HCL TECHNOLOGIES

SECOND QUARTER FY 2022

INVESTOR RELEASE

Noida, India, October 14th, 2021

Q2 FY'22 RESULTS

Revenue at **US $ 2,791 mn**; up **2.6%** QoQ & up **11.3%** YoY

Revenue up **3.5%** QoQ & up **10.5%** YoY in Constant Currency

Services Revenue (ITBS and ERS) up 5.2% QoQ & up 13.1% YoY in Constant Currency

EBITDA margin at **23.4%**; EBIT margin at **19.0%**

Net Income at **US $ 441 mn** (Net Income margin at **15.8%**) up **1.2%** QoQ & up **4.0%** YoY

Revenue at **₹ 20,655 crores**; up **2.9%** QoQ & up **11.1%** YoY

Net Income at **₹ 3,265 crores**; up **1.6%** QoQ & up **3.9%** YoY

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FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDED 30th SEPTEMBER, 2021

(Amount in US $ Million)

Particulars	Q2 FY'22	Margin%	Growth	
			QoQ	YoY
Revenue	2,791		2.6%	11.3%
Revenue Growth (Constant Currency)			3.5%	10.5%
EBITDA	653	23.4%	-1.8%	-2.1%
EBIT	529	19.0%	-0.8%	-2.3%
Net Income	441	15.8%	1.2%	4.0%

(Amount in ₹ Crores)

Particulars	Q2 FY'22	Margin%	Growth	
			QoQ	YoY
Revenue	20,655		2.9%	11.1%
EBITDA	4,838	23.4%	-1.4%	-2.3%
EBIT	3,916	19.0%	-0.4%	-2.5%
Net Income	3,265	15.8%	1.6%	3.9%

Segment-wise Highlights

(Amount in US $ Million)

Quarter Ended 30-Sep-2021	Revenue	Revenue Mix	EBIT Margin	Growth (in Constant Currency)	
				QoQ	YoY
IT and Business Services (A)	2,027	72.6%	18.8%	5.2%	13.2%
Engineering and R&D Services (B)	438	15.7%	19.3%	5.4%	12.7%
Services Revenue (A+B)	**2,465**	**88.3%**	**18.9%**	**5.2%**	**13.1%**
Products & Platforms (C)	325	11.7%	19.4%	-8.0%	-5.5%
Total (A + B + C)	**2,791**	**100.0%**	**19.0%**	**3.5%**	**10.5%**

Mode 1-2-3 Highlights

(Amount in US $ Million)

Quarter Ended 30-Sep-2021	Revenue	Revenue Mix	Growth (in Constant Currency)	
			QoQ	YoY
Mode 1	1,700	60.9%	2.8%	6.1%
Mode 2	**720**	**25.8%**	**12.5%**	**36.3%**
Mode 3	370	13.3%	-7.6%	-6.4%
Total	**2,791**	**100.0%**	**3.5%**	**10.5%**

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Corporate and Financial Highlights

1. Strong Booking performance: Q2 TCV of New Deal wins at **US$ 2,245 mn** registering **38%** YoY growth enabled by **14 net new** Large deal wins.

2. Q2 revenue growth powered by services revenue at 5.2% QoQ and 13.1% YoY in constant currency.

   - Engineering and R&D Services grew at robust 5.4% QoQ cc (12.7% YoY cc) driven by traction in digital engineering.
   - IT and Business Services grew at strong 5.2% QoQ cc (13.2% YoY cc) , driven by acceleration in application modernization and cloud transformation deals.

3. Mode 2 continues to lead the growth momentum growing at 12.5% QoQ cc (36.3% YoY cc).

   - HCL Technologies positioned as Leader in The Forrester Wave™: Application Modernization and Migration Services, Q3 2021
   - HCL Technologies positioned as a Leader in 2021 Gartner® Magic Quadrant^{TM} for Public Cloud IT Transformation Services*. HCL ranked high in the Gartner's Critical Capabilities for Public Cloud IT Transformation Services report: *

4. All round growth across verticals and geographies YoY in constant currency basis.

   Growth momentum led by Lifesciences & Healthcare (20.1% YoY cc), Telecommunciations, Media, Entertainment and Publishing (13.4% YoY cc), Manufacturing (11.9% YoY cc), Technology & Services (10.8% YoY cc).

5. Strong client addition across all categories. On YoY basis, $100 mn+ clients up by **1**, $50 mn+ clients up by **12,** $20 mn+ clients up by **18**, $10 mn+ clients up by **18**, and $5 mn+ clients up by **12**.

6. Hiring continued at a brisk pace with Net Addition of **11,135** during the quarter being the highest in the last 24 quarters. Total headcount now at **187,634**.

7. Cash Generation continues to be robust:

Particulars	Quarter Ended (30-Sep-2021)	Last Twelve Months Ended (30-Sep-2021)
Operating Cash Flow (US $ mn)	465	2,052
Free Cash Flow (US $ mn)	390	1,798

8. Gross Cash stands at **US$ 2,696 mn** and Net Cash at **US$ 2,171 mn** at the end of September 30th, 2021.

9. HCL announced a Payout policy that entails investor payouts of not less than 75% of Net Income cumulatively over 5 years FY 22 to FY 26. In line with this policy, the company has declared a dividend of **₹ 10** /- per share for Q2, being 75th consecutive quarter of dividend pay-out.

10. LTM EPS at ₹ **49.5** registered healthy growth at **9.5%** YoY.

FY 2022 Guidance

Revenue expected to grow in double digits in constant currency for FY'22.

EBIT margin expected to be between **19.0% and 21.0%** for FY'22.

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CORPORATE OVERVIEW

"As we look forward with hope and optimism, what stands out is the human capacity to overcome unforeseen challenges, born of sheer determination. The pandemic accelerated the need for building together a sustainable and scalable future and investing in purpose-driven growth. The lessons learned have sharpened our ability to adapt and to innovate and deepened our commitment to bringing positive change through technology. We believe in 'The New Essential' – the confluence of technology and human ingenuity – as the path forward. In the months ahead, we will further accelerate our actions and investments in emerging technologies, people and ESG to build a stronger and better future together," said **Roshni Nadar Malhotra, Chairperson, HCL Technologies Ltd.**
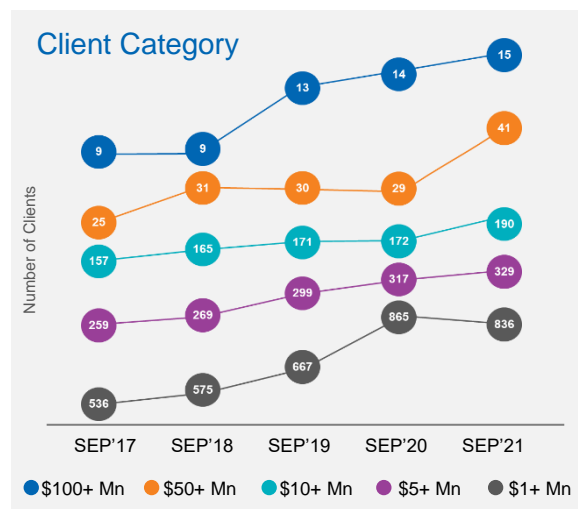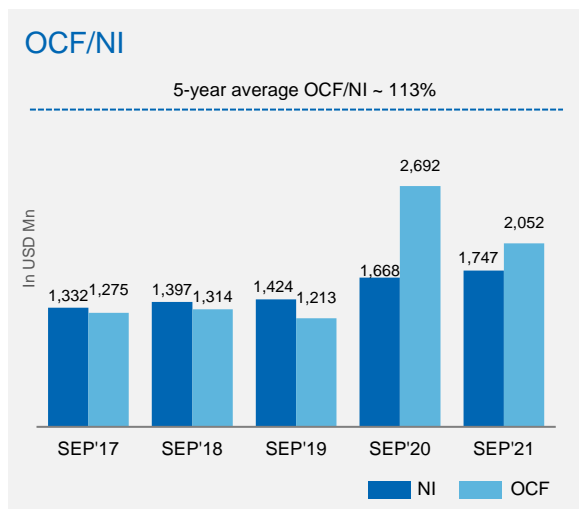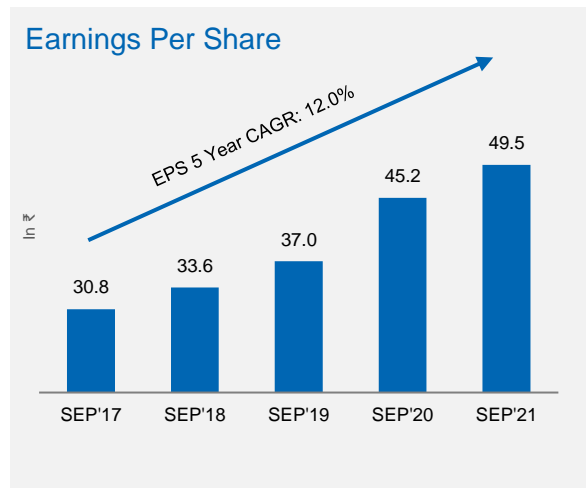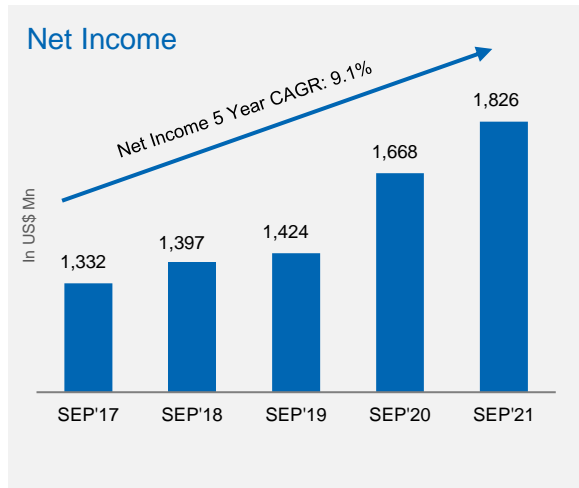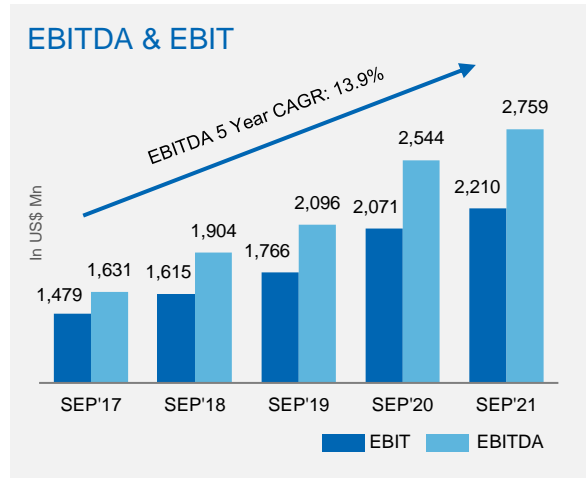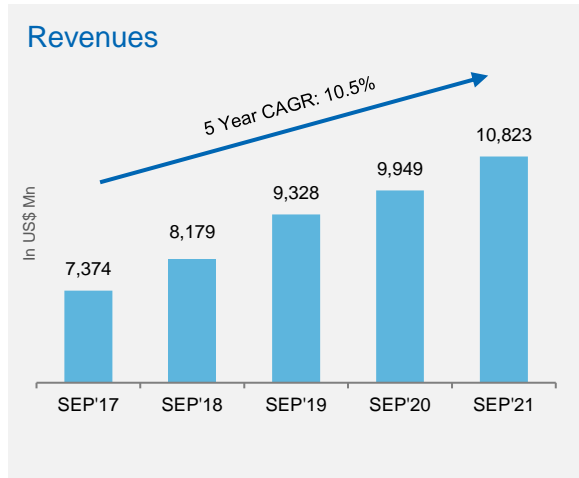

"We have delivered a healthy performance this quarter marked by strong growth across our services portfolio led by our Digital Business, Engineering and Cloud Services. We had impressive client additions across all categories, reflecting strong demand and relevance of our offerings across all our client groups. We signed 14 large new deals which helped us to record net new booking of $2.3 B, a growth of 38% YoY. Our net employee addition hit an all-time high of 11,135 this quarter. Our robust pipeline and continued strong employee ramp up augurs well for our business momentum going forward.", said **C Vijayakumar, Chief Executive Officer & Managing Director, HCL Technologies Ltd.**

"Services Revenue (ITBS & ERS) grew strongly at 5.2% QoQ in constant currency, with stable EBIT. P&P growth was impacted due to delays in closure of certain deals. Client mining has been healthy across all categories, notably, the number of USD 50 Mn clients now stand at 41 (Up 12 YoY). Strong Cash generation and conversion continued this quarter. Gross Cash stands at robust USD 2,696 Mn with OCF/NI and FCF/NI conversion at 117% and 103% respectively on Last-Twelve-Month basis. The Board approved a Payout policy that entails investor payouts of not less than 75% of Net Income cumulatively over 5 years FY 22 to FY 26.", said **Prateek Aggarwal, Chief Financial Officer, HCL Technologies Ltd.**

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PERFORMANCE TRENDS

Overall Company (LTM ended September)

Revenues

5 Year CAGR: 10.5%

In US$ Mn

SEP'17	SEP'18	SEP'19	SEP'20	SEP'21
7,374	8,179	9,328	9,949	10,823

EBITDA & EBIT

EBITDA 5 Year CAGR: 13.9%

In US$ Mn

	SEP'17	SEP'18	SEP'19	SEP'20	SEP'21
EBIT	1,479	1,615	1,766	2,071	2,210
EBITDA	1,631	1,904	2,096	2,544	2,759

Net Income

Net Income 5 Year CAGR: 9.1%

In US$ Mn

SEP'17	SEP'18	SEP'19	SEP'20	SEP'21
1,332	1,397	1,424	1,668	1,826

Earnings Per Share

EPS 5 Year CAGR: 12.0%

In ₹

SEP'17	SEP'18	SEP'19	SEP'20	SEP'21
30.8	33.6	37.0	45.2	49.5

OCF/NI

5-year average OCF/NI ~ 113%

In USD Mn

	SEP'17	SEP'18	SEP'19	SEP'20	SEP'21
NI	1,332	1,397	1,424	1,668	1,747
OCF	1,275	1,314	1,213	2,692	2,052

Client Category

Number of Clients

	SEP'17	SEP'18	SEP'19	SEP'20	SEP'21
$100+ Mn	9	9	13	14	15
$50+ Mn	25	31	30	29	41
$10+ Mn	157	165	171	172	190
$5+ Mn	259	269	299	317	329
$1+ Mn	536	575	667	865	836

1. *LTM performance trends with respect to profits and profit margins are excluding the impact of onetime milestone bonus in Q4 FY'21: $99.8 mn ($78.8 mn net of tax); ₹ 728 crores (₹ 575 crores net of tax).*

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REVENUE GROWTH (IN CONSTANT CURRENCY)

Particluars	Details	Quarter Ended 30-Sep-21	
		QoQ	YoY
Consolidated	**For the Company**	**3.5%**	**10.5%**
Geography	Americas	2.4%	10.7%
	Europe	5.8%	9.0%
	ROW	4.0%	14.9%
Segments	IT and Business Services (A)	5.2%	13.2%
	Engineering and R&D Services (B)	5.4%	12.7%
	Services (A+B)	**5.2%**	**13.1%**
	Products & Platforms	-8.0%	-5.5%
Verticals	Financial Services*	0.4%	6.3%
	Manufacturing	8.1%	11.9%
	Technology and Services	2.6%	10.8%
	Retail & CPG	0.9%	3.6%
	Telecommunications, Media, Publishing & Entertainment	3.0%	13.4%
	Lifesciences & Healthcare	7.0%	20.1%
	Public Services[#]	1.9%	8.8%

Note:
* Financial Services (excluding P&P) grew at 4.6% QoQ and 10.1% YoY, in constant currency.
[#] Public Services include Oil & Gas, Energy & Utilities, Travel - Transport - Logistics and Government.

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CORPORATE ACHIEVEMENTS

HCL Technologies has embraced next-generation technologies to help enterprises successfully sustain and maintain existing operations – and also transform to be fit for the future. Drawing on its strong legacy of industry expertise, client centricity and a culture of Ideapreneurship™, HCL also continues to act, adapt, and advance its own journey of transformation.

Business Highlights

- HCL won 14 large deals across its telecom, life sciences and healthcare, and manufacturing verticals.(among others)

- Shiv Nadar, Founder of HCL and Chairman Emeritus & Strategic Advisor to the Board of HCL Technologies honored with the U.S. India Business Council (USIBC) Global Leadership Award. The award recognizes Mr. Nadar's distinguished leadership and the seminal role that he has played in advancing the strategic and economic partnership between India and the United States of America. The Council acknowledged Mr. Nadar's lifetime of innovation, creativity and expansive thinking, and hailed him as a visionary who has built several trailblazing institutions in addition to our company, HCL Technologies and including HCL Foundation, which has positively impacted the lives of thousands across India.

- HCL America Inc., a wholly owned subsidiary of HCL Technologies Certified™ by Great Place to Work® for 2021. This year, 78% of its employees in the United States said it's a great place to work – 19 points higher than the average U.S. company. 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.

- Following on its Q1 recognitions by the Great Place to Work® as a Best Employer in the Nation Builders and Mega Employers categories in India, in Q2 HCL was recognized as One Among India's Best Workplaces™ for Women 2021. The company was also named by The Economic Times as a Best Workplace for Women, 2021. HCL was recognized for its focus on facilitating career advancement opportunities for women and empowering them to maximize their potential and aspirations through effective leadership development practices and programs.

- HCL Technologies positioned as a Leader in 2021 Gartner® Magic Quadrant™ for Public Cloud IT Transformation Services*

- HCL ranked high in the Gartner's Critical Capabilities for Public Cloud IT Transformation Services report: *
    – HCL rated as one of the top three players in Vendors' Product Scores in the critical capability document for End-to-End Cloud-Native Applications (4.12/5), Modernizing Traditional/Legacy Applications (4.16/5), Strategic Cloud Transformation (4.14/5), Enabling DevOps in the Customer Environment (4.14/5) as well as Professional Services with Guided Support (4.18/5).

- HCL Technologies positioned as a Leader in 2021 Gartner® Magic Quadrant™ for Data Center Outsourcing and Hybrid Infrastructure Managed Services, Global*

- HCL Technologies positioned as Leader in The Forrester Wave™: Application Modernization and Migration Services, Q3 2021

- HCL Technologies positioned as Leader in the Avasant Digital Talent Capability 2021 RadarView™

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- HCL launched a dedicated Cisco Ecosystem Unit, focused on creating solutions to accelerate clients' digital journeys. The ecosystem unit will create leading-edge competencies, solutions and business outcome models by leveraging Cisco technologies. It will aim to ensure the success of complex transformation programs around software-defined network transformation, network-as-a-service, digital workplace, multi-cloud modernization, hyper-automation, security, optimized application experience, private 5G and telco modernization.

- HCL selected the RISE with SAP offering to further modernize its enterprise digital landscape. This expanded partnership will see HCL taking the role of a consumer and global strategic service partner for RISE with SAP. As an SAP strategic partner, HCL will help its clients leverage their combined experiences in the industry cloud transformation space.

- HCL and Finastra, the largest pure-play software vendor that serves the entire financial services industry, expanded their partnership to drive digital transformation across South Korea and Taiwan. As part of the engagement, HCL will use its next-generation digital transformation and service capabilities to bring two of Finastra's strategic products, Fusion Cash Management and Fusion Summit, to the financial services ecosystem in the region.

- HCL partnered with ISACA, a global professional association and learning organization for information security, governance, assurance, risk and privacy, to publish the State of Cybersecurity 2021 report. The report delves deep into actionable insights that can help chief security officers plan and implement an integrated cybersecurity strategy. The report is aimed to help professionals across industries to offer critical insights outlining both current cyber vulnerabilities as well as recommended measures to eliminate them.

- Continuing its focus on driving customer success and product innovation with its regular product releases supported by strong operational execution, HCL Software unveiled HCL SoFy, the Cloud Native solution factory and HCL Now, a Cloud Native-as-a-service offering, which are the result of significant investments HCL has made towards modernizing the evolution of its product portfolio, along with its long-term Cloud Native commitment.

- In addition to the milestone announcements of HCL Sofy and HCL Now, 12 other major and minor product releases were announced. In Q2, HCL Software received leading analyst awards and recognitions including:

  – HCL DX (Digital Experience) positioned as a Leader in the Everest DXP PEAK Matrix report.
    HCL Digital Experience provides a single access point to web content and applications, while it delivers differentiated, personalized experiences for each user.

  – HCL BigFix positioned as a Leader in the UEM Quadrant Spark Matrix.
    BigFix is an endpoint management platform that enables IT operations and security teams to fully automate discovery, management and remediation, whether it is on-premise, virtual, or cloud, regardless of the operating system, location, or connectivity.

  – HCL Volt MX positioned as a Visionary in the Gartner MQ for Multi-experience Development Platforms.
    HCL Volt MX is a low-code app-dev platform for building multi-experience apps fast.

  – HCL Commerce positioned as a strong niche in the Gartner Digital Commerce Magic Quadrant (MQ) and 8 out of 10 medals in the Paradigm B2B report.
    HCL Commerce is a software platform framework for e-commerce, including marketing, sales, customer and order processing functionality in a tailorable, integrated package

- HCL completed one year of operations in Sri Lanka and surpassed a milestone of recruiting more than 1,000 local employees, including both recent graduates and seasoned industry professionals. HCL entered Sri Lanka in 2020 with an aim to make it a global delivery hub that works on technology programs for some of the biggest corporations in the world. During its one year of operation in the country, HCL launched several programs to nurture and attract new talent.

- HCL launched a 5G Open Radio Access Network (O-RAN) lab in India that will enable global telecom industry players to transition to a 5G network. This lab will help telecom service providers with multi-vendor options to move to a more open, intelligent, virtualized and fully interoperable 5G mobile network to provide an enhanced experience to end-users. O-RAN architecture benefits include more market competition, customer choice, lower equipment costs and improved network performance. 5G O-RAN systems will help businesses transform their network capabilities and will bring in opportunities to create new, immersive user experiences and services.

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- Reflecting HCL's tradition of 'ideapreneurship™' and culture of innovation, 22 patents were filed and granted. These patents were in the areas of automation, process identification, artificial intelligence, software, data analytics, among others.

- HCL's Value Portal, a unique grassroots innovation platform that enables employees to contribute their ideas and create value for HCL and its clients, delivered value worth more than $286 million. More than 4,600 employees accessed the Value Portal this quarter, generating more than 4,400 ideas and 2,000+ implementations.

KEY BUSINESS UPDATES

As enterprises across the globe are evolving ways of doing business, they are also looking at embracing a fundamental change to augment human ingenuity with next-gen technology solutions. HCL's unique blend of services and products enables clients to achieve transformation guided by the framework of the company's Mode 1-2-3 strategy, its signature growth blueprint to ensure organizations accelerate their transition into digital enterprises. The Mode 1-2-3 strategy gives clients assurance and confidence in HCL's ability to deliver on their vision of sustainable transformation.

New Large Deals

In Q2, FY'22, HCL Technologies won 14 new large deals.

- Proximus Group, Belgium's leading digital services and communications solutions provider, chose HCL to transform its data center business and create a resilient digital foundation. HCL will help Proximus achieve a higher flexibility and reliance as the foundation to drive future business innovation and accelerate growth in the Belgium and Netherlands markets. In addition, HCL will invest in a dedicated innovation lab enabling Proximus to use its extensive telecom and technology domain expertise to develop innovative 5G, Edge and IoT solutions.

- Finnish consumer goods company Fiskars Group chose HCL to standardize and harmonize its IT and business processes, drive operating model transformation and increase overall digital maturity. HCL will enable Fiskars Group meet its strategic objectives and drive its digital transformation initiatives for an immersive omnichannel experience for its end-customers. HCL will also implement multiple products via DRYiCE™ managed tool as-a-service (MTaaS) platform to enable observability at the server, network layers as well as application-level deep dive monitoring.

- A global Mexico-based manufacturing company selected HCL for its global managed IT services which involves application and infrastructure support and application development, which HCL will provide using an agile delivery model. HCL will manage its portfolios, digital applications, and infrastructure to accelerate cloud adoption and digital transformation journey and also implement multiple products from the DRYiCE™ portfolio to enable automation and self-service mechanisms.

- A U.S.-based healthcare company selected HCL for a large transformational project in the areas of infrastructure and application development:
  - HCL will help in modernization of the client's entire infrastructure and end-user engineering services. It will help in centralizing services across deskside support, end-user engineering services, network data and security support and collaboration services. This centralized services model is expected to drive efficiencies, better cost management, leverage best practices, better talent retention and deployment for the customer.
  - HCL will manage the client's portfolio of applications across its many regions in an effort to streamline and consolidate the support model to drive more accountability and realize more operational and cost efficiencies. HCL will be managing these applications spanning across clinical, specialty, ancillary clinical and business operations in addition to providing modern application development capabilities for the newer investments and innovation. HCL will leverage intelligent automation tools across its application landscape as part of the transformation initiative.

- A U.S.-based healthcare company selected HCL to digitally transform and modernize its applications across the organizational landscape. HCL will provide application development, implementation and ongoing support for core applications support across care provision and health insurance application landscape. HCL will be

assisting the client in moving to a nimbler global delivery model while transforming the operating model with the help of committed automation and process transformation levers

- A Europe-based consumer goods company selected HCL to transform its application and infrastructure landscape:
    - HCL will deliver services in the areas of data analytics and integration, marketing, sales and trade promotion management. It will be responsible for application development, support and new projects across these product streams for the client globally. HCL will help the client become an insight-driven organization and accelerate the adoption of a vertical IT operating model. In addition, HCL will bring strong focus on the client's journey to cloud, service automation, agile and business DevSecOps adoption across SAP and non-SAP estate.
    - HCL will transform the client's global workforce experience services, delivering a consistent and personalized experience across all endpoints. It will introduce a flexible, scalable, and agile delivery model to accommodate business dynamics across all markets and geographies. HCL will also create an integrated digital experience office and smart virtual support-enabled meeting rooms catering to users irrespective of their work locations and implement a cognitive personal assistant.

- A German industrial manufacturing company chose HCL to digitize its key business processes and drive enterprise resource planning and customer relationship management system standardization across the organization. The partnership will enable greater maturity in the client's digital execution capabilities and drive global IT operations excellence by increasing agility and scalability to accelerate innovation. HCL will develop and operate a modern digital foundation through data center, hybrid cloud and network transformation and enhance end-user experience through increased use of AI, automation and self-service capabilities

- A U.S.-based technology company chose HCL as a product engineering and joint go-to-market partner for its workforce management SaaS product. HCL will provide accelerated product roadmap, integrate newer technologies and expand the customer base by tapping into new industries and geographies. It will help the client retain and grow its customer base, drive new use cases for the product and enter into new market segments.

- A French logistics company chose HCL for a multi-year contract to deliver end-to-end next-generation IT transformation services across applications, infrastructure, cybersecurity and cloud. HCL will build a private cloud for the client's primary market. It will also enhance user-experience through AI and automation by leveraging its DRYiCE™ MTaaS platform, and modernize cybersecurity and monitoring through its global network of Cybersecurity Fusion Centers. Apart from these, HCL will also strengthen the client's security landscape and provide security operation centre monitoring.

- A leading Canadian retailer expanded its strategic partnership with HCL as a managed services provider across digital infrastructure, application and collaboration services. HCL will help the client automate operations and establish foundation for large transformation initiatives. Through this engagement, HCL further expands its strategic footprint in the Canadian market.

- An American-Canadian retail company chose HCL for operations efficiency improvement, adaptability to new technologies and IT roadmap and digital experience enhancement. HCL will provide service operational excellence and data and analytics enabled by AI and machine learning, and robotic process automation.

- A U.S.-based technology company chose HCL to improve product revenue and increase market share through a unique construct across two product categories in learning management and expense management areas. HCL will improve product revenue and growth through investment in R&D, go-to-market (GTM) and customer advocacy and drive SaaS revenues.

- One of the world's largest retailers expanded its relationship with HCL for new licenses of HCL Commerce, BigFix and Domino. HCL Commerce supports the customer's multi-billion-dollar online business while HCL's BigFix manages its countless endpoint devices. HCL Domino helps the customer build and support numerous critical business applications.

Other Deal Wins/ Renewals

- A U.S.-based educational institution selected HCL to transform IT operations across campuses. HCL will build a global delivery model for the client and deploy automation-driven operations to provide back-office

infrastructure and customer support for students, faculty and noncampus personnel across multiple locations globally.

- A U.S.-based aerospace company chose HCL to manage its supply chain application portfolio. As part of the scope of services, HCL will help the client maintain and enhance its applications end-to-end, and modernize and migrate them into cloud for enhanced productivity.

- A U.S.-based life sciences company selected HCL for managed services supporting a large number of users and providing improved digital age service along with end-user experience level agreements. It will also deliver enhanced digital workplace offerings and help the client progress toward its digital transformation journey and a cloud-based environment. HCL will further implement AI-driven DRYiCE™ tools and provide security transformation by utilizing HCL's dynamic security accelerators and frameworks.

- A U.S.-based technology company selected HCL for application modernization and cloud migration services for its largest service provider in the U.S. HCL will help the client refactor and migrate IT services to the cloud, pursue large-scale modernization and digital transformation initiatives to enhance customer experience and optimize cost.

- A U.K.-based technology and services company chose HCL for digital workplace services and unified communication and collaboration. HCL will implement its Workblaze solution for proactive monitoring and implement DRYiCE™ as a conversational AI support to enhance end-user productivity and reduce IT support cost. It will also create DIY videos for end-user empowerment, offer services in areas of hardware and software asset management and desktop configuration management.

- A U.S-based global technology company chose HCL for providing end-to-end digital content moderation services. HCL will support operations 24/7 in multiple languages from various multi-geo delivery centers to ensure coverage, geopolitical and cultural nuances. It will also leverage automation and AI for content screening as per client moderation guidelines to provide a safe and enjoyable customer experience. HCL will further manage multiple projects in areas of enterprise business applications, development and customer relationship management dynamics.

- A Swedish telecom company chose HCL for transforming the heterogeneous storage landscape into future-enabled technology. HCL will significantly improve the complexity by simplifying the landscape that can be managed centrally for the client's global sites. It will also enable the roadmap to cloud journey through the transformation initiatives aligned with the client's cloud strategy.

- A U.S.-based telecom company expanded its strategic relationship with HCL to develop a mobile core and telecom cloud management solution. Leveraging its expertise in 5G, network automation and software-defined networking technologies, HCL will be responsible for end-to-end engineering, customer support and roadmap development of the selected platforms for LTE advanced and 5G networks.

- A U.S.-based insurance company expanded its strategic relationship with HCL by selecting it as an exclusive support partner for its core guidewire policy and billing operations. HCL will help the client manage the applications to provide enhanced experience to its internal and external stakeholders.

- A U.S.-based high-tech company expanded its relationship with HCL to consolidate its order-to-cash operations. HCL would be deploying next-generation digital technologies across order entry, collections and cash application processes to streamline the throughput and eliminate rule-based repetitive tasks. HCL will be leveraging its U.S. and Canada-based delivery locations to build an order-to-cash (OTC) center of excellence (CoEs) to showcase HCL's in-depth expertise across the OTC process value chain. This would reduce the client's total cost of ownership, improve working capital and save cost.

- A U.S.-based telecommunications company chose HCL for a managed services deal. HCL will exclusively own and deliver technology services covering the entire product development lifecycle and extending into 24/7 postproduction support and maintenance. It will provide its services using an innovative delivery-as- a-service model that will help the client unlock the value of digital transformation at scale by creating new capabilities and offerings quickly with better quality.

- An India-based financial services company chose HCL for its Unica and BigFix products. The Unica suite of products will play an essential role in the bank's marketing technology stack, while BigFix will secure the bank's numerous endpoint devices.

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- A South African financial services company selected HCL to be its lead technology development partner for the rebuild program of its financial surveillance platform. HCL will manage a multi-stream greenfield development program and exclusively provide technology expertise for this transformation.

PRODUCT AND SOLUTION LAUNCHES

As clients are adopting new technologies at the core of their business models, HCL's service offerings, products and platforms are designed to solve key business and technology challenges. This quarter, HCL launched various new products and solutions, including the following:

- BigFix Mobile - Extending management to iOS and Android with BigFix Mobile. The BigFix platform now covers over 100 OS versions to automate management, unify operations and extend security.
- DRYiCE™ iAutomate (iAutomate) an AI-powered runbook automation product, on Google Cloud Marketplace. This enables customers to easily access iAutomate to simplify and automate the enterprise IT operations lifecycle. It also released the latest version of DRYiCE™ iControl, which will help customers to view and observe the business-critical KPI performances with predictive insights. The latest version of HCL DRYiCE™ AEX 1.1 brings in new features and enhancements in the marketplace. HCL also launched DRYiCE™ Software's 'AI-Driven and Automation-Powered Employee Experience' (AEX), an end-to-end digital workplace solution that transforms employee experience and fosters productivity while optimizing costs through AI, automation and self-help capabilities.
- Pega suite of offerings on the Pega marketplace. With seven packaged service offerings, HCL is the current top solution contributor among all the partners on the marketplace.
- Geospatial Linear Asset Management (GLAM) solution on Microsoft Azure Marketplace. Designed in collaboration with deep learning capabilities of Microsoft Azure, the HCL IoT WoRKS™ solution is a tailored business offering for asset-heavy industries. A collaboration between HCL, Microsoft and L3Harris, GLAM taps into the core of HCL's value system of providing end-to-end solutions.
- 100 in 100, a factory-based offering that commits to delivering end-to-end cloud-native migration of 100 applications in 100 days, including design and build of landing zone. It not only offers fast-paced migration but also addresses the operational readiness of the environment with guaranteed delivery.

TALENT MANAGEMENT

HCL believes in a culture that fosters grassroots innovation and is committed to providing its employees with an equitable, safe and inclusive work environment. HCL focuses on talent attraction, growth and retention that work together to ensure a unified experience across the enterprise. HCL's core belief of employee-centricity aims to enhance employees' experience and accelerate their professional growth by creating an amenable, aspirational and friendly work environment.

- As of Sept. 30, 2021, HCL's full time headcount is 187,634 with a net addition of 11,135.
- As of Sept. 30, 2021, 27.4% of our employees are women.
- HCL prides itself on employing people from diverse backgrounds, creating a unique fabric of values and traditions. As of Sept. 30, 2021, HCL employed people from 162 nationalities.

PARTNER ECOSYSTEM

Microsoft Ecosystem

- Selected as a launch partner for Microsoft's recently announced industry cloud – 'Microsoft Cloud for Financial Services'. This brings together capabilities with multilayered security and comprehensive compliance coverage to deliver differentiated customer experiences, improve employee collaboration and productivity, manage risk and modernize core systems.
- Selected as a launch partner of Microsoft in the program 'Code:Without Barriers' that aims to improve diversity and representation of female technical talents and nuture entrepreneurs across Asia Pacific. 'Code:Without Barriers' will provide a platform to enable female developers, coders and other technical talents to contribute toward inclusive economic growth, encourage innovation and better reflect the societal DNA of their region.
- HCL Business Applications selected as a 'Microsoft Cloud for Manufacturing' partner.
- HCL Business Applications launched the Microsoft Power Platform center of excellence (COE) to help customers create a detailed strategy and framework for adoption and governance of the Power Platform while supporting user development and keeping data secure.

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- Became the Azure Networking managed services partner and member of Microsoft Partner Network (MPN) program with Cloud Competency Certification. This makes HCL a specialized managed services provider that addresses the enterprise cloud networking needs and challenges across all aspects of cloud and hybrid networking. HCL is also part of the Microsoft Partner Network (MPN) Program with Cloud Competency Certification.
- Awarded the "Information Protection and Governance Advanced Specialization" by Microsoft. With this, HCL has achieved a specialization that supports its extensive experience in implementing Microsoft information protection solutions meeting clients' security and compliance needs.

AWS Ecosystem

- Selected as a launch partner for Amazon Elastic Container Service (ECS) Anywhere, as part of the general availability of this program. Amazon ECS Anywhere enables customers to run and manage container-based applications on-premises using the same APIs, cluster management, workload scheduling, monitoring and deployment pipelines they use with Amazon ECS in AWS.
- Selected as a launch partner for Amazon Elastic Kubernetes Service (EKS) Anywhere, as part of the general availability of this program. AWS' EKS Anywhere gives customers the flexibility to utilize and extend Kubernetes to those non-AWS environments using the same cloud-native ways of working, tooling and managed services that they are comfortable with.
- Joined the IoT Core Service Delivery Program status. This designation recognizes that HCL has proven solutions, practices and client success on AWS IoT Core which lets the users connect IoT devices to the AWS cloud without the need to provision or manage servers.
- A Premier Consulting Partner of AWS, HCL joined the AWS Service Delivery Program and become an AWS Contact Center Intelligence Partner. This allows HCL to transform its clients' end-to-end contact center ecosystems with AWS offerings across cloud, AI, omnichannel and ML technologies. HCL can now address transformation needs for its clients with both cloud and on-premises contact centers.
- Became a principal-level partner, the highest category offered for VMWare Cloud on AWS. As a principal-level partner, VMware recognizes HCL Technologies as a key partner to help clients identify and implement the ideal VMware solutions.
- Received AWS Service Validation for AWS IoT Core Delivery. AWS IoT Core is a managed cloud service that lets the connected devices easily and securely interact with cloud applications and other devices.

Google Ecosystem

- Received the 2020 Google Cloud "Specialization Partner of the Year" for Infrastructure award. This award honors partners who helped their clients succeed in 2020 by building strong customer infrastructure and workflows on Google Cloud. HCL was recognized for demonstrating success in assisting customers architect and build their Google cloud infrastructure and workflows and migrate to Google Cloud.

Dell

- Received Dell Technologies Global Alliances and Partner of the year awards for
  – Excellence in New Business Development, Asia Pacific and Japan
  – Excellence in Expansion, North America
- Expanded strategic collaboration with Dell Technologies to provide clients with an advanced cyber recovery solution that protects against ransomware and other sophisticated cyber-attacks. HCL Cyber Resiliency with Dell Technologies combines expertise and service delivery experience from HCL's dedicated Dell Tech Business Unit and its Cybersecurity and GRC Practice, along with Dell's native IPs and technologies designed to secure customer data and build resilient IT systems.

IBM Ecosystem

- HCL and Red Hat extended the coverage of cloud and managed services engagement for Malaysia and New Zealand. This agreement will help provide value engagement to the clients in the countries.
- Signed a strategic global agreement with IBM where a full stack of solutions will be provided to accelerate modernization of telecom companies.
- Successfully launched Red Hat Migr8NXT offering, an end-to-end migration framework for upgrading legacy Red Hat operating system to the latest operating system and ensure risks are mitigated without disrupting business.

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AWARDS

- HCL won the Strategic Partner Award from Workato, a software company that provides a powerful integration and automation platform. The award recognizes HCL's thought leadership and innovative integration-as-a-service offering in delivering solutions using the Workato platform and enabling client success. It also honors HCL's leadership and commitment to enable digital transformation for clients.

- HCL won eight Brandon Hall Group Excellence Awards 2021, a global recognition from the organization behind the largest and longest-running awards program in Human Capital Management. HCL won five gold, two silver and one bronze awards. The gold awards were won in the areas of Best Advance in Employee Engagement, Best Advance in Sales Training and Performance, Best Use of Mobile Learning, Best Advance for Leading Under a Crisis, Best Advance in Employee Engagement. The silver awards were given for the Best Advance in Leading Diversity and Inclusion Initiatives and Best Unique or Innovative HR Program. The bronze award was won for the Best Advance in Managing a Remote Workforce.

ANALYST RECOGNITIONS

HCL received 50+ analyst recognitions for the quarter which we believe further strengthens our credentials to be a partner of choice for large enterprises in their cloud and digital transformation journey.

Digital Business: (Digital consulting, applications, insights and IoTWoRKS™)

HCL Technologies positioned as a Leader in 2021 Gartner® Magic Quadrant ^{TM} for Public Cloud IT Transformation Services*

HCL Technologies positioned as Leader in The Forrester Wave™: Application Modernization and Migration Services, Q3 2021

HCL Technologies Positioned as Leader in IDC MarketScape: Worldwide B2B Commerce Services for Industrial Manufacturing 2021 Vendor Assessment (Doc #EUR148242121, Oct 2021)

HCL Technologies positioned as Leader in:

ISG Provider Lens™ SAP HANA Ecosystem Services - Managed Cloud Services for SAP HANA - U.K., Nordics 2021

ISG Provider Lens™ SAP HANA Ecosystem Services - SAP Business Technology Platform and Intelligent Technologies - U.S., U.K., Nordics 2021

ISG Provider Lens™ SAP HANA Ecosystem Services - SAP S/4HANA System Transformation - Large Accounts – U.S., U.K. 2021

ISG Provider Lens™ Utilities Industry - Services and Solutions - North America 2021 - Digital Transformation Services and Solutions – Large Accounts

ISG Provider Lens™ Internet of Things - Services and Solutions - Managed IoT Services - U.S. 2021

ISG Provider Lens™ Internet of Things - Services and Solutions - IT/OT Tech Data Convergence - Global 2021

ISG Provider Lens™ Internet of Things - Services and Solutions - IoT Consulting & Services - U.S. 2021

Digital Foundation: (Hybrid cloud, digital workplace, next-gen network, unified service management, and cybersecurity and GRC services)

HCL Technologies positioned as a Leader in 2021 Gartner® Magic Quadrant^{TM} for Data Center Outsourcing and Hybrid Infrastructure Managed Services, Global*

HCL Technologies positioned as Leader in the Everest Group Microsoft Dynamics 365 Services PEAK Matrix® Assessment 2021

HCL Technologies positioned as Leader in the Everest Group Network Transformation and Managed Services PEAK Matrix® Assessment 2021

HCL Technologies positioned as Leader in the IDC MarketScape: Worldwide Artificial Intelligence IT Services 2021 Vendor Assessment (Doc #US46741821, August 2021)

HCL Technologies positioned as Leader in the IDC MarketScape: Asia/Pacific (Excluding Japan) Managed Cloud Services 2021 Vendor Assessment (Doc #AP47014921, August 2021)

HCL Technologies positioned as Leader in the Avasant Digital Talent Capability 2021 RadarView™

HCL Technologies positioned as Leader in:

ISG Provider Lens™ Cybersecurity – Solutions & Services: Strategic Security Services - U.S., U.K., Nordics, Switzerland 2021

ISG Provider Lens™ Cybersecurity – Solutions & Services: Managed Security Services - Large Accounts - U.S. 2021

ISG Provider Lens™ Cyber Security – Solutions & Services: Managed Security Services –Nordics, Switzerland 2021

ISG Provider Lens™ Utilities Industry - Services and Solutions - North America 2021 - Next-Gen IT Services – Large Accounts

ISG Provider Lens™ Networks - Software Defined Solutions and Services - U.K., Nordics 2021 - SDN Transformation Services (Consulting and Implementation)

ISG Provider Lens™ Networks - Software Defined Solutions and Services - U.K., Nordics 2021 - Edge Technologies and Services

ISG Provider Lens™ Networks - Software Defined Solutions and Services – U.K., Nordics 2021 - Technology and Service Suppliers (core - 4G/5G)

Digital Operations: (Integrated IT ops, Cybersecurity Fusion Centers and process operations)

HCL Technologies Positioned as Leader in IDC MarketScape for Worldwide Supply Chain SAP Ecosystem Services 2021 Vendor Assessment (Doc #US47537120)

HCL ranked high in the Gartner's Critical Capabilities for Public Cloud IT Transformation Services report:*

HCL rated as one of the top three players in Vendors' Product Scores in the critical capability document for End-to-End Cloud-Native Applications (4.12/5), Modernizing Traditional/Legacy Applications (4.16/5), Strategic Cloud Transformation (4.14/5), Enabling DevOps in the Customer Environment (4.14/5) as well as Professional Services with Guided Support (4.18/5).

Engineering and R&D Services:

HCL Technologies positioned as a Leader in Everest Group's 5G Engineering Services PEAK Matrix® Assessment 2021

HCL Technologies positioned as a Leader in Everest Group's Autonomous, Connected, Electric and Shared (ACES) Mobility Automotive Engineering Services PEAK Matrix® Assessment 2021

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CORPORATE SOCIAL RESPONSIBILITY

HCL Foundation (HCLF), the CSR arm of HCL Technologies, contributes to the socio-economic and environmental advancement of the people and planet. HCLF is committed to the holistic integrated development of communities, sustainable business practices, and the highest standards of environmental sustainability. Various flagship programs and initiatives of HCLF aim to further national and international development goals.

HCL Foundation's reach has increased by 808% since 2016. With footprints across 21 states, three union territories and 122 districts of India, HCL Foundation is currently impacting over 2.8 million lives across rural and urban geographies of India. Prioritizing inclusion and diversity, in Q2 women and girls comprised 54% of the total reach of HCL Foundation. In addition, the foundation also reached out to 1,144 people living with disabilities.

COVID-19 Response

COVID-19 vaccination centers set up across Delhi NCR, Chennai, Mumbai, Bangalore, Vijayawada, Madurai, Lucknow, Jammu and Kashmir in collaboration with urban local bodies, which facilitated more than 6 lakh 70 thousand vaccinations till date in FY22.

- Supported 52 primary health centers in tribal locations to mitigate COVID-19 impact by providing medical equipment.
- Ambulance support provided to St. John's Hospital and east zone Bangalore Corporation
- 1,534 ASHA workers capacitated in COVID-19 mitigation works and supported with a 'Health Worker Kit'
- Supported National Institute of Mental Health and Neurosciences, Bangalore for setting up the software for telemedicine services.

Flagship Programs

In Q2 FY'22, HCLF continued to work toward holistic community development across rural and urban geographies. HCL contributed progressively to the socio-economic and environmental advancement of the people and planet, with CSR at the very core of its existence.

Rural Programs

HCL Samuday

In the district of Hardoi, Uttar Pradesh

- 10 new telemedicine facilities, fully electrified by rooftop solar PV systems, established in government health and wellness centers
- 6,992 learners of Sakshar Samuday intervention successfully completed the course
- Aadhar-based rural banking system established in multiple gram panchayats
- Facilitated collection of 16.33 lakhs liter milk from 10,000+ dairy farmers
- 300 entrepreneurs trained under entrepreneurship development program. Artisans and young people engaged under handicraft intervention, 80 youth trained in various electronic-related skill development programs and tailoring centers established to impart skill and generate employment opportunities.

HCL Grant

- 8,440 NGOs registered and 1,587 applications submitted for HCL Grant Edition VII.
- 37 children with visual impairment students passed 10th and 12th grade examination with support from Sightsavers India, HCL Grant 2018 recipients in Education category.
- India Health Action Trust (IHAT), winner of HCL Grant Edition VI (Health Category) launched MANCH, a health initiative aligned to the larger vision of the Government of Madhya Pradesh aimed at scaling its efforts toward improving maternal, neonatal and child health outcomes.
- HCL Foundation and Sightsavers along with the support of Govt of Rajasthan, launched Model Resource Rooms/Digital Learning Centers with an aim to make schools accessible and provide quality experience for children with visual impairment.

Urban Programs

Clean NOIDA

- 74,144 kg segregated wet waste and 14,4590 kg dry waste collected
- 18,603 households got spot guidance on segregation practices, 231 domestic help and 891 sanitation workers trained on safe waste handling during COVID-19

- Donated 89 e-garbage loaders till day for improving waste collection in various sectors of the city

HCL Uday
In 11 HCL cities
In Q2 FY'22, HCL Uday reached out directly to 293,283 people out of which 60% were females, through integrated and inclusive community development services.

- Under the early childhood care and development vertical, 66% of children showed improvement in nutritional grade and 85% achieved age-appropriate learning.
- Under the education vertical, 9,756 sessions were held clocking 45,059 hours, and an increase of 34.6% was observed in the outreach in online/digital mediums.
- Under the skill development and livelihoods vertical, 2,490 youth were trained and 1,426 placed while 5,975 women joined self-help groups. 58,508 beneficiaries were linked with social entitlements schemes and 'Skill Rath' – a mini IT van was launched in Lucknow to engage and counsel youth on skilling and job.
- Under the health vertical, 1,279 pregnant mothers were provided with antenatal care, 352 institutional deliveries were facilitated, 4,025 teleconsultations were done to provide continuum of care, over 5,000 adolescents were screened and treated for anemia.

Environment Action

HCL Harit

- 72,211 saplings were planted, 5,458 animals were treated and protected, 70 beneficiaries were reached through the environment education initiatives and 8,000 kgs of ghost nets were removed under the coastal and marine conservation initiative

Special Initiatives by HCL Foundation

- **My E-Haat –** My E-Haat portal, an online portal to strengthen the handicraft sector in India and promote local products by keeping artisans and primary producers at its core, was inaugurated. The portal presently has more than 800 products listed.

- **HCL Foundation Academy –** HCLF Academy successfully completed the second batch of its certificate course on corporate social responsibility and received more than 510 applications for its third batch. The academy also launched an "Adolescence Reproductive and Sexual Health (ARSH) for You" course with Population Foundation of India.

- **Power of One –** HCLF supported 13,053 beneficiaries with support from more than 1,000 volunteers. The program also supported 296 scholars.

- **Sports for Change –** 10 para-athletes secured 18 medals at the National Para Athletes Championship. The sitting volleyball team of Karnataka that includes HCLF supported athletes stood second in the National Games. Multiple sports initiatives were launched in Madurai and Chennai with an aim to provide children an opportunity to train in a sporting environment and get access to better quality training.

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FINANCIALS IN US$ FOR THE QUARTER ENDED 30th SEPTEMBER, 2021 (US GAAP)

CONSOLIDATED INCOME STATEMENT

(Amount in US $ Million)

Income Statement	Quarter Ended			Growth	
	30-Sep-20	30-Jun-21	30-Sep-21	YoY	QoQ
Revenues	**2,506.6**	**2,719.6**	**2,790.7**	**11.3%**	**2.6%**
Direct Costs	1,473.4	1,652.6	1,723.9		
Gross Profits	**1,033.3**	**1,066.9**	**1,066.8**	**3.2%**	**0.0%**
Research & Development	47.2	53.7	49.8		
SG & A	318.4	347.9	363.5		
EBITDA	**667.7**	**665.4**	**653.5**	**-2.1%**	**-1.8%**
Depreciation & Amortisation	126.1	132.4	124.6		
EBIT	**541.6**	**532.9**	**528.9**	**-2.3%**	**-0.8%**
Foreign Exchange Gains/(Loss)	(0.4)	5.5	10.7		
Other Income, net	18.9	20.7	17.4		
Provision for Tax	134.5	121.2	114.3		
Net gain attributable to redeemable non-controlling / non-controlling interest	1.5	2.1	1.8		
Net Income	**423.9**	**435.8**	**440.8**	**4.0%**	**1.2%**
Gross Margin	41.2%	39.2%	38.2%		
EBITDA Margin	26.6%	24.5%	23.4%		
EBIT Margin	21.6%	19.6%	19.0%		
Net Income Margin	16.9%	16.0%	15.8%		
Earnings Per Share					
LTM in ₹					
Basic	45.2	49.0[1]	49.5[1]		
Diluted	45.2	49.0[1]	49.5[1]		

Weighted Average Number Of Shares	Quarter Ended		
	30-Sep-20	30-Jun-21	30-Sep-21
Basic	2,713,665,096	2,713,665,096	2,713,665,096
Diluted	2,713,665,096	2,713,665,096	2,713,665,096

1.   LTM EPS for period ended Jun'21 and Sep'21, including the impact of onetime milestone bonus, stands at ₹ 46.9 and ₹ 47.3 respectively.

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CONSOLIDATED BALANCE SHEET

(Amount in US $ Million)

Particulars	AS ON	
	31-Mar-21	30-Sep-21
Assets		
Cash and Cash Equivalents	891.0	1,015.7
Funds in Transit	-	60.4
Accounts Receivables, net	1,868.6	1,976.4
Unbilled Receivables	528.1	570.3
Term Deposits	985.2	668.4
Investment Securities, available for sale	926.4	935.1
Inventories	12.8	13.7
Other Current Assets	675.9	735.6
Total Current Assets	**5,887.9**	**5,975.6**
Property and Equipment, net	854.1	807.7
Operating lease right-of-use assets	327.1	316.3
Intangible Assets, net	3,986.8	3,768.4
Term Deposits	-	16.5
Deferred Income Taxes, Net	326.3	312.4
Investments in Affiliates	6.4	7.6
Other Investments	5.7	5.8
Other Assets	600.2	564.2
Total Assets	**11,994.5**	**11,774.6**
Liabilities & Stockholders Equity		
Current Liabilities	2,291.3	2,114.7
Borrowings	534.4	525.4
Operating lease liabilities	310.0	289.1
Other Liabilities	366.9	374.7
Total Liabilities	**3,502.6**	**3,304.0**
Redeemable Non-Controlling Interests	**80.0**	**83.2**
Total Stockholders Equity	**8,411.9**	**8,387.5**
Total Liabilities, Redeemable Non-Controlling Interests and Equity	**11,994.5**	**11,774.6**

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CONSOLIDATED CASH FLOW STATEMENT

(Amount in US $ Million)

Particulars	For Year Ended Mar-21	For Quarter Ended Sep-21
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	**1,688.2**	**442.6**
Adjustments to Reconcile Net Income to Net Cash provided by Operating Activities		
Depreciation, amortization and impairment	538.2	124.6
Deferred income taxes	(35.6)	1.1
Others	(14.9)	(0.6)
Operating Cash Flow before Change in Working Capital	**2,176.0**	**567.7**
Changes in Assets and Liabilities, net		
Accounts Receivable and Unbilled Receivable	78.3	(79.8)
Other Assets	87.2	(31.3)
Other Liabilities	260.7	8.8
Net Cash provided by Operating Activities	**2,602.1**	**465.5**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment and intangibles	(262.0)	(75.7)
Proceeds from sale of property and equipment	20.7	1.0
(Purchase) / Sale or maturity of Investment Securities	42.3	17.5
Purchase of other Investments	(0.9)	0.0
Fixed Deposits (increase) / decrease	(494.7)	146.2
Payments for business acquisitions, net of cash acquired	(164.6)	-
Purchase of redeemable non-controlling Interests	(1.6)	-
Investment in equity method investee	-	(1.2)
Net Cash provided by (used in) Investing Activities	**(860.8)**	**87.7**
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment for Deferred consideration on Business Acquisition	(864.6)	(50.0)
Dividend paid	(440.0)	(219.9)
Loans	(187.8)	(4.7)
Dividend to redeemable non-controlling Interests	(4.4)	-
Others	(20.3)	(2.0)
Net Cash used in Financing Activities	**(1,517.1)**	**(276.7)**
Effect of exchange rate changes on cash and cash equivalents and restricted cash	26.8	(7.3)
Net increase (decrease) in cash and cash equivalents and restricted cash	251.0	269.3
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH		
Beginning of the Period	641.7	747.4
End of the Period	**892.6**	**1,016.7**

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CASH & CASH EQUIVALENTS, INVESTMENTS AND BORROWINGS

(Amount in US $ Million)

	Sep-21
Cash & Cash Equivalents	1,016
Term Deposits	685
Investment Securities, Available for Sale	935
Funds in transit	60
Total Funds (Gross Cash)	**2,696**

	Sep-21
Borrowings	**525**

	Sep-21
Net Cash	**2,171**

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REVENUE ANALYSIS AT COMPANY LEVEL (QUARTER ENDED)

Geographic Mix	30-Jun-21	30-Sep-21
Americas	63.1%	62.8%
Europe	27.9%	28.3%
RoW	9.0%	8.9%

Segment Mix	30-Jun-21	30-Sep-21
IT and Business Services (A)	71.6%	72.6%
Engineering and R&D Services (B)	15.3%	15.7%
Services (A + B)	**86.9%**	**88.3%**
Products & Platforms	13.1%	11.7%

Vertical Mix	30-Jun-21	30-Sep-21
Financial Services	22.1%	21.3%
Manufacturing	17.2%	17.9%
Technology & Services	17.3%	17.2%
Retail & CPG	10.0%	9.8%
Telecommunications, Media, Publishing & Entertainment	7.9%	7.9%
Lifesciences & Healthcare	14.7%	15.3%
Public Services[#]	10.8%	10.6%

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

Contract Type	30-Jun-21	30-Sep-21
Managed Services & Fixed Price Projects	66.5%	64.6%
Time & Material	33.5%	35.4%

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CONSTANT CURRENCY REPORTING

Reported	30-Sep-20	31-Dec-20	31-Mar-21	30-Jun-21	30-Sep-21
Revenue ($ Mn)	2,506.6	2,616.6	2,695.9	2,719.6	2,790.7
Growth QoQ	6.4%	4.4%	3.0%	0.9%	2.6%
Growth YoY	0.8%	2.9%	6.0%	15.5%	11.3%
Constant Currency (QoQ)	30-Sep-20	31-Dec-20	31-Mar-21	30-Jun-21	30-Sep-21
Revenue ($ Mn)	2,460.7	2,593.1	2,682.0	2,715.4	2,814.6
Growth QoQ	4.5%	3.5%	2.5%	0.7%	3.5%
Constant Currency (YoY)	30-Sep-20	31-Dec-20	31-Mar-21	30-Jun-21	30-Sep-21
Revenue ($ Mn)	2,475.5	2,572.2	2,610.4	2,630.6	2,770.9
Growth YoY	-0.4%	1.1%	2.6%	11.7%	10.5%

Average Rates For Quarter	30-Sep-20	31-Dec-20	31-Mar-21	30-Jun-21	30-Sep-21
USD - INR	74.14	73.80	72.97	73.78	73.96
GBP - USD	1.30	1.33	1.38	1.40	1.37
EUR - USD	1.17	1.20	1.20	1.20	1.18
USD - SEK	8.86	8.44	8.44	8.39	8.66
AUD - USD	0.72	0.73	0.77	0.77	0.73

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CLIENT METRICS

Number of Million Dollar Clients (LTM)	30-Sep-20	30-Jun-21	30-Sep-21	QoQ Change	YoY Change
100 Million dollar +	14	14	15	1	1
50 Million dollar +	29	37	41	4	12
20 Million dollar +	91	104	109	5	18
10 Million dollar +	172	183	190	7	18
5 Million dollar +	317	326	329	3	12
1 Million dollar +	865	817	836	19	(29)

Client Contribution to Revenue (LTM)	30-Sep-20	30-Jun-21	30-Sep-21
Top 5 Clients	13.7%	13.0%	12.7%
Top 10 Clients	20.9%	20.8%	20.7%
Top 20 Clients	30.6%	30.4%	29.9%

Days Sales Outstanding	30-Sep-20	30-Jun-21	30-Sep-21
Days Sales Outstanding - excluding unbilled receivables	61	64	64

HEADCOUNT

Headcount Details	30-Sep-20	30-Jun-21	30-Sep-21
Total Employee Count	**153,085**	**176,499**	**187,634**
Technical	141,445	163,730	174,541
Sales and Support	11,640	12,769	13,093
Attrition (LTM)*	12.2%	11.8%	15.7%

Note: Attrition excludes involuntary attrition and Digital process operations.

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FINANCIALS IN ₹ FOR THE QUARTER ENDED 30th SEPTEMBER, 2021 (US GAAP)

CONSOLIDATED INCOME STATEMENT

(Amount in ₹ Crores)

Income Statement	Quarter Ended			Growth	
	30-Sep-20	30-Jun-21	30-Sep-21	YoY	QoQ
Revenues	**18,594**	**20,068**	**20,655**	**11.1%**	**2.9%**
Direct Costs	10,929	12,197	12,758		
Gross Profits	**7,665**	**7,871**	**7,897**	**3.0%**	**0.3%**
Research & Development	350	396	369		
SG & A	2,364	2,567	2,690		
EBITDA	**4,951**	**4,908**	**4,838**	**-2.3%**	**-1.4%**
Depreciation & Amortisation	935	977	922		
EBIT	**4,016**	**3,931**	**3,916**	**-2.5%**	**-0.4%**
Foreign Exchange Gains/(Loss)	(3)	41	79		
Other Income, net	139	153	128		
Provision for Tax	999	894	846		
Net gain attributable to redeemable non-controlling / non-controlling interest	11	16	13		
Net Income	**3,142**	**3,214**	**3,265**	**3.9%**	**1.6%**
Gross Margin	41.2%	39.2%	38.2%		
EBITDA Margin	26.6%	24.5%	23.4%		
EBIT Margin	21.6%	19.6%	19.0%		
Net Income Margin	16.9%	16.0%	15.8%		
Earnings Per Share					
LTM in ₹					
Basic	45.2	49.0[1]	49.5[1]		
Diluted	45.2	49.0[1]	49.5[1]		

Weighted Average Number Of Shares	Quarter Ended		
	30-Sep-20	30-Jun-21	30-Sep-21
Basic	2,713,665,096	2,713,665,096	2,713,665,096
Diluted	2,713,665,096	2,713,665,096	2,713,665,096

1. LTM EPS for period ended Jun'21 and Sep'21, including the impact of onetime milestone bonus, stands at ₹ 46.9 and ₹ 47.3 respectively.

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CONSOLIDATED BALANCE SHEET

(Amount in ₹ Crores)

Particulars	AS ON	
	31-Mar-21	30-Sep-21
Assets		
Cash and Cash Equivalents	6,515	7,542
Funds in Transit	-	448
Accounts Receivables, net	13,663	14,676
Unbilled Receivables	3,862	4,235
Term Deposits	7,202	4,962
Investment Securities, available for sale	6,773	6,942
Inventories	94	102
Other Current Assets	4,943	5,463
Total Current Assets	**43,052**	**44,370**
Property and Equipment, net	6,245	5,997
Operating lease right-of-use assets	2,392	2,349
Intangible Assets, net	29,150	27,978
Term Deposits	-	123
Deferred Income Taxes, Net	2,386	2,320
Investments in Affiliates	47	57
Other Investments	42	43
Other Assets	4,389	4,190
Total Assets	**87,702**	**87,427**
Liabilities & Stockholders Equity		
Current Liabilities	16,755	15,703
Borrowings	3,907	3,901
Operating lease liabilities	2,267	2,149
Other Liabilities	2,683	2,781
Total Liabilities	**25,612**	**24,534**
Redeemable Non-Controlling Interests	**585**	**618**
Total Stockholders Equity	**61,506**	**62,275**
Total Liabilities, Redeemable Non-Controlling Interests and Equity	**87,702**	**87,427**

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ABOUT HCL TECHNOLOGIES

HCL Technologies (HCL) empowers global enterprises with technology for the next decade, today. HCL's Mode 1-2-3 strategy, based on its deep-domain industry expertise, client-centricity and entrepreneurial culture of Ideapreneurship™, enables businesses to transform into next-gen enterprises.

HCL offers its services and products through three business units: IT and Business Services (ITBS), Engineering and R&D Services (ERS) and Products & Platforms (P&P). ITBS enables global enterprises to transform their businesses through offerings in the areas of applications, infrastructure, digital process operations and next-generation digital transformation solutions. ERS offers engineering services and solutions in all aspects of product development and platform engineering. P&P provides modernized software products to global clients for their technology and industry-specific requirements. Through its cutting-edge co-innovation labs, global delivery capabilities and broad global network, HCL delivers holistic services in various industry verticals, including Financial Services, Manufacturing, Technology and Services, Telecom and Media, Retail and CPG, Life Sciences and Healthcare, and Public Services.

As a leading global technology company, HCL takes pride in its diversity, social responsibility, sustainability, and education initiatives. For the 12 months ended September 30, 2021, HCL had consolidated revenue of US$10.82 billion. Its more than 187,000 Ideapreneurs operate out of 50 countries.

For more information, visit www.hcltech.com

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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TALK TO ME

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