



3i Infotech
"Connect"

**Empowering
Business
Transformation**

February , 2013

From the MD and Global CEO's Desk:

Our board has approved our financial results for the quarter ending December, 2012 (Q3 2013). The Company has reported a total Revenue of Rs. 3,548 million (Q2 2013 : Rs. 3,325 million) with an EBIDTA of Rs. 470.6 million (Q2 2013 : Rs. 403.2 million) and a net loss (after Tax) of Rs. 719.8 million (Q2 2013 : 1,910.8).

Financial Analysis

The results for the quarter need to be viewed specifically with respect to the company's operations, finance charges & Depreciation and exceptional items during the quarter.

An analysis of the results for the quarter is as follows :

Description	Q2-2013 (Rs. in million)	Q3-2013 (Rs. in million)
Total Revenue (operating income and other income)	3,325	3,548
EBIDTA	403.2	470.6
Interest and Depreciation	1392	1167
Exceptional items	228	-
Adjustment arising in lieu of proposed business	661.2	-
Tax	32.8	23.4
Net loss after tax	1,910.8	719.8

Operating results

The salient features of the financial results for Q3 2013 are as under.

- 7% increase in total Revenue to Rs. 3,548 million for Q3-2013 from Rs. 3,325 million in Q2-2013
- EBIDTA at Rs. 470.6 million for Q3-2013 (Q2-2013: Rs. 403.2 million)
- 100 new clients were added during 9M-2013.

- 9,224 employees at Dec 2012 from 9,396 at Sept 2012

Development/Launch of products and services:

As we are going through consolidation phase, the operating performance of the company is improved sequentially on a quarter on quarter basis. We are confident of maintaining and improving on the existing trends.

The interest expenses of the certain borrowings are being converted into equity shares and will continue in the forthcoming quarters.

- Our Flagship Insurance Product Premia has been certified as Oracle Exadata ready. The Exadata Database Machine is designed for database deployments that require very large amounts of data, delivering extreme performance and scalability for all applications including Online Transaction Processing (OLTP) and Business Intelligence. This gives our customers ability to scale their business and ensure high performance.
- Our ADMS team has done major enhancement of TINXSYS (Tax Information Exchange System) a centralized exchange of all interstate dealers spread all across the various states and union territories of India. TINXSYS, the project of 3i Infotech started in 2004, helps the Commercial Tax Departments of various States and Union Territories to effectively monitors the interstate trade.

Our Clients

New Client:

We have added new clients across our various practices and geographies. A few of them are mentioned below.

Domestic

- Our Testing & Compliance Group (ITCB Group), has bagged the Test Strategy Design exercise for the prestigious **UID Aadhar** Project.
- ITCB Group, 3i Infotech has made inroads into retail market by suggesting a Unified Test Tool Strategy for world's third largest retailer service centre. Based on ITCB's proposal, they have empanelled 3i Infotech for all their IT services.

International

- 3i Infotech has bagged a deal for Testing Services from one of the leading insurance company in Oman (Gulf Cooperation Council region). 3i Infotech will be implementing HP Unified Functional Testing (UFT) tool for their Quality Assurance (QA) practice unit. This win is of strategic significance to us as this is the First Testing Services deal in the Middle East and Africa region.
- 3i Infotech has been selected as a testing vendor of choice by a leading Life Insurance company.
- An ISO 9001: 2008 certified, world class producer of polyester filament yarn in Indonesia has gone Live successfully from January 2, 2013 with Orion Process Manufacturing Suite. Orion is integrated with the Automated Production Control Systems which enables complete manufacturing process to be controlled by barcodes without any human intervention of data from Inventory to shop floor and back to Inventory till dispatch.
- One Holding Company, owned by the Omani government has selected 3i Infotech to provide Oracle Hyperion enterprise performance management system enhancement, development and support services.
- A National Public Shareholding Bank in Dubai, has chosen 3i Infotech to provide professional services for their IT

department. The current engagement is to streamline support for ORACLE Web Method middleware platform.

- 3i Infotech has recently entered into a contract for ORION with one of the oldest and leading supermarket and departmental stores in Nigeria. The group has a chain of world's largest food retailer, with approximately 14000 stores in 35 countries worldwide and using their own Point Of Sales solution; this will now be integrated with 3i Infotech's ORION™ ERP Solution.
- One of the first three discount houses **licensed by Central Bank of Nigeria (CBN) has selected the Domestic Treasury Module of Kastle Treasury for their core operations.**
- A leading **bank in Kenya, has selected Anti Money Laundering and Financial Crime Detection suite** from 3i Infotech.
- Our KSA Geography has won a multimillion dollar **strategic resource augmentation deal for SAP resources.** 3i Infotech will provide SAP resources covering skills on project management, functional/business consulting, change management, technical development, technical infrastructure and training.
- One of the fastest growing finance company in Bahrain have chosen 3i Infotech **as its IT partner to replace their existing core business solution with our KASTLE ULS and ORION as core business solution, along with CRM solution deployment.** The proposed engagement would help 3i Infotech to establish its presence as a turnkey system provider (SI- System Integrator) in the region.

Existing Clients:

While we continue to acquire customers we have also been committed to our existing ones across various geographies, A few of these who have extended their scope of work with us to include more products and services thus reposing their confidence in us. A few of them are mentioned below:

- Continuing with the strategic partnership with 3i Infotech, a leading housing finance company has placed an order for the "Deposits Module" with us. 3i Infotech will be deploying the **Deposit Module of our core banking system "Kastle Core Banking", to cater to the deposits they take from the retail customers** like most corporate players do. This is a back-to-back order in less than one month from the same customer.
- One of our clients, a leading bank, wanted to do a webcast from Mumbai to its 120+ branches PAN India. The setup at these 120+ branches required various configurations on machines and testing. The 3i Infotech IT Facilities Management / AMC support team has successfully completed the **setup in these 120+ branches in a record time of two days.**
- A leading oil company is incorporated under the Federal Companies Law and owns and operates blending plants in the Emirate of Sharjah, UAE has been **using ORION 7.4 for more than 12 years and decided to upgrade to the latest version of ORION 10.6.** The biggest challenge of this project was to upgrade the **completely customized ORION version 7.4** to 10.6.
- One of the leading brands in Washroom Hygiene Products & Maintenance, its other line of businesses include Waste Care, Building Materials, Steel Fencing, Interiors, Floor Care, & Coating has been **using ORION for more than 10 years and decided to upgrade to the latest version of ORION 10.6.** The challenge was to re-engineer their core business function of equipment rental.
- 3i Infotech MEA team has cracked a multimillion dollar order project with the largest Insurance & Financial Services company in South Asia, in addition to the core insurance system project awarded to 3i Infotech earlier in November 2012.
- IT company has renewed its contract with 3i Infotech for providing Facilities Management & AMC services PAN

India to JET for another year with an increase in the contract value.

- A leading mobile service operator in India has renewed its contact for providing Facilities Management & AMC PAN India for another year.
- 3i Infotech had recently obtained a new order from one of the oldest insurance companies in East Africa to rollout PREMIA in the remaining five countries in addition to its existing 3 countries implementation.
- One of the largest insurance companies in Bhutan and has a geographical spread across the country, is using Premia General Insurance for its general insurance operations since January 2012, selected Premia Life Insurance solution including Data Migration for their Life Insurance business.
- The largest electronics retailer in the UAE, and also the fastest-growing electronics retail chain in the Middle East, is using **ORION 10.6 for more than three years with 600+ users across UAE, KSA & Bahrain regions. Recently they opted to implement ORION 10.6 for the Qatar region.**
- A leading distributor of Hyundai Motors in Morocco has chosen Orion Enterprise and Orion Payroll Solution for their growing new business of Electronics and FMCG. **They have been using Orion for the past 4 years for their automotive business and they have reiterated their confidence in 3i Infotech by selecting Orion for their new line of business.**
- 3i Infotech's Kingdom of Saudi Arabia team has signed up deal for our ERP solution- ORION 10.6 (upgrade) – Contracting Suite with OBIE based Business Intelligence implementation with an investment company in Saudi Arabia. The customer is specialised in the production and supply of façade systems offering solutions to every architectural requirement.

Client Appreciation/Commitment delivered:

- One of the oldest insurance companies in East Africa and has a geographical spread across eight countries, is using PREMIA for its operations in three countries.
Here is what the customer has to say post the implementation:
"The team of experts from 3i Infotech has done very well in implementing the product. The service and support of 3i Infotech project team during the implementation is commendable and excellent. We are proud to be associated with 3i Infotech and our cordial relationship helps us to meet the diversified needs of our clients. We have no reservation in recommending 3i Infotech Ltd to any insurer who may want to introduce PREMIA software for their IT Solution." - **client, Chief Executive Officer**
- Our MFund team was called on an SOS when one of our client had system issues on New Year Eve (December 31, 2012) around 10 pm. Our team worked through the night and set the system up and running around 3 am ensuring the customer was able to complete their End of Day processing.
Here is what the customer has said:
Dear Team 3i Infotech, I would like to acknowledge efforts made by all of you for declaring BALIC NAV of 31st Dec 2012. You had to literally burn midnight oil. This is also significant because this mid night was of New Year eve. I again really appreciate the dedication of team 3i Infotech- **Client, Vice President Finance and CRO**
- One of our client, a leading bank opened a mega issue of Privately Placed Bonds amounting to Rs.3,800/- Crore. The bond issue opened on December 24, 2012 and closed on December 28, 2012 with a deemed date of allotment on December 31, 2012 which was very crucial for the bank. Our Transaction Processing team who has been servicing the bank took up the task and managed to get necessary activities done on time for Bank to issue the Bonds on December 31, 2012. The entire allotment process was completed in "**T (Allotment date) + 0 days**", the normal allotment process takes "T +2/3days"
Here is what the customer has said:
Your valuable co-operation helped us mobilize Rs. 3,800 crore through Private Placement of Lower Tier II Bank

Bonds in domestic market- Client, Product Manager - TASC & Bonds

- One of our customer was under tremendous pressure from their end client Macy's (one of the largest retailer in apparel industry) three major issues in their production environment. 3i Infotech team, reached out to the customer to resolved the issues and worked 24/7 for 4 consecutive days. Our customer accepted all our deliveries first time right (FTR) and in turn tested and successfully delivered it to the end client Macy's.
Congratulations to entire 3i Infotech-Gerber Support team who showed patience, dedication and commitment to give First Time Right solution, which was well appreciated by- client, Vice President and Sr. Technical Support Engineer

3i Infotech in the News

Please [click here](#) to check our latest media coverage.

Way Forward:

We are committed to be relevant and proactive in our approach. Accordingly we are walking on a road map for three of our key products namely Orion, Premia and MFund. A glimpse of the same would be available in our Connect-Expo in Mumbai on March 4, 2013 and March 5, 2013.

Your support has been invaluable to us as a company over the years and we look forward to it in the future. As we move forward, we will keep you updated on the developments at 3i Infotech on an ongoing basis.

Regards,

Madhivanan Balakrishnan
Managing Director & Global CEO

For any clarification, please feel free to write to 3IINFOTECHCONNECT@3i-infotech.com, corporate@3i-infotech.com or tina.dutta@3i-infotech.com