



PRESS RELEASE

HCL enters into strategic IT partnership with DSG international

Multi-year, multi-service, multi-million-dollar co-sourcing deal

New Delhi, 19 January 2006: IT services provider HCL Technologies has entered into a multi-year, multi-service, multi-million-dollar co-sourcing deal to provide system development, application delivery, infrastructure support and maintenance services to the IS function of DSG international Plc, Europe's leading specialist electrical retailer.

DSG international trades in 14 European countries and serves 100 million customers every year. In the UK it trades as Dixons, Currys, PC World and The Link. The Group specializes in the sale of high technology consumer electronics, personal computers, domestic appliances, photographic equipment, communication products and related financial and after sales services.

Kevin O'Byrne, Group Finance Director of DSG international, said: **"We have selected HCL on the basis of its breadth of experience, partnership approach and the transparency in its cost models. This co-sourcing partnership will enhance our capabilities, drive innovation and improve our agility as we build our position as Europe's leading electrical retailer."**

Mike Babarkoff, Corporate Vice-President and Global Head of HCL's Retail & Consumer Practice, explained what the deal will offer DSG international: "HCL will manage the majority of the commodity services DSG needs to operate, leaving it free to concentrate on the core areas of business and customer interface and its business strategy. By using a composite of resources in a co-sourcing partnership, we are able to offer DSG cost protection and continuous service improvement. This deal further demonstrates the improved value co-sourcing can offer retailers."

"Over the years, HCL has repeatedly demonstrated its capabilities in bringing significant value to large transformational IT co-sourcing deals and grow them significantly in size and value for both organizations. In the last six months alone, this is the fourth large co-sourcing deal being announced by HCL—with this being the largest so far this year. We are excited about the value we can jointly create in this relationship and are happy to have DSG international as one of our top four customer relationships," Shiv Nadar, Chairman and CEO, HCL Technologies, said.

"Recently, HCL Great Britain was chosen as one of the top Information and Communication Technology (ICT) Employers in the UK by the Corporate Research Foundation (CRF)—an independent international organization conducting research into best business practices from an HR perspective. It is because of our people and people practices that we get opportunities like these to demonstrate the true value which HCL-ites deliver to our customers. We are excited by this relationship," Vineet Nayar, President, HCL Technologies, said.



About HCL Technologies

HCL Technologies is one of India's leading global IT Services companies, providing software-led IT solutions, BPO and remote infrastructure management services. Having made a foray into the services domain in 1997-98, HCL Technologies focuses on technology and R&D outsourcing, working with clients in areas at the core of their business. The company leverages an extensive offshore infrastructure and its global network of 26 offices in 15 countries to deliver solutions across select verticals including Banking, Insurance, Retail & Consumer, Aerospace, Automotive, Semiconductors, Telecom and Life Sciences. For the twelve-month period ended 31 December 2005, HCL Technologies, along with its subsidiaries, had revenues of US \$864 million (Rs 3,890 crore) and employed 28,182 professionals. For more information, please visit www.hcltech.com

About HCL Enterprise

HCL Enterprise is a leading global technology and IT enterprise, comprising two companies listed in India—HCL Technologies & HCL Infosystems. The three-decade-old enterprise, founded in 1976, is one of India's original IT garage start-ups. Its range of offerings span product engineering, technology and application services, BPO, infrastructure services, IT hardware, systems integration, and distribution of technology and telecom products. The HCL team comprises of over 30,000 professionals of diverse nationalities, operating out of 15 countries, including 300 points of presence in India alone. HCL has global partnerships with several leading *Fortune 1000* firms, including leading IT and Technology firms. For more information please visit www.hcl.in

About DSG International Plc

DSG international plc is Europe's leading specialist electrical retailing group with operations in fourteen countries. DSG international has more than 1,400 stores across the UK, Ireland, the Nordic countries, France, Spain, Italy, Hungary, the Czech Republic, Greece and Poland and employs 40,000 staff. It trades as Dixons, Currys, PC World and The Link in the UK and Ireland, Elkjøp in the Nordic countries, PC City in Spain, France, Italy and Sweden, UniEuro in Italy, Electro World in Poland, Hungary and the Czech Republic and Kotsovolos in Greece. The Group specialises in the sale of high technology consumer electronics, personal computers, domestic appliances, photographic equipment, communication products and related financial and after sales services.

Forward-looking Statements

Certain statements in this release are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, 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, 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 and general economic conditions affecting our industry. 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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