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Performance Highlights – Q1- FY 06

July 22, 2005

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**
- **Growth Drivers**
- **Outlook**

Highlights

- **Consolidated revenue at Rs 899.5 million, grew by 36% over corresponding quarter of the previous year**
 - **On a sequential basis, the revenue grew by 10%**
- **EBIDTA for the quarter at Rs 184.3 million, grew by 67% over corresponding quarter of the previous year**
 - **The EBIDTA margin during Q1FY06 works out to 21% compared to 17% in Q1FY05.**
- **The margin expansion has been achieved through increased gross margins owing to increased AMC and product license contribution and reduction in SGA percentage**

Highlights

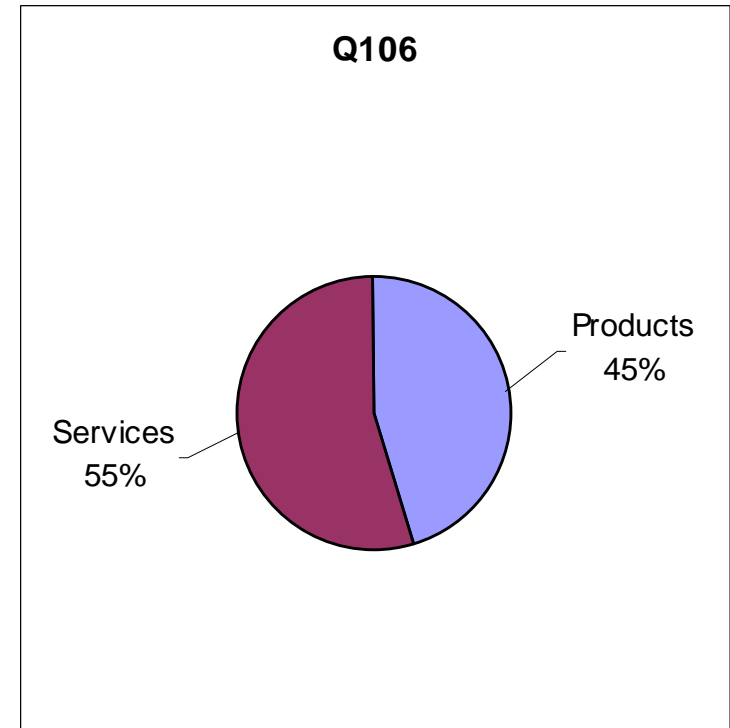
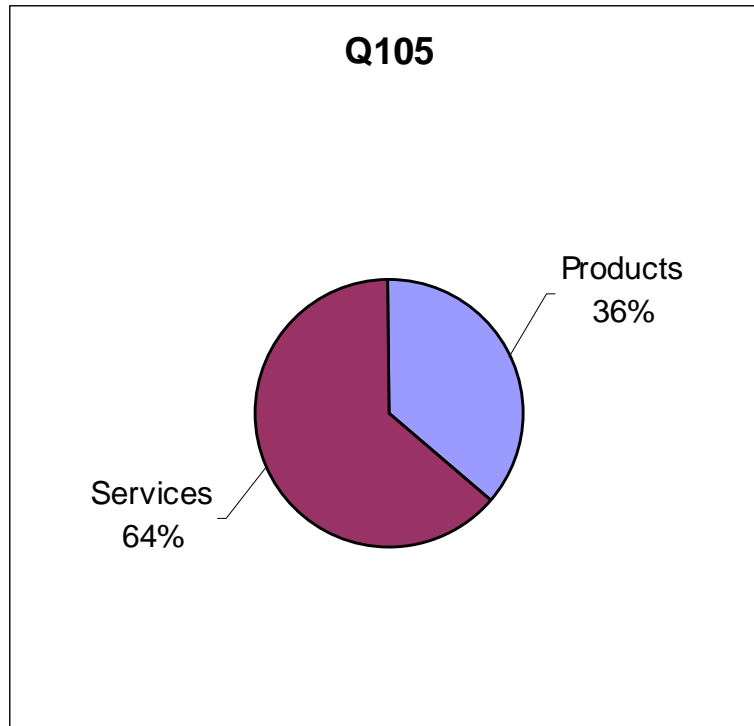
- **SGA expenses were 24% of the revenue as compared to 25% of the revenue in Q1FY05**
- **Consolidated PAT at Rs 103 million, grew by 66% over the corresponding quarter of the previous year**
 - **Sequentially, PAT grew by 36%**
- **The company added 40 new clients in the IT solutions space during the quarter**
- **In the software product space, the company has won orders for each of its BFSI products during the quarter**

Highlights

Rs million

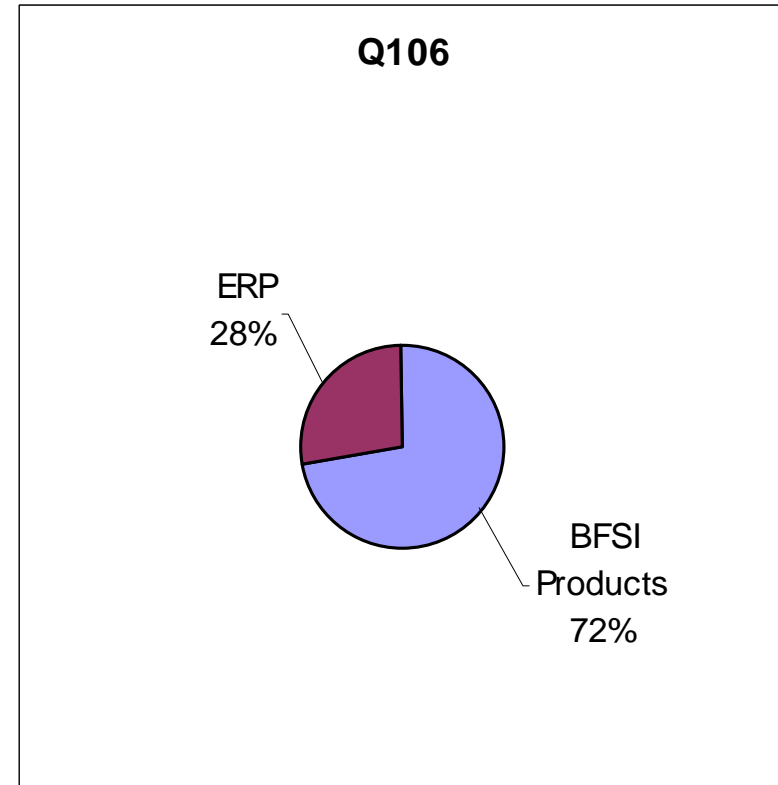
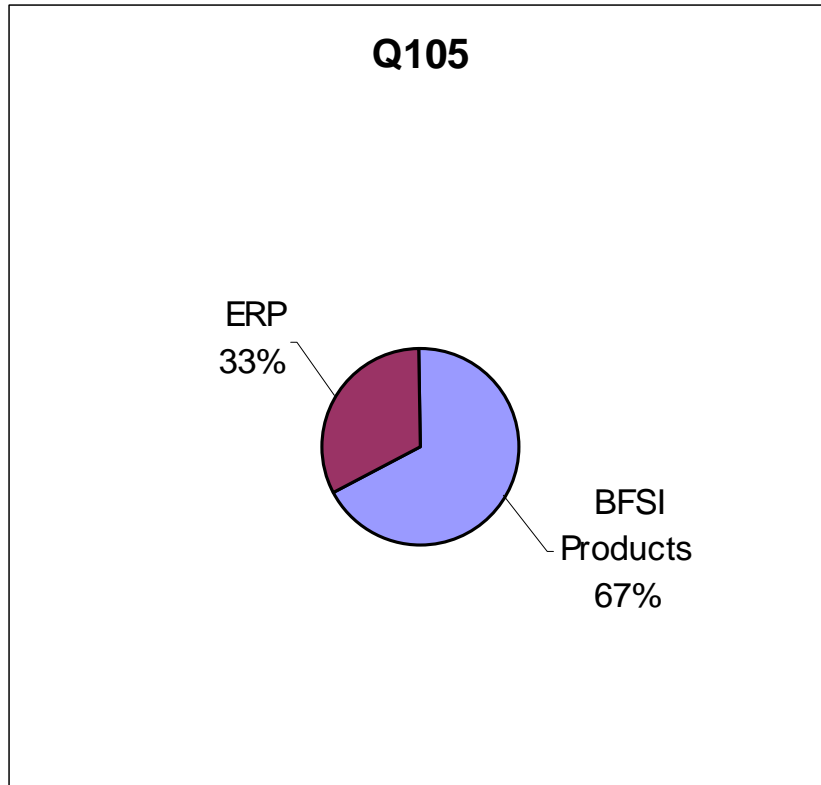
	Q1' 06	Q1' 05	QoQ Growth	Q4' 05
Income	899.55	662.20	35.8%	818.29
Gross Profit	397.42	276.60	43.7%	351.74
Gross Margin	44.2%	41.8%	5.8%	43.0%
EBIDTA	184.33	110.50	66.8%	151.13
EBIDTA Margin	20.5%	16.7%	22.8%	18.5%
PAT	102.97	62.00	66.1%	75.02
Revenue from Products	45.2%	36.5%	24.0%	47.9%
Revenue from BFSI	62.3%	59.2%	5.2%	60.7%
Revenue from ICICI	23.0%	29.2%	-21.2%	23.4%

Revenue Mix – Offering Wise

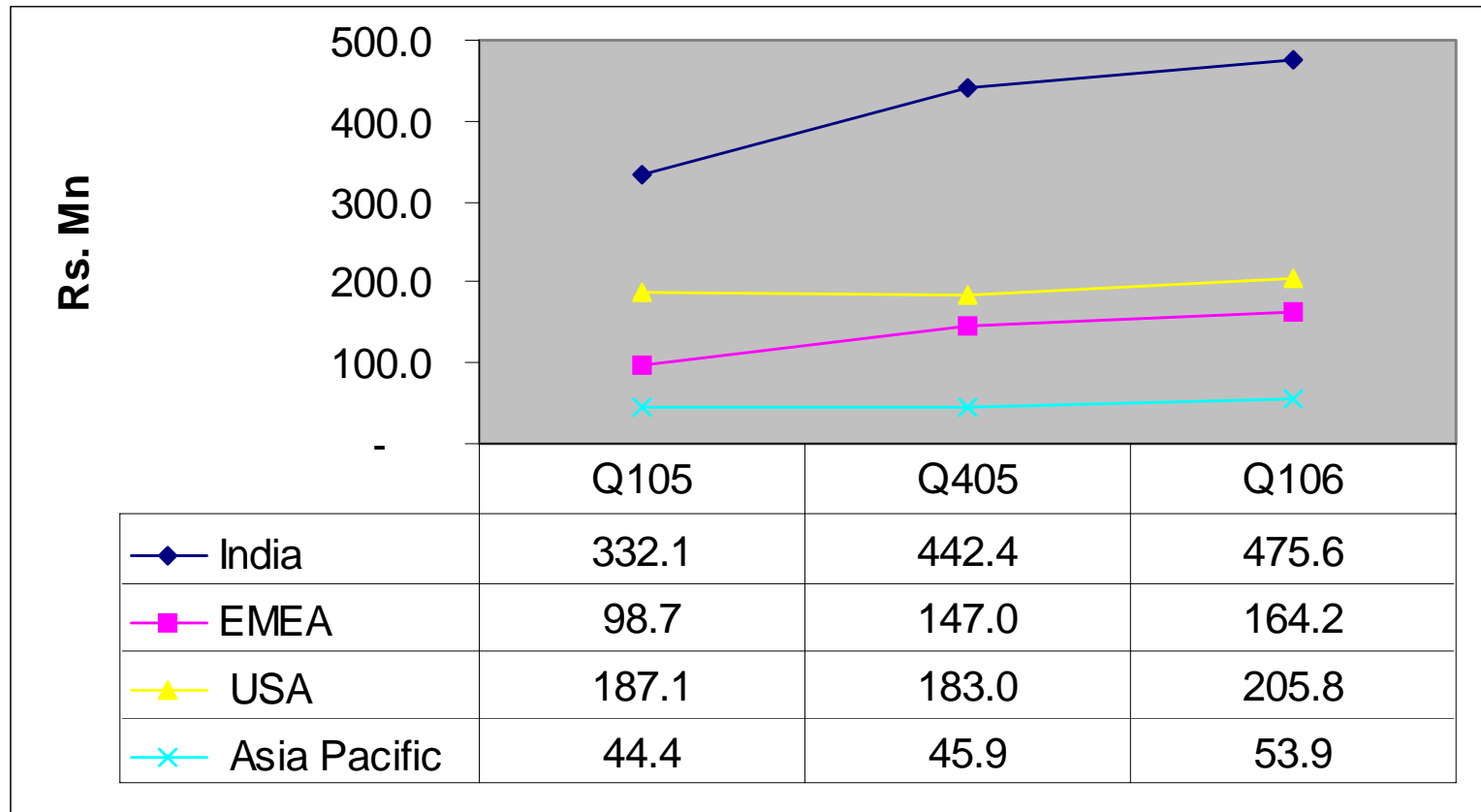


Product revenues include services around products

Product Revenue Mix

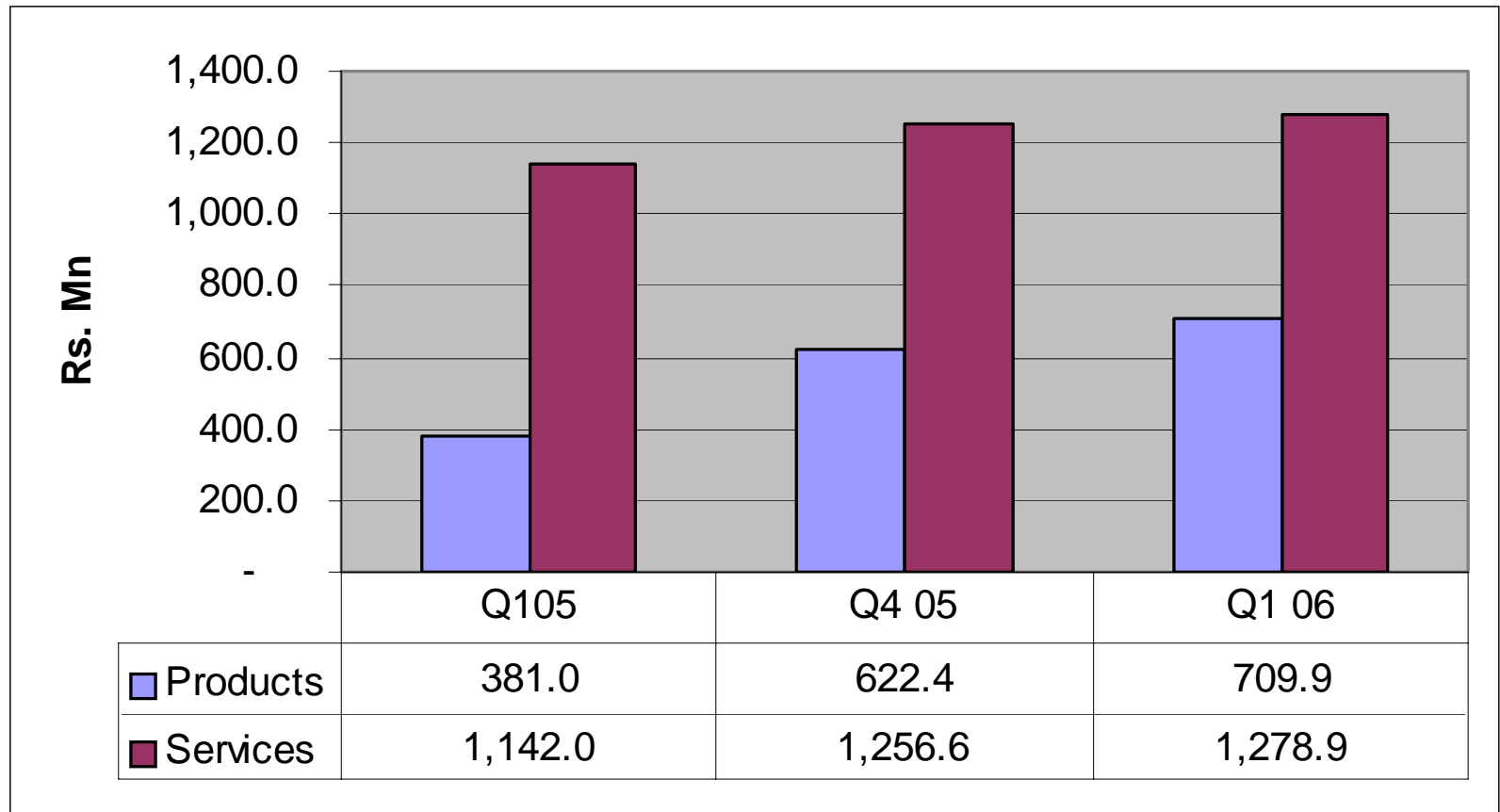


Revenue Mix – Geography Wise



Total	662.2	818.3	899.5
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Pending Order Book



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Customer Concentration

	Q1' 06	Q1' 05	Q4' 05
ICICI Group (Top Customer)	23%	29%	23%
Top 5 Customers	23%	16%	10%
Top 10 Customers	34%	23%	16%
Client Contribution			
<i>Domestic Business</i>			
> USD 1MM	3	1	2
> USD 5MM	1	1	1
<i>Overseas Business</i>			
> USD 1MM	9	3	4

Top 5/Top 10 customers excluding ICICI Group

Customer Acquisition

	Q1' 06	Q1' 05	Q4' 05
Active Clients	516	422	484
New Clients	40	54	41
Revenues from New Clients (%)	24%	21%	19%
Revenues from Repeat Business (%)	76%	79%	81%

Major Wins

- **One of the top 10 and fastest growing banks of Central Asia chose 3i Infotech's Kastle for Treasury Management, Pinnacle for Asset Liability Management and Triton for Retail loan origination. The suite of products will be integrated with 3i Infotech's Core Banking suite NEWTON already under implementation in Russian Language**

Major Wins

- **One of 3 largest banks in Malaysia with asset base of more than USD 10 billion has chosen Triton Product Suite's Origination System for their Retail Loan Portfolio (Mortgage, HP/Auto Loans), Corporate Loan Portfolio to offer Conventional and Islamic Loan products along with Credit Card and Share Margin Financing products. The system will be integrated with Bank's existing Core Banking system with 12 other external system and internal system interfaces**

Major Wins

- **A leading global factoring player based out of the Mediterranean awarded 3i Infotech the mandate to implement its web based factoring solution
TANGIBLE**
- **With Tangible online, the client will be able to operate and monitor online trade finance operations in multiple countries**

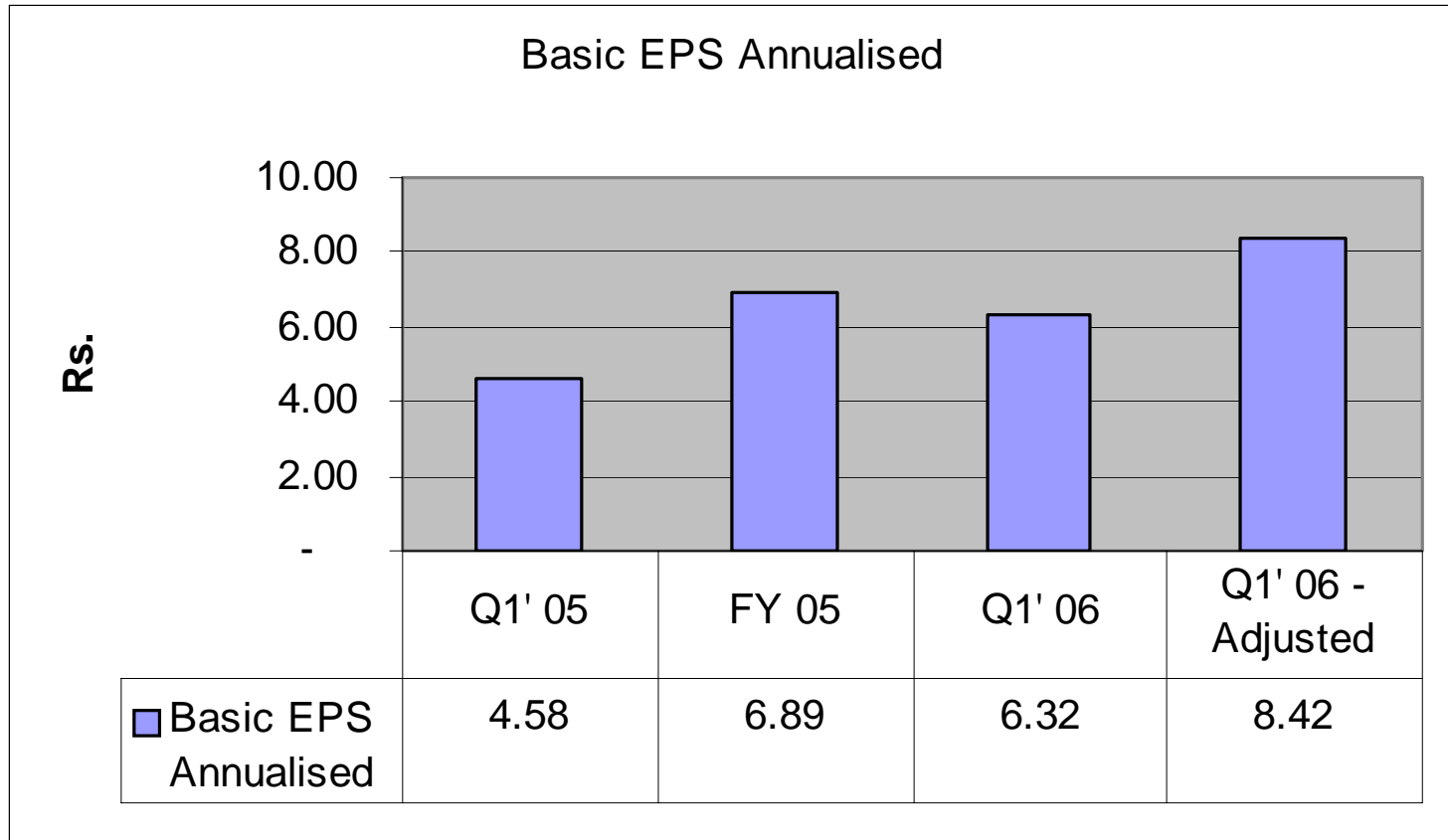
Major Wins

- **One of the few companies in Saudi Arabia that have the license for carrying out the Insurance business in Saudi Arabia have chosen Premia for their operations in multiple locations**
- **One of the leading Nigerian Life & Non-life Insurance business group will be implementing PREMIA to automate all lines of their business**

Major Wins

- **Iran's one of the largest integrated dairy processing and distribution company chose 3i Infotech to implement a solution to integrate functional areas like procurement, production, sales, distribution, plant maintenance, purchase and inventory control, HR and payroll, financial, accounting, costing, asset accounting etc.**

EPS Trend



Growth Drivers

- **Target emerging markets / Central Asia/ Eastern Europe for Banking Products**
- **Premia to achieve leadership position in Insurance product space for P&C and healthcare**
- **Micro Verticalisation of ERP product**
- **Tap new countries through channel partners**
- **Entry into Mutual Fund software product and Mutual Fund back office processing space**
- **Focus on e-governance for services in India & US**
- **Focus on niche areas such as system integration/ enterprise application integration/ IS & IT security consulting/ legacy to new technology conversion**
- **Acquisitive growth**

Outlook

- For fiscal 2006, the Company anticipates a growth in revenue of between 25% and 30% over the revenue in fiscal 2005, with EPS ranging from Rs 8.5 to Rs 9.5

Thank You