

# Q3 FY 2023

## Investor Release

January 12, 2023  
Noida, India

# Safe Harbor Statement

Certain statements in this release are forward-looking statements, which involve a number of risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from those in such forward-looking statements. All statements, other than statements of historical fact are statements that could be deemed forward looking statements, including but not limited to the statements containing the words 'planned', 'expects', 'believes', 'strategy', 'opportunity', 'anticipates', 'hopes' or other similar words. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding impact of pending regulatory proceedings, fluctuations in earnings, our ability to manage growth, intense competition in IT services, Business Process Outsourcing and consulting services including those factors which may affect our cost advantage, wage increases in India, customer acceptances of our services, products and fee structures, our ability to attract and retain highly skilled professionals, our ability to integrate acquired assets in a cost effective and timely manner, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, the success of our brand development efforts, liability for damages on our service contracts, the success of the companies / entities in which we have made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property, other risks, uncertainties and general economic conditions affecting our industry. There can be no assurance that the forward-looking statements made herein will prove to be accurate, and issuance of such forward looking statements should not be regarded as a representation by the Company or any other person that the objective and plans of the Company will be achieved. All forward-looking statements made herein are based on information presently available to the management of the Company and the Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

# Q3 FY 2023 Highlights

## 1 Revenue

- Constant Currency Revenue up **5.0% QoQ** & up **13.1% YoY**
- INR Revenue of ₹ 26,700 Crore, up **8.2% QoQ** & up **19.6% YoY**
- USD Revenue of **US\$ 3,244 Mn**, up **5.3% QoQ** & up **9.0% YoY**
- Services Revenue (ITBS and ERS) up **2.2% QoQ** & up **15.4% YoY** in Constant Currency
- Mode-2 Revenue up **27.0% YoY** in Constant Currency

## 2 Profit, Cash Flow and Dividend

- EBIT Margin at **19.6%**, up **165 bps QoQ**
- Net Margin at **15.3%**, up **117 bps QoQ**
- **Diluted EPS (LTM)** at ₹ 53.36, up **13.1% YoY**
- Operating Cash Flow at **111%** & Free Cash Flow at **99.6%** of Net Income (LTM)
- Dividend of ₹ 10/-, 80<sup>th</sup> consecutive quarter (20 years) of dividend pay-out

## 3 Bookings

- Won **17** Large deals – 7 in Services & 10 in Software
- TCV (New Deal wins) at **US\$ 2,347 Mn**, up **10% YoY**
- ACV up **1.9% YoY**

## 4 People

- Net addition of **2,945** during the quarter, closing headcount: **222,270**
- Added **5,892** freshers
- LTM Attrition at 21.7%\*

## 5 FY'23 Guidance

- Company Revenue expected to be between **13.5% – 14.0% YoY** in Constant Currency
- Services Revenue expected to be between **16.0% – 16.5% YoY** in Constant Currency
- EBIT margin guidance narrowed to **18.0% – 18.5%**

*\*Note: Attrition excludes involuntary attrition and Digital process operations.*

# Leadership Comments



**Roshni Nadar Malhotra**  
Chairperson  
**HCLTech**

"We are committed to bringing together the best of technology and our people to supercharge progress for clients in their digital transformation journeys. And we continue to execute our strategy by aligning to the highest standards of governance and transparency."



**C Vijayakumar**  
CEO & Managing Director  
**HCLTech**

"We have delivered a strong performance this quarter across all key metrics – revenue growth, margin expansion, booking growth and people metrics. Our strong revenue growth of 13.1% YoY CC is led by our Services business which grew 15.4% YoY CC; and strong revenue growth of 5.0% QoQ CC is led by HCLSoftware. Our margins at 19.6% this quarter, increased 60 basis points YoY.

Our unique position as the only IT Service provider globally to be rated as a leader in all six Gartner IT Services Magic Quadrants is being acknowledged by the market, evident from the strong new deal bookings this quarter of US\$ 2.35 Bn, up 10% YoY. The booking growth was led by IT operating model transformation, cloud adoption and large vendor consolidation deals. We are confident to deliver industry leading growth over the medium term supercharged by our positioning, our strong propositions and our passionate people."



**Prateek Aggarwal**  
Chief Financial Officer  
**HCLTech**

"We are enthused with the overall well-rounded Q3 performance. Revenue at ₹ 26,700 Crores is up 19.6% YoY, on the back of strong Services business growth of 22% YoY. During the quarter, we crossed important milestones of ₹ 5,000 Crores and ₹ 4,000 Crores for EBIT and PAT respectively for the very first time. Profitability was at all-time high with EBIT at ₹ 5,228 Crores (up 22.8% YoY) and PAT at ₹ 4,096 Crores (up 19% YoY). ROIC stands at solid 30% and 37+% for the Company and Services business, respectively. Cash conversion continues to be healthy with LTM OCF/NII at 111% and FCF/NII at 100%."

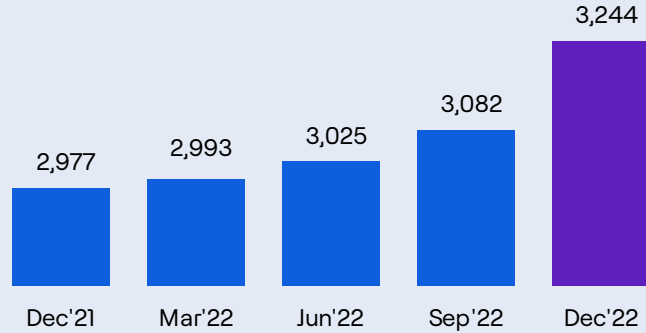


# Quarterly Performance Trends – US\$

HCLTech Consolidated

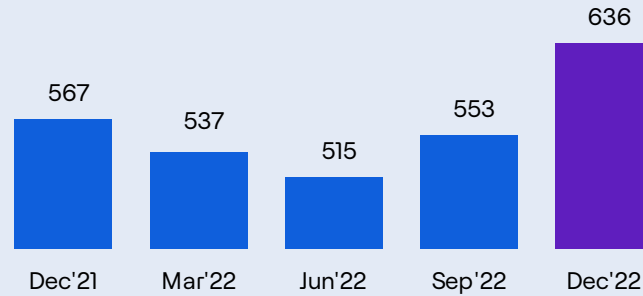
## Revenues

In US\$ Mn



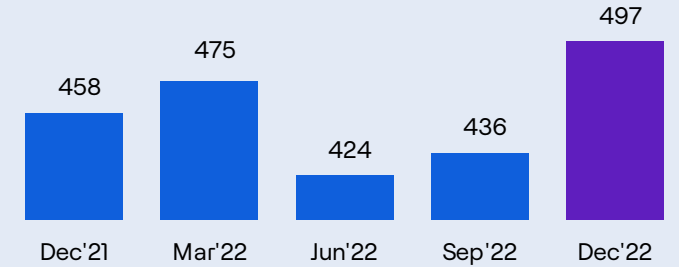
## EBIT

In US\$ Mn

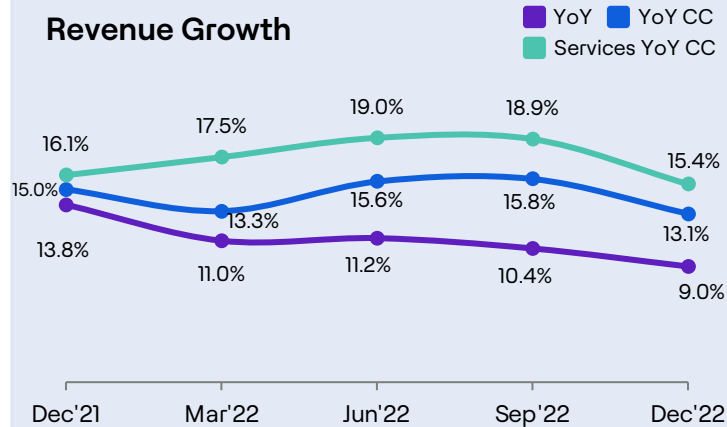


## Net Income

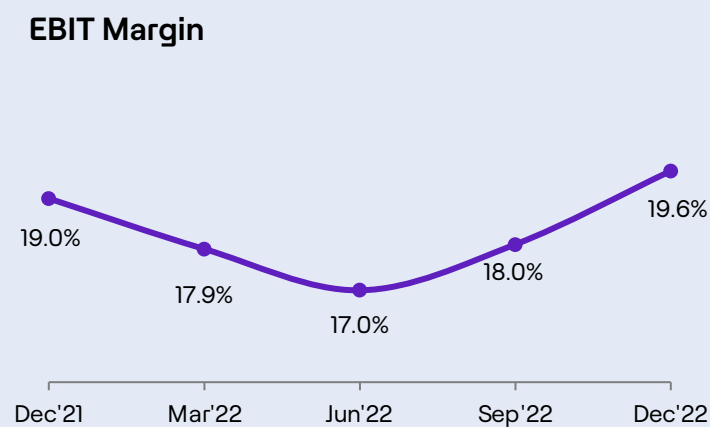
In US\$ Mn



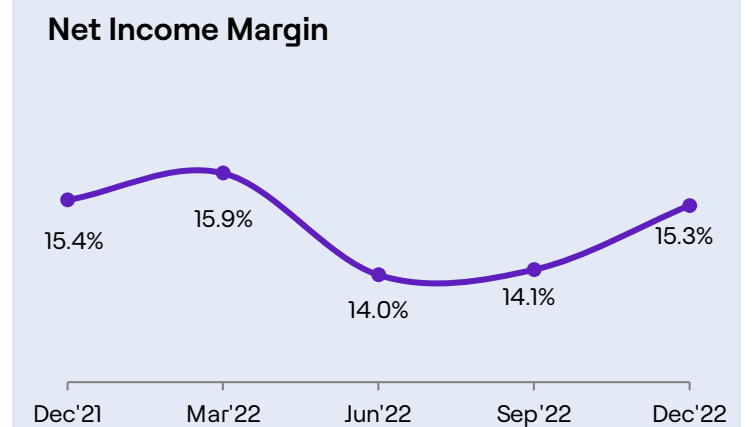
## Revenue Growth



## EBIT Margin

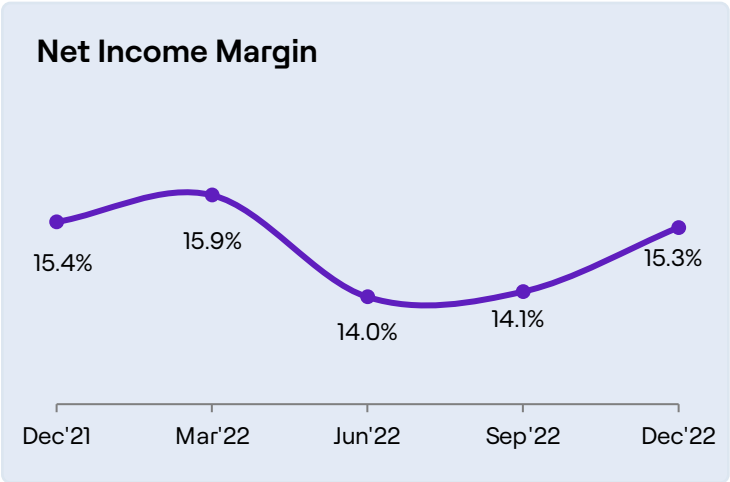
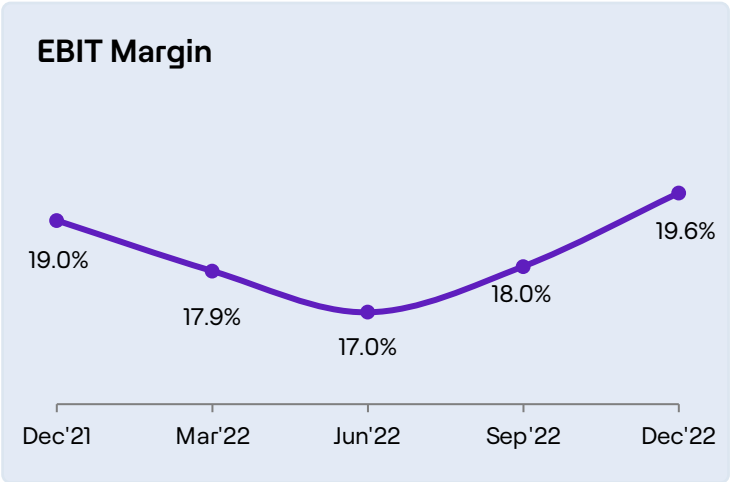
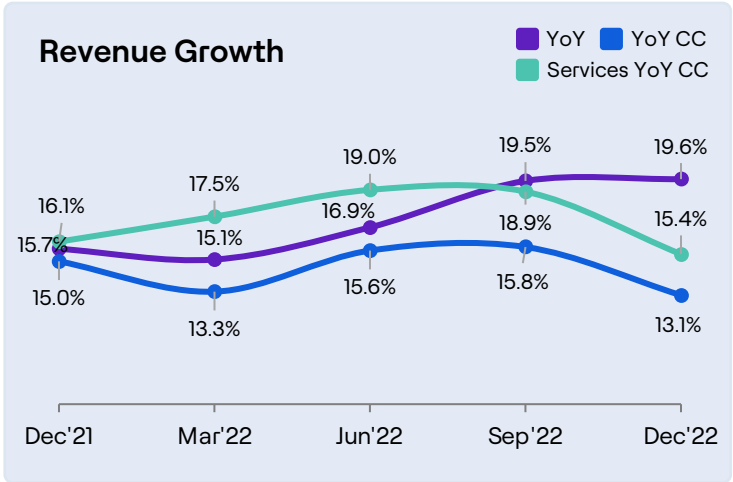
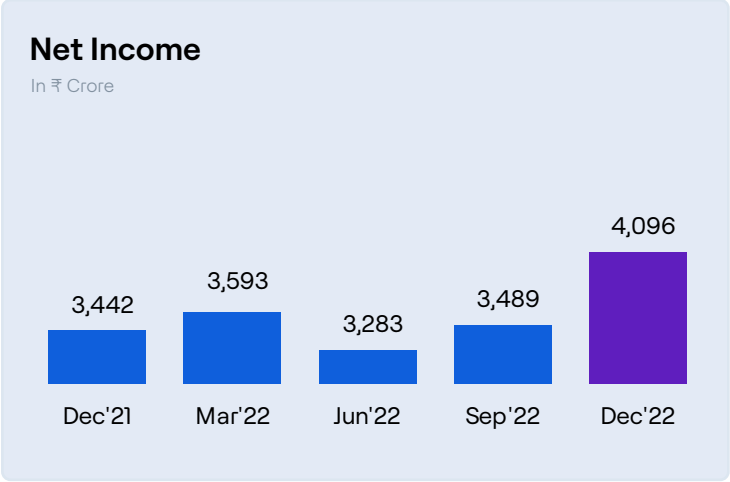
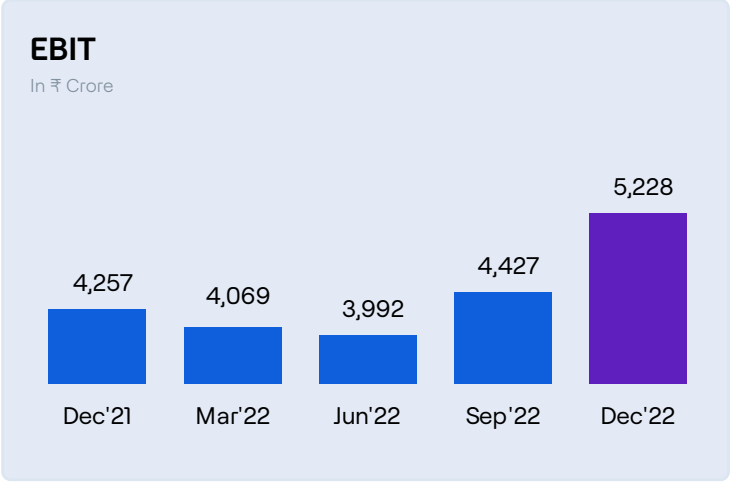
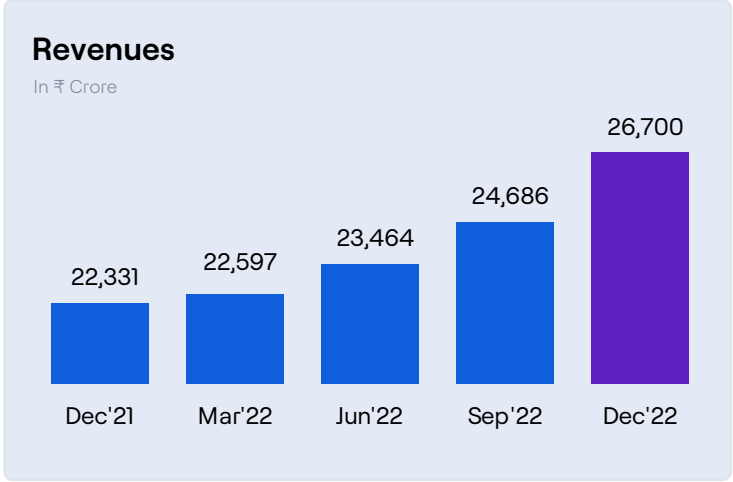


## Net Income Margin



# Quarterly Performance Trends – ₹

HCLTech Consolidated



# Segment-wise Highlights for the Quarter ended 31-Dec-22

## HCLTech Consolidated Revenue Mix and Growth

Details	31-Dec-21	30-Sep-22	31-Dec-22	YoY CC Growth	QoQ CC Growth
IT and Business Services (A)	70.6%	73.6%	71.7%	15.3%	2.1%
Engineering and R&D Services (B)	15.9%	17.0%	16.6%	16.0%	2.5%
<b>Services (A + B)</b>	<b>86.5%</b>	<b>90.6%</b>	<b>88.2%</b>	<b>15.4%</b>	<b>2.2%</b>
HCLSoftware <sup>1</sup> (C)	14.0%	9.8%	12.3%	(1.5%)*	30.5%
Inter-segment <sup>2</sup> (D)	(0.5%)	(0.5%)	(0.5%)		
<b>Total (A + B + C + D)</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>13.1%</b>	<b>5.0%</b>

1. In view of certain internal reorganization, revenue relating to certain software products internally developed and earlier managed by IT and Business Services, are being reported in HCLSoftware (Previously Products & Platforms) segment since Quarter ended 30-Jun-22. Prior period figures have also been restated.

2. Inter-segment revenue is related to products and services of HCLSoftware used by Services business in rendering services to their customers.

\* **Excluding divested business, the YoY CC growth is flat.**

## EBIT Margin

Details	31-Dec-21	30-Sep-22	31-Dec-22	YoY BPS change	QoQ BPS change
IT and Business Services	16.6%	16.7%	16.8%	21	5
Engineering and R&D Services	18.4%	21.4%	21.6%	324	25
<b>Services</b>	<b>16.9%</b>	<b>17.6%</b>	<b>17.7%</b>	<b>79</b>	<b>8</b>
HCLSoftware <sup>#</sup>	31.6%	20.3%	32.6%	101	1,232
<b>Total</b>	<b>19.0%</b>	<b>18.0%</b>	<b>19.6%</b>	<b>57</b>	<b>165</b>

<sup>#</sup>Previously Products & Platforms (P&P) Segment

# Return on Invested Capital (ROIC)

(Amount in US\$ Million)

HCLSoftware P&L (Quarter ended)	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22
Revenues	416.2	322.1	333.8	303.6	397.6
EBITDA	211.5	119.7	129.9	110.6	192.9
EBIT	131.5	62.6	75.2	61.7	129.7
NOPAT	115.4	62.5	61.1	50.2	103.5

Estimated Invested Capital (Quarter ended)	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22	Average
HCLSoftware	2,240	1,988	1,864	1,788	1,799	1,936
HCLTech Services	3,800	3,806	4,067	3,969	3,967	3,922
<b>Invested Capital</b>	<b>6,040</b>	<b>5,794</b>	<b>5,930</b>	<b>5,756</b>	<b>5,766</b>	<b>5,857</b>
Cash & Treasury Balance	2,142	2,388	1,723	1,765	1,954	
<b>Total</b>	<b>8,182</b>	<b>8,182</b>	<b>7,654</b>	<b>7,521</b>	<b>7,720</b>	

LTM ROIC	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22
HCLTech Services	35.1%	37.5%	36.4%	36.2%	37.4%
HCLSoftware	12.7%	14.2%	14.1%	14.3%	14.3%
<b>HCLTech</b>	<b>26.4%</b>	<b>28.9%</b>	<b>28.5%</b>	<b>28.7%</b>	<b>29.8%</b>

- Estimated effective tax rate for HCLSoftware segment has been arrived at by applying the tax on Specific units/entities from where HCLSoftware business operates. Residual tax has been allocated to Services business.
- Common assets and liabilities have been allocated between the businesses in ratio of last twelve months revenues.
- NOPAT = EBIT\*(1 - Effective Tax Rate)
- Average invested capital has been computed using average of last 5 quarters.



# Services Revenue Mix and Growth for Quarter ended 31-Dec-22

Services Revenue up 2.2% QoQ & up 15.4% YoY in Constant Currency

## By Geographies

Details	31-Dec-21	30-Sep-22	31-Dec-22	YoY CC Growth	QoQ CC Growth
Americas	63.4%	64.8%	63.5%	12.3%	0.5%
Europe	28.7%	27.5%	29.1%	23.3%	7.2%
ROW	7.9%	7.7%	7.4%	11.6%	(1.2%)

## By Verticals

Details	31-Dec-21	30-Sep-22	31-Dec-22	YoY CC Growth	QoQ CC Growth
Financial Services	21.4%	20.6%	19.9%	8.8%	(1.7%)
Manufacturing	19.1%	19.2%	19.7%	21.2%	4.9%
Technology and Services	14.0%	15.1%	14.8%	19.3%	0.1%
Retail & CPG	10.8%	9.2%	8.9%	(3.8%)	(0.6%)
Telecommunications, Media, Publishing & Entertainment	8.4%	9.2%	9.4%	27.9%	4.5%
Lifesciences & Healthcare	16.1%	16.5%	17.1%	19.5%	5.5%
Public Services#	10.3%	10.2%	10.2%	16.7%	3.0%

# Public Services include Energy & Utilities, Travel – Transport – Logistics and Government.

# Client Metrics

Number of Million Dollar Clients (LTM)	31-Dec-21	30-Sep-22	31-Dec-22	YoY Change	QoQ Change
100 Million dollar +	15	17	17	2	-
50 Million dollar +	42	42	45	3	3
20 Million dollar +	110	128	130	20	2
10 Million dollar +	198	220	221	23	1
5 Million dollar +	346	356	365	19	9
1 Million dollar +	864	890	937	73	47

Client Contribution to Revenue (LTM)	31-Dec-21	30-Sep-22	31-Dec-22
Top 5 Clients	12.2%	10.7%	10.3%
Top 10 Clients	20.3%	18.8%	18.2%
Top 20 Clients	29.4%	28.6%	28.2%

Days Sales Outstanding	31-Dec-21	30-Sep-22	31-Dec-22
Excluding Unbilled Receivables	64	66	70

## Client Category

Number of Clients



# Key deal wins

HCLTech won 17 large deals – 7 services and 10 software – led by themes including operating model transformation, cloud adoption and vendor consolidation across industry verticals including Financial Services, Retail & CPG and Manufacturing.



A U.S.-headquartered **Fortune 300** financial services company selected HCLTech to lead its global technology transformation program. This program includes modernization of the client's IT landscape by building and operating a hybrid cloud infrastructure platform in collaboration with Amazon Web Services.



**The ODP Corporation** selected HCLTech as its primary IT partner. HCLTech will manage end-to-end IT operations and enterprise-wide digital transformation to enable ODP's business strategy in its Office Depot, ODP Business Solutions and Veyer business units.



**Mattel Inc.**, a leading multinational toy manufacturing and entertainment company, selected HCLTech to enable its future direction and product operating model along with continued digital transformation journey. As the primary IT partner, HCLTech will drive transformation across Mattel's global technology landscape across applications, infrastructure and information security domains.



A **Fortune 50** energy company selected HCLTech as a partner to its procurement process transformation program. HCLTech will provide solutions to manage its invoice processing process to enable the client to operate efficiently while significantly reducing costs and leakages.



A Europe-based manufacturing company selected HCLTech to build a new digital foundation as part of its global transformation program. HCLTech will help the client establish an efficient, modern and independent IT organization.



A **Global 50** automobile major has expanded its partnership with HCLSoftware to support its dealer portal and parts provisioning in North America while enabling a secure environment to guard against potential cyber threats.



A **Fortune 200 company** selected HCLSoftware to provide a modern and seamless digital experience to its customers and business partners. HCLSoftware's solutions will also help the client bolster employee communications and collaboration across teams.



A **Fortune 500 hospitality company** selected HCLSoftware to enable multiple business functions including HR, employee training as well as customer facing programs as part of its growth strategy.



A Europe-based financial services company has selected HCLSoftware to enhance its ability to execute marketing at scale through sharper customer relation management. HCLSoftware solutions will also deliver cost efficiencies and improved service uptime for the client.

# People Metrics

Details (Quarter ended)	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22
<b>Total People Count</b>	<b>197,777</b>	<b>208,877</b>	<b>210,966</b>	<b>219,325</b>	<b>222,270</b>
Technical	184,430	195,195	197,226	205,305	207,920
Sales and Support	13,347	13,682	13,740	14,020	14,350
<b>Net Addition</b>	<b>10,143</b>	<b>11,100</b>	<b>2,089</b>	<b>8,359</b>	<b>2,945</b>
Freshers Added	6,565	7,267	6,023	10,339	5,892
Attrition (LTM)*	19.8%	21.9%	23.8%	23.8%	21.7%
Women Employees (%)	27.7%	28.0%	28.3%	29.0%	29.2%

\*Note: Attrition excludes involuntary attrition and Digital process operations.

- HCLTech partnered with Purdue Global for providing upskilling and higher education opportunities for its apprentices and HCLTech employees in the Americas.
- HCLTech launched a new skilling & certification initiative to meet the career development aspirations of its employees. Increased investments in enabling upskilling resulted in 3 Mn hours of learning during the quarter with focus on digital skills.
- HCLTech's Value Portal, a unique grassroots innovation platform that enables employees to contribute ideas and create value for HCLTech and its clients, delivered customer value worth US\$ 388 Mn.
- During the quarter, HCLTech filed for 24 patents and 12 were granted.



# Analyst Recognitions

Received 85+ leadership positions in analyst recognitions for the quarter, further strengthening our credentials to be a partner of choice for large enterprises in their cloud and digital transformation journeys.

## Digital Business

- HCLTech Positioned as a Leader in 2022 Gartner® Magic Quadrant™ for Custom Software Development Services, Worldwide \*
- HCLTech positioned as a Leader in Avasant's Digital Talent Capability 2022–2023 Radarview™
- HCLTech positioned as a Leader (Horizon 1) in HFS Horizons: Cloud Native Transformation, 2022
- HCLTech positioned as a Leader in Everest Group's Healthcare Provider Digital Services PEAK Matrix® Assessment 2023
- HCLTech positioned as a Leader in Avasant's Digital CX 2022–2023 RadarView™
- HCLTech positioned as a Leader in Avasant's Oracle Cloud ERP Services 2022–2023 Radarview™
- HCLTech positioned as a Leader in Avasant's Manufacturing Digital Services 2022–2023 Radarview™
- HCLTech positioned as a Leader in Avasant's Utilities Digital Services 2022–2023 Radarview™
- HCLTech positioned as a Leader in ISG Provider Lens™ for Next-Gen ADM Services – Agile Application Development Outsourcing – US, Nordics, UK, Germany 2022
- HCLTech positioned as a Leader in ISG Provider Lens™ for Next-Gen ADM Services – Application Managed Services – US, UK, Nordics, Germany 2022
- HCLTech positioned as a Leader in ISG Provider Lens™ for Digital Business Enablement and ESG Services – Sustainability and ESG Services – US, UK, Nordics, Australia 2022

## Digital Foundation

- HCLTech Positioned as a Leader in 2022 Gartner® Magic Quadrant™ for Managed Network Services\*
- HCLTech positioned as a Leader in Forrester Wave™: Cloud Migration And Managed Service Partners In Asia Pacific, Q4 2022
- HCLTech positioned as a Leader in Everest Group's System Integration (SI) Capabilities on Google Cloud Platform (GCP) PEAK Matrix® Assessment 2022
- HCLTech positioned as a Leader in Everest Group's Workplace Communication and Collaboration (WCC) Services PEAK Matrix® Assessment 2023
- HCLTech positioned as a Leader in Everest Group's Managed Detection and Response (MDR) Services PEAK Matrix® Assessment 2023
- HCLTech positioned as a Leader in IDC MarketScape: Asia/Pacific Managed Security Services 2022 Vendor Assessment (Doc #AP49101222, Nov 2022)
- HCLTech positioned as a Leader in IDC MarketScape: European End User Experience Management 2022 Vendor Assessment (Doc #EUR148395522, Dec 2022)
- HCLTech positioned as a Leader in ISG Provider Lens™ for Public Cloud – Solutions & Services – Consulting and Transformation Services & Managed Public Cloud Services – U.S. 2022
- HCLTech positioned as a Leader in ISG Provider Lens™ for Future of Work – Services and Solutions – Workplace Strategy Transformation Services –US, UK, Nordics, Germany, Singapore & Malaysia 2022
- HCLTech positioned as a Leader in ISG Provider Lens™ for Intelligent Automation – Services and Solutions – Artificial Intelligence for IT Operations (AIOps) – US & UK 2022

## Engineering and R&D Services (ERS)

- HCLTech ranks 2nd in Everest Group's Engineering Services Top 50™, 2022 list
- HCLTech positioned as a Leader in Everest Group's Software Product Engineering Services PEAK Matrix® Assessment 2023. HCLTech has been recognized amongst the only two players, to be featured amongst Leaders in all the 5 vertical segments
- HCLTech positioned as a Leader in IDC MarketScape: Worldwide Manufacturing PLM Strategic Consulting Services 2022 Vendor Assessment ( Doc #US48867622, Nov 2022)
- HCLTech positioned as a Leader in IDC MarketScape: Worldwide Manufacturing PLM Systems Integrator and BPO Services 2022 Vendor Assessment (Doc #US49838022, Nov 2022)

## Digital Operations

- HCLTech positioned as a Leader in ISG Provider Lens™ for Finance and Accounting Outsourcing (FAO) Services – Order-to-Cash (O2C) Services – Global 2022
- HCLTech positioned as a Leader in ISG Provider Lens™ for Finance and Accounting Outsourcing (FAO) Services – Procure-to-Pay (P2P) Services – Global 2022
- HCLTech positioned as a Leader in ISG Provider Lens™ for Finance and Accounting Outsourcing (FAO) Services – Financial Planning and Analysis (FP&A) – Global 2022

## HCLSoftware

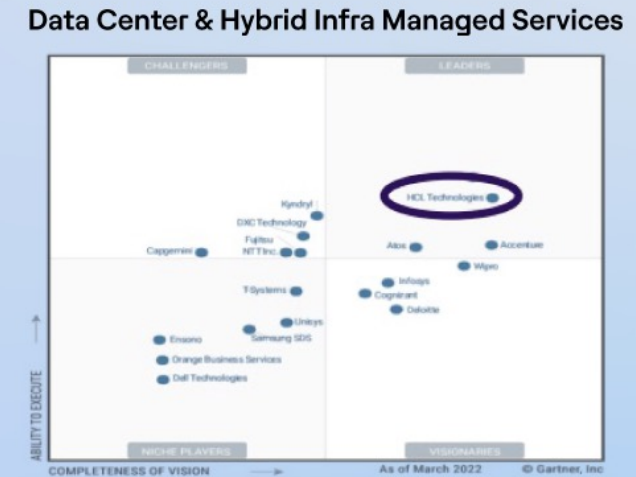
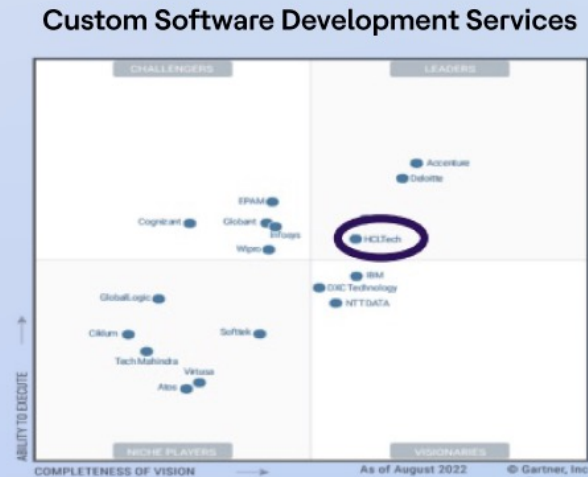
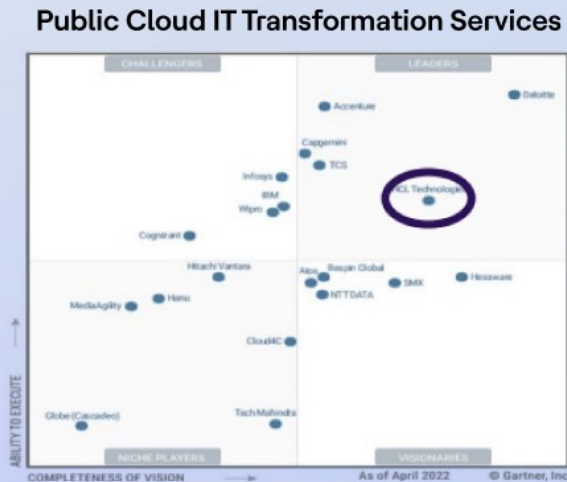
- HCLSoftware positioned as a Strong Performer in Forrester Wave™: Value Stream Management: December, 2022 – (HCL BigFix)
- HCLSoftware positioned as a Contender in Forrester Wave™: CHATBOT for IT Operations, November 2022 –(DRYiCE)
- SPARK Matrix: Virtual Customer Assistants (VCA), November 2022 – Leader (DRYiCE)
- Paradigm B2B Combine, 2022 Digital Commerce Solutions for B2B, Sept 2022 – 11/12 Medals Won. (HCL Commerce)
- GigaOm Radar For DXP, November 2022 – Outperformer (HCL DX)
- HCLSoftware positioned as a Strong Performer in Forrester Wave™: Enterprise Marketing Suites, September 2022 – (HCL Unica)
- Gartner Peer Insights: Customers' Choice "Voice of the Customer" for Multichannel Marketing Hubs, December 2022 (HCL Unica)

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# Only service provider rated as a Leader in all six Gartner Magic Quadrant reports related to IT services



# Awards

- The US-India Strategic Partnership Forum (USISPF), a bilateral non-profit organization focused on building strategic relationship between India and the US, bestowed the Lifetime Achievement Award to Shiv Nadar, Founder of HCL and the Shiv Nadar Foundation, for his contribution to the technology industry and his philanthropic initiatives to transform lives through access to educational opportunities.
- HCLTech's Product Cost Management Center of Expertise (PCM CoE) won Society of Product Cost Engineering (SPCEA)'s 2022 Corporate Contributor of the Year award.
- HCLTech won the prestigious Adam Smith award for the Best Supply Chain Solution in Asia for the year 2022.
- HCLTech won the prestigious Working Capital Forum Awards in Best Use of Receivables Finance category.
- HCLTech Engineering and R&D Services (ERS) School of Talent Advancement and Reskilling (STAR) won the silver award at the 2022 Brandon Hall Group Excellence in Technology Awards. It also won awards in four categories at the Times Ascent Asia Pacific HRM Congress.
- HCLTech won the CPHI Pharma 2022 Award for Excellence in Pharma: Supply Chain, Logistics and Distribution for its smart consignment inventory management solution powered by IATM.
- HCLTech named as a Healthy Workplace by Arogya World, a U.S.-based global non-profit organization working for the prevention of non-communicable diseases through health education and lifestyle changes.
- HCLTech won a Silver Badge at the 3<sup>rd</sup> India Workplace Equality Index 2022 for promoting LGBTQIA+ inclusion at the workplace.
- HCLTech recognized as one of the Top 100 Best Companies for Women in India and recognized as an Exemplar in the Most Inclusive Companies Index by Avtar & Seramount.



# New partnership with Ferrari for F1

**HCL  
Software**



**FERRARI  
TEAM  
PARTNER**



Solidified multi-year partnership for brand awareness and client entertainment, including:

## Physical Branding

Branding on car, helmets, driver monitors and on-track booths.

## Digital/Content Marketing

Ongoing exposure via social media, branded content, case studies. Opportunity for global TV exposure during races.

## Hospitality/Client Entertainment

Paddock club, grandstand tickets and access to various drivers and team staff at races around the world.

## Promotion/Activation

Ability to use race car at bespoke events and also host clients at track, museum, driving courses.



# Supercharging progress for our communities and planet

In India, the HCL Foundation continued to implement programs and interventions to uplift communities



HCL Foundation sports scholar and badminton prodigy Jerlin Anika received prestigious Arjuna Award, India's second highest sporting award.



64,000 health consultations facilitated through telemedicine centers and mobile health clinics. Farming tools made available to almost 37,000 farmers; 1,410 tons of waste managed in villages.



Impacted more than 589,000 people through integrated and inclusive community development interventions for alleviating urban poverty.



190 tons of solid and liquid waste managed through door-to-door collection, cleaning of garbage vulnerable points and drains and rejuvenation of urban water bodies.



1.35 Mn saplings planted, 36 Bn liters water harvested, 10,711 tons waste treated, 22,000 beneficiaries were reached through environment education and 58,500 animals treated and protected.



HCLTech employees clocked 6,500 volunteering hours, which impacted more than 28,000 lives

## Beyond India, HCLTech is rapidly augmenting its CSR impact



Launched the HCLTech Sustainability School and its first comprehensive climate literacy learning series for all 219,000 employees.



Scaled up CSR initiatives in the Americas by partnering with Girl Up, Feeding America and One Tree Planted to serve communities across the U.S., Canada, Brazil and Mexico.

# Annexure

# Constant Currency Reporting (Quarter ended)

(Amount in US\$ Million)

HCLTech Revenue	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22
Reported Revenue (US\$ Mn)	2,977.5	2,993.1	3,024.9	3,082.1	3,244.0
<b>Growth % (CC)</b>					
QoQ	7.6%	1.1%	2.7%	3.8%	5.0%
YoY	15.0%	13.3%	15.6%	15.8%	13.1%
<b>HCLTech Services Revenue</b>					
Reported Revenue (US\$ Mn)	2,574.8	2,687.3	2,704.3	2,793.7	2,862.2
<b>Growth % (CC)</b>					
QoQ	5.3%	5.0%	2.3%	5.3%	2.2%
YoY	16.1%	17.5%	19.0%	18.9%	15.4%
<b>Average Rates For Quarter</b>					
USD - INR	74.94	75.52	77.62	79.98	82.34
GBP - USD	1.35	1.33	1.25	1.17	1.19
EUR - USD	1.14	1.11	1.06	1.00	1.03
USD - SEK	8.92	9.41	9.89	10.68	10.63
AUD - USD	0.73	0.73	0.71	0.68	0.66



# Financials in ₹ for the Quarter ended 31-Dec-22 (Ind AS)

## Consolidated Income Statement

(Amount in ₹ Crores)

Income Statement	Quarter Ended			% of Revenue		
	31-Dec-21	30-Sep-22	31-Dec-22	31-Dec-21	30-Sep-22	31-Dec-22
<b>Revenues</b>	<b>22,331</b>	<b>24,686</b>	<b>26,700</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Direct Costs	13,798	15,848	16,720	61.8%	64.2%	62.6%
<b>Gross Profits</b>	<b>8,533</b>	<b>8,837</b>	<b>9,980</b>	<b>38.2%</b>	<b>35.8%</b>	<b>37.4%</b>
Research & Development	381	388	415	1.7%	1.6%	1.6%
SG & A	2,759	3,024	3,200	12.4%	12.2%	12.0%
<b>EBITDA</b>	<b>5,391</b>	<b>5,425</b>	<b>6,365</b>	<b>24.1%</b>	<b>22.0%</b>	<b>23.9%</b>
Depreciation & Amortization	1,135	998	1,136	5.1%	4.0%	4.3%
<b>EBIT</b>	<b>4,257</b>	<b>4,427</b>	<b>5,228</b>	<b>19.0%</b>	<b>18.0%</b>	<b>19.6%</b>
Foreign Exchange Gains/(Loss)	73	46	3	0.3%	0.2%	0.0%
Other Income, net	100	111	141	0.5%	0.4%	0.5%
Provision for Tax	982	1,096	1,276	4.4%	4.4%	4.8%
Non-controlling interest	6	(1)	0	0.0%	0.0%	0.0%
<b>Net Income</b>	<b>3,442</b>	<b>3,489</b>	<b>4,096</b>	<b>15.4%</b>	<b>14.1%</b>	<b>15.3%</b>
<b>EPS (LTM in ₹)</b>						
<b>Basic</b>	<b>47.19<sup>1</sup></b>	<b>50.97</b>	<b>53.41</b>			
<b>Diluted</b>	<b>47.19<sup>1</sup></b>	<b>50.94</b>	<b>53.36</b>			

1. LTM EPS (Basic & Diluted) for period ended Dec'21, including the impact of onetime milestone bonus and Deferred tax liability on Goodwill impact, stands at ₹ 40.57.

IndAS Income Statement has been recast on a functional basis to align with IFRS presentation.

# Financials in US\$ for the Quarter ended 31-Dec-22 (IFRS)

## Consolidated Income Statement

(Amount in US\$ Million)

Income Statement	Quarter Ended			% of Revenue		
	31-Dec-21	30-Sep-22	31-Dec-22	31-Dec-21	30-Sep-22	31-Dec-22
<b>Revenues</b>	<b>2,977.5</b>	<b>3,082.1</b>	<b>3,244.0</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Direct Costs	1,840.6	1,978.4	2,031.1	61.8%	64.2%	62.6%
<b>Gross Profits</b>	<b>1,136.9</b>	<b>1,103.7</b>	<b>1,212.9</b>	<b>38.2%</b>	<b>35.8%</b>	<b>37.4%</b>
Research & Development	50.8	48.5	50.4	1.7%	1.6%	1.6%
SG & A	368.1	377.4	388.4	12.4%	12.2%	12.0%
<b>EBITDA</b>	<b>718.0</b>	<b>677.8</b>	<b>774.2</b>	<b>24.1%</b>	<b>22.0%</b>	<b>23.9%</b>
Depreciation & Amortization	151.5	124.5	138.3	5.1%	4.0%	4.3%
<b>EBIT</b>	<b>566.5</b>	<b>553.3</b>	<b>635.9</b>	<b>19.0%</b>	<b>18.0%</b>	<b>19.6%</b>
Foreign Exchange Gains/(Loss)	9.7	5.7	0.0	0.3%	0.2%	0.0%
Other Income, net	13.6	13.6	16.8	0.5%	0.4%	0.5%
Provision for Tax	131.2	137.0	155.8	4.4%	4.4%	4.8%
Non-controlling interest	0.8	(0.2)	0.0	0.0%	0.0%	0.0%
<b>Net Income</b>	<b>457.8</b>	<b>435.8</b>	<b>496.8</b>	<b>15.4%</b>	<b>14.1%</b>	<b>15.3%</b>
<b>EPS (LTM in ₹)</b>						
<b>Basic</b>	<b>47.19<sup>1</sup></b>	<b>50.97</b>	<b>53.41</b>			
<b>Diluted</b>	<b>47.19<sup>1</sup></b>	<b>50.94</b>	<b>53.36</b>			

1. LTM EPS (Basic & Diluted) for period ended Dec'21, including the impact of onetime milestone bonus and Deferred tax liability on Goodwill impact, stands at ₹ 40.57.

# Cost Breakup

(Amount in US\$ Million)

Particulars	Quarter Ended			% of Revenue		
	31-Dec-21	30-Sep-22	31-Dec-22	31-Dec-21	30-Sep-22	31-Dec-22
Employee benefits expense	1,574.1	1,681.7	1,720.3	52.9%	54.6%	53.0%
Outsourcing costs (Subcontractors + Outsourced Work)	445.2	462.7	468.6	15.0%	15.0%	14.4%
Cost of hardware and software sold	54.8	55.4	80.2	1.8%	1.8%	2.5%
Travel and conveyance	22.6	38.0	38.8	0.8%	1.2%	1.2%
Software license fee	32.3	34.2	31.3	1.1%	1.1%	1.0%
Facility Cost*	33.1	36.1	35.1	1.1%	1.2%	1.1%
Recruitment, training and development	21.1	18.2	16.2	0.7%	0.6%	0.5%
Legal and professional charges	17.8	16.8	15.4	0.6%	0.5%	0.5%
Communication costs	15.8	15.5	14.7	0.5%	0.5%	0.5%
CSR Expense	8.5	8.8	5.5	0.3%	0.3%	0.2%
Doubtful debts	2.2	(0.5)	1.1	0.1%	0.0%	0.0%
Other expenses	31.9	37.4	42.6	1.1%	1.2%	1.3%
Depreciation & Amortization	151.5	124.5	138.3	5.1%	4.0%	4.3%
<b>Total Costs</b>	<b>2,410.9</b>	<b>2,528.8</b>	<b>2,608.1</b>	<b>81.0%</b>	<b>82.0%</b>	<b>80.4%</b>
<b>EBIT</b>	<b>566.5</b>	<b>553.3</b>	<b>635.9</b>	<b>19.0%</b>	<b>18.0%</b>	<b>19.6%</b>

Note: \*Facility cost includes Repairs and Maintenance, Power and Fuel, and Rent

# Consolidated Balance Sheet (₹ and US\$)

Particulars	In ₹ Crores		In US\$ Million	
	As on 31-Mar-22	As on 31-Dec-22	As on 31-Mar-22	As on 31-Dec-22
<b>Assets</b>				
Cash and Cash Equivalents	10,510	6,646	1,387	804
Accounts Receivables, net	15,476	21,000	2,042	2,540
Unbilled Receivables	5,195	5,125	685	620
Treasury Investments	11,372	13,672	1,502	1,653
Other Current Assets	5,487	5,697	725	688
<b>Total Current Assets</b>	<b>48,041</b>	<b>52,140</b>	<b>6,340</b>	<b>6,305</b>
Property and Equipment, net	5,741	5,506	758	667
Right-of-use assets	2,305	2,260	304	273
Intangible Assets, net	27,160	27,413	3,585	3,316
Treasury Investments	200	171	26	21
Deferred Tax Assets	1,176	1,261	155	152
Other Investments (incl. equity method investment)	112	114	15	14
Other Assets	4,298	3,798	566	460
<b>Total Assets</b>	<b>89,033</b>	<b>92,663</b>	<b>11,749</b>	<b>11,208</b>
<b>Liabilities &amp; Stockholders Equity</b>				
<b>Total Current Liabilities</b>	<b>18,014</b>	<b>18,983</b>	<b>2,378</b>	<b>2,296</b>
Borrowings	3,985	4,334	526	523
Lease Liabilities	2,358	2,481	311	300
Other Liabilities	2,670	3,012	352	365
<b>Total Liabilities</b>	<b>27,027</b>	<b>28,810</b>	<b>3,567</b>	<b>3,485</b>
Non-Controlling Interests	92	(5)	12	-
Total Stockholders Equity	61,914	63,858	8,170	7,723
<b>Total Equity</b>	<b>62,006</b>	<b>63,853</b>	<b>8,182</b>	<b>7,723</b>
<b>Total Liabilities and Equity</b>	<b>89,033</b>	<b>92,663</b>	<b>11,749</b>	<b>11,208</b>

# Consolidated Cash Flow Summary

Particulars	In ₹ Crores		In US\$ Million	
	For Year Ended March 2022	For Quarter Ended December 2022	For Year Ended March 2022	For Quarter Ended December 2022
<b>Profit Before Tax</b>	<b>16,951</b>	<b>5,372</b>	<b>2,270</b>	<b>653</b>
<b>Adjustments for:</b>				
Depreciation, Amortization and Impairment	4,326	1,136	580	139
Others	(385)	(122)	(49)	(14)
<b>Changes in Assets and Liabilities, net:</b>				
Accounts Receivable and Unbilled Receivable	(2,809)	(897)	(376)	(106)
Other Assets and Liabilities	2,260	609	304	78
Income Taxes paid (Net of refunds)	(3,443)	(1,344)	(462)	(167)
<b>Net Operating Cash Flow</b>	<b>16,900</b>	<b>4,755</b>	<b>2,265</b>	<b>582</b>
Purchase of Property, Plant and Equipment and Intangibles	(1,645)	(417)	(221)	(51)
<b>Free Cash Flow</b>	<b>15,255</b>	<b>4,338</b>	<b>2,044</b>	<b>531</b>
<b>Payments for Acquisitions</b>	<b>(330)</b>	<b>(8)</b>	<b>(45)</b>	<b>(1)</b>
<b>Acquisition of Treasury Shares</b>	<b>(804)</b>	<b>-</b>	<b>(108)</b>	<b>-</b>
<b>Dividend paid</b>	<b>(11,389)</b>	<b>(2,706)</b>	<b>(1,528)</b>	<b>(325)</b>
<b>Gross Cash &amp; Net Cash</b>				
Cash & Cash Equivalents	10,510	6,646	1,387	804
Fixed Deposits including Deposits under lien	5,334	9,035	704	1,092
Investment Securities	6,239	4,807	823	581
<b>Gross Cash</b>	<b>22,082</b>	<b>20,487</b>	<b>2,914</b>	<b>2,477</b>
Less: Borrowings	3,985	4,334	526	523
<b>Net Cash</b>	<b>18,097</b>	<b>16,153</b>	<b>2,388</b>	<b>1,954</b>



# About HCLTech

HCLTech is a global technology company, home to more than 222,000 people across 60 countries, delivering industry-leading capabilities centered around digital, engineering and cloud, powered by a broad portfolio of technology services and products. We work with clients across all major verticals, providing industry solutions for Financial Services, Manufacturing, Life Sciences and Healthcare, Technology and Services, Telecom and Media, Retail and CPG, and Public Services. Consolidated revenues as of 12 months ending December 2022 totaled US\$ 12.3 Bn. To learn how we can supercharge progress for you, visit [hcltech.com](https://hcltech.com).

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