

HCL AXON announces a carve-out of Enterprise Solutions SAP practice
of the UCS Group

HCL AXON and UCS Group also enter into a strategic partnership

NOIDA, London, Pretoria, 16th July 2009 – HCL AXON, a division of HCL Technologies, which provides Business Transformation consultancy and services through the innovative implementation and support of SAP technologies, announced a strategic partnership with UCS Group and a take over of the UCS Group's Enterprise Solutions SAP practice. The acquired practice is a division of UCS Solutions and offers Tier 1 Retail and wholesale SAP project implementations. The carve-out transaction entails an all cash consideration of USD 7.7 mn and growth centered earn-out over the next two years.

The carve-out will deepen HCL AXON's SAP capabilities with best-in-class SAP Retail Industry Solutions (IS) , will bring proven competency in IS Retail and further increase the global delivery capabilities, including a significant boost to the company's market presence in South Africa. This partnership will allow UCS Group to grow its annuity services business internationally and to support the growth of its SAP All in One business.

"We have a stated strategy to bring strong customer focused vertical propositions and have identified the retail market as a major opportunity. Completing this partnership accelerates our ability to offer the market a combination of extensive SAP IS retail capability and track record which coupled with our own retail experience creates a compelling customer proposition", said **Steve Cardell, President, HCL Axon.**

Commenting on the partnership, **John Bright, UCS Group CEO**, said: "UCS Enterprise Solutions SAP practice has a pre-eminent local market position and an international profile based on strong Tier 1 retail SAP expertise. We believe that combining the Enterprise Solutions division with HCL Axon, the world's largest implementation services business purely focused on SAP, offers access to a wider skills base, exposure to other leading retailers and a seamless service offering from both partners."

“The carve-out of UCS Enterprise Solutions SAP practice creates a platform for building leadership in the SAP services market. The retail vertical is a key growth area for SAP and for HCL”, commented **Ram Krishna, Corporate Vice President and Head of Enterprise Application Services, HCL Technologies.**

The effective date of this transaction is 1st August 2009 after fulfillment of conditions precedent to this transaction.

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About HCL Axon

HCL AXON (www.hcl-axon.com), a division of HCL Technologies, is a Business Transformation consultancy that delivers significant value to large, complex organizations through the innovative implementation and support of SAP technologies. HCL AXON has over 4,700 of the industry's most experienced professionals specializing in the delivery of sustained business improvement through technology enabled transformation programs. HCL AXON's consultants bring in-depth industry expertise alongside best practice functional knowledge to address the strategic, operational, information management and organizational effectiveness challenges faced by organizations today. HCL AXON is renowned for its global ability to help clients define more ambitious strategies, build more effective organizations and shape more successful futures.

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 20 countries to provide holistic, multi-service delivery in key industry verticals including Financial Services, Manufacturing, Aerospace & Defense, Telecom, Retail & CPG, Life Sciences & Healthcare, Media & Entertainment, Travel, Transportation & Logistics, Automotive, Government, Energy & Utilities. HCL takes pride in its philosophy of ‘Employee First’ which empowers our 54,026 transformers to create a real value for the customers. HCL Technologies, along with its subsidiaries, had consolidated revenues of US\$ 2.0 billion (Rs. 9,842 crores), as on 31st March 2009. For more information, please visit www.hcltech.com

About HCL Enterprise

HCL is a \$5 billion leading Global Technology and IT Enterprise that comprises two companies listed in India - HCL Technologies & HCL Infosystems. The 3-decade-old Enterprise, founded in 1976, is one of India's original IT garage start-ups. Its range of offerings spans Product Engineering, Custom & Package Applications, BPO, IT Infrastructure Services, IT Hardware, Systems Integration, and distribution of ICT products. The HCL team comprises over 59,000 professionals of diverse nationalities, who operate from 20 countries including 360 points of presence in India. HCL has global partnerships with several leading Fortune 1000 firms, including leading IT and Technology firms. For more information, please visit www.hcl.in

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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