

**HCL INFOSYSTEMS LIMITED**

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

**Unaudited Financial Results for the Quarter ended March 31, 2009**

Rs Lakhs

Particulars	Consolidated						Standalone			
	Unaudited		Unaudited		Audited	Unaudited		Audited		
	Three months ended March 31, 2009	Three months ended March 31, 2008	Nine months ended March 31, 2009	Nine months ended March 31, 2008	Year ended June 30, 2008	Three months ended March 31, 2009	Three months ended March 31, 2008	Nine months ended March 31, 2009	Year ended June 30, 2008	
<b>Gross Sales / Income from Operations</b>	<b>302,375</b>	<b>301,747</b>	<b>926,959</b>	<b>944,982</b>	<b>1,260,529</b>	<b>300,917</b>	<b>300,765</b>	<b>925,467</b>	<b>942,235</b>	<b>1,256,944</b>
- Less: Excise Duty	<b>2,758</b>	<b>3,728</b>	<b>9,950</b>	<b>11,730</b>	<b>15,800</b>	<b>2,758</b>	<b>3,728</b>	<b>9,950</b>	<b>11,730</b>	<b>15,800</b>
1. Net Sales / Income from Operations	<b>299,617</b>	<b>298,019</b>	<b>919,009</b>	<b>933,252</b>	<b>1,244,729</b>	<b>298,159</b>	<b>297,037</b>	<b>915,517</b>	<b>930,505</b>	<b>1,241,144</b>
2. Expenditure										
a) (Increase) / Decrease in Stock in Trade and Work in Progress	-12,791	-5,230	-18,832	-12,942	-8,983	-12,765	-5,232	-18,792	-12,944	-8,981
b) Consumption of Raw Materials	43,939	44,968	137,530	136,566	175,382	43,951	44,959	137,565	136,498	175,395
c) Purchase of Traded Goods	228,186	221,899	686,278	710,472	944,725	227,951	221,980	685,940	710,552	944,808
d) Purchase of Services (Net)	8,163	3,453	18,793	8,073	11,432	7,162	2,896	16,774	6,309	9,166
e) Stores & Spares consumed and Others	4,533	4,961	12,957	11,930	16,791	4,474	4,783	12,814	11,753	16,574
f) Employees Cost	8,821	7,809	25,565	22,327	30,117	8,336	7,622	24,515	21,753	29,296
g) Administration, Selling, Repairs & Others	8,332	7,725	24,655	22,889	30,624	7,824	7,482	23,339	22,199	29,822
h) Depreciation	559	495	1,533	1,369	1,862	441	439	1,261	1,206	1,635
<b>Total Expenditure</b>	<b>289,742</b>	<b>286,080</b>	<b>888,479</b>	<b>900,624</b>	<b>1,201,950</b>	<b>287,374</b>	<b>284,929</b>	<b>883,416</b>	<b>897,326</b>	<b>1,197,715</b>
3. Profit from Operations before Other Income & Interest (1-2)	<b>9,875</b>	<b>11,939</b>	<b>30,530</b>	<b>32,628</b>	<b>42,779</b>	<b>10,785</b>	<b>12,108</b>	<b>32,101</b>	<b>33,179</b>	<b>43,429</b>
4. Other Income #	292	669	-419	4,282	4,994	228	589	-764	4,128	4,776
5. Profit before Interest (3+4)	<b>10,167</b>	<b>12,608</b>	<b>30,111</b>	<b>36,910</b>	<b>47,773</b>	<b>11,013</b>	<b>12,697</b>	<b>31,337</b>	<b>37,307</b>	<b>48,205</b>
6. Interest Expense	1,216	1,260	3,458	3,454	4,760	1,211	1,261	3,439	3,454	4,758
7. Profit (+) / Loss (-) from ordinary activities before Tax (5-6)	<b>8,951</b>	<b>11,348</b>	<b>26,653</b>	<b>33,456</b>	<b>43,013</b>	<b>9,802</b>	<b>11,436</b>	<b>27,898</b>	<b>33,853</b>	<b>43,447</b>
8. Tax Expense										
- Current	3,117	3,198	8,807	9,818	13,150	3,117	3,198	8,807	9,818	13,150
- Deferred	-72	-91	-262	-145	-563	-65	-91	-261	-145	-563
- Fringe Benefit	86	93	154	281	411	83	91	145	274	385
9. Net Profit (+) / Loss (-) from ordinary activities after Tax (7-8)	<b>5,820</b>	<b>8,148</b>	<b>17,954</b>	<b>23,502</b>	<b>30,015</b>	<b>6,667</b>	<b>8,238</b>	<b>19,207</b>	<b>23,906</b>	<b>30,475</b>
10. Extraordinary items (net of tax expense Rs Nil)	-	-	-	-	-	-	-	-	-	-
11. Net Profit (+) / Loss (-) for the period (9-10)	<b>5,820</b>	<b>8,148</b>	<b>17,954</b>	<b>23,502</b>	<b>30,015</b>	<b>6,667</b>	<b>8,238</b>	<b>19,207</b>	<b>23,906</b>	<b>30,475</b>
12. Paid-up Equity Share Capital (Face value per share in Rs. 2/-)	3,424	3,421	3,424	3,421	3,423	3,424	3,421	3,423	3,421	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	3.40	4.77	10.49	13.80	17.61	3.89	4.82	11.22	14.04	17.88
- Diluted	3.40	4.68	10.49	13.54	17.38	3.89	4.74	11.22	13.77	17.64
b) EPS after extra ordinary items for the period										
- Basic	3.40	4.77	10.49	13.80	17.61	3.89	4.82	11.22	14.04	17.88
- Diluted	3.40	4.68	10.49	13.54	17.38	3.89	4.74	11.22	13.77	17.64
15. Public Shareholding										
- Number of Shares								77,761,749	79,173,245	79,275,045
- Percentage of Shareholding								45.42	46.29	46.32
16. Promoters and Promoter Group Shareholding										
a) Pledged / Encumbered										
- Number of shares								1319250		
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)								1.41%		
- Percentage of shares (as a % of the total share capital of the company)								0.77%		
b) Non - encumbered										
- Number of shares								92131032		
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)								98.59%		
- Percentage of shares (as a % of the total share capital of the company)								53.81%		
# includes Exchange Fluctuation Gains (+) / Losses (-) (including unrealised gains/ losses on re-instatement of trade payable and receivables)	-714	-324	-3,317	838	129	-715	-324	-3,318	838	129

Consolidated Segment-wise Information

Rs Lakhs

Particulars	Unaudited		Unaudited		Audited
	Three months ended March 31, 2009	Three months ended March 31, 2008	Nine months ended March 31, 2009	Nine months ended March 31, 2008	Year ended June 30, 2008
<b>1. Segment Revenue</b>					
a) Products and Related Services					
- Computer Systems & Other Related Products (Gross)	87,488	84,145	256,902	251,236	338,892
Less: Excise Duty	2,758	3,727	9,950	11,718	15,784
- Computer Systems & Other Related Products (Net)	84,730	80,418	246,952	239,518	323,108
- Telecommunication & Office Automation (Net)	215,815	218,375	674,057	694,460	922,282
b) Internet & Related Services	1,278	1,036	3,204	3,055	4,060
Total	301,823	299,829	924,213	937,033	1,249,450
Less : Intersegment revenue	2,206	1,810	5,204	3,781	4,721
<b>Net Sales / Income from Operations</b>	<b>299,617</b>	<b>298,019</b>	<b>919,009</b>	<b>933,252</b>	<b>1,244,729</b>
<b>2. Segment Results (Profit(+) / Loss(-) before Tax and Interest from each segment)</b>					
a) Products and Related Services					
- Computer Systems & Other Related Products	4,078	4,738	12,495	16,040	19,952
- Telecommunication & Office Automation	6,815	8,160	19,188	21,454	28,544
b) Internet & Related Services	-545	-91	-923	-403	-410
Total	10,348	12,807	30,760	37,091	48,086
Less :					
i) Interest Expense	1,216	1,260	3,458	3,454	4,760
ii) Other un-allocable expenditure net off	487	875	1,841	2,271	3,054
iii) un-allocable income	306	676	1,192	2,090	2,741
<b>Total Profit before Tax</b>	<b>8,951</b>	<b>11,348</b>	<b>26,653</b>	<b>33,456</b>	<b>43,013</b>
<b>3. Capital Employed (Segment Assets - Segment Liabilities)</b>					
a) Products and Related Services					
- Computer Systems & Other Related Products			95,749	96,914	95,338
- Telecommunication & Office Automation			25,681	20,217	17,780
b) Internet & Related Services			-301	-92	-226
c) Unallocated					
- Liquid Assets			13,690	20,868	21,640
- Others unallocated (including investment in assets given on finance lease)			1,990	3,953	2,539
<b>Total Capital Employed</b>			<b>136,809</b>	<b>141,860</b>	<b>137,071</b>

Notes:

- The above results have been subjected to limited review by the statutory auditors. After recommendation by the Audit Committee, these results have been approved and taken on record by the Board of Directors at its meeting held on April 23, 2009.
- The Board of Directors at the above meeting has declared third interim dividend of Rs 1.5/- per fully paid up equity share of Rs. 2/- each for the Financial Year 2008-09. The "Record Date" for the payment of dividend will be Friday, 1st May, 2009.
- During the quarter ended March 31, 2009, 46,400 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.
- Consolidated results include results of HCL Infonet Ltd. (formerly Microcomp Ltd.), Natural Technologies Private Ltd. "(NTPL)", HCL Security Ltd. and HCL Infocom Ltd., wholly owned subsidiaries of the Company. The results of NTPL, HCL Security Ltd. and HCL Infocom Ltd. are currently not material.
- Pursuant to notification u/s 211(3c) of the Company's Act 1956 issued by the Ministry of Corporate Affairs on March 31, 2009, the Company has opted to accumulate the exchange difference arising on translation of foreign currency items having a term of 12 months or more and amortize such exchange difference over the useful life of the item. Accordingly, the profit for the current quarter is higher by Rs. 490 lakhs on account of above mentioned exchange difference, which will be amortised in future period(s).
- A scheme of amalgamation (Scheme) for merger of NTPL with the Company w.e.f July 1, 2008, the appointed date was filed with the Hon'ble High Courts of Delhi and Rajasthan. The Scheme has been approved by Equity shareholders and secured & unsecured creditors of NTPL at the court convened meetings held on March 28, 2009. The merger is not expected to have any material impact on the results of the standalone Company for the quarter.
- Tax expense for the current quarter has been estimated subject to final computation of various tax adjustments.
- The Company on a standalone basis operates in Computer Systems and Telecommunication & Office Automation segments. The Company's subsidiary HCL Infonet 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.
- Nine investor complaints were received and resolved during the quarter ended March 31, 2009. 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