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## Business Highlights

### HCL BPO revenue up 31.9% YoY

- Received the NOA (National Outsourcing Association) Special Award for consistent excellence for outsourcing practice across all disciplines
- Ranked in the Top 10 list of the Data quest IDC BPO E-SAT survey 2007
- Added two new customers in KPO space
- Revenues for Q2 at US \$ 55.4 mn, up 31.9% YoY
- EBITDA (before non cash charge) for Q2 at US \$ 14.4 mn, up 49.4% YoY
- EBIT at US \$ 11.0 mn, up 76.8% YoY
- Quarterly net addition to headcount: 603, taking the employee strength to 11,865

Revenue Highlights					
Figures in US \$ million					
Particulars	Quarter ended			Growth	
	31-Dec-06	30-Sep-07	31-Dec-07	YoY	QoQ
Revenues	42.0	55.1	55.4	31.9%	0.5%
Direct Costs	26.7	33.8	33.0		
Gross Profits	15.3	21.3	22.4	46.5%	5.3%
SG & A	5.7	7.0	8.0		
EBITDA	9.6	14.3	14.4	49.4%	0.5%
Depreciation & Amortisation	3.4	3.4	3.4		
EBIT	6.2	10.9	11.0	76.8%	1.0%
Gross Margin	36.4%	38.6%	40.4%		
EBITDA Margin	22.9%	26.0%	26.0%		
EBIT Margin	14.8%	19.8%	19.9%		

Employee Metrics			
Manpower Details	31-Dec-06	30-Sep-07	31-Dec-07
<b>BPO Services - Total</b>	<b>12,181</b>	<b>11,262</b>	<b>11,865</b>
Offshore	9,965	8,572	9,184
Onsite	1,378	1,648	1,620
Support	838	1,042	1,061
Gross addition	3,651	2,020	2,306
Net addition	1,069	10	603
Gross lateral employee addition	1,170	706	749
Offshore Attrition - Quarterly**	19.9%	14.2%	12.3%
Offshore Attrition - Quarterly** (excluding attrition of joinees less than 6 months)	5.9%	7.8%	8.4%

\*\*excludes UK BPO

Commenting on the results, **Ranjit Narasimhan - President & CEO**, HCL Technologies Limited-BPO Services said: "This quarter, HCL BPO witnessed a 31.9% YoY increase in revenue and 76.8% EBIT. Despite the rise in rupee against the dollar, HCL BPO's EBITDA is maintained at 26.0%. Further endorsing our strength is the National Outsourcing Association that honoured HCL BPO with the Special Award for consistent excellence in outsourcing practices across all disciplines."

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## In The Spotlight

### » NOA Special award for consistent excellence for outsourcing practice across all disciplines

HCL Technologies Ltd. - BPO Services won the National Outsourcing Association (NOA) award for consistent excellence for outsourcing practice across all disciplines.

Kevin Houston, Senior Vice President - HCL BPO Services (NI) Ltd and Rajeev Sawhney, President, HCL Europe, jointly received the award on behalf of HCL on October 18, 2007 at the NOA Awards Ceremony in London. The NOA awards recognize and reward innovation and achievement by suppliers, users and integrated teams within the outsourcing industry.

### » HCL BPO ranked among the Top 10 in the DQ-IDC India BPO ESAT Survey 2007

HCL Technologies Ltd. - BPO Services ranked among the elite Top 10 in the DQ-IDC India BPO ESAT Survey 2007. HCL BPO also stood 4th in the HR Rank, and 5th on the "well thought out and relevant" appraisal parameters.

The survey, administered among BPO/ITES companies across the country, measured employee satisfaction on 11 parameters including employee strength, percentage of last salary hike, cost to company, company image, company culture, job content or growth, training, salary and compensation, appraisal system and preferred company. DQ-IDC India BPO ESAT Survey 2007 represented a universe of about 108,572 employees from 19 companies across the country.



## Select Recent Customer Wins

### » Leading auto buying portal chooses HCL BPO for Data Analytics services

HCL Technologies Ltd.-BPO Services won an outsourcing deal from a leading online auto buying and consumer information portal to coordinate the client's advertisement operation activities. The activity involves checking the sales request for inventory availability, to ascertain the number of times a particular advertisement will be seen. Depending on the confirmation of the sales request, the placement for the advertisements is reserved & the validity and the accuracy of the data are scrutinized. The websites and the server are also checked repeatedly for the smooth running of the campaign.

The Client maintains 63 auto websites and OEMs (Original Engine Manufacturers) like BMW, Chevrolet, Ford etc host their advertisements. The Clients' websites unites the new car buyers with local new car dealers, large dealer groups or directly with the manufacturer to dramatically improve the way consumers' research, locate and buy new and used vehicles. The consultative sales team helps OEMs and customers to develop complete marketing solutions for their products. Due to large number of websites and the huge amount of data it becomes essential for the Client to be able to provide accurate and up-to-date information to its customers. HCL BPO brings value to the Client not only in terms of data accuracy, but also with respect to faster turn around time.

### » HCL BPO adds new client in the Market Research space

World leader in the analysis of the MEMS (Micro-Electro-Mechanical Systems) has chosen HCL BPO as its outsourcing partner. The Client is a market research and business development consulting company with strong leadership worldwide, involved in different fields like MEMS, compound semiconductor, micro and nanotechnologies for life science and chemistry, equipments & materials for MEMS/semiconductor manufacturing, nano-materials, photovoltaic and palm power areas. HCL BPO with proven expertise in this field provides primary and secondary research services. HCL BPO also enables database development which involves key executive contact details, company profiles, contact numbers etc.

The outsourcing of primary and secondary research has benefited the Client in terms of effective project management and better resource utilization. HCL BPO's services allows the Client to focus on core research functions and business development with the Client witnessing a tangible productivity gain and savings on the research cost.

