valued at the fair value (KEUR 1,857; PY: KEUR 1,627) of securities held as investments within the meaning of Section 266 (2) A.III.5 HGB. Overall, a provision amount of KEUR 10,282 (PY: KEUR 3,069) is calculated.

In accordance with Section 246 (2) HGB in conjunction with Section 253 (1) HGB, reinsurance for the settlement of liabilities from pension obligations with a partial amount of KEUR 10,282 (PY: KEUR 3,069) on the liabilities side were offset against pension provisions of the same amount such that a value of KEUR 0 is reported on the liabilities side.

Other provisions consist mainly of provisions for repairs and maintenance (KEUR 386; PY: KEUR 570), energy costs (KEUR 341, PY: KEUR 0), staff bonuses (KEUR 556 PY: KEUR 772), outstanding vacation (KEUR 703; PY: KEUR 360), long-service awards (KEUR 457, PY: KEUR 59), partial retirement benefits (KEUR 289; PY: KEUR 0), technical services (KEUR 394, PY: KEUR 0), licence and installation expenses (KEUR 210; PY: KEUR 83), third-party services (KEUR 837; PY: KEUR 318), legal and advisory fees (KEUR 214; PY: KEUR 80) and fees for year-end closing and the audit of the financial statements (KEUR 40; PY: KEUR 40).

Liabilities

Trade payables of KEUR 15,843 include long-term liabilities arising from finance leases of KEUR 13,486.

Liabilities to affiliated companies of KEUR 36,789 (PY: KEUR 28,637) include KEUR 18,764 (PY: KEUR 15,865) in liabilities to shareholders. Liabilities to the indirect shareholder Wipro Ltd., Bangalore, India, consist of loans of KEUR 1,541 (PY: receivable of KEUR 3,671). Overall, liabilities to affiliated companies include loan liabilities (including interest accrued) of KEUR 27,487 (PY: KEUR 20,936) and trade payables of KEUR 9,302 (PY: KEUR 7,701).

Other liabilities consist of tax liabilities amounting to KEUR 436 (PY: KEUR 349) and social security liabilities amounting to KEUR 55 (PY: KEUR 6).

Changes in the remaining terms of the liabilities are as follows:

years	overall KEUR	thereof with a remaining term		
		up to 1 year KEUR	1-5 years KEUR	more than 5 KEUR
Liabilities to banks	18,500	2,250	16,250	0
Trade payables	15,843	7,205	8,638	0
Liabilities to affiliated companies	36,789	31,095	5,694	0
Other liabilities	1,199	1,199	0	0
Total	72,331	41,749	30,582	0

Of liabilities of KEUR 42,445 in the prior year, KEUR 24,847 had a remaining term of less than one year and KEUR 17,598 had a remaining term between one and five years.

5. Notes on the income statement

Revenue

Revenue is generated from service and advisory services rendered in Germany and abroad.

These can be broken down by country:

	2016/17	2015/16
	KEUR	KEUR
India	25,341	22,325
Germany	21,341	22,022
Netherlands	1,106	1,554
Austria	199	489
United Kingdom	456	420
Other	1,032	336
Total	49,475	47,146

Other operating income

Other income includes income from the release of pension accruals amounting to KEUR 3,052. In the frame of the purchase of two Datacenter from RWE and the signing of an IT outsourcing contract approximately 80 RWE-employees and their pension accruals were transferred at the beginning of February 2017. At the time of the transfer the pension accruals were valued with the valuation under IFRS based on the purchase contract with RWE. As at 31 March 2017 the valuation was done according to German GAAP, which lead to a release of the pension accrual.

Income from currency translation amounts to KEUR 27 (PY: KEUR 1,839).

Other operating expenses

Expenses arising from currency translation amount to KEUR 1,405 (PY: KEUR 1,313).

Interest expenses

Interest expenses of KEUR 93 (PY: KEUR 45) relate to the compounding of pension provisions. This interest expense was netted against finance income from the recognition of reinsurance claims of KEUR 77 (PY: KEUR 25), thus resulting in net expenses of KEUR 16 (PY: KEUR 20).

The interest expense due to affiliated companies came to KEUR 582 (PY: KEUR 465).

6. Other disclosures

Employees

In the 2017 financial year the Company had 182 employees on average (PY: 157).

Managing Directors

Managing directors of the Company in the financial year were:

Mr Ashih Chawla, Delhi (India), businessman,
Mr Christophe Martinoli, Chambourcy (France), businessman.

Disclosure of the managing directors' remuneration is waived in accordance with Section 286 (4) HGB as only one managing director received remuneration.

Other financial obligations

The Company has other financial obligations, in particular arising from under lease and rental agreements of approx. KEUR 7,200.

Auditor's fee

The fee for the audit of the financial statements amounts to KEUR 47.

Significant events

No material events have occurred subsequent to the balance sheet date that relate to the financial year under review.

Group

Parent company of Wipro Technologies GmbH, Cologne, is Wipro Portugal S.A., Porto/Portugal, with an 85% share (EUR 21,250.00) in the subscribed capital.

The Company is included in the consolidated financial statements of Wipro Portugal S.A., Porto/Portugal, (smallest group of consolidated companies) and in the consolidated financial statements of Wipro Limited, Bangalore/India, (largest group of consolidated companies).

The consolidated financial statements can be obtained from the commercial register Porto/Portugal as well as from Wipro Limited, company secretary Ramachandean Venkatesam, Wipro Limited, Dodda Kannelli, Sarjapur Road, Bangalore Karnataka 560 035, India.

Appropriation of profit

The 2016/17 financial year closed with net income for the year of KEUR 1,197. This results in an accumulated deficit of KEUR -13,775 based on a loss carryforward of KEUR -14,972. We propose that this loss be carried forward to the following year.

Cologne, 24 May 2017

Wipro Technologies GmbH

SDI-
Christophe Martinoli

SDI-
Ashih Chawla

Wipro Technologies GmbH, Cologne

Movements in fixed assets in the 2016/17 financial year

	Cost				
	1 Apr. 2016	Additions	Disposals	Reclassifications	31 Mar. 2017
	EUR	EUR	EUR	EUR	EUR
I. Intangible assets					
1. Purchased concessions, industrial property rights and similar rights and assets as well as licences to such rights and assets acquired for a consideration	1,982,708.14	21,793.53	0.00	4,264.89	2,008,766.56
2. Customer list	0.00	6,137,240.00	0.00	0.00	6,137,240.00
3. Goodwill	0.00	470,989.00	0.00	0.00	470,989.00
	1,982,708.14	6,630,022.53	0.00	4,264.89	8,616,995.56
II. Property, plant and equipment					
1. Land, leasehold rights and buildings	6,230,739.65	7,832,170.40	0.00	1,912,019.93	15,974,929.98
2. Technical equipment and machinery	16,491,439.84	8,010,513.21	0.00	1,146,218.74	25,648,171.79
3. Other equipment, operating and office equipment	3,418,473.52	4,114,202.81	0.00	486,732.80	8,019,409.13
4. Advance payments and construction in progress	1,651,990.98	1,970,592.32	68,852.26	-3,549,236.36	4,494.68
	27,792,643.99	21,927,478.74	68,852.26	-4,264.89	49,647,005.58
	29,775,352.13	28,557,501.27	68,852.26	0.00	58,264,001.14

Accumulated amortisation, depreciation and write-downs			Book value	
1 Apr. 2016	Additions	31 Mar. 2017	31 Mar. 2017	31 Mar. 2016
EUR	EUR	EUR	EUR	EUR
1,349,604.14	328,678.42	1,678,282.56	330,484.00	633,104.00
0.00	146,125.00	146,125.00	5,991,115.00	0.00
0.00	11,216.58	11,216.58	459,772.42	0.00
1,349,604.14	486,020.00	1,835,624.14	6,781,371.42	633,104.00
845,958.09	243,450.21	1,089,408.30	14,885,521.68	5,384,791.56
6,095,740.92	3,854,725.28	9,950,466.20	15,697,705.59	10,395,698.92
1,656,598.39	1,118,828.33	2,775,426.72	5,243,982.41	1,761,875.13
0.00	0.00	0.00	4,494.66	1,651,990.98
8,598,297.40	5,217,003.82	13,815,301.22	35,831,704.36	19,194,346.59
9,947,901.54	5,703,023.82	15,650,925.36	42,613,075.78	19,827,450.59

Wipro Technologies GmbH, Cologne

Management Report for the 2016/17 Financial Year

Company profile

Business model

Wipro Technologies GmbH is a subsidiary of Wipro Portugal S.A., with registered office in Porto, Portugal. The other shareholder is Wipro Information Technology Netherlands B.V., with registered office in Amsterdam, Netherlands. All companies are subsidiaries of Wipro Limited, with registered office in Bangalore, India. Wipro Technologies GmbH is thus part of the Wipro Group.

Wipro Technologies GmbH supports clients in German-speaking regions with consulting and implementation services for ERP systems, data centre operations & IT outsourcing. Due to our global orientation, innovative solutions and sustainable improvement in our own capacity, we are able to assist our customers over the long term. We support customers' core processes to improve customers' market situation in an international competitive environment.

In addition to implementing standard software solutions, we also offer customised software development and maintenance services. Using the data centre in Meerbusch (near Düsseldorf), Germany, the Company can also offer all services associated with the operation of such a data centre.

It is one of the most state-of-the-art facilities in Germany and is firmly integrated into Wipro Technologies GmbH's remote computer operations in Meerbusch. Moreover, it enables us to support European clients from a central location in a flexible manner.

Designed solely to accommodate the special requirements of a data information service provider and its customers, the data centre provides independence between the commercial administration and technically specialised computer departments.

In February 2017 two additional Data centre were acquired from RWE in connection with an IT outsourcing contract with a duration of seven years.

Wipro Technologies GmbH further provides marketing and business development services for customers within the Wipro Group. For this purpose Wipro Technologies GmbH receives commission on all new contracts acquired for the Wipro Group.

Furthermore, Wipro Technologies GmbH has leased office space in Frankfurt am Main; this serves as the Company's main office for the "Continental Europe" division. Our office in Frankfurt am Main to be the headquarter of Wipro Technologies GmbH.

Economic report

General economic conditions and industry environment

Business activity in the industry is driven by economic growth in Germany. Here we expect moderate growth, particularly in the automotive and mechanical engineering sector.

We also expect growth in the utility sector triggered by cost pressure in that sector.

Compared to our competitors, we consider that we are extremely well-positioned as margin pressure is set to increase significantly.

Financial performance indicator

Revenue is the key financial performance indicator for the management of the Company.

Results of operations

Revenue development in the 2016/17 financial year shows overall growth of 4.9 %. Revenue increased from KEUR 47,146 to KEUR 49,475. This is attributable to an expansion of orders from existing customers as well as gaining new customers.

The increase in work in process as at 31 March 2017 consequently affected the income statement through the recognition of KEUR 1,818 in expenses. The cost of purchased goods & services increase from KEUR 12,198 to KEUR 15,786.

Personnel expenses amounted to KEUR 19,222 in the 2016/17 financial year (PY: KEUR 18,642). The increase of KEUR 580 is mainly related to the employment of additional staff and the transfer of approximately 80 employees from RWE in connection with the signed IT outsourcing contract in February 2017. As part of the new strategy to also render business development services for Wipro Group, we invested by employing additional highly qualified staff for the technical function and management. The average number of staff increased from 157 in the 2015/16 financial year to 182 in the 2016/17 financial year.

Amortisation, depreciation and write-downs increased by KEUR 1,693 due to additional investments in fixed assets and acquisition of two data centre during the year.

Overall, a net income for the year of KEUR 1,197 (PY: net profit for the year of KEUR 2,111) was generated in the 2016/17 financial year. This had a positive effect on the deficit not covered by equity, which fell from KEUR -6,147 to KEUR -4,950.

Net assets and financial position

Fixed assets increased by KEUR 22,786 from KEUR 19,827 to KEUR 42,613. This results mainly from additional investments related to the two additional data centre and the expansion of our data centre in the 2016/17 financial year.

Owing in particular to a significant new lease agreement, trade receivables increased by KEUR 6,102 from KEUR 12,210 to KEUR 18,312. In conjunction with lease receivables of KEUR 6,602 (finance lease), KEUR 4,863 these have a remaining term of more than one year.

Owing primarily to a reduction in loan receivables, receivables from affiliated companies fell overall from KEUR 3,723 to KEUR 132.

Other assets increased by KEUR 3,065 in particular due to interest accrued for a major finance lease and RWE pension assets receivables.

Prepaid expenses increased from KEUR 1,653 to KEUR 3,345; this was mainly due prepaid in maintenance fees.

Net income for the year of KEUR 1,197 reduced the deficit not covered by equity to KEUR -4,950.

Total assets amount to KEUR 78,141 (PY: KEUR 46,495).

Liabilities to banks increased from KEUR 373 to KEUR 18,500. This relates to a long term bank loan for financing the two acquired data centre in February 2017 and the customer list.

Trade payables increased from KEUR 12,688 to KEUR 15,844 mainly due to additional finance lease liabilities

Overall statement on business performance

The development of the revenues was in line with our planning. We could acquire new contracts and another major customer. However, the development of the net income for the year was below our planning. Overall, we are very satisfied with the development of the company, especially due to the acquisition of new customers.

Forecast, opportunities and risks

Forecast

Additional investment in our employees is planned to enable us to bolster the overall image of the Wipro Group in the continental European region. The primary focus will continue to be on Germany. Additional investments for the German company are also planned in the coming financial year.

We invested in personnel marketing in order to recruit employees with domain knowledge and will continue to do so in 2017/18. Through the positioning of the Wipro brand this year, we expect positive feedback from the business for which we have competed.

Future data centre customers require diverse services such as "Infrastructure as a Service" (IaaS), but they also demand conventional three-tier architectures with database, application and presentation layers. Wipro will also offer Application Service Provider (ASP) services such as its new initiative with Temenos and "Banking in a Box" for the German core market.

We expect to gain additional new customers and to be able to expand on existing orders in the 2017/18 financial year. This will have a positive impact on our income over the coming years. Overall, we thus expect a slight increase in revenue and earnings for the coming financial year.

Opportunities and risks

The Company does business in a very competitive and rapidly changing market. Ever-changing needs and demands call for flexibility as well as intelligent solutions. The business environment is affected by events in the domestic and global economy.

The continued increase in staffing in Marketing & Business Development Consulting is expected to provide a significant boost towards increased revenue and commissions in the years ahead, although we will also closely monitor the development of personnel expenses and subject it to a critical appraisal. The utilisation of existing employee capacity thus represents both an opportunity as well as a risk to the Company.

Organised computer-related crime is a growing global problem that leads to risks associated with the reliability and confidentiality of data.

We rate the probability of occurrence of risks as moderate and anticipate that they will be outweighed by opportunities for positive future business development. We consider it is highly unlikely that risks particularly discussed in the market, such as shorter product life cycles or increased competitive pressure, will occur as Wipro currently counters these risks with major innovations and tends to drive the market. On the contrary, for us the market opportunities outweigh the risks in that we continue to automate our services and bring new service architectures to market.

Risk management for financial instruments

The management of loan and interest rate risks is guaranteed as part of the risk management of the corporate treasury department of the Wipro Group. The risks arising from accounts receivable are accounted for by corresponding accounts receivable management (rigorous accounts receivable monitoring) and the creation of specific bad debt provisions based on the age structure of the receivables. As part of accounts receivable management, reminders about due invoices are regularly sent and, where necessary, demanded through court action. In addition, new customers are subject to a thorough credit assessment and possibly an on-site check.

Deficit not covered by equity

The Company generated net income of KEUR 1,197 for the 2016/17 financial year and remains over-indebted as at 31 March 2017. The deficit not covered by equity amounted to KEUR 4,950 (PY: KEUR 6,147).

To avoid an application for insolvency, Wipro Portugal S.A., with registered office in Porto, Portugal, issued a letter comfort. Herein Wipro Portugal S.A. declares that it guarantees the Company sufficient liquidity and capital resources at all times such that the Wipro Technologies GmbH will always be well-placed to meet its existing and future payment obligations as they fall due. This letter of comfort can be terminated at the end of each month with a notice period of two months. Termination is not possible if Wipro Technologies GmbH becomes insolvent as a result of this termination or if the Company is over-indebted.

The continuation of Wipro Technology GmbH as a going concern depends on continuing financial support from the parent company and the Wipro Group. We assume that this will continue to be the case over the medium term.

Cologne, 24 May 2017

Wipro Technologies GmbH

SDI-
Christophe Martinoli

SDI-
Ashish Chawla

Auditor's Report

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of Wipro Technologies GmbH, Cologne, for the financial year from 1 April 2016 to 31 March 2017. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with Section 317 of the German Commercial Code [HGB] and German generally accepted standards for the audit of financial statements promulgated by the German Institute of Public Auditors [IDW]. Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the annual financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting. The management report is consistent with the annual financial statements, complies with the German statutory requirements, and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Without qualifying our opinion, we refer to the statements in the management report. In the Section "Deficit not covered by equity" the Company states that the continuation of the Company as a going concern depends on the continuing financial support of the parent company and the Wipro Group.

Düsseldorf, 24 May 2017

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

SD/-

Hemker
Wirtschaftsprüfer
[German Public Auditor]

SD/-

Linn
Wirtschaftsprüfer
[German Public Auditor]