

IT Sector

Navigating an uncertain environment

The IT sector is anticipated to report a weak exit for FY25E and provide unexciting guidance for FY26E amid rising global uncertainty. The macroeconomic slowdown has become a baseline scenario, with lower discretionary spending and elongated deal cycles impacting the pace of recovery. The deal activity will be centred more around cost optimization/takeout initiatives. GenAI is taking centre stage but also driving pricing changes as enterprises and hyperscalers integrate AI-efficiency into their pricing models. We remain watchful and maintain our selective stance on the sector, favouring TCS within tier-1s and Persistent, LTIM, and Mastek among mid-tier IT companies.

Q4FY25E expectations: For Q4FY25E, most of the large IT companies will register revenue decline ranging from -1.8% to +0.1% QoQ (-1.6% to +6% in YoY terms) due to a weak demand environment, lower billing days, and lower discretionary spends. Q4 revenue growth expectations for mid-tier ranges from +3.7% QoQ to -4.7% QoQ. Within tier-1 IT, INFY is expected to lead the fall with 1.8% QoQ decline followed by ~0.5% QoQ decline for TCS, HCLT, Wipro and Tech Mahindra. Within mid-tier IT, growth is expected to be led by L&T Tech at 13.7% QoQ (SWC seasonality, Intelliswift acquisition) and Persistent Systems at 3.7% QoQ. Q4 growth laggards in mid-tier will be Tata Elxsi (weak transportation), Birlasoft (client specific issue), and Sonata (large client issue).

Guidance: We expect Infosys to guide for 2 to 4% growth for FY26E, HCL Tech guide for 3 to 5% for FY26E, Wipro -1% to +1.5% QoQ for Q1FY26E and L&T Tech to guide for >10% for FY26E (including Intelliswift and EUR 50mn mobility deal). Margin guidance is likely to be stable with some upward bias supported by currency and easing supply-side metrics. We expect the Infosys margin band to be in the range of 20-22% and HCL tech will be at 18-19% while TCS will maintain its band of 26-28%. We have factored in ~50bps+ margin improvement for FY26E, supported by rupee depreciation and disinflationary supply-side factors linked to a soft demand environment. The TCV number is going to be muted due to the absence of large mega deals (TCS at ~USD 11bn). There was a hope of rise in discretionary spends but the current macro uncertainty will further push the recovery cycle. We expect cost optimization deals to continue. The increased activity in GCC/captives can impact the near-term growth prospects for the sector.

Outlook and Valuation: The IT index is down ~20% YTD, reflecting higher level of uncertainty caused by the Trump reciprocal tariffs. We have moderated our growth estimates to account for a weak exit to FY25E and a modest start to FY26E. ER&D companies' growth for FY26E is likely to moderate due to a potential slowdown in the transportation vertical (global OEMs). Growth dispersion between companies is expected to remain high even in FY26E. Tier-1 IT growth, which was anticipated to return to the pre-COVID growth level of ~8%, now appears to be an uphill task. We expect IT sector growth for FY26E to be at 5.3%, which is slightly better vs FY25E (3.4%) but still carries elements of uncertainty. We have cut our revenue/EPS estimates by ~2/3% and moderated multiples by three notches for most of the companies. Post-correction, tier-1 valuations are at a reasonable level, but mid-tier valuations remain elevated. The IT sector valuation at 23x is ~6% below the 5Y average (25x) but 12% above the 10Y average (21x).

Company	CMP* (INR)	RECO	TP (INR)
TCS	3,403	ADD	4,040
INFO	1,496	ADD	1,730
HCLT	1,468	ADD	1,800
WPRO	257	REDUCE	255
LTIM	4,342	ADD	5,320
TECHM	1,370	REDUCE	1,400
PSYS	4,793	ADD	5,600
LTTS	4,478	REDUCE	4,700
MPHL	2,376	REDUCE	2,635
TELX	5,194	REDUCE	5,450
ZENT	685	ADD	830
CYL	1,220	ADD	1,400
BSOFT	388	ADD	430
SSOF	344	ADD	440
HAPPSTMN	597	ADD	670
MAST	2,172	ADD	3,030

*CMP as on 3rd Apr 2025

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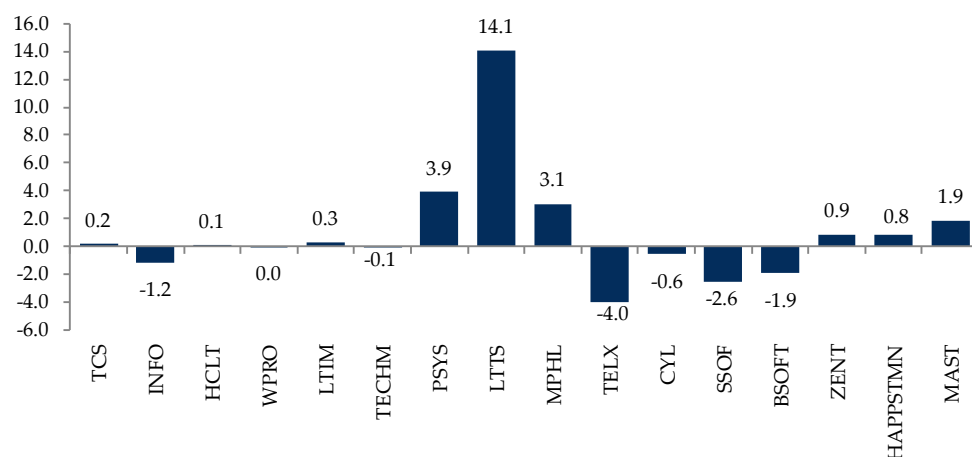
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Exhibit 1: IT Services: Q4FY25E Quarterly Financial Summary

Company	NET SALES (USD mn)			NET SALES (INR bn)			EBIT (INR bn)			EBIT Margin (%)			APAT (INR bn)			Adj. EPS (INR)		
	Q4 FY25E	QoQ (%)	YoY (%)	Q4 FY25E	QoQ (%)	YoY (%)	Q4 FY25E	QoQ (%)	YoY (%)	Q4 FY25E	QoQ (bps)	YoY (bps)	Q4 FY25E	QoQ (%)	YoY (%)	Q4 FY25E	Q3 FY25	Q4 FY24
TCS	7,498	(0.5)	1.8	648.59	1.4	5.9	161.50	3.1	1.5	24.9	43	-110	125.70	1.5	1.1	34.7	34.2	34.4
INFO	4,851	(1.8)	6.3	419.61	0.5	10.6	85.84	(3.7)	12.6	20.5	-88	36	68.02	(0.1)	5.0	16.4	16.4	15.6
HCLT	3,515	(0.5)	2.5	304.05	1.7	6.7	56.06	(3.7)	11.7	18.4	-104	83	43.10	(6.1)	8.1	15.9	16.9	14.7
WPRO	2,614	(0.6)	(1.6)	226.72	1.6	2.1	39.54	2.6	11.4	17.4	17	146	33.53	(0.0)	18.3	3.2	3.2	2.7
LTIM	1,140	0.1	6.6	98.60	2.1	10.9	13.79	3.8	5.4	14.0	23	-73	11.46	5.5	4.2	38.8	36.8	37.2
TECHM	1,557	(0.7)	0.6	134.71	1.4	4.7	14.19	5.1	49.9	10.5	37	318	9.97	1.4	14.1	11.3	11.1	9.9
PSYS	374	3.7	20.2	32.32	5.5	24.8	4.74	3.9	26.5	14.7	-23	20	3.65	(2.1)	15.8	23.7	24.2	20.5
LTTS	355	13.7	16.3	30.69	15.7	20.9	4.48	6.3	4.7	14.6	-129	-227	3.45	6.9	1.1	32.6	30.5	32.3
MPHL	431	2.9	5.0	37.31	4.8	9.4	5.72	4.8	12.6	15.3	1	45	4.17	(2.4)	6.2	22.3	22.8	21.0
TELX	105	(4.7)	(3.0)	9.12	(2.9)	0.7	2.05	(6.9)	(12.1)	22.5	-98	-328	1.64	(17.8)	(16.9)	26.3	32.0	31.6
ZENT	158	0.5	6.5	13.64	2.9	11.0	1.73	(5.5)	(3.4)	12.7	-113	-189	1.60	0.1	(7.7)	7.0	7.0	7.6
CYL	172	(1.6)	(3.8)	14.91	0.8	0.1	2.03	1.5	(15.1)	13.6	9	-243	1.71	38.2	(1.3)	15.5	11.2	15.7
BSOFT	157	(2.1)	(4.0)	13.61	(0.1)	(0.1)	1.36	(4.7)	(32.4)	10.0	-48	-477	1.17	0.1	(30.2)	4.3	4.2	6.1
SSOF	84	(3.0)	3.3	7.30	(0.2)	7.5	1.29	9.0	(6.7)	17.7	150	-270	1.15	9.1	3.8	4.1	3.7	3.9
HAPPSTMN	63	0.6	26.0	5.46	2.8	30.8	0.68	(7.2)	(0.9)	12.4	-133	-397	0.47	(5.5)	(24.0)	3.1	3.3	4.8
MAST	103	0.5	10.4	8.95	2.9	14.8	1.25	1.0	28.4	14.0	-26	149	0.92	1.9	0.5	29.2	28.7	29.1
Aggregate	23,179	(0.5)	3.1	2,005.60	1.6	7.2	396.25	0.5	7.6	19.8	-21	7	311.71	0.0	4.8			

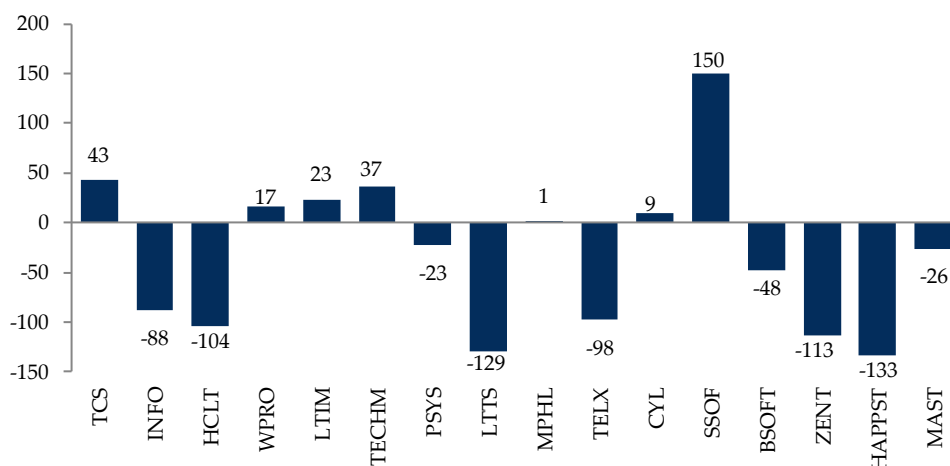
Source: HSIE Research, WPRO USD Rev is IT services, CYL is DET business and SSOF is IITS USD rev & IITS EBITDA margin

Exhibit 2: Q4FY25E revenue growth expectation (QoQ CC)



Source: HSIE Research; Inorganic growth for LTTS is 8% QoQ CC (Intelliswift), WPRO is 0.2% QoQ CC (Applied Value Tech) and PSYS is 0.3% QoQ (SoHo Dragon)

Exhibit 3: Q4FY25E EBITM QoQ bps expectation



Source: HSIE Research; Sonata is IITS EBITDA margin and Cyient is DET EBIT margin

Exhibit 4: IT Services: valuations

Company	MCAp (INR bn)	CMP (INR)	TP INR)	RECO	EPS (INR)				P/E (x)				RoE (%)				USD Rev CAGR% FY25-27E	EPS CAGR% FY25-27E
					FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E		
TCS	12,453	3,403	4,040	ADD	128.9	135.2	146.3	161.4	26.4	25.2	23.3	21.1	51.6	52.8	55.1	58.9	5.2	9.3
Infosys	6,207	1,496	1,730	ADD	59.6	63.8	71.7	78.8	25.1	23.4	20.9	19.0	30.3	29.2	31.1	32.3	6.2	11.1
HCL Tech	3,985	1,468	1,800	ADD	57.9	62.5	72.8	82.2	25.4	23.5	20.2	17.9	23.5	24.4	27.1	29.2	8.1	14.6
Wipro	2,687	257	255	REDUCE	10.5	12.3	13.1	14.1	24.3	20.8	19.5	18.2	14.4	16.8	17.0	17.3	4.4	7.0
LTIMindtree	1,283	4,342	5,320	ADD	155.0	156.2	179.8	221.8	28.0	27.8	24.1	19.6	25.0	21.8	22.4	24.5	11.1	19.2
TechM	1,208	1,370	1,400	REDUCE	30.6	47.5	63.5	77.9	44.8	28.8	21.6	17.6	9.9	15.4	19.9	23.4	6.8	28.1
Persistent	737	4,793	5,600	ADD	73.4	89.0	109.8	140.0	65.3	53.9	43.7	34.2	24.5	25.5	26.9	29.0	16.7	25.4
L&T Tech	473	4,478	4,700	REDUCE	123.5	123.2	143.5	168.1	36.3	36.3	31.2	26.6	25.4	22.9	23.4	24.0	11.2	16.8
Mphasis	445	2,376	2,635	REDUCE	83.1	89.4	102.2	119.8	28.6	26.6	23.2	19.8	18.6	18.4	19.5	21.0	10.8	15.7
Tata Elxsi	323	5,194	5,450	REDUCE	127.2	124.6	138.9	170.4	40.8	41.7	37.4	30.5	34.5	29.0	28.4	30.5	12.7	16.9
Zensar	156	685	830	ADD	29.1	27.7	32.3	37.7	23.5	24.7	21.2	18.1	20.0	16.3	17.0	17.7	10.7	16.7
Cyient	135	1,220	1,400	ADD	67.1	55.2	66.0	81.5	18.2	22.1	18.5	15.0	19.2	13.8	15.3	17.5	10.5	21.6
Birlasoft	107	388	430	ADD	22.2	18.6	20.6	23.8	17.5	20.9	18.8	16.3	22.3	16.0	16.2	17.0	4.6	13.2
Sonata	96	344	440	ADD	17.2	16.4	18.3	22.0	20.0	21.0	18.8	15.6	35.7	30.2	29.0	30.1	8.3	15.8
Happiest Minds	91	597	670	ADD	15.6	13.3	18.1	22.4	38.2	44.8	32.9	26.6	20.5	13.2	16.7	18.9	18.5	29.7
Mastek	67	2,172	3,030	ADD	96.2	117.5	127.4	151.7	22.6	18.5	17.1	14.3	16.1	16.6	15.7	16.4	11.7	13.6
IT AVG									30.3	28.7	24.5	20.7	24.5	22.6	23.8	25.5	9.8	17.2
IT Median									25.9	24.9	21.4	18.6	22.9	20.1	21.2	23.7	10.6	16.2

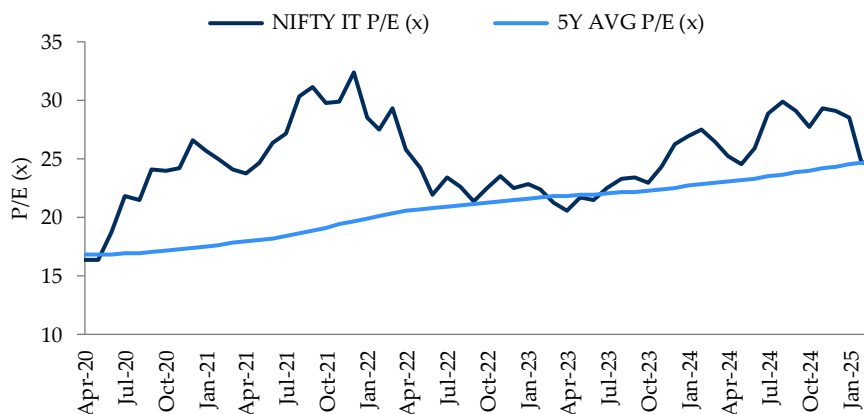
Source: HSIE Research, CMP as on 3rd Apr 2025

Exhibit 5: Global IT Peers: valuations

Company	MCAp (USD bn)	CMP USD	TP	RECO	EPS				P/E (x)				RoE (%)				USD Rev CAGR% FY24-27E	EPS CAGR% FY24-27E
					FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E		
Accenture	190.3	305	NA	NR	12.0	12.7	13.7	14.9	25.5	24.0	22.3	20.4	26.9	26.8	25.2	24.4	6.7	8.4
Cognizant	36.6	74	NA	NR	4.6	4.8	5.0	5.4	16.1	15.6	14.8	13.8	16.7	16.2	16.3	15.8	4.8	6.5
Capgemini^	23.3	135	NA	NR	11.3	12.2	11.4	12.3	12.0	11.1	11.8	11.0	16.5	15.0	15.6	15.3	2.5	0.2
EPAM	8.8	158	NA	NR	7.2	10.9	10.7	12.2	21.9	14.5	14.8	12.9	12.9	12.8	13.1	14.1	10.9	6.0
Globant	4.7	107	NA	NR	5.7	6.4	7.0	8.1	18.8	16.8	15.3	13.2	9.8	9.0	14.1	13.7	12.4	12.5
TietoEVRY^	1.9	16	NA	NR	1.8	1.9	1.8	2.0	8.8	8.4	8.7	8.2	10.3	11.8	12.6	14.4	(2.5)	0.8
Global IT AVG									17.2	15.0	14.6	13.3	15.5	15.3	16.1	16.3	5.8	5.7
Global IT Median									17.5	15.1	14.8	13.1	14.7	13.9	14.9	14.8	5.8	6.3

Source: Bloomberg consensus, HSIE Research, CMP as on 3rd Apr 2025, ^ in EUR

Exhibit 6: NIFTY IT Index re-rated from June'24 but now trending below 5yr average



Source: Bloomberg, HSIE Research

Exhibit 7: Change in estimates

Company	Revenue USD Mn (NEW)			Change (%)			EBIT % (NEW)			Change (bps)			EPS (INR) NEW			Change (%)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
TCS	30,212	31,297	33,446	-0.7%	-1.6%	-1.8%	24.5	25.1	25.8	-29	-56	-26	135.2	146.3	161.4	-1.3%	-2.5%	-1.6%
INFO	19,398	20,386	21,863	-0.2%	-2.0%	-2.7%	21.0	21.5	21.8	1	-6	-19	63.8	71.7	78.8	0.3%	-1.0%	-2.2%
HCLT	13,857	14,933	16,196	-0.3%	-1.3%	-1.3%	18.4	19.1	19.6	-8	-36	-37	62.5	72.8	82.2	-0.3%	-1.9%	-1.9%
WPRO*	10,529	10,805	11,477	-0.3%	-1.0%	-1.0%	17.0	17.2	17.2	18	26	-23	12.3	13.1	14.1	0.8%	0.8%	-1.8%
LTIM	4,501	4,890	5,557	-0.5%	-4.0%	-4.4%	14.5	15.3	16.5	-21	-51	-39	156.2	179.8	221.8	-1.3%	-5.5%	-5.1%
TECHM	6,272	6,568	7,152	-0.8%	-3.0%	-3.0%	9.7	12.6	13.7	-16	-28	-34	47.5	63.5	77.9	-1.8%	-4.0%	-3.4%
PSYS	1,408	1,633	1,917	-0.2%	-3.4%	-3.8%	14.4	15.0	16.1	2	-47	-33	89.0	109.8	140.0	-0.1%	-6.1%	-5.3%
LTTS	1,269	1,424	1,569	0.0%	0.0%	0.0%	15.3	15.4	16.1	-10	-46	-31	123.2	143.5	168.1	-0.2%	-1.6%	-0.7%
MPHL	1,682	1,853	2,065	-0.2%	-0.9%	-0.9%	15.3	15.5	16.0	-6	-34	-17	89.4	102.2	119.8	-0.6%	-2.9%	-1.7%
TELX	441	476	560	-1.8%	-4.4%	-2.9%	23.9	25.5	26.6	-76	-46	-63	124.6	138.9	170.4	-3.7%	-4.5%	-3.6%
CYL	875	956	1,069	-0.3%	-1.3%	-2.5%	11.8	12.2	13.2	-20	-105	-53	55.2	66.0	81.5	-6.3%	-9.4%	-6.4%
SSOF*	339	356	397	0.0%	-2.3%	-4.1%	18.3	18.6	19.2	-25	-64	-89	16.4	18.3	22.0	0.6%	-7.6%	-10.7%
BSOFT	641	647	700	-0.4%	-1.9%	-3.2%	11.0	12.0	12.9	-16	-44	-6	18.6	20.6	23.8	-1.2%	-3.9%	-2.5%
ZENT	625	682	767	-0.5%	-2.0%	-1.9%	13.2	13.6	14.2	-33	-31	-38	27.7	32.3	37.7	-2.2%	-3.0%	-2.8%
HAPPSTMN	244	283	342	-0.8%	-3.1%	-3.1%	13.2	15.8	15.6	-57	-45	-48	13.3	18.1	22.4	-4.9%	-6.7%	-5.9%
MAST	407	453	509	-0.5%	-1.1%	-1.5%	13.8	14.1	14.7	25	-3	2	117.5	127.4	151.7	1.3%	-1.4%	-2.0%
IT-Median				-0.4%	-1.9%	-2.6%				(16)	(44)	(34)				-0.9%	-3.4%	-2.7%

Source : Company, HSIE Research; * Wipro is IT Services USD revenue and Sonata is IITS revenue & IITS EBITDA margin

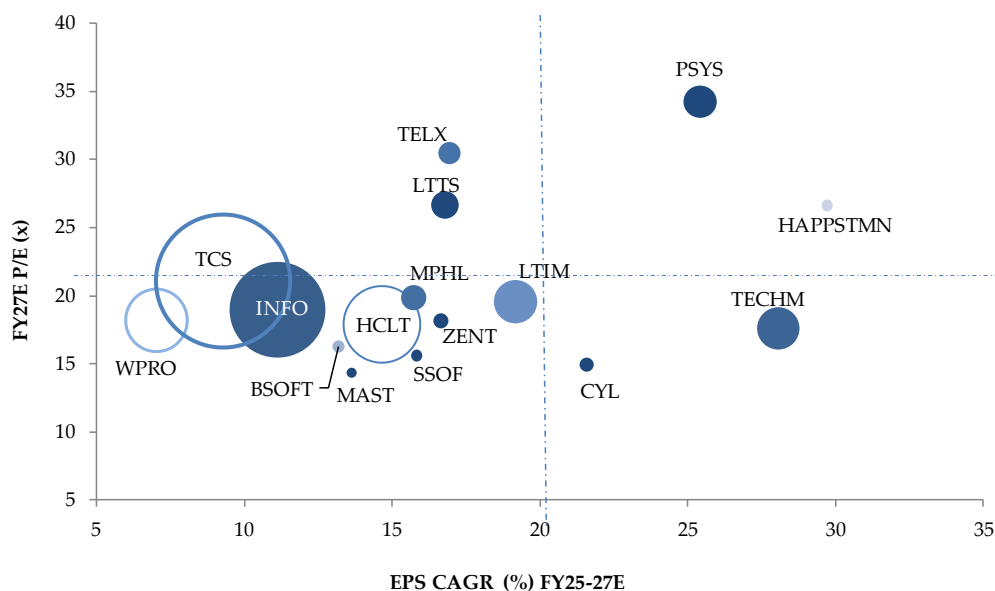
Exhibit 8: Change in TP & Rating

Companies	M-cap (INR bn)	CMP (INR)	TP Old (INR)	New TP (INR)	Old Rating	New Rating	Old multiple (x)	New multiple (x)	5Y Avg (x)	10Y Avg (x)	Prem/Disc. to 10Y Avg
TCS	12,453	3,403	4,590	4,040	ADD	ADD	28	25	28	24	5%
INFY	6,207	1,496	2,015	1,730	ADD	ADD	25	22	25	21	6%
HCLT	3,985	1,468	2,010	1,800	ADD	ADD	24	22	20	17	29%
WPRO	2,687	257	290	255	REDUCE	REDUCE	20	18	20	17	3%
LTIM	1,283	4,342	6,300	5,320	ADD	ADD	27	24	30	23	3%
TECHM	1,208	1,370	1,610	1,400	REDUCE	REDUCE	20	18	20	17	7%
PSYS	737	4,793	7,100	5,600	ADD	ADD	48	40	35	25	63%
LTTS	473	4,478	4,730	4,700	REDUCE	REDUCE	28	28	33	28	1%
MPHL	445	2,376	2,925	2,635	REDUCE	REDUCE	24	22	25	20	12%
TELX	323	5,194	6,190	5,450	REDUCE	REDUCE	35	32	49	35	-9%
ZENT	156	685	900	830	ADD	ADD	23	22	18	15	42%
CYL	135	1,220	1,790	1,400	ADD	ADD	22	18	18	16	14%
BSOFT	107	388	510	430	ADD	ADD	21	18	20	14	31%
SSOF	96	344	570	440	ADD	ADD	23	20	21	16	24%
HAPPSTMN	91	597	760	670	ADD	ADD	32	30	51	NA	NA
MAST	67	2,172	3,100	3,030	ADD	ADD	20	20	19	15	35%

Source : Company, HSIE Research, CMP as on 3rd Apr 2025

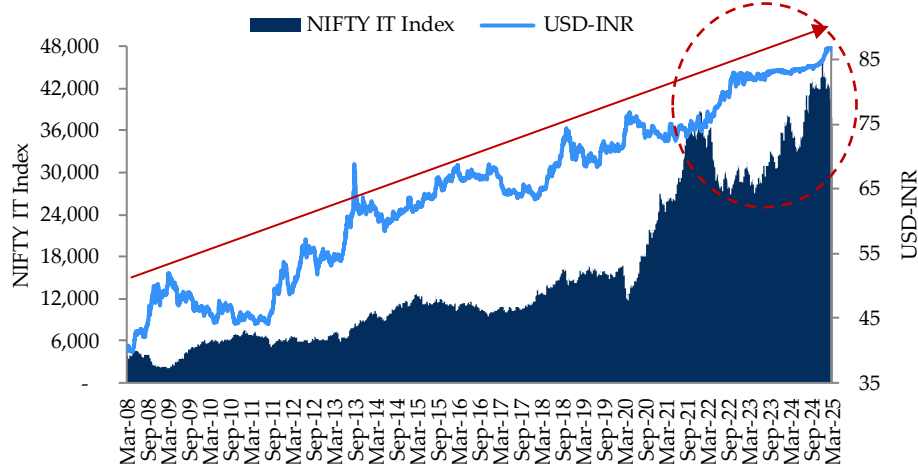
Exhibit 9: IT Sector stock performance (%) – SSOF, BSOFT, CYL, MAST and HCLT led the underperformance in last 3M

Company	M-cap (USD bn)	CMP (INR)	1W (%)	1M (%)	3M (%)	6M (%)	1Y (%)	3Y (%)	5Y (%)	YTD (%)
TCS	144.4	3,403	-7	-3	-17	-20	-14	-9	106	-17
INFO	72.9	1,496	-7	-12	-23	-21	1	-21	156	-20
HCLT	46.8	1,468	-10	-7	-24	-17	-4	26	262	-23
WPRO	31.5	257	-6	-10	-13	-3	6	-15	185	-15
LTIM	15.1	4,342	-7	-10	-24	-30	-11	-30	221	-22
TECHM	15.7	1,370	-4	-8	-19	-15	9	-8	163	-20
PSYS	8.8	4,793	-15	-9	-25	-9	21	103	1765	-26
LTTS	5.5	4,478	0	-2	-7	-13	-23	-13	303	-6
MPHL	5.3	2,376	-6	5	-17	-19	-4	-29	253	-17
TELX	3.8	5,194	-4	-5	-22	-31	-35	-42	776	-23
CYL	1.6	1,220	-5	-1	-32	-35	-41	32	438	-34
SSOF	1.1	344	-3	-7	-45	-44	-54	22	464	-43
BSOFT	1.3	388	-2	-8	-30	-34	-50	-17	562	-31
ZENT	1.8	685	-1	-3	-14	3	11	81	677	-9
HAPPSTMN	1.1	597	-2	-13	-19	-25	-27	-45	259	-19
MAST	0.8	2,172	0	1	-29	-18	-17	-34	1140	-27
NSE IT Index			-7	-8	-21	-17	-1	-4	198	-20
NIFTY			-1	5	-3	-8	4	32	188	-2
Nasdaq			-1	-4	-10	-2	8	23	139	-9

Source: Bloomberg, HSIE Research, CMP as on 3rd Apr 2025
Exhibit 10: IT Sector P/E and EPS Growth


Source : Company, HSIE Research, Size of the bubble denotes market cap

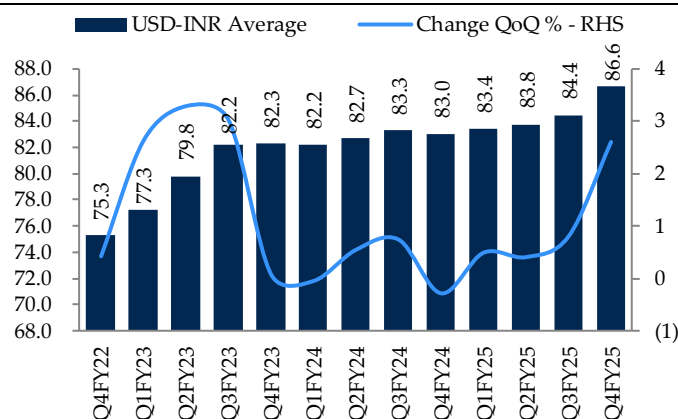
Exhibit 11: USD-INR vs IT index trend



Source: Bloomberg

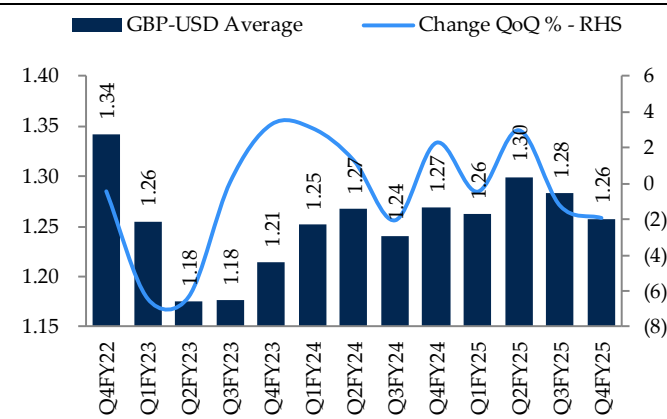
Exhibit 12: Currency trends - GBP, EUR and JPY weakness led negative cross currency impact in Q4

USD-INR trend



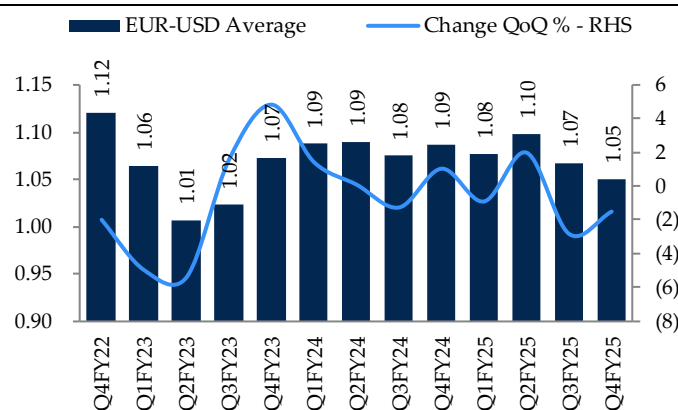
Source: NSE, Bloomberg, HSIE Research

GBP-USD trend



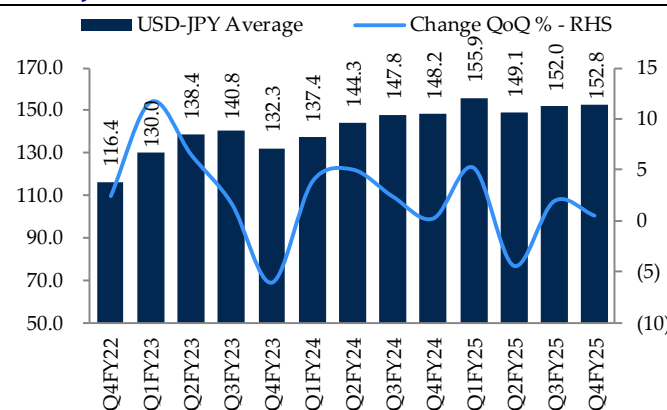
Source: NSE, Bloomberg, HSIE Research

EUR-USD trend

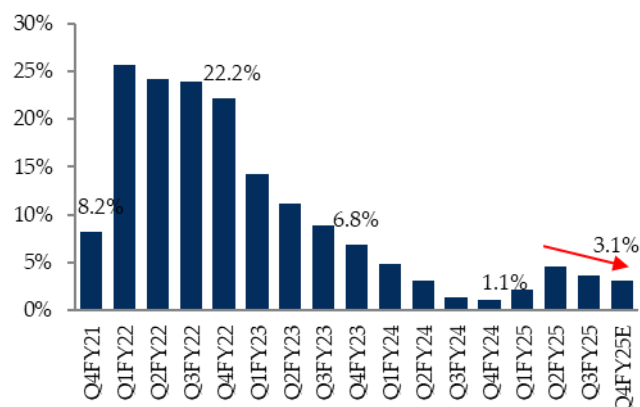


Source: NSE, Bloomberg, HSIE Research

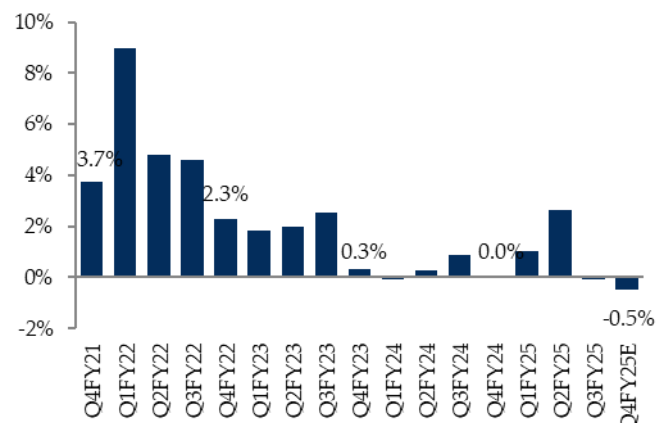
USD-JPY trend



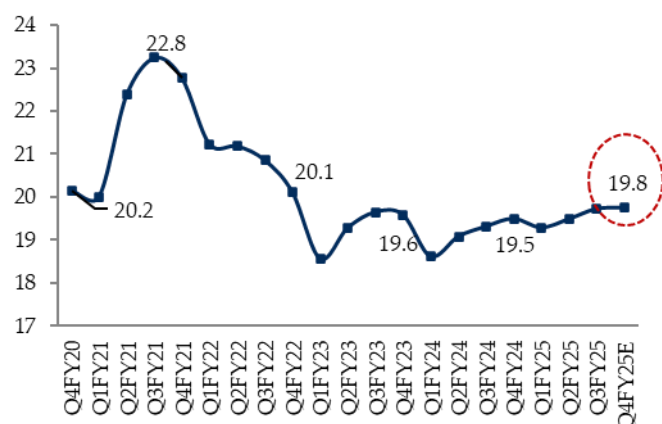
Source: NSE, Bloomberg, HSIE Research

Exhibit 13: IT Sector YoY revenue growth trending down

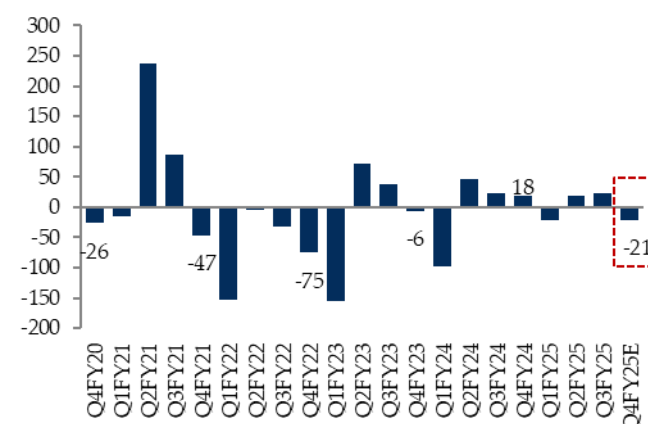
Source: Company, HSIE Research

Exhibit 14: IT Sector QoQ revenue de-growth continues

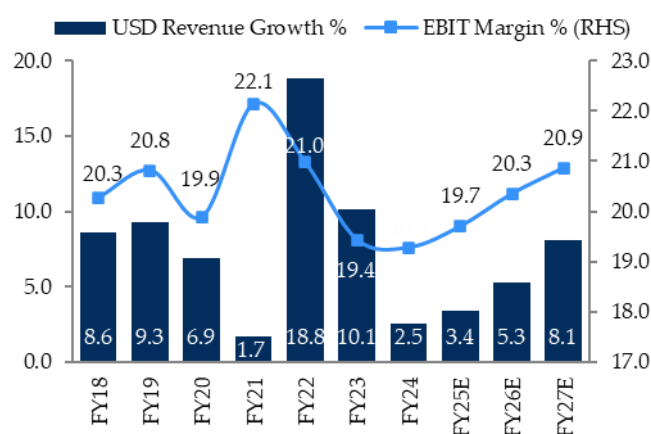
Source: Company, HSIE Research

Exhibit 15: Margin supported by FX tailwind (USD-INR)

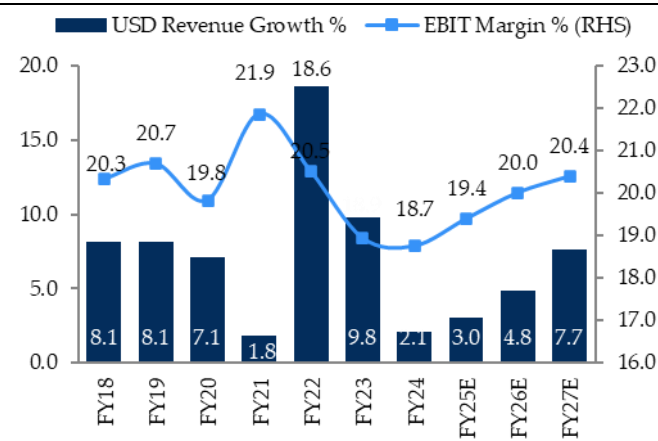
Source: Company, HSIE Research

Exhibit 16: Sequential margin decline

Source: Company, HSIE Research

Exhibit 17: H2FY26E YoY recovery expected with some cautiousness in spending - IT Sector aggregate revenue growth and EBITM trend

Source: Company, HSIE Research

Exhibit 18: Tier -1 IT revenue growth and margin trend

Source: Company, HSIE Research; Tier 1 includes TCS, INFO, HCLT, WPRO, LTIM & TECHM

Exhibit 19: Key deals announced in Q4FY25

Company	Client	Vertical	Region	Services
TCS	Muscat Clearing and Depository	BFSI	Oman	Modernising operations using the BaNCS and Quartz platforms
	UPM	Regional Markets & Others (Forest renewable)	Finland	Digital transformation using the Ignio Platform
	MassRobotics	Technology & Services	US	New robotics technologies and developing applications for robotics
	DNB Bank	BFSI	Norway	Renewal for 5 years, Next-Gen Banking Innovation deal
	Vantage Towers	Communication & Media	Europe	Digital services transformation
	Northern Trust	BFSI	US	TCS BaNCS platform
	Coop Danmark	Retail & CPG	Denmark	Renewal for 5 years, Digital transformation deal (SAP S/4HANA)
	Air New Zealand	Retail & CPG	New Zealand	5-year deal for AI-led transformation
	The Cumberland Building Society	BFSI	UK	Modernisation of core banking (BaNCS)
Infosys	Siemens AG	Hi-Tech	Germany	Generative AI services
	Lufthansa	Others (Airlines)	Germany	Digital transformation
	Citizens	Financial Services	US	AI-led Transformation
	LKQ Europe	Manufacturing	Europe	Cloud based digital transformation (Infosys Cobalt)
HCL Tech	Carrix	Manufacturing	Mexico	Leverage AI of Things (AIoT) technology platform
	Vodafone Idea	Telecommunication, Media, Publishing & Entertainment	India	Automate 4G and 5G Networks
	Cricket Australia	Public Services (Sports)	Australia	Leverage generative AI (GenAI)
	ChargePoint	Manufacturing	US	Establishing R&D Centre
	Children's Minnesota	Public Services	US	AI-led Transformation
	Western Union	Financial Services	US	AI-led Transformation (AI Force)
	Samsung	Technology & Services	South Korea	Semiconductor innovation and development
Wipro	FrieslandCampina	Consumer Business Unit	Netherlands	5.5-year deal for Infra, Cybersecurity and Enterprise AMS
	Etihad Airways	Consumer Business Unit	Middle East	Multi-million-dollar deal for IT transformation and Cost Optimisation
	Phoenix Group	Banking, Financial Services and Insurance	UK	USD 650mn 10-year deal for platform modernisation with AI, Automation, Cloud, and Digital transformation
LTIM	Association of American Medical Colleges (AAMC)	Consumer Business	US	AI-led transformation
	FLS Mining	Manufacturing	Denmark	Application services portfolio
	Eurobank	Banking, Financial Services and Insurance	Europe	Multi-year deal, Fairfax Digital Services
	Arenco Group	Manufacturing	UAE	Oracle cloud infrastructure
LTTS	Altair	Hi-tech	US	5G-6G Wireless Center of Excellence
	NA	Manufacturing	US	USD 80mn, multi-year Digital Engineering Transformation Deal
	NA	Mobility	Europe	Eur 50mn deal for Digital Transformation
Tata Elxsi	Garuda Aerospace	Broadcast & Communications (Drone)	India	Establish Centre of Excellence for Unmanned Aerial Vehicle (UAV) design and development
Zensar	Tesco Insurance and Money Services	BFSI	UK	System modernization and digital transformation
Mastek	NA	Government & Education	UK	USD 85million, 2-year deal for digital, data, and technology services

Source: Company, HSIE Research

Exhibit 20: Quarterly USD revenue growth trend (QoQ CC %)

USD Rev (QoQ CC %)	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
TCS	3.5	4.0	2.3	0.6	0.0	0.1	1.0	1.1	2.2	1.1	0.0	0.2
INFO	5.5	4.0	2.4	-3.2	0.4	2.3	-1.0	-2.2	3.6	3.1	1.7	-1.2
HCLT	2.7	3.8	5.0	-1.2	-1.3	1.0	6.0	0.3	-1.6	1.6	3.8	0.1
WPRO	2.1	4.1	0.6	-0.6	-2.8	-2.0	-1.7	-0.3	-1.0	0.6	0.1	0.0
LTIM	5.0	5.5	1.9	0.7	0.1	1.7	0.7	-1.3	2.6	2.3	1.8	0.3
TECHM	3.5	2.9	0.2	0.3	-4.2	-2.4	1.1	-0.8	0.7	0.7	1.2	-0.1
PSYS	12.0	6.6	3.5	3.5	2.9	3.2	3.1	3.4	5.6	5.3	4.3	3.9
LTTS	4.7	4.5	0.0	2.2	-2.9	3.2	0.9	5.1	-3.1	3.4	3.1	14.1
MPHL	2.0	1.8	-2.5	-4.5	-3.5	0.0	1.0	2.1	-0.1	2.4	0.2	3.1
TELX	6.5	4.7	3.5	1.6	1.2	3.4	3.0	-0.6	2.4	0.2	0.0	-4.0
CYL	6.5	12.3	11.9	3.2	0.3	1.0	1.1	-0.5	-0.5	-0.5	-0.5	-0.6
SSOF	3.9	3.3	3.9	8.0	17.4	5.2	3.0	-2.2	1.4	1.5	4.4	-2.6
BSOFT	2.3	1.1	0.0	3.1	1.7	3.0	1.8	1.6	-2.7	2.2	-1.1	-1.9
ZENT	3.1	1.6	-5.3	0.4	1.3	0.2	-3.2	2.0	4.3	0.3	0.7	0.9
HAPPSTMN	5.9	5.0	2.1	1.4	3.6	3.3	0.8	1.4	11.4	12.7	0.8	0.8
MAST	-0.1	10.7	3.1	5.3	0.4	4.4	2.7	-1.4	4.1	4.7	0.1	1.9

Source: Company, HSIE Research, Wipro is IT services rev and Sonata is IITS Rev, HAPPSTMN is USD rev growth from Q1FY23 to Q2FY23; Inorganic growth for LTTS is 8% QoQ CC (Intelliswift), WPRO is 0.2% QoQ CC (Applied Value Tech) and PSYS is 0.3% QoQ (SoHo Dragon)

Exhibit 21: Quarterly EBIT Margin trend (%)

EBIT Margin (%)	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
TCS	23.1	24.0	24.5	24.5	23.2	24.3	25.0	26.0	24.7	24.1	24.5	24.9
INFO	20.1	21.5	21.5	21.0	20.8	21.2	20.5	20.1	21.1	21.1	21.3	20.5
HCLT	17.0	17.9	19.6	18.2	17.0	18.5	19.7	17.6	17.1	18.6	19.5	18.4
WPRO	15.0	15.1	16.3	16.3	16.0	16.1	16.0	16.4	16.5	16.8	17.5	17.6
LTIM	17.4	17.5	13.9	16.4	16.7	16.0	15.4	14.7	15.0	15.5	13.8	14.0
TECHM	11.0	11.4	12.0	11.2	6.8	4.7	5.4	7.4	8.5	9.6	10.2	10.5
PSYS	14.3	14.6	15.4	15.4	14.9	13.7	14.5	14.5	14.0	14.0	14.9	14.7
LTTS	18.3	18.1	18.7	18.7	17.2	17.1	17.2	16.9	15.6	15.1	15.9	14.6
MPHL	15.3	15.3	15.3	15.3	15.4	15.5	14.9	14.9	15.0	15.4	15.3	15.3
TELX	30.5	26.8	27.6	27.3	27.1	27.1	26.8	25.8	24.3	25.1	23.5	22.5
CYL	11.5	11.9	12.9	14.2	14.7	14.6	14.3	14.4	11.9	12.5	11.4	11.6
SSOF	24.5	23.5	21.8	20.7	23.6	24.4	22.6	20.4	20.2	18.2	16.2	17.7
BSOFT	13.0	13.1	-1.1	11.9	13.6	14.2	14.4	14.7	13.1	10.5	10.4	10.0
ZENT	7.2	4.6	7.1	11.6	15.3	15.7	14.6	14.6	13.3	13.1	13.8	12.7
HAPPSTMN	23.5	22.7	21.7	21.0	19.2	16.7	16.1	16.4	13.5	13.2	13.7	12.4
MAST	17.2	14.4	14.3	14.9	14.8	13.3	14.2	12.5	12.8	14.2	14.3	14.0

Source: Company, HSIE Research, WPRO is IT services margin and SSOF is IITS EBITDA Margin

Exhibit 22: Financial Snapshot**TCS**

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	22,174	25,707	27,927	29,080	30,212	31,297	33,446
Revenue	1,641.77	1,917.54	2,254.58	2,408.93	2,557.04	2,691.52	2,909.83
EBIT	424.81	484.53	542.37	593.11	627.14	676.34	749.60
APAT	333.56	383.27	421.47	466.35	488.99	529.20	584.03
AEPS (INR)	92.2	105.9	116.5	128.9	135.2	146.3	161.4
EBIT margin (%)	25.9	25.3	24.1	24.6	24.5	25.1	25.8
USD Revenue growth (%)	0.6	15.9	8.6	4.1	3.9	3.6	6.9
EPS growth (%)	3.1	14.9	10.0	10.6	4.9	8.2	10.4
P/E (x)	36.9	32.1	29.2	26.4	25.2	23.3	21.1
EV/EBITDA (x)	25.4	22.2	20.0	18.5	17.4	16.2	14.7
RoE (%)	39.1	43.7	46.9	51.6	52.8	55.1	58.9

Infosys

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	13,562	16,310	18,212	18,562	19,398	20,386	21,863
Revenue	1,004.73	1,216.41	1,467.67	1,536.71	1,640.26	1,753.24	1,902.09
EBIT	246.22	280.15	309.06	317.47	344.33	376.33	414.34
APAT	193.51	221.11	240.95	247.50	264.82	297.70	327.06
AEPS (INR)	46.6	53.3	58.0	59.6	63.8	71.7	78.8
EBIT margin (%)	24.5	23.0	21.1	20.7	21.0	21.5	21.8
USD Revenue growth (%)	6.1	20.3	11.7	1.9	4.5	5.1	7.2
EPS growth (%)	18.0	14.3	9.0	2.7	7.0	12.4	9.9
P/E (x)	32.1	28.1	25.8	25.1	23.4	20.9	19.0
EV/EBITDA (x)	20.9	18.5	16.8	16.0	14.7	13.5	12.2
RoE (%)	27.3	29.2	32.0	30.3	29.2	31.1	32.3

HCL Tech

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	10,176	11,537	12,586	13,270	13,857	14,933	16,196
Revenue	753.79	856.51	1,014.56	1,099.13	1,172.14	1,284.22	1,409.08
EBIT	160.71	162.04	184.84	200.27	215.85	245.57	276.73
APAT	124.62	134.99	148.52	157.02	169.63	197.52	222.96
AEPS (INR)	45.9	49.7	54.7	57.9	62.5	72.8	82.2
EBIT margin (%)	21.3	18.9	18.2	18.2	18.4	19.1	19.6
USD Revenue growth (%)	2.4	13.4	9.1	5.4	4.4	7.8	8.5
EPS growth (%)	12.7	8.3	10.0	5.7	8.0	16.4	12.9
P/E (x)	32.0	29.5	26.8	25.4	23.5	20.2	17.9
EV/EBITDA (x)	19.3	18.7	16.8	15.4	14.4	12.9	11.5
RoE (%)	22.4	22.1	23.3	23.5	24.4	27.1	29.2

Wipro

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
ITS Revenue (USD mn)	8,137	10,356	11,147	10,805	10,529	10,805	11,477
Revenue	619.43	790.93	904.88	897.60	892.56	934.78	997.38
EBIT	120.14	133.75	135.13	135.76	151.92	160.88	171.27
APAT	107.95	122.19	113.50	110.45	129.18	137.73	147.96
AEPS (INR)	10.3	11.7	10.8	10.5	12.3	13.1	14.1
IT Services EBIT margin (%)	20.2	17.8	15.7	16.1	17.1	17.3	17.3
USD Revenue growth (%)	(1.4)	27.3	7.6	(3.1)	(2.6)	2.6	6.2
EPS growth (%)	11.0	13.2	(7.1)	(2.7)	16.8	6.6	7.4
P/E (x)	24.9	22.0	23.7	24.3	20.8	19.5	18.2
EV/EBITDA (x)	16.5	15.3	14.6	14.4	13.3	12.6	11.7
RoE (%)	19.4	20.2	15.8	14.4	16.8	17.0	17.3

LTIMindtree

INR bn	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	4,106	4,287	4,501	4,890	5,557
Revenue	331.83	355.17	380.97	420.53	483.46
EBIT	53.85	55.69	55.37	64.14	79.59
APAT	44.10	45.85	46.20	53.19	65.61
AEPS (INR)	149.1	155.0	156.2	179.8	221.8
EBIT margin (%)	16.2	15.7	14.5	15.3	16.5
USD Revenue growth (%)	17.2	4.4	5.0	8.6	13.6
EPS growth (%)	11.6	4.0	0.8	15.1	23.4
P/E (x)	29.1	28.0	27.8	24.1	19.6
EV/EBITDA (x)	19.8	18.6	18.0	15.7	12.6
RoE (%)	28.6	25.0	21.8	22.4	24.5

Tech Mahindra

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	5,111	5,998	6,606	6,277	6,272	6,568	7,152
Revenue	378.55	446.46	532.90	519.96	530.75	564.89	622.19
EBIT	53.89	65.00	60.72	31.47	51.52	70.95	85.27
APAT	44.65	55.66	50.10	26.98	41.90	56.00	68.72
AEPS (INR)	50.6	63.1	56.8	30.6	47.5	63.5	77.9
EBIT margin (%)	14.2	14.6	11.4	6.1	9.7	12.6	13.7
USD Revenue growth (%)	(1.4)	17.3	10.1	(5.0)	(0.1)	4.7	8.9
EPS growth (%)	6.3	24.7	(10.0)	(46.1)	55.3	33.6	22.7
P/E (x)	27.0	21.7	23.8	44.8	28.8	21.6	17.6
EV/EBITDA (x)	16.1	14.2	14.4	23.1	16.2	12.4	10.6
RoE (%)	19.1	21.5	18.3	9.9	15.4	19.9	23.4

Persistent Systems

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	566	766	1,036	1,186	1,408	1,633	1,917
Revenue	41.88	57.11	83.51	98.22	119.29	140.45	166.77
EBIT	5.07	7.92	12.47	14.15	17.19	21.12	26.91
APAT	4.51	6.90	9.43	11.30	13.69	16.89	21.54
AEPS (INR)	29.3	44.9	61.3	73.4	89.0	109.8	140.0
EBIT margin (%)	12.1	13.9	14.9	14.4	14.4	15.0	16.1
USD Revenue growth (%)	12.9	35.2	35.3	14.5	18.7	16.0	17.4
EPS growth (%)	25.6	53.2	36.6	19.8	21.2	23.3	27.6
P/E (x)	163.6	106.8	78.2	65.3	53.9	43.7	34.2
EV/EBITDA (x)	105.1	74.8	47.4	41.8	34.6	28.2	22.5
RoE (%)	17.4	22.4	25.1	24.5	25.5	26.9	29.0

L&T Technologies

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	737	880	990	1,164	1,269	1,424	1,569
Revenue	54.50	65.70	80.14	96.47	107.56	122.48	136.50
EBIT	7.89	12.01	14.79	16.47	16.41	18.82	21.96
APAT	6.27	9.57	11.70	13.04	13.00	15.15	17.74
AEPS (INR)	59.4	90.7	110.8	123.5	123.2	143.5	168.1
EBIT margin (%)	14.5	18.3	18.5	17.1	15.3	15.4	16.1
USD Revenue growth (%)	(6.3)	19.5	12.4	17.6	9.0	12.3	10.2
EPS growth (%)	(16.5)	52.7	22.2	11.4	(0.3)	16.5	17.1
P/E (x)	75.4	49.4	40.4	36.3	36.3	31.2	26.6
EV/EBITDA (x)	45.2	32.0	26.0	23.3	22.4	19.2	16.3
RoE (%)	20.1	25.1	25.7	25.4	22.9	23.4	24.0

Mphasis

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	1,309	1,593	1,718	1,609	1,682	1,853	2,065
Revenue	97.22	119.62	137.99	132.79	142.51	159.39	179.63
EBIT	15.61	18.27	21.09	20.11	21.76	24.67	28.80
APAT	12.17	14.46	16.38	15.55	16.73	19.12	22.40
AEPS (INR)	65.0	77.3	87.6	83.1	89.4	102.2	119.8
EBIT margin (%)	16.1	15.3	15.3	15.1	15.3	15.5	16.0
USD Revenue growth (%)	5.6	21.7	7.8	(6.3)	4.5	10.2	11.4
EPS growth (%)	6.5	18.9	13.2	(5.1)	7.6	14.3	17.2
P/E (x)	36.5	30.7	27.1	28.6	26.6	23.2	19.8
EV/EBITDA (x)	23.5	20.0	17.3	17.5	15.5	13.1	11.3
RoE (%)	19.7	21.5	22.0	18.6	18.4	19.5	21.0

Tata Elxsi

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	247	331	390	429	441	476	560
Revenue	18.26	24.71	31.45	35.52	37.33	40.92	48.74
EBIT	4.78	7.10	8.80	9.47	8.91	10.45	12.98
APAT	3.68	5.50	7.55	7.92	7.76	8.65	10.61
AEPS (INR)	59.1	88.3	121.3	127.2	124.6	138.9	170.4
EBIT margin (%)	26.2	28.8	28.0	26.7	23.9	25.5	26.6
USD Revenue growth (%)	8.8	34.3	17.7	9.9	2.9	7.8	17.7
EPS growth (%)	35.6	49.3	37.4	4.9	(2.0)	11.5	22.7
P/E (x)	87.9	58.9	42.8	40.8	41.7	37.4	30.5
EV/EBITDA (x)	60.1	40.8	32.4	29.5	30.7	26.1	20.9
RoE (%)	30.1	37.2	41.0	34.5	29.0	28.4	30.5

Cyient

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	461	504	632	714	690	728	789
Revenue	41.32	45.34	60.16	71.47	73.99	82.21	93.00
EBIT	4.16	6.30	7.67	10.36	8.75	10.01	12.25
APAT	3.72	5.22	5.65	7.41	6.09	7.28	9.00
AEPS (INR)	33.7	47.3	51.2	67.1	55.2	66.0	81.5
EBIT margin (%)	10.1	13.9	12.8	14.5	11.8	12.2	13.2
USD Revenue growth (%)	(16.3)	9.2	25.6	12.9	(3.3)	5.5	8.4
EPS growth (%)	(0.2)	40.5	8.2	31.1	(17.8)	19.6	23.6
P/E (x)	36.2	25.8	23.8	18.2	22.1	18.5	15.0
EV/EBITDA (x)	20.3	15.3	13.3	10.0	11.2	9.7	8.0
RoE (%)	13.5	17.2	17.2	19.2	13.8	15.3	17.5

Sonata Software

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	160	203	241	324	339	356	397
Revenue	42.28	55.53	74.49	86.13	99.27	109.06	120.84
EBIT	3.40	4.16	5.45	5.96	5.98	6.68	7.92
APAT	2.44	3.76	4.52	4.83	4.60	5.12	6.17
AEPS (INR)	8.7	13.4	16.1	17.2	16.4	18.3	22.0
IITS EBITDA margin (%)	24.1	23.0	20.9	23.0	18.3	18.6	18.6
EBIT margin (%)	8.0	7.5	7.3	6.9	6.0	6.1	6.6
USD Revenue growth (%)	(11.3)	26.6	18.7	34.3	4.7	5.2	11.6
EPS growth (%)	(11.9)	54.3	20.0	6.9	(4.8)	11.4	20.5
P/E (x)	39.5	25.6	21.3	20.0	21.0	18.8	15.6
EV/EBITDA (x)	24.2	19.6	17.2	14.5	14.2	12.6	10.5
RoE (%)	31.0	37.6	37.7	35.7	30.2	29.0	30.1

Birlasoft

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	480	555	595	637	641	647	700
Revenue	35.56	41.30	47.95	52.78	54.20	55.63	60.92
EBIT	4.49	5.64	4.38	7.51	5.95	6.66	7.86
APAT	3.21	4.64	4.50	6.11	5.12	5.67	6.56
AEPS (INR)	11.7	16.8	16.3	22.2	18.6	20.6	23.8
EBIT margin (%)	12.6	13.6	9.1	14.2	11.0	12.0	12.9
USD Revenue growth (%)	3.4	15.7	7.2	7.1	0.5	1.0	8.2
EPS growth (%)	43.1	44.5	(3.0)	36.0	(16.3)	10.8	15.7
P/E (x)	33.3	23.0	23.7	17.5	20.9	18.8	16.3
EV/EBITDA (x)	18.1	14.8	18.4	10.7	12.7	11.2	9.2
RoE (%)	15.8	19.5	17.9	22.3	16.0	16.2	17.0

Zensar Technologies

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	494	569	604	592	625	682	767
Revenue	36.68	42.44	48.48	49.02	52.86	58.63	66.70
EBIT	5.11	4.72	3.69	7.38	6.99	7.99	9.47
APAT	2.52	4.16	3.28	6.65	6.34	7.37	8.62
AEPS (INR)	15.3	18.2	14.3	29.1	27.7	32.3	37.7
EBIT margin (%)	13.9	11.1	7.6	15.0	13.2	13.6	14.2
USD Revenue growth (%)	(12.7)	15.3	6.1	(2.0)	5.6	9.0	12.5
EPS growth (%)	33.0	19.0	(21.3)	103.0	(4.7)	16.4	16.9
P/E (x)	44.7	37.6	47.8	23.5	24.7	21.2	18.1
EV/EBITDA (x)	20.8	21.7	25.0	15.2	15.8	13.5	11.0
RoE (%)	15.7	16.3	11.3	20.0	16.3	17.0	17.7

Happiest Minds Technologies

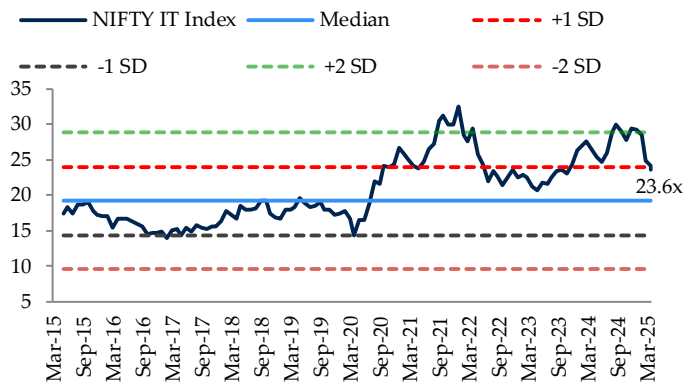
INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	104	147	178	196	244	283	342
Revenue	7.73	10.94	14.29	16.25	20.62	24.36	29.78
EBIT	1.69	2.25	3.17	2.78	2.72	3.84	4.65
APAT	1.62	1.86	2.36	2.38	2.03	2.76	3.41
AEPS (INR)	10.7	12.2	15.5	15.6	13.3	18.1	22.4
EBIT margin (%)	21.8	20.6	22.2	17.1	13.2	15.8	15.6
USD Revenue growth (%)	12.2	41.0	21.3	10.3	24.3	16.2	20.9
EPS growth (%)	96.5	14.3	26.9	1.0	(14.8)	36.0	23.7
P/E (x)	55.9	48.9	38.5	38.2	44.8	32.9	26.6
EV/EBITDA (x)	45.4	33.6	24.7	24.4	24.8	18.5	15.2
RoE (%)	40.0	30.6	31.3	20.5	13.2	16.7	18.9

Mastek

INR bn	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue (USD mn)	232	293	318	368	407	453	509
Revenue	17.22	21.84	25.63	30.55	34.45	38.95	44.24
EBIT	3.20	4.20	3.88	4.19	4.77	5.51	6.51
APAT	2.09	2.95	2.68	3.06	3.72	4.03	4.80
AEPS (INR)	73.5	96.6	86.6	96.2	117.5	127.4	151.7
EBIT margin (%)	18.6	19.2	15.2	13.7	13.8	14.1	14.7
USD Revenue growth (%)	53.6	26.3	8.6	15.8	10.5	11.2	12.3
EPS growth (%)	57.5	31.5	(10.4)	11.2	22.1	8.4	19.1
P/E (x)	29.6	22.5	25.1	22.6	18.5	17.1	14.3
EV/EBITDA (x)	15.3	13.1	15.0	13.6	11.9	10.0	8.1
RoE (%)	25.4	30.6	19.4	16.1	16.6	15.7	16.4

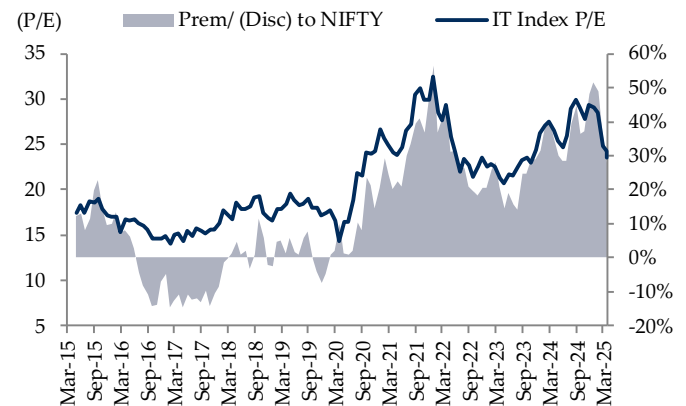
Exhibit 23: Valuation charts

NIFTY IT Index Valuation Trend (P/E 1-yr fwd)



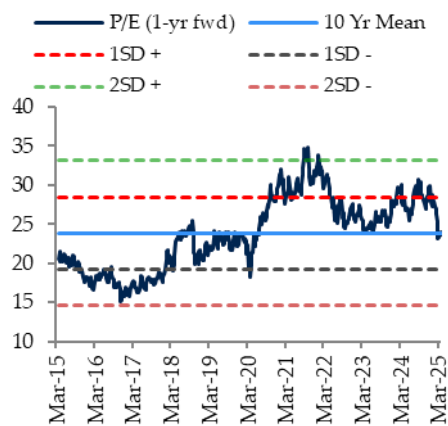
Source: Bloomberg, HSIE Research

IT Index Valuation Trend vs NIFTY

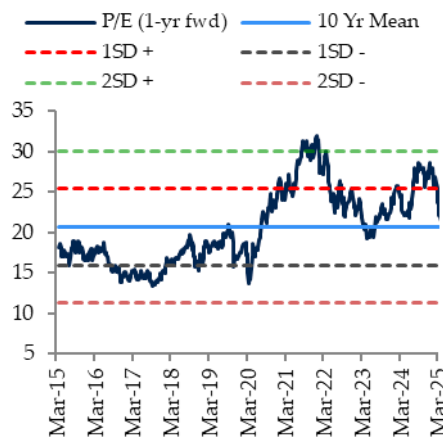


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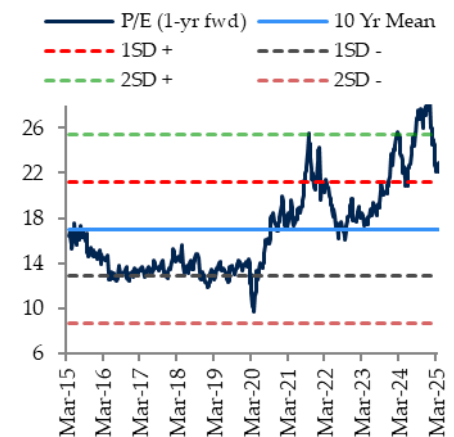
TCS P/E (1-yr fwd) Trend



INFO P/E (1-yr fwd) Trend

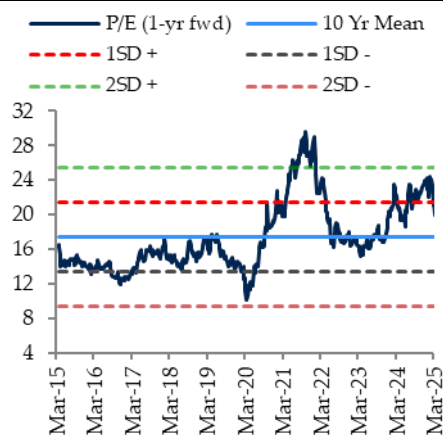


HCLT P/E (1-yr fwd) Trend

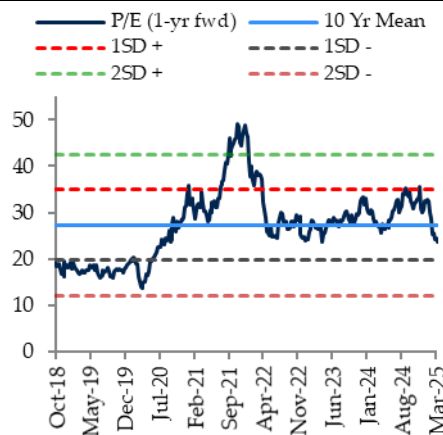


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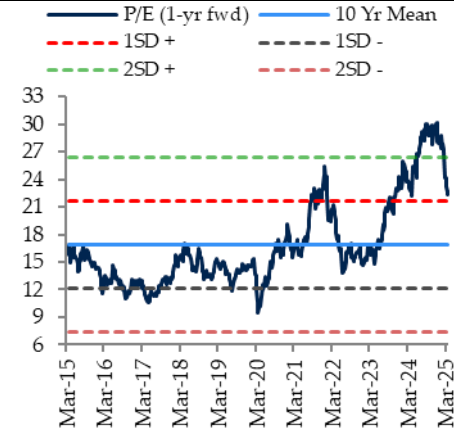
WPRO P/E (1-yr fwd) Trend



LTIM P/E (1-yr fwd) Trend

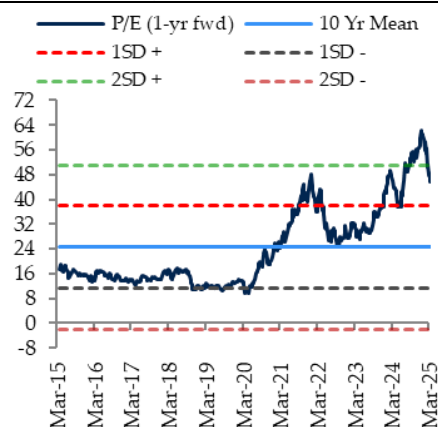


TECHM P/E (1-yr fwd) Trend

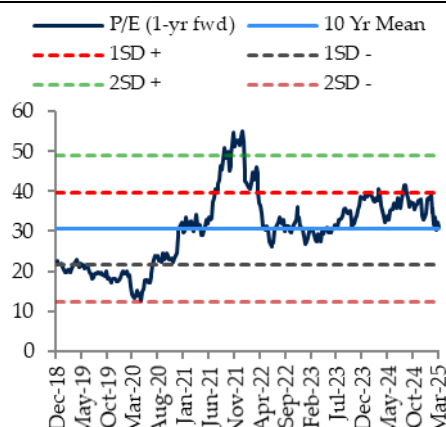


Source: Bloomberg, HSIE Research

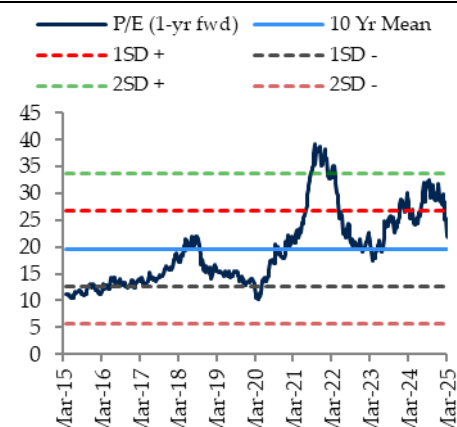
PSYS P/E (1-yr fwd) Trend



LTTS P/E (1-yr fwd) Trend



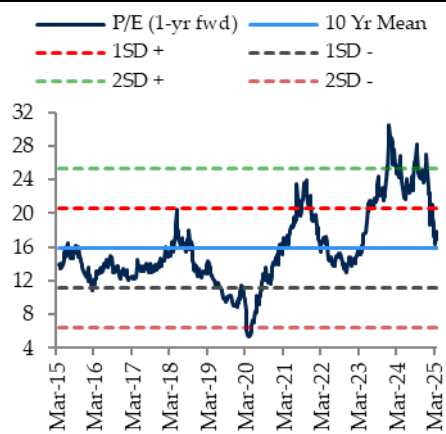
MPHL P/E (1-yr fwd) Trend



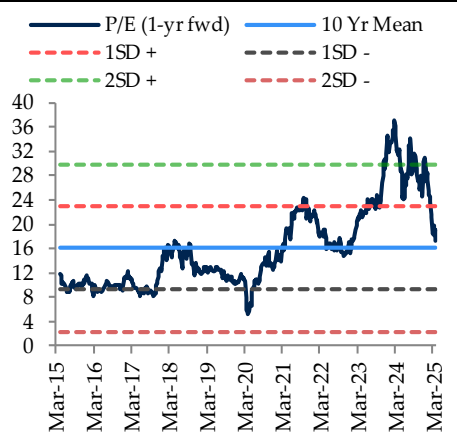
TELX P/E (1-yr fwd) Trend



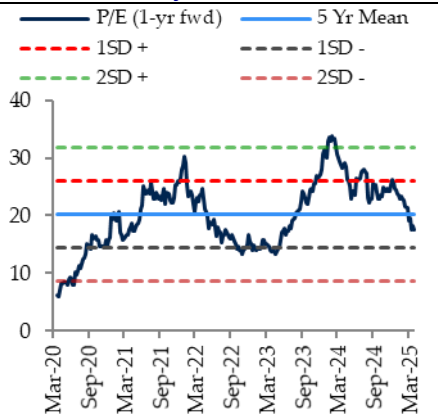
CYL P/E (1-yr fwd) Trend



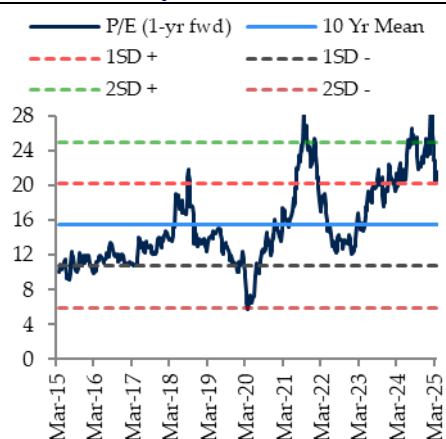
SSOF P/E (1-yr fwd) Trend



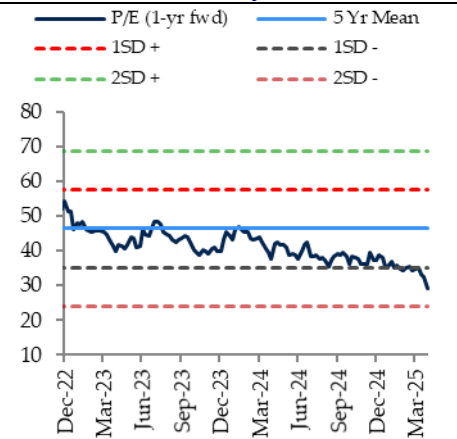
BSOFT P/E (1-yr fwd) Trend



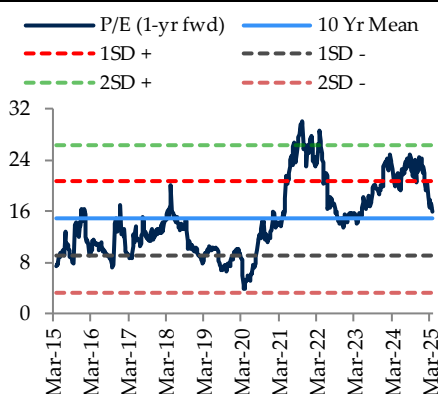
ZENT P/E (1-yr fwd) Trend



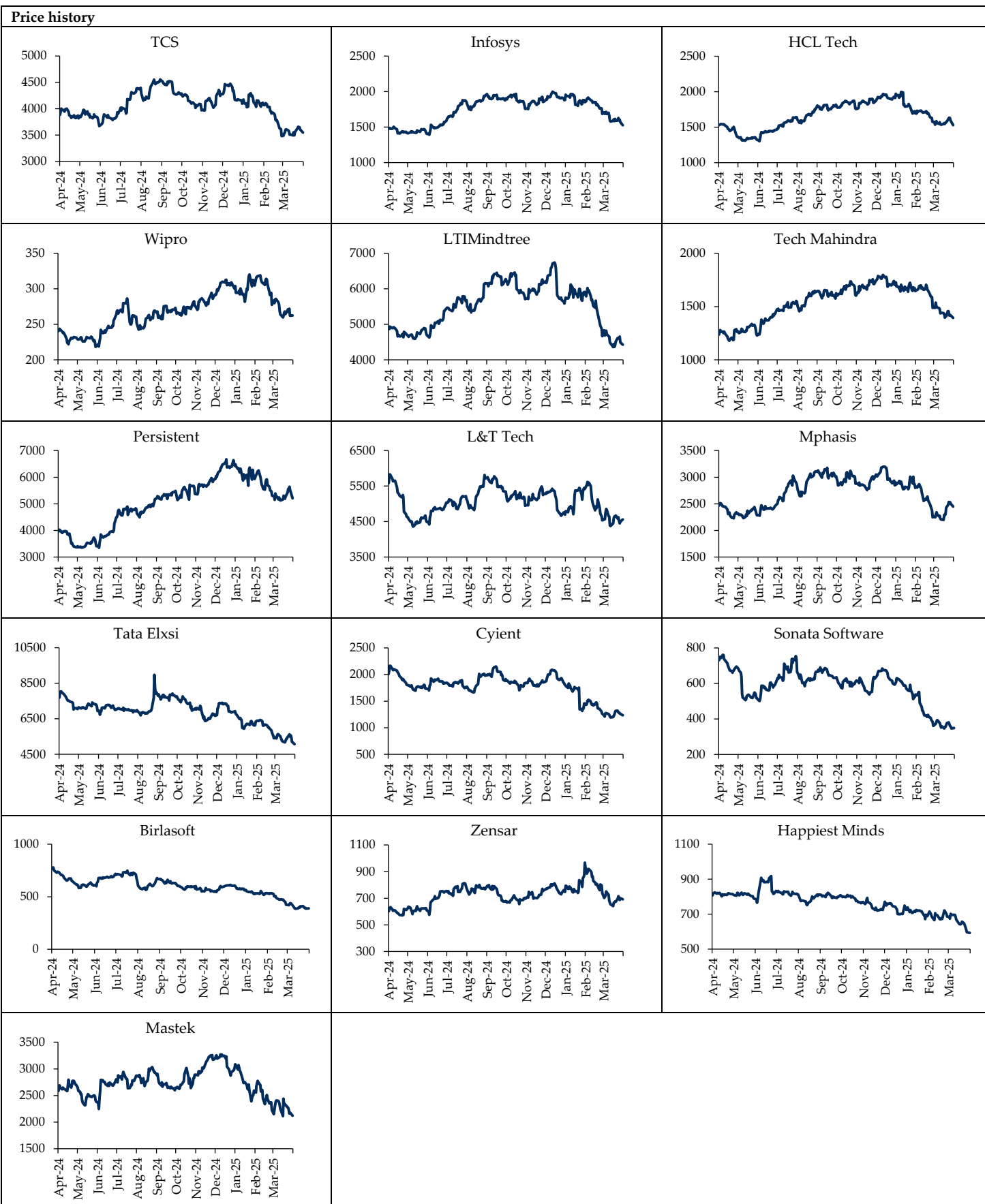
HAPPSTMN P/E (1-yr fwd) Trend



MAST P/E (1-yr fwd) Trend



Source: Bloomberg, HSIE Research



Rating Criteria

BUY: >+15% return potential
 ADD: +5% to +15% return potential
 REDUCE: -10% to +5% return potential
 SELL: > 10% Downside return potential

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