

HCL INFOSYSTEMS LIMITED

Regd.Off: 806, Siddharth, 96 Nehru Place, New Delhi 110 019

Audited Financial Results for the Year ended June 30, 2008

Rs.Lakhs

Sl. No.	Particulars	Consolidated						Standalone					
		Unaudited			Audited			Unaudited			Audited		
		Nine months ended March 31, 2008	Three months ended June 30, 2008	2007	Year ended June 30, 2008	2007		Nine months ended March 31, 2008	Three months ended June 30, 2008	2007	Year ended June 30, 2008	2007	
1 a.	Gross Sales / Income from Operations	944,982	315,547	310,831	1,260,529	1,185,543	942,235	314,709	309,809	1,256,944	1,181,825		
1 b.	Less: Excise Duty	11,730	4,070	4,686	15,800	18,357	11,730	4,070	4,686	15,800	18,357		
1.	Net Sales / Income from Operations	933,252	311,477	306,145	1,244,729	1,167,186	930,505	310,639	305,123	1,241,144	1,163,468		
2.	Other Income	3,685	522	1,587	4,207	4,993	3,535	459	1,514	3,994	4,818		
3.	Total Income (1+2)	936,937	311,999	307,732	1,248,936	1,172,179	934,040	311,098	306,637	1,245,138	1,168,286		
4.	Expenditure												
a.	(Increase)/Decrease in Stock in Trade and Work in Progress	-12,942	3,959	-4,437	-8,983	-27,124	-12,944	3,963	-4,392	-8,981	-27,099		
b.	Consumption of Raw Materials	136,507	38,875	40,126	175,382	131,295	136,498	38,897	40,188	175,395	131,295		
c.	Purchase of Traded Goods	710,472	234,253	237,068	944,725	950,346	710,552	234,256	236,985	944,808	950,314		
d.	Purchase of Services (Net)	8,072	3,360	3,534	11,432	8,475	6,309	2,857	3,070	9,166	6,707		
e.	Stores & Spares consumed and Others	11,930	4,861	4,453	16,791	16,644	11,753	4,821	4,414	16,574	16,488		
f.	Employees Cost	22,327	7,790	6,245	30,117	22,717	21,753	7,543	6,007	29,296	21,773		
g.	Administration, Selling, Repairs & Others	22,889	7,735	7,587	30,624	24,424	22,199	7,623	7,334	29,822	23,499		
h.	Depreciation	1,369	493	415	1,862	1,481	1,206	429	363	1,635	1,255		
	Total Expenditure	900,624	301,326	294,991	1,201,950	1,128,258	897,326	300,389	293,969	1,197,715	1,124,232		
5.	Interest Expense (Net)	2,857	1,116	381	3,973	1,050	2,861	1,115	379	3,976	1,055		
6.	Profit (+) / Loss (-) from ordinary activities before Tax (3-4-5)	33,456	9,557	12,360	43,013	42,871	33,853	9,594	12,289	43,447	42,999		
7.	Tax Expense												
	- Current	9,818	3,332	3,857	13,150	10,590	9,818	3,332	3,857	13,150	10,590		
	- Deferred	-145	-418	-198	-563	271	-145	-418	-198	-563	221		
	- Fringe Benefit	281	130	211	411	415	274	111	208	385	403		
8.	Profit (+) / Loss (-) from ordinary activities after Tax (6-7)	23,502	6,513	8,490	30,015	31,595	23,906	6,569	8,422	30,475	31,785		
9.	Extraordinary items (net of tax expense Rs Nil)	-	-	-	-	-	-	-	-	-	-		
10.	Net Profit(+) / Loss (-) for the period (8-9)	23,502	6,513	8,490	30,015	31,595	23,906	6,569	8,422	30,475	31,785		
11.	Paid-up Equity Share Capital (Face value per share in Rs. 2/-)	3,421	3,423	3,383	3,423	3,383	3,421	3,423	3,383	3,423	3,383		
12.	Reserves excluding Revaluation Reserves				97,909	82,293				96,883	80,846		
13.	Earnings per Share (EPS) (not annualised) Rs/share												
a.	EPS before extra ordinary items for the period												
	- Basic	13.80	3.81	5.02	17.61	18.70	14.04	3.84	4.98	17.88	18.82		
	- Diluted	13.54	3.78	4.97	17.38	18.57	13.77	3.81	4.93	17.64	18.68		
b.	EPS after extra ordinary items for the period												
	- Basic	13.80	3.81	5.02	17.61	18.70	14.04	3.84	4.98	17.88	18.82		
	- Diluted	13.54	3.78	4.97	17.38	18.57	13.77	3.81	4.93	17.64	18.68		
14.	Public Shareholding												
	- Number of Shares					79,173,245				79,275,045	76,952,786		
	- Percentage of Shareholding					46.29				46.32	45.49		

Notes:

- The financial results of the Company and the consolidated financial results for the year ended June 30, 2008, which have been audited by the statutory auditors have been reviewed by Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on September 2, 2008.
- The Board of Directors at the above meeting has recommended a final dividend of Rs 2/- per fully paid up equity share of Rs 2/- each for Financial Year 2007-08. This is subject to the approval of the members of the Company at the ensuing Annual General Meeting. The aggregate of interim (quarterly) dividends paid and final dividend recommended represents 400% for the Financial Year 2007-08.
- During the quarter ended June 30, 2008, the Company acquired 100% of the shareholding in Natural Technologies Private Ltd. "(NTPL)". A scheme of amalgamation (scheme) for merger of NTPL with the Company w.e.f July 1, 2008, the appointed date has been filed with the Hon'ble High Courts of Delhi and Rajasthan.
- During the quarter ended June 30, 2008, 1,01,800 equity shares of Rs 2/- each fully paid up were issued and allotted pursuant to the exercise of stock options under HCL Infosystems Ltd. - Employee Stock Option Schemes. 19,97,006 equity shares have been allotted under stock options during the Financial Year 2007-08
- Tax Expense (Current) has been computed by applying the provisions of Income Tax Act, 1961 to the profits of the financial year ended June 30, 2008, although the actual tax liability has to be computed with reference to the taxable profit for each fiscal year ended March 31.
- Consolidated results include results of HCL Infinet Ltd. (formerly Microcomp Ltd.), NTPL and HCL Security Ltd., wholly owned subsidiaries of the company. HCL Security Ltd. was incorporated during the previous quarter and did not commence commercial operations till June 30, 2008.
- The Company on a standalone basis operates in Computer Systems and Telecommunication & Office Automation segments. The Company's subsidiary HCL Infinet Ltd. (formerly Microcomp Ltd.) operates in the Internet & Related Services segment. NTPL, the other subsidiary is engaged in the business of developing software products for Indian banking sector.
- One investor complaint was received and resolved during the quarter ended June 30, 2008. No investor complaints were pending at the beginning and at the end of the quarter.
- Figures for previous periods have been regrouped and rearranged, wherever necessary, to conform with the relevant current period's classification.

Place : Noida
Date : September 02, 2008

By order of the Board

AJAI CHOWDHRY
Chairman & Chief Executive Officer

Consolidated Segment-wise Information

Rs.Lakhs

Sl. No.	Particulars	Unaudited		Audited	
		Three months ended June 30,		Year ended June 30,	
		2008	2007	2008	2007
1.	Segment Revenue				
a)	Products and Related Services				
	- Computer Systems & Other Related Products (Gross)	87,656	84,380	338,892	278,458
	Less: Excise Duty	4,067	4,686	15,784	18,348
	- Computer Systems & Other Related Products (Net)	83,589	79,694	323,108	260,110
	- Telecommunication & Office Automation (Net)	227,822	225,949	922,282	904,947
b)	Internet & Related Services	1,005	1,069	4,060	3,987
	Total	312,416	306,712	1,249,450	1,169,044
	Less : Inter segment revenue	939	567	4,721	1,858
	Net Sales / Income from Operations	311,477	306,145	1,244,729	1,167,186
2.	Segment Results (Profit (+) / Loss(-) before Tax and Interest from each segment)				
a)	Products and Related Services				
	- Computer Systems & Other Related Products	3,912	5,632	19,952	17,433
	- Telecommunication & Office Automation	7,090	7,419	28,544	26,713
b)	Internet & Related Services	-7	49	-410	-186
	Total	10,995	13,100	48,086	43,960
	Less :				
	i) Interest Expense (Net)	1,116	381	3,973	1,050
	ii) Other un-allocable expenditure net off	782	893	3,054	2,019
	iii) Un-allocable income	460	534	1,954	1,980
	Total Profit before Tax	9,557	12,360	43,013	42,871
3.	Capital Employed (Segment Assets - Segment Liabilities)				
a)	Products and Related Services				
	- Computer Systems & Other Related Products			95,338	65,383
	- Telecommunication & Office Automation			17,780	12,482
b)	Internet & Related Services			-226	241
c)	Unallocated				
	- Liquid Assets			21,640	28,751
	- Others unallocated (including investment in assets given on finance lease)			2,539	2,700
	Total Capital Employed			137,071	109,557