

HCL TECHNOLOGIES

INVESTOR PRESENTATION | FOURTH QUARTER AND ANNUAL FY'15



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.

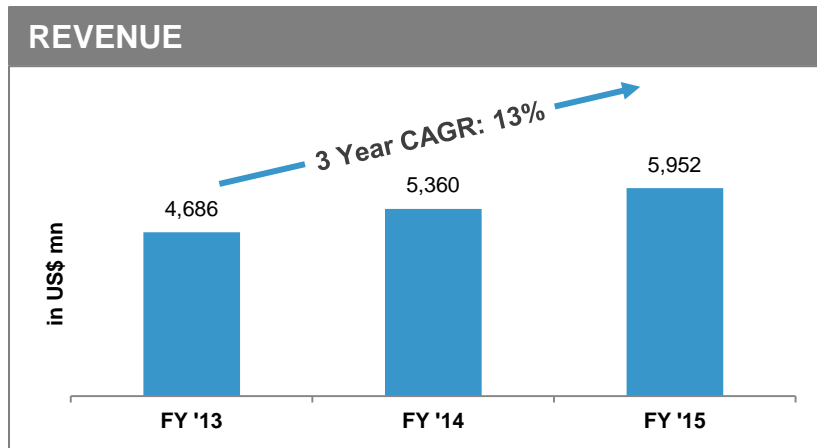
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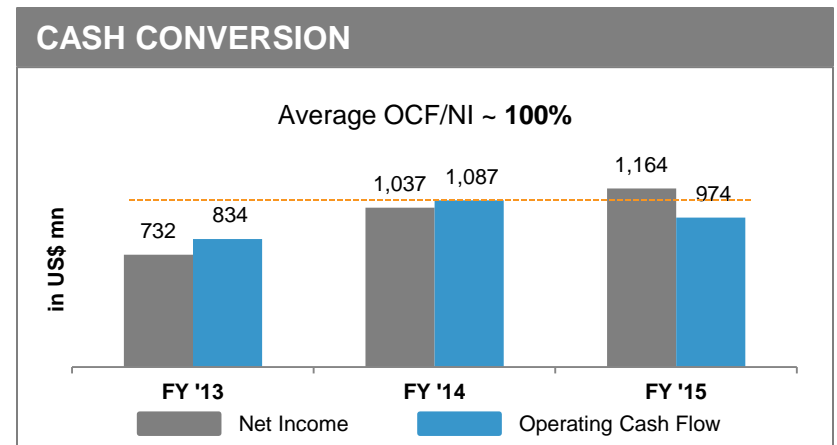
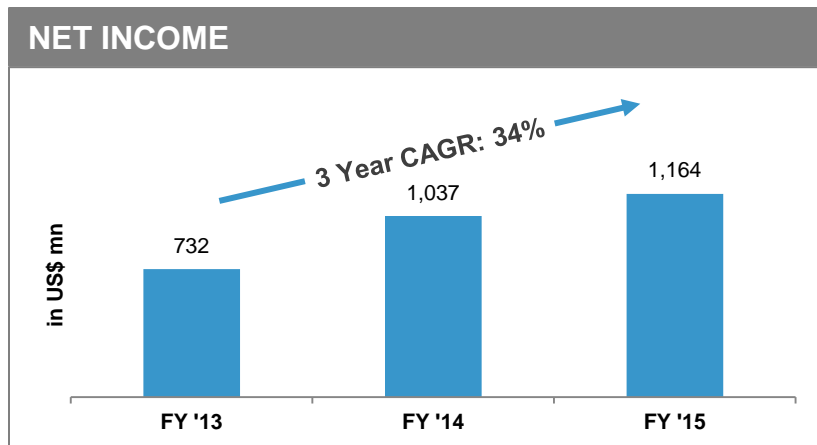
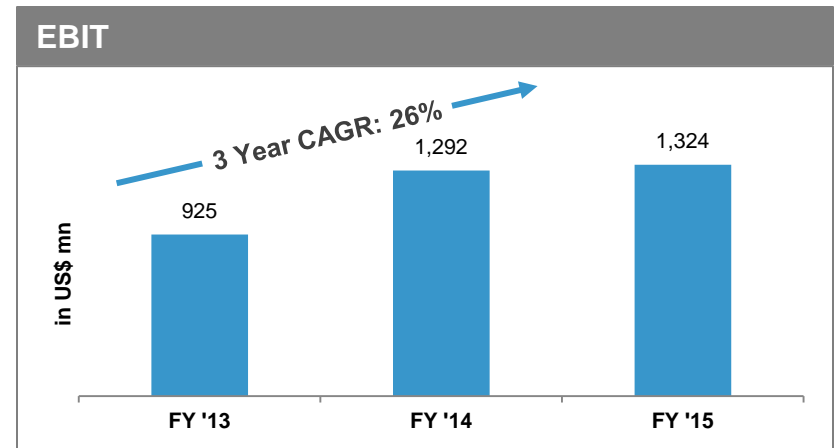
PERSPECTIVE &

Q4 AND ANNUAL FY'15 PERFORMANCE

PERFORMANCE TRENDS (FULL YEAR BASIS)

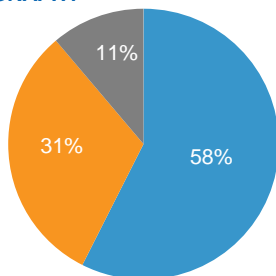


Constant currency revenue growth in FY'15 is 15.1% YoY



BALANCED PORTFOLIO CONCOMITANT WITH BROAD BASED GROWTH

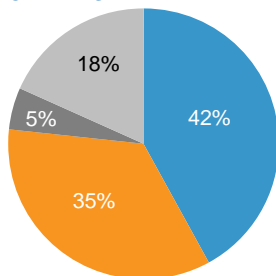
GEOGRAPHY



HCL

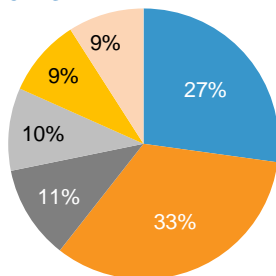
- Americas
- Europe
- RoW

SERVICE LINES



- Application Services
- Infrastructure Services
- Business Services
- Engineering and R&D Services

VERTICALS



- Financial Services
- Manufacturing
- Life Sciences & Healthcare
- Public Services
- Retail & CPG
- Telecommunications, Media, Publishing & Entertainment

IN CONSTANT CURRENCY

	Jun'15 QOQ GROWTH	FY'15 – YOY GROWTH
HCL	2.9%	15.1%
Americas	5.1%	14.1%
Europe	0.1%	18.7%
RoW	-0.1%	10.3%
Application Services	1.4%	7.7%
Infrastructure Services	5.2%	18.3%
Business Services	4.0%	25.6%
Engineering and R&D Services	1.9%	25.8%
Financial Services	2.1%	16.6%
Manufacturing	1.1%	13.9%
Life Sciences & Healthcare	10.2%	16.3%
Public Services	-4.0%	18.1%
Retail & CPG	7.1%	24.7%
Telecommunications, Media, Publishing & Entertainment	9.6%	15.5%

Note: Highlighted cells indicate the segments that have reported the industry leading growth - 9 -

PERFORMANCE DRIVERS

EUROPE

- The Core business opportunities remain robust in Europe irrespective of the currency environment
- Outlook is positive led by wins and traction across UK, Nordics, France and DACH
- Europe represents 50% of the World Wide ITO market

BUSINESS SERVICES

- Focused business strategy around Domain, Digitization & Automation:
 - Vertical Business Service focusing on Banking & Financial Services
 - Enterprise Business Services: Back Office, Front Office
 - Business transformation & value maximization through analytics, digitization & automation of processes
- Continuous investments across IPs and Propositions for as-a-service model & process automation

RETAIL & CPG

- Consumers are buying and consuming goods and services in new ways e.g. mobile, causing investment in digital capabilities
- Key propositions: Supply chain visibility/design/planning; E-Commerce implementation and Omni-channel enablement

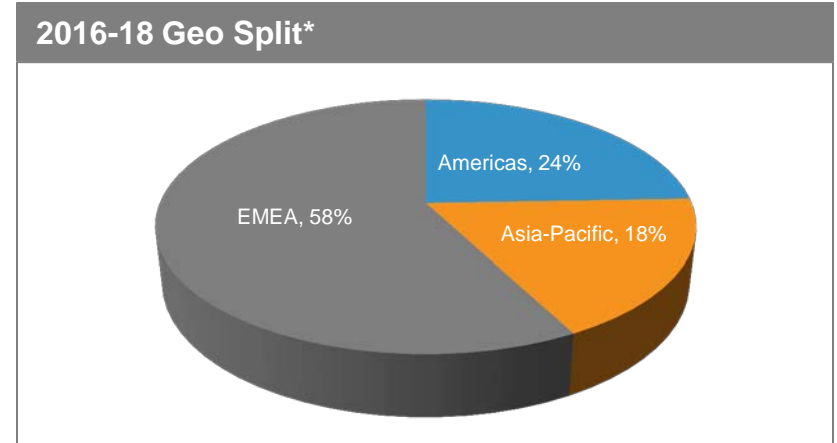
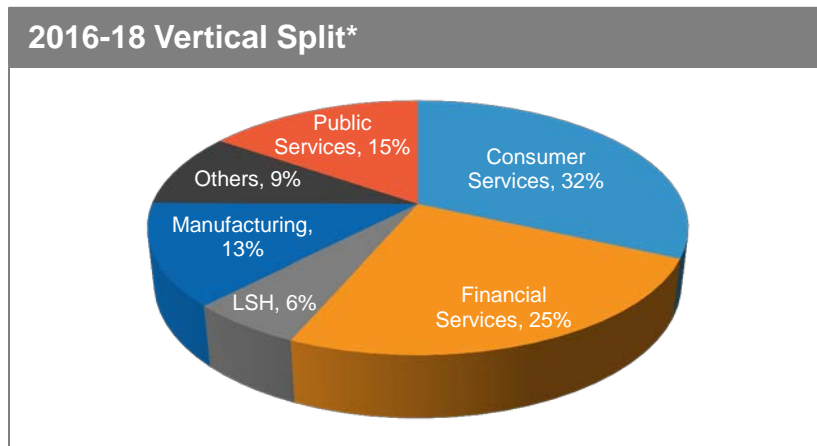
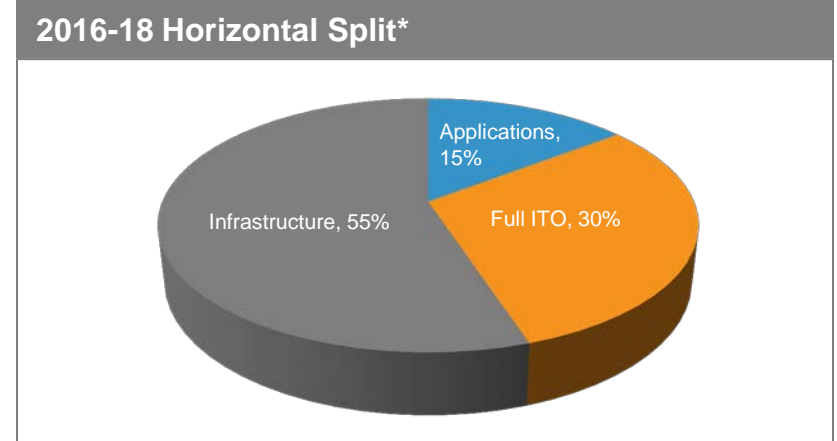
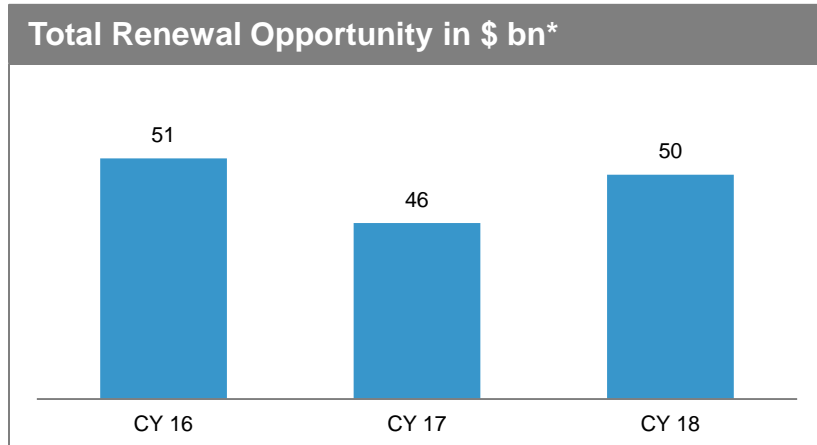
FINANCIAL SERVICES

- Developed markets consolidating to flatten cost curves, APAC markets expanding with new spends
- Outsourcing moving from being transactional to strategic partner selection through vendor consolidation programs
- Legacy modernization and cloud enablement gain momentum as clients look to standardize and cut costs
- Digital initiatives taking center stage as clients work on meeting customer demands

PERSPECTIVE ON ADDRESSABLE MARKET

REBID MARKET CONTINUES TO BE STRONG

~\$146bn of TCV expected over next three years; potential in Consumer Services and Financial Services Market



Source: ISG/HCL Analysis; * Excluding Government vertical & BPO

OUR STRATEGIC PLAYS

DIGITALIZATION
Emerging Digitalization Opportunity for Business Model Transformation
Customer Experience Management
Front Office Technologies
Outcome-based Models

“HCL is making significant strides with first of its kind digital IT platform deal with a financial services major and a digital marketing transformation deal with one of the largest fast food giants in the world”

“HCL consolidates its leadership position with a multi-year IT infrastructure deal with a US based cable & communications services provider; application development and L3 Support Services for a Large Global Bank.”

“HCL continues to lead Engineering Services market through structured outsourcing - large deal with an enterprise software company and a renewed deal with a global medical device company”

Next-Gen IT OUTSOURCING
\$300Bn+ Annual Market; \$45Bn Worth of Renewals in 2015
Hybrid Cloud
Automation
integrated services delivery

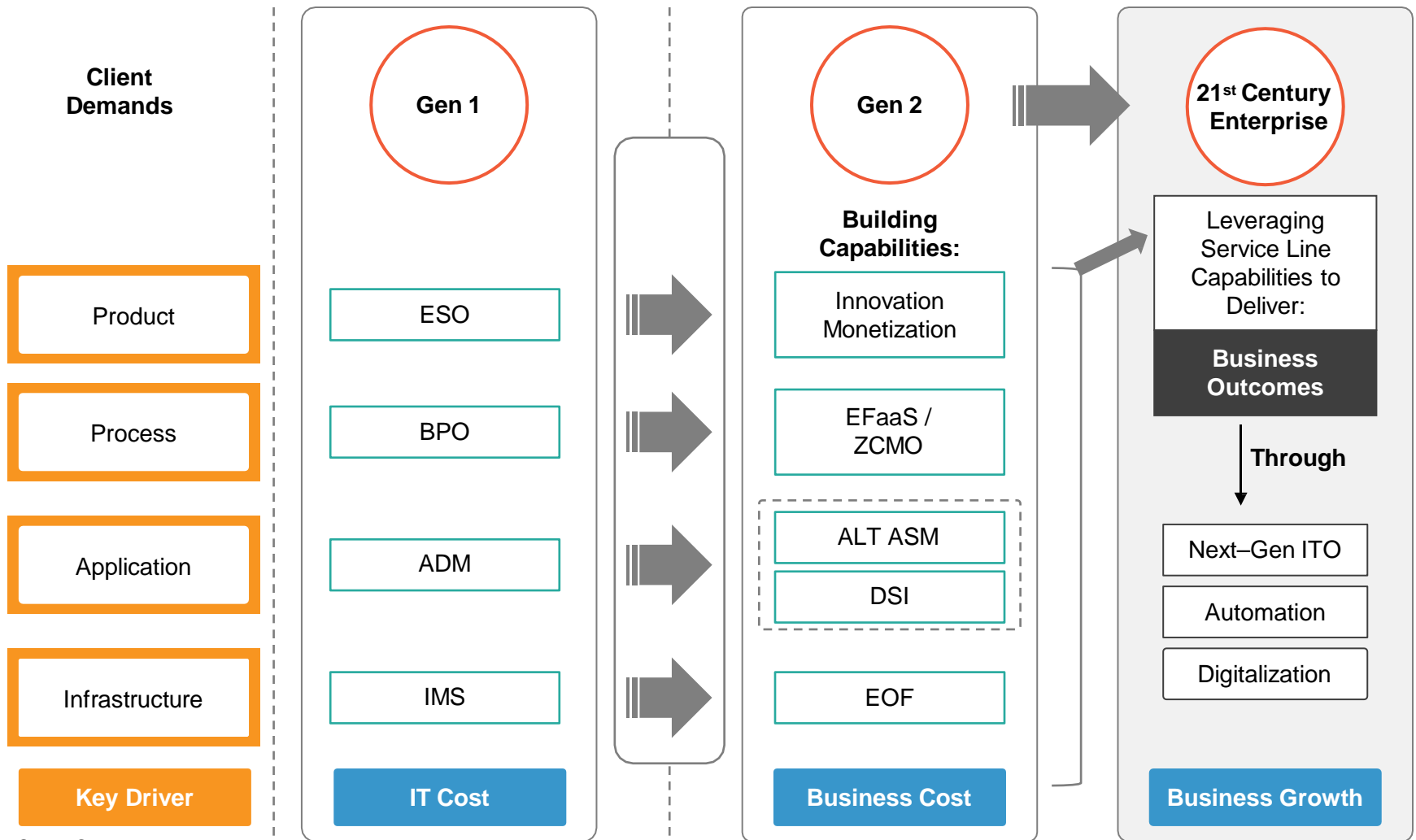
Source – Gartner, ISG

ENGINEERING SERVICES
\$170Bn+ Annual Market; \$55Bn Addressable
Full Services Play
Guaranteed Product Innovation
Outcome-based Models

Source – Zinnov

FROM GEN 2.0 OUTSOURCING TO 21ST CENTURY ENTERPRISE

BUSINESS COST TO BUSINESS OUTCOMES



Source: Gartner

IDC MARKETSCOPE: WORLDWIDE DIGITAL TRANSFORMATION CONSULTING AND SYSTEMS INTEGRATION SERVICES 2015 VENDOR ASSESSMENT

IDC MarketScape Digital Transformation Consulting and Systems Integration Services Market



- ### ACCORDING TO THE REPORT
- Buyers rate HCL very highly for its ability to optimize the ratio of onshore/offshore efforts on a project
 - IDC rates HCL higher in terms of current capabilities compared with future strategy in this IDC MarketScape
 - IDC views both the "future offering strategy" and the "future sales and distribution service strategy" of HCL as its greatest strengths

Source: IDC, 2015

IDC MarketScape vendor analysis model is designed to provide an overview of the competitive fitness of ICT suppliers in a given market. The research methodology utilizes a rigorous scoring methodology based on both qualitative and quantitative criteria that results in a single graphical illustration of each vendor's position within a given market. The Capabilities score measures vendor product, go-to-market and business execution in the short-term. The Strategy score measures alignment of vendor strategies with customer requirements in a 3-5-year timeframe. Vendor market share is represented by the size of the circles. Vendor year-over-year growth rate relative to the given market is indicated by a plus, neutral or minus next to the vendor name.

Source: IDC MarketScape: Worldwide Digital Transformation Consulting and Systems Integration Services 2015 Vendor Assessment (Doc #255870).
Publishing Date: May 2015

FINANCIAL SNAPSHOT

Q4 AND ANNUAL FY'15

CONSOLIDATED INCOME STATEMENT (IN US\$ MN)

Q4, FY'15

- Revenue at **US\$ 1,538 Mn**; up 3.2% QoQ
- EBIT at \$ 309 Mn;
- Annualized GAAP EPS (Diluted) – INR 50

Annual, FY'15

- Revenue at **US\$ 5,952 Mn**. It is up 15.1% YoY for Full Year FY'15 in constant currency
- EBIT at \$ 1,324 Mn;
- GAAP EPS (Diluted) – INR 51 up 14% YoY

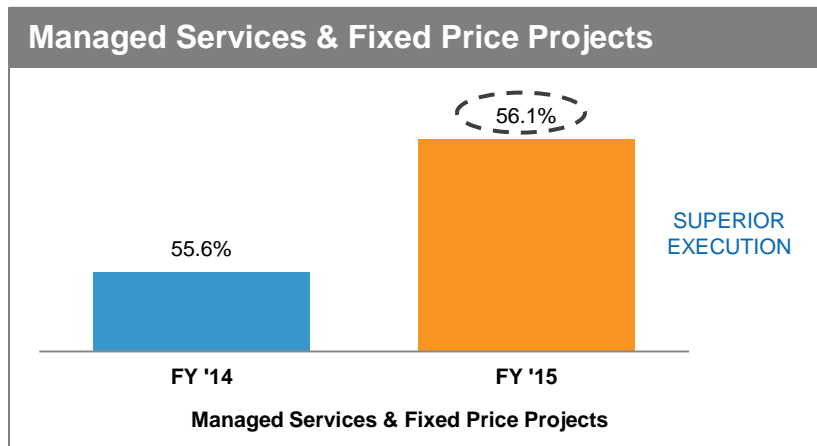
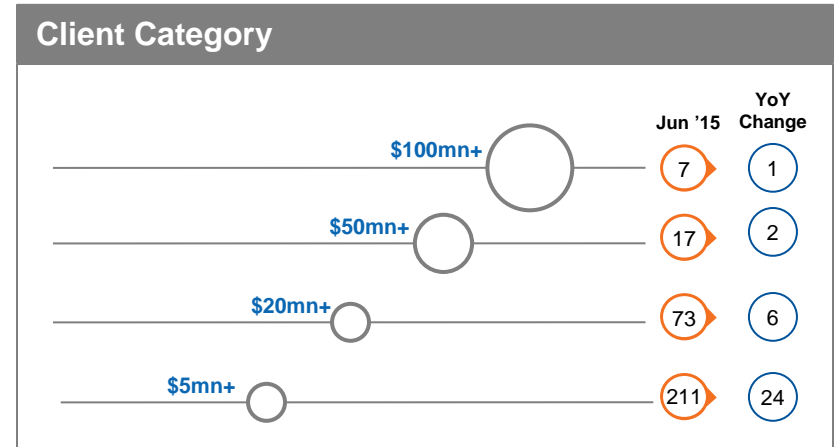
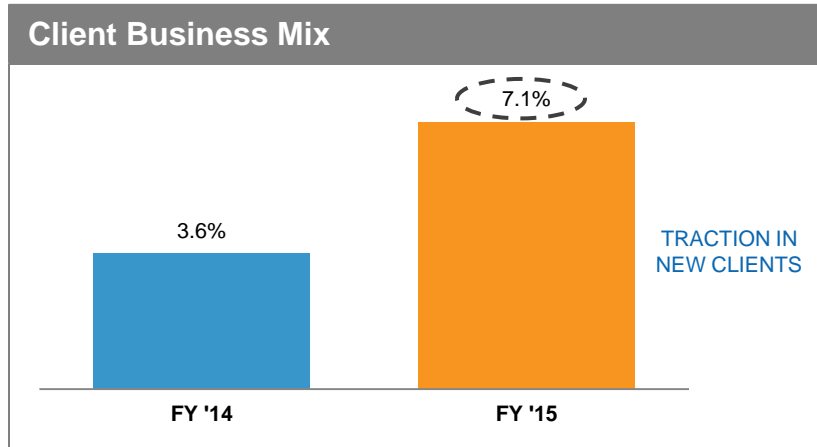
Income Statement (US GAAP – US\$ Mn)	30-Jun-14	31-Mar-15	30-Jun-15	QoQ
Revenue	1,407	1,491	1,538	3.2%
Gross Profits	536	526	525	
SG & A	166	190	197	
EBITDA	370	336	328	
Depreciation & Amortization	30	18	20	
EBIT	341	318	309	-2.8%
Forex & Other Income (Net)	25	29	33	
Earnings before Tax (EBT)	366	346	342	-1.2%
Tax	61	76	63	
Net Income	305	270	279	3.1%
EPS (Diluted) – Annualized – In INR	52	48	50	

	FY '14	FY '15	YoY
Revenue	5,360	5,952	11.1%
Gross Profits	2,068	2,129	2.9%
SG & A	657	733	
EBITDA	1,411	1,396	-1.1%
Depreciation & Amortization	119	72	
EBIT	1,292	1,324	2.5%
Forex & Other Income (Net)	(3)	146	
Earnings before Tax (EBT)	1,289	1,470	14.0%
Tax	252	306	
Net Income	1,037	1,164	12.2%
EPS (Diluted) – Annualized – In INR	45	51	

Margins	30-Jun-14	31-Mar-15	30-Jun-15
Gross Margin	38.1%	35.3%	34.1%
EBITDA Margin	26.3%	22.5%	21.3%
EBIT Margin	24.2%	21.3%	20.1%
Net Margin	21.7%	18.1%	18.1%

	FY '14	FY '15
Gross Margin	38.6%	35.8%
EBITDA Margin	26.3%	23.5%
EBIT Margin	24.1%	22.2%
Net Margin	19.3%	19.6%

STRONG BUSINESS & OPERATING METRICS (FULL YEAR BASIS)



- ### Key Highlights
- News Clients contribution to revenue is at highest level in last 5 years indicative of increased onboarding of customers
 - Added **1** client in **USD 100mn+** category, **5** Clients in **USD 40mn+** category being driven by increased momentum in large deal signings in ITO and Engineering and R&D Services
 - Added **10** clients in **USD 10 mn+** category, **24** clients in **USD 5 mn+** category and **47** clients in **USD 1mn+** category reflective of our increased participation in engagements in digitalization and modern apps
 - Uptick continues in Managed Services reflective of emergence of sophisticated constructs in next-gen ITO and Engineering and R&D services

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

Tenets & Philosophy

AWARDS/ RECOGNITIONS

HCL has been ranked in Forbes Asia's prestigious annual listing of the 50 best publicly traded companies in Asia-Pacific called 'Asia's Fab 50 companies'. HCL has made it to this list for the sixth consecutive year in 2015

HCL also won the European Outsourcing Association's 'IT Outsourcing Project of the Year Award' for its successful IT Transformation project for a leading multinational pharmaceutical firm in 2015

Conferred the 'Best Governed Company Award' by the Asian Centre for Corporate Governance & Sustainability In 2014



FRAMEWORK FOR CODE OF BUSINESS

- Code of Business
- Ethics and Conduct

- Insider Trading Code

- Fair Disclosure Code

- Anti-Bribery & Anti Corruption Policy

- Whistle Blower Policy

- Policy Against Sexual Harassment

- Investors Satisfaction Survey

BOARD OF DIRECTORS

GLOBAL & VALUE DRIVEN

9 DIRECTORS: INDEPENDENT: 6; EXECUTIVE: 1;
NON EXECUTIVE – NON INDEPENDENT – 2;
WOMEN DIRECTORS - 2

CORPORATE OFFICERS: 19

EVERY DIVISION/ ENABLING FUNCTION –
SALES/ DELIVERY/ FINANCE/ HR HEADED BY A CORPORATE OFFICER

BOARD COMMITTEES

PLAY A CRUCIAL ROLE IN GOVERNANCE STRUCTURE

AUDIT	RISK MANAGEMENT	FINANCE	NOMINATION & REMUNERATION	CSR	STAKEHOLDERS RELATIONSHIP	ESOP ALLOTMENT
4 4	4 4	3 5	2 4	1 3	1 3	1 2
INDEPENDENT DIRECTORS			TOTAL			

BOARD OF DIRECTORS



Mr. Shiv Nadar, Chairman and Chief Strategy Officer: Founder of HCL and recipient of Padma Bhushan award. Through Shiv Nadar Foundation, Mr. Nadar has been actively associated with numerous philanthropic initiatives with prime focus on education. Holds iconic global status in IT Thought Leadership



Mr. R. Srinivasan: An electrical engineer and an MBA from IIM-A. Founder and now Vice Chairman of Redington (India) Limited, a leading Tech product supply chain solution company.



Mr. S. Madhavan: C.A and MBA IIM-A, Retired as a senior Partner and Executive Director, PWC. Long standing leader of indirect practice at PWC.



Mr. Amal Ganguli: A Fellow member of the ICAI and ICA, England & Wales. Previously Chairman and Senior Partner at PWC, India. His range of work includes tax advice, audits, corporate M&A and consulting.



Mr. Sosale Shankara Sastry: B.Tech from IIT, Bombay. Dean of Engineering at University of California, Berkeley. Previously, Member, Scientific Advisory Boards for Government of Singapore and Thailand.



Ms. Robin Abrams: B.A and juris doctor degree from U.S. Previously interim CEO at Zilog and senior VP at 3 Com. Held various senior management positions including Apple computers and Unisys. Served several U.S. public company Boards and several academic advisory committees.



Mr. Keki Mistry: Vice Chairman & CEO of HDFC Ltd. He is a CA from the Institute of Chartered Accountants of India (ICAI). Mr Keki is also on the Board of several HDFC group companies including HDFC Bank and on board of other companies like Sun Pharmaceutical Industries Ltd and Torrent Power.



Ms. Roshni Nadar Malhotra: She is CEO and Executive Director of HCL Corporation. Roshni holds MBA degree from Kellogg Graduate School of Management. She has played an institutional building role in the Shiv Nadar Foundation and the SSN Institutions in Chennai as well as the Shiv Nadar University in NCR and the Vidyayan Schools.



Mr. Sudhindar Krishan Khanna: Bachelor In Economics and C.A. Presently, Chairman and MD of IEP Mumbai, a leading PE Fund. Founding member of Accenture worldwide. Serves on the board of United Spirits, Peninsula Holdings and Canara HSBC Insurance.

KEY MESSAGES

→ KEY FOCUS AREAS

- Next-Gen ITO, Engineering and R&D Services and Modern Apps & Digitalization gaining traction
-

→ KEY MILESTONES

- Infrastructure Revenue exceed **USD 2bn** milestone
 - Engineering and R&D Services Revenue exceed **USD 1bn** milestone
 - Financial Services revenue exceed **US\$ 1.5bn**
-

→ CONSISTENCY IN PERFORMANCE VISIBLE IN FY'15

- Revenue growth of **15.1% YoY** in Constant Currency is near top-end in the industry. HCL continues to gain market share.
 - Posted industry leading growth in Americas (**14%**), Europe (**19%**), Retail & CPG (**25%**), Financial Services (**17%**), Telecom & MPE (**16%**), Engineering and R&D services (**26%**) and Business Services (**26%**)
 - HCL is ranked amongst **Top-5** firms globally in Engineering and R&D Services, with total revenue of **1Bn+** in FY'15
-

→ SUPERIOR SHAREHOLDER RETURNS

- Announces dividend of **INR 5** per share, 50th consecutive quarter of dividend pay-out. Dividend pay-out ratio of **37%** for FY'15
 - Robust ROE at **32%** for FY'15
-

→ STRONG CORPORATE GOVERNANCE AND MANAGEMENT STRENGTH

- Robust Corporate Governance framework in place including Board Structure (6 out of 9 being Independent Directors) 7 Board Committees and 19 Corporate Officers

