

IT Services

Cloud (of the wrong variety) on the horizon?

IT Services' 3QFY25 results were, in general, marginally better than expectations. Barring HCL, others met or exceeded top-line estimates. Earnings beat were however limited to a few (WPRO/PSYS) and followed better margin performance. Unsurprisingly, meaningful EPS upgrades were restricted to these names, and Coforge. Management tone was cautiously optimistic. Their outlook was informed by higher ACV growth (TCS/HCL/WPRO) and sustained discretionary spend in BFS. 3Q results however appear a distant memory now. Uncertainty has crept in the economic outlook since. Trade war seems imminent. Recalcitrant inflation has pushed out fed rate cut hopes and plunged consumer confidence in the US. Such uncertainty is anathema to IT Services demand. To make matters worse, it has coincided with clients' budgeting cycle. Two of the three guidance into CY25 – Accenture (ACN US; NR) and Capgemini (CAP FR; NR) - imply no organic growth acceleration in FY26. The third one, that is Cognizant (CTSH US; NR), suggests otherwise. But that is more a reflection of CTSH's own turnaround than broader demand environment, in our view. In our recent interactions with IT Services players, we picked up sporadic instances of pause in transformation programs by large US banks. This, if spreads, could put Street's (and ours) FY26 growth estimates at risk. Our estimates and TP are unchanged for now as we seek more evidence. But will advise flight to safety, that is, stocks with earning resilience and valuation buffer. TCS/INFO tick those boxes.

- 3QFY25 in a nut-shell:** Large-cap companies (top-6) grew 0%-3.8% cc QoQ in 3Q. Barring HCL, others met or exceeded expectations. Mid-cap outpaced larger peers again with 0.2%-8.4% cc QoQ growth, led by Coforge. Auto ER&D slowed down, albeit less than anticipated. WPRO/TECHM among large caps and PSYS among mid-caps did better on margins. Deal wins performance was mixed. TCS, LTIM and TECHM (on a low base) did well while other large-cap peers reported flat to negative growth.
- Outlook, then and now:** Most players had echoed cautious optimism in their 3Q commentary. They cited improvement in short duration deals and continued discretionary spend in BFS. TCS indicated reduction in deal decision cycles (for USD 20mn+ TCV deals). HCL reported 23%+ YoY growth in ACV. WPRO highlighted improved traction in USD 1-10mn deals. Part of the optimism was predicated on reducing uncertainty as new US administration took office. Anything but that has happened since. Tariffs and counter tariffs have infused more uncertainty. Inflation and rate cut trajectories have worsened. Our recent interactions with IT Services players gave us mixed signals. Few are maintaining their 3Q view still, especially on BFS. We also picked up instances of pause in large programs by US banks. That, if expands, does not bode well.
- Global commentary and guidance:** CAP guided for -3% to 0% organic growth guidance for CY25, below their CY24 organic growth of -2.4%. They even indicated that 1HCY25 will likely be similar to Q4 (-1% YoY). Higher exposure to EU manufacturing explains their muted outlook though, and may not be have a direct read-through for India IT Services. CTSH, on the other hand, guided for 1%-4% cc organic growth in CY25, better than their CY24 performance (0%). CTSH's better guidance stems from their strong deal wins in CY24. They won 29 USD 100mn+ deals vs 17 in CY23, something we have not seen for India IT Services players. In fact, they indicated low-to-single digit growth in ACV in CY24, in-line with their guidance. We estimate that INFO's ACV growth could be in similar range too, though limited data on sub-USD 50mn deals make this prone to error.
- Sector view - caution over optimism:** Consensus (VisibleAlpha) estimates (as well as ours) are building growth acceleration in FY26 across large-caps. Assuming normal seasonality, it implies 1.9%-3.3% CQGR in 1H (Exhibit 3). Pause in discretionary, especially in BFS, could put these estimates at risk. Recent correction in the sector (NSE-IT down 8% MTD) seems to reflect that. Though we have left our estimates unchanged for now, we will stick to stocks that offer earning resilience and valuation buffer. TCS trades at 9% discount to its 5-year mean. INFO is trading at par. Investors should stay with these.

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Tier I	Rating	Target Multiple	TP (INR)	Upside
TCS	BUY	28x	4,680	27.3%
Infosys	BUY	28x	2,200	24.7%
HCL Tech	HOLD	25x	1,830	11.2%
Wipro	BUY	24x	360	22.0%
TechM	BUY	22x	1,870	15.9%
LTIM	SELL	25x	4,800	-4.9%

Tier II	Rating	Target Multiple	TP	Upside
Mphasis	BUY	31x	3,660	47.1%
Hexaware	BUY	30x	820	1.9%
Persistent	BUY	55x	7,630	35.3%
Coforge	BUY	45x	10,990	44.1%

Auto ERD	Rating	Target Multiple	TP	Upside
Tata Tech	BUY	50x	1,150	56.9%
KPIT Tech	BUY	55x	2,250	75.5%

JM Financial Research is also available on: Bloomberg - JMFR <GO>, Thomson Publisher & Reuters, S&P Capital IQ, FactSet and Visible Alpha

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Current estimates and available guidance at odds

Exhibit 1. Two of the three available guidance into CY25 indicates no growth acceleration

Guidance analysis - Global Peers

Organic Guidance (CC)

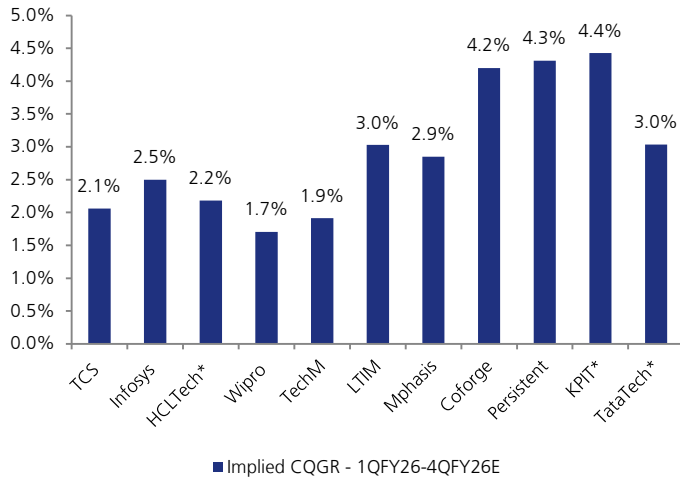
	FY25		FY24 guidance (4QFY23)		FY24 guided revenues (4QFY23)- USD Bn		FY24A – USD Bn	FY24A	
	Lower-end	Upper end	Lower-end	Upper end	Lower-end	Upper-end	Revenues -adj. for Inorganic	Variance vs Lower end	Variance vs Upper end
Accenture	0%	3%	0%	3%	64,112	66,036	62,973	-1.8%	-4.6%
Cognizant	1%	4%	-3%	1%	18,772	19,547	19,349	3.1%	-1.0%
Capgemini	-3%	0%	0%	2%	22,522	22,972	21,983	-2.4%	-4.3%

Guidance (CC)

	FY25		FY24 guided (4QFY23)		FY24 guided revenues (4QFY23)- USD Bn		FY24A – USD Bn	FY24A	
	Lower-end	Upper end	Lower-end	Upper end	Lower-end	Upper-end	Revenues	Variance vs Lower end	Variance vs Upper end
Accenture	3%	6%	2%	5%	65,394	67,318	64,897	-0.8%	-3.6%
Cognizant	4%	6%	-2%	2%	18,966	19,740	19,736	4.1%	0.0%
Capgemini	-2%	2%	0%	3%	22,522	23,198	22096	-1.9%	-4.7%

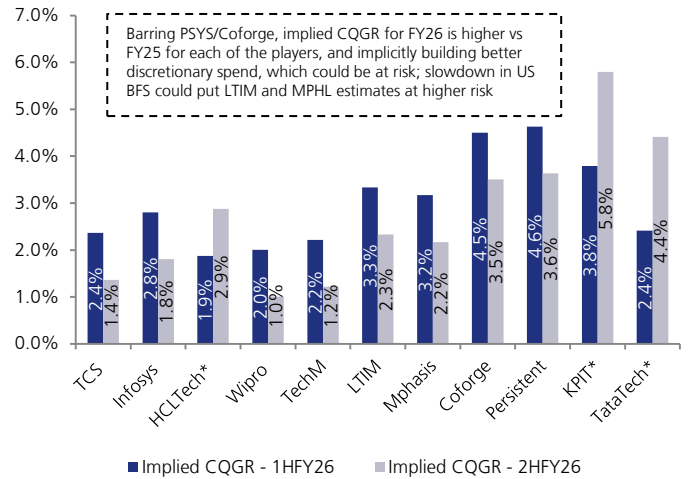
Source: Company, JM Financial

Exhibit 2. FY26 CQGR implied by current cons. estimates, though... Implied CQGR for FY26E based on cons. estimates



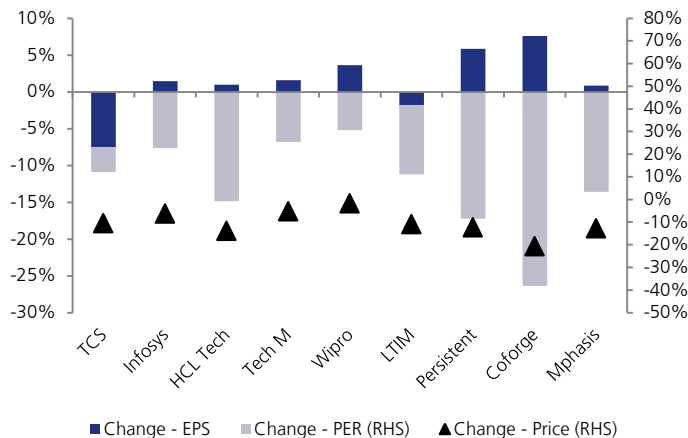
Source: Company, JM Financial, Visible Alpha estimates

Exhibit 3. ...reasonable, do not account for a growth slowdown Implied CQGR (seasonally adjusted) for FY26E based on cons. ests.



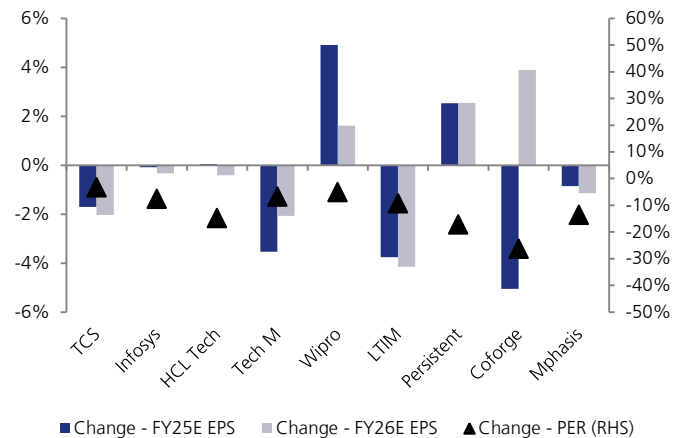
Note: * assumed 2H CQGR growth to be 2 ppt higher than 1H's for HCLT/KPIT/TATATECH; for others, assumed 1H CQGR than 2H by 1ppt; Source: Company, JM Financial, Visible Alpha estimates

Exhibit 4. We have seen de-rating across the stocks CYTD... CY25 YTD stock performance break-up



Source: JM Financial, Bloomberg estimates

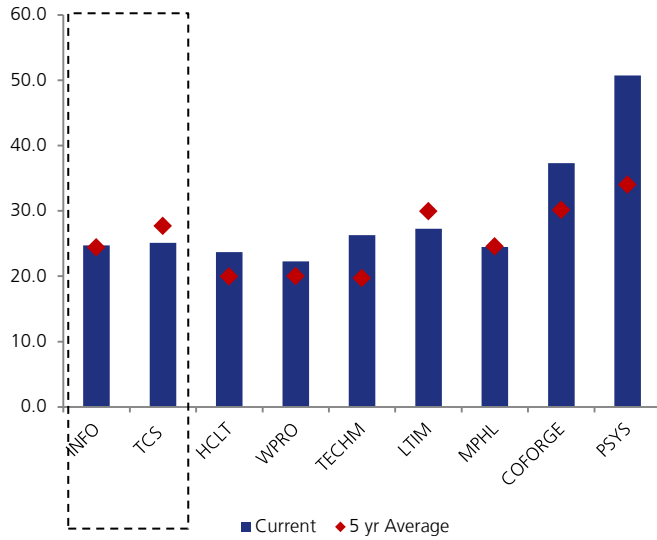
Exhibit 5. ...despite EPS upgrades, reflecting risk to numbers Changes to FY25E/FY26E EPS changes CYTD



Source: JM Financial, Bloomberg estimates

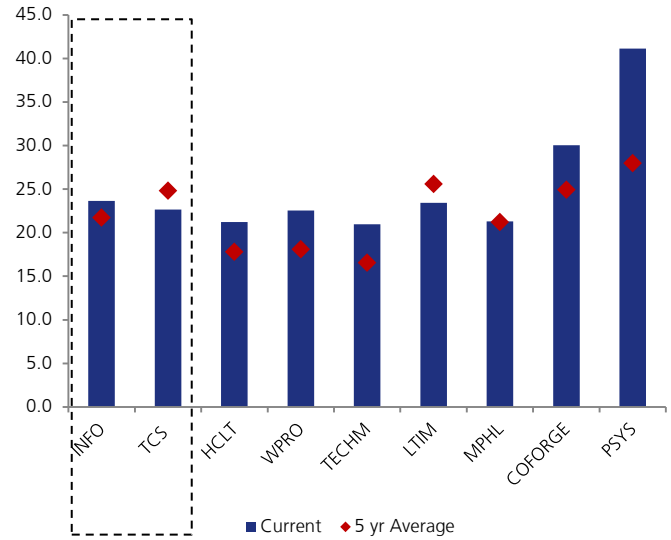
Current Valuation vs Historical trends

Exhibit 6. Given the uncertainty, we advise flight to safety to TCS and INFO which are at par or below their 5-year median
Current 12-M forward PER and 5-year average



Source: JM Financial, Bloomberg

Exhibit 7. After recent correction, even LTIM's multiple has slipped below its 5 year avg, but we see higher risk to cons. est for LTIM
Current 24-M forward PER and 5-year average



Source: JM Financial, Bloomberg

Exhibit 8. TCS now trades at 9% discount to its historical average, which should lend downside support to the stock
PER analysis, 12-M forward

Company	Current multiple	3 yr Average (x)	5 yr Average (x)	10 yr average (x)	Var. with 5 yr avg	5 yr +1SD (x)	5 yr -1SD (x)
	PE (x)	PE (x)	PE (x)	PE (x)	%	PE (x)	PE (x)
Infosys	24.7	24.1	24.39	20.62	1.4%	27.98	20.81
TCS	25.1	27.1	27.66	23.86	-9.3%	30.18	25.15
HCLTech	23.68	21.24	19.95	17.17	18.7%	23.78	16.11
Wipro	22.29	22.29	20.00	15.83	11.5%	24.11	15.90
TechM	26.29	21.32	19.70	16.80	33.5%	24.73	14.68
LTIMindtree	27.25	29.29	29.93	NA	-9.0%	36.40	23.46
Mphasis	24.47	25.16	24.56	19.53	-0.4%	31.07	18.06
Coforge	37.32	30.69	30.12	21.78	23.9%	37.81	22.42
Persistent	50.71	38.66	34.00	24.27	49.2%	45.99	22.01
KPIT Tech	37.91	48.28	37.91	NA	0.0%	53.88	23.71

Note, historical PER is calculated using forward EPS estimates at those times; Source: Bloomberg, JM Financial

3QFY25 Performance and Outlook: Heat Map

Exhibit 9. North America, BFSI, Healthcare and consumer showed positive signs in the quarter while Europe, Manufacturing and telecom saw de-growth. Hi-Tech also faced challenges
Heat-map-Sequential growth across geographies and industry segments – 3QFY25

	Geography			Industry Segments					
	North America	Europe	ROW	BFSI	Consumer	Manufacturing	Communication	Hi-Tech	HLS*
TCS (1)	-1.5%	-5.1%	3.0%	-2.7%	-0.4%	-4.0%	-3.4%	-1.7%	-4.5%
Infosys (2)	2.7%	0.9%	-7.0%	3.1%	4.7%	-0.4%	-5.0%	-0.3%	5.1%
HCL Tech (3)	1.6%	0.2%	-2.1%	0.0%	11.5%	-1.1%	2.6%	2.5%	-2.2%
Wipro (4)	1.2%	-5.4%	-3.9%	-3.2%	-2.2%		-1.8%		6.8%
Tech Mahindra (5)	-1.9%	-3.0%	1.4%	0.5%	1.2%	-3.6%	-4.0%	-1.3%	2.7%
LTIM (6)	0.7%	-3.1%	9.7%	3.3%	-0.3%	7.8%		-5.7%	-0.5%
Coforge	9.3%	8.8%	-5.1%	2.6%	5.17%				
Persistent	3.2%	8.2%	9.1%	4.9%				3.7%	4.3%
Legends	>1% QoQ growth	-1% to +1% QoQ growth	< -1% QoQ growth						

Note: (1) TCS: Communication & Media considered under Communication, Technology & Services under Hi-Tech;

(2) INFO: Retail considered under Consumer;

(3) HCLT: Telecommunications, Media, Publishing & Entertainment considered under Communication, Retail & CPG under consumer, Technology & Services under Hi-Tech.

(4) WPRO: Combined America 1 and America 2 considered under North America, Technology considered under Hi Tech. Communication for Wipro includes Technology and Communication for Wipro as per 3QFY25 revised reporting. Wipro stopped reporting Manufacturing separately from 3QFY25.

(5) TECHM: Retail, transportation & logistics considered under consumer, Hi Tech & Media considered under Hi Tech.

(6) LTIM: Technology, Media & Communication considered under communication, Manufacturing & Resources considered under manufacturing; LTIM healthcare and life sciences includes Public services as well

(7) COFORGE: Travel, Transportation and Hospitality considered under Consumer;

(8) PSYS: Software, Hi Tech & Emerging Industries considered under Hi Tech;

Source: Company, JM Financial

Exhibit 10. Most players indicated a positive outlook for US, BFSI, Consumer and Healthcare verticals. Weakness was flagged off in the Manufacturing vertical

Heat Map – Qualitative commentary on the outlook for geographies and industry segments

	Geography			Industry Segments					
	North America	Europe	ROW	BFSI	Consumer	Manufacturing	Communication	Hi-Tech	HLS
TCS (1)	Positive	Headwinds	Neutral	Positive	Positive	Headwinds	Headwinds	Headwinds	Positive
Infosys (2)	Positive	Headwinds	Neutral	Positive	Positive	Headwinds	Headwinds	Headwinds	Positive
HCL Tech (3)	Positive	Headwinds	Neutral	Positive	Positive	Headwinds	Headwinds	Headwinds	Positive
Wipro (4)	Positive	Headwinds	Neutral	Positive	Positive	Headwinds	Headwinds	Headwinds	Positive
Tech Mahindra (5)	Positive	Headwinds	Neutral	Positive	Positive	Headwinds	Headwinds	Headwinds	Positive
LTIM (6)	Positive	Headwinds	Neutral	Positive	Positive	Headwinds	Headwinds	Headwinds	Positive
Coforge (7)	Positive	Headwinds	Neutral	Positive	Positive	Headwinds	Headwinds	Headwinds	Positive
Persistent (8)	Positive	Headwinds	Neutral	Positive	Positive	Headwinds	Headwinds	Headwinds	Positive
Legends	Positive	Headwinds	Neutral						

Note: 1) TCS: Communication & Media considered under Communication, Technology & Services under Hi-Tech;

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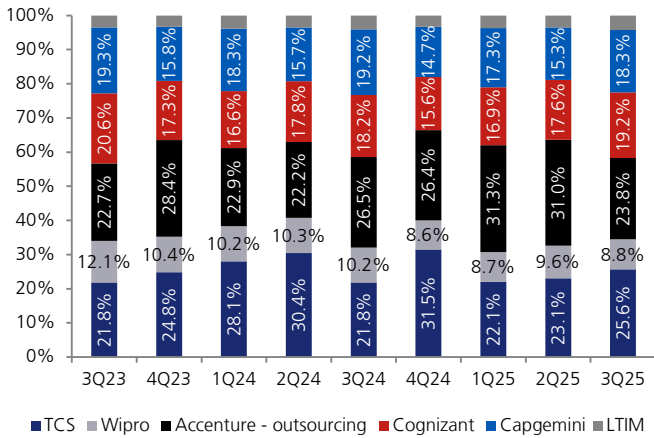
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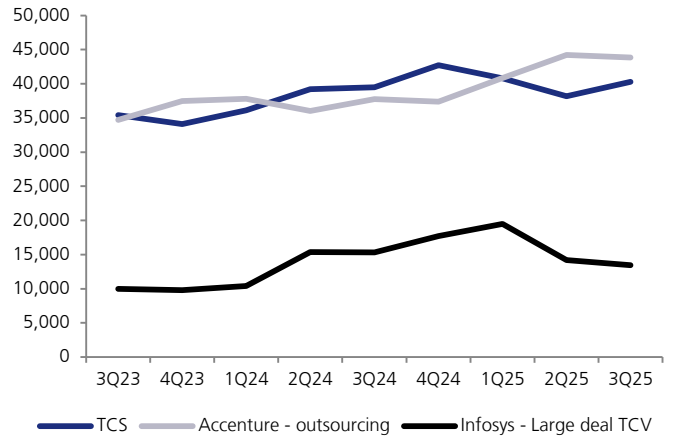
Deal Win Analysis:

Exhibit 11. ACN and WPRO's TCV share among large providers declined while that of Capgemini, TCS and CTSH improved
Market share, deal TCV – Select players



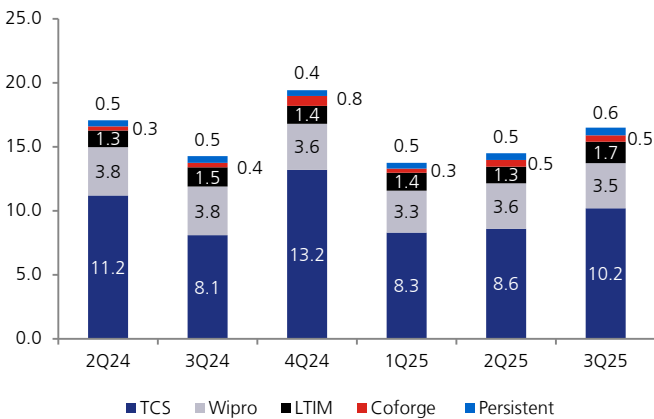
Note: Players who report full TCV considered; For Capgemini, CTSH 4QCY24 numbers considered, for ACN 1QFY25 numbers considered Source: Company, JM Financial

Exhibit 12. Gap in LTM TCV of TCS and ACN converged after expanding in past two qtrs.; INFO's continued to decline
LTM deal TCV, USD mn



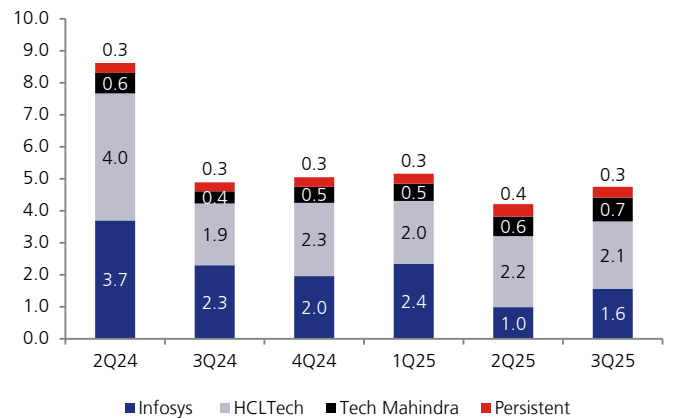
Source: Company, JM Financial

Exhibit 13. TCS saw sharpest YoY growth in TCV, others were muted
Total Contract Value, Select IT players -3QFY25 (USD bn)



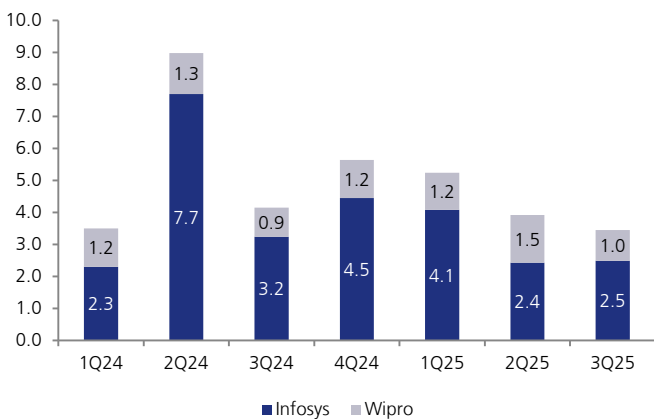
Note: Only players who report TCV of all deals shown for like-to-like comparison; Source: Company, JM Financial

Exhibit 14. Net new deal wins were flat YoY
Net new Total contract value, Select IT players - 3QFY25 (USD bn)



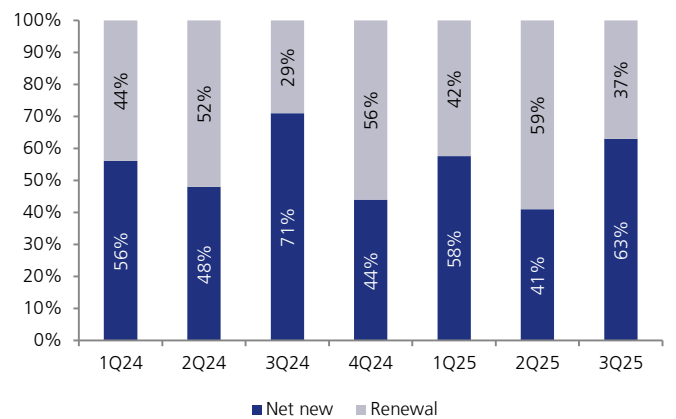
Note: Only players who report net new deal wins shown here for like-to-like comparison; Source: Company, JM Financial

Exhibit 15. Large deal wins slowing down possibly signalling a shift towards discretionary spends
Total Contract Value - Large Deal TCV (USD bn)



Note: Large deal is above USD 50mn for Infosys and USD 30mn for Wipro. Source: Company, JM Financial

Exhibit 16. Net New deals share (for INFO) improved, possibly reflecting an uptick in discretionary/net new project starts
Infosys Deal wins: New deal vs. Renewal



Source: Company, JM Financial

3QFY25 Result snapshot

Exhibit 17. JMF IT Services coverage universe – 3QFY25 performance snapshot

Infosys	3QFY25A	3QFY25E	Vs JMFe	2QFY25	3QFY24	QoQ change	YoY change
Revenue growth (QoQ CC)	1.7%	0.6%	110 bps	3.1%	-1.0%	-140 bps	270 bps
Revenue (USD Mn)	4,939	4,879	1.2%	4,894	4,663	0.9%	5.9%
Revenue (INR Mn)	417,640	412,357	1.3%	409,860	388,210	1.9%	7.6%
EBIT	89,120	88,893	0.3%	86,490	79,610	3.0%	11.9%
EBIT margin (%)	21.3%	21.6%	-20 bps	21.1%	20.5%	20 bps	80 bps
Net profit	68,060	67,687	0.6%	65,060	61,130	4.6%	11.3%
TCS							
Revenue growth (QoQ CC)	0.0%	0.0%	bps	1.1%	1.0%	-110 bps	-100 bps
Revenue (USD Mn)	7,539	7,596	-0.7%	7,670	7,281	-1.7%	3.5%
Revenue (INR Mn)	639,730	641,388	-0.3%	642,590	605,830	-0.4%	5.6%
EBIT	156,570	155,755	0.5%	154,650	151,550	1.2%	3.3%
EBIT margin (%)	24.5%	24.3%	20 bps	24.1%	25.0%	40 bps	-50 bps
Net profit	123,800	121,785	1.7%	119,090	120,160	4.0%	3.0%
Wipro							
IT Services							
Revenue growth (QoQ CC)	0.1%	-0.5%	60 bps	0.6%	-1.7%	-50 bps	180 bps
Revenue - IT (USD Mn)	2,629	2,624	0.2%	2,660	2,656	-1.2%	-1.0%
IT Services Revenue (INR Mn)	222,851	221,736	0.5%	221,957	221,508	0.4%	0.6%
EBIT - IT Services	38,990	37,646	3.6%	37,322	35,426	4.5%	10.1%
IT Services EBIT margin (%)	17.5%	17.0%	50 bps	16.8%	16.0%	70 bps	150 bps
Consolidated							
Consolidated Revenue (INR Mn)	223,188	222,541	0.3%	223,016	222,051	0.1%	0.5%
Consolidated EBIT	38,556	32,741	17.8%	37,545	32,603	2.7%	18.3%
Consolidated EBIT , %	17.3%	14.7%	260 bps	16.8%	14.7%	40 bps	260 bps
Net profit	33,538	29,115	15%	32,088	26,942	4.5%	24.5%
HCL Tech							
Revenue growth (QoQ CC)	3.8%	5.5%	-170 bps	1.6%	6.0%	220 bps	-220 bps
Revenue (USD Mn)	3,533	3,596	-1.8%	3,445	3,415	2.5%	3.5%
Revenue (INR Mn)	298,900	303,935	-1.7%	288,620	284,460	3.6%	5.1%
EBIT	58,210	58,110	0.2%	53,620	56,150	8.6%	3.7%
EBIT margin (%)	19.5%	19.1%	40 bps	18.6%	19.7%	90 bps	-30 bps
Net profit	45,910	45,935	-0.1%	42,350	43,500	8.4%	5.5%
TechM							
Revenue growth (QoQ CC)	1.2%	0.3%	90 bps	1.2%	1.1%	bps	10 bps
Revenue (USD Mn)	1,567	1,574	-0.4%	1,589	1,573	-1.3%	-0.4%
Revenue (INR Mn)	132,856	132,927	-0.1%	133,132	131,013	-0.2%	1.4%
EBIT	13,502	12,971	4.1%	12,804	7,030	5.5%	92.1%
EBIT , %	10.2%	9.8%	40 bps	9.6%	5.4%	50 bps	480 bps
Net profit	9,832	10,356	-5.1%	12,501	5,104	-21.4%	92.6%
LTIMindtree							
Revenue growth (QoQ CC)	1.8%	1.4%	40 bps	2.3%	0.7%	-50 bps	110 bps
Revenue (USD Mn)	1,139	1,139	-0.01%	1,127	1,084	1.1%	5.1%
Revenue (INR Mn)	96,609	96,162	0.46%	94,329	90,166	2.4%	7.1%
EBIT	13,289	12,710	4.56%	14,582	13,859	-8.9%	-4.1%
EBIT margin (%)	13.8%	13.2%	50 bps	15.5%	15.4%	-170 bps	-160 bps
Net profit	10,854	10,836	0.2%	12,510	11,689	-13.2%	-7.1%
Mphasis							
Revenue growth (QoQ CC)	0.2%	0.0%	20 bps	2.4%	1.0%	-220 bps	-80 bps
Revenue (USD Mn)	419	419	-0.02%	421	402	-0.4%	4.2%
Revenue (INR Mn)	35,565	35,412	0.43%	35,286	33,507	0.8%	6.1%
EBIT	5,410	5,389	0.40%	5,368	5,099	0.8%	6.1%
EBIT margin (%)	15.2%	15.2%	bps	15.2%	15.2%	bps	bps
Net profit	4,280	4,083	4.8%	4,234	3,736	1.1%	14.6%
Persistent							
Revenue growth (QoQ CC)	4.3%	4.2%	bps	5.3%	3.0%	-110 bps	120 bps
Revenue (USD Mn)	360	360	0.04%	346	301	4.2%	19.8%
Revenues (INR Mn)	30,623	30,403	0.72%	28,972	24,982	4.9%	21.7%
EBIT	4,557	4,401	3.54%	4,062	3,631	8.3%	21.2%
EBIT margin (%)	14.9%	14.5%	40 bps	14.0%	14.5%	50 bps	-10 bps
Net profit	3,730	3,542	5.3%	3,250	2,861	9.0%	23.8%

Source: Company, JM Financial estimates

Exhibit 18. JMF IT Services coverage universe – 3QFY25 performance snapshot (continued)

Coforge	3QFY25A	3QFY25E	Vs JMFe	2QFY25	3QFY24	QoQ change	YoY change
Coforge*							
Revenue growth (QoQ CC)^	8.4%	4.4%	400 bps	6.3%	1.6%	210 bps	680 bps
Revenue (USD Mn)	397	386	2.87%	369	338	7.5%	17.5%
Revenues (INR Mn)	33,182	32,504	2.09%	30,623	27,913	8.4%	18.9%
EBIT	3,922	3,844	2.03%	3,598	3,831	9.0%	2.4%
EBIT margin (%)	11.8%	11.8%	bps	11.7%	13.7%	10 bps	-190 bps
Net profit	2,316	2,749	-15.7%	2,312	2,921	0.2%	-20.7%
Tata Technologies							
Revenue growth (QoQ CC)	1.7%	0.3%	140 bps	0.8%		-	-
Revenue (USD Mn)	156	154	1.1%	155	155	0.7%	0.6%
Revenue (INR Mn)	13,174	13,010	1.3%	12,965	12,895	1.6%	2.2%
EBIT	2,036	1,953	4.2%	2,056	2,094	-1.0%	-2.8%
EBIT margin (%)	15.5%	15.0%	40 bps	15.9%	16.2%	-40 bps	-80 bps
Net profits	1,681	1,677	0%	1,574	1,703	6.8%	-1.3%
KPIT Tech							
Revenue growth (QoQ CC)	2.0%	1.4%	60 bps	4.7%	4.3%	-	-
Revenue (USD Mn)	176	176	0.3%	173	149	1.7%	18.2%
Revenue (INR Mn)	14,780	14,783	0.0%	14,714	12,570	0.4%	17.6%
EBIT	2,538	2,548	-0.4%	2,457	2,085	3.3%	21.7%
EBIT margin (%)	17.2%	17.2%	-10 bps	16.7%	16.6%	50 bps	60 bps
Net profits	1,933	1,911	1.2%	2,080	1,568	-7.1%	23.3%

Note: *Coforge 3QFY24 is proforma financials with Ciginti consolidated, ^USD rev. growth stated for 2Q25 and 3Q25 and is on proforma numbers with Ciginti consolidated. Source: Company, JM Financial estimates

Exhibit 19. Constant currency growth – 3QFY25: Impacted by Furloughs

QoQ c/c growth (%)	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
TCS	3.9%	3.2%	3.4%	4.1%	2.2%	0.6%	0.0%	0.1%	1.0%	1.1%	2.2%	1.1%	0.0%
INFO	7.0%	1.2%	5.5%	4.0%	2.4%	-3.2%	1.0%	2.3%	-1.0%	-2.2%	3.6%	3.1%	1.7%
HCLT	7.6%	1.1%	2.7%	3.8%	5.0%	-1.2%	-1.3%	1.0%	6.0%	0.3%	-1.6%	1.6%	3.8%
Wipro - IT Services	3.0%	3.1%	2.1%	4.1%	0.6%	-0.6%	-2.8%	-2.0%	-1.7%	-0.3%	-1.0%	0.6%	0.1%
TechM	4.7%	5.3%	3.5%	2.9%	0.2%	0.3%	-4.2%	-2.4%	1.1%	-0.8%	0.7%	1.2%	1.2%
LTIM			5.0%	5.5%	1.9%	0.7%	0.1%	1.6%	0.7%	-1.3%	2.6%	2.3%	1.8%
Mphasis	7.8%	4.3%	2.0%	1.8%	-2.5%	-4.5%	-3.5%	0.0%	1.0%	1.8%	-0.1%	2.4%	0.2%
Persistent	9.2%	9.1%	12.0%	6.6%	3.5%	3.5%	3.9%	3.2%	3.1%	3.4%	5.6%	5.3%	4.3%
Coforge	5.2%	5.0%	4.7%	6.2%	3.7%	4.7%	2.0%	2.3%	1.8%	1.9%	1.6%	26.3%	8.4%
KPIT Tech	5.6%	5.2%	6.0%	8.3%	19.3%	8.5%	7.1%	9.0%	4.3%	5.1%	4.7%	4.7%	2.0%
Tata Tech										-0.3%	-2.5%	0.8%	1.7%
YoY c/c growth (%)	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
TCS	15.5%	14.4%	15.5%	15.4%	13.5%	10.7%	7.0%	2.9%	1.7%	2.2%	4.4%	5.5%	4.5%
INFO	21.6%	20.6%	21.4%	18.8%	13.7%	8.8%	4.2%	2.5%	-1.0%	0.0%	2.5%	3.3%	6.1%
HCLT	15.0%	13.3%	15.6%	15.8%	13.1%	10.5%	6.3%	3.4%	4.3%	6.0%	5.6%	6.2%	4.1%
Wipro - IT Services	28.4%	28.6%	17.2%	12.9%	10.4%	6.5%	1.1%	-4.8%	-6.9%	-6.4%	-4.9%	-2.3%	-0.7%
TechM	17.5%	22.6%	21.2%	16.8%	12.7%	6.3%	-0.9%	-6.0%	-5.4%	-6.4%	-1.2%	2.2%	1.3%
LTIM					16.3%	13.5%	8.2%	5.2%	3.1%	2.3%	3.7%	4.4%	5.6%
Mphasis	24.2%	26.8%	22.1%	16.8%	5.7%	-3.1%	-8.4%	-10.1%	-6.8%	-0.4%	3.1%	5.4%	4.6%
Persistent	36%	42%	45%	40%	33%	26%	17%	14%	14%	13%	16%	18.4%	19.8%
Coforge					21%	22%	18%	14%	12%	9%	8%	33.0%	40.3%
KPIT Tech	21.2%	21.0%	23.0%	27.0%	44.7%	48.6%	49.0%	51.7%	35.0%	27.6%	23.0%	20.1%	17.4%
Tata Tech										-9.3%	-0.2%	5.5%	0.3%

Note: Coforge QoQ cc growth includes impact of acquisition in 2QFY25. Coforge YoY cc growth figures for Q2 and Q3 also includes acquisition impact. Source: Company, JM Financial

Exhibit 20. Deal win trend – Pickup in TCV

Deal win (TCV in USD mn)	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
TCS (1)	7,800	10,000	10,200	11,200	8,100	13,200	8,300	8,600	10,200
Infosys (2)	3,300	2,076	2,300	7,700	3,241	4,451	4,085	2,430	2,495
Wipro (3)	4,333	4,172	3,724	3,785	3,791	3,607	3,284	3,561	3,514
HCL Tech (4)	2,347	2,074	1,565	3,969	1,927	2,290	1,960	2,218	2,095
TechM (5)	795	592	359	640	381	500	534	603	745
LTIM (6)	1,240	1,350	1,410	1,300	1,500	1,390	1,400	1,300	1,680
Deal win YoY growth	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
TCS	3%	-12%	24%	38%	4%	32%	-18.6%	-23.2%	25.9%
Infosys	31%	-8%	36%	181%	-2%	114%	77%	-68.4%	-23.0%
Wipro					-12.5%	-13.5%	-11.8%	-5.9%	-7.3%
HCL Tech	10%	-8%	-24%	66%	-18%	10%	25%	-44.1%	9%
TechM	13%	-41%	-55%	-11%	-52%	-16%	49%	-5.8%	96%
LTIM					21%	3%	0.7%	0.0%	12.0%
TTM Deal wins (TCV in USD mn)	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
TCS	35,400	34,100	36,100	39,200	39,500	42,700	40,800	38,200	40,300
Infosys	9,991	9,810	10,420	15,376	15,317	17,692	19,477	14,207	13,461
Wipro				16,014	15,472	14,907	14,467	14,243	13,966
HCL Tech	9,045	8,859	8,370	9,955	9,535	9,751	10,146	8,395	8,563
TechM	3,324	2,905	2,462	2,386	1,972	1,880	2,055	2,018	2,382
LTIM				5,300	5,560	5,600	5,590	5,590	5,770

Note: (1): TCV of all the deals won during the quarter; (2) TCV of only USD 50mn+ deals won during the quarter; (3) TCV of USD 30mn+ deals won during the quarter; (4) TCV on only net new deals won during the quarter; (5) TCV of net new deals won during the quarter; (6): TCV of all the deals won during the quarter. Source: Company, JM Financial

Exhibit 21. EBIT margin performance – Mixed

Companies	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Infosys	21.0%	20.8%	21.2%	20.5%	20.1%	21.1%	21.1%	21.3%
TCS	24.5%	23.2%	24.3%	25.0%	26.0%	24.7%	24.1%	24.5%
Wipro	16.3%	16.0%	16.1%	16.0%	16.4%	16.5%	16.8%	17.3%
HCL Tech	18.2%	17.0%	18.5%	19.7%	17.6%	17.1%	18.6%	19.5%
TechM	11.2%	6.8%	4.7%	5.4%	7.4%	8.5%	9.6%	10.2%
LTIMindtree	16.4%	16.7%	16.0%	15.4%	14.7%	15.0%	15.5%	13.8%
Persistent	15.4%	14.9%	13.7%	14.5%	14.5%	14.0%	14.0%	14.9%
Coforge	16.1%	12.0%	12.3%	14.0%	14.5%	13.6%	11.7%	11.8%
KPIT Tech	13.8%	15.4%	16.0%	16.6%	16.7%	17.3%	16.7%	17.2%
Tata Tech			14.8%	16.2%	16.2%	15.9%	16.2%	15.5%

Source: Company, JM Financial

Exhibit 22. Vertical performance – Top-6: BFSI, Healthcare, Retail did well (ex-Furloughs) while Manufacturing, Telecom and Hi-Tech were soft

BFSI Revenues	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Infosys	1,316	1,297	1,297	1,296	1,205	1,296	1,331	1,373
TCS	2,367	2,348	2,350	2,308	2,305	2,319	2,362	2,299
Wipro	977	942	912	869	890	893	926	897
HCL Tech	616	652	660	653	671	639	638	638
TechM	266	248	239	233	243	245	251	252
LTIM	402	397	393	386	375	386	401	414
Mphasis	250	238	231	234	239	242	249	253
Coforge	141	146	151	153	159	155	179	184
Persistent	89	94	94	94	95	101	109	114
Total Revenue	6,425	6,363	6,328	6,225	6,182	6,275	6,447	6,425
BFSI Revenues QoQ growth, %								
Infosys	-3.6%	-1.4%	0.0%	-0.1%	-7.1%	7.6%	2.7%	3.1%
TCS	1.1%	-0.8%	0.1%	-1.8%	-0.1%	0.6%	1.9%	-2.7%
Wipro	-1.1%	-3.6%	-3.2%	-4.7%	2.5%	0.3%	3.7%	-3.2%
HCL Tech	8.1%	5.7%	1.3%	-1.1%	2.8%	-4.9%	0.0%	0.0%
TechM	0.3%	-6.7%	-3.5%	-2.8%	4.4%	0.7%	2.6%	0.5%
LTIM	2.7%	-1.2%	-1.1%	-1.7%	-2.7%	2.8%	3.9%	3.3%
Mphasis	-5.5%	-4.9%	-3.1%	1.5%	2.0%	1.3%	2.9%	1.7%
Coforge	5.0%	3.4%	3.3%	1.4%	3.8%	-2.3%	15.6%	2.6%
Persistent	2.9%	6.2%	0.0%	-0.5%	1.8%	5.9%	7.7%	4.9%
Total Revenue	0.3%	-1.0%	-0.6%	-1.6%	-0.7%	1.5%	2.7%	-0.3%
Manufacturing revenues	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Infosys	615	651	675	695	671	693	768	766
TCS	590	600	613	626	648	660	660	633
Wipro	199	203	190	178	175	168	165	167
HCL Tech	553	574	564	605	634	590	607	601
TechM	266	267	272	283	279	285	273	263
LTIM	185	183	193	220	199	203	204	220
Coforge	50	50	51	50	50	53	68	72
Total Revenue	2,457	2,528	2,557	2,657	2,656	2,652	2,746	2,721
Manufacturing Revenues QoQ growth, %								
Infosys	-0.8%	5.9%	3.6%	3.0%	-3.4%	3.3%	10.9%	-0.4%
TCS	1.7%	1.7%	2.2%	2.2%	3.5%	1.9%	-0.1%	-4.0%
Wipro	2.1%	2.0%	-6.4%	-6.3%	-1.4%	-4.2%	-1.9%	1.0%
HCL Tech	-2.1%	3.8%	-1.7%	7.2%	4.8%	-6.9%	2.9%	-1.1%
TechM	1.5%	0.6%	1.8%	4.0%	-1.6%	2.4%	-4.2%	-3.6%
LTIM	1.0%	-1.0%	5.1%	14.3%	-9.6%	2.0%	0.6%	7.8%
LTIM	2.2%	0.8%	2.3%	-2.4%	0.6%	4.5%	29.6%	5.2%
Total Revenue	0.2%	2.9%	1.2%	3.9%	0.0%	-0.1%	3.5%	-0.9%
Retail Revenues	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Infosys	674	669	717	681	653	651	651	682
TCS	1,151	1,163	1,146	1,143	1,156	1,156	1,158	1,153
Wipro	537	520	507	499	497	504	511	500
HCL Tech	262	262	280	289	283	286	299	333
TechM	127	114	120	127	113	120	126	127
LTIM	163	160	165	159	161	159	163	163
Mphasis	56	56	53	55	56	56	55	51
Total Revenue	2,969	2,945	2,989	2,954	2,919	2,931	2,963	3,009
Retail Revenues QoQ growth, %								
Infosys	1.2%	-0.7%	7.1%	-5.1%	-4.1%	-0.3%	0.1%	4.7%
TCS	1.7%	1.1%	-1.5%	-0.3%	1.1%	0.0%	0.2%	-0.4%
Wipro	0.1%	-3.2%	-2.3%	-1.6%	-0.5%	1.5%	1.3%	-2.2%
HCL Tech	2.7%	0.3%	6.9%	3.0%	-2.1%	1.1%	4.6%	11.5%
TechM	-10.3%	-10.2%	5.4%	6.4%	-11.3%	6.2%	4.6%	1.2%
LTIM	2.4%	-1.8%	2.9%	-3.2%	1.4%	-1.6%	2.8%	-0.3%
Mphasis	1.1%	0.5%	-5.4%	3.2%	2.1%	0.0%	-1.4%	-7.6%
Total Revenue	0.8%	-0.8%	1.5%	-1.2%	-1.2%	0.4%	1.1%	1.5%
Technology revenues	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Infosys	364	374	368	359	397	377	392	390

TCS	640	629	620	612	604	608	614	603
Wipro	508	517	518	499	478	470	410	402
HCL Tech	419	386	383	385	382	395	408	418
TechM	171	222	222	216	214	215	227	224
LTIM	243	251	256	248	260	281	286	270
Mphasis	52	60	69	63	66	66	69	71
Persistent	132	136	141	141	140	139	141	146
Total Revenue	2,530	2,575	2,577	2,523	2,541	2,551	2,546	2,525
Technology Revenues QoQ growth, %								
Infosys	-3.5%	2.7%	-1.6%	-2.4%	10.6%	-5.0%	3.8%	-0.3%
TCS	0.6%	-1.8%	-1.4%	-1.4%	-1.3%	0.7%	0.9%	-1.7%
Wipro	-0.5%	1.7%	0.3%	-3.6%	-4.2%	-1.7%	-12.8%	-1.8%
HCL Tech	-1.2%	-7.7%	-0.9%	0.6%	-0.7%	3.4%	3.2%	2.5%
TechM	0.0%	30.1%	-0.1%	-3.1%	-0.9%	0.7%	5.6%	-1.3%
LTIM	-1.5%	3.2%	2.0%	-3.0%	4.7%	8.0%	2.0%	-5.7%
Mphasis	-5.6%	14.6%	15.0%	-9.1%	4.6%	0.4%	5.5%	2.4%
Persistent	4.3%	3.3%	3.8%	0.1%	-0.7%	-0.5%	0.8%	3.7%
Total Revenue	-0.7%	1.8%	0.1%	-2.1%	0.7%	0.4%	-0.2%	-0.8%
Telecom revenues	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Infosys	548	540	538	532	561	570	582	553
TCS	511	506	497	488	486	465	453	437
Wipro	128	117	106	101	100	100	105	NM
TechM	668	573	540	540	526	516	531	509
HCL Tech	256	219	234	292	357	371	377	387
Total Revenue – Ex-Wipro	1,983	1,838	1,809	1,851	1,931	1,923	1,942	1,887
Telecom Revenues QoQ growth, %								
Infosys	3.1%	-1.4%	-0.4%	-1.2%	5.6%	1.6%	2.1%	-5.0%
TCS	0.3%	-1.0%	-1.6%	-1.9%	-0.4%	-4.2%	-2.7%	-3.4%
Wipro	-1.5%	-8.4%	-9.4%	-4.7%	-1.0%	-0.2%	4.8%	NM
TechM	0.7%	-14.3%	-5.8%	0.0%	-2.5%	-2.0%	2.8%	-4.0%
HCL Tech	-5.0%	-14.4%	6.7%	24.9%	22.5%	3.8%	1.6%	2.6%
Total Revenue – Ex-Wipro	0.5%	-7.3%	-1.6%	2.3%	4.3%	-0.4%	1.0%	-2.9%
ENU revenues	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Infosys	587	596	599	611	612	627	661	667
TCS	389	397	404	415	412	420	437	422
Wipro	349	333	315	313	316	294	287	279
Total Revenue	1,325	1,326	1,318	1,339	1,340	1,341	1,385	1,368
Infosys	-3.0%	1.4%	0.6%	1.9%	0.1%	2.5%	5.4%	0.9%
TCS	5.6%	2.3%	1.6%	2.8%	-0.6%	1.9%	4.0%	-3.4%
Wipro	8.6%	-4.5%	-5.6%	-0.4%	0.9%	-7.0%	-2.3%	-3.0%
Total Revenue	2.3%	0.1%	-0.7%	1.6%	0.1%	0.1%	3.3%	-1.3%
Healthcare and Lifesciences revenues	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Infosys	328	332	368	354	333	344	357	375
TCS	784	795	786	794	803	826	798	761
Wipro	344	339	345	369	375	365	362	386
HCLTech	509	505	511	493	507	484	498	487
TechM	NM	112	112	118	111	120	118	121
LTIM	65	68	70	70	74	68	72	72
Persistent	54	53	56	66	75	88	96	100
Total Revenue	2,083	2,203	2,248	2,265	2,277	2,294	2,301	2,303
Infosys	0.5%	1.4%	10.7%	-3.7%	-6.0%	3.3%	3.8%	5.1%
TCS	2.6%	1.4%	-1.1%	1.0%	1.1%	2.9%	-3.4%	-4.5%
Wipro	2.3%	-1.3%	1.7%	7.1%	1.5%	-2.6%	-0.9%	6.8%
HCLTech	3.9%	-0.8%	1.3%	-3.5%	2.7%	-4.5%	3.1%	-2.2%
TechM			-0.1%	5.4%	-5.5%	7.7%	-2.1%	2.7%
LTIM	-2.2%	5.0%	3.2%	0.8%	4.8%	-7.9%	6.1%	-0.5%
Persistent	4.4%	-2.7%	7.0%	16.4%	14.8%	16.5%	9.6%	4.3%
Total Revenue	2.4%	5.8%	2.0%	0.7%	0.6%	0.7%	0.3%	0.1%

Note: BFSI includes BFSI and Insurance for Mphasis and Coforge. Coforge Transportation vertical revenues included in Manufacturing. Logistics and transportation vertical revenues for Mphasis and Retail, transport and logistics revenues for TechM considered as Retail revenues. Hi-Tech: Technology and communication for Wipro; Technology and services for TCS/HCLTech; Tech, media and communication for LTIM; and Tech, communication and entertainment for Mphasis considered as Hi-Tech revenues. Telecom and media revenues for HCLTech considered as Telecom revenues. Health, Lifesciences and Public services for LTIM, Health business unit for Wipro considered as Healthcare and Lifesciences revenues. Source: Company, JM Financial

Exhibit 23. Net headcount grew for the second consecutive quarter

Overall Employee Headcount	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Infosys	343,234	336,294	328,764	322,663	317,240	315,332	317,788	323,379
TCS	614,795	615,318	608,985	603,305	601,546	606,988	612,724	607,354
Wipro	258,570	249,758	244,707	239,655	232,614	232,911	233,889	232,732
HCL Tech	225,944	223,438	221,139	224,756	227,481	219,401	218,621	220,755
TechM	152,400	148,279	150,604	146,250	145,455	147,620	154,023	150,488
LTIM	80,283	77,555	78,276	77,203	76,460	76,837	79,374	81,641
Mphasis	34,042	33,961	33,771	33,992	32,664	31,645	31,061	31,194
Coforge	23,224	24,224	24,638	24,607	24,726	26,612	32,483	33,094
Persistent	22,889	23,130	22,842	23,336	23,850	23,519	23,237	23,942
Total	1,755,381	1,731,957	1,713,726	1,695,767	1,682,036	1,680,865	1,703,200	1,704,579
Sequential Change in Headcount	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Infosys	-3,611	-6,940	-7,530	-6,101	-5,423	-1,908	2,456	5,591
TCS	821	523	-6,333	-5,680	-1,759	5,442	5,736	-5,370
Wipro	-3,539	-8,812	-5,051	-5,052	-7,041	297	978	-1,157
HCL Tech	3,674	-2,506	-2,299	3,617	2,725	-8,080	-780	2,134
TechM	-4,668	-4,121	2,325	-4,354	-795	2,165	6,403	-3,535
LTIM	-1,914	-2,728	721	-1,073	-743	377	2,537	2,267
Mphasis	-1,408	-81	-190	221	-1,328	-1,019	-584	133
Coforge	719	1,000	414	-31	119	1,886	5,871	611
Persistent	291	241	-288	494	514	-331	-282	705
Total	-9,635	-23,424	-18,231	-17,959	-13,731	-1,171	22,335	1,379

Source: Company, JM Financial

Exhibit 24. LTM attrition continued to tick-up across players indicating some demand uptick

LTM Attrition	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
TCS	20.1%	17.8%	14.9%	13.3%	12.5%	12.1%	12.3%	13.0%
Infosys	20.9%	17.3%	14.6%	12.9%	12.6%	12.7%	12.9%	13.7%
Wipro	19.4%	17.3%	15.5%	14.2%	14.2%	14.1%	14.5%	15.3%
HCL Tech	19.5%	16.3%	14.2%	12.8%	12.4%	12.8%	12.9%	13.2%
TechM	14.8%	12.8%	11.4%	10.3%	10.0%	10.1%	11.0%	11.2%
LTIM	20.2%	17.8%	15.2%	14.2%	14.4%	14.4%	14.5%	14.3%
Coforge	14.1%	13.3%	13.0%	12.1%	11.5%	11.4%	11.7%	11.9%
Persistent	19.8%	15.5%	13.5%	11.9%	11.5%	11.9%	12.0%	12.6%

Source: Company, JM Financial

Exhibit 25. Utilisation continued at peak levels, Capacity creation likely to follow

Utilization (ex trainees) (%)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Infosys	80.0	81.1	81.8	82.7	83.5	85.3	85.9	86.0
Wipro	81.7	83.7	84.5	84	86.9	87.7	86.4	83.5
TechM	86.5	87.2	86.2	87.6	86.4	86.1	86.3	86.0
LTIM	81.7	84.8	86.6	87.4	86.9	88.3	88.3	88.3
Utilization (including Trainees) (%)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Infosys	76.9	78.9	80.4	81.7	82	83.9	84.3	83.4
Tech Mahindra	86.5	87.2	86.1	87.6	86.4	86.13	86.1	85.6
Coforge	81.5	81	80	79.4	81.7	81.6	82.2	81.3
Persistent	77.3	78.3	80.6	81.5	80	82.1	84.8	87.4
Mphasis	78.0	78.1	75.4	72.5	74.6	77.6	77.2	77.1

Source: Company, JM Financial

Exhibit 26. Subcontracting remained stable in the quarter

Subcontracting expenses as % of sales	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
TCS	8.6	7.7	7.2	6.6	4.9	4.3	4.7	4.6
Infosys	8.3	8.2	7.9	7.9	7.8	8.1	7.8	7.9
Wipro	12.1	11.6	11.8	11.6	10.9	11.3	11.0	11.6
TechM	14.1	14.0	12.4	11.5	13.6	11.6	11.4	11.0
HCL Tech	14.2	13.8	13.1	13.1	13.0	12.6	12.6	12.6

Source: Company, JM Financial

Exhibit 27. Next Year/Quarter guidance by select players

	Revision	Earlier
Infosys		
Revenue - FY25	4.5% to 5%	3.75% to 4.5%
Margin - FY25	20%-22%	20%-22%
HCL Tech		
Consol Revenue - FY25	4.5% to 5.0%	3.5% to 5.0%
Services - Revenue FY25	4.5% to 5.0%	3.5% to 5.0%
Margin - FY25	18%-19%	18%-19%
Wipro		
Revenue - 3QFY25	-1.0% to 1.0%	-

Note: Revenue growth guidance in constant currency; Source: Company, JM Financial

Exhibit 28. Positives: FX,efficiency. Negatives: Furloughs, wage hikes

	Infosys	HCLTech	LTIM	Persistent
Currency Movements	+40bp	+18bp		+50bp
Operating efficiency measures	+30bp	+100bp	+50bp	
Provisions	+20bp			
Furloughs	-70bp	-40bp		-60bp
Wage hikes		-80bp	-220bp	
Integration costs		-20bp		
Software business		114bp		
Earnout credit reversal				-100bp
Utilization				+140bp
Passthrough revenue				+40bp
ESOP costs				+20bp
Subcontracting expenses				
Discretionary expenses				
Total impact	+20bp	+92bp	-170bp	-10bp

Source: Company, JM Financial

JMFe and Consensus estimates

Exhibit 29. How are we different - JMFe vs. Consensus estimates

Infosys	Consensus estimates			JMFe estimates			JMFe vs. Consensus		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	18,969	20,548	22,372	19,458	20,825	22,902	2.6%	1.3%	2.4%
Sales (INR mn)	1,652,399	1,789,978	1,948,822	1,641,155	1,783,031	1,960,896	-0.7%	-0.4%	0.6%
EBITDA (INR mn)	394,256	430,857	474,134	396,713	442,203	494,790	0.6%	2.6%	4.4%
EBITDA margin	23.9%	24.1%	24.3%	24.2%	24.8%	25.2%	31bp	73bp	90bp
EBIT (INR mn)	348,070	381,560	420,281	348,814	390,221	437,928	0.2%	2.3%	4.2%
EBIT margin	21.1%	21.3%	21.6%	21.3%	21.9%	22.3%	19bp	57bp	77bp
EPS (INR)	64.3	71.4	78.7	63.9	71.9	80.5	-0.6%	0.6%	2.3%
TCS	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	29,350	31,336	34,241	30,281	31,396	34,541	3.2%	0.2%	0.9%
Sales (INR mn)	2,556,659	2,729,662	2,982,699	2,558,143	2,695,796	2,965,828	0.1%	-1.2%	-0.6%
EBITDA (INR mn)	682,063	752,770	827,803	678,219	746,482	827,466	-0.6%	-0.8%	0.0%
EBITDA margin	26.7%	27.6%	27.8%	26.5%	27.7%	27.9%	-17bp	11bp	15bp
EBIT (INR mn)	629,730	697,127	768,561	625,296	688,961	763,625	-0.7%	-1.2%	-0.6%
EBIT margin	24.6%	25.5%	25.8%	24.4%	25.6%	25.7%	-19bp	2bp	-2bp
EPS (INR)	136.0	150.9	166.4	135.2	150.7	171.9	-0.6%	-0.2%	3.3%
Wipro	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	10,247	10,865	11,672	10,555	10,932	11,860	3.0%	0.6%	1.6%
Sales (INR mn)	892,618	946,474	1,016,772	894,757	950,299	1,027,222	0.2%	0.4%	1.0%
EBITDA (INR mn)	181,834	193,951	209,330	181,481	193,736	215,051	-0.2%	-0.1%	2.7%
EBITDA margin	20.4%	20.5%	20.6%	20.3%	20.4%	20.9%	-9bp	-11bp	35bp
EBIT (INR mn)	151,284	163,268	177,314	152,284	165,410	184,328	0.7%	1.3%	4.0%
EBIT margin	16.9%	17.3%	17.4%	17.0%	17.4%	17.9%	7bp	16bp	51bp
EPS (INR)	12.3	12.7	13.7	12.5	13.7	15.4	1.1%	8.3%	11.9%
HCL Tech	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	13,435	14,651	16,027	13,837	14,595	15,778	3.0%	-0.4%	-1.5%
Sales (INR mn)	1,170,301	1,276,239	1,396,079	1,168,628	1,255,143	1,356,941	-0.1%	-1.7%	-2.8%
EBITDA (INR mn)	255,845	283,907	311,185	254,248	275,664	304,028	-0.6%	-2.9%	-2.3%
EBITDA margin (%)	21.9%	22.2%	22.3%	21.8%	22.0%	22.4%	-11bp	-28bp	12bp
EBIT (INR mn)	214,815	239,294	264,136	213,484	230,427	256,702	-0.6%	-3.7%	-2.8%
EBIT margin	18.4%	18.7%	18.9%	18.3%	18.4%	18.9%	-9bp	-39bp	bp
EPS (INR)	64.0	70.0	77.4	60.6	66.7	74.6	-5.2%	-4.8%	-3.6%
TechM	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	6,105	6,537	7,092	6,293	6,614	7,121	3.1%	1.2%	0.4%
Sales (INR mn)	531,780	569,457	617,758	532,259	570,973	614,729	0.1%	0.3%	-0.5%
EBITDA (INR mn)	70,074	87,002	104,591	69,526	91,820	113,110	-0.8%	5.5%	8.1%
EBITDA margin	13.2%	15.3%	16.9%	13.1%	16.1%	18.4%	-11bp	80bp	147bp
EBIT (INR mn)	51,485	68,007	84,591	50,995	72,102	92,381	-1.0%	6.0%	9.2%
EBIT margin	9.7%	11.9%	13.7%	9.6%	12.6%	15.0%	-10bp	69bp	133bp
EPS (INR)	47.2	61.1	75.7	46.9	61.5	78.8	-0.6%	0.8%	4.1%
LTIMindtree	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	4,383	4,923	5,522	4,517	4,846	5,308	3.1%	-1.6%	-3.9%
Sales (INR mn)	381,775	428,870	481,045	382,127	418,317	458,209	0.1%	-2.5%	-4.7%
EBITDA (INR mn)	66,355	77,380	89,089	65,729	73,333	81,220	-0.9%	-5.2%	-8.8%
EBITDA margin	17.4%	18.0%	18.5%	17.2%	17.5%	17.7%	-18bp	-51bp	-79bp
EBIT (INR mn)	56,353	66,468	77,197	55,579	61,620	68,849	-1.4%	-7.3%	-10.8%
EBIT margin	14.8%	15.5%	16.0%	14.5%	14.7%	15.0%	-22bp	-77bp	-102bp
EPS (INR)	158.6	186.9	216.1	156.1	175.8	196.0	-1.6%	-5.9%	-9.3%

Mphasis	Consensus estimates			JMFe estimates			JMFe vs. Consensus		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	1,632	1,824	2,053	1,682	1,829	2,032	3.0%	0.3%	-1.0%
Sales (INR mn)	142,198	158,847	178,827	142,321	157,909	175,393	0.1%	-0.6%	-1.9%
EBITDA (INR mn)	26,411	29,796	33,534	26,483	30,261	34,382	0.3%	1.6%	2.5%
EBITDA margin	18.6%	18.8%	18.8%	18.6%	19.2%	19.6%	3bp	41bp	85bp
EBIT (INR mn)	21,795	24,904	28,382	21,708	24,527	28,261	-0.4%	-1.5%	-0.4%
EBIT margin	15.3%	15.7%	15.9%	15.3%	15.5%	16.1%	-7bp	-15bp	24bp
EPS (INR)	89.5	101.4	116.1	89.7	102.9	121.2	0.2%	1.5%	4.4%
Persistent	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	1,366	1,638	1,917	1,406	1,665	1,981	2.9%	1.7%	3.3%
Sales (INR mn)	119,021	142,650	166,987	118,969	143,207	170,380	0.0%	0.4%	2.0%
EBITDA (INR mn)	20,494	25,349	30,078	20,579	26,158	32,448	0.4%	3.2%	7.9%
EBITDA margin	17.2%	17.8%	18.0%	17.3%	18.3%	19.0%	8bp	50bp	103bp
EBIT (INR mn)	17,361	21,816	26,177	17,427	22,550	28,456	0.4%	3.4%	8.7%
EBIT margin	14.6%	15.3%	15.7%	14.6%	15.7%	16.7%	6bp	45bp	103bp
EPS (INR)	90.3	112.4	135.5	89.7	116.4	143.7	-0.7%	3.5%	6.1%
Coforge	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	1,425	1,785	2,067	1,469	1,810	2,128	3.1%	1.4%	3.0%
Sales (INR mn)	124,104	155,519	180,072	122,755	156,231	183,731	-1.1%	0.5%	2.0%
EBITDA	20,212	26,353	31,256	19,986	26,729	32,824	-1.1%	1.4%	5.0%
EBITDA margin	16.3%	16.9%	17.4%	16.3%	17.1%	17.9%	bp	16bp	51bp
EBIT	15,572	20,882	25,244	15,402	20,447	25,878	-1.1%	-2.1%	2.5%
EBIT margin	12.5%	13.4%	14.0%	12.5%	13.1%	14.1%	bp	-34bp	7bp
EPS (INR)	135.4	214.7	264.7	132.8	189.9	256.5	-1.9%	-11.5%	-3.1%
KPIT Tech	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	674	798	936	691	760	903	2.5%	-4.8%	-3.5%
Sales (INR mn)	58,717	69,516	81,572	58,114	65,619	77,982	-1.0%	-5.6%	-4.4%
EBITDA	12,392	15,030	17,707	12,342	14,075	17,279	-0.4%	-6.4%	-2.4%
EBITDA margin	21.1%	21.6%	21.7%	21.2%	21.4%	22.2%	13bp	-17bp	45bp
EBIT	10,124	12,506	14,949	10,148	11,697	14,460	0.2%	-6.5%	-3.3%
EBIT margin	17.3%	18.2%	18.9%	17.5%	17.8%	18.5%	22bp	-16bp	22bp
EPS (INR)	28.5	35.0	42.5	30.2	33.6	42.3	3.8%	-2.4%	1.8%
TATA Tech	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	604	684	781	624	666	737	3.3%	-2.7%	-5.6%
Sales (INR mn)	52,648	59,601	68,065	52,812	57,463	63,648	0.3%	-3.6%	-6.5%
EBITDA	9,574	11,131	12,817	9,578	10,735	12,437	0.0%	-3.6%	-3.0%
EBITDA margin	18.2%	18.7%	18.8%	18.1%	18.7%	19.5%	-5bp	1bp	71bp
EBIT	8,399	9,950	11,502	8,361	9,411	11,068	-0.5%	-5.4%	-3.8%
EBIT margin	16.0%	16.7%	16.9%	15.8%	16.4%	17.4%	-12bp	-32bp	49bp
EPS (INR)	16.8	20.6	24.1	16.7	19.8	22.9	-0.5%	-3.8%	-5.1%

Source: Visible Alpha, JM Financial estimates

Exhibit 30. Change in Consensus estimates post earnings

Infosys	Post earnings			Pre earnings			Change		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	18,969	20,548	22,372	19,003	20,583	22,575	-0.2%	-0.2%	-0.9%
Sales (INR mn)	1,652,399	1,789,978	1,948,822	1,630,517	1,766,072	1,936,996	1.3%	1.4%	0.6%
EBITDA (INR mn)	394,256	430,857	474,134	389,887	428,109	473,960	1.1%	0.6%	0.0%
EBITDA margin	24%	24%	24%	24%	24%	24%	-5bp	-17bp	-14bp
EBIT (INR mn)	348,070	381,560	420,281	343,109	377,703	419,224	1.4%	1.0%	0.3%
EBIT margin	21.1%	21.3%	21.6%	21.0%	21.4%	21.6%	2bp	-7bp	-8bp
EPS (INR)	64.3	71.4	78.7	63.6	71.1	78.9	1.2%	0.5%	-0.3%
TCS	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	29,350	31,336	34,241	29,988	32,221	35,280	-2.1%	-2.7%	-2.9%
Sales (INR mn)	2,556,659	2,729,662	2,982,699	2,573,017	2,764,650	3,027,121	-0.6%	-1.3%	-1.5%
EBITDA (INR mn)	682,063	752,770	827,803	686,267	760,111	837,811	-0.6%	-1.0%	-1.2%
EBITDA margin	27%	28%	28%	27%	27%	28%	1bp	8bp	8bp
EBIT (INR mn)	629,730	697,127	768,561	635,340	705,871	779,561	-0.9%	-1.2%	-1.4%
EBIT margin	24.6%	25.5%	25.8%	24.7%	25.5%	25.8%	-6bp	1bp	1bp
EPS (INR)	136.0	150.9	166.4	137	153	169	-0.7%	-1.4%	-1.6%
Wipro	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	10,247	10,865	11,672	10,394	10,980	11,792	-1.4%	-1.0%	-1.0%
Sales (INR mn)	892,618	946,474	1,016,772	891,847	942,113	1,011,799	0.1%	0.5%	0.5%
EBITDA (INR mn)	181,834	193,951	209,330	179,271	191,159	206,831	1.4%	1.5%	1.2%
EBITDA margin	20%	20%	21%	20%	20%	20%	27bp	20bp	15bp
EBIT (INR mn)	151,284	163,268	177,314	146,784	157,506	171,390	3.1%	3.7%	3.5%
EBIT margin	16.9%	17.3%	17.4%	16.5%	16.7%	16.9%	49bp	53bp	50bp
EPS (INR)	12.3	12.7	13.7	11.4	12.0	13.2	7.9%	5.4%	4.3%
HCL Tech	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	13,435	14,651	16,027	13,655	14,915	16,339	-1.6%	-1.8%	-1.9%
Sales (INR mn)	1,170,301	1,276,239	1,396,079	1,171,614	1,279,762	1,401,933	-0.1%	-0.3%	-0.4%
EBITDA (INR mn)	255,845	283,907	311,185	256,595	284,310	312,537	-0.3%	-0.1%	-0.4%
EBITDA margin (%)	22%	22%	22%	22%	22%	22%	-4bp	3bp	bp
EBIT (INR mn)	214,815	239,294	264,136	214,951	239,528	265,069	-0.1%	-0.1%	-0.4%
EBIT margin	18.4%	18.7%	18.9%	18.3%	18.7%	18.9%	1bp	3bp	1bp
EPS (INR)	64.0	70.0	77.4	63.9	70.0	77.5	0.2%	0.0%	0.0%
TechM	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	6,105	6,537	7,092	6,224	6,684	7,266	-1.9%	-2.2%	-2.4%
Sales (INR mn)	531,780	569,457	617,758	534,029	573,474	623,427	-0.4%	-0.7%	-0.9%
EBITDA (INR mn)	70,074	87,002	104,591	71,060	89,961	107,564	-1.4%	-3.3%	-2.8%
EBITDA margin	13.2%	15.3%	16.9%	13%	16%	17%	-13bp	-41bp	-32bp
EBIT (INR mn)	51,485	68,007	84,591	52,360	70,634	86,982	-1.7%	-3.7%	-2.7%
EBIT margin	9.7%	11.9%	13.7%	9.8%	12.3%	14.0%	-12bp	-37bp	-26bp
EPS (INR)	47.2	61.1	75.7	48.8	63.3	77.8	-3.4%	-3.6%	-2.7%
LTIMindtree	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	4,383	4,923	5,522	4,446	4,993	5,599	-1.4%	-1.4%	-1.4%
Sales (INR mn)	381,775	428,870	481,045	381,448	428,444	480,420	0.1%	0.1%	0.1%
EBITDA (INR mn)	66,355	77,380	89,089	67,094	78,449	90,752	-1.1%	-1.4%	-1.8%
EBITDA margin	17%	18%	19%	18%	18%	19%	-21bp	-27bp	-37bp
EBIT (INR mn)	56,353	66,468	77,197	57,493	68,101	79,407	-2.0%	-2.4%	-2.8%
EBIT margin	14.8%	15.5%	16.0%	15.1%	15.9%	16.5%	-31bp	-40bp	-48bp
EPS (INR)	158.6	186.9	216.1	164	194	225	-3.3%	-3.9%	-4.0%

Mphasis	Post earnings			Pre earnings			Change		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	1,632	1,824	2,053	1,663	1,860	2,100	-1.8%	-2.0%	-2.3%
Sales (INR mn)	142,198	158,847	178,827	142,659	159,592	180,209	-0.3%	-0.5%	-0.8%
EBITDA (INR mn)	26,411	29,796	33,534	26,102	29,435	33,347	1.2%	1.2%	0.6%
EBITDA margin	18.6%	18.8%	18.8%	18.3%	18.4%	18.5%	28bp	31bp	25bp
EBIT (INR mn)	21,795	24,904	28,382	22,008	25,139	28,704	-1.0%	-0.9%	-1.1%
EBIT margin	15.3%	15.7%	15.9%	15.4%	15.8%	15.9%	-10bp	-7bp	-6bp
EPS (INR)	89.5	101.4	116.1	89.9	102.8	117.7	-0.5%	-1.4%	-1.4%
Persistent	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	1,366	1,638	1,917	1,368	1,614	1,897	-0.1%	1.5%	1.0%
Sales (INR mn)	119,021	142,650	166,987	117,381	138,486	162,774	1.4%	3.0%	2.6%
EBITDA (INR mn)	20,494	25,349	30,078	19,956	24,787	29,773	2.7%	2.3%	1.0%
EBITDA margin	17%	18%	18%	17%	18%	18%	22bp	-13bp	-28bp
EBIT (INR mn)	17,361	21,816	26,177	16,905	21,333	25,927	2.7%	2.3%	1.0%
EBIT margin	14.6%	15.3%	15.7%	14.4%	15.4%	15.9%	18bp	-11bp	-25bp
EPS (INR)	90.3	112.4	135.5	87.2	110.2	134.2	3.5%	2.0%	0.9%
Coforge	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	1,425	1,785	2,067	1,401	1,689	1,938	1.7%	5.7%	6.6%
Sales (INR mn)	124,104	155,519	180,072	120,174	144,961	166,320	3.3%	7.3%	8.3%
EBITDA	20,212	26,353	31,256	19,818	24,977	29,216	2.0%	5.5%	7.0%
EBITDA margin	16%	17%	17%	16%	17%	18%	-21bp	-28bp	-21bp
EBIT	15,572	20,882	25,244	15,265	19,692	23,446	2.0%	6.0%	7.7%
EBIT margin	12.5%	13.4%	14.0%	12.7%	13.6%	14.1%	-16bp	-16bp	-8bp
EPS (INR)	135.4	214.7	264.7	145.0	208.0	251.7	-6.6%	3.2%	5.1%
KPIT Tech	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	674	798	936	683	796	937	-1.3%	0.2%	0.0%
Sales (INR mn)	58,717	69,516	81,572	58,626	68,341	80,376	0.2%	1.7%	1.5%
EBITDA	12,392	15,030	17,707	12,330	14,716	17,416	0.5%	2.1%	1.7%
EBITDA margin	21%	22%	22%	21%	22%	22%	7bp	9bp	4bp
EBIT	10,124	12,506	14,949	10,092	12,227	14,658	0.3%	2.3%	2.0%
EBIT margin	17.2%	18.0%	18.3%	17.2%	17.9%	18.2%	3bp	10bp	9bp
EPS (INR)	29.1	34.4	41.6	28.7	33.9	41.3	1.4%	1.7%	0.6%
TATA Tech	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	604	684	781	622	708	806	-2.8%	-3.3%	-3.1%
Sales (INR mn)	52,648	59,601	68,065	53,333	60,726	69,185	-1.3%	-1.9%	-1.6%
EBITDA	9,574	11,131	12,817	9,734	11,532	13,404	-1.6%	-3.5%	-4.4%
EBITDA margin	18%	19%	19%	18%	19%	19%	-7bp	-31bp	-54bp
EBIT	8,399	9,950	11,502	8,511	10,219	11,934	-1.3%	-2.6%	-3.6%
EBIT margin	16.0%	16.7%	16.9%	16.0%	16.8%	17.3%	bp	-13bp	-35bp
EPS (INR)	16.8	20.6	24.1	16.9	20.6	24.0	-0.4%	-0.2%	0.4%

Source: Visible Alpha estimates

Exhibit 31. Changes in JMF estimates - post earnings

Infosys	Post earnings			Pre earnings			Change		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	19,458	20,825	22,902	19,387	20,853	22,922	0.4%	-0.1%	-0.1%
Sales (INR mn)	1,641,155	1,783,031	1,960,896	1,631,709	1,771,740	1,947,529	0.6%	0.6%	0.7%
EBITDA (INR mn)	396,713	442,203	494,790	395,024	438,913	495,014	0.4%	0.7%	0.0%
EBITDA margin	24.2%	24.8%	25.2%	24.2%	24.8%	25.4%	-4bp	3bp	-18bp
EBIT (INR mn)	348,814	390,221	437,928	346,712	387,313	438,307	0.6%	0.8%	-0.1%
EBIT margin	21.3%	21.9%	22.3%	21.2%	21.9%	22.5%	1bp	2bp	-17bp
EPS (INR)	63.9	71.9	80.5	63.6	70.8	79.9	0.6%	1.5%	0.7%
TCS	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	30,281	31,396	34,541	30,295	31,629	34,758	0.0%	-0.7%	-0.6%
Sales (INR mn)	2,558,143	2,695,796	2,965,828	2,548,356	2,682,733	2,948,136	0.4%	0.5%	0.6%
EBITDA (INR mn)	678,219	746,482	827,466	676,323	732,548	819,582	0.3%	1.9%	1.0%
EBITDA margin	26.5%	27.7%	27.9%	26.5%	27.3%	27.8%	-3bp	38bp	10bp
EBIT (INR mn)	625,296	688,961	763,625	627,140	681,171	760,486	-0.3%	1.1%	0.4%
EBIT margin	24.4%	25.6%	25.7%	24.6%	25.4%	25.8%	-17bp	17bp	-5bp
EPS (INR)	135.2	150.7	171.9	134.5	146.3	168.0	0.5%	3.0%	2.4%
Wipro	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	10,555	10,932	11,860	10,544	10,940	12,006	0.1%	-0.1%	-1.2%
Sales (INR mn)	894,757	950,299	1,027,222	890,199	935,757	1,022,982	0.5%	1.6%	0.4%
EBITDA (INR mn)	181,481	193,736	215,051	175,603	179,963	211,862	3.3%	7.7%	1.5%
EBITDA margin	20.3%	20.4%	20.9%	19.7%	19.2%	20.7%	56bp	116bp	22bp
EBIT (INR mn)	152,284	165,410	184,328	144,852	148,360	177,190	5.1%	11.5%	4.0%
EBIT margin	17.0%	17.4%	17.9%	16.3%	15.9%	17.3%	75bp	155bp	62bp
EPS (INR)	12.5	13.7	15.4	11.9	12.6	15.1	4.5%	8.6%	1.4%
HCL Tech	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	13,837	14,595	15,778	14,004	15,125	16,558	-1.2%	-3.5%	-4.7%
Sales (INR mn)	1,168,628	1,255,143	1,356,941	1,178,861	1,285,133	1,406,815	-0.9%	-2.3%	-3.5%
EBITDA (INR mn)	254,248	275,664	304,028	255,626	282,004	312,598	-0.5%	-2.2%	-2.7%
EBITDA margin (%)	21.8%	22.0%	22.4%	21.7%	21.9%	22.2%	7bp	2bp	19bp
EBIT (INR mn)	213,484	230,427	256,702	215,319	239,165	269,384	-0.9%	-3.7%	-4.7%
EBIT margin	18.3%	18.4%	18.9%	18.3%	18.6%	19.1%	bp	-25bp	-23bp
EPS (INR)	60.6	66.7	74.6	61.5	69.2	77.7	-1.5%	-3.6%	-4.0%
TechM	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	6,293	6,614	7,121	6,307	6,643	7,285	-0.2%	-0.4%	-2.3%
Sales (INR mn)	532,259	570,973	614,729	530,524	563,415	617,887	0.3%	1.3%	-0.5%
EBITDA (INR mn)	69,526	91,820	113,110	68,095	90,605	113,691	2.1%	1.3%	-0.5%
EBITDA margin	13.1%	16.1%	18.4%	12.8%	16.1%	18.4%	23bp	bp	bp
EBIT (INR mn)	50,995	72,102	92,381	49,475	71,048	92,892	3.1%	1.5%	-0.5%
EBIT margin	9.6%	12.6%	15.0%	9.3%	12.6%	15.0%	26bp	2bp	-1bp
EPS (INR)	46.9	61.5	78.8	47.0	62.7	81.8	-0.2%	-1.8%	-3.7%
LTIMindtree	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	4,517	4,846	5,308	4,526	4,920	5,401	-0.2%	-1.5%	-1.7%
Sales (INR mn)	382,127	418,317	458,209	380,647	417,307	458,112	0.4%	0.2%	0.0%
EBITDA (INR mn)	65,729	73,333	81,220	64,986	72,856	79,978	1.1%	0.7%	1.6%
EBITDA margin	17.2%	17.5%	17.7%	17.1%	17.5%	17.5%	13bp	7bp	27bp
EBIT (INR mn)	55,579	61,620	68,849	55,351	62,218	68,984	0.4%	-1.0%	-0.2%
EBIT margin	14.5%	14.7%	15.0%	14.5%	14.9%	15.1%	bp	-18bp	-3bp
EPS (INR)	156.1	175.8	196.0	157.6	183.6	200.8	-1.0%	-4.2%	-2.4%

Mphasis	Post earnings			Pre earnings			Change		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	1,682	1,829	2,032	1,682	1,831	2,033	0.0%	-0.1%	-0.1%
Sales (INR mn)	142,321	157,909	175,393	141,538	155,314	172,420	0.6%	1.7%	1.7%
EBITDA (INR mn)	26,483	30,261	34,382	26,028	29,014	32,713	1.7%	4.3%	5.1%
EBITDA margin	18.6%	19.2%	19.6%	18.4%	18.7%	19.0%	22bp	48bp	63bp
EBIT (INR mn)	21,708	24,527	28,261	21,748	24,199	27,579	-0.2%	1.4%	2.5%
EBIT margin	15.3%	15.5%	16.1%	15.4%	15.6%	16.0%	-11bp	-5bp	12bp
EPS (INR)	89.7	102.9	121.2	89.1	101.8	118.6	0.7%	1.1%	2.2%
Persistent	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	1,406	1,665	1,981	1,405	1,656	1,973	0.1%	0.6%	0.4%
Sales (INR mn)	118,969	143,207	170,380	118,232	140,442	167,336	0.6%	2.0%	1.8%
EBITDA (INR mn)	20,579	26,158	32,448	20,264	25,671	32,073	1.6%	1.9%	1.2%
EBITDA margin	17.3%	18.3%	19.0%	17.1%	18.3%	19.2%	16bp	-1bp	-12bp
EBIT (INR mn)	17,427	22,550	28,456	17,174	22,176	28,205	1.5%	1.7%	0.9%
EBIT margin	14.6%	15.7%	16.7%	14.5%	15.8%	16.9%	12bp	-4bp	-15bp
EPS (INR)	89.7	116.4	143.7	88.3	113.7	144.5	1.6%	2.4%	-0.5%
Coforge	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	1,469	1,810	2,128	1,449	1,753	2,045	1.4%	3.2%	4.1%
Sales (INR mn)	122,755	156,231	183,731	121,223	148,447	173,162	1.3%	5.2%	6.1%
EBITDA	19,986	26,729	32,824	19,736	25,500	30,893	1.3%	4.8%	6.2%
EBITDA margin	16%	17%	18%	16.3%	17.2%	17.8%	bp	-7bp	2bp
EBIT	15,402	20,447	25,878	15,214	19,044	24,245	1.2%	7.4%	6.7%
EBIT margin	12.5%	13.1%	14.1%	12.6%	12.8%	14.0%	bp	26bp	8bp
EPS (INR)	132.8	189.9	256.5	163.9	183.9	247.1	-19.0%	3.3%	3.8%
KPIT Tech	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	691	760	903	689	769	915	0.2%	-1.2%	-1.3%
Sales (INR mn)	58,114	65,619	77,982	58,023	65,132	77,481	0.2%	0.7%	0.6%
EBITDA	12,342	14,075	17,279	12,117	13,835	17,006	1.9%	1.7%	1.6%
EBITDA margin	21.2%	21.4%	22.2%	20.9%	21.2%	21.9%	35bp	21bp	21bp
EBIT	10,148	11,697	14,460	9,945	11,379	14,104	2.0%	2.8%	2.5%
EBIT margin	17.5%	17.8%	18.5%	17.1%	17.5%	18.2%	32bp	35bp	34bp
EPS (INR)	30.2	33.6	42.3	29.6	32.2	40.7	2.2%	4.4%	4.0%
TATA Tech	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales (USD mn)	624	666	737	624	676	764	0.1%	-1.6%	-3.4%
Sales (INR mn)	52,812	57,463	63,648	52,470	57,358	64,765	0.7%	0.2%	-1.7%
EBITDA	9,578	10,735	12,437	9,423	10,572	12,238	1.7%	1.5%	1.6%
EBITDA margin	18.1%	18.7%	19.5%	18.0%	18.4%	18.9%	18bp	25bp	64bp
EBIT	8,361	9,411	11,068	8,208	9,256	10,846	1.9%	1.7%	2.0%
EBIT margin	15.8%	16.4%	17.4%	15.6%	16.1%	16.7%	19bp	24bp	64bp
EPS (INR)	16.7	19.8	22.9	16.6	19.4	22.2	0.5%	2.2%	3.0%

Source: JM Financial estimates

Conference call Takeaways

Exhibit 32. Key commentary from conference call - Global Peers and Hyperscalers

Cognizant	
Demand	<p>Clients continue to prioritize cost optimization, cloud migration, and legacy modernization projects, which are helping to more than offset the muted discretionary spending environment.</p> <p>We saw a further albeit gradual pickup in discretionary spending.</p> <p>Trends in smaller deals improved, which supported a low to midsingledigit increase in our trailing 12month annual contract value, both sequentially and yearoveryear.</p> <p>the texture of the work is changing a little bit between 2024 and 2025. In 2024, we saw that it was essentially the large deals and the volumes led by large deals were driving the growth.</p>
Outlook	<p>Over time, we expect our growing adoption of automation and AI to drive better productivity and higher margins.</p> <p>We've got some phenomenal momentum on large deals. We did 29 of them \$100 million plus in 2024, it was 17 in 2023. So, there are multiple things which I believe are going to help us in 2025.</p> <p>The small deals are starting to come back. So, we are excited about it because it has monetization in the same year.</p> <p>ACV numbers, we track that internally, are higher than before, which gives me, again, great confidence that it's a combination of ACV and TCV</p>
Verticals	
Financials	<p>Financial Services, I'm very pleased with where we are at Financial Services, which is where all the discretionary conversations are.</p> <p>Within Financial Services, growth was balanced with positive trends across capital markets, cards and payments, fintech and commercial banking clients.</p> <p>We're very, very excited about the fact that Financial Services, we are seeing discretionary coming back and we are actually capturing a lot of that.</p>
Manufacturing	As we noted last quarter, the segment has been pressured by cautious discretionary environment across end markets. This includes automotive, aerospace, manufacturing and logistics, among others.
CMT	Communication, Media and Technology performance was consistent with last quarter, as clients remain focused on cost optimization and discretionary spending budgets have been pressured.
Healthcare	You've seen healthcare, we have done 10% YoY, which is pretty healthy on a good, big base. We are having pretty good allround growth all the way from payer provider to Life Sciences.
Geographies	
Continental Europe	Continental Europe still has uniquely first time outsourcing opportunities , which can manifest itself into not just offshoring, but outsourcing and offshoring.
UK	I think UK has really started to show a lot of momentum in the second half of 2024
North America	In North America, we are seeing an improved pipeline of opportunities for transformation and modernization projects across both insurance and select ADRs of banking and financial services clients. In addition, we have continued to see healthy growth in Canada, driven by the recent new bookings.
Capgemini	
Demand	<p>In 2024, the market proved weaker than we anticipated at the beginning of the year. Clients did not increase their discretionary spend and as we discussed before</p> <p>Capgemini faced some unexpectedly strong headwinds in the second half, notably in Manufacturing and in France</p> <p>In terms of bookings, strong commercial momentum despite client decision cycle that remains lengthy in this environment.</p> <p>We do start the year with contrasted trends and overall we want to remain cautious in this uncertain geopolitical and economic environment, notably around manufacturing in Europe.</p> <p>Discretionary spend, we have seen it for the moment really come back in Financial Services. Outside of that, client are still very tight in terms of the spend</p>
Verticals	
Manufacturing	The Manufacturing sector continues to experience strong headwinds
Financial services	<p>we see an improvement in financial services and consumer goods and retail and a robust Public sector throughout the year</p> <p>Q4, Financial Services recorded another visible improvement in its growth rate.</p> <p>TMT also recorded a third consecutive quarter of improvement and with rebound in Consumer Goods & Retail, both sectors posted positive growth</p> <p>On the other hand, and as anticipated, manufacturing further contracted</p>
E&U	The Energy & Utilities and Services sectors also decelerated
Public sector	The public sector remained solid in Q4, coning the sustained momentum recorded through the year.
Geographies	
	Growth rates improved substantially in North America , but also in the UK, Asia Pacic and Latin America.
	France experienced a notable - noticeable slowdown .
	Rest of Europe saw slight deceleration
	In 2024, the market proved weaker than we anticipated at the beginning of the year. Clients did not increase their discretionary spend and as we discussed before
Accenture	
Demand	<p>Our clients continue to prioritize largescale transformations</p> <p>We saw more of the same. Our clients are focused on reinvention, which means large-scale transformations. We do not currently see an improvement in overall spending by our clients, particularly on smaller deals.</p> <p>February is where we really see what the client budget is going to be looking at. So that's where we get the most visibility. And so we'll be reporting more on that in the next quarter.</p> <p>Growth rates we have for the year, which is 4% to 7%, underneath that, we see consulting now in the midsingledigit range growth and managed services in the midtohigh range growth.</p>
Geographies and Verticals	
Americas	In the Americas, revenues grew 11% in local currency. Growth was led by industrial, software, and platforms, banking and capital markets, and consumer goods, retail, and travel services. Revenue growth was driven by the United States and Argentina.

EMEA	In EMEA, revenue grew 6% in local currency, led by growth in public service, lifesciences and healthcare, partially offset by a decline in Banking and capital markets. Revenue growth was driven by the UK and Italy, partially offset by a decline in France.
APAC	APAC growth was driven by growth in utilities, industrial, and health, offset partially by decline in chemical and natural resources revenue growth was led by Japan, partially offset by decline in Singapore and Australia
Europe	Europe is definitely more challenging environment
UK	I will say, by the way that we were pleased to see UK, as you might have heard, is coming back
Hyperscaler – Google	
Commitments	In 2024, the number of first-time commitments more than doubled , compared to 2023. We also deepened customer relationships. And the number of deals over \$250 million doubled from the prior year.
AI adoption	Vertex(Enterprise AI solution) usage increased 20x during 2024, with particularly strong developer adoption of Gemini Flash, Gemini 2.0, Imagen 3 and most recently, Veo.
GCP growth	Turning to the Google Cloud segment, which continued to deliver very strong results this quarter, revenues increased by 30% to USD 12 billion in the fourth quarter, reflecting growth in GCP across Core GCP products, AI infrastructure and Generative AI Solutions. Once again, GCP grew at a rate that was much higher than Cloud overall.
ARPU	Healthy Google Workspace growth was primarily driven by an increase in average revenue per seat.
Capacity	And in Cloud, given that revenues are correlated with the timing of deployment of new capacity , we could see variability in Cloud revenue growth rates depending on when new capacity comes online during 2025.
Hyperscaler – Microsoft	
Cloud growth	This quarter, we saw continued strength in Microsoft Cloud, which surpassed \$40 billion in revenue for the first time, up 21% year-over-year.
AI adoption	And our AI business has now surpassed an annual revenue run rate of \$13 billion, up 175% year-over-year.
Demand signals	Azure is the infrastructure layer for AI. We continue to expand our data center capacity in line with both near-term and long-term demand signals. We have more than doubled our overall data center capacity in the last three years. And we have added more capacity last year than any other year in our history.
Bookings	Commercial bookings increased 67% and 75% in constant currency and were significantly ahead of expectations driven by Azure commitments from OpenAI.
RPO	Commercial remaining performance obligation increased to \$298 billion, up 34% and 36% in constant currency. Roughly 40% will be recognized in revenue in the next 12 months, up 21% year-over-year. The remaining portion, recognized beyond the next 12 months, increased 45%. And this quarter, our annuity mix was 97%.
Enterprise and partner services slower	Excluding the unfavorable FX impact, results in Azure non-AI services, on-prem server, and enterprise and partner services were slightly lower than expected , partially offset by better-than-expected results in Azure AI services.
Growth in Non-AI slow	Growth in our non-AI services was slightly lower than expected due to go-to-market execution challenges, particularly with our customers that we primarily reach through our scale motions, as we balance driving near-term non-AI consumption with AI growth.
Next Quarter guidance	In Q3 M365 commercial cloud revenue growth should be between 14% and 15% in constant currency , relatively stable compared to our better-than-expected Q2 results. For Intelligent Cloud we expect revenue to grow between 19% and 20% in constant currency , or \$25.9 to \$26.2 billion. Revenue will continue to be driven by Azure which, as a reminder, can have quarterly variability primarily from in-period revenue recognition depending on the mix of contracts.
Non-AI services to see continued pressure	In Azure, we expect Q3 revenue growth to be between 31% and 32% in constant currency driven by strong demand for our portfolio of services. As we shared in October, the contribution from our AI services will grow from increased AI capacity coming online. In non-AI services healthy growth continues, although we expect on-going impact thru H2 as we work to address the execution challenges noted earlier.
Growth slowing in FY26	In FY26, we expect to continue investing against strong demand signals including customer contracted backlog we need to deliver against across the entirety of our Microsoft Cloud. However, the growth rate will be lower than FY25 and the mix of spend will begin to shift back to short-lived assets which are more correlated to revenue growth.
Change in Non-AI delivery	On the non-AI side, really the challenges were in what we call the scale motions. Think about primarily, these are customers we reach through partners and through more indirect methods of selling. And really, the art form there is as these customers, which we reach in this way, are trying to balance how do you do an AI workload with continuing some of the work they've done on migrations and other fundamentals, we then took our sales motions in the summer and really changed to try to balance those two.
Hyperscaler – AWS	
AWS growth	In Q4, AWS grew 19% year-over-year and now has a \$115 billion annualized revenue run rate. We expect growth will be lumpy over the next few years as enterprise adoption cycles, capacity considerations and technology advancements impact timing, it's hard to overstate how optimistic we are about what lies ahead for AWS's customers and business
Cloud migration	During the fourth quarter, we continue to see growth in both generative AI and non-generative AI offerings as companies turn their attention to newer initiatives , bring more workloads to the cloud, restart or accelerate existing migrations from on-premise to the cloud and tap into the power of generative AI. Customers recognize to get the full benefit of generative AI, they have to move to the cloud
Future of AI	And while it may be hard for some to fathom a world where virtually every app has generative AI infusing it with inference being a core building block just like compute, storage and database, and most companies having their own agents that accomplish various tasks and interact with one another. This is the world we're thinking about all the time and we continue to believe that this world will mostly be built on top of the cloud with the largest portion of it on AWS.

Source: Company, JM Financial

Exhibit 33. Key Commentary from conference call – Coverage companies

TCS	
Demand	We observed that customer priorities continue to remain centered around cost optimization and business transformation . GenAI, AI and cloud services continue to see significant growth for us this quarter.
Outlook	We are seeing early signs of revival in discretionary spend in BFSI and Retail . Manufacturing and Life Sciences and Healthcare should also start seeing growth in the medium term as near-term challenges have bottomed out in this quarter. With the reduction in the interest rates, easing of inflation, and reduced uncertainty with the new US administration taking over, we expect the discretionary demand to strengthen. We are at this time confident, when I said that CY25 will be a better year than CY24, it's more broadly on the international business .
Margin	Our Q3 operating margin was 24.5%, a sequential improvement of 40 basis points, despite headwinds on account of furloughs and Q3 seasonality , which was offset by operating efficiency through improvement in productivity, utilization and pyramid. Margin aspiration remains 26% to 28% . I had not committed that we will reach 26% by Q4, what I said is we will be happy if we can exit Q4 at 26%.
GenAI	Clients are investing in agentic AI adoption, building robust data foundation, and taking a value chain-based approach to AI and GenAI transformation.
Supply	Our LTM Attrition in IT services was at 13%. In Q1 and Q2, we added significant headcount. In Q3, we saw some decline in headcount, but this is not necessarily an indication of future hiring plans. We are preparing to onboard a higher number of campus hires next year. Going into FY26, we expect to maintain a healthy mix of experienced professionals and fresh talent from campuses .
BSNL deal	We have completed 70% of the BSNL contract, which we had committed. The current contract could taper off across Q4, Q1, and maybe it might extend to max Q2 . BSNL revenue replacement could definitely be a headwind , but we know that we'll be able to replace most of it.
Verticals & Geographies	
BFSI	For BFSI, the New Year promises cautious optimism with easing inflation, falling unemployment numbers, and stable government . Customers are focused on operational efficiency and modernizing their IT with an eye on future growth.
Manufacturing	In Q3, we continue to see softness in manufacturing due to a combination of macro and industry-specific issues in auto and aerospace. We saw a good number of large deal wins during the quarter, and we see a strong pipeline for the future.
Lifesciences and Healthcare	Life Sciences and Healthcare should also start seeing growth in the medium term as near-term challenges have bottomed out in this quarter .
Consumer Business	The Consumer business group returned to growth on a sequential basis, and it was primarily driven by the improvement seen in retail in all major markets .
Hi-Tech and Technology	We work with semiconductor players, we work with hyperscalers. Most of them are planning to increase their spend in the coming year . Except for the professional services side of that industry, the overall hi-tech industry, we are quite positive.
North America	We are seeing some revival slowly happening in North America.
Infosys	
Demand	Financial Services in the U.S. continues to grow strongly in this quarter and over the past few quarters. We have seen a revival in European Financial Services during Q3. We are seeing an improvement in the Retail and consumer product industry in the U.S. with discretionary pressures easing. Automotive sector in Europe continues to remain slow. Demand trends remain stable in other industries, with clients continuing to prioritize cost takeout over discretionary initiatives . Our pipeline continues to remain strong , backed by deals across digital applications, engineering, and cloud transformation.
Outlook	Based on our strong performance in this quarter and our view for the rest of this financial year, we are revising our revenue growth guidance to growth of 4.5% to 5% in constant currency terms . While cost optimization remains a priority, spending towards new growth areas like AI, cloud adoption, cybersecurity, data, and analytics is being observed.
Margin	Our Q3 operating margin was 21.3%, an increase of 20 basis points sequentially and 80 basis points YoY. Margins expanded despite absorbing the impact of furloughs and higher third-party costs . Currency movements contributed 40 basis points to margin expansion . Our margins will see some headwinds from the upcoming wage hikes in Q4 and Q1 .
GenAI	With Infosys Topaz, our Generative AI-powered services and solutions, we are deepening our enterprise AI capabilities .
Supply	We are developing over 100 new Generative AI agents for deployment within our clients. Our headcount grew by over 5,000 sequentially to now over 323,000 employees worldwide. Attrition remains low at 13.7%. We are on track to hire 15,000 freshers this fiscal year and expect to hire 20,000 freshers next year.
Verticals & Geographies	
Financial Services	Financial Services in the U.S. continues to see discretionary spend increase in capital markets, mortgages, cards, and payments.
Manufacturing	Manufacturing continues to see weakness in the automotive sector in Europe .
Retail and Consumer	We are seeing some signs of recovery in discretionary spending in the Retail and CPG vertical in the U.S.
Hi-Tech and Telecom	Hi-Tech continues to remain soft , with some clients pausing discretionary investments.
Geographical Expansion	Our expansion beyond the U.S. , specifically into the Nordics, Middle East, and Southeast Asia, is contributing positively to growth.
HCLTech	
Demand	We have seen an improvement in the demand; small deals are getting converted quicker and larger deals are taking time . That is why you see the TCv has not changed materially, but ACv has. Our clients are investing to drive innovation and efficiency with Gen AI and data at the center of such initiatives. We have seen improvements over the last two quarters. We do see an overall improvement in the discretionary spending environment .
Pipeline	Our pipeline continues to grow and remain strong and is getting closer to an all-time high . This time it's broad-based and backed on several deals led by digital application business, engineering and R&D services, and a digital process operations business. Both Americas and Europe have shown strong growth in the pipeline as we got to this near all-time high pipeline.
Outlook	In 2025, we expect companies to increase their IT investments. While we are confident in the pace of medium-term recovery , our Q4 outlook accounts for certain specific factors, including the successful delivery of a large transformation program and a planned reduction in a mega deal.
Margin	Our operating margin stood at 19.5%, an improvement of 93 basis points QoQ. Our software business contributed 114 basis points improvement at the company level. Services margin dropped by 22 basis points QoQ. Our margin improvement plan, Project Ascend, gave us ~100 basis points in this quarter , which majorly offset the wage hike impact of 80 basis points, furlough seasonality impact of 14 basis points, and CTG acquisition impact of 20 basis points.
Supply	Our people count stands at 220,755, which is a net addition of 2,134 . Our attrition stands at 13.2% on an LTM basis, slightly higher compared to the previous quarter , which is a natural consequence of the demand pickup. Close to 80% of our US workforce is now local , making us one of the least reliant on H1B visas in the industry.
Verticals & Geographies	

Financial Services	We are continuing to see improvement in client spending . The adoption of AI by enterprises is poised for growth, with Financial Services progressing from proof-of-concept to enterprise rollout supported by robust business cases.
Manufacturing	Manufacturing ex-automotive looks good . We see discretionary spend, and some of the projects are driven by SAP
Segment specific growth	We expect good growth in other verticals, excluding Retail CPG, and Telecom, which will be impacted by completed large projects. We are still not seeing any pickup in Life Sciences & Healthcare and Public Services, including Energy, Oil & Gas, and Utilities .
Europe	We are seeing an increase in large and medium-sized deals across Europe , particularly in platform modernization and legacy transformation enabled by GenAI. Europe continues to remain challenged, specifically in the auto sector .
Wipro	
Demand	While cost optimization remains key, we expect significant growth in AI spending . We are committed to driving innovation for our clients by leveraging the transformative power of AI.
Outlook	While Americas showed steady demand , Europe and APMEA remained soft for us. AI investments will continue to scale , shifting from experimentation to broader enterprise adoption. 2024 was marked by macroeconomic challenges. 2025 looks more hopeful and resilient . Our clients are cautiously optimistic, and discretionary spending is slowly coming back. We see a gradual recovery happening, with BFSI and Healthcare leading the way . However, Energy, Manufacturing, and Resources (EMR) and Consumer segments still need to recover.
Margin	Our operating margins came in at 17.5%, an expansion of 0.7% quarter-on-quarter and 1.5% year-on-year. This is a 12-quarter high . We achieved margin expansion despite absorbing two months of wage hikes . Our focus on execution rigor and cost efficiency has helped drive sustained margin improvement.
Deals	We ended the quarter with a TCV of USD 3.5 bn in bookings . This included 17 large deals with a total value of USD 1 bn across markets and sectors.
AI Capabilities	At Wipro, we continue to invest in AI education . 50,000 of our employees now hold advanced AI certification. Our AI-powered industry solutions , such as 'Care in a Box' for Healthcare and 'WealthAI' for Financial Services, are gaining traction.
Supply	We are actively hiring and plan to recruit 10,000 to 12,000 freshers in FY26 . Our utilization, excluding trainees, stands at 86%-88% , indicating strong workforce efficiency.
Verticals & Geographies	
BFSI	With discretionary spending returning in BFSI , we are optimistic about the pipeline for FY25.
Manufacturing	We are seeing growing demand for cloud and AI-led transformation in manufacturing. Strong pipeline for cost takeout and AI-driven transformation deals in the U.S.
TechM	
Demand	We see pockets of demand across our prioritized markets of North America, Europe, and APJ. New deal wins of USD 745 mn for Q3 FY25 were driven by several large and multi-tower deals in Telecom and Manufacturing . Communications, BFSI, and Healthcare & Life Sciences saw healthy revenue growth.
Outlook	2023 was probably the worst year for tech spending; 2024 was an improvement, and we believe 2025 will be better than 2024. However, the improvement is incremental, not a V-shaped recovery . The momentum in deal signings is improving, with an increasing share of large deals. We will continue to chase quality over quantity in deal-making , focusing on long-term scalable accounts.
Margin	We have reported EBIT margins of 10.2%, an expansion of 60 basis points from last quarter despite steep currency headwinds and ongoing investments . The margin expansion is attributed to efficient delivery, pricing excellence, and cost optimization under Project Fortius. We aim to achieve a 15% EBIT margin by FY27 through sustained productivity improvements and cost reductions.
GenAI	We are building sovereign large language models from scratch, rather than relying on existing frameworks, which differentiates us in the market. Our small and tiny language models allow customers to solve specific problems without consuming excessive compute resources. We are embedding AI into all our solutions , from process manufacturing to industrial automation and aerospace & defense.
Verticals & Geographies	
BFSI	Our BFSI consulting business is seeing strong growth, as banks modernize IT stacks and adopt new AI-driven workflows.
TMT	We won multiple large deals in the Telecom sector , including network modernization and digital transformation projects. While deal activity is improving, spending is still focused on cost takeout and vendor consolidation rather than net-new investments.
Manufacturing	Our exposure to Japanese auto manufacturers is growing , which will help diversify geographic risk.
LTIM	
Demand	The growth momentum from the previous two quarters continued into Q3 . The continuing client focus on cost reduction and vendor consolidation is supporting a strong pipeline. Clients are prioritizing AI-driven cost takeout and automation projects over large-scale discretionary programs.
Outlook	As we enter CY25, political and economic uncertainties persist . With a new government in the U.S. and the possibility of policy changes, predicting spending trends with certainty is challenging. We are optimistic about sustaining growth momentum into the fourth quarter , supported by deal ramp-ups, the reversal of most furloughs, and continued strength in the BFSI vertical.
Margin	EBIT margin for the quarter was 13.8%, down from 15.5% in Q2. The 170-basis point decline was mainly due to wage hikes , which we estimated would impact margins by approximately 200 basis points. Despite the seasonal impact of furloughs and lower working days, our ongoing efforts on cost optimization helped margins by 50 basis points sequentially .
GenAI	Our framework, 'AI in everything, Everything for AI, and AI for everyone' , is helping us win deals.
Deals	We signed a record TCV amounting to USD 1.68 bn, up 29% QoQ . These wins included a new logo in the manufacturing vertical worth over USD 50 mn as well as two large deals in the BFS vertical. There has been a promising increase in deal activity and the deal pipeline in Q3 as evidenced by a record order inflow in the quarter.
Supply	In Q3, we onboarded 2,362 employees , bringing the year-to-date count to 5,150 new hires, reflecting a 6.3% increase compared to the previous year's headcount. Attrition remains stable at 14.3%. We onboarded over 1,400 freshers this quarter, in line with our strategy to broaden the talent pyramid . Our utilization, excluding trainees, dropped further to 85.4% compared to 87.7% last quarter , aligning with our focus on building bench capacity for future growth.
Verticals & Geographies	
BFSI	Both Banking and Insurance witnessed healthy growth, supported by AI-driven infrastructure deals .
Manufacturing	Industrial manufacturing demand remains steady, though Auto remains weak .
North America	We continue to see strong deal momentum in BFSI and Manufacturing in the U.S. Our AI-driven vendor consolidation strategy is gaining traction among large U.S. enterprises.
Europe	The European automotive sector continues to be weak , impacting Manufacturing demand. Cost takeout and cloud modernization deals are driving demand across key European clients.
Mphasis	
Demand	Logistics and Transportation saw a sharp decline due to client-specific issues and budgeting constraints. AI-led automation and efficiency gains are helping Mphasis secure larger, more profitable deals.

Deals and Pipeline	Large deals pipeline is up 49% sequentially. Significantly increased traction in AI archetypes including AI Ops and modernization, including Kore. Q3 saw a high share of proactive deal wins as we stayed focused on deal making. TCV closure for the quarter was USD 351 mn, which is the highest in the past six quarters. In addition to Q3 TCV wins, we have closed an additional USD 100 mn deal in the BFS vertical in January of 2025. This will reflect in the Q4 FY25 TCV wins.
Outlook	We expect Q4 to be the best quarter in the last three years from a sequential growth perspective. The macro continues to turn in a favourable direction for BFS while there are still some things to be sorted through. We see some recovery in discretionary spend continuing while there are signs of uptick visible in the mortgage business despite the uncertainties.
Margin	Despite the seasonality impact, our EBIT margin remained stable at 15.3%. Furloughs impacted revenue in Q3 , similar to last year, with an estimated impact of around 2%. Stronger TCV conversions are accelerating revenue growth and reducing reliance on discretionary spending.
Supply	Utilization improved contributing to a 140 basis points margin improvement . Attrition remained stable at 12.6%, within our acceptable range. Utilization improved from 84.8% in Q2 to 87.4% in Q3.
Verticals & Geographies	
BFS	BFS growth has largely been driven by wallet share gains in existing accounts and strong execution in new account wins.
Logistics and Transportation	The decline in the Logistics vertical is not linked to any one client but is a mix of macro and client-specific budget issues. Despite current challenges, we expect deal activity to pick up in the coming quarters.
Europe	Macroeconomic uncertainties in Europe remain a concern for deal closures.
Coforge	
Demand	In Q3, a quarter normally regarded as a seasonally weak quarter for the industry, the firm has registered a sequential CC growth of 8.4% and a YoY CC growth of 40.3%. Despite furloughs in the current quarter, BFS grew 20.4% YoY. The insurance vertical grew 20.3% YoY. The travel vertical grew 43.4% YoY, and the government vertical outside India grew 48% YoY. There is no over-reliance on any one growth vector . All vectors—including geo-based units, industry-based units, service lines, and client-size cohorts—are growing robustly
Outlook	Our inexorable and very rapid march to the next USD 2 bn milestone is not just unhindered, but it is actually picking up even more pace. We are confident in sustained growth and further margin expansion , as evidenced by our post-acquisition performance with Cigniti.
Margin	The consolidated adjusted EBITDA margin for the quarter is 17.8%, up 122 bps sequentially . Cigniti business has seen its EBITDA margins jump more than 600 bps to 17.3% from around 11% just three quarters back. We expect margin expansion to continue as we execute cost optimization initiatives and scale AI-led service delivery
Deals	Our 12-month signed order book now stands at USD 1.37 bn, up 40.1% from the same period last year. A large deals pipeline that is looking very robust going forward.
GenAI	We continue to expand our portfolio of service offerings using AI and GenAI and now have a portfolio of more than 30 capabilities . Under our AI Spark initiative , 95% of our workforce has been certified in AI tools and foundational AI concepts.
Supply	Attrition continues to be stable, with the last 12-month attrition at 11.9%. Utilization, excluding trainees, is currently at 84%, which we consider a sustainable level to support future growth.
Verticals & Geographies	
BFSI	We continue to see demand across multiple micro areas, particularly operational resilience and regulatory compliance .
Manufacturing	AI-led digital transformation is a key demand driver in manufacturing, though macro challenges persist in the Auto sector .
Persistent	
Demand	This marks our 19th consecutive quarter of sequential growth, despite furlough impact. We continue to see strong growth momentum, particularly in Healthcare & Life Sciences and BFSI verticals . The discretionary spend environment is stabilizing , but clients remain focused on efficiency-driven projects.
Strategy	Our strategy for long-term growth includes deepening engagement with our top 100 clients and expanding private equity and sourcing advisor relationships.
Outlook	We continue to transition towards a platform-driven services approach , enabling outcome-based engagement models. We remain confident in our trajectory towards our aspiration of achieving USD 2 bn in annual revenue by the end of FY27 . AI-led transformation will be a key driver of future deal wins and service delivery efficiency.
Margin	EBIT margin for the quarter came in at 14.9%, translating into an EBIT growth of 25.5% year-on-year. Furloughs impacted our margins by 60 basis points this quarter. Lower earnout credits versus the previous quarter resulted in a headwind of 100 basis points. Utilization improved from 84.8% in Q2 to 87.4% in Q3, contributing to a 140 basis points margin improvement. Our AI-led automation solutions are driving cost efficiencies for clients, improving our pricing leverage. Lower contractor costs and improved pricing realization supported margin growth.
GenAI	We have filed 20+ patents across various categories , including core AI, Agentic AI, personalized AI, repository-level AI, and productivity measurement.
Supply	We are actively embedding AI into customer engagements to drive productivity gains while maintaining pricing discipline. Attrition remained stable at 12.6%, within our acceptable range. We continue to invest in internal talent development, with an emphasis on AI-driven upskilling programs. The shift towards AI-led automation will change our hiring patterns, with an increased focus on outcome-based engagements over traditional resource augmentation.
Verticals & Geographies	
North America	BFSI and Healthcare led the growth, with strong demand for AI-driven automation. Our large U.S.-based banking and healthcare deals will support sustained momentum in FY26.
Europe	The Automotive sector remains weak , affecting overall demand in the region.

Source: Company, JM Financial

Valuation and Recommendation

Exhibit 34. Change in Price Target, Recommendation Post Earnings

	Recommendation		Target Multiple		Target price		
	Old	New	Old	New	Old	New	Change
Infosys	BUY	BUY	28x	28x	2170	2,200	1.4%
TCS	HOLD	BUY	26x	28x	4230	4,680	10.6%
HCL Tech	HOLD	HOLD	25x	25x	1780	1,830	2.8%
Wipro	BUY	BUY	24x	24x	320	360	12.5%
TechM	BUY	BUY	22x	22x	1830	1,870	2.2%
LTIMindtree	SELL	SELL	25x	25x	5050	4,800	-5.0%
Mphasis	BUY	BUY	31x	31x	3590	3,660	1.9%
Coforge	BUY	BUY	45x	45x	8530	10,990	28.8%
Persistent	BUY	BUY	48x	55x	6170	7,630	23.7%
KPIT Tech	BUY	BUY	55x	55x	2040	2,250	10.3%
TATA Tech	BUY	BUY	55x	50x	1290	1,150	-10.9%

Source: JM Financial estimates

We upgraded TCS during 3Q results

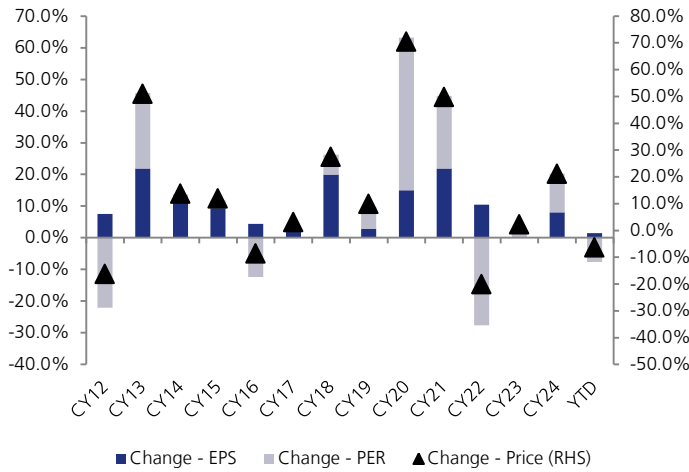
Exhibit 35. JM Financial IT Services Coverage Universe – Key estimates and valuation

Company	CMP (INR)	USD revenue growth (%)			EPS			P/E			EV/EBIT			ROE		
		FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Infosys	1,764	4.8%	7.0%	10.0%	63.9	71.9	80.5	27.6x	24.6x	21.9x	20.2x	18.1x	16.1x	30.6%	33.4%	35.0%
TCS	3,676	4.1%	3.7%	10.0%	135.2	150.7	171.9	27.2x	24.4x	21.4x	20.5x	18.6x	16.8x	47.5%	43.1%	42.7%
HCLTech	1,644	4.3%	5.5%	8.1%	60.6	66.7	74.6	27.1x	24.6x	22.0x	19.7x	18.2x	16.4x	24.0%	26.4%	29.7%
Wipro	295	-2.3%	3.6%	8.5%	12.5	13.7	15.4	23.7x	21.5x	19.2x	18.5x	17.1x	15.3x	16.0%	17.1%	18.1%
TechM	1,614	0.3%	5.1%	7.7%	46.9	61.5	78.8	34.4x	26.2x	20.5x	30.2x	21.4x	16.7x	16.3%	21.8%	26.0%
LTIMindtree	5,047	5.4%	7.3%	9.5%	156.1	175.8	196.0	32.3x	28.7x	25.7x	25.4x	22.9x	20.5x	22.5%	23.1%	22.8%
Mphasis	2,488	4.5%	8.7%	11.1%	89.7	102.9	121.2	27.7x	24.2x	20.5x	22.5x	19.9x	17.3x	18.3%	18.3%	18.0%
Hexaware	805	12.2%	10.1%	13.2%	18.6	22.9	26.7	43.3x	35.2x	30.2x	30.6x	24.6x	21.3x	22%	24%	26%
Coforge	7,628	31.3%	23.2%	17.6%	132.8	189.9	256.5	57.4x	40.2x	29.7x	33.2x	25.0x	19.7x	17.8%	20.1%	23.5%
Persistent	5,640	18.5%	18.4%	19.0%	89.7	116.4	143.7	62.9x	48.5x	39.2x	49.7x	38.4x	30.4x	26.3%	29.4%	30.5%
KPIT Tech	1,282	17.7%	10.0%	18.8%	30.2	33.6	42.3	42.4x	38.1x	30.3x	33.8x	29.3x	23.7x	33.7%	29.9%	30.4%
TATA Tech	733	1.0%	6.6%	10.8%	16.7	19.8	22.9	43.9x	37.0x	32.0x	34.5x	30.6x	26.0x	21.4%	24.4%	25.3%

Note: Price as on 24th Feb 2024; Source: JM Financial estimates

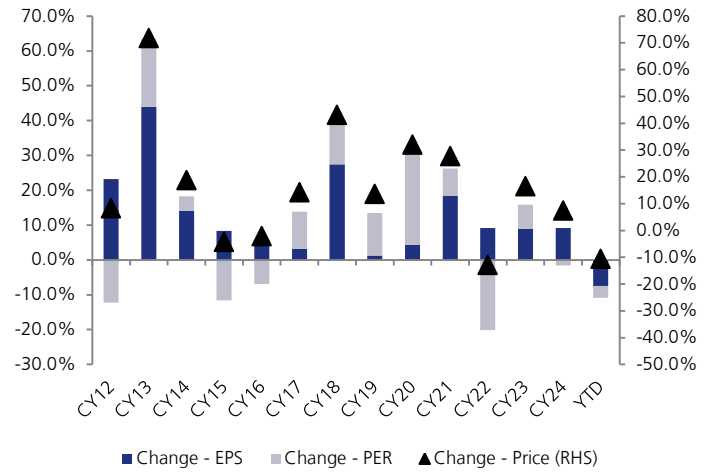
Price movement: EPS and PER split – most downmoves in large cap stocks due to EPS while downmoves in Midcaps due to PER

Exhibit 36. Infosys – Price movement break-up between 12M F EPS and PER



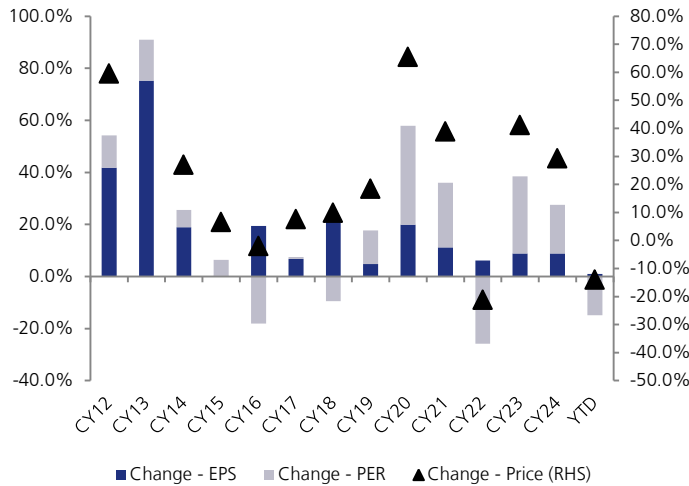
Source: Bloomberg, JM Financial

Exhibit 37. TCS – Price movement break-up between 12M F EPS and PER



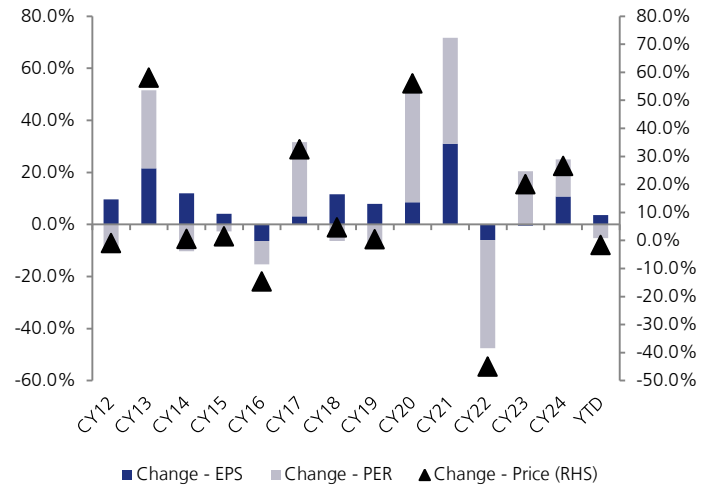
Source: Bloomberg, JM Financial

Exhibit 38. HCL Tech – Price movement break-up between 12M F EPS and PER



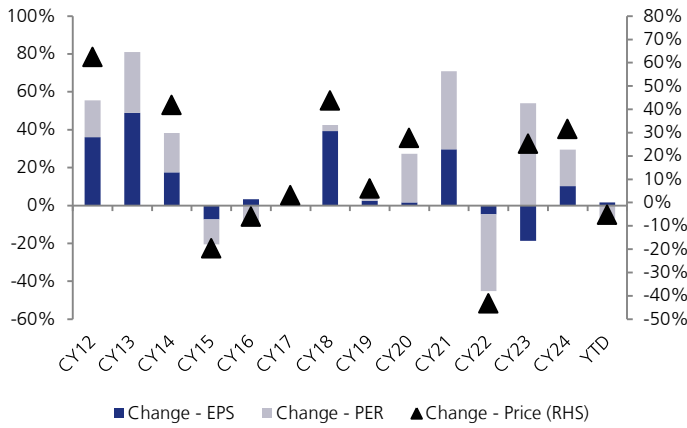
Source: Bloomberg, JM Financial

Exhibit 39. Wipro – Price movement break-up between 12M F EPS and PER



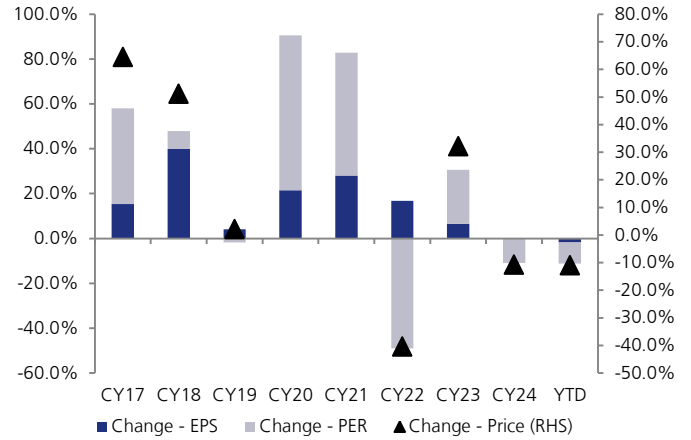
Source: Bloomberg, JM Financial

Exhibit 40. Tech M – Price movement break-up between 12M F EPS and PER



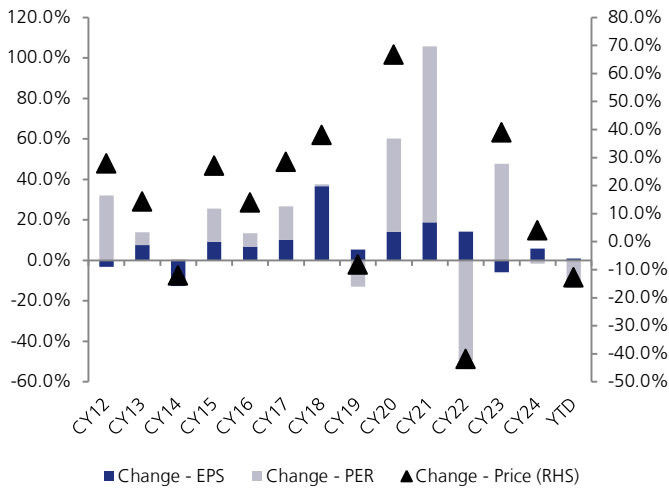
Source: Bloomberg, JM Financial

Exhibit 41. LTIM – Price movement break-up between 12M F EPS and PER



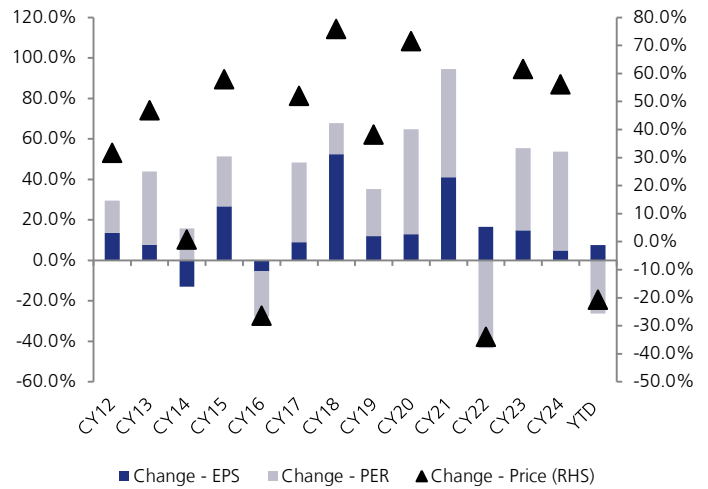
Source: Bloomberg, JM Financial

Exhibit 42. Mphasis – Price movement break-up between 12M F EPS and PER



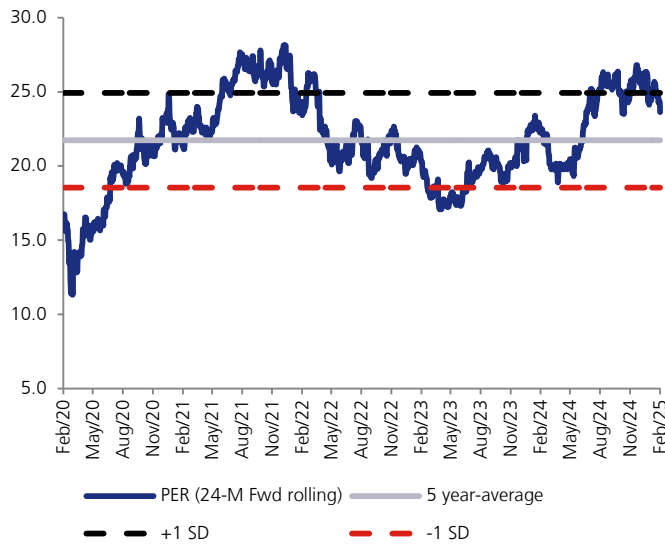
Source: Bloomberg, JM Financial

Exhibit 43. Coforge – Price movement break-up between 12M F EPS and PER



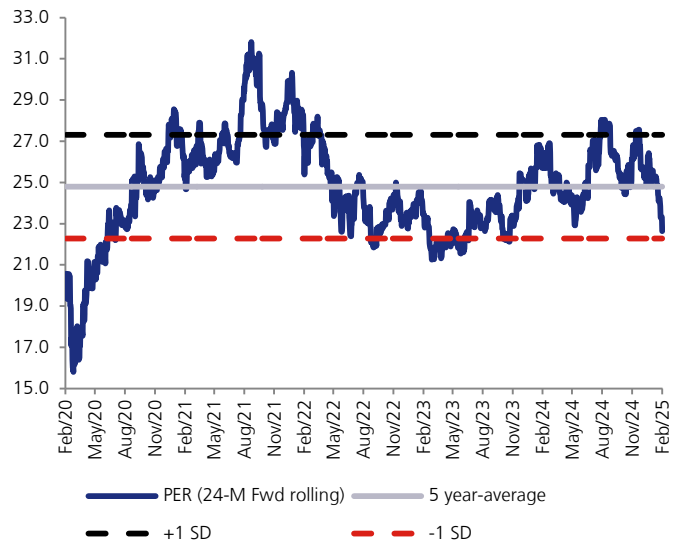
Source: Bloomberg, JM Financial

Exhibit 44. Price-to-24M forward EPS valuation chart – Infosys



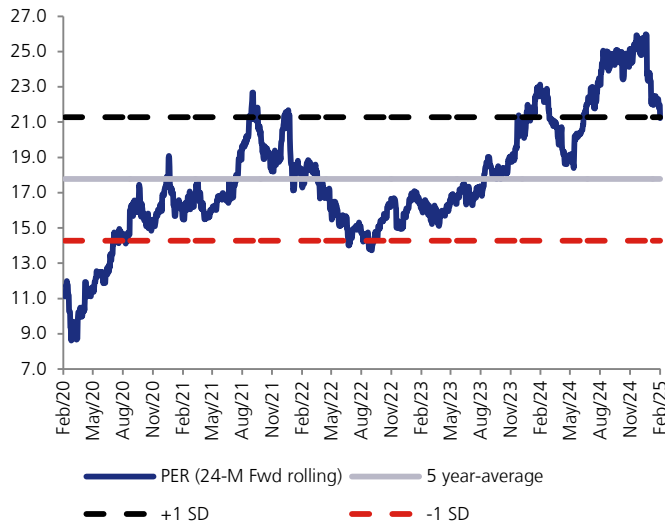
Source: Bloomberg, JM Financial

Exhibit 45. Price-to-24M forward EPS valuation chart – TCS



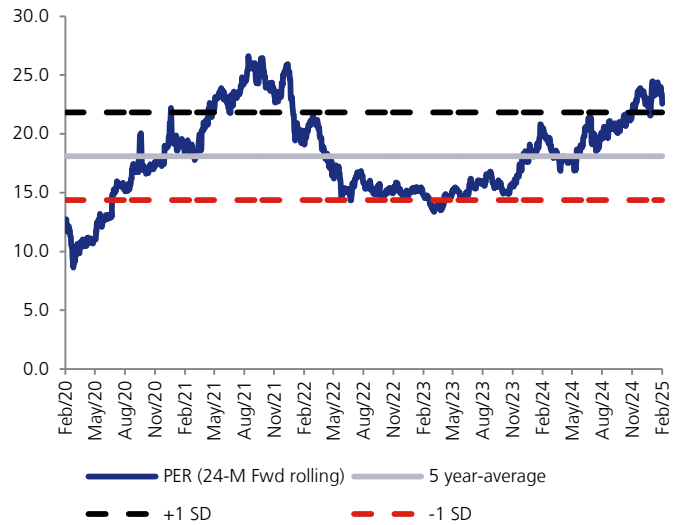
Source: Bloomberg, JM Financial

Exhibit 46. Price-to-24M forward EPS valuation chart – HCL Tech



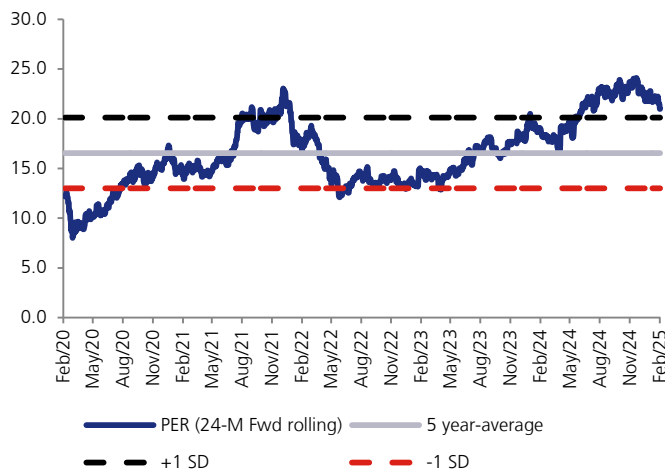
Source: Bloomberg, JM Financial

Exhibit 47. Price-to-24M forward EPS valuation chart – Wipro



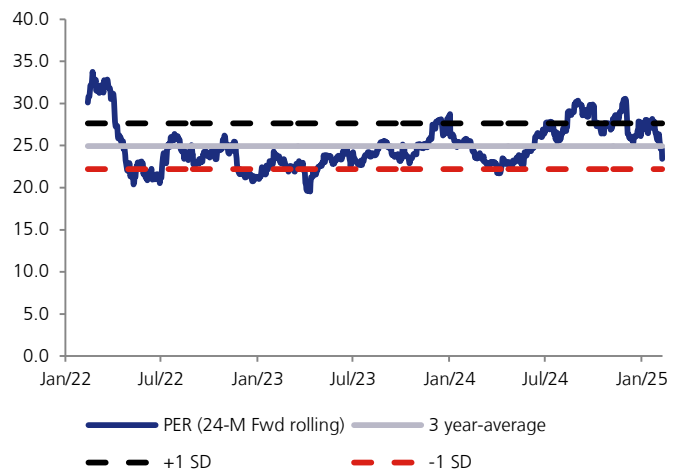
Source: Bloomberg, JM Financial

Exhibit 48. Price-to-24M forward EPS valuation chart – TechM



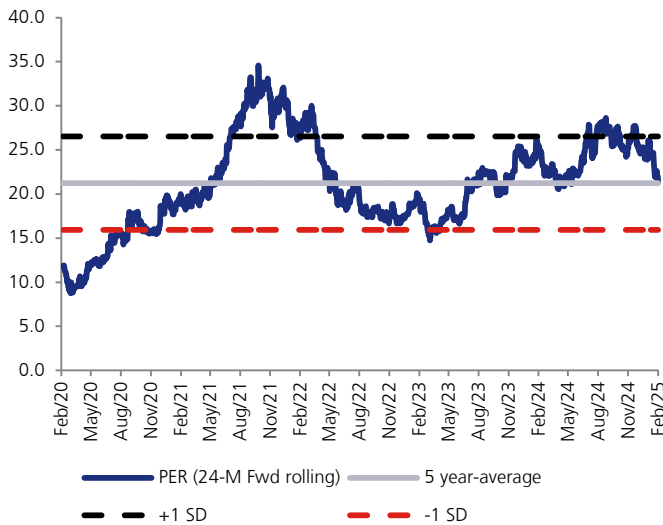
Source: Bloomberg, JM Financial

Exhibit 49. Price-to-24M forward earnings valuation chart - LTIM



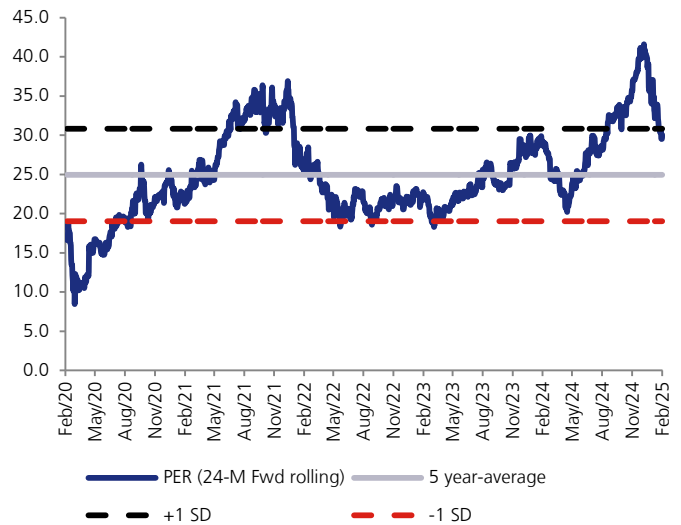
Source: Bloomberg, JM Financial

Exhibit 50. Price-to-24M forward EPS valuation chart – Mphasis



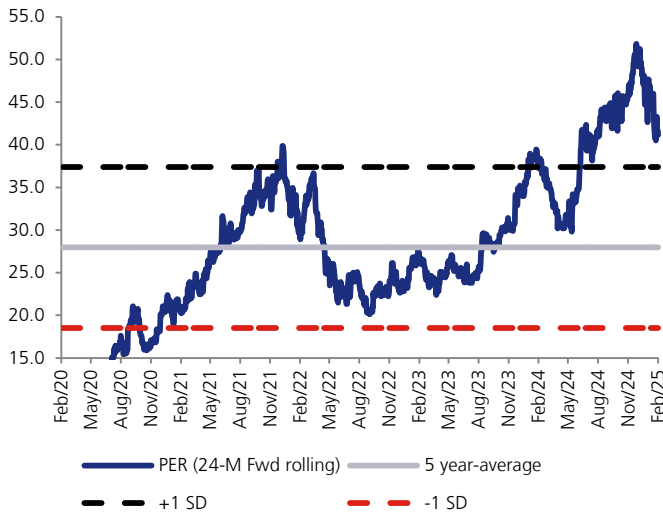
Source: Bloomberg, JM Financial

Exhibit 51. Price-to-24 M forward EPS valuation chart – Coforge



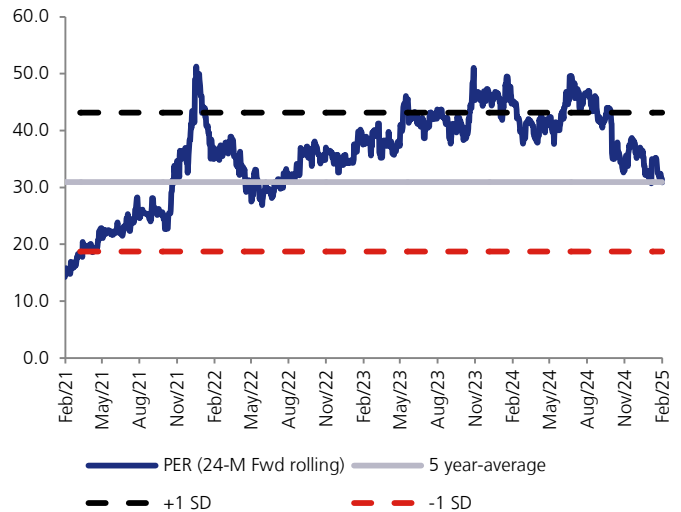
Source: Bloomberg, JM Financial

Exhibit 52. Price-to-24M forward EPS valuation chart – Persistent



Source: Bloomberg, JM Financial

Exhibit 53. Price-to-24 M forward EPS valuation chart – KPIT Tech



Source: Bloomberg, JM Financial

APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

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Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
Sell	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

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