

31st July, 2019

To

The General Manager Department of Corporate Relations BSE Limited Sir Phiroze Jeejeebhoy Towers Dalal Street Fort Mumbai 400 001	The Vice President Listing Department The National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai 400 051
---	--

Sub: Press Release.

Symbol: NSE : HCL-INSYS
BSE (For Physical Form): 179
BSE (For Demat Form): 500179

Dear Sirs,

We are forwarding a copy of the press release being made by HCL Infosystems Limited on the unaudited financial results of the Company for the quarter ended 30th June, 2019.

Please take this on record.

Very Truly Yours,
For HCL Infosystems Limited

Sushil

Kumar Jain

Digitally signed by Sushil Kumar Jain
DN: cn=Sushil Kumar Jain, o=HCL Infosystems Limited, ou=HCL Infosystems Limited,
email=sushiljain@hcl.com, c=US
Date: 2019.07.31 16:41:02 +05'30'

Sushil Kumar Jain
Company Secretary

Encl: As above.

HCL Infosystems Reports Revenue of Rs 681 Crore in Q1 FY20

July 31, 2019, New Delhi

Business Highlights

- Q1 FY20 revenue at Rs. 681 Crore vs. Rs. 1,011 Crore in Q4 FY19
- Distribution business revenue was at Rs. 538 Crore in Q1FY20 while it was Rs. 845 Crore in Q4FY19
 - Enterprise Distribution revenue was at Rs. 373 Crore in Q1FY20 vs Rs. 432 Crore in Q4FY19
 - Consumer Distribution revenue stood at of Rs. 165 Crore in Q1FY20 vs. Rs. 413 Crore in Q4FY19
- Global Services business revenue was Rs 104 Crores in Q1FY20
- Loss before interest, tax and exceptional items was Rs. 19.1 Crore in Q1FY20 vs. Rs. 12.1 Crore in Q4FY19

HCL Infosystems, India's pioneer IT Services, Solutions & Distribution Company, today announced its financial results for the quarter ended June 30th, 2019.

Mr. Rangarajan Raghavan, Managing Director, HCL Infosystems Ltd., commenting on the results' said, *"During the quarter, Enterprise and Consumer Distribution businesses had a subdued performance in revenue & margin. Consumer business suffered due to lack of exclusive product line up by the principal in e-commerce space. Enterprise business was impacted by competitive environment and market slowdown. In our System Integration and Solutions business, we are executing existing contracts & focusing on collections. However, collections continue to be a challenge especially in Power Sector. The company continues to explore opportunities for monetization & rationalization of its assets"*

Distribution Business:

The Distribution Business reported revenue of Rs. 538 Crore in the quarter.

Enterprise Distribution reported revenue of Rs. 373 Crore in Q1FY20. While the channel business was the main contributor to the revenue, the direct business also gained traction with new customer wins. Revenue in this business was relatively lower as compared to the previous quarter due to competitive environment and market slowdown. There was also some pressure on gross margins due to the revenue mix.

In the quarter, Consumer Distribution reported revenue of Rs. 165 Crore. There was a decline in revenue in comparison to the preceding quarter due to lack of exclusive product line up by the principal.

Global Services Business:

The Global Services business in Singapore maintained its steady business. The business won Government commercial cloud contracts and also successfully completed recertification audit of ISO9000 & 27000.

The Global Services business revenue was Rs 104 Crores in Q1FY20 vs. Rs. 105 Crores in Q1FY19.

System Integration (SI) & Solutions:

The SI and Solutions business reported revenue of Rs. 39 Crore in Q1FY20. In line with our strategy, the team focused on project completion and the collection of receivables.

In System integration and Solutions business, we continue to face challenges and delays in customer acceptances and payments, especially in the Power Sector. We are continuously working on obtaining customer acceptances to enable payments

The delay in realization of SI receivables has impacted the capacity of the Company to invest in other businesses which have the potential for growth. However we continue to derive efficiencies and find alternate ways to the extent possible to overcome such challenges.

Restructuring of Assets:

Due to losses during last few years & resulted high debt obligation along with challenging marketing conditions; the company is also constantly exploring the following:

1. Monitoring its businesses, to assess requirement of any further restructuring or rationalization required in order to reduce the financial losses.
2. Restructuring, re-organization & sale of its select businesses & assets etc. in order to reduce the debt obligations & finance cost burden thereon.

About HCL Infosystems

HCL Infosystems is a Distribution, IT Services, and Solutions Company, enabling organizations attain and sustain competitive advantage by leveraging Information and Communication Technologies. It offers a portfolio of capabilities spanning IT & System Integration services to value-added distribution of technology, mobility and consumer products. For more information, please visit us at www.hclinfosystems.in

Sushil
Kumar Jain

Digitally signed by Sushil Kumar Jain
DN: cn=Sushil Kumar Jain, o=HCL Infosystems Limited, ou=HCL Infosystems Limited, email=sushiljain@hcl.com, c=US
Date: 2019.07.31 16:42:33 +05'30'

About HCL

Founded in 1976 as one of India's original IT garage start-ups, HCL is a pioneer of modern computing with many firsts to its credit, including the introduction of the 8-bit microprocessor-based computer in 1978 well before its global peers. Today, the HCL enterprise has a presence across varied sectors that include technology, healthcare and talent management solutions and comprises three companies – HCL Infosystems, HCL Technologies and HCL Healthcare. The enterprise generates annual revenues of over US \$ 8.6 billion with more than 137,000 employees from 140 nationalities operating across 44 countries, including over 500 points of presence in India.

Media Contact Information			
Tanay Gogoi	HCL Infosystems	+91 9971179400	tanay.gogoi@hcl.com

Sushil
Kumar Jain

Digitally signed by Sushil Kumar Jain
DN: cn=Sushil Kumar Jain, o=HCL Infosystems Limited, ou=HCL Infosystems Limited, email=sushiljain@hcl.com, c=US
Date: 2019.07.31 16:43:07 +05'30'