

# Second Quarter FY 2023

Investor Release

Noida, India, October 12, 2022

# 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.

# Second Quarter FY 2023 Highlights

## Revenue

- Constant currency revenue up **3.8%** QoQ & up **15.8%** YoY
- INR Revenue of ₹ **24,686 Crore**, up **5.2%** QoQ & up **19.5%** YoY
- USD Revenue of **US\$ 3,082 Mn**, up **1.9%** QoQ & up **10.4%** YoY
- **Services Revenue (ITBS and ERS) up 5.3% QoQ & up 18.9% YoY in Constant Currency**
- Mode-2 Revenue up **30.9%** YoY in Constant Currency

## Profit, Cash Flow and Dividend

- EBIT Margin at **18%**, up 93 bps QoQ
- Net Margin at **14.1%**, up 13 bps QoQ
- EPS diluted (LTM) at ₹ **50.94**, up 3.7% YoY
- Operating Cash Flow at **114%** of Net Income (LTM)
- Dividend of ₹ **10/-**, 79<sup>th</sup> consecutive quarter of dividend pay-out

## Bookings

- Won **11** Large deals – 8 in Services & 3 in Products
- TCV Bookings (New Deal wins) at **US\$ 2,384 Mn**, up **16.0%** QoQ, up **6.0%** YoY
- ACV is up **10.3%** QoQ & up **23.5%** YoY

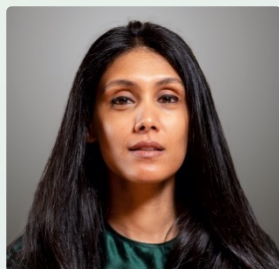
## People

- Net addition of **8,359** during the quarter, closing headcount: **219,325**
- LTM attrition at 23.8% (voluntary) in IT Services
- Added **10,339** freshers

## FY'23 Guidance

- Services Revenue expected to grow **16%–17%** YoY in Constant Currency
- Revenue guidance increased to **13.5%–14.5%** YoY in Constant Currency
- EBIT margin guidance revised to **18%–19%**

# Leadership commentary



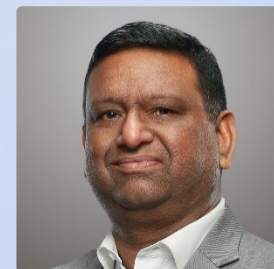
“Our new brand identity brings razor-sharp focus to our go-to-market strategy and execution capabilities to supercharge the digital transformation of our clients with the best of technology and people. With our differentiated portfolio, we are well-positioned to leverage the opportunities that lie ahead in the digital-first world.”

**Roshni Nadar Malhotra**  
Chairperson  
HCLTech



“HCLTech has delivered yet another solid performance this quarter with revenue growing at 3.8% QoQ and 15.8% YoY in constant currency and EBIT at 18% up 93 bps QoQ. Our services business grew 5.3% QoQ and 18.9% YoY in constant currency, led by strong demand for Cloud, Engineering and Digital services. This is a validation of the strategic choices we made and the effectiveness of our operational framework. Our bookings and pipeline continue to be very strong, that augurs well for our future growth. These reflect our constant and continuing efforts to supercharge outcomes for all our stakeholders. Our new brand positioning of Supercharging Progress™ has been well received and I am confident will help us deliver on our strategic priorities.”

**C Vijayakumar**  
CEO & Managing Director  
HCLTech

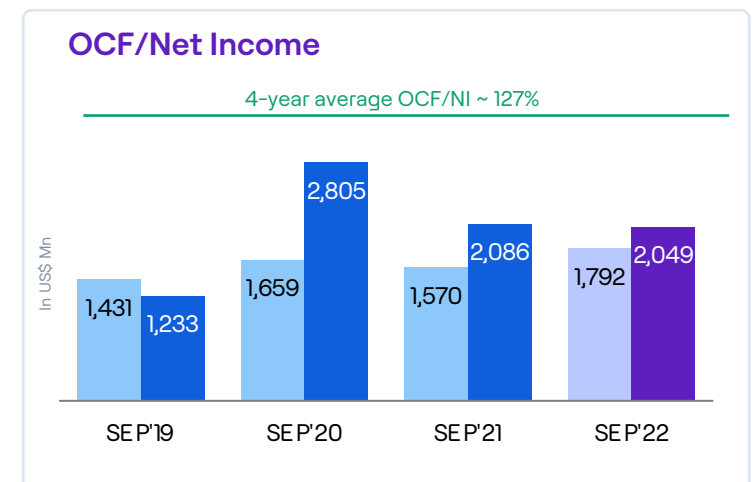
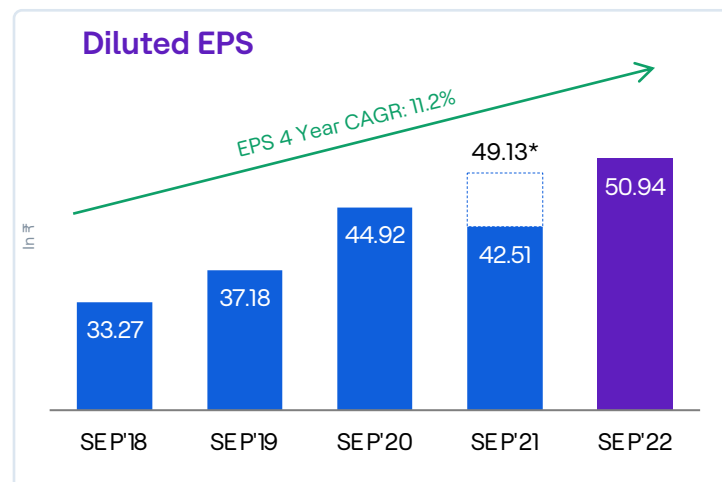
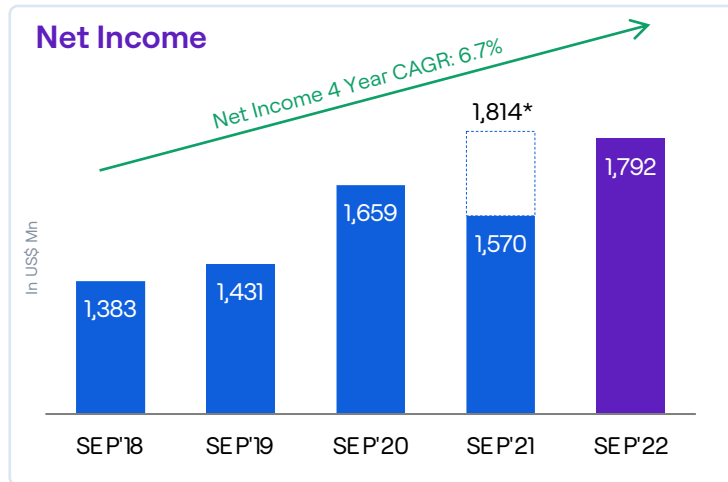
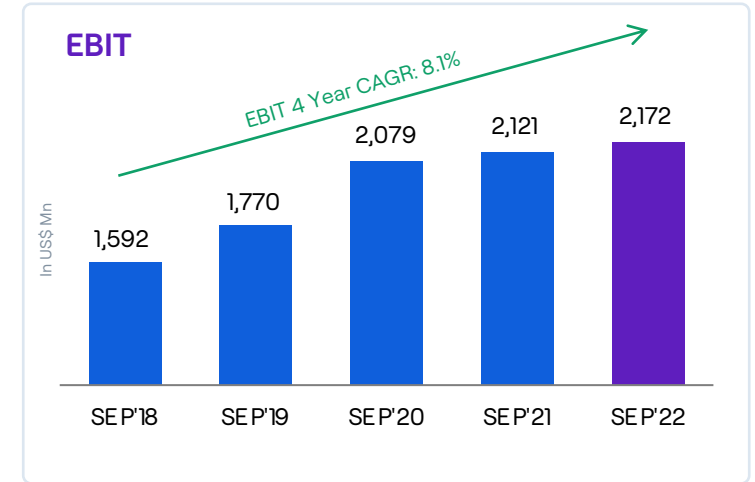
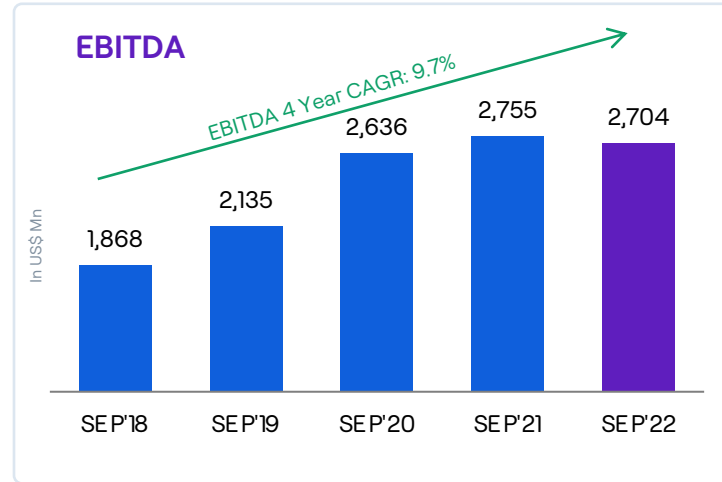
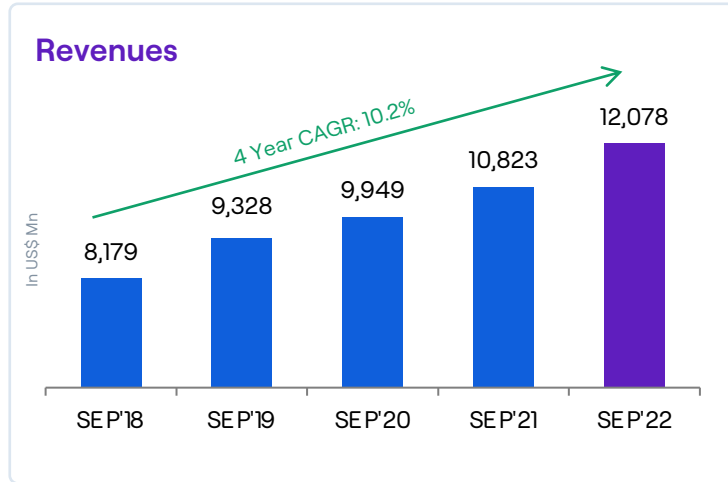


“The highlight of the quarter’s performance is growth of 19.5% YoY, with Revenue at ₹ 24,686 Crore. EBIT has increased 12.3% and PAT has increased 7.1% YoY. We have significantly improved EBIT margins sequentially, led by operating leverage and efficiencies, despite impact of salary increments for the largest section of our people. Our H1 growth & Deal Wins lead us to increase our Revenue guidance to 16%-17% for Services and 13.5%-14.5% at Company level, reflective of our strong growth visibility. Our EBIT guidance is now in a narrower range of 18%-19%. Our Cash Flow generation continues to be robust with OCF at US\$ 2,049 Mn, being 114% of Net Income.”

**Prateek Aggarwal**  
Chief Financial Officer  
HCLTech

# Performance Trends (LTM ended September) – US\$

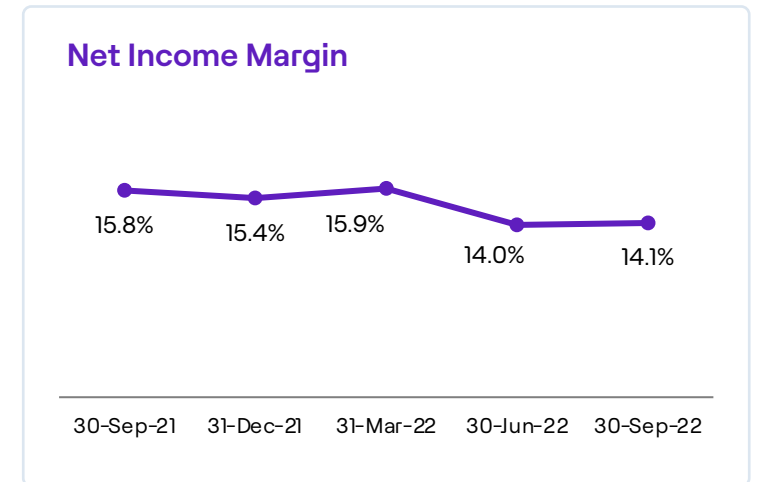
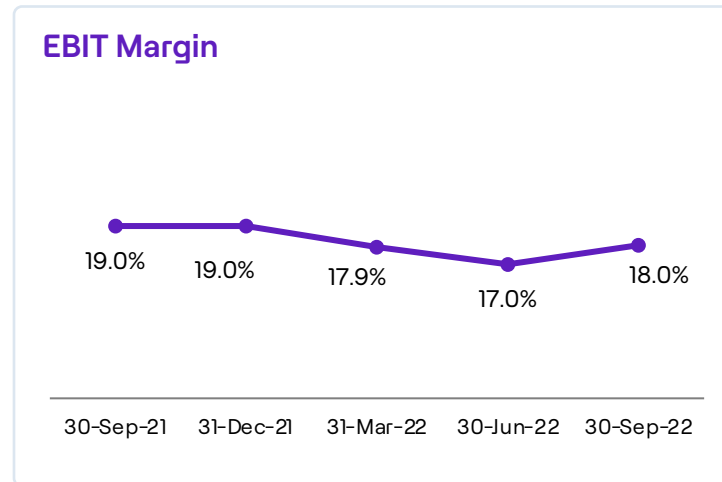
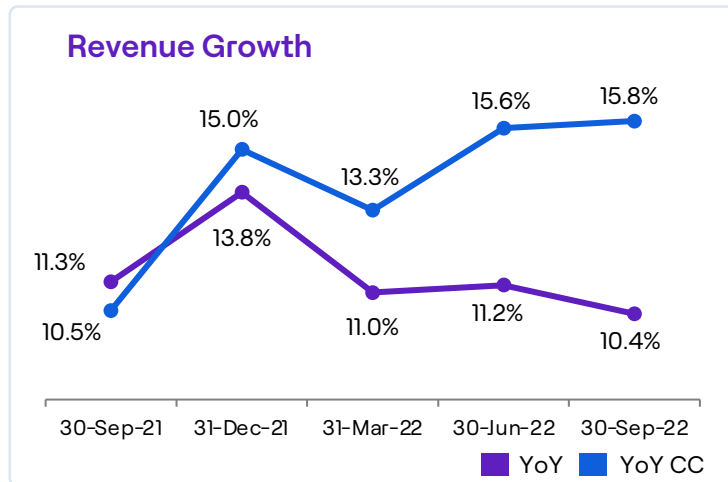
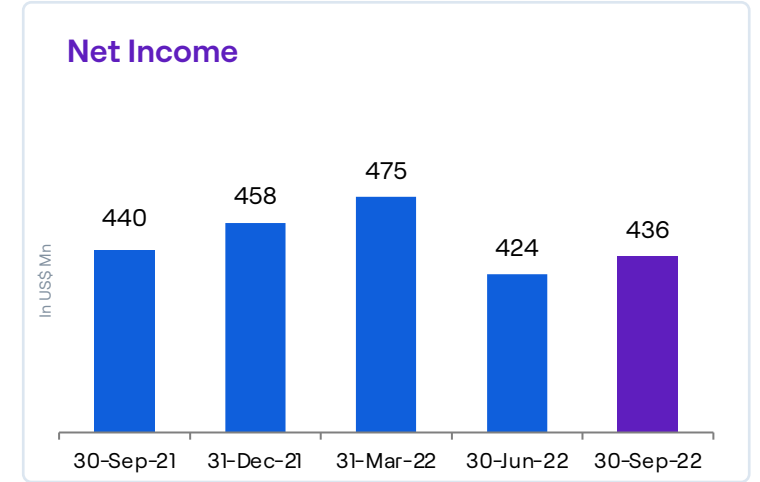
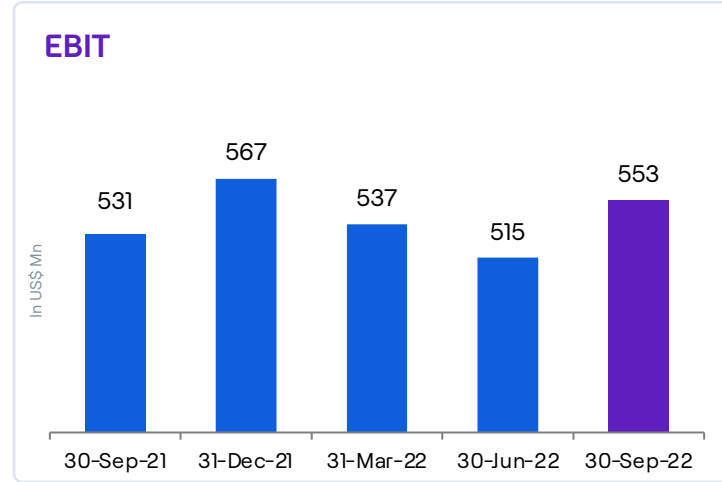
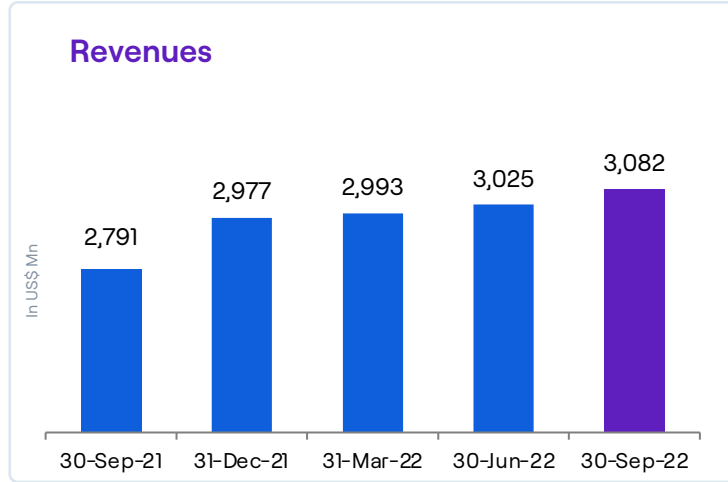
## HCLTech Consolidated



\* Normalized values for period ended Sep'21 exclude the impact of onetime milestone bonus paid to employees (US\$ 78.8 Mn, ₹ 575 crore net of tax) and the Deferred tax liability (DTL) on Goodwill impact in the tax expense (US\$ 165.1 Mn, ₹ 1,222 crore) in Q4 FY'21.

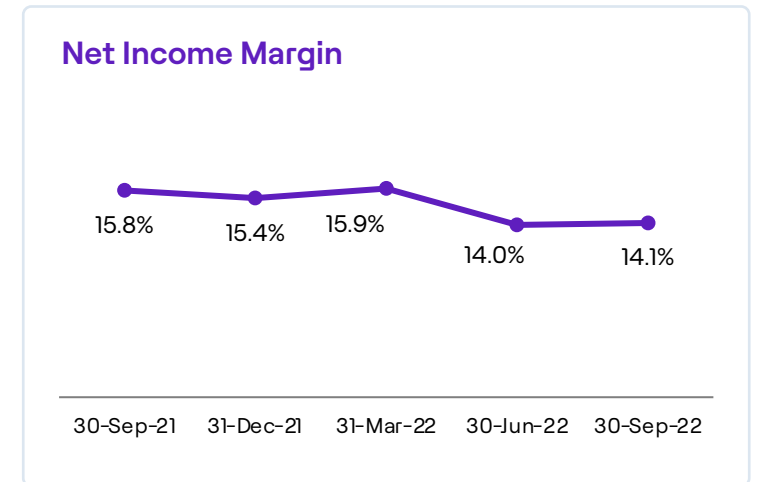
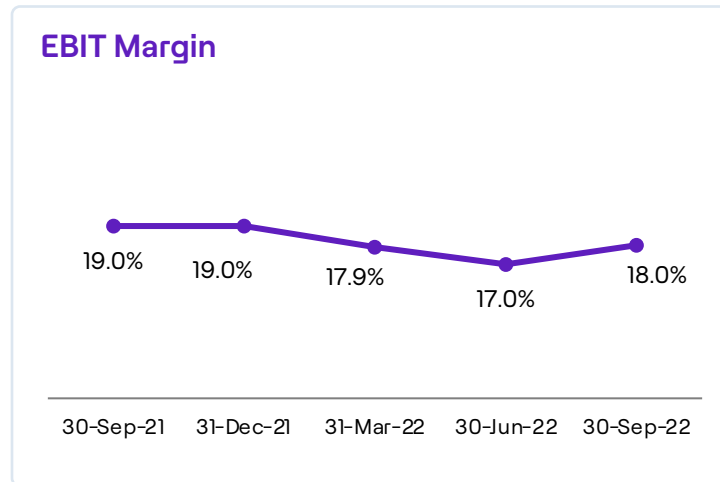
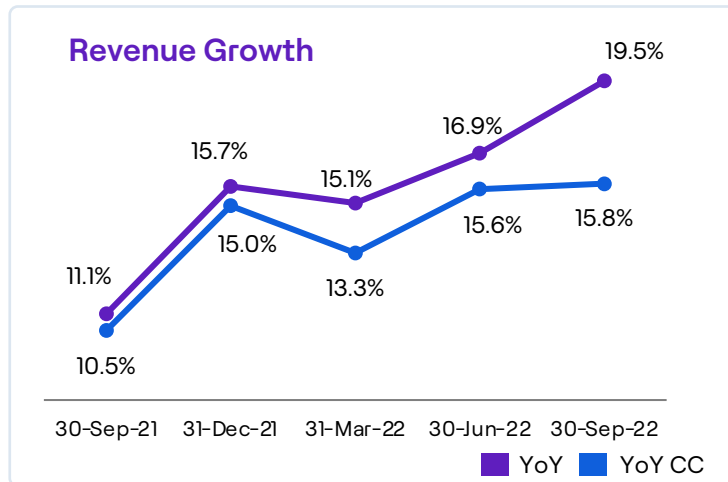
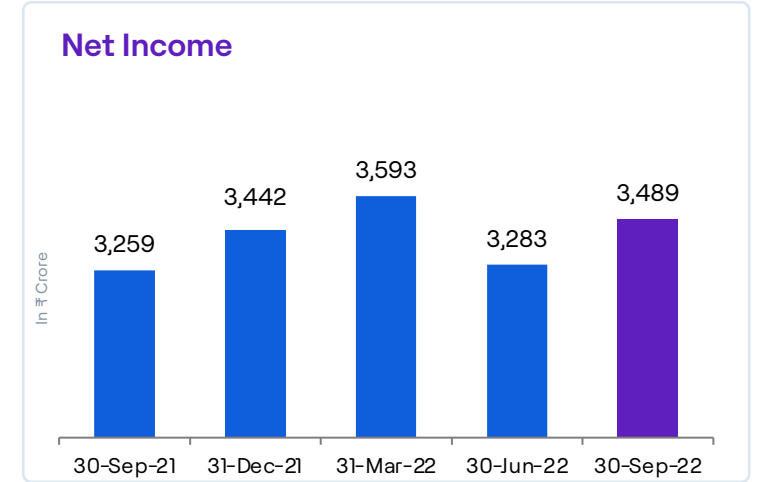
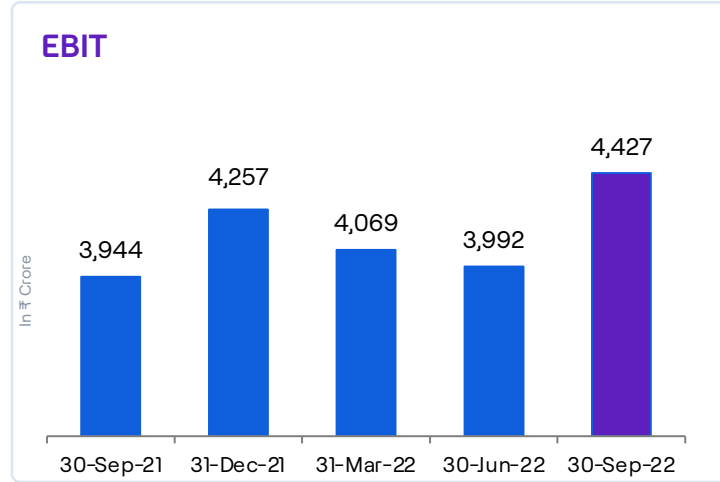
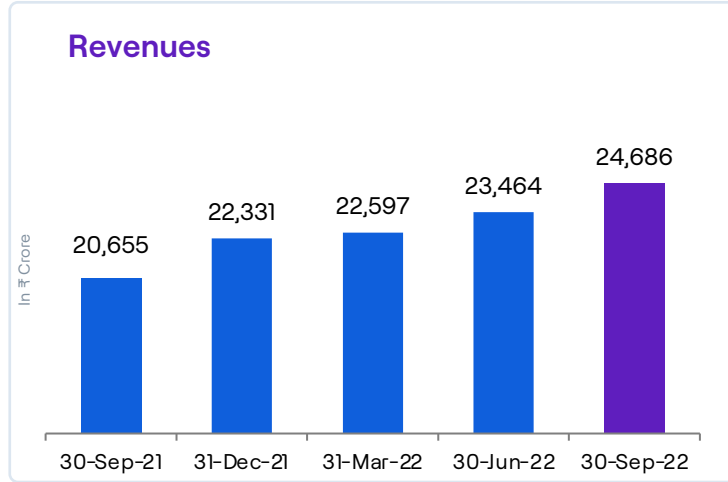
# Quarterly Performance Trends – US\$

## HCLTech Consolidated



# Quarterly Performance Trends – ₹

## HCLTech Consolidated



# Segment-wise Highlights for the Quarter ended 30-Sep-22

## Revenue Mix and Growth

Details	30-Sep-21	30-Jun-22	30-Sep-22	YoY CC Growth	QoQ CC Growth
IT and Business Services (A)	72.6%	72.8%	73.6%	18.2%	5.3%
Engineering and R&D Services (B)	15.7%	16.6%	17.0%	22.3%	5.0%
<b>Services (A + B)</b>	<b>88.3%</b>	<b>89.4%</b>	<b>90.6%</b>	<b>18.9%</b>	<b>5.3%</b>
Products & Platforms <sup>1</sup> (C)	12.2%	11.0%	9.8%	(7.2%)	(7.8%)
Inter-segment <sup>2</sup> (D)	(0.5%)	(0.4%)	(0.5%)	15.2%	15.4%
<b>Total (A + B + C + D)</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>15.8%</b>	<b>3.8%</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 Products & Platforms segment. Prior period figures have also been restated.

2. Inter-segment revenue of US\$ 15 Mn is related to products and services of Products & Platforms used by Services business in rendering services to their customers.

## EBIT Margin

Details	30-Sep-21	30-Jun-22	30-Sep-22	YoY BPS change	QoQ BPS change
IT and Business Services	18.8%	15.7%	16.7%	(212)	101
Engineering and R&D Services	19.2%	18.7%	21.4%	219	272
<b>Services</b>	<b>18.9%</b>	<b>16.3%</b>	<b>17.6%</b>	<b>(131)</b>	<b>134</b>
Products & Platforms	19.2%	22.5%	20.3%	107	(224)
<b>Total</b>	<b>19.0%</b>	<b>17.0%</b>	<b>18.0%</b>	<b>(108)</b>	<b>93</b>



# Return on Invested Capital

(Amount in US\$ Million)

P&L (Quarter ended)	30-Sep-21	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22	
Revenues	339.4	416.2	322.1	333.8	303.6	
EBITDA	134.5	211.5	119.7	129.9	110.6	
EBIT	65.2	131.5	62.6	75.2	61.7	
NOPAT	57.2	115.4	62.5	61.1	50.2	
Estimated Invested Capital (Quarter ended)	30-Sep-21	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22	Average
P&P	2,221	2,240	1,988	1,864	1,788	2,020
HCLTech Services	3,873	3,800	3,806	4,067	3,969	3,903
<b>Invested Capital</b>	<b>6,094</b>	<b>6,040</b>	<b>5,794</b>	<b>5,930</b>	<b>5,756</b>	<b>5,923</b>
Cash & Treasury Balance	2,102	2,142	2,388	1,723	1,765	
<b>Total</b>	<b>8,197</b>	<b>8,182</b>	<b>8,182</b>	<b>7,654</b>	<b>7,521</b>	
ROIC (LTM ended 30-Sep-22)	HCLTech Services		P&P		HCLTech	
EBIT	1,841		331		2,172	
Tax	429		42		471	
<b>NOPAT</b>	<b>1,411</b>		<b>289</b>		<b>1,700</b>	
<b>Average Estimated Invested Capital</b>	<b>3,903</b>		<b>2,020</b>		<b>5,923</b>	
<b>ROIC</b>	<b>36.2%</b>		<b>14.3%</b>		<b>28.7%</b>	

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

# Services Revenue Mix and Growth for Quarter ended 30-Sep-22

## By Geographies

Details	30-Sep-21	30-Jun-22	30-Sep-22	YoY CC Growth	QoQ CC Growth
Americas	62.8%	64.2%	64.8%	18.2%	4.7%
Europe	28.9%	27.8%	27.5%	21.8%	6.9%
ROW	8.3%	8.0%	7.7%	13.7%	3.7%

## By Verticals

Details	30-Sep-21	30-Jun-22	30-Sep-22	YoY CC Growth	QoQ CC Growth
Financial Services	21.6%	21.1%	20.6%	15.4%	3.7%
Manufacturing	19.1%	18.3%	19.2%	21.8%	10.9%
Technology and Services	13.8%	15.4%	15.1%	26.6%	2.4%
Retail & CPG	9.8%	9.4%	9.2%	11.9%	3.0%
Telecommunications, Media, Publishing & Entertainment	8.5%	9.2%	9.2%	27.1%	4.1%
Lifesciences & Healthcare	16.7%	16.4%	16.5%	14.4%	5.1%
Public Services#	10.4%	10.2%	10.2%	17.6%	6.0%

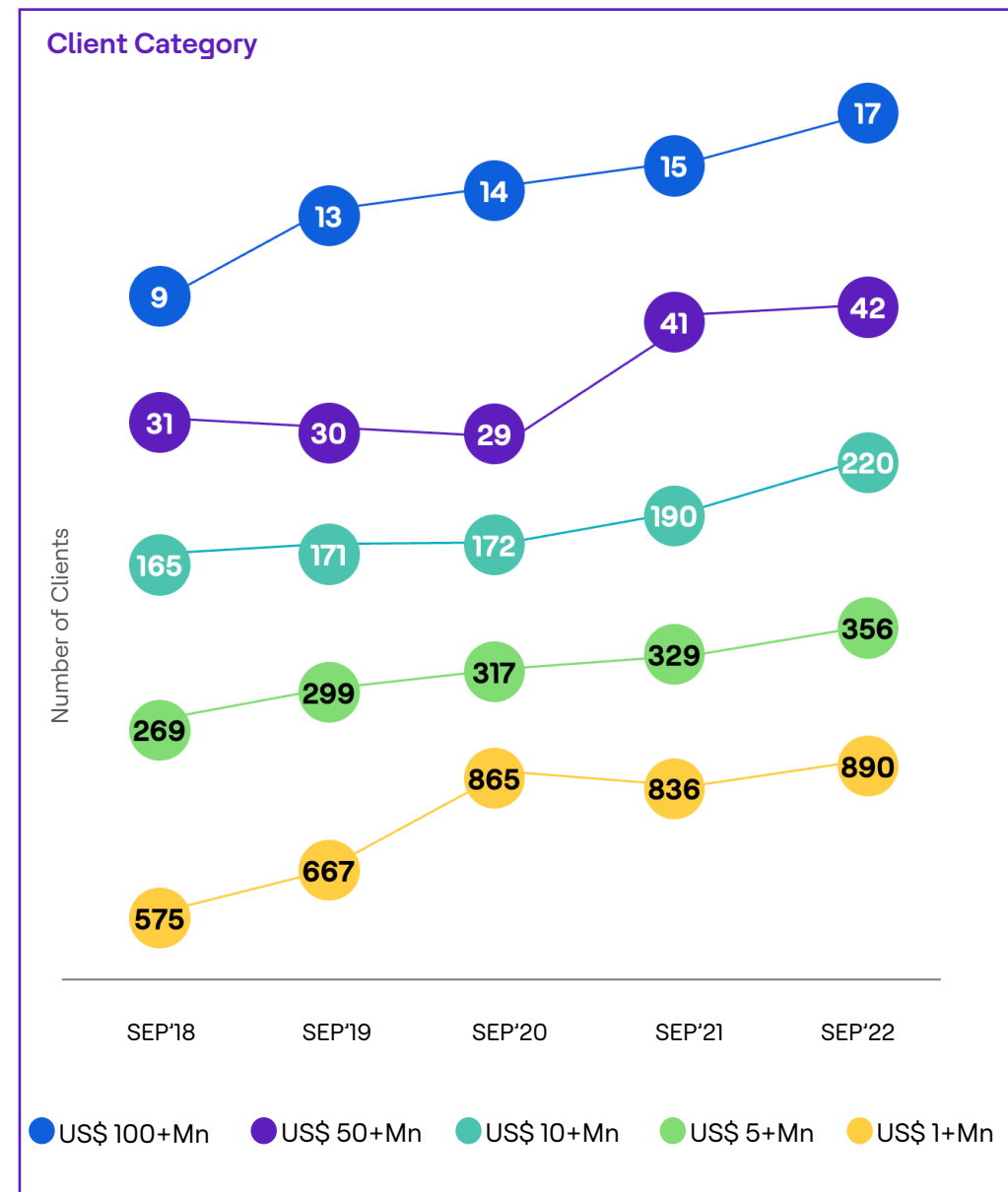
Note: # Public Services include Energy & Utilities, Travel - Transport - Logistics and Government.

# Client Metrics

Number of Million Dollar Clients (LTM)	30-Sep-21	30-Jun-22	30-Sep-22	YoY Change	QoQ Change
100 Million dollar +	15	17	17	2	-
50 Million dollar +	41	42	42	1	-
20 Million dollar +	109	127	128	19	1
10 Million dollar +	190	218	220	30	2
5 Million dollar +	329	353	356	27	3
1 Million dollar +	836	880	890	54	10

Client Contribution to Revenue (LTM)	30-Sep-21	30-Jun-22	30-Sep-22
Top 5 Clients	12.7%	11.2%	10.7%
Top 10 Clients	20.7%	19.4%	18.8%
Top 20 Clients	29.9%	28.9%	28.6%

Days Sales Outstanding	30-Sep-21	30-Jun-22	30-Sep-22
Days Sales Outstanding - excluding unbilled receivables	64	65	66



# Key deal wins

- A **Fortune 500 company**, which operates one of the **largest retail chain in the U.S.**, has selected HCLTech as its strategic IT services partner for business operations transformation and setting up intelligent automation platforms and experience-centric end-user support service. The scope also includes applications & infrastructure support and retail store operations.
- We won a **mega deal** this quarter. There will be minimal impact of this deal in FY'23. We expect this deal to give us an average ACV of US\$ 125 Mn per year from FY'24. We are constrained to share the details due to client confidentiality reasons.
- A **Fortune 500 financial services company** selected HCLTech as its preferred partner for the transformation and modernization of their IT landscape, application support & maintenance, data modernization & migration, cloud enablement and DevOps across the annuities, life insurance, health insurance, advice and CRM portfolios.
- A leading **U.S.-based healthcare provider** expanded its partnership with HCLTech for software testing services for its entire suite of applications and products. HCLTech's automation solutions will enable the company to mature to an 'automate-first' and DevSecOps aligned continuous testing model, which will accelerate their journey toward a product-based organization.
- A **global technology company** selected HCLTech to manage its enterprise applications. HCL Tech will set-up a global delivery model to support the company's enterprise portfolio consisting of software as a service (SaaS), commercial off-the-shelf and home-grown applications.
- A leading **U.S.-based global financial institution** selected HCLTech to provide end-to-end digital workplace support. As part of the engagement, HCLTech will also be responsible for managing one of the largest virtual desktop environments and focus on a user centric workplace to engage workforce to drive productivity and business outcomes.
- A leading **global pharmaceutical company** selected HCLTech to transform their current multi-vendor testing model to a robust centralized quality engineering organization.
- A **U.S.-based manufacturing company** expanded its partnership with HCLTech for the next phase of their digital transformation. HCLTech will provide digital foundation services to the company, including setting up a next-generation intelligent automation platform and experience-centric end-user service to cover their global scale of business operations.

# People Metrics

Details (Quarter ended)	30-Sep-21	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22
<b>Total People Count</b>	<b>187,634</b>	<b>197,777</b>	<b>208,877</b>	<b>210,966</b>	<b>219,325</b>
Technical	174,541	184,430	195,195	197,226	205,305
Sales and Support	13,093	13,347	13,682	13,740	14,020
<b>Net Addition</b>	<b>11,135</b>	<b>10,143</b>	<b>11,100</b>	<b>2,089</b>	<b>8,359</b>
Freshers Added	5,708	6,565	7,267	6,023	10,339
Attrition (LTM)*	15.7%	19.8%	21.9%	23.8%	23.8%
Women Employees (%)	27.4%	27.7%	28.0%	28.3%	29.0%

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

- HCLTech was again Certified™ by Great Place to Work® in the United States. Great Place to Work® is the global authority on workplace culture, employee experience and the leadership behaviors proven to deliver market-leading revenue, employee retention and increased innovation. The prestigious certification underscores HCLTech's commitment to the region by embracing local talent, providing best-in-class tech solutions and investing in local solutions.
- HCLTech won 15 awards – nine gold, three silver and three bronze - at the Brandon Hall Group's HCM Excellence Awards 2022. HCLTech won awards across multiple categories for its industry-leading employee programs, underscoring its strategic objective of being an employer of choice in professional services across all key geographies.
- HCLTech was named 'Diverse Company of the Year' at the Global DEI Summit 5.0, hosted by The Times of India and Ask Insights.

# 80+ Analyst Recognitions

- HCLTech Positioned as a Leader in 2022 Gartner® Magic Quadrant™ for Public Cloud IT Transformation Services\*
- HCLTech positioned as a Leader in IDC MarketScape: Worldwide Industry Cloud Professional Services 2022 Vendor Assessment (Doc #US48187622/Sept 2022)
- HCLTech Positioned as a Leader in Everest Group's Industry 4.0 Services PEAK Matrix® Assessment 2022
- HCLTech positioned as a Leader in IDC MarketScape: Worldwide Managed Cloud Security Services in the Multicloud Era 2022 Vendor Assessment (Doc #US48761022/Sept 2022)
- HCLTech Positioned as a Leader in ISG Provider Lens™ Google Cloud Partner Ecosystem - Data Analytics and Machine Learning, Implementation and Integration Services, Managed Services - U.S. & Europe 2022
- HCLTech Positioned as a Leader in ISG Provider Lens™ Cybersecurity - Solutions & Services - Strategic Security Services, Technical Security Services - U.S., U.K., Nordics Switzerland 2022
- HCLTech Positioned as a Leader in ISG Provider Lens™ Power and Utilities - Services and Solutions - Customer Information Systems (CIS) - North America 2022
- HCLTech Positioned as a Leader in Everest Group's Connected Medical Device Services PEAK Matrix® Assessment 2022
- HCLTech Positioned as a Leader in Everest Group's Digital Twin Services PEAK Matrix® Assessment 2022
- HCLTech Positioned as a Leader in ISG Provider Lens Google Cloud Partner Ecosystem - Data Analytics and Machine Learning, Implementation and Integration Services, Managed Services - U.S. & Europe 2022
- HCLTech Positioned as a Leader in ISG Provider Lens™ SAP Ecosystem - Managed Application Services for SAP ERP, SAP Business Technology Platform, Managed Platform and Cloud Services for SAP - U.S., U.K. & Nordics 2022
- HCL Software rated as a Strong Performer in The Forrester Wave™: Enterprise Marketing Suites, 2022 for Unica
- HCL Software rated as a Challenger in Gartner's Magic Quadrant for Digital Commerce published in 2022 for HCL Commerce
- HCL Software Awarded 11 out of 12 Medals by Paradigm in Paradigm's B2B Combine Digital Commerce Solutions report

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# Awards

- HCLTech won the **National CSR Award 2020**, instituted by the Ministry of Corporate Affairs, Government of India. The award recognized the ground-breaking work by the HCL Foundation, HCLTech's corporate social responsibility (CSR) arm, toward equitable and sustainable development of communities living below the poverty line in urban slums in major Indian cities.
- HCLTech won the **American Honda Supplier of the Year Award for Outstanding Value** for its work in PLM managed services.
- HCLTech recognized as the **System Integrator Certification Partner of the Year** at the **MongoDB Partner of the Year Awards**.
- HCLTech won awards for **Excellence in Learning Impact Measurement and Learning Leader (CLO) of the year** at the **ET HR World Future Skills Conference 2022**.
- HCLTech won the **Axcelis Supplier Innovation Award**. HCLTech engages with Axcelis in its Semiconductor Process equipment's Design, Development, and Maintenance areas.
- HCLTech won **ISG Provider Lens Awards** for:
  - Digital Finance and Accounting Outsourcing Services Global 2021
  - Procurement BPO and Accounting Outsourcing Services Global 2022
  - AWS - Ecosystem Partners U.S. 2021
  - Life Sciences Digital Services Global 2021
  - Salesforce Ecosystem Partners U.S. 2022

# HCLTech launched its new brand positioning – **Supercharging Progress™**

**HCLTech** | Supercharging Progress™

Our purpose: To bring together the best of technology and our people to supercharge progress

## For our **Clients**

We help deliver business outcomes for our clients, at speed and at scale; vested to solve day-to-day or complex challenges with both pragmatism and resilience.

## For our **People**

We help current (and prospective) employees 'find their spark' and supercharge their career potential.

## For our **Communities**

We believe that impact comes from within, and it drives our long-standing commitment to the communities where we work and live.

## For our **Planet**

We deliver long-lasting impact through our actions as a company and through our pacts with stakeholders for a more sustainable future.

HCLTech named Official Cornerstone Partner of MetLife Stadium and Official Digital Transformation Partner of the NY Giants, NY Jets and MetLife Stadium



# Supercharging progress for our communities and planet

## In India, HCL Foundation, the CSR arm of HCLTech, has rolled out a range of programs and interventions to uplift communities

- **HCL Samuday:** supported 28,386 farms; enabled 44,445 medical consultations; managed 3.95 Mn kg waste
- **HCL Uday:** reached 350,000+ beneficiaries (60% females) through integrated and inclusive community development.
- **Clean NOIDA:** 20 ft sculpture of Mahatma Gandhi made of 1,000 kg of plastic waste
- **HCL Harit:** 70,362 saplings planted; three water bodies revitalized; 5,117 animals treated; 49,000 mangrove saplings planted.
- **Power of One:** HCLTech employees clocked more than 6,129.5 on-ground and e-volunteering hours, impacting 19,929 lives.
- 650+ children, including 84 competed at **Sports for Change** National Finals 2022. Jerlin Anika, an HCLF Sports Scholar, won three gold medals at the Asia Pacific Deaf Badminton Championship in Thailand.

## Outside of India, HCLTech is rapidly augmenting its CSR impact through partnerships and employee volunteering

- HCLTech committed to planting 100,000 trees in the next 12 months in North and South America.
- HCLTech partnered with Girl Up, a global movement by the United Nations Foundation
- HCLTech collaborated with Junior Achievement of New Jersey to extend help to high school and college graduates from under-represented communities
- Participated in the Prince's Trust Palace to Palace Cycling fundraising challenge

HCLTech ranked 22<sup>nd</sup> among 1,000 companies in the software and services sector Sustainalytics ESG rating



HCLTech secured the ISS ESG Prime Status

# Annexure

# Constant Currency Reporting (Quarter ended)

HCLTech Revenue	30-Sep-21	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22
Reported Revenue (US\$ Mn)	2,790.7	2,977.5	2,993.1	3,024.9	3,082.1
<b>Growth % (CC)</b>					
QoQ	3.5%	7.6%	1.1%	2.7%	3.8%
YoY	10.5%	15.0%	13.3%	15.6%	15.8%

HCLTech Services Revenue	30-Sep-21	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22
Reported Revenue (US\$ Mn)	2,464.5	2,574.8	2,687.3	2,704.3	2,793.7
<b>Growth % (CC)</b>					
QoQ	5.2%	5.3%	5.0%	2.3%	5.3%
YoY	13.1%	16.1%	17.5%	19.0%	18.9%

Average Rates For Quarter	30-Sep-21	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22
USD - INR	73.96	74.94	75.52	77.62	79.98
GBP - USD	1.37	1.35	1.33	1.25	1.17
EUR - USD	1.18	1.14	1.11	1.06	1.00
USD - SEK	8.66	8.92	9.41	9.89	10.68
AUD - USD	0.73	0.73	0.73	0.71	0.68

# Financials in ₹ for the Quarter ended 30-Sep-22 (Ind AS)

## Consolidated Income Statement

(Amount in ₹ Crores)

Income Statement	Quarter Ended			% of Revenue		
	30-Sep-21	30-Jun-22	30-Sep-22	30-Sep-21	30-Jun-22	30-Sep-22
<b>Revenues</b>	<b>20,655</b>	<b>23,464</b>	<b>24,686</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Direct Costs	12,610	15,066	15,848	61.1%	64.2%	64.2%
<b>Gross Profits</b>	<b>8,045</b>	<b>8,398</b>	<b>8,837</b>	<b>38.9%</b>	<b>35.8%</b>	<b>35.8%</b>
Research & Development	369	391	388	1.8%	1.7%	1.6%
SG & A	2,653	3,032	3,024	12.9%	12.9%	12.2%
<b>EBITDA</b>	<b>5,023</b>	<b>4,975</b>	<b>5,425</b>	<b>24.3%</b>	<b>21.2%</b>	<b>22.0%</b>
Depreciation & Amortization	1,079	983	998	5.2%	4.2%	4.0%
<b>EBIT</b>	<b>3,944</b>	<b>3,992</b>	<b>4,427</b>	<b>19.0%</b>	<b>17.0%</b>	<b>18.0%</b>
Foreign Exchange Gains/(Loss)	79	82	46	0.4%	0.3%	0.2%
Other Income, net	78	263	111	0.4%	1.1%	0.4%
Provision for Tax	838	1,056	1,096	4.1%	4.5%	4.4%
Non-controlling interest	5	(2)	(1)	0.0%	0.0%	0.0%
<b>Net Income</b>	<b>3,258</b>	<b>3,283</b>	<b>3,489</b>	<b>15.8%</b>	<b>14.0%</b>	<b>14.1%</b>
<b>EPS (LTM in ₹)</b>						
<b>Basic</b>	<b>49.13<sup>1</sup></b>	<b>50.09</b>	<b>50.97</b>			
<b>Diluted</b>	<b>49.13<sup>1</sup></b>	<b>50.06</b>	<b>50.94</b>			

1. LTM EPS (Basic and Diluted) for period ended Sep'21, including the impact of onetime milestone bonus and Deferred tax liability on Goodwill impact, stands at ₹ 42.51.

# Financials in US\$ for the Quarter ended 30-Sep-22 (IFRS)

## Consolidated Income Statement

(Amount in US\$ Million)

Income Statement	Quarter Ended			% of Revenue		
	30-Sep-21	30-Jun-22	30-Sep-22	30-Sep-21	30-Jun-22	30-Sep-22
<b>Revenues</b>	<b>2,790.7</b>	<b>3,024.9</b>	<b>3,082.1</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Direct Costs	1,703.9	1,941.9	1,978.4	61.1%	64.2%	64.2%
<b>Gross Profits</b>	<b>1,086.8</b>	<b>1,083.0</b>	<b>1,103.7</b>	<b>38.9%</b>	<b>35.8%</b>	<b>35.8%</b>
Research & Development	49.8	50.4	48.5	1.8%	1.7%	1.6%
SG & A	360.0	390.9	377.4	12.9%	12.9%	12.2%
<b>EBITDA</b>	<b>677.0</b>	<b>641.7</b>	<b>677.8</b>	<b>24.3%</b>	<b>21.2%</b>	<b>22.0%</b>
Depreciation & Amortization	145.8	126.6	124.5	5.2%	4.2%	4.0%
<b>EBIT</b>	<b>531.2</b>	<b>515.0</b>	<b>553.3</b>	<b>19.0%</b>	<b>17.0%</b>	<b>18.0%</b>
Foreign Exchange Gains/(Loss)	10.7	10.5	5.7	0.4%	0.3%	0.2%
Other Income, net	11.9	33.9	13.6	0.4%	1.1%	0.4%
Provision for Tax	113.2	136.1	137.0	4.1%	4.5%	4.4%
Non-controlling interest	0.6	(0.3)	(0.2)	0.0%	0.0%	0.0%
<b>Net Income</b>	<b>439.9</b>	<b>423.7</b>	<b>435.8</b>	<b>15.8%</b>	<b>14.0%</b>	<b>14.1%</b>
<b>EPS (LTM in ₹)</b>						
<b>Basic</b>	<b>49.13<sup>1</sup></b>	<b>50.09</b>	<b>50.97</b>			
<b>Diluted</b>	<b>49.13<sup>1</sup></b>	<b>50.06</b>	<b>50.94</b>			

1. LTM EPS (Basic and Diluted) for period ended Sep'21, including the impact of onetime milestone bonus and Deferred tax liability on Goodwill impact, stands at ₹ 42.51.

# Cost Breakup

(Amount in US\$ Million)

Particulars	Quarter Ended			% of Revenue		
	30-Sep-21	30-Jun-22	30-Sep-22	30-Sep-21	30-Jun-22	30-Sep-22
Employee benefits expense	1,488.6	1,672.8	1,681.7	53.3%	55.3%	54.6%
Outsourcing costs (Subcontractors+ Outsourced Work)	416.6	463.4	462.7	14.9%	15.3%	15.0%
Cost of hardware and software sold	39.2	44.6	55.4	1.4%	1.5%	1.8%
Travel and conveyance	18.3	33.8	38.0	0.7%	1.1%	1.2%
Software license fee	29.7	31.5	34.2	1.1%	1.0%	1.1%
Facility Cost*	35.3	36.6	36.1	1.3%	1.2%	1.2%
Recruitment, training and development	16.8	20.4	18.2	0.6%	0.7%	0.6%
Legal and professional charges	19.0	19.4	16.8	0.7%	0.6%	0.5%
Communication costs	14.3	16.0	15.5	0.5%	0.5%	0.5%
CSR Expense	5.0	8.4	8.8	0.2%	0.3%	0.3%
Doubtful debts	1.9	1.8	(0.5)	0.1%	0.1%	0.0%
Other expenses	29.1	34.7	37.5	1.0%	1.1%	1.2%
Depreciation & Amortization	145.8	126.6	124.5	5.2%	4.2%	4.0%
<b>Total Costs</b>	<b>2,259.5</b>	<b>2,509.9</b>	<b>2,528.8</b>	<b>81.0%</b>	<b>83.0%</b>	<b>82.0%</b>
<b>EBIT</b>	<b>531.2</b>	<b>515.0</b>	<b>553.3</b>	<b>19.0%</b>	<b>17.0%</b>	<b>18.0%</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 30-Sep-22	As on 31-Mar-22	As on 30-Sep-22
<b>Assets</b>				
Cash and Cash Equivalents	10,510	6,810	1,387	836
Accounts Receivables, net	15,476	18,361	2,042	2,255
Unbilled Receivables	5,195	5,749	685	706
Treasury Investments	11,372	11,724	1,502	1,441
Other Current Assets	5,487	5,527	724	680
<b>Total Current Assets</b>	<b>48,040</b>	<b>48,171</b>	<b>6,340</b>	<b>5,918</b>
Property and Equipment, net	5,741	5,531	758	679
Right-of-use assets	2,305	2,151	304	264
Intangible Assets, net	27,160	27,437	3,585	3,371
Treasury Investments	200	102	26	13
Deferred Tax Assets	1,176	1,214	155	149
Other Investments (incl. equity method investment)	112	118	15	15
Other Assets	4,299	3,791	566	464
<b>Total Assets</b>	<b>89,033</b>	<b>88,515</b>	<b>11,749</b>	<b>10,873</b>
<b>Liabilities &amp; Stockholders Equity</b>				
<b>Total Current Liabilities</b>	<b>18,014</b>	<b>17,870</b>	<b>2,378</b>	<b>2,194</b>
Borrowings	3,985	4,266	526	525
Lease Liabilities	2,358	2,251	311	276
Other Liabilities	2,670	2,892	352	354
<b>Total Liabilities</b>	<b>27,027</b>	<b>27,279</b>	<b>3,567</b>	<b>3,349</b>
Non-Controlling Interests	92	(5)	12	0
Total Stockholders Equity	61,914	61,241	8,170	7,524
<b>Total Equity</b>	<b>62,006</b>	<b>61,236</b>	<b>8,182</b>	<b>7,524</b>
<b>Total Liabilities and Equity</b>	<b>89,033</b>	<b>88,515</b>	<b>11,749</b>	<b>10,873</b>

# Consolidated Cash Flow Summary

Particulars	₹ Crore		US\$ Mn	
	For Year Ended March 2022	For Quarter Ended September 2022	For Year Ended March 2022	For Quarter Ended September 2022
<b>Profit before Tax</b>	<b>16,951</b>	<b>4,584</b>	<b>2,270</b>	<b>573</b>
<b>Adjustments for:</b>				
Depreciation, amortization and impairment	4,326	998	580	125
Others	(385)	(16)	(49)	(2)
<b>Changes in assets and liabilities, net:</b>				
Accounts Receivable and Unbilled Receivable	(2,809)	(679)	(376)	(81)
Other Assets and Liabilities	2,260	217	304	28
Income taxes paid (Net of refunds)	(3,443)	(1,086)	(462)	(136)
<b>NET OPERATING CASH FLOW</b>	<b>16,900</b>	<b>4,020</b>	<b>2,265</b>	<b>506</b>
Purchase of property, plant and equipment and intangibles	(1,645)	(361)	(221)	(44)
<b>FREE CASH FLOW</b>	<b>15,255</b>	<b>3,658</b>	<b>2,044</b>	<b>462</b>
<b>Payments for Acquisitions</b>	<b>(330)</b>	<b>(10)</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>(2,708)</b>	<b>(1,528)</b>	<b>(333)</b>

Gross Cash & Net Cash	For Year Ended March 2022	For Quarter Ended September 2022	For Year Ended March 2022	For Quarter Ended September 2022
Cash & Cash Equivalents	10,510	6,810	1,387	836
Fixed Deposits including Deposits under lien	5,334	6,741	704	829
Investment Securities	6,239	5,086	823	625
<b>Gross Cash</b>	<b>22,082</b>	<b>18,636</b>	<b>2,914</b>	<b>2,290</b>
Less: Borrowings	3,985	4,266	526	525
<b>Net Cash</b>	<b>18,097</b>	<b>14,370</b>	<b>2,388</b>	<b>1,765</b>



## Analyst Recognitions – Digital Business

- HCLTech Positioned as a Leader in 2022 Gartner® Magic Quadrant™ for Public Cloud IT Transformation Services\*
- HCLTech Positioned as a Leader in Everest Group’s Life Sciences Digital Services PEAK Matrix® Assessment 2022
- HCLTech Positioned as a Leader in Avasant’s Digital Masters 2022 RadarView™
- HCLTech Positioned as a Leader in Avasant’s Life Sciences Digital Services 2022 RadarView™

### HCLTech Positioned as a Leader in ISG Provider Lens™

- Internet of Things – Services and Solutions – Data Management and AI on the Edge – U.S. 2022
- Internet of Things – Services and Solutions – Implementation and Integration – U.S. & Germany 2022
- Internet of Things – Services and Solutions – Managed Services – U.S. 2022
- Internet of Things – Services and Solutions – Mobile Asset Tracking and Management – U.S. 2022
- Internet of Things – Services and Solutions – Strategy Consulting – U.S. & Germany 2022
- MarTech Service Providers – Analytics and Intelligence – U.S. 2022
- MarTech Service Providers – Digital Commerce Optimization – U.S. 2022
- MarTech Service Providers – Digital Experience and Content – U.S. 2022
- MarTech Service Providers – Strategic MarTech Services – U.S. 2022
- SAP Ecosystem – SAP S/4HANA System Transformation – Large Accounts – U.S., U.K. 2022
- SAP Ecosystem – SAP S/4HANA System Transformation – Nordics 2022
- Power and Utilities – Services and Solutions – Enterprise Asset Management (EAM) – North America 2022
- Power and Utilities – Services and Solutions – Next-Gen IT Services – North America 2022

## Analyst Recognitions – Digital Foundation

- HCLTech positioned as a Leader in IDC MarketScape: Worldwide Managed Cloud Security Services in the Multicloud Era 2022 Vendor Assessment (Doc #US48761022/Sept 2022)
- HCLTech positioned as a Leader in IDC MarketScape: Worldwide Industry Cloud Professional Services 2022 Vendor Assessment (Doc #US48187622/Sept 2022)

### HCLTech Positioned as a Leader in ISG Provider Lens™

- Google Cloud Partner Ecosystem – Data Analytics and Machine Learning – U.S. & Europe 2022
- Google Cloud Partner Ecosystem – Implementation and Integration Services – U.S. & Europe 2022
- Google Cloud Partner Ecosystem – Managed Services – U.S., Europe & Australia 2022
- Google Cloud Partner Ecosystem – SAP Workloads – U.S. 2022
- Network – Software Defined Solutions and Services – Edge Technologies and Services – U.K. & Nordics 2022
- Network – Software Defined Solutions and Services – Enterprise Networks Technology and Service Suppliers – U.K. & Nordics 2022
- Network – Software Defined Solutions and Services – Managed (SD) WAN Services – U.K & Nordics 2022
- Network – Software Defined Solutions and Services – SDN Transformation Services (Consulting and Implementation) – U.K. & Nordics 2022
- Network – Software Defined Solutions and Services – Secure Access Service Edge (SASE) – U.K. & Nordics 2022
- Next-Gen Private Hybrid Cloud – Data Center Solutions & Services – Managed Services – Australia & Singapore & Malaysia 2022
- Cybersecurity – Solutions & Services – Managed Security Services – Switzerland, Nordics & Germany 2022
- Cybersecurity – Solutions & Services – Managed Security Services – Large Accounts – U.S. & U.K. 2022
- Cybersecurity – Solutions & Services – Strategic Security Services – U.S., U.K., Nordics Switzerland 2022
- Cybersecurity – Solutions & Services – Technical Security Services – U.S., U.K., Switzerland, Nordics 2022
- Next-Gen Private Hybrid Cloud – Data Center Solutions & Services – Managed Services for Large Accounts – U.K., Nordics 2022

## Analyst Recognitions – Digital Operations

- HCLTech Positioned as a Leader in ISG Provider Lens™ Power and Utilities – Services and Solutions – Customer Information Systems (CIS) – North America 2022
- HCLTech positioned as a Leader in Avasant’s Intelligent Document Processing Platforms 2022 RadarView™

## Analyst Recognitions – Engineering and R&D Services

- HCLTech Positioned as a Leader in Everest Group’s Connected Medical Device Services PEAK Matrix® Assessment 2022
- HCLTech Positioned as a Leader in Everest Group’s Digital Twin Services PEAK Matrix® Assessment 2022
- HCLTech Positioned as a Leader in Everest Group’s Industry 4.0 Services PEAK Matrix® Assessment 2022

## Analyst Recognitions – HCL Software

- HCL Software Named as the Leader in the 2022 SPARK Matrix for Low Code Application Development Platform for Professional Developers
- HCL Software Named as the Leader in the 2022 SPARK Matrix for Unified Endpoint Management
- HCL Software Named as the Leader in the 2022 SPARK Matrix for Value Stream Management
- HCL Software Named as the Leader in the 2022 SPARK Matrix for Virtual Customer Assistants
- HCL Volt MX Included on Constellation Shortlist for Enterprise Low Code Tools and Platforms, 2022
- HCL DX Included on Constellation Shortlist for Content Management Systems (CMS) Hybrid, 2022
- HCL Commerce Included on Constellation Shortlist for Campaign to Commerce All-in-one Commerce Cloud, 2022
- HCL Unica Included on Constellation Shortlist for Enterprise B2C Marketing Automation
- HCL DX Included on Constellation Shortlist for Digital Experience Platform, 2022
- HCL Sametime Included on Constellation Shortlist for Group Messaging, 2022

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## About HCLTech

HCLTech is a global technology company, home to 219,000+ people across 54 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 September 2022 totalled \$12.1 billion. To learn how we can supercharge progress for you, visit [hcltech.com](https://hcltech.com).

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