



Innovation · Insight · Integrity

Performance Highlights – Q1- FY 07

July 20, 2006

Disclaimer

Certain statements in this release concerning our future growth prospects 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 industry including those factors which may affect our cost advantage, wage increases, 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 in which 3i Infotech has 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. 3i Infotech may, from time to time, make additional written and oral forward looking statements, including our reports to shareholders. 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.

Agenda

- **Financial Highlights**
- **Operational Highlights**
- **Customer Acquisitions**
- **Outlook**

Highlights

- **Consolidated total revenue at Rs 1,332.2 million, grew by 48.1% over corresponding quarter of the previous year**
 - **On a sequential basis, the total revenue grew by 9.6%**
- **EBIDTA for the quarter at Rs 340.9 million, grew by 84.9% over corresponding quarter of the previous year**
 - **The EBIDTA margin during Q1FY07 works out to 25.6% compared to 20.5% in Q1FY06.**
 - **Excluding other income, the EBITDA margin during Q1FY07 works out to 22.8% compared to 19.2% in Q1FY06**

Highlights

- **SGA expenses were 22.1% of the revenue as compared to 23.7% of the revenue in Q1FY06**
- **Consolidated PAT for the quarter is at Rs 214 million as compared to Rs 103 million in Q1FY06**
 - **Sequentially, PAT grew by 21.5%**
- **During the quarter, the company added 17 new clients for its Banking and Insurance products**

Highlights

- **The company has made strategic investment of 51% in M/s Delta Services (India) Pvt Ltd, which has a great deal of experience in the BPO domain relating to the Banking & Financial Services segment**

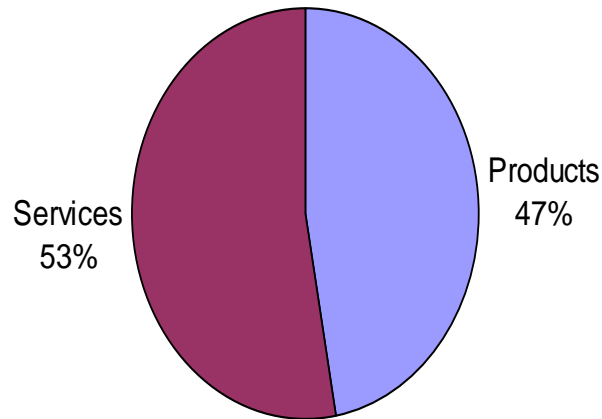
Highlights

Rs Mn	Q1'07	Q4'06	QoQ growth	Q1'06	YoY growth
Revenue from operations	1,285	1,200	7.1%	885	45.2%
Total Revenue	1,332	1,216	9.6%	900	48.1%
Gross Profit	635	549	15.8%	397	59.8%
EBITDA	341	272	25.6%	184	84.9%
NP	214	176	21.5%	103	107.4%

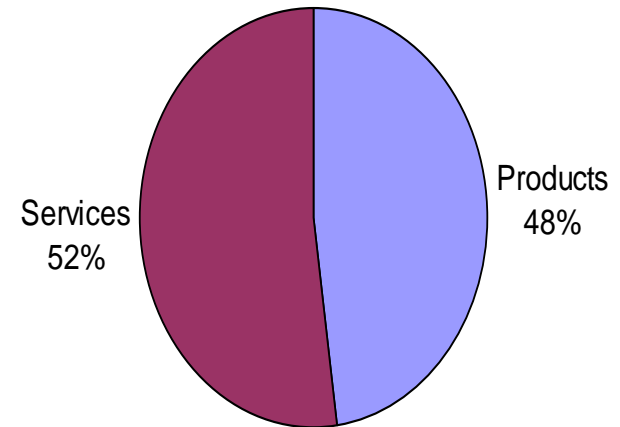
Margins	Q1'07	Q4'06	Q1'06
Gross Margins	47.7%	45.1%	44.2%
EBITDA Margins	25.6%	22.3%	20.5%
Net Margins	16.0%	14.5%	11.4%

Revenue Mix – Offering Wise

Q1'07



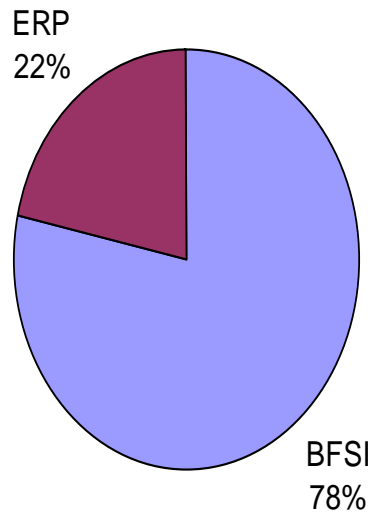
Q4'06



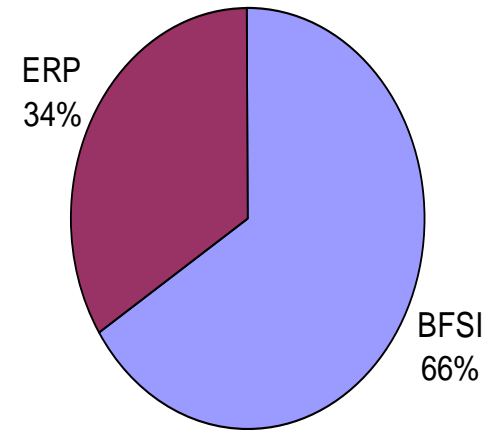
- Product revenues include services around products
- Other income is included in Services revenue

Product Revenue Mix

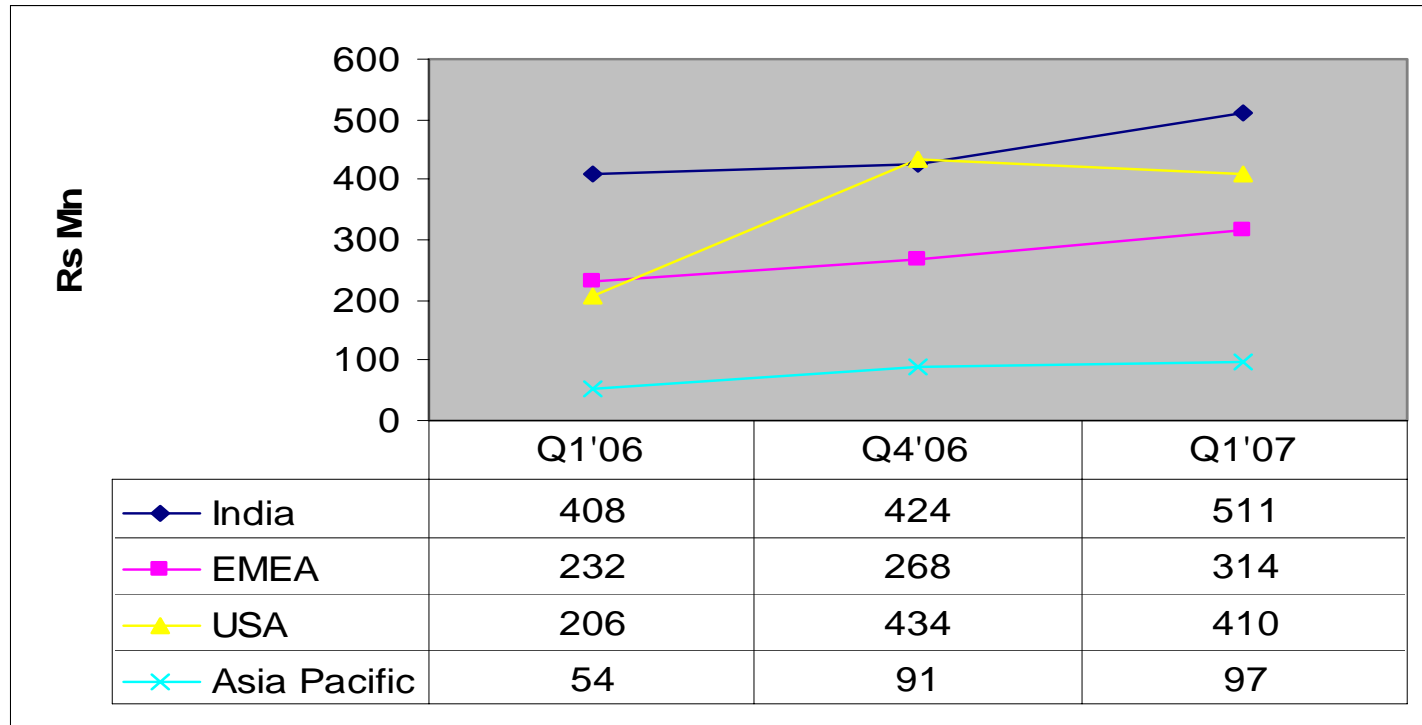
Q1'07



Q4'06

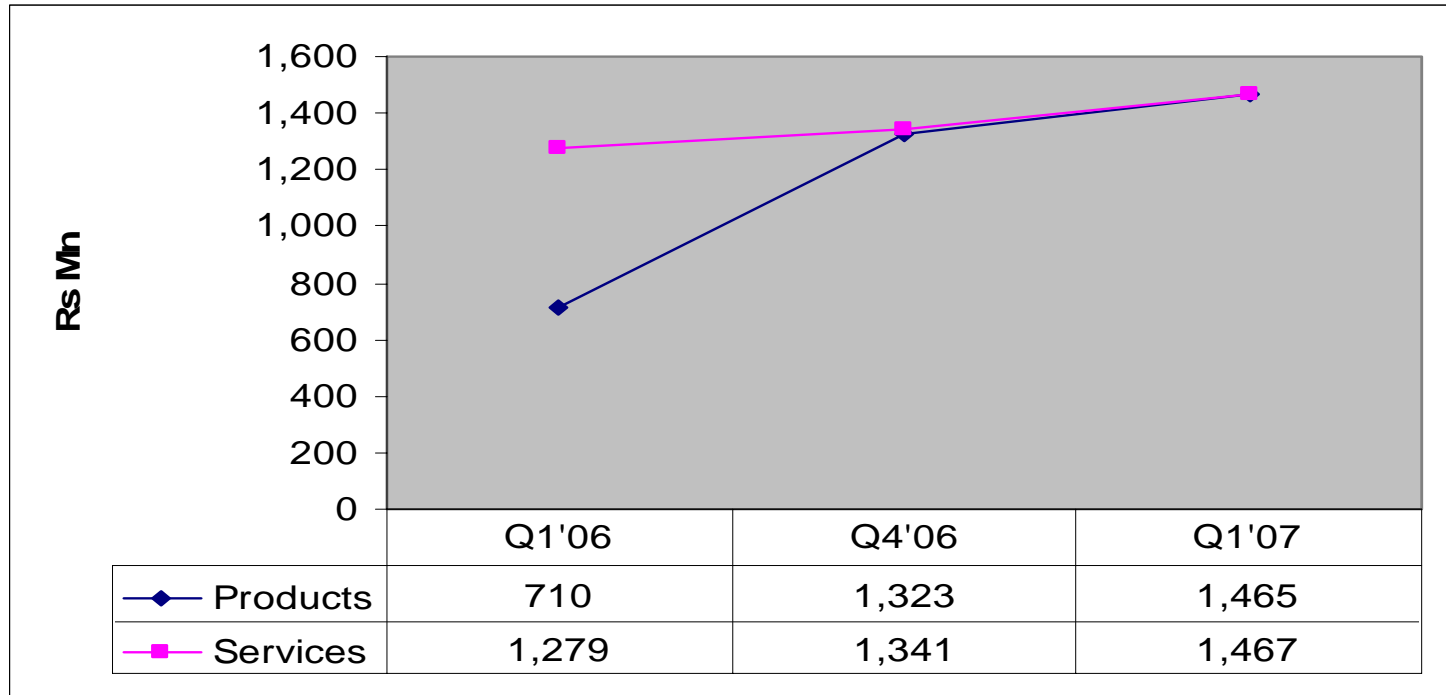


Revenue Mix – Geography Wise



Total	900	1,216	1,332
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Pending Order Book



Total	1,989	2,663	2,932
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Client data

Customer Concentration

	Q1'07	Q1'06	Q4'06
ICICI Group (Top customer)	18%	23%	18%
Top 5 Customers (ex. ICICI grp)	21%	23%	8%
Top 10 Customers (ex. ICICI grp)	26%	34%	12%

No. of million dollar clients

	Q1'07	Q1'06	Q4'06
> USD 1 million	21	12	17
> USD 5 million	2	1	2

Major Wins

- A prestigious insurance provider in Kuwait has selected our insurance product PREMIA™
- One of India's leading private Mutual Fund player and one of the leading private Insurance service provider has signed for our Front office fund management trading solution (MFund-Dealing)
- Leading banks in Oman have selected our anti money laundering product, AMLOCK™

Major Wins

- **Our iBoss product (came from SDG acquisition) has seen good traction in the EMEA market with quite a few broking outfits opting for it in the quarter**
- **Some of the leading banks in India has selected AMLOCK™. The addition of new customers has made AMLOCK™ the market leader in India**

Major Wins

- **A reputed distributor of electronics in UAE has selected ORION™ Enterprise**
- **A well known pharmaceutical company of USA has selected ORION™ for its manufacturing and distribution locations**
- **One of the leading banks of Thailand has selected Kastle™ – Universal Lending solution, to be implemented across 370 branches**

Major Wins

- **A leading company in the US providing professional liability insurance and other coverages to hospitals and hospital systems has selected PREMIA™, to streamline processes and meet the demands of its growing lines of business in a single integrated solution**
- **Central bank owned lending arm of Malaysia has selected Kastle™- Universal Lending solution**

Outlook

- The company maintains its guidance of revenue growth of between 25% to 30% for the year and an EPS of between Rs.13.0 to Rs.13.5. The revenues and profits from Delta will be in addition to this

Thank You