


# Summary of Healthcare Highlights for IT Services Companies

Quarter ended Dec 31, 2015



Company	Revenue (\$M)	QoQ Growth	Key Wins
<b>CTS</b>	951.9 (29.47 % of Total Revenue)	1.4 %	N.A
<b>HCL</b>	191.05 (12.2 % of Total)	0.3 %	HCL has won a deal to Design, Build, Host, and Operate a Primary Source Verification system for a US based healthcare services firm.
<b>Infosys</b>	185.34 (7.7 % of Total Revenue)	3 %	N.A
<b>TCS</b>	302.58 (7.3 % of Total Revenue)	4.1 %	Engaged by a leading European Life Sciences company to transform its product safety monitoring operations by leveraging data driven analytical insights from social channels.
<b>Wipro</b>	220.56 (12% of Total Revenue)	5.2%	A leading global nutrition, health and wellness company has selected Wipro to enable the migration of a significant portion of its global IT applications estate to a hybrid cloud. Buys Health Plan Services or \$460Million (announced Feb 2016).

## Impact of Chennai floods on operations.

There was a devastating flood in Chennai, India, which impacted IT operations for several companies.

COGNIZANT	HCL	INFOSYS	TCS	WIPRO
Impact Negligible.	Cash flow negatively impacted due to Chennai floods.	Impact Negligible.	Management attributes .5% reduction in growth due to factors including Chennai floods	Attribute a .5% reduction in margin due to Chennai floods

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# Financials Analysis

Cognizant	Life Sciences & Healthcare	FY 2012	FY 2013	FY 2014	3QFY15	4QFY15	Full Year 2015
	% of Total Revenue	26.34%	25.61%	26.21%	29.1%	29.5%	29.5%
	Growth YOY %		17.1%	18.7%	39.0%	43.3%	36.4%
	Growth sequential				4.7%	1.4%	
	HLS Operating Margin %	37.44%	36.61%	31.61%			
	Total Operating Margin %	34.54%	33.81%	31.65%			

Trizetto acquisition was completed in Q4 2014 and contributed 3.5% out of the 18.7 % growth for FY 14. FY 15 will be the first full year of impact.

HCL	Particulars	1QFY15 (Sep 14)	2QFY15 (Dec 14)	3QFY15 (Mar 15)	4QFY15 (Jun 15)	1QFY16 (Sep 15)	2QFY16 (Dec 15)
	Life Sciences & Healthcare (% revenue)		9.80%	11.10%	11.20%	12.00%	12.40%

Establishes a dedicated Business Unit, IT WORKS, to offer end to end offerings for organizations across different IT adoption levels.

Infosys	Particulars	LTM 12-31-14	LTM 12-31-15	3QFY15	3QFY16
	Life Sciences	4.8%	5.6%	5.9%	5.8%
	Health care	1.9%	1.9%	1.9%	1.9%

Particulars	2013	2014	2015
% Total Revenue	5.88%	6.81%	7%
% Total Operating Income	6%	6%	6%
Operating Profit %	27%	22%	26%
HLS Operating Margin %	27%	22%	26%
Total Operation Margin%	29%	27%	28%

TCS	Particulars	2013-14	2014-15	Q2 2016	Q3 2016
	% of revenue	5.82%	6.40%	7.0%	7.3%
	Growth (QoQ)			5.4%	4.1%
	Growth (YoY)	44.96%	27.74%	20.6%	21.1%
	HLS Operating Margin	32.31%	29.99%		

Wipro	Particulars	FY 12-13	FY 13-14	FY 14-15	1QFY16	2QFY16	3QFY16
	% of Total Revenue	9.9%	10.3%	11.4%	11.2%	11.4%	12.0%
	Growth YOY %	3.6%	10.9%	18.0%	7.6%	5.8%	4.9%
		6.3%	12.4%	19.6%	10.3%	8.7%	7.2%
	HLS Operating Margin %		18.6%	21.2%			
	Total Operation Margin %		22.6%	22.2%			

Major leadership changes announced, including a new head for Healthcare.

The Healthplan Services (HPS) acquisition, announced after Q 3 results, will significantly alter HLS revenue profile. HPS has annual revenues of around \$ 230 M.

## Definitions

Sr. No	Term	Meaning
1	Q O Q	Quarter On Quarter
2	Y O Y	Year On Year
3	T T M	Trailing Twelve Month
4	L T M	Last Twelve Month
5	H L S	Health Care & Life Sciences
6	Operating Margin	EBIT/Revenue

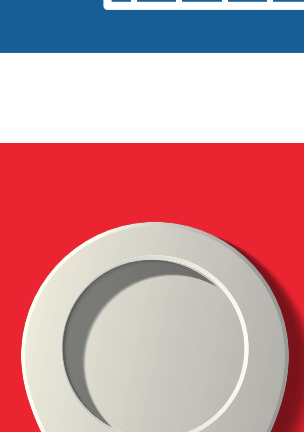
## Damo Consulting, Inc.



Founded in 2012 : Technology & management consulting firm based in Chicago, focused on the healthcare sector.



Provides Healthcare Market Advisory services to enterprises and technology firms: Global Sourcing, Growth Strategy, Digital Content Solutions, Market Intelligence, Analytics.



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