

30th May, 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 audited financial results of the Company for the financial year ended 31st March, 2019.

Please take this on record.

Very Truly Yours,
For HCL Infosystems Limited

Sushil Kumar Jain
Company Secretary

Encl: As above.

HCL Infosystems reports revenue of Rs. 4,340 Crore in FY19

Q4FY19 revenue was Rs. 1,011 Crore

Distribution Business revenue for FY19 was Rs. 3,722 Crore

May 30, 2019, New Delhi

FY19 Business Highlights of Continuing Operations:

- FY19 revenue was Rs. 4,340 Crore vs. Rs. 3,565 Crore in FY18
- Distribution Business revenue for FY19 was Rs. 3,722 Crore vs. Rs. 3,017 Crore in FY18
 - Enterprise Distribution revenue was Rs. 1,704 Crore in FY19 vs. Rs. 1,525 Crore in FY18
 - Consumer Distribution revenue was Rs. 2,018 Crore in FY19 vs. Rs. 1,492 Crore in FY18
- Global Services business revenue for FY19 was Rs. 486 Crore vs. Rs. 376 Crore in FY18
- Profit / (Loss) before interest, tax and exceptional items was Rs. (25.6) Crore in FY19 vs. Rs. (35.5) Crore in FY18

Revenue (including other income) from discontinued operations in FY19 was Rs. 52.9 Crore and Profit before tax (before exceptional items) was Rs. 3.1 Crore.

Q4FY19 Business Highlights:

- Q4FY19 revenue was Rs. 1,011 Crore vs. Rs. 1,058 Crore in Q4FY18
- Distribution business revenue was Rs. 845 Crore in Q4FY19 vs. Rs. 908 Crore in Q4FY18
 - Enterprise Distribution revenue was Rs. 432 Crore in Q4 FY19 vs. Rs. 444 Crore in Q4FY18
 - Consumer Distribution revenue was Rs. 413 Crore in Q4FY19 vs. Rs. 464 Crore in Q4FY18
- Global Services business revenue was Rs. 142 Crore in Q4FY19 vs. Rs. 101 Crore in Q4FY18
- Profit / (Loss) before interest, tax and exceptional items was Rs. (14.5) Crore in Q4FY19 vs. Rs. (18.4) Crore in Q4FY18

HCL Infosystems, India's premier Distribution, IT Services & Solutions Company, today announced its - financial results for the year ended March 31st, 2019.

Mr. Rangarajan Raghavan, Managing Director, HCL Infosystems Ltd., commenting on the results said, *"In FY19 we further consolidated our business and focused on our Distribution and Overseas Services. We have achieved some success in this strategy with growth of our Enterprise Distribution, Consumer Distribution and Overseas Services businesses. Realisation of receivables from certain SI projects continue to pose challenges. We also focused on productivity and optimization during the year."*

Distribution Business:

The Distribution Business reported revenue of Rs. 3,722 Crore in FY19 and Rs. 845 Crore in Q4FY19. The Consumer Distribution business made a successful transition into a multi-brand multi-channel business from a single brand distribution entity. In the year, the business achieved revenue of Rs. 2,018 Crore with inroads made in the Telecom Service Provider (Operator) Channel and in the e-Brandstore business. A focus segment for FY19 was the e-commerce channel. New models by Principals were also successfully launched in FY19. The partnership with HMD Global for Nokia devices continued to contribute positively to the business.

In FY19, Enterprise Distribution posted revenue of Rs. 1,704 Crore. The Channel Business was the key contributor to the revenue. Apart from the Channel Business, Enterprise Distribution also directly provided technology solutions to customers by leveraging its strategic alliances with global technology companies. There was a focus in the year to build capabilities for providing solutions for Enterprise IT Infrastructure as well as for the Digital Enterprise.

Global Services Business:

In FY19, the Services business in Singapore grew in a steady manner as engagements were renewed and expanded with more agencies within the ATFM (Agency Tenant Facility Management) contract. The business registered revenue of Rs. 486 Crore in FY19 vs. Rs. 376 Crore in FY18.

The business also focused on automation initiatives in the End User and Computing and Data Centre spaces. In terms of capability building, employees were given training in Datacenter and Networking Technologies as a part of the skill enhancement plan of the company.

System Integration (SI) & Solutions Business:

The SI business continued to focus on the execution of the current order book and collection of receivables. The total order book size stood at Rs 460 Crore as on 31st March 2019. The team continued to work with customers including Government and Defence sectors in major mission critical projects.

We have been stating in our earlier releases that certain large orders in the SI business, especially in the Power sector, are facing the challenge of inordinate delays in customer acceptances and payments. We are continuously engaging with customers to resolve these issues. However we continue to face challenges and have had limited success so far. During the quarter, we have provided for Rs. 33.8 Crore on account of such receivables.

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.

Monetization of Real Estate Assets

In order to reduce our debt obligations, we have decided to monetize company owned properties in a phased manner. Several of our properties are not being fully utilized due to changes in the business of the Company. Therefore the board has approved the sale of two company owned properties located in Noida and one property located in Pune, proceeds of which will be utilized in entirety to repay our loans. The net value of Rs. 14.36 crores of these properties as of 31.03.2019 has been classified and disclosed as assets held for sale.

Pursuant to the Board's approval, the Company entered into agreement to sell the property situated at G-8,9,10, Sector 3, Noida on 21.05.2019 and the property situated at B-13,14 Sector 3, Noida on 28.05.2019 subject to approval from Noida authority. As of 31.03.2019, the combined book value of two properties is Rs.0.88 crores and the sale value of the properties is Rs. 13.68 crores.

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

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