

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