



Wipro

Quarterly Update
Report Abstract

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13 pages





Who Is This Quarterly Update For?

NelsonHall's Quarterly Update on Wipro provides a snapshot of developments at the company in the last quarter. It accompanies NelsonHall's more comprehensive Key Vendor Assessment program.

Both programs are designed for:

- Marketing, sales and business managers developing strategies to target service opportunities within the BPO/IT Services markets
- Sourcing managers monitoring the capabilities of existing suppliers of IT and BPO services and identifying vendor suitability for these services
- Consultants advising clients on vendor selection
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the BPO/IT services sector.



Highlights

Q2 FY18 Performance similar to Q1, impacted by challenges in Healthcare and Communications; claims to be on trajectory to reach "industry level" growth by Q4. Operating margin continues to decline.

Growth was driven primarily by BFSI (North America banking, which for some peers is soft) and Manufacturing & Technology, which together account for >50% of total revenue

Excluding BPO (where the impact of HPS is evident), we estimate broadly flat constant scope/constant currency growth.

Operating margin down y/y, and the eleventh consecutive quarter of y/y decline.

Q3 FY18 guidance is muted; still expecting significant pick up in Q4

The wide (\$40m) guidance range reflects ongoing uncertainties, though management expects Communications to start picking up.

Management again expressed confidence that Wipro will achieve industry-level growth by Q4 (this might include some inorganic growth, if there is significant acquisition activity in Q3), with margins closer to FY17 levels.

Progress against six strategic pillars: client mining delivering results; HOLMES automating more L2 tasks, 52% of U.S. workforce now localized.

This Quarterly Update on Wipro is 13 pages. For details, please contact guy.saunders@nelson-hall.com.

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M&A and Investments

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Scope of the Report

The report provides a quarterly update on Wipro, looking at financial performance and key developments during the period.

It accompanies NelsonHall's Key Vendor Assessment program which looks at Wipro's IT and BPO offerings, capabilities, and market and financial strengths, including:

- Identification of the company's strategy, emphases and new developments
- Revenue breakdowns
- Analysis of the company's offerings and key service components
- Analysis of the profile of the company's client base including the company's targeting strategy and examples of current contracts
- Analysis of the company's strengths, weaknesses and outlook.

Report Length

13 pages

Report Authors

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