



Innovation · Insight · Integrity

Performance Highlights – Q3- FY 06

January 24, 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 revenue at Rs 1143.6million, grew by 52% over corresponding quarter of the previous year**
 - **On a sequential basis, the revenue grew by 16.2%**
- **EBIDTA for the quarter at Rs 257.5 million, grew by 96% over corresponding quarter of the previous year**
 - **The EBIDTA margin during Q3FY06 works out to 23% compared to 17% in Q3FY05.**

Highlights

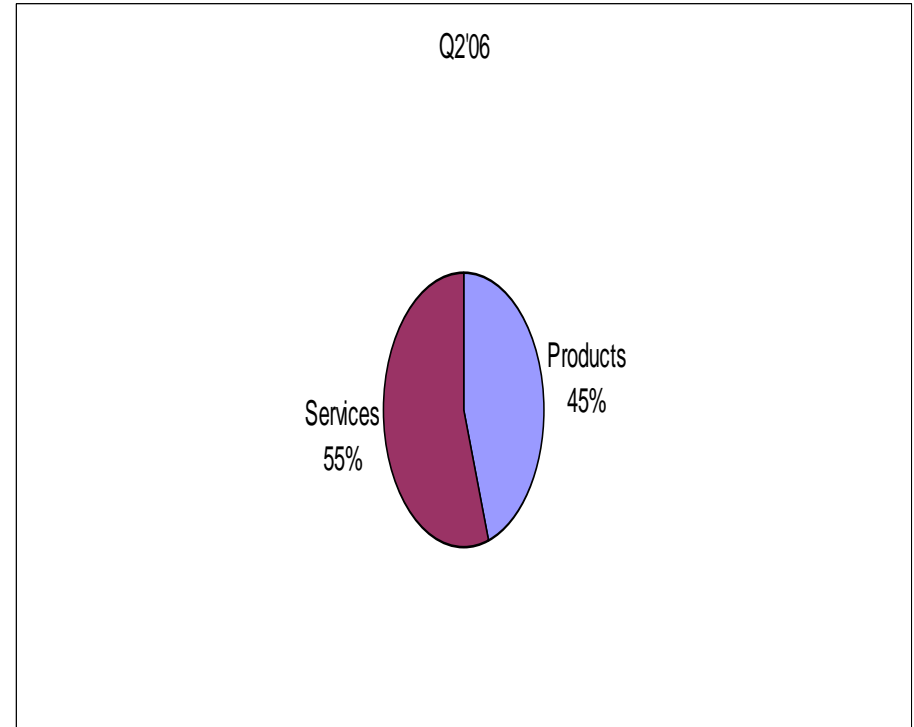
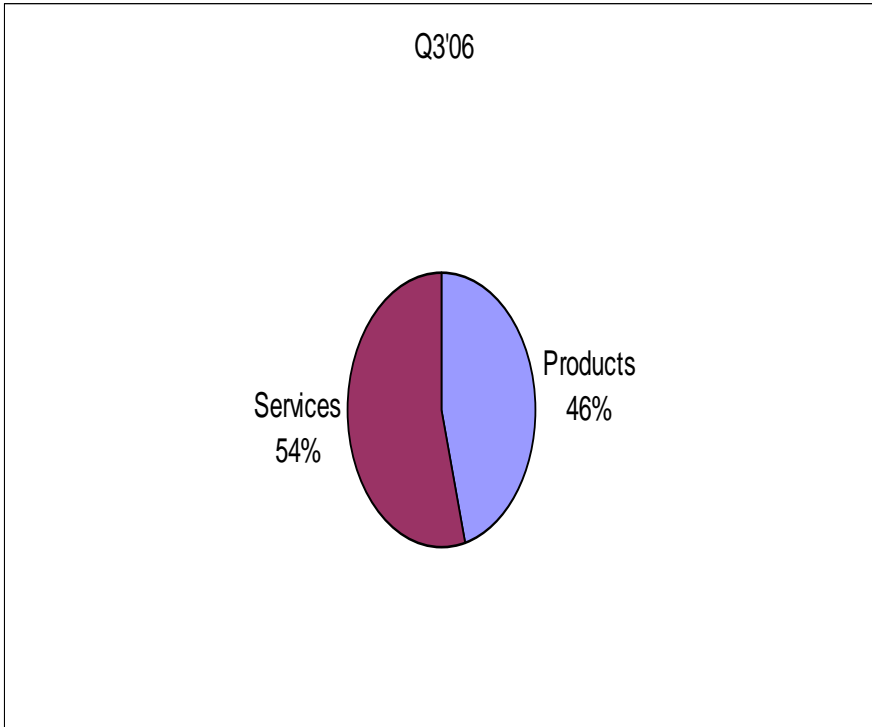
- **SGA expenses were 22% of the revenue as compared to 29% of the revenue in Q3FY05**
- **Consolidated PAT at Rs 163 million, grew by 57% over the corresponding quarter of the previous year**
 - **Sequentially, PAT grew by 22%**
- **The company added 45 new clients during the quarter**

Highlights

Rs Mn	Q3'06	Q2'06	QoQ growth	Q3'05	YoY growth
Income	1,144	984	16.2%	754	51.7%
Gross Profit	514	432	19.1%	347	48.0%
EBITDA	257	210	22.7%	131	96.2%
NP	163	133	22.0%	104	56.8%

Margins	Q3'06	Q2'06	Q3'05
Gross Margins	45.0%	43.9%	46.1%
EBITDA Margins	22.5%	21.3%	17.4%
Net Margins	14.2%	13.6%	13.8%

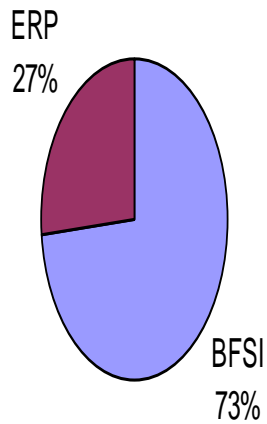
Revenue Mix – Offering Wise



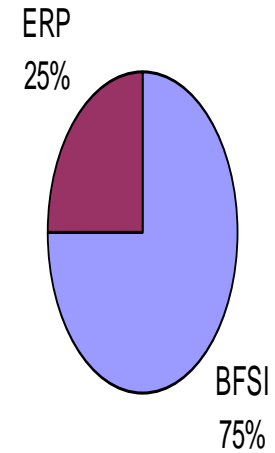
Product revenues include services around products

Product Revenue Mix

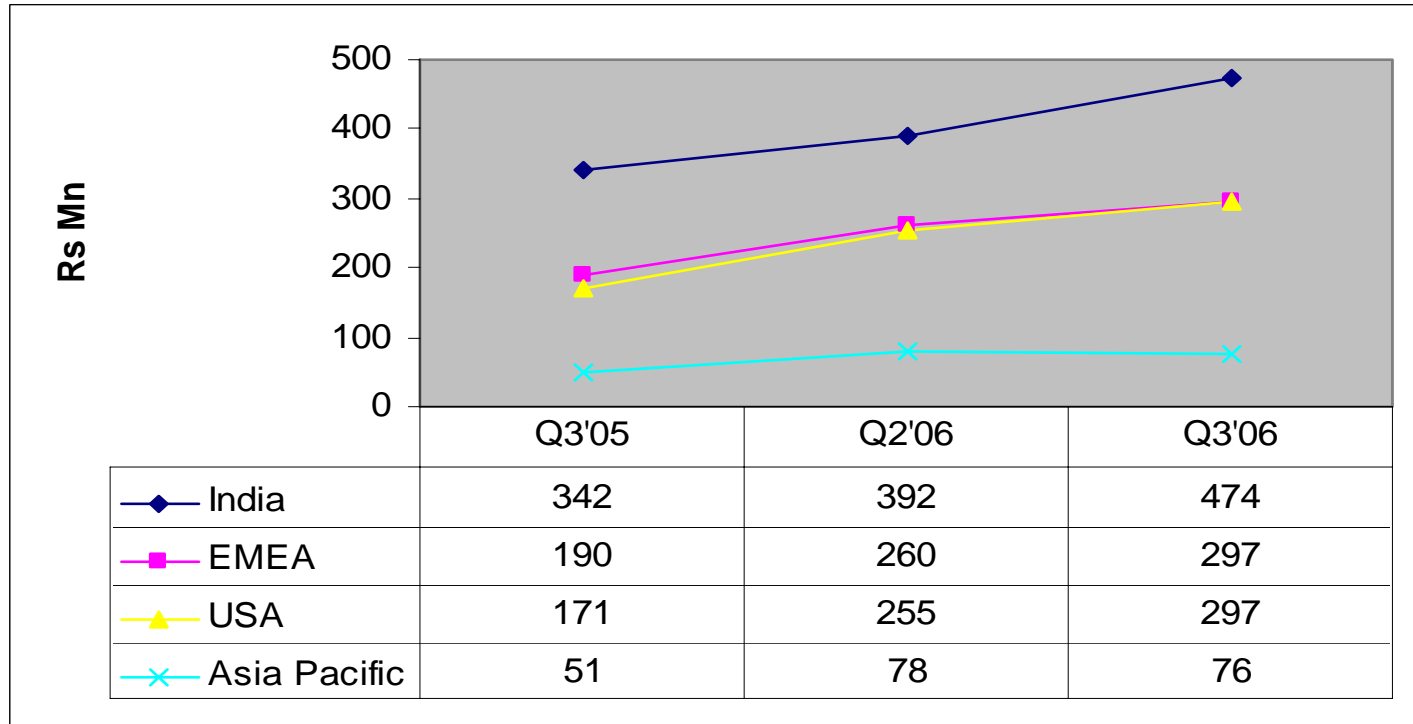
Q3'06



Q2'06

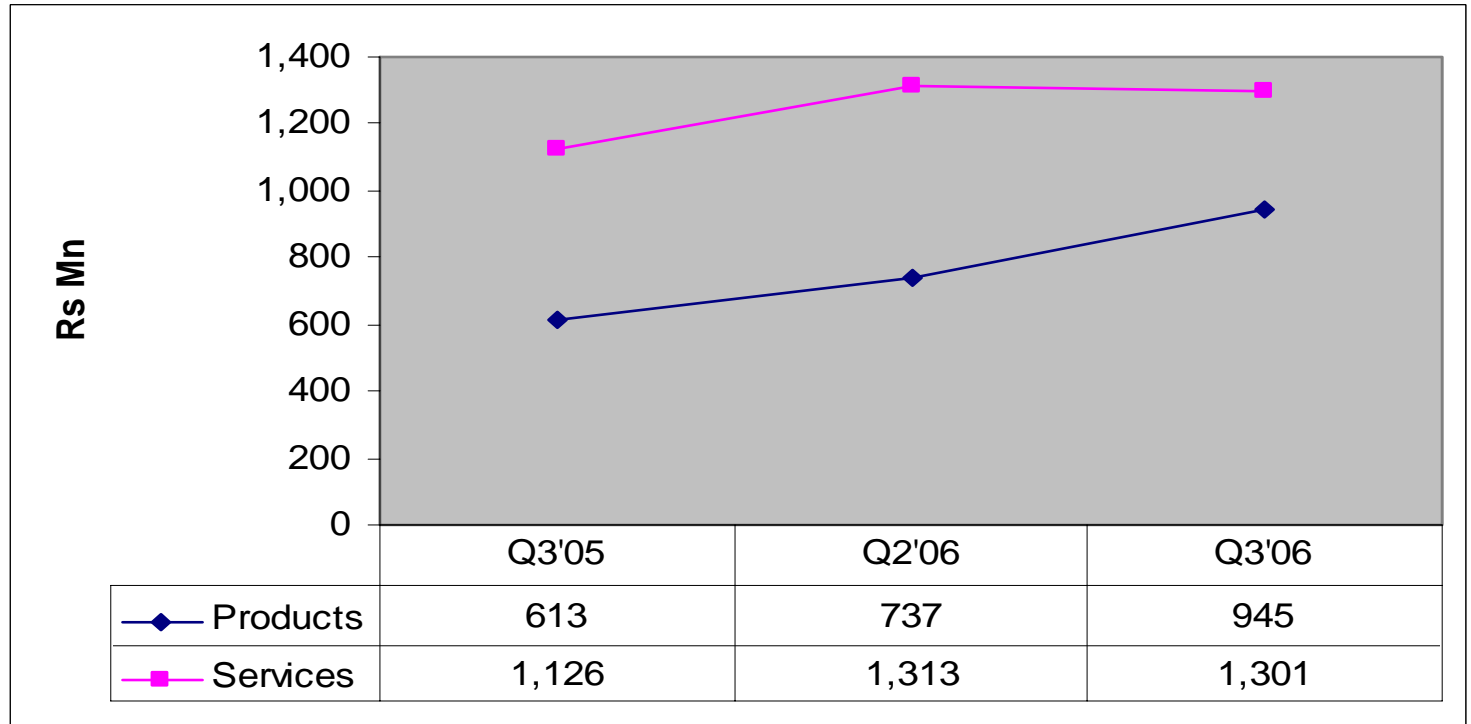


Revenue Mix – Geography Wise



Total	754	984	1,144
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Pending Order Book



Total	1,738	2,050	2,246
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Client data

Customer Concentration

	Q3'06	Q3'05	Q2'06
ICICI Group (Top customer)	20%	25%	22%
Top 5 Customers (ex. ICICI grp)	12%	25%	22%
Top 10 Customers (ex. ICICI grp)	18%	12%	28%

No. of million dollar clients

	Q3'06	Q3'05	Q2'06
> USD 1 million	17	5	15
> USD 5 million	1	1	1

Client data cont...

	Q3'06	Q3'05	Q2'06
Active Clients	552	450	533
Clients added during the quarter	45	46	43
Revenue from Repeat Business (%)	76%	81%	74%

Major Wins

- **A prestigious insurance provider in Maldives has selected our insurance product PREMIA™ for its General, Health and Life Insurance operations**
- **A world major in Insurance, which is already using PREMIA™ in a number of other countries, has decided to deploy this software in Pakistan and Sri Lanka too, for its General Insurance operations**

Major Wins

- **One of the top 3 banks in Kazakhstan has decided to deploy TRITON™, our Universal Lending Solution for the loan origination, management and collection aspects of their Retail operations. After 3i Infotech deploys the system in Kazakhstan, the bank will roll out the application across its subsidiaries in the CIS region**

Major Wins

- **Three banks in the Middle East have opted for our Anti Money Laundering software, BankAlert™ and three of the leading stock brokers in UAE have purchased our internet based Integrated Broker Office Solutions Suite I-Boss. These software products are part of the product suite of SDG Software Technologies, recently acquired by 3i Infotech.**

Major Wins

- **One of the fastest growing banks in Malaysia has selected our Universal Lending Solution, TRITON™ for its retail lending business, comprising Mortgage, Auto Loans, Corporate Loans and Share Margin Financing across both its conventional and Islamic Banking businesses**
- **A US based organisation sponsored by the US government, which is the largest donor initiative for combating AIDS, has chosen to use ORION for their supply chain management requirements for distributing drugs in developing countries**

Outlook

- **Guidance revised:** The company has revised its guidance of revenue growth from 25% - 30% to 40% - 45% for the year and EPS guidance from Rs 8.50 - 9.50 to Rs 9.20 - 9.60.

Thank You