

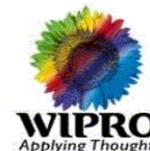


# Performance of Wipro Limited for Quarter ended Sept 30, 2006

Oct 18, 2006

Suresh C Senapaty  
Executive Vice President & Chief Financial Officer

# Financial Summary of quarter ended Sept 30, 2006 (Indian GAAP) – Wipro Limited Consolidated



## Wipro Limited (Consolidated)

Particulars	Rs Crores	Growth YoY
Revenue	3,546.2	41%
Profits Before Interest & Tax	744.8	42%
Profits After Tax	700.2	46%

## Key Segmental Results

Segment	Revenue Rs Crores	Growth YoY	PBIT Rs Crores	Growth YoY
Global IT Services	2,720.5	44%	663.9	44%
India, ME & Asia Pac IT Biz.	542.6	36%	46.8	57%
Consumer Care & Lighting	202.5	41%	24.6	26%

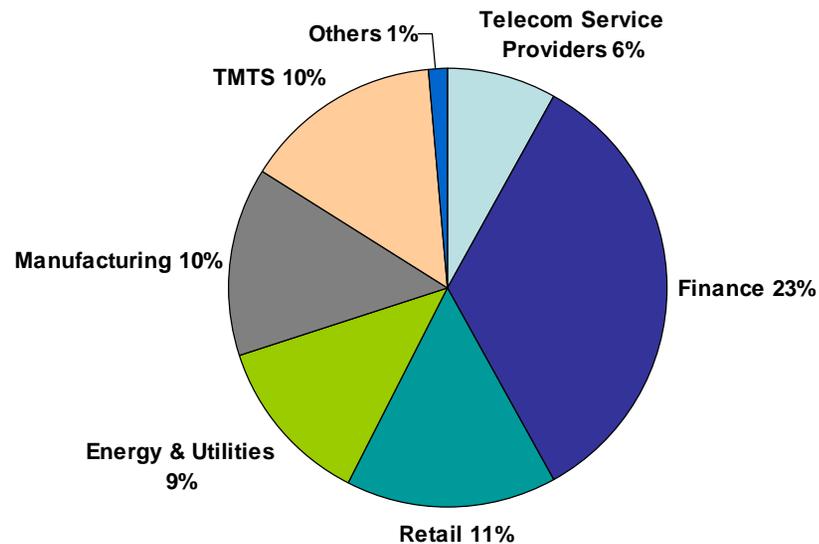
# Highlights for the quarter – Global IT business



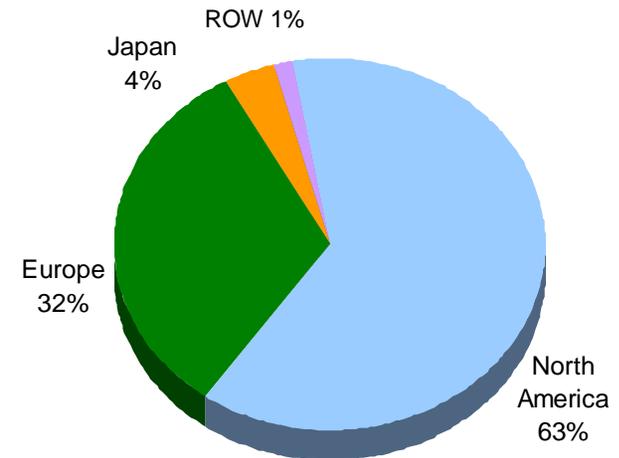
- § Revenues at \$588.9 M (YoY growth of 36.7%), well ahead of guidance of \$577 M for the quarter.
- § Driven by Volume growth of 7.9% and Realization improvement of 0.9% .
- § For First Half of 2006-07, Global IT Business's Revenues grew 43% (to Rs. 51,710 Mn) and PBIT grew 44% (to Rs. 12,659 Mn)
- § Net organic addition of 4,723 employees in IT Services is highest-ever Quarterly employee addition.
- § Our Business Process Outsourcing business delivered a 8.5% sequential growth and yet again expanded Margins by 260bps, with consistent improvements in operating parameters and significant customer wins.
- § Acquisitions completed till Q106-07 grew ahead of company and improved profitability.
- § The results of Quantech Global Services, a leading provider of Computer Aided Design and Engineering Services, consolidated with effect from July 1, 2006.
- § Wipro was declared as the winner of the IT Outsourcing Service Provider of the year award instituted by the National Outsourcing Association.
- § Wipro has been ranked sixth in the American Society for Training & Development's 2006 BEST Awards Program. Wipro is the only Indian IT organization to win the award three years in a row.

# Revenue Dynamics – Global IT Services

## Vertical distribution



## Geographical distribution



### § Verticals:

- ÿ Our Financial Solutions SBU delivered 11% seq & 55% YoY growth
- ÿ Within our Enterprise Solutions SBU, TMTS vertical grew 12% seq & 43% YoY and Retail vertical grew 26% seq and 48% YoY
- ÿ Our Combined Technology business grew 36% YoY

### § Differentiated Services:

- ÿ Testing, TIS and Package Implementation-all grew double digit sequentially (TIS 14%, Testing 13% and PI 10%) . Testing has now grown 16% CQGR and TIS at 14% CQGR over last 5 quarters

### § Geography:

- ÿ US grew 9% seq and 38% YoY and Japan grew 23% seq and 54% YoY

# Customer Dynamics – Global IT business

- § Added 54 new clients (including 1 in BPO). Of this, 11 from Fortune 1000/ Global 500 Corporations.
- § 18 new customers were in the Product Engineering Solutions business; 35 of the new customers were from Enterprise Business.
- § For the last 13 quarters, we have added, on an average, 10 clients to the > \$1 Mn bucket and 2 clients to the > \$20 Mn bucket. Now have 243 customers with > \$1 Mn Revenue run rate and 35 customers with > \$20 Mn Revenue run rate.
- § Our Technology, Media, Transportation and Services (TMTS) vertical signed a large custom application work for a leading UK based Media & Broadcasting firm and a multi-million dollar Total Contract Value (TCV) deal with a leading Airline to provide a broad range of services.
- § In Technology Infrastructure Services, we signed a contract with a large Telecom Service Provider for comprehensive network operations & support. We also won a large end-to-end Testing engagement from for a leading Oil & Gas Major and in our Package Implementation business, signed a large contract for a Global SAP implementation & roll out from a global Oil major.

# Key Highlights – Wipro Infotech

- § Wipro Infotech won two long term Total outsourcing contracts in India totaling \$100 million covering application & infrastructure provisioning & management.
- § We won 65 contracts across Consulting, Solutions and Infrastructure Management in this quarter across India, APAC and Middle East. The marquee wins included:
  - Ÿ An Oracle implementation including Real Estate Management for UDC, Qatar
  - Ÿ An End to End SAP implementation for a leading corporate in India across four geographies
  - Ÿ A network expansion project across 500 branches for a public sector bank
  - Ÿ Integration and management services of Call Centers for Adventity, Stracon Systems and a bank in the Middle East.
- § Wipro Infotech continued to build on the positioning of being the largest System Integrator for Technology players in India and received the Majestic Partner Award from Sun Microsystems. We also received the Largest Partner and Regional Excellence award from Riverbed Technology and Check Point Software Technologies respectively.

## Key Highlights – WCCL & WIN

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### WCCL

- § Consumer Care & Lighting grew Revenues by 41% YoY to Rs. 2,025 Mn and PBIT grew by 26% YOY to Rs. 246 Mn.
- § Acquisition of North West Switches showing good prospects in the market place.
- § Office Modular Furniture Business and Compact Fluorescent lamp (CFL) continue to show great potential.

### WIN

- § Revenues of WIN grew 48% YoY to Rs. 1,017 Mn and profits grew 52% YoY.
- § During our quarter, WIN signed an agreement to acquire 100% of the equity of Hydrauto Group AB, a leading provider of hydraulic components and solutions in Europe.
- § Combined Entity among Top 3 independent Hydraulic Cylinders in the World.

# Summary

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- § Track record of consistent growth continues – Global IT business continues to witness broad-based growth – across verticals, service lines and geographies; Differentiated service lines continue to demonstrate significantly higher growth
- § Continued focus on inorganic strategy to supplement organic growth- Acquisitions in aggregate turned around to deliver a marginal profit in Q2 as compared to a loss in the previous quarter
- § Wipro Infotech recorded yet another quarter of strong performance; Non-IT businesses too sustaining growth momentum
- § Wipro well positioned to deliver strong value for its stakeholders

Thank You

## Supplemental Data

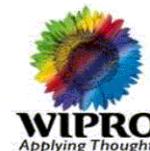


§ Financial Results as per US GAAP

§ Key Operating Metrics in Global IT business

§ Key Client Metrics

# Financial Summary of quarter ended Sept 30, 2006 (As per US GAAP)



## Wipro Limited (Consolidated)

Particulars	Rs Crore	Growth YoY
Revenue	3,513.8	41%
Profits Before Interest & Tax	746.8	46%
Profits After Tax	696.3	48%

## Key Segmental Results

Segment	Revenue Rs Cr	Growth YoY	PBIT Rs Cr	Growth YoY
Global IT Services	2,717.3	44%	665.3	48%
India, ME & Asia Pac IT Biz.	500.4	28%	41.9	30%
Consumer Care & Lighting	187.2	38%	24.5	29%

# Key Operating Metrics in Global IT Business for quarter ended Sept 30, 2006



Particulars	Sept 06	June 06	Sept 05
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## **Revenue Break-down: IT Services**

Tech. Services	36.0%	36.4%	36.6%
Financial Solutions	23.3%	22.9%	20.7%
Enterprise Solutions	40.7%	40.7%	42.7%

North America	62.5%	62.7%	62.8%
Europe	32.1%	32.6%	32.4%
Japan	4.0%	3.5%	3.6%
Others	1.4%	1.2%	1.2%

Onsite Revenue	54.9%	53.4%	54.7%
Offshore Revenue	45.1%	46.6%	45.3%

## **People related**

<b>No of people (Quarter end data)</b>			
IT Services	45,824	40,496	32,856
BPO Services	15,355	15,939	12,979
Total	61,179	56,435	45,835

<b>Net Addition during the quarter</b>			
IT Services	5,328	2,841	4,575
BPO Services	-584	-148	-651
Total	4,744	2,693	3,924

# Key Client Metrics for quarter ended Sept 30, 2006

Particulars	Sept 06	June 06	Sept 05
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## **Customer Concentration: IT Services**

Top Customer	3.6%	3.6%	3.2%
Top 5	15.2%	15.8%	14.6%
Top 10	25.7%	27.1%	26.7%

Active Customers	593	565	433
No. of New Customers	53	60	37
Revenue from New Customers	2.2%	0.6%	1.7%

## **Customer Size Distribution: Global IT business**

>\$20Mn	35	32	26
\$10-\$20Mn	30	26	27
\$5-\$10Mn	37	36	24
\$3-\$5Mn	37	35	25
\$1-\$3Mn	104	104	99
Total >\$1Mn	243	233	201