RELEASE

UPM to outsource part of its IT services to HCL

Noida/Helsinki, 7 March 2012 – UPM and HCL Technologies Limited (HCL), a leading global IT Service Provider, have signed a five year outsourcing frame agreement of IT infrastructure services.

As part of this agreement, HCL will provide data center, end user support, network services and professional IT services to UPM. HCL will also set up a data center in Finland and strengthen its existing Espoo Delivery Center to provide the services.

Approximately 250 UPM employees globally are within the scope of the planned outsourcing. Transferring UPM employees are expected to move to HCL upon closing, which is expected to take place at the end of August 2012, subject to signing of local transfer agreements and customary closing conditions.

"The agreement enables UPM IT to offer unified and cost effective IT infra services to UPM businesses", says the CIO of UPM, **Turkka Keskinen**. "With this engagement we aim to increase scalability and flexibility as well as ensure access to world class competences and best practices", he continues. "In the future, UPM IT focuses on strategy and governance, business-IT development, application management as well as demand and service management."

"HCL has proven experience in delivering complex, end-to-end outsourcing engagements to globally dispersed organizations. We are pleased that this expertise has today positioned us as UPM's partner of choice for IT services. We stay committed to creating transformational value for UPM in this engagement and look forward to a long and mutually rewarding relationship", says **Anant Gupta**, President, HCL Technologies ISD.

"Through this engagement we will aim to optimize and transform UPM's IT infrastructure to ensure enhanced and cost-efficient IT operations," added **Venu Gopal Lambu**, AVP & Head of Continental Europe, HCL Technologies ISD.

About UPM

UPM leads the integration of bio and forest industries into a new, sustainable and innovation-driven future. Our products are made of renewable raw materials and are recyclable. UPM consists of three Business Groups: Energy and pulp, Paper, and Engineered materials. The Group employs around 24,000 people and it has production plants in 16 countries. UPM's annual sales exceed EUR 10 billion. UPM's shares are listed on the Helsinki stock exchange. UPM – The Biofore Company – www.upm.com.

About HCL Technologies

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, Customer Second' which empowers our 83,076 transformers to create a real value for the customers. HCL Technologies, along with its subsidiaries, has reported consolidated revenues of US$ 3.9 billion (Rs 18,334 crores), as on 31 December 2011 (on LTM basis). For more information, please visit www.hcltech.com



About HCL Enterprise

HCL is a $6 billion leading global technology and IT enterprise comprising two companies listed in India – HCL Technologies and HCL Infosystems. Founded in 1976, HCL is one of India's original IT garage start-ups. A pioneer of modern computing, HCL is a global transformational enterprise today. Its range of offerings includes product engineering, custom & package applications, BPO, IT infrastructure services, IT hardware, systems integration, and distribution of information and communications technology (ICT) products across a wide range of focused industry verticals. The HCL team consists of over 85,000 professionals of diverse nationalities, who operate from 31 countries including over 500 points of presence in India. HCL has partnerships with several leading global 1000 firms, including leading IT and technology firms. For more information, please visit www.hcl.com

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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