

3i Infotech reports third quarter results

Revenue grows by 8.4 % to Rs. 1,836.15 crores (USD 380.13 million) and profit to Rs. 200.64 crores (USD 41.54 million) for the nine months of fiscal 2009-10

Mumbai - January 22, 2010 - 3i Infotech, a global provider of IT solutions, one of India's leading IT companies and among the top 3 Indian Software Products Companies*, today announced its operating results for the third quarter ended December 31, 2009.

FINANCIAL HIGHLIGHTS

Consolidated results for the nine months ended December 31, 2009

- Revenue for the nine months ended December 31, 2009, is Rs.1,836.15 crores (USD 380.13 million), a growth of 8.4% over the corresponding period of the previous year.
- Profit before depreciation, interest and tax for the nine months is Rs.374.94 crores (USD 77.62 million), a growth of 13.4% over the corresponding period of the previous year.
- Net profit for the nine months ended December 31, 2009, is Rs.200.64 crores (USD 41.54 million), an increase of 4.8% over the corresponding period of the previous year.
- Earnings per share (EPS) decreased to Rs.12.35 from Rs.14.23 in the corresponding period of the previous year due to the additional equity issuance done by the Company in the form of a QIP in the last quarter.

Consolidated results for the quarter ended December 31, 2009

- Revenue for the quarter ended December 31, 2009 is Rs.601.86 crores (USD 128.39 million), a decline of 2.2% over the corresponding period of the previous year. The major cause of this reduction is the impact of the forex fluctuation of around Rs. 27 crores, which is approximately 4.5%.
- On a sequential basis, revenue declined by 4.8% as compared to Rs.632.15 crores (USD 129.65 million) recorded in the previous quarter, of which the impact of forex fluctuation is around Rs. 17 crores, which is approximately 2.8%.
- Profit before depreciation, interest and tax for the current quarter is Rs.125.28 crores (USD 26.73 million), a growth of 7.3% over the corresponding period of the previous year.
- Profit after tax for the current quarter is Rs.61.45 crores (USD 13.11 million), a decline of 11.9% over the corresponding period of the previous year. This is due to the increase in interest and depreciation cost by Rs.13.18 crores.
- Earnings per share (EPS) decreased to Rs.4.15 from Rs.4.79 in the same quarter of the previous year due to increase in the number of equity shares issued by the company in the previous quarter.

Commenting on the results, **Mr. V. Srinivasan, Managing Director & CEO, 3i Infotech Limited**, said, "As we have been stating over the past period, the margins of the Company are reasonably insulated from the fluctuation in foreign currency. The proof of this is well reflected in the current period's results, where though for the current quarter there has been a decline in absolute values of sales by around Rs.13 crores as compared to the same quarter in the previous year, the EBIDTA margins have actually increased from 19% to 20.8%. The business environment is beginning to improve and we are confident of volume improvements in the future."

About 3i Infotech

3i Infotech is one of India's leading IT companies and among the top 3 Indian Software Products Companies.* The Company provides software products, IT services and BPO services (Managed IT Services, Application Software Development & Maintenance, Payment Services, Business Intelligence, Document Imaging & Digitization, Operations Outsourcing and IT Consulting) for the

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The Company's quality certifications include SEI CMMi Level 5 for Software business, ISO 9001:2000 for BPO, ISO/IEC 27001:2005 for Data Center Operations and ISO/IEC 20000-1:2005 for Data Center Management Services.

* **Source: Dataquest, August 2009**

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