



HCL Technologies Quarterly Results

Third Quarter FY 2008-09

Investor Release

Noida, NCR, India, April 22, 2009

Q3 revenues at Rs. 2861.5 Cr; up 49.4 % YoY and 15.9% QoQ

EBITDA at Rs. 610.4 Cr; up 51.3% YoY and 13.4% QoQ

Net income before forex loss at Rs. 419.4 Cr; up 23.4% YoY

- *HCL ranked No. 1 Employer in India and Best Employer in Asia by Hewitt 2009 Study*
- *HCL wins Financial Times ArcelorMittal Boldness in Business Award*
- *Large deals signed in the last 9 months cross US \$1.5 bn- 100% YoY growth*
- *Announces dividend at Re.1 per share, 25th consecutive quarter of dividend payout*

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Results Highlights

Highlights for the Quarter (INR)

- Revenue at Rs. 2861.5 crore; up 49.4% YoY and up 15.9% sequentially
- EBITDA at Rs. 610.4 crore, up 51.3% YoY and up 13.4% sequentially
- Net Income before forex loss at Rs. 419.4 crore, up 23.4% YoY and down 15.0% QoQ. Forex loss for the quarter is Rs. 201.3 crore
- Announces dividend at Re.1 per share, 25th consecutive quarter of dividend payout
- Headcount at 54,026; 2298 gross additions made this quarter

Highlights for the Quarter (US\$)

- Revenue at US\$ 564.4 mn; up 18.2% YoY and up 11.3% sequentially
- EBITDA at US\$ 120.4 mn, up 19.7% YoY and up 8.9% sequentially
- Revenue on constant currency basis, up 27.4% YoY and up 12.9% sequentially
- Net Income before forex loss at US\$ 82.7 mn, down 2.4% YoY and down 18.4% sequentially. Forex loss for the quarter is US\$ 39.7 mn
- Announces dividend at Re.1 per share, 25th consecutive quarter of dividend payout
- Headcount at 54,026; 2298 gross additions made this quarter



Overview

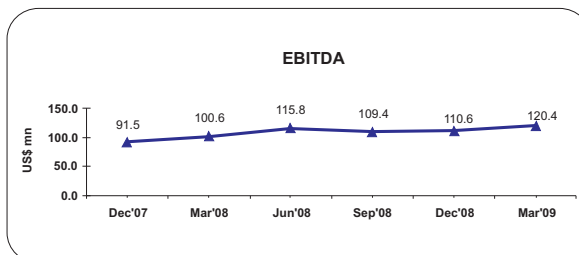
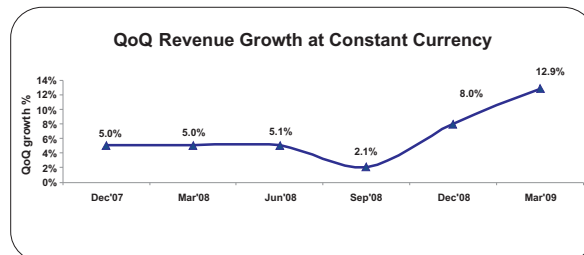
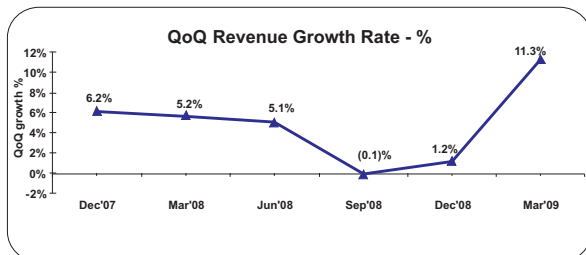
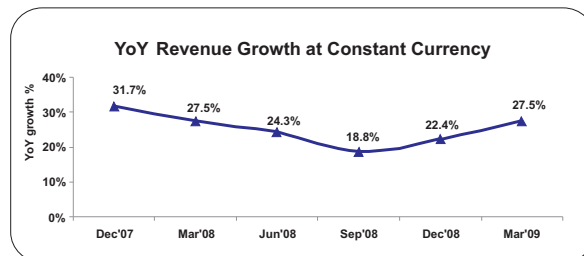
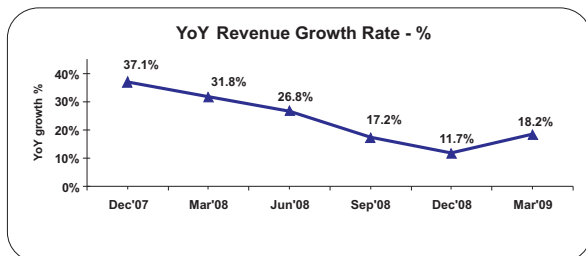
The IT industry is seeing a clear shift from the customer who can create the highest business value by increasing their competitiveness and reducing business costs. Aligning IT to business and a value centric approach to build a sustainable business model has been the underpinning of HCL's transformation strategy. This investment has been paying off well as can be seen in the results of the last few quarters.

"HCL's investments in new growth engines, innovative service offerings and value centricity have helped us convert today's challenging market environment into opportunities for growth. HCL's leadership in the industry in having a robust growth pipeline yet again this quarter is a proof point that this strategy is paying off. Our investments are not only delivering business results but with heightened employee engagement and a global recognition of HCL's 'Bold' business strategy, HCL is today geared to lead the industry well through this difficult time", said **Shiv Nadar, Chairman and Chief Strategy Officer, HCL Technologies.**

Commenting on the results, **Vineet Nayar, CEO, HCL Technologies** says, "HCL's response to the challenging environment has been focused on growth and investing in emerging trends and solutions that create value for customers. \$1.5b worth of large deals won in the last 9 months and Gartner's comment on HCL's Infrastructure Utility (IU) offerings that cites "HCL has been investing in utility-type offerings for infrastructure for more than five years" is "a vendor to watch" are proof points. HCL's Employee First philosophy continues to be a key differentiator for us. The Hewitt employee study adjudging HCL as the No. 1 Employer in India and the Best Employer in Asia is a recognition of this fact."



Business Highlights



Key Catalysts for Growth

- The key growth driver this quarter has been Enterprise Application Services and Infrastructure Services
- HCL has also made significant gains in defensive sectors like Energy & Utilities and Public Sector

Particulars	Segment (US \$) Growth	Annual YoY	QoQ	QoQ (Constant Currency)
Consolidated	For the Company	18.2%	11.3%	12.9%
Geography	US	30.3%	14.2%	14.2%
	Europe	9.1%	12.6%	17.5%
Service Offering	Enterprise Application Services	173.2%	117.8%	118.5%
	Infrastructure Services	19.1%	1.0%	2.7%
Industry	Manufacturing	21.6%	12.6%	12.8%
	Life Sciences	36.4%	19.0%	19.3%
	Retail & CPG	-3.4%	-0.4%	2.4%



Multi-service; Multi-year; Multi-million dollar deals

- Over the last nine months, HCL has won large deals worth over US \$1.5 bn. These include deals over US \$270mn in the first quarter, US \$ 1bn during the second quarter and US \$250 mn in the third quarter
- This quarter HCL wins 11 new contracts with customers including UTi, NASDAQ OMX, Shoprite, Moduslink and Xerox

Transformation @ HCL

- HCL presents its Employee First case study at the Harvard Business School's centennial celebration. The study was presented during the Colloquium on "Talent Managing Talent: Bridging the Gap Between Theory and Practice" by Prof Linda Hill and Prof Boris Groysberg
- HCL becomes a strategic partner with the World Economic Forum. HCL will support the Forum's commitment to improve the state of the world and be actively involved in the Foundation's endeavors at the global, regional and industry levels
- HCL participates as a panelist at the public session on "Addressing the Employment Challenge" as part of the World Economic Forum Annual Meeting 2009 in Davos. The session focused on how governments, labour unions and employers can work together to ensure that entrepreneurial growth is promoted when responding to Employment challenge and that social safety nets are deployed

Recognitions

- HCL wins the 'Readers Award' at the Financial Times ArcelorMittal Boldness in Business Award for the strategic acquisition of Axon, Employee First philosophy and exceptional contribution to client success, as the key reasons for this recognition
- HCL ranked No. 1 Employer in India and Best Employer in Asia by Hewitt in its 2009 Study. The study recognizes HCL as an organization focused on refining its human capital programs, empowering its employees and showing remarkable consistency in its day-to-day business and in its response to difficult times
- Business Week recognizes HCL's innovative business philosophy as a "breakthrough management idea for a world in which the game will never be the same"



Business Highlights

- HCL receives the Boeing Performance Excellence Award 2008 by the Boeing Company to recognize HCL's superior performance. HCL maintained a Gold performance composite rating for each month of the 12-month performance period, from October 1, 2007 to September 30, 2008
- HCL partners with GE Healthcare where HCL will be trained on Centricity Enterprise and also integrate HCL into Digital Day One effort which helps new hospitals in emerging markets open their doors as fully digital hospitals
- Gartner showcases HCL's Infrastructure utility (IU) offerings for SAP applications highlighting "HCL has been investing in utility-type offerings for infrastructure for more than five years. As software channel partners have begun to embrace the use of infrastructure utility and as buyer confidence continues to increase, HCL has emerged as a vendor to watch"
- Forrester recognizes HCL as a 'leader' in the Global IT Infrastructure Outsourcing Survey
- IDC recognizes HCL as a formidable player in the SAP Services Market with the Acquisition of Axon
- AMR recognizes HCL as a Leader in developing Green agenda
- HCL BPO re brands Liberata Financial Services as HCL Insurance BPO Services. The name change that reflects HCL's insurance practice now is strengthened by LFS's core capability to manage complex transactions utilizing competencies in case assessment and actuarial calculations
- HCL BPO wins the Payroll Giving in Action Award in recognition of the contributions made by HCL employees to different charities
- The International Association of Outsourcing Professionals (IAOP) selects HCL BPO in the Leaders category for The 2009 Global Outsourcing 100 for the high-quality, tangible business value HCL delivers to its customers
- Everest Research Institute recognizes HCL BPO as Leaders in its Finance & Accounting Outsourcing (FAO) market update – 'Moving Beyond the Bottom-line: Industry Specific FAO solutions'



Financials

Un-audited consolidated financial results for the quarter ended 31st Mar, 2009 drawn under US GAAP

Consolidated Income Statement

Figures in US \$ million

Income Statement	Quarter ending...			Growth	
	31-Mar-08	31-Dec-08	31-Mar-09	YoY	QoQ
Revenues	477.5	507.0	564.4	18.2%	11.3%
Direct Costs	297.9	307.5	355.2		
Gross Profits	179.7	199.5	209.2	16.4%	4.9%
SG & A	79.1	89.0	88.8		
EBITDA	100.6	110.5	120.4	19.7%	8.9%
Depreciation	18.9	17.8	19.2		
Amortisation	0.3	2.1	8.7		
EBIT	81.3	90.6	92.4	13.7%	2.0%
Cash Flow Hedge accounting gain/ (loss)*	7.4	4.5	(24.8)		
Forex gain / (loss)	(6.8)	(29.2)	(15.0)		
Other Income, net	12.4	24.8	(0.5)		
Provision for Tax	9.2	14.0	9.6		
Share from Equity Investment /of Minority Interest	(0.2)	(0.0)	0.3		
Net Income	85.4	76.6	43.0	-49.6%	-43.9%
Net Income before Forex gain/(loss)	84.7	101.3	82.7	-2.4%	-18.4%
Gross Margin	37.6%	39.4%	37.1%		
EBITDA Margin	21.1%	21.8%	21.3%		
EBIT Margin	17.0%	17.9%	16.4%		
Earnings Per Share (EPS) - Annualized					
Basic – in US \$	0.51	0.46	0.26		
Diluted – in US \$	0.50	0.46	0.26		
“Weighted average number of Shares used in computing EPS”					
Basic	664,659,051	669,239,052	669,733,531		
Diluted	679,052,239	670,392,497	669,930,775		

*The company is following cash flow hedge accounting in respect of foreign currency hedges which aggregate to US\$ 1,343 mn as on 31 Dec 2008. A sum of US\$ 24.8 mn has been booked as loss in the current quarter following the cash flow hedge accounting and is being reflected separately as above beginning this quarter. As on 31 Mar 2009, the balance amount of hedges in this category aggregate to US\$ 1,088 mn.



Note: - The above result does not take into account non cash employee stock options charge computed under FAS 123R, as per details given here:-

Particulars (in US \$ mn)	31-Mar-08	31-Dec-08	31-Mar-09
Options at market price	1.3	0.5	0.5
Options at less than market price	4.7	3.7	3.5
Total	5.9	4.2	4.0
Tax benefit	0.4	0.3	0.3
Total (net of tax)	5.5	3.8	3.7

Outstanding Options (in equivalent no of shares)	31-Mar-08	31-Dec-08	31-Mar-09
Options at market price	29,240,604	25,226,296	24,459,024
Options at less than market price	13,658,200	10,517,744	10,255,544

The options will vest in tranches till 2011

Consolidated Balance Sheet

Figures in US \$ million

Particulars	As on	
	30-Jun-08	31-Mar-09
Assets		
a) Cash & Cash Equivalents	89.2	104.4
b) Account Receivables, net	440.1	520.5
c) Treasury Investments	482.8	308.3
d) Other Current Assets	202.5	278.9
A) Total Current Assets (a+b+c+d)	1,214.6	1212.1
B) Property and Equipments, net	309.5	324.3
C) Intangible Assets, net	222.7	858.0
D) Investment in Equity Investee	2.4	3.6
E) Other Assets	117.7	150.6
Total Assets (A+B+C+D+E)	1,866.8	2548.6
Liabilities & Stockholders' Equity		
e) Current Liabilities	508.2	740.7
f) Loans	6.4	679.9
g) Other Liabilities	138.5	149.4
F) Total Liabilities (e+f+g)	653.0	1570.0
G) Minority Interest	1.3	0.5
H) Total Stockholders Equity	1,212.4	978.1
Total Liabilities and Stockholders Equity (F+G+H)	1,866.8	2548.6



Consolidated Cash Flow Statement

Figures in US \$ million

Particulars	Nine months ended 31-Mar-09
CASH FLOWS FROM OPERATING ACTIVITIES	
Net Income	195.5
Adjustments to Reconcile Net Income to Net Cash provided by Operating Activities	
Depreciation and Amortization	67.2
(Profit) /Loss on Redemption of Mutual Fund Investments	(24.5)
Others	(13.4)
Changes in Assets and Liabilities, net	
Accounts Receivable	(28.7)
Other Assets	(45.2)
Current Liabilities	21.1
Net Cash provided by operating Activities	172.1
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Property and Equipment (net)	(100.5)
Subscription / (Redemption) of Mutual Fund Investments	123.8
Payments for business acquisitions, net of cash acquired	(691.1)
Net Cash used in Investing Activities	(667.8)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from Issuance of Employees Stock Options	4.1
Dividend	(130.9)
Loans	677.7
Others	(2.8)
Net Cash provided by (used in) Financing Activities	548.0
Net Increase/ (Decrease) in Cash and Cash Equivalents	52.3
Effect of Exchange Rate on Cash and Cash Equivalents	(56.1)
CASH AND CASH EQUIVALENTS	
Beginning of the Year	108.2
End of the Year	104.4



Segment wise Profitability

A. Consolidated IT Services (Core software [A1] & Infrastructure services [A2])

Figures in US \$ million

Particulars	Quarter ended			Growth%	
	31-Mar-08	31-Dec-08	31-Mar-09	YoY	QoQ
Revenues	421.6	444.1	508.1	20.5%	14.4%
Direct Costs	263.7	267.3	319.0		
Gross Profits	157.9	176.8	189.1	19.7%	6.9%
SG & A	71.5	74.4	77.3		
EBITDA	86.4	102.3	111.8	29.4%	9.2%
Depreciation	15.8	15.1	17.0		
Amortisation	0.3	1.7	8.2		
EBIT	70.2	85.6	86.5	23.3%	1.1%
Gross Margin	37.5%	39.8%	37.2%		
EBITDA Margin	20.5%	23.0%	22.0%		
EBIT Margin	16.6%	19.3%	17.0%		

B. BPO Services

Figures in US \$ million

Particulars	Quarter ended			Growth%	
	31-Mar-08	31-Dec-08	31-Mar-09	YoY	QoQ
Revenues	56.0	63.0	56.4	0.7%	-10.5%
Direct Costs	34.2	40.2	36.2		
Gross Profits	21.8	22.7	20.2	-7.5%	-11.3%
SG & A	7.5	14.5	11.5		
EBITDA	14.2	8.2	8.6	-39.3%	5.3%
Depreciation	3.1	2.6	2.2		
Amortisation	-	0.6	0.5		
EBIT	11.1	5.0	5.9	-47.0%	17.3%
Gross Margin	38.9%	36.1%	35.8%		
EBITDA Margin	25.4%	13.0%	15.3%		
EBIT Margin	19.9%	8.0%	10.5%		



A1. Core Software Services

Figures in US \$ million

Particulars	Quarter ended			Growth %	
	31-Mar-08	31-Dec-08	31-Mar-09	YoY	QoQ
Revenues	349.9	359.6	422.7	20.8%	17.6%
Direct Costs	214.5	210.9	263.0		
Gross Profits	135.4	148.7	159.6	17.9%	7.4%
SG & A	61.9	62.8	66.6		
EBITDA	73.5	85.9	93.0	26.6%	8.4%
Depreciation	12.2	11.3	12.0		
Amortisation	0.3	1.6	8.2		
EBIT	61.0	72.9	72.8	19.3%	-0.2%
Gross Margin	38.7%	41.3%	37.8%		
EBITDA Margin	21.0%	23.9%	22.0%		
EBIT Margin	17.4%	20.3%	17.2%		

A2. Infrastructure Services

Figures in US \$ million

	Quarter ended			Growth%	
	31-Mar-08	31-Dec-08	31-Mar-09	YoY	QoQ
Revenues	71.7	84.5	85.4	19.1%	1.0%
Direct Costs	49.1	56.4	56.0		
Gross Profits	22.5	28.1	29.4	30.5%	4.6%
SG & A	9.7	11.6	10.7		
EBITDA	12.9	16.5	18.7	45.7%	13.5%
Depreciation	3.7	3.9	5.0		
Amortisation	-	-	-		
EBIT	9.2	12.6	13.7	49.6%	8.7%
Gross Margin	31.4%	33.3%	34.5%		
EBITDA Margin	18.0%	19.5%	22.0%		
EBIT Margin	12.8%	15.0%	16.1%		



Revenue Analysis

Geographic Mix (Quarter ended)	31-Mar-08	31-Dec-08	31-Mar-09	LTM
US	55.3%	59.5%	61.0%	59.0%
Europe	29.9%	27.3%	27.6%	28.0%
Asia Pacific	14.8%	13.2%	11.4%	13.0%

Service Offering Mix (Quarter ended)	31-Mar-08	31-Dec-08	31-Mar-09	LTM
Enterprise Application Services	10.6%	12.5%	24.5%	15.2%
Engineering and R&D Services	25.3%	25.6%	22.0%	25.0%
Custom Application (Industry Solutions)	37.3%	32.8%	28.4%	32.9%
Infrastructure Services	15.0%	16.7%	15.1%	15.7%
BPO Services	11.7%	12.4%	10.0%	11.2%

Revenue by Contract Type (Qtr ended)	31-Mar-08	31-Dec-08	31-Mar-09
IT Services			
Time & Material (T&M)	65.0%	63.8%	62.4%
Fixed Price Projects	35.0%	36.2%	37.6%

Revenue by Vertical (Quarter ended)	31-Mar-08	31-Dec-08	31-Mar-09
Financial Services	28.3%	27.7%	23.6%
Manufacturing	29.5%	30.0%	30.3%
Telecom	16.4%	15.8%	12.1%
Retail & CPG	8.4%	7.7%	6.9%
Media Publishing & Entertainment (MPE)	5.7%	5.5%	5.0%
Life Sciences	5.5%	5.9%	6.3%
Energy-Utilities-Public Sector	1.5%	3.2%	8.9%
Others	4.7%	4.2%	6.9%

Rupee / US Dollar Rate	31-Mar-08	31-Dec-08	31-Mar-09
Quarter Ended	40.11	48.70	50.70
Average for the Quarter	39.83	49.41	50.23

“LTM” - Last Twelve Months



Constant Currency Reporting

Reported	OND 07	JFM 08	AMJ 08	JAS 08	OND 08	JFM 09
Revenue (\$ mn)	453.9	477.5	501.7	500.9	507.0	564.4
Growth QoQ	6.2%	5.2%	5.1%	-0.1%	1.2%	11.3%
Growth YoY	37.1%	31.8%	26.8%	17.2%	11.7%	18.2%
Constant Currency (QoQ)	OND 07	JFM 08	AMJ 08	JAS 08	OND 08	JFM 09
Revenue (\$ mn)	449.0	476.7	501.8	512.3	540.8	572.2
Growth QoQ	5.0%	5.0%	5.1%	2.1%	8.0%	12.9%
Constant Currency (YoY)	OND 07	JFM 08	AMJ 08	JAS 08	OND 08	JFM 09
Revenue (\$ mn)	436.1	461.9	492.0	507.7	555.3	608.7
Growth YoY	31.7%	27.5%	24.3%	18.8%	22.4%	27.5%

Average Rates for Qtr	OND 07	JFM 08	AMJ 08	JAS 08	OND 08	JFM 09
GBP	2.05	1.99	1.98	1.87	1.54	1.43
EURO	1.46	1.53	1.56	1.49	1.32	1.30
INR	0.03	0.03	0.02	0.02	0.02	0.02
SGD	0.69	0.72	0.73	0.71	0.68	0.66
AUD	0.90	0.91	0.95	0.87	0.67	0.66

Particulars	Segment (US \$) Growth	QoQ at Constant Currency
Consolidated	For the Company	12.9%
Geography	US	14.2%
	Europe	17.5%
	Asia Pacific	-2.5%
Service Offering	Enterprise Application Services	118.5%
	Engineering and R&D Services	-4.4%
	Custom Application	-1.6%
	Infrastructure Services	2.7%
	BPO Services	-6.1%
Industry	Financial Services	-2.6%
	Manufacturing	12.8%
	Telecom	-12.1%
	Retail & CPG	2.4%
	Media Publishing & Entertainment	1.4%
	Life Sciences	19.3%
	Energy-Utilities-Public Sector	212.5%
	Others	82.4%
Clients(LTM)	Top 5	-4.0%
	Top 10	-2.5%
	Top 20	-3.2%



Client Metrics*

Client Data (LTM)	31-Mar-08	31-Dec-08	31-Mar-09	QoQ Increase
Number of Clients				
Active Client Relationship	269	315	353	38
New Client Relationship	32	26	68	
Accounting for > 5% of revenue	2	2	2	

Number of Million Dollar Clients (LTM)	31-Mar-08	31-Dec-08	31-Mar-09	QoQ Increase	YoY Increase
100 Million dollar +	2	2	2	-	-
50 Million dollar +	3	4	4	-	1
40 Million dollar +	6	8	7	(1)	1
30 Million dollar +	11	12	11	(1)	-
20 Million dollar +	15	19	19	-	4
10 Million dollar +	31	39	40	1	9
5 Million dollar +	64	68	81	13	17
1 Million dollar +	186	218	256	38	70

Client Contribution to Revenue (LTM)	31-Mar-08	31-Dec-08	31-Mar-09	QoQ growth
Top 5 Clients	27.5%	25.3%	22.7%	-7.2%
Top 10 Clients	38.2%	35.1%	31.9%	-5.9%
Top 20 Clients	50.6%	47.9%	43.6%	-5.9%

Client Business - (LTM)	31-Mar-08	31-Dec-08	31-Mar-09
Repeat Business - Consolidated	94.5%	90.9%	90.0%
Days Sales Outstanding	77	82	83

"LTM" - Last Twelve Months

*Including HCL Axon w.e.f JFM'09 quarter



Operational Metrics - Core Software*

Core Software Services (Quarter Ended)	31-Mar-08	31-Dec-08	31-Mar-09
Efforts			
Offshore	75.0%	75.3%	71.6%
Onsite	25.0%	24.7%	28.4%
Revenue			
Offshore	50.7%	53.5%	41.1%
Onsite	49.3%	46.5%	58.9%
Utilization			
Offshore - Including trainees	71.3%	74.5%	74.1%
Offshore - Excluding trainees	74.4%	75.0%	74.8%
Onsite	95.1%	97.4%	96.4%

Core Software Efforts (Man Months)	31-Mar-08	31-Dec-08	31-Mar-09
Efforts Billed - Offshore	47,263	50,419	50,539
Efforts Billed - Onsite	15,781	16,565	20,049
Total Billed Efforts	63,044	66,984	70,587
Not Billed	17,048	17,286	18,401
Trainee	2,814	426	75
Not Billed (including trainees)	19,862	17,712	18,476

*Including HCL Axon w.e.f JFM'09 quarter



Employee Metrics

Manpower Details	31-Mar-08	31-Dec-08#	31-Mar-09
Total Employee Count	49,802	55,018	54,026
IT Services (Core Software [A1] + Infrastructure Services [A2])	36,563	42,268	42,600
Technical	32,003	37,265	37,666
Support	4,560	5,003	4,934
Gross addition	1,973	2,216	1,578
Net addition	474	2,718	332
Gross lateral employee addition	1,761	1,715	1,423
Attrition (LTM)* - IT Services (Core Software + Infrastructure Services)	15.5%	13.4%	13.2%
BPO Services - Total	13,239	12,750	11,426
Offshore	10,470	8,944	7,808
Onsite	1,694	2,152	2,188
Support	1,075	1,654	1,430
Gross addition	3,342	1,731	720
Net addition	1,374	(414)	(1,324)
Gross lateral employee addition	1,217	556	160
Offshore Attrition – Quarterly**	12.0%	12.7%	14.8%
Offshore Attrition - Quarterly** (excluding attrition of joiners less than 6 months)	6.9%	7.4%	10.6%

* Excludes involuntary attrition

** Excludes UK BPO

#OND'08 inclusive of HCL Axon



A1. Core Software Services

	31-Mar-08	31-Dec-08	31-Mar-09
Core Software - Total	30,387	33,298	32,902
Technical	26,567	29,174	28,887
Support	3,820	4,124	4,015
Gross addition	1,026	1,275	622
Net addition	(97)	2,027	-396
Gross lateral employee addition	1,013	922	596
Attrition (LTM) *	15.2%	13.4%	13.1%

A2. Infrastructure Services - Total

	31-Mar-08	31-Dec-08	31-Mar-09
Infrastructure Services - Total	6,176	8,970	9,698
Technical	5,436	8,091	8,779
Support	740	879	919
Gross addition	947	941	956
Net addition	571	691	728
Gross lateral employee addition	748	793	827
Attrition (LTM)*	15.4%	13.5%	13.5%

#OND'08 inclusive of HCL Axon



Facility Details

As of 31-Mar-09 Delivery Locations	Completed		Work in Progress		Land Available for expansion - in acres
	Built Up area (Sq. ft.)	No. of seats	Built Up area (Sq. ft.)	No. of seats	
Gurgaon	360,239	3,137			
Noida(NCR)	1,824,382	19,381			31
Chennai	2,430,333	21,712	619,557	5,188	27
Bangalore	864,900	7,861	518,000	4,400	13
Mumbai	28,300	300			
Kolkatta	93,442	1,010			
Hyderabad	104,954	1,086	50,342	437	
Manesar (Haryana)					10
Nagpur			50,000	500	
UK	88,613	1,118			
USA	56,532	397	42,294	400	
Nortern Ireland(NI)	100,000	1,400			
Dubai			887	15	
Prague, Czech	2,711	14			
Israel			6,650	41	
Singapore	15,655	187			
Australia	4,763	87			
Poland	16,100	200			
China	15,300	140			
Malaysia	3,060	28			
Total	6,009,284	58,058	1,287,730	10,981	81



Cash & Cash Equivalent incl. Treasury Investments

Figures in US \$ million

	As of 31-Mar-09
A. Cash and Cash Equivalent	104.4
B. Treasury Investments	308.3
Total (A+B)	412.7

A. Details of Cash & Cash Equivalent

Figures in US \$ million

Bank Name	Country	Amount in US\$ million
Standard Chartered Bank	UK	15.2
Deutsche Bank Trust company Americas	USA	12.2
Lloyds Bank TSB	Austria	8.1
State Bank of India	India	7.0
Comerica Bank	USA	5.4
Bank of Tokyo Mitsubishi UFJ Ltd.	Japan	3.8
Silicon Valley Bank	USA	3.4
HSBC	India	3.3
ANZ Bank	Australia	3.3
Barclays Bank	UK	2.6
IOB	Singapore	2.5
Bank of Ireland	Northern Ireland	2.5
Societe General	India	1.6
Punjab National Bank	India	1.4
Dresdner Bank	Germany	1.4
Axis Bank	India	1.3
Standard Chartered Bank	India	1.3
Citibank EEFC Account	India	1.2
ANZ Bank	New Zealand	1.2
PNC Bank	USA	1.2
Bank of America	USA	1.1
Others including funds in transit		23.3
Grand Total		104.4



Cash & Cash Equivalent incl. Treasury Investments

B. Details of Treasury Investments

Figures in US \$ million

	31-Mar-09
Fixed Deposits	
Axis Bank	0.2
Bank of Baroda	75.2
Bank of India	39.5
Bank of Ireland	2.0
Canara Bank	44.4
Corporation Bank	5.5
Indian Overseas Bank	1.5
Punjab National Bank	41.2
State Bank of India	85.8
State Bank Of Indore	4.9
Total Fixed Deposit with Banks	300.2
Bonds	
Exim bank Bonds 2008-09	3.9
Total Bonds	3.9
Mutual funds	
DSP Merrill Lynch Mutual Fund- Fixed maturity plans (maturing in next 6 months)	4.2
Total Mutual funds	4.2
Grand Total	308.3



Financials in INR as per convenience translation

(The financials in INR are based on a convenience translation using the closing rate as of the last day of the quarter: US\$1 = Rs. 50.70 for the quarter ended on 31 Mar 2009; US \$1 = Rs. 48.70 for the quarter ended on 31 Dec 2008; US\$1 = Rs. 40.11 for the quarter ended 31 Mar 2008)

Unaudited Financial results for the quarter ended 31st March 2009 drawn under US GAAP

Consolidated Income Statement

Figures in rupees crore

Income Statement	Quarter ending...		Growth		
	31-Mar-08	31-Dec-08		31-Mar-09*	YoY
Revenues	1915.2	2469.1	2861.5	49.4%	15.9%
Direct Costs	1194.5	1497.5	1800.9		
Gross Profits	720.6	971.6	1060.7	47.2%	9.2%
SG & A	317.2	433.2	450.3		
EBITDA	403.4	538.4	610.4	51.3%	13.4%
Depreciation	76.0	86.5	97.4		
Amortisation	1.3	10.6	44.3		
EBIT	326.1	441.3	468.6	43.7%	6.2%
Cash Flow Hedge accounting gain/(loss)*	29.7	21.7	(125.5)		
Forex gain / (loss)	(27.1)	(142.2)	(76.1)		
Other Income, net	49.9	120.6	(2.4)		
Provision for Tax	36.8	68.4	48.5		
Share from Equity Investment /of Minority Interest	(0.7)	(0.1)	1.7		
Net Income	342.5	373.3	218.1	-36.3%	-41.6%
Net Income before Forex gain/(loss)	339.9	493.5	419.4	23.4%	-15.0%
Gross Margin	37.6%	39.9%	37.1%		
EBITDA Margin	21.1%	21.8%	21.3%		
EBIT Margin	17.0%	17.9%	16.4%		
Earnings Per Share (EPS) - Annualized					
Basic – in Rupees (FV Rs. 2/-)	20.6	22.3	13.0		
Diluted – in Rupees (FV Rs. 2/-)	20.1	22.3	13.1		
“Weighted average number of Shares used in computing EPS”					
Basic	664,659,051	669,239,052	669,733,531		
Diluted	679,052,239	670,392,497	669,930,775		

*The company is following cash flow hedge accounting in respect of foreign currency hedges which aggregate to US\$ 1,343 mn as on 31 Dec 2008. A sum of Rs. 125.5 crore has been booked as loss in the current quarter following the cash flow hedge accounting and is being reflected separately as above beginning this quarter. As on 31 Mar 2009, the balance amount of hedges in this category aggregate to US\$ 1,088 mn.



Note: - The above result does not take into account non cash employee stock options charge computed under FAS 123R, as per details given here:-

Particulars (in Rs crores)	31-Mar-08	31-Dec-08	31-Mar-09
Options at market price	5.0	2.3	2.3
Options at less than market price	18.6	18.0	17.5
Total	23.6	20.3	19.8
Tax benefit	1.7	1.7	1.5
Total (net of tax)	21.9	18.6	18.3

Outstanding Options (in equivalent no of shares)	31-Mar-08	31-Dec-08	31-Mar-09
Options at market price	29,240,604	25,226,296	24,459,024
Options at less than market price	13,658,200	10,517,744	10,255,544

The options will vest in tranches till 2011

Consolidated Balance Sheet

Figures in Rs crores

Particulars	As on	
	30-Jun-08	31-Mar-09
Assets		
a) Cash and Cash Equivalents	384.0	529.2
b) Accounts Receivable, net	1,894.0	2,638.7
c) Treasury Investments	2,077.9	1,563.2
d) Other Current Assets	871.3	1,414.2
A) Total current assets (a+b+c+d)	5,227.2	6,145.3
B) Property and Equipment, net	1,331.7	1,644.3
C) Intangible Assets, net	958.5	4,350.2
D) Investment in Equity Investee	10.1	18.3
E) Other Assets	506.3	763.6
Total assets (A+B+C+D+E)	8,033.8	12,921.6
Liabilities and Stockholders' Equity		
e) Current Liabilities	2,187.0	3,755.3
f) Loans	27.5	3,447.1
g) Other Liabilities	595.9	757.7
F) Total Liabilities (e+f+g)	2,810.3	7,960.0
G) Minority Interest	5.7	2.4
H) Total Stockholders equity	5,217.7	4,959.2
Total liabilities and stockholders equity (F+G+H)	8,033.8	12,921.6



Segment wise Profitability

A. Consolidated IT Services (Core software [A1] & Infrastructure services [A2])

Figures in Rs crores

Particulars	Quarter ended			Growth	
	31-Mar-08	31-Dec-08	31-Mar-09	YoY	QoQ
Revenues	1690.7	2162.5	2575.8	52.4%	19.1%
Direct Costs	1057.4	1301.6	1617.4		
Gross Profits	633.2	860.9	958.5	51.4%	11.3%
SG & A	286.9	362.5	391.9		
EBITDA	346.3	498.4	566.6	63.6%	13.7%
Depreciation	63.5	73.6	86.2		
Amortisation	1.3	8.0	41.7		
EBIT	281.5	416.8	438.7	55.9%	5.3%
Gross Margin	37.5%	39.8%	37.2%		
EBITDA Margin	20.5%	23.0%	22.0%		
EBIT Margin	16.6%	19.3%	17.0%		

B. BPO Services

Figures in Rs crores

Particulars	Quarter ended			Growth	
	31-Mar-08	31-Dec-08	31-Mar-09	YoY	QoQ
Revenues	224.5	306.6	285.7	27.3%	-6.8%
Direct Costs	137.1	195.9	183.5		
Gross Profits	87.4	110.7	102.2	16.9%	-7.7%
SG & A	30.3	70.7	58.4		
EBITDA	57.1	40.0	43.8	-23.3%	9.6%
Depreciation	12.5	12.9	11.3		
Amortisation	-	2.6	2.6		
EBIT	44.6	24.5	29.9	-33.0%	22.1%
Gross Margin	38.9%	36.1%	35.8%		
EBITDA Margin	25.4%	13.0%	15.3%		
EBIT Margin	19.9%	8.0%	10.5%		



A1. Core Software Services

Figures in Rs crores

Particulars	Quarter ended			Growth %	
	31-Mar-08	31-Dec-08*	31-Mar-09	YoY	QoQ
Revenues	1403.2	1751.1	2143.0	52.7%	22.4%
Direct Costs	860.4	1027.1	1333.7		
Gross Profits	542.8	724.0	809.4	49.1%	11.8%
SG & A	248.1	306.0	337.8		
EBITDA	294.7	418.0	471.5	60.0%	12.8%
Depreciation	48.8	54.8	60.8		
Amortisation	1.3	8.0	41.7		
EBIT	244.6	355.2	369.0	50.8%	3.9%
Gross Margin	38.7%	41.3%	37.8%		
EBITDA Margin	21.0%	23.9%	22.0%		
EBIT Margin	17.4%	20.3%	17.2%		

A2. Infrastructure Services

Figures in Rs crores

	Quarter ended			Growth	
	31-Mar-08	31-Dec-08	31-Mar-09	YoY	QoQ
Revenues	287.5	411.5	432.8	50.6%	5.2%
Direct Costs	197.1	274.5	283.7		
Gross Profits	90.4	136.9	149.1	64.9%	8.9%
SG & A	38.8	56.5	54.1		
EBITDA	51.6	80.4	95.0	84.2%	18.2%
Depreciation	14.7	18.8	25.3		
Amortisation	-	-	-		
EBIT	36.9	61.6	69.7	89.1%	13.2%
Gross Margin	31.4%	33.3%	34.5%		
EBITDA Margin	18.0%	19.5%	22.0%		
EBIT Margin	12.8%	15.0%	16.1%		



About HCL Technologies

HCL Technologies is a leading global IT services company, working with clients in the areas that impact and redefine the core of their businesses. Since its inception into the global landscape after its IPO in 1999, HCL focuses on 'transformational outsourcing', underlined by innovation and value creation, and offers integrated portfolio of services including software-led IT solutions, remote infrastructure management, engineering and R&D services and BPO. HCL leverages its extensive global offshore infrastructure and network of offices in 20 countries to provide holistic, multi-service delivery in key industry verticals including Financial Services, Manufacturing, Aerospace & Defense, Telecom, Retail & CPG, Life Sciences & Healthcare, Media & Entertainment, Travel, Transportation & Logistics, Automotive, Government, Energy & Utilities. HCL takes pride in its philosophy of 'Employee First' which empowers our 54,026 transformers to create a real value for the customers. HCL Technologies, along with its subsidiaries, had consolidated revenues of US\$ 2.0 billion (Rs. 9,842 crores), as on 31st March 2009. For more information, please visit www.hcltech.com

About HCL Enterprise

HCL is a \$5 billion leading Global Technology and IT Enterprise that comprises two companies listed in India - HCL Technologies & HCL Infosystems. The 3-decade-old Enterprise, founded in 1976, is one of India's original IT garage start-ups. Its range of offerings spans Product Engineering, Custom & Package Applications, BPO, IT Infrastructure Services, IT Hardware, Systems Integration, and distribution of ICT products. The HCL team comprises over 59,000 professionals of diverse nationalities, who operate from 20 countries including 360 points of presence in India. HCL has global partnerships with several leading Fortune 1000 firms, including leading IT and Technology firms. For more information, please visit www.hcl.in

Forward-looking Statements

Certain statements in this release are forward-looking statements, which involve a number of risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from those in such forward-looking statements. All statements, other than statements of historical fact are statements that could be deemed forward looking statements, including but not limited to the statements containing the words 'planned', 'expects', 'believes', 'strategy', 'opportunity', 'anticipates', 'hopes' or other similar words. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding impact of pending regulatory proceedings, fluctuations in earnings, our ability to manage growth, intense competition in IT services, Business Process Outsourcing and consulting services including those factors which may affect our cost advantage, wage increases in India, customer acceptances of our services, products and fee structures, our ability to attract and retain highly skilled professionals, our ability to integrate acquired assets in a cost effective and timely manner, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, the success of our brand development efforts, liability for damages on our service contracts, the success of the companies / entities in which we have made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property, other risks, uncertainties and general economic conditions affecting our industry. There can be no assurance that the forward looking statements made herein will prove to be accurate, and issuance of such forward looking statements should not be regarded as a representation by the Company, or any other person, that the objective and plans of the Company will be achieved. All forward looking statements made herein are based on information presently available to the management of the Company and the Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.



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