

HCL INFOSYSTEMS LIMITED

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

Unaudited Financial Results for the Quarter ended September 30, 2005

Rs crores

Particulars	Consolidated		Standalone	
	Unaudited Three months ended September 30, 2005	Audited Year ended June 30, 2005	Unaudited Three months ended September 30, 2005	Audited Year ended June 30, 2005
1a Gross Sales / Income from Operations	2284.52	1579.50	7783.61	486.68
1b. Less: Excise Duty	6.43	14.17	39.28	6.43
1. Net Sales / Income from Operations	2278.09	1565.33	7744.33	480.25
2. Other Income	9.69	8.52	39.92	6.71
3. Total Expenditure				
a) (Increase)/Decrease in Stock in Trade	-162.81	-34.08	-47.34	-42.17
b) Cost of Sales (Net)	2277.25	1478.17	7188.27	439.73
c) Staff Cost	40.26	32.25	145.23	28.39
d) Administration, Selling, Repairs & Others	48.01	38.41	189.76	25.76
4. PBDIT (1 + 2 - 3)	85.07	59.10	308.33	35.25
5. Interest (Net)	-0.94	0.22	-2.92	0.06
6. Depreciation	3.99	3.51	15.24	1.69
7. Profit before Tax (4-5-6)	82.02	55.37	296.01	33.50
8. Tax Expense				
- Current	19.05	12.79	65.11	2.40
- Deferred	0.06	-0.58	2.36	0.84
- Fringe Benefit	0.79		0.84	0.51
9. Net Profit after Tax (PAT) (7-8)	62.12	43.16	227.70	29.75
10. Paid-up Equity Share Capital (Face value of Rs. 2/- per share)	33.52	33.00	33.44	33.52
11. Reserves excluding Revaluation Reserves of the previous accounting year			518.10	
12. EPS (Not annualised) Rs/share				
- Basic	3.71	2.62	13.74	1.78
- Diluted	3.33	2.46	12.88	1.59
13. Aggregate of Non - Promoters Shareholding				
- Number of Shares			67508720	12300307
- Percentage of Shareholding			40.28	37.28
- Face value per share			2.00	10.00

Notes:

- The above results have been taken on record at the meeting of the Board of Directors of the Company held on October 19, 2005.
- 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 2005-06. The Register of Members and Share Transfer Books of the Company would remain closed from Monday October 24, 2005 to Tuesday October 25, 2005 for the purpose of payment of interim dividend.
- Three investor complaints were received and resolved during the quarter ended September 30, 2005. No investor complaints were pending at the beginning and at the end of the quarter.
- During the quarter ended September 30, 2005, 430020 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 Scherr
- The auditors of the Company have carried out a 'Limited Review' of the standalone unaudited financial results for the quarter ended September 30, 2005 in terms of Clause 41 of the Listing Agreement with Stock Exchanges.
- Tax expense for the current quarter has been estimated subject to audit and final computation of various tax adjustments. It does not take into account tax issues disputed by the Company.
- Consolidated results include results of "HCL Infinet Ltd", the wholly owned subsidiary of the Company.
- The Company on a standalone basis operates in a single segment.
- Figures for previous periods have been regrouped and rearranged to conform with the relevant current period classification.

By order of the Board
for HCL Infosystems Limited

Place : Noida
Date : October 19, 2005

AJAI CHOWDHRY
Chairman & Chief Executive Officer

Consolidated Segment-wise Information

Rs crores

Particulars	Unaudited Three months ended September 30, 2005		Audited Year ended June 30, 2005
	1. Segment Revenue		
a) Products and Related Services			
- Computer Systems & Other Related Products (Gross)	486.68	394.73	1967.38
Less: Excise Duty	6.43	14.17	39.28
- Computer Systems & Other Related Products (Net)	480.25	380.56	1928.10
- Office Automation & Telecommunication	1791.22	1174.68	5779.30
b) Internet & Related Services	9.67	11.94	43.23
Total	2281.14	1567.18	7750.63
Less : Intersegment revenue	3.05	1.85	6.30
Net Sales / Income from Operations	2278.09	1565.33	7744.33
2. Segment Results (Profit(+)/ Loss(-) before Tax and Interest from each segment)			
a) Products and Related Services			
- Computer Systems & Other Related Products	27.38	23.57	137.82
- Office Automation & Telecommunication	47.78	27.26	146.28
b) Internet & Related Services	0.26	1.01	1.56
Total	75.42	51.84	285.66
Less :			
i) Interest (Net)	-0.94	0.22	-2.92
ii) Other un-allocable expenditure net of un-allocable income	-5.66	-3.75	-7.43
Total Profit before Tax	82.02	55.37	296.01
3. Capital Employed (Segment Assets - Segment Liabilities)			
a) Products and Related Services			
- Computer Systems & Other Related Products	399.56	243.44	358.60
- Office Automation & Telecommunication	123.10	-12.55	56.12
b) Internet & Related Services	7.97	3.79	9.65
c) Unallocated			
- Liquid Assets	200.03	313.57	253.01
- Others unallocated	-72.94	-54.86	-41.52
Total Capital Employed	657.72	493.39	635.86