

Agreement between HCL Technologies Limited ("HCL") and Mecom Group plc ("Mecom")

Noida, July 22, 2011 – HCL Technologies Limited ("HCL") has entered into an agreement with Mecom Group plc ("Mecom") for outsourcing a significant portion of Mecom's IT operations. HCL will initially provide Mecom with infrastructure and, in certain cases, applications management services to Mecom.

Commenting on the announcement, Sanjeev Nikore, President, Consumer & Manufacturing, HCL said, "We are happy to win the confidence of Mecom and be their transformation IT partner. Our sharp focus on Europe and on micro verticals like Media & Entertainment is helping us win large transformational partnerships where we help customers save costs and invest it back in transforming their business. With this win we hope to emerge as a dominant force in multi-channel services for the media industry."

Mecom has made an announcement in this regard and a copy of the same is enclosed.



22nd July 2011

Mecom Group plc

IT outsourcing agreement. Estimated annual EBITDA benefit of €12 million

Mecom Group plc ("Mecom") today announces that it has entered into an agreement with HCL Technologies Limited and HCL Great Britain Limited (together "HCL") to outsource a significant portion of Mecom's IT operations. HCL is one of the leading providers of IT outsourcing services in the world with considerable experience in the newspaper and wider media industry.

HCL will initially provide Mecom with infrastructure and, in certain cases, applications management services in the Netherlands, Denmark and Norway. Service provision will commence in the first half of 2012 and will last for 5 years, capable of extension at Mecom's option for a further two years. The agreement also provides for the extension in due course (and by mutual agreement) of the services to be provided by HCL into other areas of IT.

Over the 5 years the total cost to Mecom of services to be provided by HCL will be in excess of €90 million, representing approximately one third of Mecom's anticipated future IT cost base. During the next 18 months Mecom will bear transition and other exceptional up-front cash costs amounting to approximately €19 million, as well as outsourcing-related capital expenditure costs of approximately €12 million, the larger of which will be incurred in 2012.

Mecom expects the annualised EBITDA (and consequential earnings per share) benefit of the contract to be in excess of €12 million, as compared to the current cost base. The extent of EBITDA benefit from the contract in 2012 will be dependent on the exact timing of service commencement.

Commenting on the agreement, Keith Allen, COO of Mecom said: "This agreement will not just be financially attractive but it will also provide us with consistent IT development across our different divisions. In our many months of discussions with HCL we have been impressed by their commitment to us and willingness to work flexibly to provide future cost-effective IT solutions in many other areas of our business as we continue the process of transforming Mecom from a printed newspaper publisher to a multi-platform consumer content business."

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