

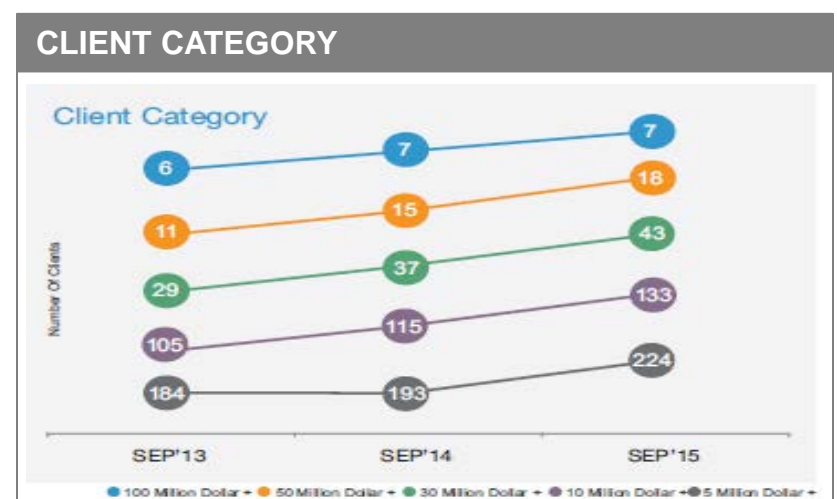
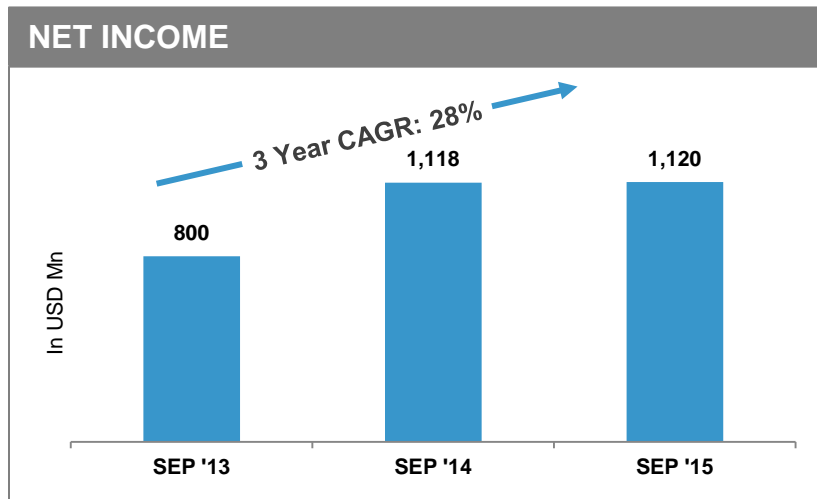
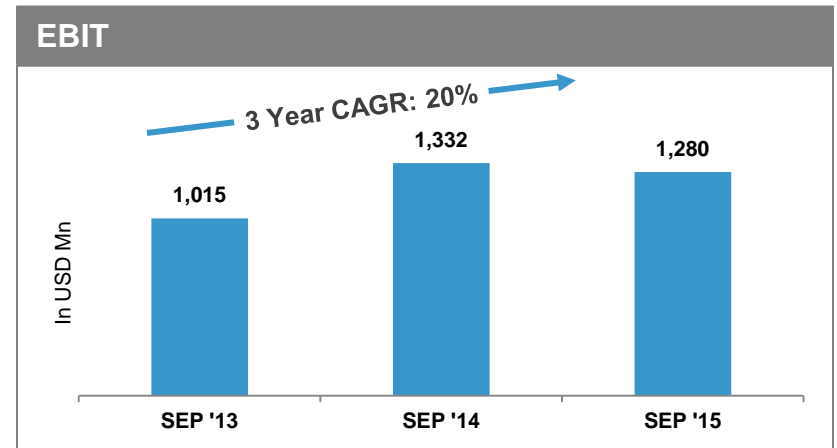
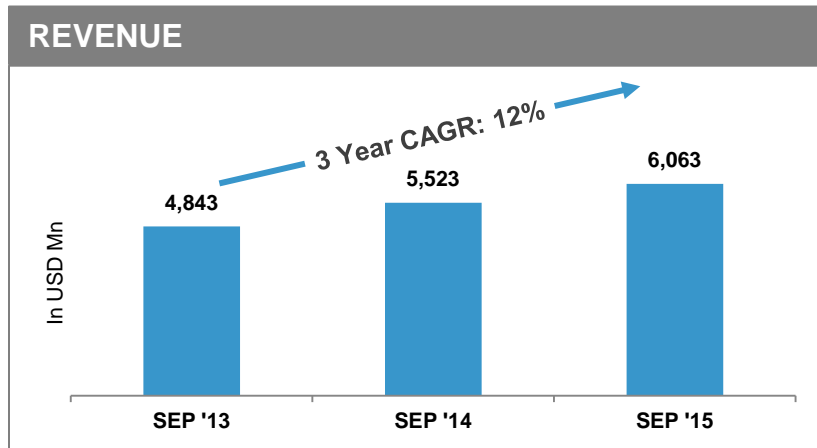
HCL TECHNOLOGIES

EARNINGS PRESENTATION | FIRST QUARTER FY'16

Performance Snapshot

ANANT GUPTA

PERFORMANCE TRENDS (LTM BASIS)



CONSISTENT AND BROAD BASED GROWTH

REVENUE GROWTH (IN CONSTANT CURRENCY)

GROWTH ENGINES	30-Sep-15	
	Growth in US\$	
Broad based Growth		
Geo Drivers: Europe, Americas		
Growth Services: Engineering and R&D Services, Infrastructure Services		
Growth Verticals: Life Sciences & Healthcare, Telecom and MP&E, Retail & CPG, Public Services		
	Revenues	13.5%
	Americas	12.3%
	Europe	18.2%
	ROW	5.8%
	Application Services	6.4%
	Infrastructure Services	16.3%
	Business Services	19.7%
	Engineering and R&D Services	23.7%
	Financial Services	7.7%
	Manufacturing	12.7%
	Life Sciences & Healthcare	40.5%
	Public Services	22.0%
	Retail & CPG	6.6%
	Telecommunications, Media, Publishing & Entertainment	23.2%

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

STATE OF THE MARKET

Gartner: IT Services Market to Grow 3.7% in 2015 in Constant Currency

IT Services Growth Rates (CY15)	2014	2015	2016
Constant Currency	3.5%	3.7%	4.0%
Reported USD	1.9%	-3.5%	3.9%

Source: Gartner Report "Forecast Alert: IT Spending, Worldwide, 3Q15 Update" authored by JohnDavid Lovelock; Kathryn Hale; Adrian O'Connell; Wm. L. Hahn; | Ranjit Atwal; Colleen Graham; Michael Dornan

USD Appreciation Impacts Reported Currency Growth

Rebid Market: Cloud/IUS will be Key Factors in Renewals

\$150Bn* Worth of Renewals Over 2016, 2017 and 2018 (*Source ISG: Non Government and BPO)

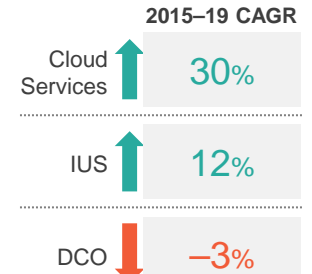
58% from EMEA

30% Full ITO

Source: ISG/HCL Analysis

40% → **Churn Rate**
From Large Deals to Best of Breed Providers

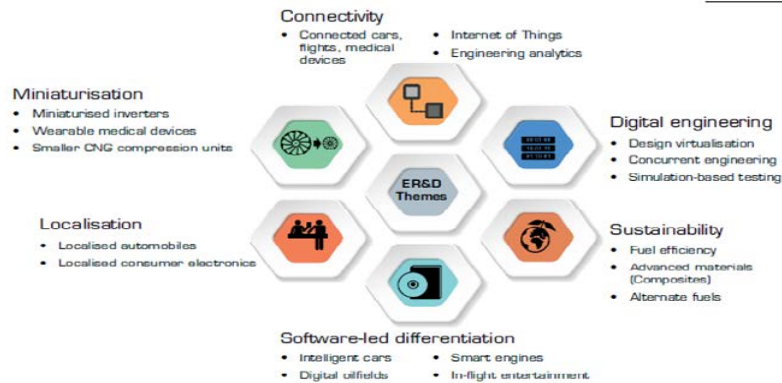
Source: Everest



Source: Gartner

Source: Gartner Report "Forecast: IT Services, Worldwide, 2013-2019, 3Q15 Update" authored by Kathryn Hale, Dean Blackmore, Susan Tan, Helen Huntley

Forces impacting Engineering Services business



Source: 2014 ER&D Interviews, Strategic IC and analysis

Applications, Consulting and Implementation

\$20Bn*+ Worth of Renewals in Applications Services Over 2016, 2017 and 2018 (*Source ISG: Non Government)

Outcome-Based Models

By 2018, 25% of Applications Contracts Will be Outcome-Based: Gartner

Source: Gartner report "Predicts 2015: Application Services Continue to Move Toward Business Outcomes and Speed to Results Through Changes in Delivery Models" authored by Twigg Lo | Patrick J. Sullivan | Frances Karamouzis | Alex Soejarto | Susanne Matson | Gilbert van der Heiden | Susan Tan

Consulting Driven

Applications Constitutes 56% of Overall Technology Consulting: JP Morgan

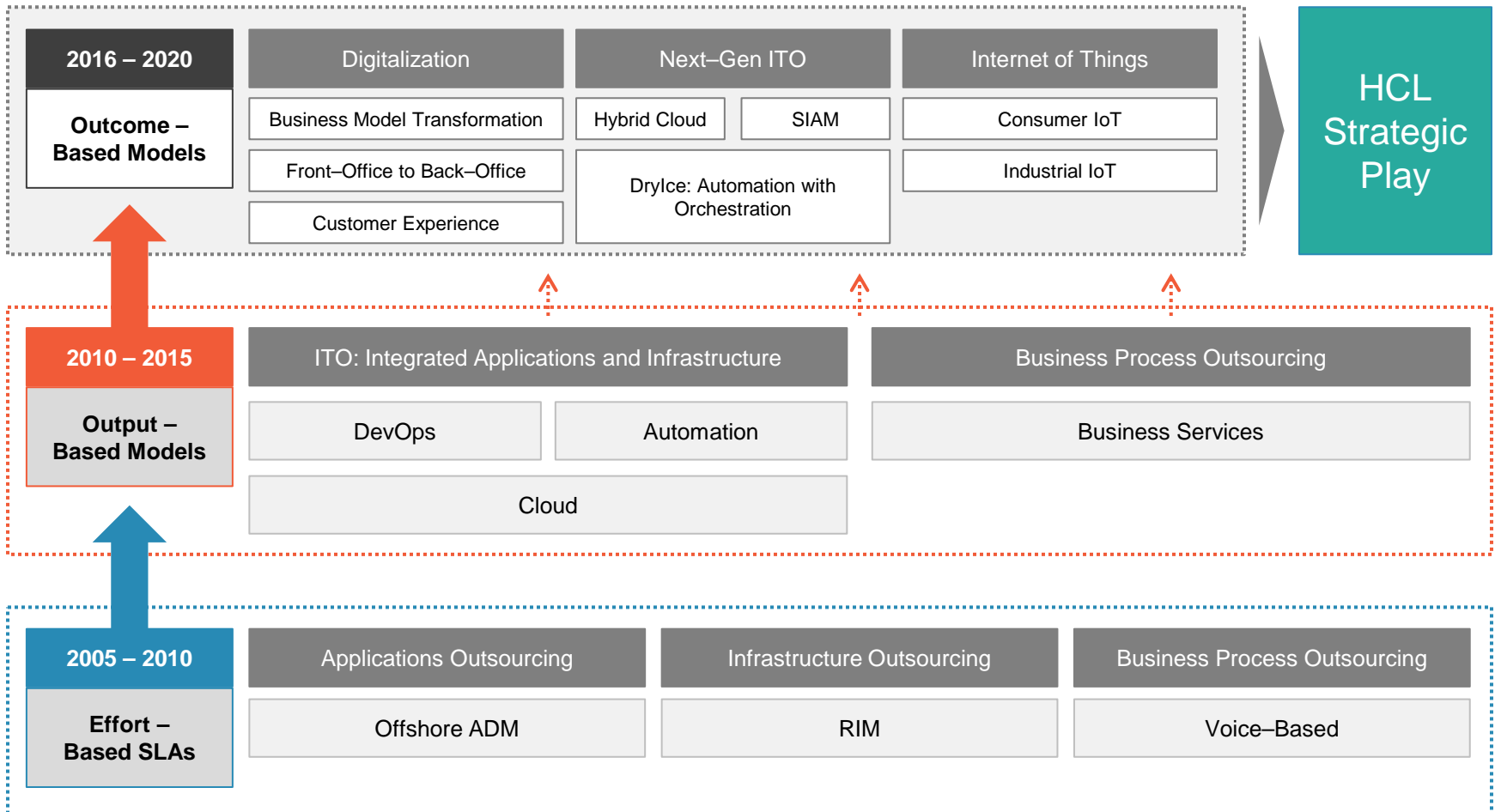
Digital Consulting

GRC

Operational Excellence

Architecture

HCL – BUSINESS AND IT SERVICES STRATEGIC PLAY



Performance Snapshot

RAHUL SINGH

Financial Services

PERFORMANCE SNAPSHOT

FINANCIAL SERVICES – HIGHLIGHTS

Q1 FY'16 FINANCIAL PERFORMANCE (in Constant Currency)

- Financial Services **up 7.7% YoY** in Q1'16
- Healthy pipeline across Service Lines & Geos

GROWTH DRIVERS & MARKET SHARES

- Focus on Vendor Consolidation: Highlight synergies, Tool and Frameworks, Outcome driven Commercial constructs etc.
- Select New client acquisition in Europe and NA
- Redefined Proposition to enhance value
 - Co-innovation for digital and new technologies
 - Cost focused propositions-Alt ASM enhanced through automation, tools and partnerships
 - Vertical SI driving transformation program
 - Integrated offerings across service lines

TRENDS IN DEMAND ENVIRONMENT

- Cost reduction and Digital driving CIO agenda in Europe and NA. APAC focus on new spend
- Financial Services clients looking at
 - Vendor Consolidation, strategic partnerships, beyond Offshoring
 - Focus on Productivity/ Value addition
 - Legacy Modernization, Cloud enablement and Transformation
- Expanding usage of COTS products to drive standardization and cut time to market
- Regulatory spends flattening -focus on industrialized compliance.
- Digital agenda resulting in Business Aligned decisions on new spends

RECOGNITIONS/ VALUE PROPOSITIONS

- HCL positioned as Star Performer in the Leaders category of the Everest PEAK matrix report for both Banking and Capital Markets –2015
- HCL recognized as 'Global Challenger' in the professional services category of Cards Management and Transaction Processing -Vendor Landscape Report
- HCL FS ranked “best in class” in Thought Leadership & Customer Engagement categories by Tower Group Outsourcing ranking

Performance Snapshot

C Vijay Kumar

Infrastructure Services

PERFORMANCE SNAPSHOT

INFRASTRUCTURE SERVICES – HIGHLIGHTS

Q1 '16 FINANCIAL PERFORMANCE (in Constant Currency)

- Infrastructure Services **up 16.3% YoY** in Q1'16
- Excellent Booking performance in Q1 – dominated by US , followed by Europe.

GROWTH DRIVERS & MARKET SHARES

- Increased Deal sizes due to the end to end Multi- geography requirements with clients entrusting the entire Infrastructure portfolio with one provider.
- Technical and Change Management complexity, takes time to execute the programs.
- Continued growth in Gen 2.0 outsourcing deals with an evolved and mature value proposition for second-time outsourcers

TRENDS IN DEMAND ENVIRONMENT

- Healthy Pipeline visible and our excellent win ratios augurs well for the business growth in the coming quarters.
- Organizations placing “digital” bets and allocating significant budget for related technologies and platforms
- Healthy growth in demand for “multi-service integration” platforms and services
- Continued traction in Rebid market as well as First time outsourcing opportunities.

RECOGNITIONS/ VALUE PROPOSITIONS

- HCL retains leadership position in key Gartner Magic Quadrants on Data Center and Infrastructure Utility Services and End-user Computing
- Leadership status in Everest Groups Peak Matrix for End User Computing
- HCL announces service orchestration and IT process automation platform - DryICE
- HCL has launched a digital service exchange platform enabled by ServiceNOW
- HCL announces significant developments in “Digital Run” capabilities under the BeyonDigital business launch

Financial Analysis

ANIL CHANANA

PROFIT & LOSS STATEMENT (USD)

Q1, FY'16

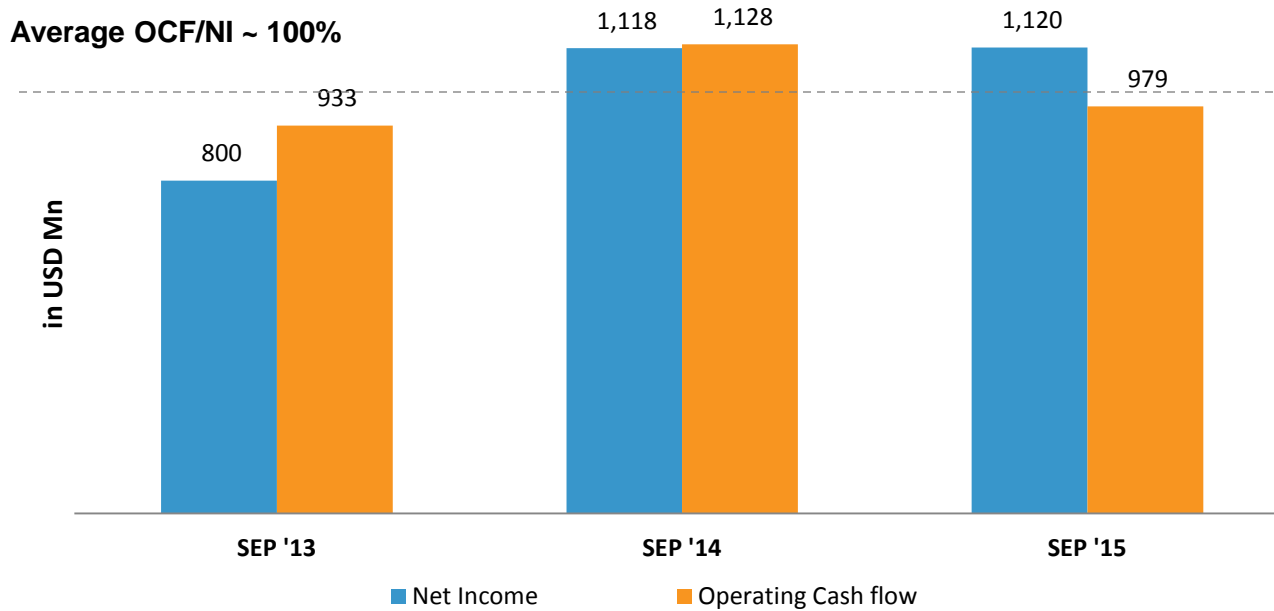
- Constant currency revenue growth at **1.2% QoQ** and **15.3%** on LTM YoY
- Revenue at **US\$ 1,545 Mn**; up **0.5% QoQ** in reported currency
- EBIT (Ex Adj.) at \$ 317 Mn;
- Annualized GAAP EPS (Diluted) – **INR 52**

Income Statement (US GAAP – US\$ Mn)	30-Sep-14	30-Jun-15	30-Sep-15 (Ex Adj)	30-Sep-15	Ex Adj.	
					YoY	QoQ
Revenue	1433	1,538	1,545	1,545	7.7%	0.5%
Gross Profits	527	525	531	513		
SG & A	168	197	193	193		
EBITDA	359	328	338	320		
Depreciation & Amortization	17	20	21	21		
EBIT	342	309	317	299	-7.3%	2.8%
Forex & Other Income (Net)	50	33	37	37		
Earnings before Tax (EBT)	392	342	354	336		
Tax	85	63	76	72		
Net Income (Ex Adjustment) *	307	279	279	264	-9.3%	-0.1%
EPS (Diluted) – Annualized – In INR	53	50	52			

* Adjustment refers to one time provision for a project

Margins	30-Sep-14	30-Jun-15	30-Sep-15 (Ex Adj)	30-Sep-15
Gross Margin	36.8%	34.1%	34.4%	33.2%
EBITDA Margin	25.1%	21.3%	21.9%	20.7%
EBIT Margin	23.9%	20.1%	20.5%	19.4%
Net Margin	21.4%	18.1%	18.0%	17.1%

PROFIT TO CASH CONVERSION



	FY'15	Q.E Sep'14	Q.E Sep'15
OCF/ NI	84%	68%	77%
FCF/ EBITDA	56%	41%	50%

HEDGE DETAILS

(US\$ Mn)	30-Jun-15	30-Sep-15
Balance Sheet Hedges	475	296
Cash Flow Hedges	928	972
<i>Less than or equal to 1 Year</i>	713	818
<i>More than 1 Year</i>	215	154
Rate (USD/INR)		
<i>Booked Rate (Forward)</i>	66.17	66.57
<i>Less than 1 Year</i>	65.04	65.73
<i>More than 1 Year</i>	67.83	68.30
<i>MTM Rate applied</i>	67.61	68.71
Mix – Instrument wise		
<i>Forwards</i>	643	529
<i>Options</i>	760	739
Mix – Currency wise (Cash Flow Hedges only)		
<i>USD / INR</i>	802	819
<i>GBP / INR</i>	43	60
<i>Euro / INR</i>	73	75
<i>AUD/ INR</i>	9	7
<i>CHF/ INR</i>	1	6
<i>SEK/ INR</i>	0	5

FOREX GAIN/ LOSS & OCI

FX Gain/ Loss for the Quarter	
in US\$ Mn	30-Sep-15
Cash flow hedge loss (A)	(1.6)
Net gain on Foreign currency exposure (B)	4.9
TOTAL (A) + (B)	3.4

OCI Position as of Sep'15	
in US\$ Mn	30-Sep-15
OCI (Upto 12 months)	(7.3)
OCI (Greater than 12 months)	(6.1)
TOTAL (before Tax benefit)	(13.4)

Fx Gain/ Loss – Dec '15 quarter estimate	
in US\$ Mn	Estimated for Q.E Dec'15 *
Revenue Hedges covers for next quarter	229
Booked Rate Forward (USD)Covers	64.83
Spot Rate at the end of the quarter	65.59
* Estimated Forex impact for Q.E Dec '15 @ Sep'15 closing rate	(0.2)

TAX PROVISION

EFFECTIVE TAX RATE ESTIMATED FOR FY'16 IS 21%-22% AND FY'17 IS 22%-23%

Particulars (US\$ Mn)	FY '15	Q.E Sep '15
Total Tax Expense	306	72
Earnings before Tax	1,470	336
Effective Tax Rate	20.8%	21.5%



Q&A