

HCL INFOSYSTEMS LIMITED

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

Unaudited Financial Results for the Quarter ended September 30, 2008

| Particulars | Consolidated | | | Standalone | | | Consolidated Segment-wise Information | | |
|------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-----------------------|--------------------------------|---------------------------------------------|-----------------------|--------------------------------|---------------------------------------------|-----------------------|--------------------------------|
| | Unaudited | | Audited | Unaudited | | Audited | Unaudited | | Audited |
| | Three months ended September 30, 2008 | September 30, 2007 | Year ended June 30, 2008 | Three months ended September 30, 2008 | September 30, 2007 | Year ended June 30, 2008 | Three months ended September 30, 2008 | September 30, 2007 | Year ended June 30, 2008 |
| - Gross Sales / Income from Operations | 3,12,578 | 3,12,727 | 12,60,529 | 3,11,617 | 3,11,934 | 12,56,944 | | | |
| - Less: Excise Duty | 3,969 | 4,068 | 15,800 | 3,969 | 4,068 | 15,800 | | | |
| 1a Net Sales / Income from Operations | 3,08,609 | 3,08,659 | 12,44,729 | 3,07,648 | 3,07,866 | 12,41,144 | | | |
| 1b Other Operating Income # | -1,255 | 987 | 2,253 | -1,342 | 966 | 2,087 | | | |
| 2. Expenditure | | | | | | | | | |
| a) (Increase) / Decrease in Stock in Trade and Work in Progress | -9,316 | -9,546 | -8,983 | -9,312 | -9,546 | -8,981 | | | |
| b) Consumption of Raw Materials | 53,398 | 41,924 | 1,75,382 | 53,407 | 41,925 | 1,75,395 | | | |
| c) Purchase of Traded Goods | 2,28,471 | 2,46,151 | 9,44,725 | 2,28,473 | 2,46,160 | 9,44,808 | | | |
| d) Purchase of Services (Net) | 4,478 | 2,104 | 11,432 | 4,010 | 1,579 | 9,166 | | | |
| e) Stores & Spares consumed and Others | 3,910 | 3,633 | 16,791 | 3,870 | 3,592 | 16,574 | | | |
| f) Employees Cost | 8,097 | 6,978 | 30,117 | 7,835 | 6,802 | 29,296 | | | |
| g) Administration, Selling, Repairs & Others | 7,814 | 7,105 | 30,624 | 7,444 | 6,928 | 29,822 | | | |
| h) Depreciation | 468 | 433 | 1,862 | 403 | 378 | 1,635 | | | |
| Total Expenditure | 2,97,320 | 2,98,782 | 12,01,950 | 2,96,130 | 2,97,818 | 11,97,715 | | | |
| 3. Profit from Operations before Other Income & Interest (1-2) | 10,034 | 10,864 | 45,032 | 10,176 | 11,014 | 45,516 | | | |
| 4. Other Income | 344 | 461 | 1,954 | 329 | 451 | 1,907 | | | |
| 5. Profit before Interest (3+4) | 10,378 | 11,325 | 46,986 | 10,505 | 11,465 | 47,423 | | | |
| 6. Interest Expense (Net) | 774 | 769 | 3,973 | 772 | 774 | 3,976 | | | |
| 7. Profit (+) / Loss (-) from ordinary activities before Tax (5-6) | 9,604 | 10,556 | 43,013 | 9,733 | 10,691 | 43,447 | | | |
| 8. Tax Expense | | | | | | | | | |
| - Current | 2,758 | 3,076 | 13,150 | 2,753 | 3,076 | 13,150 | | | |
| - Deferred | 143 | 31 | -563 | 148 | 31 | -563 | | | |
| - Fringe Benefit | 94 | 236 | 411 | 92 | 235 | 385 | | | |
| 9. Net Profit (+) / Loss (-) from ordinary activities after Tax (7-8) | 6,609 | 7,213 | 30,015 | 6,740 | 7,349 | 30,475 | | | |
| 10. Extraordinary items (net of tax expense Rs Nil) | - | - | - | - | - | - | | | |
| 11. Net Profit(+) / Loss (-) for the period (9-10) | 6,609 | 7,213 | 30,015 | 6,740 | 7,349 | 30,475 | | | |
| 12. Paid-up Equity Share Capital (Face value per share in Rs. 2/-) | 3,423 | 3,399 | 3,423 | 3,423 | 3,399 | 3,423 | | | |
| 13. Reserves excluding Revaluation Reserves as per Balance sheet of the previous accounting year | | | 97,909 | | | 96,883 | | | |
| 14. Earnings per Share (EPS) (not annualised) Rs/share | | | | | | | | | |
| a) EPS before extra ordinary items for the period | | | | | | | | | |
| - Basic | 3.86 | 4.26 | 17.61 | 3.94 | 4.34 | 17.88 | | | |
| - Diluted | 3.86 | 4.21 | 17.38 | 3.93 | 4.29 | 17.64 | | | |
| b) EPS after extra ordinary items for the period | | | | | | | | | |
| - Basic | 3.86 | 4.26 | 17.61 | 3.94 | 4.34 | 17.88 | | | |
| - Diluted | 3.86 | 4.21 | 17.38 | 3.93 | 4.29 | 17.64 | | | |
| 15. Public Shareholding | | | | | | | | | |
| - Number of Shares | | | | ##### | ##### | 7,92,75,045 | | | |
| - Percentage of Shareholding | | | | 46.28 | 45.79 | 46.32 | | | |
| # includes Exchange Fluctuation Gains (+) / Losses (-) (including unrealised gains/ losses on re-instatement of trade payable and receivables) | -1,646 | 663 | 129 | -1,646 | 663 | 129 | | | |

Notes:

- The above results have been subjected to limited review by the statutory auditors. After approval by the Audit Committee, these results have been approved and taken on record by the Board of Directors at its meeting held on October 23, 2008.
- The Board of Directors at the above meeting has declared interim dividend of Rs.2/- per fully paid up equity share of Rs. 2/- each for the Financial Year 2008-09. The Register of Members and Share Transfer Books of the Company would remain closed from Monday, November 3, 2008 to Tuesday, November 4, 2008 (both days inclusive) for the purpose of payment of dividend.
- During the quarter ended September 30, 2008, 6,975 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 Scheme.

| Particulars | Unaudited | | Audited |
|------------------------------------------------------------------------------------------|---------------------------------------------|-----------------------|--------------------------------|
| | Three months ended September 30, 2008 | September 30, 2007 | Year ended June 30, 2008 |
| 1. Segment Revenue | | | |
| a) Products and Related Services | | | |
| - Computer Systems & Other Related Products (Gross) | 87,594 | 76,142 | 3,38,892 |
| Less: Excise Duty | 3,969 | 4,068 | 15,784 |
| - Computer Systems & Other Related Products (Net) | 83,625 | 72,074 | 3,23,108 |
| - Telecommunication & Office Automation (Net) | 2,25,708 | 2,36,574 | 9,22,282 |
| b) Internet & Related Services | 941 | 976 | 4,060 |
| Total | 3,10,274 | 3,09,624 | 12,49,450 |
| Less : Intersegment revenue | 1,665 | 965 | 4,721 |
| Net Sales / Income from Operations | 3,08,609 | 3,08,659 | 12,44,729 |
| 2. Segment Results (Profit(+)/ Loss(-) before Tax and Interest from each segment) | | | |
| a) Products and Related Services | | | |
| - Computer Systems & Other Related Products | 4,756 | 5,187 | 19,952 |
| - Telecommunication & Office Automation | 6,271 | 6,686 | 28,544 |
| b) Internet & Related Services | -138 | -139 | -410 |
| Total | 10,889 | 11,734 | 48,086 |
| Less : | | | |
| i) Interest Expense (Net) | 774 | 769 | 3,973 |
| ii) Other un-allocable expenditure net off | 855 | 870 | 3,054 |
| iii) un-allocable income | 344 | 461 | 1,954 |
| Total Profit before Tax | 9,604 | 10,556 | 43,013 |
| 3. Capital Employed (Segment Assets - Segment Liabilities) | | | |
| a) Products and Related Services | | | |
| - Computer Systems & Other Related Products | 98,110 | 86,044 | 95,338 |
| - Telecommunication & Office Automation | 31,399 | 23,807 | 17,780 |
| b) Internet & Related Services | -218 | -13 | -226 |
| c) Unallocated | | | |
| - Liquid Assets | 11,536 | 14,313 | 21,640 |
| - Others unallocated (including investment in assets given on finance lease) | 1,252 | -142 | 2,539 |
| Total Capital Employed | 1,42,079 | 1,24,009 | 1,37,071 |

- Tax expense for the current quarter has been estimated subject to final computation of various tax adjustments.
- Consolidated results include results of HCL Infinet Ltd.(formerly Microcomp Ltd.), Natural Technologies Private Ltd. "(NTPL)" and HCL Security Ltd., wholly owned subsidiaries of the Company.
- A scheme of amalgamation 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. The merger is not expected to have any material impact on the results of the quarter.
- The Company on a standalone basis operates in Computer Systems and Telecommunication & Office Automation segments. The Company's subsidiary HCL Infinet Ltd. operates in Internet & Related Services segment. NTPL is engaged in the business of developing software products. HCL Security Ltd. is engaged in the business of Security & Surveillance solutions, and has commenced commercial operations in the current quarter.
- Three investor complaints were received and resolved during the quarter ended September 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.

By order of the Board
for HCL Infosystems Limited

AJAI CHOWDHRY
Chairman & Chief Executive Officer

Place : Noida
Date : October 23, 2008