

# Wipro Limited

Presentation to Investors

Jan-Mar, 2010

This presentation may contain certain “forward looking” statements, which involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those that may be projected by these forward looking statements. These uncertainties have been detailed in the reports filed by Wipro with the Securities and Exchange Commission and these filings are available at [www.sec.gov](http://www.sec.gov). This presentation also contains references to findings of various reports available in the public domain. Wipro makes no representation as to their accuracy or that the company subscribes to those findings.

# Agenda

---



- What is our Vision?
- What is our track record on performance?
- What is the overall Market Opportunity?
- What differentiates us today?
- What is our strategy to remain differentiated tomorrow?

## **VISION STATEMENT**

**To be among the Top 10 Global IT & Business Process Outsourcing Services**

## **OBJECTIVES STATEMENT**

1. Be a Trusted Partner to our clients by providing Transformation and SI Services.
2. Achieve Thought Leadership in emerging Technology areas.
3. Be perceived as a leader by relevant stakeholders among Global IT Service & BPO providers.

# Agenda

---



- What is our Vision?

- What is our track record on performance?

- What is the overall Market Opportunity?

- What differentiates us today?

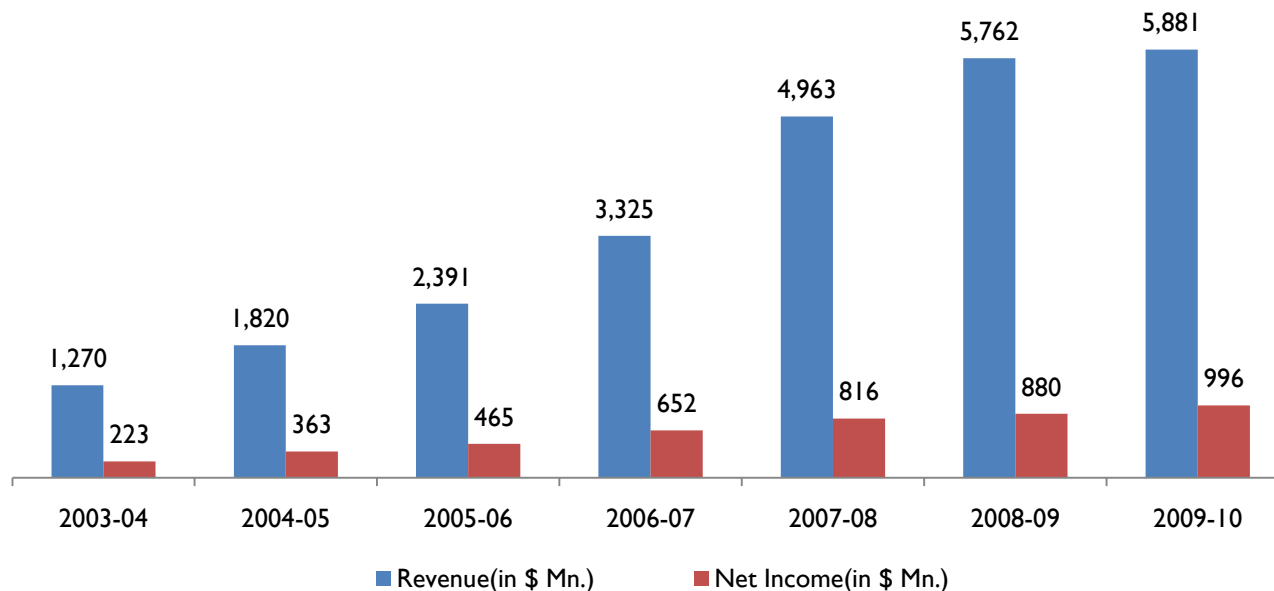
- What is our strategy to remain differentiated tomorrow?

# Wipro Ltd has grown revenue at a 29% CAGR and Net Income at a 28% CAGR for the last 6 years

## 1. Incorporated in 1945

– Businesses include

- IT Business;
- Consumer Care & Lighting;
- Infrastructure Engineering



## 2. Total Employees

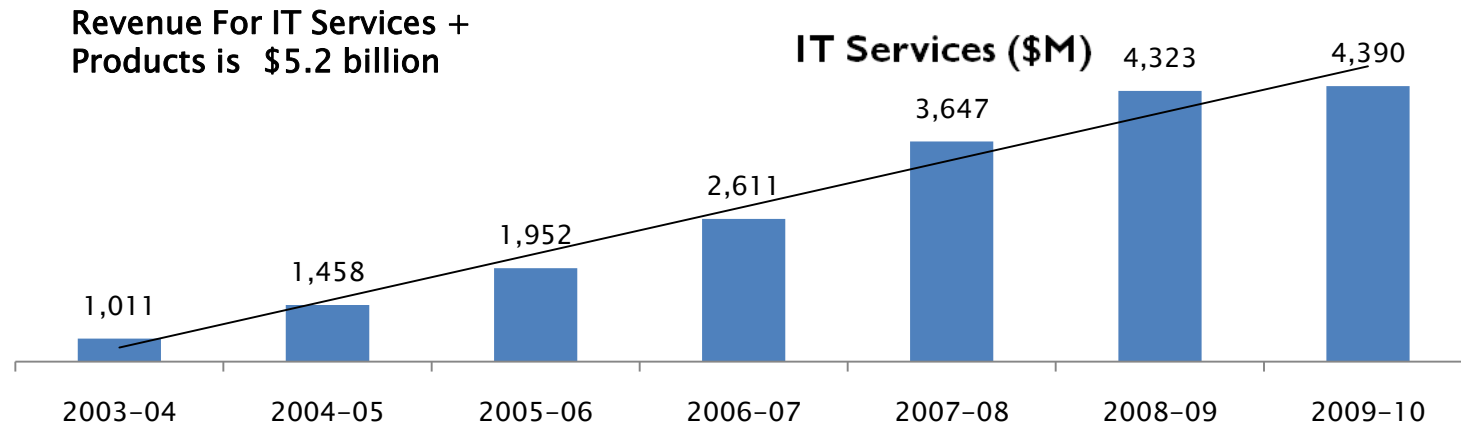
108,000+

## 3. IT Services revenue at \$4.4 billion

- Wipro Corporation revenue at Rs.27,124 Crores for 2009–10, 6% YoY
- IT Services contribute 75% of Revenue and 92% of PBIT – Revenue growth of 6% and PBIT growth of 18%
- IT Products account for 14% of Revenue and 3% of PBIT – Revenue growth of 11% and PBIT growth of 29%
- Non IT business contribute 11% of Revenue and 5% of PBIT

\*All numbers are numbers translated into USD on the basis of realized exchange rate of IT Services . For FY10, the numbers are in IFRS, while the past is in IGAAP

# Wipro's IT Services Business has grown at a CAGR of 28% in the last 6 years



- **Partner to Industry Leaders**
  - 845 active global clients as of March 31, 2010
  - 150+ Fortune 500 customers
- **Global footprint**
  - Listed on NYSE in October 2000
  - Present in 54 countries
  - 18,000+ employees onsite across geographies
- **Diverse talent pool**
  - 100,000+ employees
  - 67 nationalities represented in workforce
  - One of the most preferred employers for top class talent (Survey by Hewitt Associates, Fortune Magazine, and The RBL Group, 2007)

# Highlights of the Quarter ended March 31, 2010

## Revenue Highlights

- Wipro Limited Revenue grew by 8% YoY to Rs. 69.83Bn
- Constant currency IT Services Revenue came at \$1,180 Mn, sequential growth of 4.7%. IT Services Reported Revenue at \$1,166Mn, sequential growth of 3.5%.
- Strong Seq growth across verticals – Healthcare & Services (10%), E&U (5%), Technology (6%), Telecom (7%) and Financial services (5%)
- Differentiated Service lines of Testing, TIS, BPO and PES all grew greater than 5% seq
- Europe grew 9% on a constant currency basis, Other emerging markets grew 13% seq
- *IT Services Revenue Guidance for Q1'11 in the range of \$1,190\*Mn to \$1,215\*Mn*

## Operational Highlights

- Profit After Tax was at Rs. 12.09 billion, a growth of 21% YoY
- EPS at Rs. 8.30, a growth of 21% yoy
- IT Services EBIT grew 17% YoY, with Margins expanding to 24.2%, a 260bps increase YoY

## Profitability

- Free Cash Flow generation of Rs.8.45 billion during quarter, a YoY increase of 31%
- Gross cash balance was Rs. 106.48 billion (\$2.4 billion), while Net Cash stood at Rs. 44 billion (~\$1 billion)
- IT Services and Products business Return on Capital Employed at 41%;



# Agenda

---



- What is our Vision?

- What is our track record on performance?

- What is the overall Market Opportunity?

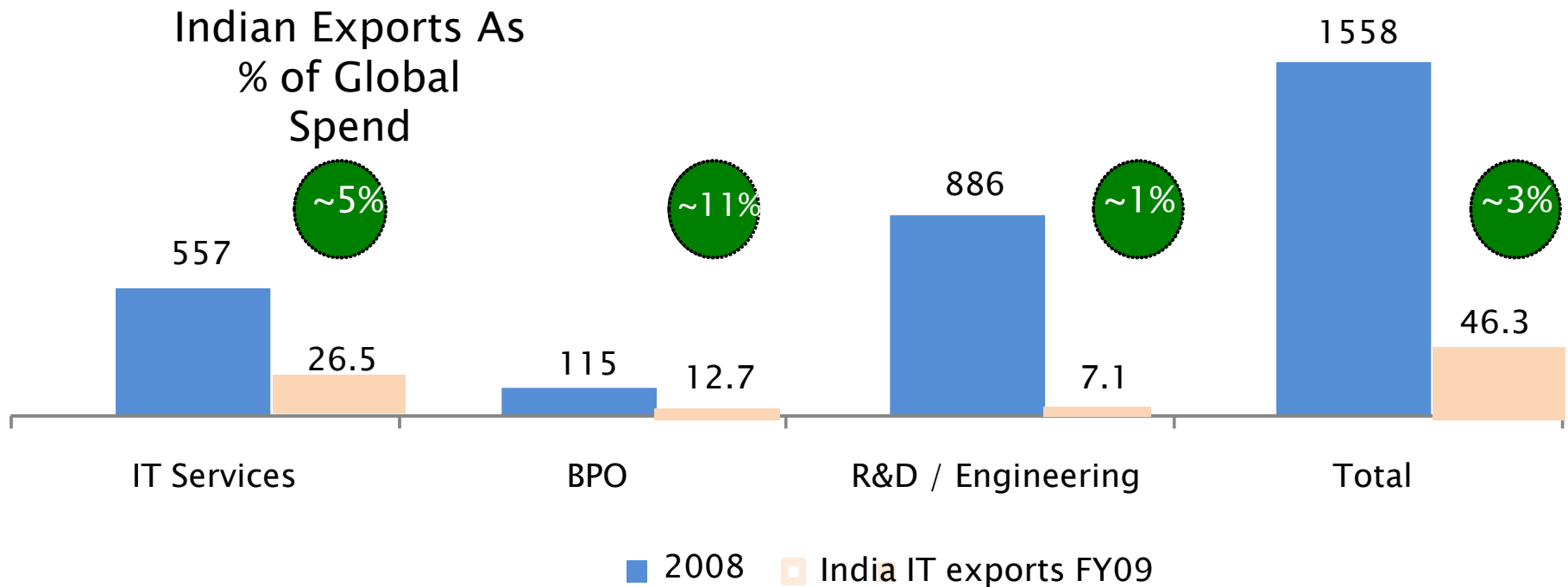
- What differentiates us today?

- What is our strategy to remain differentiated tomorrow?

# Off-shoring to India Still Remains a Very Small Part of the Overall Spend

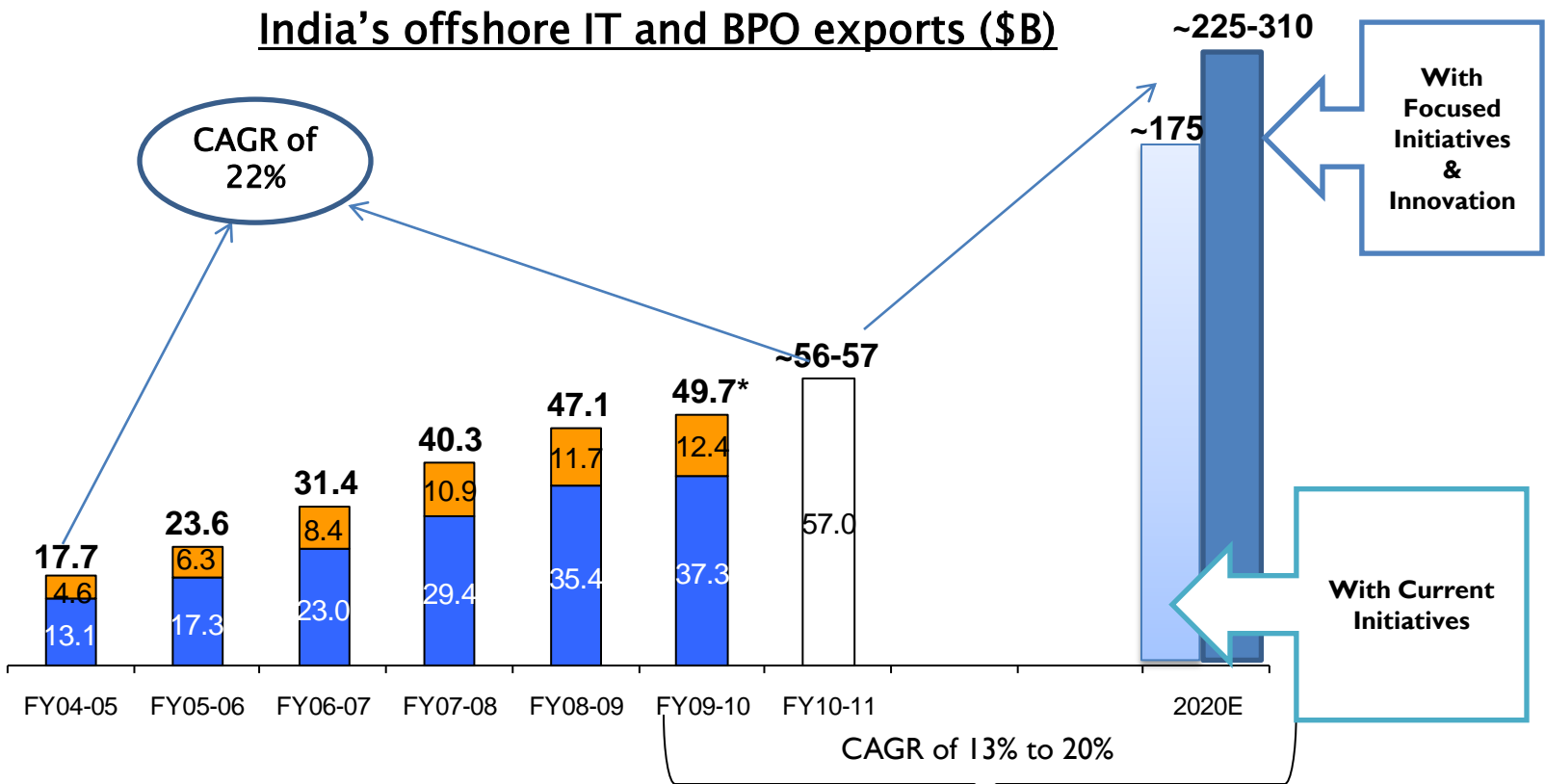


## Global Technology Related Spend & India's Current Exports (\$ Billion)



- Despite the growth India has seen in Global IT Services market, it is still a very small proportion (~3%) of global spend

# India Off-shoring market is expected to grow at a CAGR of ~13-20% through 2020



**Long Term Fundamentals of the India Off-shoring story remain intact**

\* Expected numbers for FY09/10  
 Source: NASSCOM McKinsey 2020 Perspectives; Indian IT Software and Services – FY10, Performance and Future Trends, Feb 2010

# Agenda

---



- What is our Vision?
- What is our track record on performance?
- What is the overall Market Opportunity?
- What differentiates us today?
- What is our strategy to remain differentiated tomorrow?

# What differentiates Wipro today?



- 1 Broad based portfolio across Verticals, Geographies, Service Lines and Customers
- 2 Strong (\$1B) and Established (20+ years) presence in some of the key growth markets – India & Middle East
- 3 A complete, integrated portfolio of services
- 4 Leadership in R&D – worlds largest independent 3<sup>rd</sup> party R&D shop

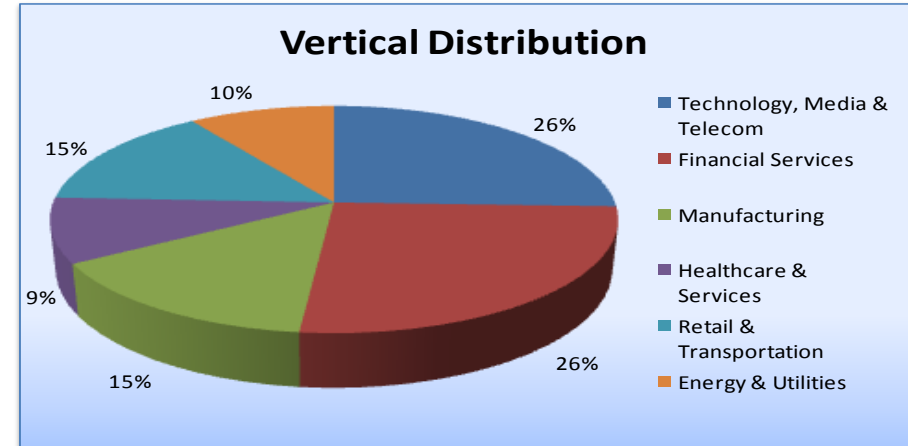
# Strength of a broad based portfolio



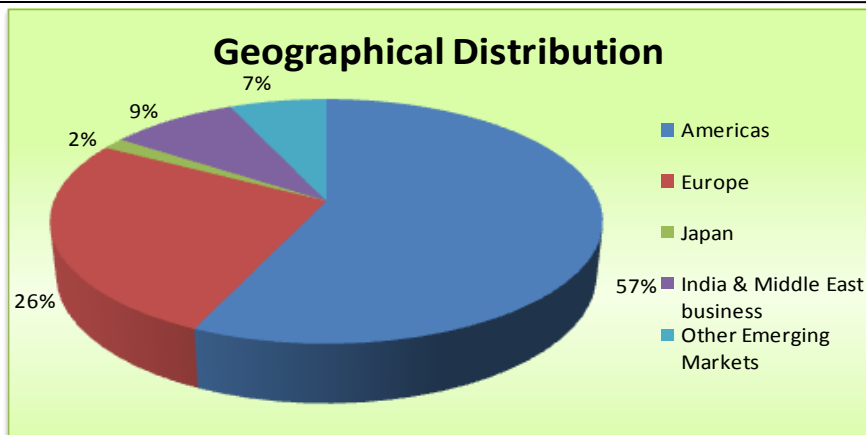
## Revenue contribution of Top customers for Q4'09-10

Customer Concentration (% of revenue)	
Top customer	2.5%
Top 5	10.5%
Top 10	19.3%

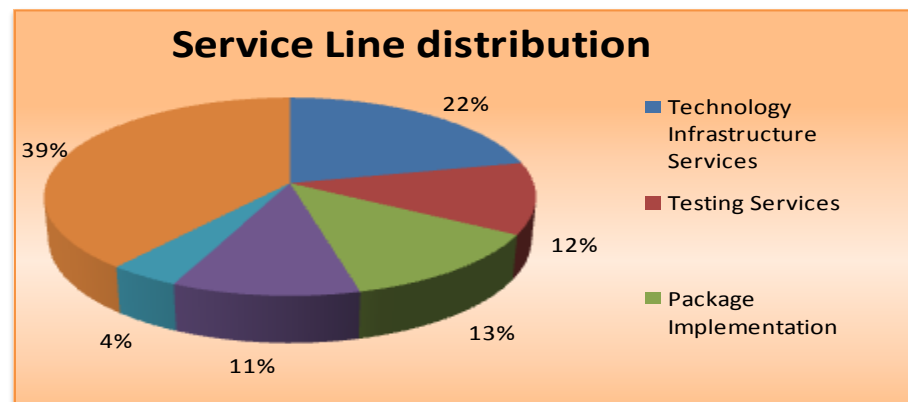
- New customer contributing around 3.5%
- 406 customers with \$1 million revenue on trailing 12 month basis



- Diversified Vertical portfolio, with no vertical contributing more than 26%



- Americas contributes less than 60%
- Strong presence in Emerging markets
- Balance to align “Global spend and Growth in spend”



- Differentiated Service lines contributing over 60% of Revenues
- Total integrated consulting revenues constitute >2% of Revenue



# India & Middle East – A comprehensive IT Services Portfolio

- 1. Revenue upwards of a billion dollars
- 2. Leadership position in India, pioneer in Middle East
- 3. Best of breed partnerships
- 4. Transformational customer engagements – Some of the largest deals won by Wipro like Aircel, ESIC, Telenor, Lavasa, DIAL etc.
- 5. Incubator of global service lines
- 6. Leaders in Systems Integration

Consulting	Process, IT Governance, e-Governance, Security, Strategic Cost Reduction
Business Solutions	Package Application, Business Intelligence, Application Dev & Management
Professional Services	System Integration, Infrastructure Management, Application Support
Infrastructure Products	Platforms, Networking, Storage, Enterprise Management & Security
Total Outsourcing	IT, Process Strategy Formulation and Alignment to Business

## Strategic Partnerships



# Global TOS – A complete, integrated portfolio of services

## TIS – A Complete Portfolio of Services

Consulting  
&  
Sys  
Integration

Managed  
Services

Technical  
Support  
Services

Enterprise  
Service  
Mgmt

Managed  
Security  
Services

Managed  
Hosting

Main-  
frame  
Services

IFOX

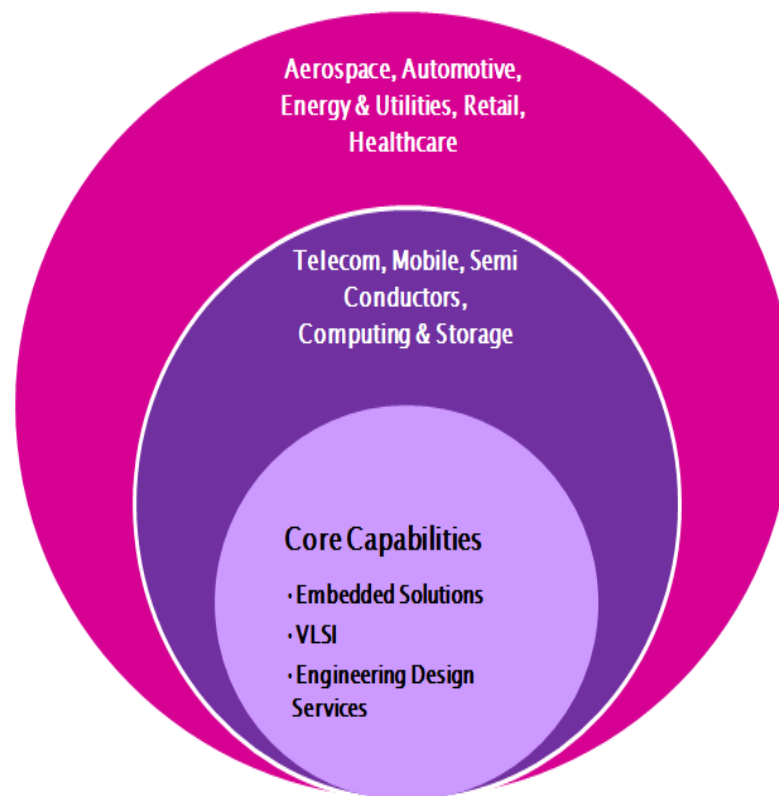
- **Transformational Outsourcing**
  - Changing the IT landscape of our customers – through Transformation Consulting & SI Services, across Platforms/Storage/Networks
- **A superior value proposition for Global IT Outsourcing Deals**
  - Leveraging on Infocrossing's world class Data Center Services capabilities to address Global IT Outsourcing deals involving management of customer's strategic IT assets
  - Augmentation of Managed Services portfolio through addition of high end Managed Mainframe Services
- **Transformation from Remote Infrastructure Management to IT Infrastructure Outsourcing**
  - Robust onshore front-end to address IT Outsourcing as opposed to only Remote Management



# Leadership in R&D

## Leadership in R&D business

- 18000+ talent pool engaged in R&D Services
- Largest player based on headcount
- World's largest independent team of Hardware Design Engineers of 1,900
- Leaders in Telecom OEM
- Addressing new segments through this differentiated capability with lot of traction in Aerospace, Defense, Automotive, Healthcare, Retail and Energy & Utilities
- Electronics is becoming a big proportion of manufacturing and design spend of customers – Untapped opportunity. Able to address this spend through our PES capabilities



# Agenda

---



- What is our track record on performance?
- What is the overall Market Opportunity?
- What differentiates us today?
- What is our strategy to remain differentiated tomorrow?

# Our Strategy is aligned to the needs of the 21st century corporation

## Expectations of the 21st Century Corporation



Transformation Partner

### *One Who*

- Enables business outcomes rather than offering services for hire
- Commits to Skin in the game
  - Risk & Reward Models
- Proactively invests in customer benefits
- Innovates continuously for sustainable benefits

## Wipro Strategy



Building SI & Transformational Capability

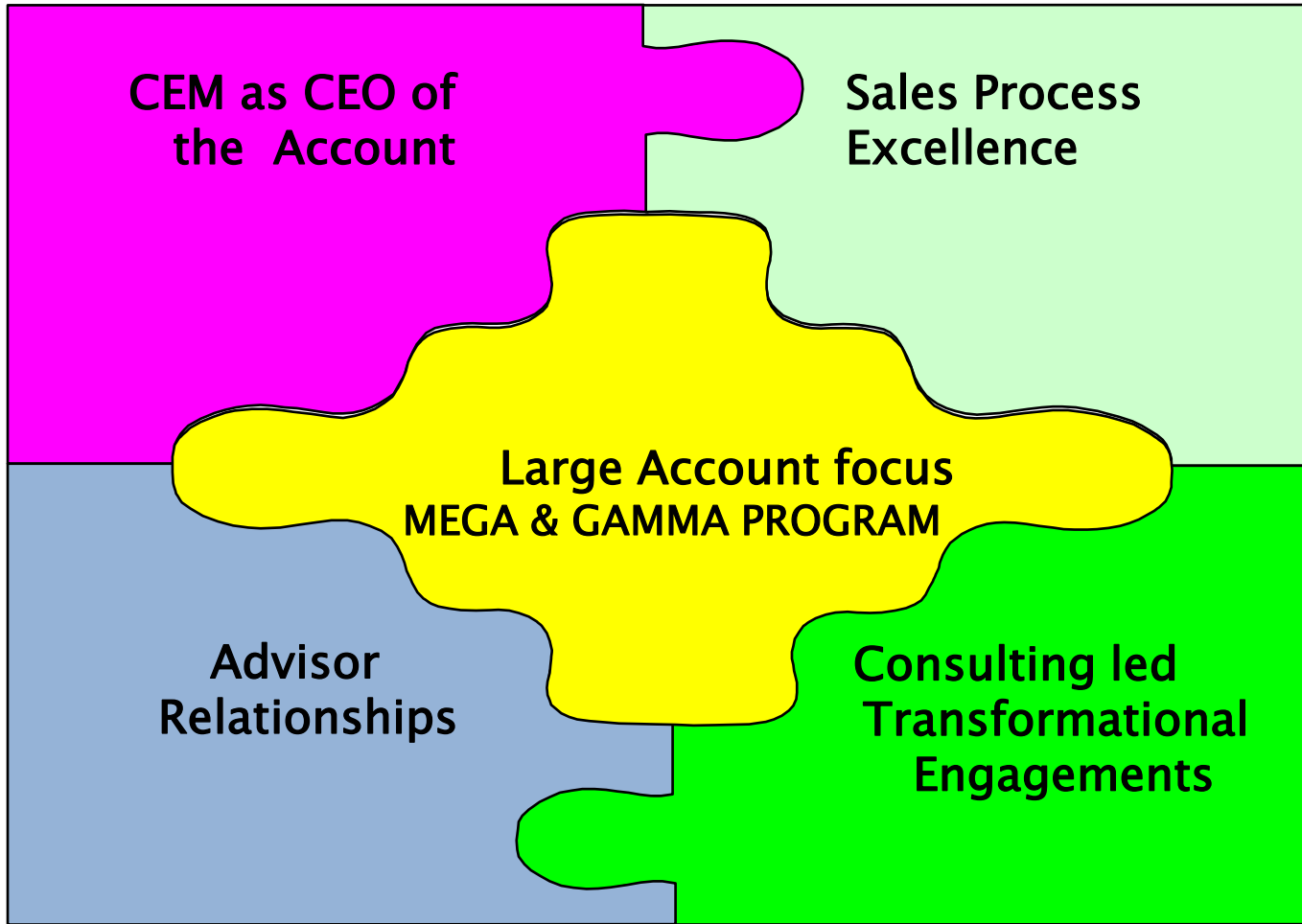
### *Enabled by*

- ① Client Engagement Program
- ② Domains and Solutions
- ③ Technology Investments
- ④ Full Stack and Cloud
- ⑤ Growth Engines
- ⑥ Operational Excellence



**Providing transformational outcomes to customers**

# ① Structured and focused client engagement program



## ② Domains and Solutions

### Building Domain Competency

- Business Advisory Groups in SBUs
- Domain flavors for Service Lines

### Solutions and Stacks

- Continue strong focus on Package Apps
- Vertical/Horizontal Specific Productized Solutions
- E.g. – Sustainable Manufacturing, Telecom Stacks, Smart Metering,

**DRIVING DOMAIN CENTRICITY**

### ③ Technology Investments



<b>Cloud Environments</b>	Transforming enterprise applications & infrastructure to operate in hybrid cloud
<b>Collaboration</b>	Deliver business process efficiency & enhanced user experience for global enterprises
<b>Green Technologies</b>	Achieve sustainability goals of enterprises using a combination of IT and non-IT
<b>Mobility Force</b>	Extend enterprise & consumer applications & manage multiple devices for mobile work
<b>Social Computing Strategy</b>	Leverage collective intelligence of communities for Enterprise products & services
<b>Information Management</b>	Manage Information in Hybrid environments & apply multimedia analytics for business insight
<b>Security</b>	Physical & Information Security in a globalized business environment



**Investing in Technologies Enabling the 21st Century Corporation**

## ④ Stacks and Cloud

### Strategy

#### STACK

- Best of breed System Integration (SI) services approach

#### CLOUD

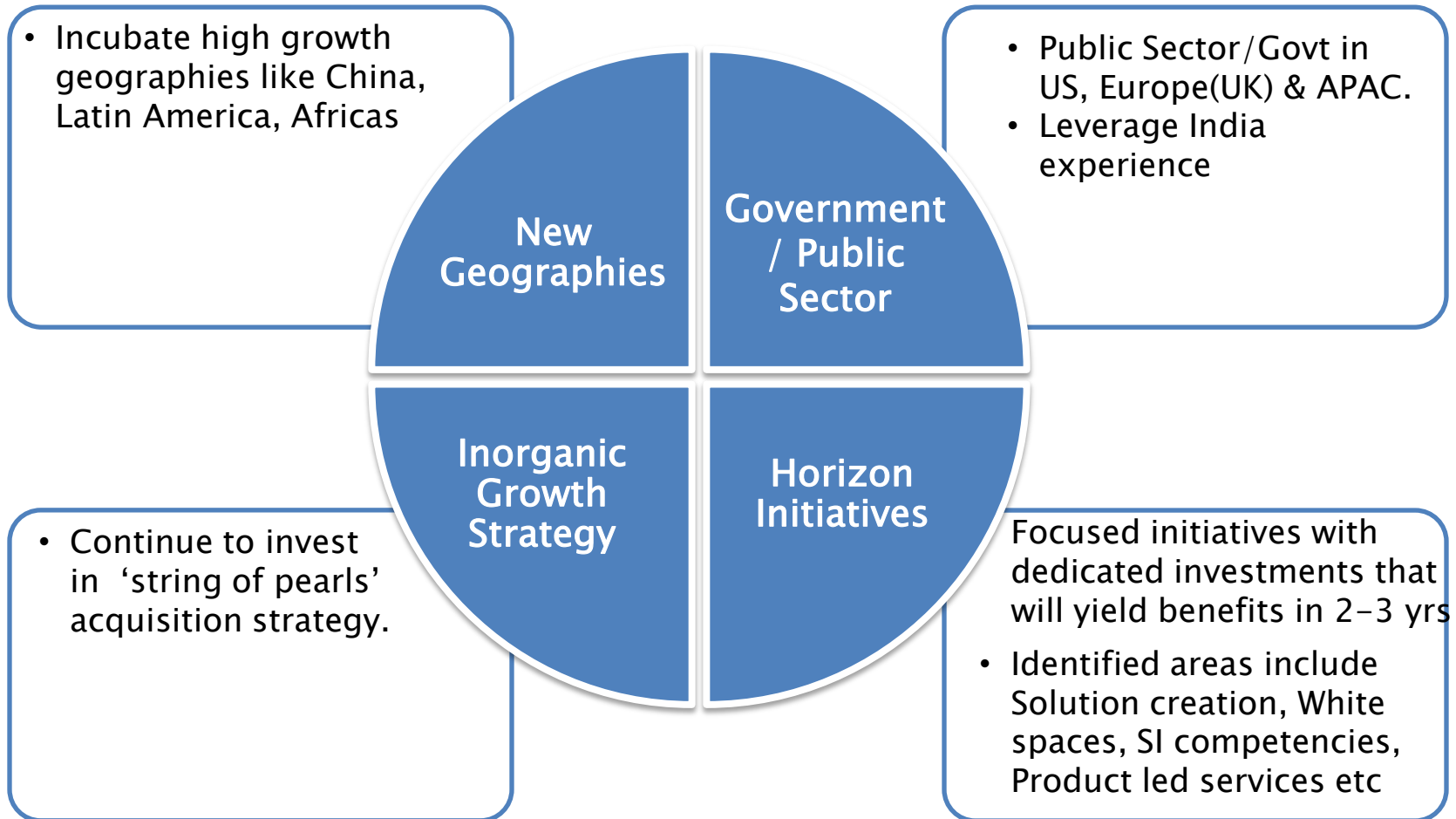
- Cloud Strategy of Wipro as 'originator' & enabler
- End-to-end for private clouds
- Consulting and SI for public clouds

### Initiative

- Create complete stacks with vendors – Wipro to own process and provide services around stack
- Leverage Mega alliances (Cisco, Microsoft, EMC, SAP, Oracle) – to create and address opportunities around SI for Private Cloud
- Drive Vertical specific Solutions

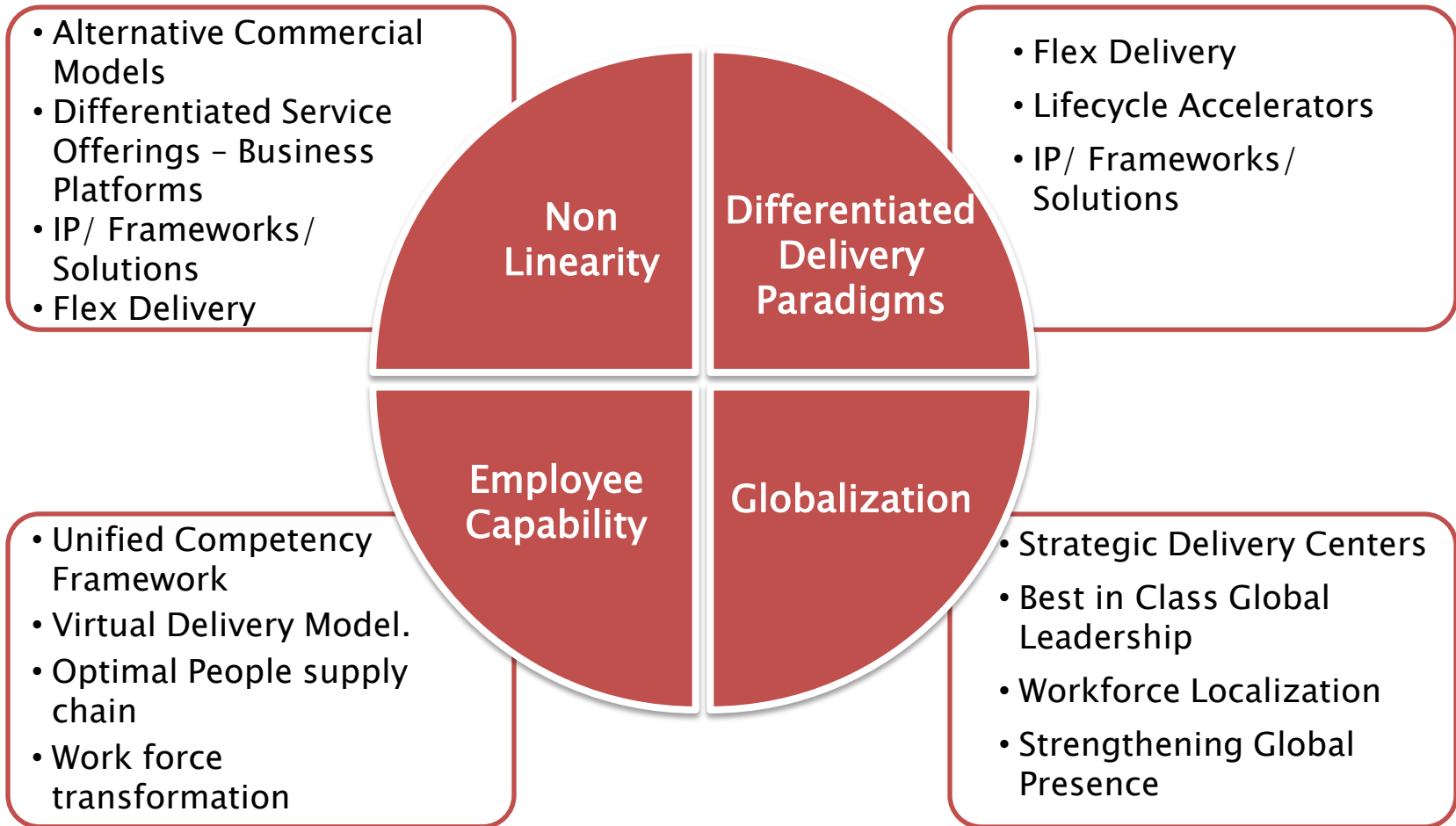
- Dedicated Central Team working to commercialize opportunities in Cloud (across Verticals and Service Lines)

# ⑤ Growth Engine

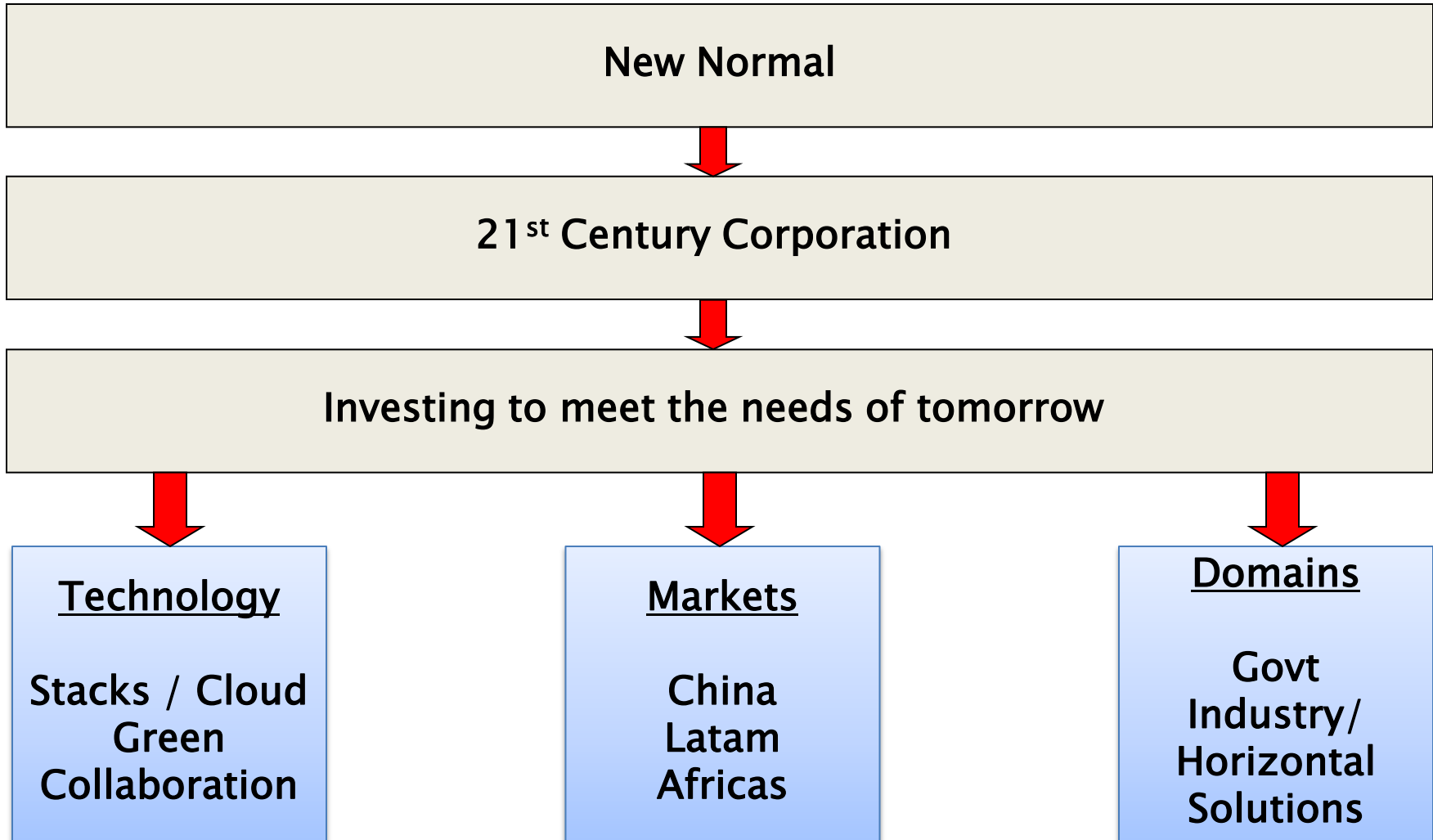




# ⑥ Operational Excellence



# In Summary



# Fully Year Highlights and Key Highlights of Other Businesses

# Highlights for the year ended March 31, 2010



## Revenue Highlights

- Wipro Limited Revenue grew by 6% YoY to Rs. 271 Bn
- Constant currency IT Services Revenue was \$4,399 Mn, YoY growth of 1.8%. IT Services Reported Revenue at \$4,390Mn, a YoY growth of 1.6%.

## Operational Highlights

- Profit After Tax was at Rs. 45.93 billion, a growth of 19% YoY
- EPS at Rs. 31.52, a growth of 18% yoy
- IT Services EBIT grew 18% YoY, with Margins expanding to 23.4%, a 243bps increase YoY

## Profitability

- Free Cash Flow generation of Rs. 38 billion during the year, a YoY increase of 95%
- Gross cash balance was Rs. 106 billion (\$2.4 billion), while Net Cash stood at Rs. 44 billion (~\$1 billion)
- IT Services and Products business Return on Capital Employed at 39%

# Highlights – Other Businesses for the Quarter Ended March 31, 2010



## Wipro Consumer Care and Lighting (WCCL)

- Consumer Care and Lighting business recorded Revenues of Rs. 6.08 billion, an increase of 27% YoY and PBIT of Rs. 807 million, an increase of 16% YoY.
- International Business had a great quarter with Middle East and Malaysia bouncing back and with strong growth coming from Vietnam, China and Indonesia. Leading Brands Enchanteur, Safi and Romano grew well.
- Santoor remains the #1 toilet soap brand in South India both in urban and rural markets
- Robust growth coming across from all segments of Toilet soaps, Wellness, Trade Lighting, Commercial Lighting, Furniture and switches.

## Wipro Infrastructure Engineering (WIN)

- We are the worlds largest third party Hydraulics player.
- Positive news is that we have gained market share during the downturn and further cemented our relationships with our key clients.
- India market is strong and has returned to peak levels.
- Europe has bottomed out and we are starting to see the first signs of recovery

## WIN-Eco-energy:

- We are focused on 3 main segments which include Green Build (Factories, Commercial/ Residential Complexes), Solar Utility Scale Plants (driven off the Solar Mission) and Managed Services (end to end mgmt of energy infrastructure and usage for clients)
- Confidence in our business model has increased significantly, validated by the market & our wins



**WIPRO**  
*Applying Thought*

**Thank You**