



HCL Technologies

Quarterly Results 2009-10

First Quarter Results FY 2009-10

Investor Release

Noida, NCR, India, October 28, 2009

Q1 Revenues at Rs.3,031 Cr; up 28.9% YoY; up 4.2% QoQ

EBIT at Rs.547 Cr; up 29.4% YoY; up 4.3% QoQ

Net Income at Rs.320 Cr

Q1 Revenues at US\$ 630 mn; up 25.8% YoY, 3.8% QoQ

EBIT at US\$ 113 mn; up 26.3% YoY, 3.9% QoQ

Net Income at US\$ 66 mn

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Results Highlights

Highlights for the Quarter (INR)

- Revenue at **Rs.3,031 crore**; up **28.9% YoY** and **4.2%** sequentially
- EBIT at **Rs.547 crore**; up **29.4% YoY** and **4.3%** sequentially
- Net Income before forex loss at **Rs.470 crore**, up **7.9% YoY** and **12.3%** sequentially
- Forex loss for the quarter at **Rs. 151 crore** compared to **Rs. 80 crore** same quarter last year and **Rs. 89 crore** last quarter
- Net Income at **Rs. 320 crore**
- Announces dividend of Re. 1 per share, 27th consecutive quarter of dividend payout
- Gross addition at 4,322 taking the headcount to 54,443. Net addition in IT Services at 665

Highlights for the Quarter (US\$)

- Revenue at **US\$ 630 mn**; up **25.8% YoY** and **3.8%** sequentially
- Revenue on constant currency basis, up **29.1% YoY** and up **2.3%** sequentially
- EBIT at **US\$ 113 mn**; up **26.3% YoY** and **3.9%** sequentially
- Net Income before forex loss at **US\$ 97 mn**, up **5.3% YoY** and **11.8%** sequentially.
- Forex loss for the quarter at **US\$ 31mn** compared to **US\$ 17 mn** same quarter last year and **US\$ 19 mn** last quarter
- Net Income at **US\$ 66 mn**
- Announces dividend of Re. 1 per share, 27th consecutive quarter of dividend payout
- Gross addition at 4,322 taking the headcount to 54,443. Net addition in IT Services at 665



Overview

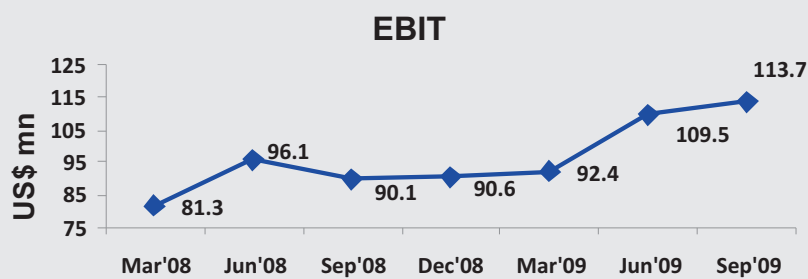
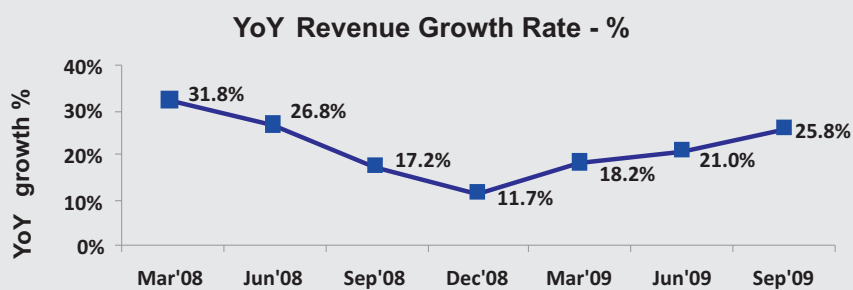
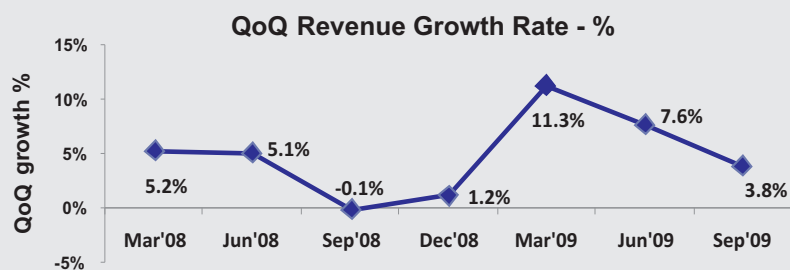
HCL continues to respond well to the changing market dynamics. The financial performance and strategic actions in the past few quarters is a testimony to the solidity of its fundamentals, and effectiveness of its strategy. HCL continues to create innovation and growth in a challenging market environment.

“Though there are signs of an early recovery in sectors like Financial Services, we continue to be cautious. We continue to see sustained recovery only by next year. In the new normal world of changed consumption patterns, new growth drivers, new sources of innovation and new uses of technology, companies will be dealing with a new reality that brings with it moderated growth rates and higher government regulation. HCL is poised to take advantage of the upcoming market opportunities”, said **Shiv Nadar, Chairman and Chief Strategy Officer, HCL Technologies.**

Commenting on the results, **Vineet Nayar, CEO, HCL Technologies** said “We continue to excel. We have had another good quarter recording a revenue growth of 25.8% YoY on the back of 21.0% YoY growth last quarter. At the same time, our margins grew by 26.3% YoY. We have accelerated growth in Infrastructure Services, Custom Applications, Telecom, Media, Retail and Financial Services besides gaining market share in US and Europe. This reaffirms our leadership in these markets and further strengthens our momentum of a broad-based growth. We continue our investments in new services, emerging markets, best in class discrete services and Total IT outsourcing coupled with our focus on employee engagement and customer satisfaction which has stood us well.”



Business Highlights



Key Catalysts for Growth

- HCL has witnessed positive growth in US and Europe
- Infrastructure Services and Custom Application recorded accelerated growth reaffirming HCL's dominant market position
- Growth recorded in Media Publishing & Entertainment (MPE) followed by Retail & CPG, Financial Services while Telecom & Life Sciences have demonstrated positive traction

Particulars	Segment	US \$ Growth		
		YoY	QoQ	QoQ (CC*)
Consolidated	For the Company	25.8%	3.8%	2.3%
Geography	Europe	25.9%	5.4%	1.5%
	US	29.6%	3.5%	3.5%
Service Offering	Infrastructure Services	55.0%	14.4%	13.0%
	Custom Application	7.7%	6.9%	5.0%
Industry	Media Publishing & Entertainment (MPE)	52.8%	26.9%	26.4%
	Retail & CPG	8.2%	10.2%	7.5%
	Financial Services	20.3%	10.0%	7.3%
	Telecom	-0.9%	7.6%	5.3%
	Life Sciences	36.8%	3.8%	3.5%

* CC - Constant Currency



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

- New wins during this quarter include EFH, American Family Insurance, U.S. Food Service, NetApp, Xerox-XIM amongst others

Transformation @ HCL

- HCL participates as a panelist in the session “Towards a Green Recovery” as part of the World Economic Forum ‘New Champions’ Annual Meeting in China. The session focused on promoting sustainable economic recovery and discussed other points including various government stimulus packages allocating significant amounts to green growth, impact of unprecedented spending, short-term impact of a green recovery strategy
- The UK Trade & Investment India Business Awards 2009 presented Shiv Nadar, Chairman and Chief Strategy Officer, the UK Trade & Investment (UKTI) Business Person of the Year Award in acknowledgment of HCL’s pioneering investment in the UK under his visionary leadership, and for his focus and direction in establishing HCL as a leader in the ICT industry in India

Recognitions

- HCL applauded for improved transparency by IDC’s Financial Insights in their July 09 report “Best Practices: Are Asia/ Pacific Banks Ready to Turn the Spotlight on Vendor Risk”. The report discusses major drivers of the increased focus given to vendor risk management by financial institutions in the Asia/Pacific region. HCL’s standards of corporate transparency have been noted especially mentioning detailed disclosures made to current and potential clients and the appointment of a twin audit system reviewing key assets
- HCL won the prestigious ‘Golden Peacock Innovation’ award for its MTaaSTM (a Business Service Management centric service delivery platform) offering in the IT Sector category. The offering was chosen amongst more than 188 corporate entries through a stringent selection process based on an exhaustive set of parameters. The Golden Peacock Awards instituted by the Institute of Directors (IoD) in 1991 are considered the holy grail of corporate excellence, one of the most prestigious citations in the Indian industry
- HCL ranked by Gartner as the highest pure-play IT service provider among global 211 Manufacturing Industries on Net Promoter Score (NPS). NPS is a measure of customer loyalty calculated by a survey to help executives gauge the extent of loyalty among their customers. A high NPS indicates good signs of customer reference, increasing customer loyalty and possibly higher average growth rate
- HCL AXON rated as a leader in the Forrester Wave for SAP Implementation Providers. HCL has made the most notable leap since Forrester’s last evaluation of this market through its acquisition of Axon, which makes it a serious contender across all phases of the SAP implementation life cycle
- HCL AXON ranked amongst the Top 10 in “The Top 25 SAP Service Providers” by AMR Research. With HCL AXON, India Inc. stands to compete at scale with the world’s largest IT services companies with an end-to-end SAP services portfolio
- HCL BPO ranked No.1 amongst the 2009 Top Cross-Industry BPO Vendors by the Black Book of Outsourcing. HCL is recognized as a company that continues to grow and deliver highly innovative solutions with a diverse service portfolio, robust service delivery and strong relationships with key business and trade partners
- HCL BPO won the CIO ‘Ingenious 100’ Award 2009 for the second consecutive time for its IT Service Management Platform, eNSUREIT. The annual award program by IDG India’s CIO magazine recognizes organizations that exemplify the highest level of operational and strategic excellence in information technology. HCL won this award for its IT innovation eNSURE IT which is a platform that enables a process-driven blend of people and technology resulting in 99.9% of service uptime



Business Highlights

- HCL AXON completed a carve-out of Enterprise Solutions SAP practice of the UCS Group in South Africa. The carve-out deepens HCL AXON's SAP capabilities with best-in-class SAP Retail Industry Solutions (IS), bringing in proven competency in IS Retail and further increase the global delivery capabilities, including a significant boost to the company's market presence in South Africa. The partnership allows UCS Group to grow its annuity services business internationally and to support the growth of its SAP All in One business
- Queensland Rail won SAP's Customer Awards of Excellence in the category of Best Value Realization for its programme with HCL AXON
- HCL awarded Velocity Global Alliances – Gold Tier Partner by EMC² 2009. Based on HCL's alliance efforts with EMC, HCL has been chosen as a top partner for EMC and is now part of the Velocity program. The Velocity Program is a 'best in class' Alliance partner program customized for global Systems Integrators and Outsourcers that provides a consistent and predictable funding model for business development
- HCL invested in Next Generation Green Data Center in New Jersey further expanding its U.S. Delivery footprints. The facility enables End-to-End Data Center Services including Near-shore Co-Location Solutions, Business Continuity Planning, Cloud Computing and Mainframe Management Services



Financials

Unaudited consolidated financial results for the quarter ended 30th September, 2009 drawn under US GAAP

Consolidated Income Statement

Amt. in US \$ million

Income Statement	Quarter ending...			Growth	
	30-Sep-08	30-Jun-09	30-Sep-09	YoY	QoQ
Revenues	500.9	607.2	630.1	25.8%	3.8%
Direct Costs	305.9	378.6	398.0		
Gross Profits	195.0	228.6	232.1		
SG & A	85.6	94.1	88.9		
EBITDA	109.4	134.5	143.2	30.9%	6.5%
Depreciation	18.9	17.1	20.4		
Amortisation	0.4	7.9	9.1		
EBIT	90.1	109.5	113.7	26.3%	3.9%
Cash Flow Hedge accounting gain/ (loss)	3.7	(32.9)	(32.3)		
Forex gain / (loss)	(20.8)	14.4	1.0		
Other Income, net	11.9	(2.4)	(1.3)		
Provision for Tax	9.4	19.5	14.6		
Share from Equity Investment /of Minority Interest	0.3	(0.1)	(0.0)		
Net Income	75.8	68.9	66.5	-12.3%	-3.5%
Net Income before Forex gain/(loss)	92.9	87.4	97.8	5.3%	11.8%
Gross Margin	38.9%	37.6%	36.8%		
EBITDA Margin	21.8%	22.1%	22.7%		
EBIT Margin	18.0%	18.0%	18.0%		
Earnings Per Share (EPS) - Annualized					
Basic – in US \$	0.45	0.41	0.40		
Diluted – in US \$	0.45	0.41	0.39		
“Weighted average number of Shares used in computing EPS”					
Basic	667,208,948	669,896,432	670,539,209		
Diluted	678,781,727	674,553,269	684,972,139		



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)	30-Sep-08	30-Jun-09	30-Sep-09
Options at market price	0.5	0.5	0.0
Options at less than market price	3.9	3.3	4.2
Total	4.3	3.8	4.2
Tax benefit	0.4	(0.4)	0.3
Total (net of tax)	4.0	4.2	3.9

Outstanding Options (in equivalent no of shares)	30-Sep-08	30-Jun-09	30-Sep-09
Options at market price	26,381,152	23,962,552	23,408,288
Options at less than market price	11,036,068	9,711,852	9,630,216

The options will vest in tranches till 2011

Consolidated Balance Sheet

Amt. in US \$ million

Particulars	As on	
	30-Jun-09	30-Sep-09
Assets		
a) Cash & Cash Equivalents	87.7	74.2
b) Account Receivables, net	565.4	632.6
c) Deposit with Banks	303.9	289.6
d) Investment Securities, available for sale	4.8	200.9
e) Other Current Assets	223.4	199.4
A) Total Current Assets (a+b+c+d+e)	1,185.3	1,396.6
B) Property and Equipments, net	331.1	338.6
C) Intangible Assets, net	946.2	944.9
D) Investment Securities, held to maturity	4.2	4.2
E) Investment in Equity Investee	3.5	3.5
F) Other Assets	179.7	188.1
Total Assets (A+B+C+D+E+F)	2,650.1	2,875.9
Liabilities & Stockholders' Equity		
a) Current Liabilities	682.1	654.5
b) Loans	621.5	786.3
c) Other Liabilities	159.4	181.7
A) Total Liabilities (a+b+c)	1,463.0	1,622.5
B) Minority Interest	0.3	0.3
C) Total Stockholders Equity	1,186.7	1,253.0
Total Liabilities and Stockholders Equity (A+B+C)	2,650.1	2,875.9



Consolidated Cash Flow Statement

Amt. in US \$ million

Particulars	Period ended 30-Sep-09
CASH FLOWS FROM OPERATING ACTIVITIES	
Net Income	66.5
Adjustments to Reconcile Net Income to Net Cash provided by Operating Activities	
Depreciation and Amortization	29.5
(Profit) /Loss on Redemption of Mutual Fund Investments	(0.5)
Others	(19.7)
Changes in Assets and Liabilities, net	
Accounts Receivable	(71.3)
Other Assets	14.0
Current Liabilities	18.4
Net Cash provided by operating Activities	36.9
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Property and Equipment (net)	(26.7)
Short term deposits with Banks	13.0
(Purchase) / Sale of investments	(195.4)
Payments for business acquisitions, net of cash acquired	(7.8)
Net Cash used in Investing Activities	(216.9)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from Issuance of Employees Stock Options	1.6
Proceeds from Issuance of Debenture	207.1
Loans	(42.6)
Others	(0.3)
Net Cash provided by (used in) Financing Activities	165.9
Effect of Exchange Rate on Cash and Cash Equivalents	0.5
Net Increase/ (Decrease) in Cash and Cash Equivalents	(13.6)
CASH AND CASH EQUIVALENTS	
Beginning of the Period	87.7
End of the Period	74.2



Segment wise Profitability

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

Amt. in US \$ million

Particulars	Quarter ended			Growth%	
	30-Sep-08	30-Jun-09	30-Sep-09	YoY	QoQ
Revenues	444.4	548.6	571.3	28.5%	4.1%
Direct Costs	269.2	339.8	357.4		
Gross Profits	175.2	208.8	213.9		
SG & A	75.9	83.1	79.1		
EBITDA	99.2	125.7	134.8	35.8%	7.3%
Depreciation	16.0	14.9	17.9		
Amortisation	0.3	7.6	8.6		
EBIT	83.0	103.2	108.3	30.5%	5.0%
Gross Margin	39.4%	38.1%	37.4%		
EBITDA Margin	22.3%	22.9%	23.6%		
EBIT Margin	18.7%	18.8%	19.0%		

B. BPO Services

Amt. in US \$ million

Particulars	Quarter ended			Growth%	
	30-Sep-08	30-Jun-09	30-Sep-09	YoY	QoQ
Revenues	56.5	58.6	58.8	4.0%	0.4%
Direct Costs	36.7	38.8	40.6		
Gross Profits	19.8	19.8	18.2		
SG & A	9.7	11.0	9.8		
EBITDA	10.2	8.8	8.4	-17.3%	-4.8%
Depreciation	3.0	2.2	2.5		
Amortisation	0.1	0.3	0.5		
EBIT	7.1	6.3	5.4	-23.5%	-14.2%
Gross Margin	35.1%	33.8%	31.0%		
EBITDA Margin	18.0%	15.1%	14.3%		
EBIT Margin	12.5%	10.8%	9.2%		



A1. Software Services

Amt. in US \$ million

Particulars	Quarter ended			Growth%	
	30-Sep-08	30-Jun-09	30-Sep-09	YoY	QoQ
Revenues	365.4	441.5	448.8	22.8%	1.6%
Direct Costs	216.0	267.1	272.9		
Gross Profits	149.4	174.4	175.9		
SG & A	65.1	69.5	65.3		
EBITDA	84.3	104.9	110.6	31.2%	5.4%
Depreciation	12.5	11.8	13.6		
Amortisation	0.3	7.6	8.6		
EBIT	71.5	85.5	88.4	23.7%	3.4%
Gross Margin	40.9%	39.5%	39.2%		
EBITDA Margin	23.1%	23.8%	24.6%		
EBIT Margin	19.6%	19.4%	19.7%		

A2. Infrastructure Services

Amt. in US \$ million

Particulars	Quarter ended			Growth%	
	30-Sep-08	30-Jun-09	30-Sep-09	YoY	QoQ
Revenues	79.0	107.1	122.5	55.1%	14.4%
Direct Costs	53.2	72.7	84.5		
Gross Profits	25.8	34.4	38.0		
SG & A	10.8	13.7	13.8		
EBITDA	14.9	20.7	24.2	61.9%	16.5%
Depreciation	3.4	3.1	4.3		
EBIT	11.5	17.6	19.9	73.0%	12.7%
Gross Margin	32.6%	32.1%	31.0%		
EBITDA Margin	18.9%	19.4%	19.7%		
EBIT Margin	14.5%	16.5%	16.2%		



Revenue Analysis

Geographic Mix (Quarter ended)	30-Sep-08	30-Jun-09	30-Sep-09	LTM
US	57.0%	58.9%	58.7%	59.5%
Europe	29.0%	28.5%	29.0%	28.1%
Asia Pacific	14.0%	12.6%	12.3%	12.4%

Service Offering Mix (Quarter ended)	30-Sep-08	30-Jun-09	30-Sep-09	LTM
Enterprise Application Services	10.9%	23.6%	21.9%	20.9%
Engineering and R&D Services	26.2%	19.4%	18.7%	21.2%
Custom Application (Industry Solutions)	35.8%	29.7%	30.7%	30.3%
Infrastructure Services	15.8%	17.6%	19.4%	17.3%
BPO Services	11.3%	9.7%	9.3%	10.3%

Revenue by Contract Type (Qtr ended)	30-Sep-08	30-Jun-09	30-Sep-09
IT Services			
Time & Material (T&M)	64.0%	61.5%	60.0%
Fixed Price Projects	36.0%	38.5%	40.0%

Revenue by Vertical (Qtr end)	30-Sep-08	30-Jun-09	30-Sep-09
Financial Services	27.5%	24.8%	26.3%
Manufacturing	30.8%	30.9%	27.4%
Telecom	16.4%	12.5%	13.0%
Retail & CPG	8.2%	6.6%	7.0%
Media Publishing & Entertainment (MPE)	5.6%	5.6%	6.8%
Life Sciences	5.9%	6.4%	6.4%
Energy-Utilities-Public Sector	1.4%	7.6%	6.8%
Others	4.2%	5.6%	6.3%

Rupee / US Dollar	30-Sep-08	30-Jun-09	30-Sep-09
Quarter Ended	46.95	47.90	48.11
Average for the Quarter	44.49	48.35	48.29

“LTM” - Last Twelve Months



Constant Currency (CC) Reporting

Reported	JAS 08	OND 08	JFM 09	AMJ 09	JAS 09
Revenue (\$ mn)	500.9	507.0	564.4	607.2	630.1
Growth QoQ	-0.1%	1.2%	11.3%	7.6%	3.8%
Growth YoY	17.2%	11.7%	18.2%	21.0%	25.8%
Constant Currency (QoQ)	JAS 08	OND 08	JFM 09	AMJ 09	JAS 09
Revenue (\$ mn)	512.3	540.8	572.2	586.2	621.3
Growth QoQ	2.1%	8.0%	12.9%	3.9%	2.3%
Constant Currency (YoY)	JAS 08	OND 08	JFM 09	AMJ 09	JAS 09
Revenue (\$ mn)	507.7	555.3	608.7	645.3	646.9
Growth YoY	18.8%	22.4%	27.5%	28.6%	29.1%
Average Rates for Qtr	JAS 08	OND 08	JFM 09	AMJ 09	JAS 09
GBP	1.87	1.54	1.43	1.58	1.62
EURO	1.49	1.32	1.30	1.38	1.43
INR	0.02	0.02	0.02	0.02	0.02
SGD	0.71	0.68	0.66	0.69	0.70
AUD	0.87	0.67	0.66	0.78	0.84

		US \$ Growth
Particulars	Segment	QoQ at CC
Consolidated	For the Company	2.3%
Geography	US	3.5%
	Europe	1.5%
	Asia Pacific	-1.5%
Service Offering	Enterprise Application Services	-4.7%
	Engineering and R&D Services	-0.7%
	Custom Application	5.0%
	Infrastructure Services	13.0%
	BPO Services	-2.4%
Industry	Financial Services	7.3%
	Manufacturing	-8.3%
	Telecom	5.3%
	Retail & CPG	7.5%
	MPE	26.4%
	Life Sciences	3.5%
	Energy-Utilities-Public Sector	-7.3%
	Others	12.8%
Clients(LTM)	Top 5	-1.2%
	Top 10	0.9%
	Top 20	1.2%



Client Metrics

Client Data (LTM)	30-Sep-08	30-Jun-09	30-Sep-09	QoQ Change
Number of Clients				
Active Client Relationship	295	367	373	6
New Client Relationship	29	37	28	
Accounting for > 5% of revenue	2	2	1	(1)

Number of Million Dollar Clients (LTM)	30-Sep-08	30-Jun-09	30-Sep-09	QoQ Change	YoY Change
100 Million dollar +	2	2	1	(1)	(1)
50 Million dollar +	3	4	4	-	1
40 Million dollar +	8	7	7	-	(1)
30 Million dollar +	12	8	9	1	(3)
20 Million dollar +	17	20	20	-	3
10 Million dollar +	36	43	45	2	9
5 Million dollar +	68	85	94	9	26
1 Million dollar +	205	253	264	11	59

Client Contribution to Revenue (LTM)	30-Sep-08	30-Jun-09	30-Sep-09	QoQ growth LTM Basis	QoQ growth Qtrly Basis
Top 5 Clients	26.1%	20.6%	19.0%	-3.1%	8.4%
Top 10 Clients	36.6%	28.9%	27.2%	-0.8%	1.8%
Top 20 Clients	48.8%	40.2%	38.1%	-0.3%	2.3%

Client Business - (LTM)	30-Sep-08	30-Jun-09	30-Sep-09
Repeat Business - Consolidated	92.9%	88.4%	93.7%
Days Sales Outstanding	80	84	90
Days Sales Outstanding - excluding unbilled revenue	68	68	73

"LTM" - Last Twelve Months



Operational Metrics - Software Services

Software Services (Quarter Ended)	30-Sep-08	30-Jun-09	30-Sep-09
Efforts			
Offshore	74.9%	71.7%	71.9%
Onsite	25.1%	28.3%	28.1%
Revenue			
Offshore	52.0%	41.2%	41.5%
Onsite	48.0%	58.8%	58.5%
Utilization			
Offshore - Including trainees	74.4%	76.2%	76.0%
Offshore - Excluding trainees	74.7%	76.5%	77.9%
Onsite	96.5%	97.0%	97.2%

Software Services Efforts (Man Months)	30-Sep-08	30-Jun-09	30-Sep-09
Efforts Billed - Offshore	49,603	50,640	51,167
Efforts Billed - Onsite	16,644	20,022	19,950
Total Billed Efforts	66,247	70,662	71,117
Not Billed	17,427	16,179	15,128
Trainee	213	276	1,590
Not Billed (including trainees)	17,640	16,455	16,718



Employee Metrics

Manpower Details	30-Sep-08	30-Jun-09	30-Sep-09
Total Employee Count	52,714	54,216	54,443
IT Services (Software Services [A1] + Infrastructure Services [A2])	39,550	42,416	43,081
Technical	34,695	37,544	38,211
Support	4,855	4,872	4,870
Gross addition	3,469	1,353	2,612
Net addition	2,124	(184)	665
Gross lateral employee addition	2,802	667	1,671
Attrition (LTM)* - IT Services (Software Services + Infrastructure Services)	14.2%	13.0%	12.8%
BPO Services - Total	13,164	11,800	11,362
Offshore	9,404	8,203	7,883
Onsite	2,264	2,218	2,087
Support	1,496	1,379	1,392
Gross addition	2,128	2,038	1,710
Net addition	(151)	374	(438)
Gross lateral employee addition	502	662	424
Offshore Attrition – Quarterly	16.0%	12.6%	17.4%
Offshore Attrition - Quarterly (excluding attrition of joiners less than 6 months)	6.5%	9.3%	11.1%

* Excludes involuntary attrition



A1. Software Services

	30-Sep-08	30-Jun-09	30-Sep-09
Software Services - Total	31,271	32,364	32,312
Technical	27,282	28,353	28,382
Support	3,989	4,011	3,930
Gross addition	2,007	844	1,520
Net addition	880	(538)	(52)
Gross lateral employee addition	1,767	322	1,063
Attrition (LTM)	14.2%	12.9%	12.7%

A2. Infrastructure Services

	30-Sep-08	30-Jun-09	30-Sep-09
Infrastructure Services - Total	8,279	10,052	10,769
Technical	7,413	9,191	9,829
Support	866	861	940
Gross addition	1,462	509	1,092
Net addition	1,244	354	717
Gross lateral employee addition	1,035	345	608
Attrition (LTM)	14.3%	13.2%	13.2%



Facility Details

As on 30th September 2009	Completed		Work in Progress		Land Available for expansion - in acres
Delivery Locations	Built Up area (Sq. ft.)	No. of seats	Built Up area (Sq. ft.)	No. of seats	
Gurgoan	330,127	2,922			
Noida(NCR)	1,936,012	21,861			31
Chennai	2,528,946	23,456	480,871	3,033	27
Bangalore	864,900	7,998	518,000	4,400	13
Mumbai	28,300	300			
Kolkatta	95,467	1,042			
Hyderabad	166,916	1,704			
Manesar (Haryana)			430,000	3,400	10
Nagpur			50,000	500	
UK	79,564	922			
USA	96,532	607			
Nortern Ireland(NI)	100,000	1,400			
Singapore	15,656	187			
Australia	17,894	133			
Poland	16,100	199			
China	15,300	147			
Malaysia	40,955	540			
Others	22,611	188			
Total	6,355,280	63,606	1,478,871	11,333	81



Cash & Cash Equivalent, Investments and Borrowing

Amt. in US \$ million

	30-Sep-09
A. Cash and Cash Equivalent	74.2
B. Fixed Deposit with Banks	289.6
C. Investment Securities, held to maturity	4.2
D. Mutual Funds Liquid Schemes	200.9
Total (A+B+C+D)	568.9

A. Details of Cash & Cash Equivalent

Amt. in US \$ million

Bank Name	Country	30-Sep-09
Standard Chartered Bank	UK	20.5
Silicon Valley Bank	USA	4.5
Citibank	India	3.9
Standard Chartered Bank	South Africa	2.5
ANZ Bank	Australia	1.9
Canadian Imperial Bank Of Commerce	Canada	1.9
Bank of Tokyo	Japan	1.8
Deutsche Bank AG	India	1.8
Lloyds Bank	UK	1.7
Bank of Ireland	UK	1.5
Indian Overseas Bank	Singapore	1.4
Barclays Bank	UK	1.2
Citi Bank	USA	1.2
Societe Generale Bank	India	1.1
Citi Bank	Brazil	0.9
ICICI Bank	India	0.9
Others including funds in transit		25.2
Grand Total		74.2



Cash & Cash Equivalent, Investments and Borrowing

B. Fixed Deposit with Banks

Amt. in US \$ million

	30-Sep-09
Bank of India	77.9
Bank of Baroda	73.5
State Bank of India	52.6
Canara Bank	43.0
Punjab National Bank	34.5
Corporation Bank	7.5
Others	0.5
Total Fixed Deposit with Banks	289.6

C. Investment Securities, held to maturity

Exim Bank Bonds 2008-09 -	4.2
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D. Investment Securities, available for Sale - Mutual Funds Liquid Schemes

	200.9
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E. Details of Loans

Dollar Loan	480.0
Rupee-denominated Redeemable Secured NCDs	207.9
Commercial paper	41.6
Other working capital loans (including Rupee denominated supplier financing of \$16.8 million)	56.9
Total Loans	786.3



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. 48.11 for the quarter ended on 30 Sep 2009; US \$1 = Rs. 47.90 for the quarter ended on 30 Jun 2009; US\$ 1 = Rs. 46.95 for the quarter ended 30 Sep 2008)

Unaudited consolidated financial results for the quarter ended 30th September, 2009 drawn under US GAAP

Consolidated Income Statement

Amt. in Rs Crores

Income Statement	Quarter ending...			Growth	
	30-Sep-08	30-Jun-09	30-Sep-09	YoY	QoQ
Revenues	2,351.7	2,908.5	3,031.4	28.9%	4.2%
Direct Costs	1,436.2	1,813.6	1,914.7		
Gross Profits	915.5	1,094.9	1,116.7		
SG & A	401.9	450.8	427.9		
EBITDA	513.6	644.1	688.8	34.1%	6.9%
Depreciation	88.7	81.9	98.1		
Amortisation	1.9	37.8	43.7		
EBIT	423.0	524.4	547.0	29.4%	4.3%
Cash Flow Hedge accounting gain/ (loss)	17.4	(157.6)	(155.4)		
Forex gain / (loss)	(97.7)	69.0	5.0		
Other Income, net	55.9	(11.6)	(6.3)		
Provision for Tax	44.1	93.5	70.2		
Share from Equity Investment /of Minority Interest	1.4	(0.4)	(0.1)		
Net Income	355.9	330.1	320.1	-10.1%	-3.1%
Net Income before Forex gain/(loss)	436.2	418.9	470.5	7.9%	12.3%
Gross Margin	38.9%	37.6%	36.8%		
EBITDA Margin	21.8%	22.1%	22.7%		
EBIT Margin	18.0%	18.0%	18.0%		
Earnings Per Share (EPS) - Annualized					
Basic – in INR	21.1	19.6	19.3		
Diluted – in INR	21.1	19.6	18.7		
“Weighted average number of Shares used in computing EPS”					
Basic	667,208,948	669,896,432	670,539,209		
Diluted	678,781,727	674,553,269	684,972,139		



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)	30-Sep-08	30-Jun-09	30-Sep-09
Options at market price	2.2	2.5	0.0
Options at less than market price	18.2	16.7	20.1
Total	20.4	19.2	20.2
Tax benefit	1.7	(2.0)	1.5
Total (net of tax)	18.7	21.2	18.6

Outstanding Options (in equivalent no of shares)	30-Sep-08	30-Jun-09	31-Sep-09
Options at market price	26,381,152	23,962,552	23,408,288
Options at less than market price	11,036,068	9,711,852	9,630,216

The options will vest in tranches till 2011

Consolidated Balance Sheet

Amt. in Rs crores

Particulars	As on	
	30-Jun-09	30-Sep-09
Assets		
a) Cash and Cash Equivalents	420.3	356.8
b) Accounts Receivable, net	2,708.3	3,043.5
c) Deposit with Banks	1,455.9	1,393.0
d) Investment Securities, available for sale	23.2	966.6
e) Other Current Assets	1,069.9	959.1
A) Total current assets (a+b+c+d+e)	5,677.6	6,719.1
B) Property and Equipment, net	1,586.2	1,628.9
C) Intangible Assets, net	4,532.5	4,546.1
D) Investment Securities, held to maturity	20.0	20.0
E) Investment in Equity Investee	16.9	16.9
F) Other Assets	860.8	905.0
Total assets (A+B+C+D+E+F)	12,693.9	13,835.9
Liabilities and Stockholders' Equity		
a) Current Liabilities	3,267.5	3,148.9
b) Loans	2,977.1	3,782.9
c) Other Liabilities	763.4	874.1
A) Total Liabilities (a+b+c)	7,008.0	7,805.9
B) Minority Interest	1.6	1.6
C) Total Stockholders equity	5,684.3	6,028.4
Total liabilities and stockholders equity (A+B+C)	12,693.9	13,835.9



Segment wise Profitability

A. Consolidated IT Services (Software Services [A1] & Infrastructure Services [A2])

Amt. in Rs crores

Particulars	Quarter ended			Growth%	
	30-Sep-08	30-Jun-09	30-Sep-09	YoY	QoQ
Revenues	2,086.6	2,627.9	2,748.5	31.7%	4.6%
Direct Costs	1,264.0	1,627.7	1,719.5		
Gross Profits	822.5	1,000.1	1,029.0		
SG & A	356.6	398.2	380.6		
EBITDA	465.9	601.9	648.4	39.2%	7.7%
Depreciation	75.0	71.4	86.0		
Amortisation	1.4	36.4	41.5		
EBIT	389.5	494.1	520.9	33.7%	5.4%
Gross Margin	39.4%	38.1%	37.4%		
EBITDA Margin	22.3%	22.9%	23.6%		
EBIT Margin	18.7%	18.8%	19.0%		

B. BPO Services

Amt. in Rs crores

Particulars	Quarter ended			Growth%	
	30-Sep-08	30-Jun-09	30-Sep-09	YoY	QoQ
Revenues	265.3	280.6	282.9	6.6%	0.8%
Direct Costs	172.3	185.9	195.2		
Gross Profits	93.0	94.8	87.7		
SG & A	45.4	52.5	47.3		
EBITDA	47.7	42.2	40.4	-15.3%	-4.3%
Depreciation	14.0	10.8	12.1		
Amortisation	0.5	1.2	2.2		
EBIT	33.3	30.2	26.1	-21.6%	-13.9%
Gross Margin	35.1%	33.8%	31.0%		
EBITDA Margin	18.0%	15.1%	14.3%		
EBIT Margin	12.5%	10.8%	9.2%		



A1. Software Services

Amt. in Rs crores

Particulars	Quarter ended			Growth%	
	30-Sep-08	30-Jun-09	30-Sep-09	YoY	QoQ
Revenues	1,715.7	2,114.8	2,159.1	25.8%	2.1%
Direct Costs	1,014.1	1,279.6	1,312.9		
Gross Profits	701.6	835.3	846.2		
SG & A	305.7	332.7	314.0		
EBITDA	395.9	502.5	532.2	34.4%	5.9%
Depreciation	58.9	56.5	65.3		
Amortisation	1.4	36.4	41.5		
EBIT	335.6	409.6	425.4	26.7%	3.8%
Gross Margin	40.9%	39.5%	39.2%		
EBITDA Margin	23.1%	23.8%	24.6%		
EBIT Margin	19.6%	19.4%	19.7%		

A2. Infrastructure Services

Amt. in Rs crores

Particulars	Quarter ended			Growth%	
	30-Sep-08	30-Jun-09	30-Sep-09	YoY	QoQ
Revenues	370.9	513.0	589.4	58.9%	14.9%
Direct Costs	249.9	348.2	406.6		
Gross Profits	120.9	164.9	182.8		
SG & A	50.8	65.5	66.5		
EBITDA	70.1	99.3	116.3	65.9%	17.0%
Depreciation	16.1	14.9	20.7		
EBIT	53.9	84.5	95.6	77.2%	13.2%
Gross Margin	32.6%	32.1%	31.0%		
EBITDA Margin	18.9%	19.4%	19.7%		
EBIT Margin	14.5%	16.5%	16.2%		



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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 26 countries to provide holistic, multi-service delivery in key industry verticals including Financial Services, Manufacturing, Consumer Services, Public Services and Healthcare. HCL takes pride in its philosophy of 'Employee First' which empowers our 54,443 transformers to create a real value for the customers. HCL Technologies, along with its subsidiaries, had consolidated revenues of US\$ 2.3 billion (Rs. 11,270 crores), as on 30th September 2009 (on LTM basis). For more information, please visit www.hcltech.com

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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.



Talk to me

For details, contact:

MEDIA RELATIONS

Geetanjali Bhatia

geetanjali.bhatia@hcl.in

+91- 98119 87765

Kunal Takalkar

kunal.takalkar@adfactorspr.com

+91-98110073217

INVESTOR RELATIONS

Sanjay Mendiratta

sanjay.mendiratta@hcl.in

+91- 9312065108

Ronit Dutta

ronit.dutta@hcl.in

+91- 9711002816

HCL Technologies Ltd.,

A 10-11, Sector-III, Noida - 201301

www.hcltech.com



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