



## **3i Infotech's Revenue Grows by 58.2% to Rs. 670 crores in Fiscal 2007**

*Consolidated PAT at Rs. 104.5 crores up 81.2%  
Announces a bonus issue of 1:1*

**Mumbai - April 25, 2007** - 3i Infotech, a global provider of IT solutions and one of India's largest and the fastest growing software products companies\*, today announced its operating results for the quarter and year ended March 2007.

### **FINANCIAL HIGHLIGHTS**

#### **Consolidated results for the year ended March 31, 2007**

- Revenue for the year was Rs. 670.8 crores, representing a YoY growth of 58.2%.
- Profit before interest depreciation and tax (PBIDT) grew by 89.1% to Rs. 174 crores.
- Profit after tax stood at Rs. 104.5 crores grew by 81.2% over the previous year.
- Earnings per share (EPS) increased to Rs. 17.98 from Rs. 9.51 in the previous year, representing a growth of 89.1%.

#### **Consolidated results for the quarter ended March 31, 2007**

- Revenue for the quarter was Rs. 210.9 crores, a growth of 73.5% from the corresponding quarter of the previous year.
- Profit before interest depreciation & tax (PBIDT) grew by 96.1% to Rs. 53.2 crores.
- Profit after tax at Rs. 32 crores grew by 82.4% over the corresponding quarter of the previous year.
- Earnings per share (EPS) increased to Rs. 5.72 from Rs. 2.74 in the same quarter of the previous year.

In view of the Company having crossed many a milestones and as an acknowledgement of the continued support provided by the shareholders, the Company has announced a Bonus Issue of 1:1 subject to requisite approvals.

The Board of Directors recommended a dividend of Rs. 2.00 per share (20% on par value of Rs.10 per share) for fiscal 2007.

Commenting on the results, Mr. V. Srinivasan, Managing Director & CEO, 3i Infotech Limited, said, "The year 2006-07 has been a memorable one for 3i Infotech Limited. The Company took some strategic decisions, which will contribute to significant growth in the coming years. These include the entry of the company in the Mutual Fund vertical, both in the products and services space. We also launched the first ever Insurance Business Exchange in India, expanded in the domestic BPO space, made an entry into the UK market through a significant acquisition and also made the first insurance product sale in that geography."

He added, "This year also saw the company successfully complete two FCCB issues and maintain the impressive growth trajectory."



## OUTLOOK

Guidance for FY08: The Company expects revenue for FY07-08 in the range of Rs. 1000 - Rs. 1100 crores and an EPS range of Rs. 24.4 – 26.2 without diluting for FCCBs closed before March 31, 2007 and a range of Rs. 20.1 – 21.5 fully diluted for the above FCCBs, on a pre Bonus capital.

## BUSINESS HIGHLIGHTS

- Software products contributed 51% of the operating revenues for the year as against 47% for the previous year. The company successfully entered new spaces such as Mutual Funds and launched the Kochi Development Center (KDC) for product research and development, with a focus on enhancing the 'MFund' product suite
- Services contributed 49% of the operating revenues for the year as against 53% for the previous year. Significant headway was made into the e-Governance space in India and the US, with prestigious projects being won in these geographies
- The company made significant progress in the insurance arena, with the launch of the PREMIA Insurance Broking eXchange (IBX) - a first of its kind subscription based Internet solution for the Indian insurance industry
- The Company also successfully launched and priced two offerings of Foreign Currency Convertible Bonds of € 15 million and € 30 million, both listed on the Singapore Stock Exchange and convertible over a five-year period
- The company also launched its BPO offering for the Mutual Funds business with a view to offering Registrar & Transfer (R&T) Agency and Fund Accounting Services for this sector.
- During the fiscal, 3i Infotech was assessed at Level 5 of the Capability Maturity Model Integration (CMMI SE/SW version 1.1) for all of its development centers in Mumbai after a rigorous month-long SCAMPI assessment by KPMG.

## ACQUISITIONS

3i Infotech's exponential growth during the fiscal has been driven by a mix of organic and inorganic strategies, thus allowing the company to make an entry into new segments such as Mutual Funds and add new solution offerings in the area of Business Intelligence, eCommerce, Document Imaging and workflow, etc. Additionally, this strategy has allowed the company to fill perceived gaps in its range of offerings across the BFSI sector. Some of the companies acquired during the fiscal are:

- UK based Rhyme Systems, a company in the area of asset management software
- e-enable, a company engaged in Business Intelligence
- Stex Software, a workflow and document imaging software and associated services business



## AWARDS AND RECOGNITIONS

3i Infotech received the following awards and recognition in the fiscal:

- For the second year in succession, 3i Infotech (Asia Pacific) won the coveted "Service Provider of the Year" Award at the prestigious Asia Insurance Industry Awards - 2006
- KASTLE Universal Lending was ranked 2<sup>nd</sup> by International Banking Systems (IBS) in the category of Lending Solutions
- Frost & Sullivan awarded 3i Infotech Growth Strategy Leadership award for excellence in 2006
- 3i Infotech is the fourth largest Indian Software Products Companies as per Dataquest\*

### About 3i Infotech

3i Infotech is one of the top 4 Indian Software Products Companies.\* The Company provides software products and IT services (Managed IT Services, Application Software Development & Maintenance, Payment Services, Business Intelligence, IT Consulting, BPO, Document Imaging & Digitization and Data Warehousing) for the Insurance, Banking, Capital Markets, Mutual Funds and Government verticals. The company services customers in over 50 countries across 5 continents.

3i Infotech is SEI CMMI Level 5 compliant for its Software Services and ISO 9001:2000 certified for its IT Infrastructure and BPO services.

\* Dataquest July 2006 issue

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