



HCL to report foreign exchange losses for the recent concluded quarter

Noida – July 11, 2008: HCL Technologies Ltd., India's leading global IT services provider, today announced that it expects to report foreign exchange losses owing to strengthening of US\$ against Indian Rupee in respect of its outstanding hedges. The US Dollar in the just concluded quarter ended on 30th June appreciated against Indian Rupee by 7.3%. In addition, the 12-month forward premiums have firmed up from Rs. 0.67 to a Dollar as of March end to Rs. 1.77 as of June end.

HCL has been following the policy of hedging its foreign currency inflows against fluctuations by taking forward covers. HCL had US\$-Indian Rupee forward covers of \$2.5 billion as of March end.

As a part of its proactive treasury policy and to put a stop loss, the company unwound \$540 million of forward covers and incurred cash loss of US\$ 9 mn. The foreign exchange loss for this quarter inclusive of mark to market impact on the outstanding foreign exchange covers, is likely to be US\$ 65 to 75 million. For the full year ended 30th June, 2008, the Company would be incurring foreign exchange loss of US\$ 67 to US\$77 million. This is against \$79.2 million of foreign exchange gain recorded during financial year ended on 30th June, 2007. As a result of mark-to-market the forward covers where hedge accounting is being followed, the company will be carrying US\$ 114 million as "Other Comprehensive Loss" in the balance sheet.

As of June end, the company is having US\$-Indian Rupee hedges of \$1.7 billion.

About HCL Technologies

HCL Technologies is one of India's leading global IT Services companies, providing software-led IT solutions, remote infrastructure management services and BPO. Having made a foray into the global IT landscape in 1999 after its IPO, HCL Technologies focuses on Transformational Outsourcing, working with clients in areas that impact and re-define the core of their business. The company leverages an extensive global offshore infrastructure and its global network of offices in 18 countries to deliver solutions across select verticals including Financial Services, Retail & Consumer, Life Sciences & Healthcare, Hi-Tech & Manufacturing, Telecom and Media & Entertainment (M&E). For the quarter ended 31st March 2008, HCL Technologies, along with its subsidiaries had last twelve months (LTM) revenue of US \$ 1.8 billion (Rs. 7083 crores) and employed 49,802 professionals.

About HCL Enterprise

HCL Enterprise is a \$ 4.8 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 span Product Engineering, Custom & Package Applications, BPO, IT Infrastructure Services, IT Hardware, Systems Integration, and distribution of ICT products. The HCL team comprises over 55,000 professionals of diverse nationalities, who operate from 18 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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