



INVESTOR UPDATE

Q4 FY09 AND YEAR ENDED MARCH 31, 2009

- Infotech's financial performance has been discussed on a Consolidated Group basis in this document.
- Infotech Group's operations comprise overseas wholly-owned subsidiaries Infotech Enterprises Europe Ltd., U.K. (IEEL); Infotech Enterprises America Inc., (IEAI); Infotech Enterprises GmbH (IE, GmbH) ; Infotech Enterprises Japan KK; TTM (India) Pvt. Limited; TTM Institute of Information Technology Pvt. Limited, India; Infotech Enterprises Engineering Services Pvt. Ltd.; Joint Venture Infotech HAL Limited (HAL JV) and the partially-owned subsidiary Infotech Geospatial (India) Ltd (IGIL).

KEY HIGHLIGHTS

- Revenue at Rs. 8,897.5 million for FY 09, Y-o-Y growth of 32.0%.
- Revenue in \$ terms at US\$ 193.4 Million for FY 09, Y-o-Y growth of 15.5%.
- Revenue at Rs. 2,349.7 million for the quarter, Y-o-Y growth of 25.4%.
- Operating profits at 20.1% for FY 09, an increase of 200 basis points over FY 08.
- Operating profits at 21.7% for the quarter, an increase of 230 basis points over sequential quarter.
- Profit before Tax for Q-4 (before provision for MTM losses on forward contracts Rs. 309.6 million) at Rs. 413.5 million, a Y-o-Y growth of 29.6%.
- Profit after Tax for FY 09 at Rs. 924.8 million, a Y-o-Y growth of 8.1%.
- MTM losses of Rs. 514.8 million fully provided in P&L.
- **Board of Directors recommend 30% dividend i.e. Rs. 1.50 per Equity share of Rs. 5 each, subject to the approval of the shareholders.**
- Strong financial performance despite global slowdown and volatile currency markets.
- All Wholly Owned Subsidiaries have achieved commendable revenues and profits. IEAI revenues up 51.1% Y-o-Y; IEG revenues up 21.6% Y-o-Y; IEE revenues up 20.2% Y-o-Y.
- Business momentum and environment continues to be strong for key verticals - Manufacturing, Utilities and Telecom.
- Net addition of 640 people during FY 09.



Commenting on the Fourth quarter FY 09 and Annual results Mr. BVR Mohan Reddy, Chairman and Managing Director, Infotech Enterprises, said, “I am pleased to announce another strong quarterly and annual performance. The company has delivered a robust growth performance during the quarter and year under review. We have improved our operating margins by 230 basis points over the sequential quarter, despite global slowdown and volatile currency markets.

Our geographies have shown strong sustainable performance. Our German, UK and US subsidiaries have Y-o-Y growth rates of 21.6%, 20.2% and 51.1% respectively. The share of profits from our associate company in Puerto Rico has increased by 14% Y-o-Y. Our wholly-owned subsidiaries, IEE, IEAI and IEG, and associate company IASI have distributed dividends during FY 09.

Our verticals, UTG and EMI, have shown growth of 5.4% and 38.8% respectively in Q-4 FY 09 as compared to Q-4 FY 08.

We have a strong balance sheet with cash balance of Rs. 333 crores.

We have undertaken various cost control measures on a “war-footing” and the impact can be clearly seen from the improvement in operating margins.

Going forward, we expect our operating margins to be between 19% and 20%.

HIGHLIGHTS FOR THE QUARTER ENDED MARCH 31, 2009 (Q4 FY09)

FINANCIAL HIGHLIGHTS

Particulars	Q4 FY 09	Q3 FY 09	Q-o-Q	Q4 FY 08	Y-o-Y
Operating Revenue	2,349.7	2,327.5	1.0%	1,874.0	25.4%
Operating Profit	509.0	450.8	12.9%	341.6	49.0%
Operating Margin	21.7%	19.4%		18.2%	
PAT (Post share of HAL JV Profits)	185.4	144.8	28.0%	259.3	-28.5%

(All numbers in INR Million, except % data)



Particulars	Q4 FY 09	Q3 FY 09	Q-o-Q	Q4 FY 08	Y-o-Y
Operating Revenue	47.2	47.7	-1.1%	46.6	1.3%
Operating Profit	10.2	9.2	10.9%	8.5	20.0%
Operating Margin	21.7%	19.4%		18.2%	
PAT (Post share of HAL JV Profits)	3.7	3.0	23.3%	6.5	-43.1%
Average Exchange Rate (US\$ vs INR)	49.76	48.76		40.24	

(All numbers in US\$ Million, except % data)

- In Rupee terms, Revenue at Rs.2,349.7 millions for the quarter; Y-o-Y growth of 25.4%, sequential growth of 1.0%. The sequential growth of 1.0% is due to - (1) Exchange fluctuation +0.3%; (2) Price Variation +1.2%; (3) Volume de-growth -0.5%.
- Operating margins are at 21.7%, a Y-o-Y improvement of 350 basis points and Q-o-Q improvement of 230 basis points. However, going forward, the operating margin is sustainable between 19% and 20%.
- In Rupee terms, Net Profit (after provision for MTM losses on forward contracts Rs. 309.6 million) at Rs. 185.4 millions for the quarter; sequential growth of 28.0%.
- In constant currency terms, the revenues in dollar terms have grown by 0.6%.
- Cash balance stood at Rs. 3,333 million (as per annexure) as against Rs. 2,964 million as at end of Q-3.
- Incurred **Capital Expenditure** of Rs. 424 million during the quarter.
- **Forex losses** for the quarter were on account of the following -

Cash loss incurred on honoring of matured forward contracts	- Rs. 80.0 million
MTM provision	- Rs. 309.6 million
Gain on currency translation	- Rs. (14.3) million
Total	- Rs. 375.3 million

Deferred Tax asset amounting to Rs. 174.9 million has been recognized on account of the MTM provision of Rs. 514.8 million for the year.



- **14 customers were added** during the quarter, 6 in UTG and 8 in EMI.
- Infotech Enterprises Benelux BV, our step-down subsidiary has signed an agreement with Dutch telecommunication, engineering and technology company, **Volker Wessels** to provide telecommunications engineering to telecom industry worldwide.
- Infotech Enterprises Japan KK, our wholly owned subsidiary, has signed a **framework agreement with Mitsubishi Heavy Industries**, Japan, for providing engineering and other manufacturing related services.
- We have signed a **Memorandum of Understanding with Eurocopter**, a German based helicopter manufacturing company for helicopter programme of the Ministry of Defense, Govt. of India.
- **Infotech HAL Limited**, our JV with HAL, secured a redesign and supply order from MBDA, a French company that supplies defense equipment.
- We have been awarded the **IMC RBNQ Performance Excellence Trophy** under the service category. The award is recognition of the company's implementation / institutionalization and demonstration of the Business Excellence processes over the last three years.
- United Technologies Corporation (UTC) awarded us with **ACE Supplier Gold**, a recognition it gives to its key suppliers demonstrating high commitment to quality.
- **Launched new service offerings:** For Utilities - underground field data capturing services; 3D city modeling and texturing. For Engineering - Electrical wiring harness and Aircraft qualification support;
- UTG has introduced an in-house developed tool named MIGRA, which helps us perform our tasks faster, thus improving utilization.
- We have **forged new partnerships** with Incontrol, Malaysia; Bentley, Australia and SBS, Australia.



HIGHLIGHTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2009 (FY09)

- In Rupee terms, Revenue at Rs. 8897.5 millions for the year; sequential growth of 32%. The sequential growth of 32.0% is due to - (1) Exchange fluctuation +12.2%; (2) Price Variation +1.6%; (3) Volume growth +18.2%.
- In \$ terms, Revenues at US\$ 193.4 millions for the year; sequential growth of 15.5%.
- Operating margins at 20.1%, sequential growth of 200 basis points.
- In Rupee terms, Net Profit (after provision of forex losses of Rs. 514.8 million) at Rs. 924.8 millions for the year; sequential growth of 8.1%.
- In constant currency terms, the revenues in dollar terms have grown by 19.8%.
- Our wholly-owned subsidiaries, IEE, IEAI and IEG, and associate company IASI have paid dividends during the year.
- Incurred **Capital Expenditure** of Rs. 1,136 million during the year.
- **Forex losses** for the year were on account of the following -

Cash loss incurred on honoring of matured forward contracts	- Rs. 285.0 million
MTM provision	- Rs. 514.8 million
Gain on currency translation	- Rs. (230.6) million
Total	- Rs. 569.2 million

Deferred Tax asset amounting to Rs. 174.9 million has been recognized on account of the MTM provision of Rs. 514.8 million for the year.

- Signed a **MOU with Dassault Aviation, a France based aviation company** which is a major player in civil and military aviation industry. The MOU is initially for 5 years and aims to jointly collaborate and perform activities related to Ministry of Defence, Govt. of India proposed Medium Multi Role Combat Aircraft (MMRCA) offset program. This program is strategically most important and one of the largest Indian defence programs.
- Completed over **7 million hours of work in Aerospace domain** with a team of over 1800 engineers during Q-1 of this year.



- The cumulative value of services rendered to UTC companies from year 2000 till date has crossed \$ 200 million in this year.
- We acquired Time To Market Inc. (TTM) and all its affiliates. This will enable us to create a strong momentum in the Hitech markets. TTM is a wholly owned subsidiary of Infotech effective October 1, 2008.
- We opened a 100% subsidiary in Japan which will focus on engineering services.
- We have forged a Strategic Engineering Partnership with ALTEN, a leader in Engineering Consulting in Europe, to provide advanced technology solutions and global engineering delivery to EADS (parent company of Airbus).
- We signed a new multi-year contract with Bombardier Transportation to continue to provide engineering, electronic design, technical publications, and IT related services to Bombardier Transportation divisions worldwide. We now support all Bombardier divisions across multiple technologies and projects in a real-time engineering environment.
- During the year, we acquired a 10% stake in Tele-Atlas Kalyani India Limited, Pune. Given the tremendous potential for India map data products, this is a strategic investment for the company. In addition, it creates greater synergy with our largest GIS customer.
- We inaugurated our new facility at Noida. The four-level facility with a built-up area of 45,000 sft has 650 seats engaging upto 1000 associates.
- 84 customers were added during the year, 28 in UTG and 56 in EMI.
- Cost Control Initiatives taken across the company. A high powered task force comprising of senior leaders in the company, has been set up to monitor the cost control measures. Cost control include saving on electricity charges, reduction of one quarter's annual leaves accrued to associates, reduction of one quarter's Superannuation fund from senior managers' salaries, conscious control of non-billable travel and communication costs, weeding out non-performers.



INCOME STATEMENT FOR THE QUARTER ENDED MARCH 31, 2009

Particulars	Q4 FY 09	Q3 FY 09	Q-o-Q
Operating Revenues	2,349.7	2,327.5	1.0%
Operating Expenditure	1,840.7	1,876.7	-1.9%
Salary Costs	1,286.1	1,303.0	-1.3%
Travel Expenditure	134.0	158.5	-15.5%
Purchases for Products / Re-sale	109.9	88.3	24.4%
Other Operating Costs	310.7	326.9	-5.0%
Operating Profits	509.0	450.8	12.9%
Operating Margins	21.7%	19.4%	
Depreciation & Amortization	124.8	119.4	4.5%
Financial Expenses	5.7	13.0	-56.2%
Other Income	-274.6	-166.4	65.1%
Profit Before Tax	103.9	152.0	-31.6%
PBT Margin	5.0%	7.0%	
Tax	-65.6	36.2	-281.4%
PAT	169.5	115.9	46.3%
Share of Profits from - IASI	15.2	29.8	-49.1%
Minority Interest - IGIL	0.7	-0.9	
PAT inc. Share of Profits	185.4	144.8	28.0%
Net Margin	8.9%	6.7%	
Basic EPS	3.48	2.72	

(All numbers in INR Million, except for % and EPS data)



INCOME STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

Particulars	FY 09	FY 08	Y-o-Y
Operating Revenues	8,897.5	6,741.3	32.0%
Operating Expenditure	7,112.3	5,521.6	28.8%
Salary Costs	4,896.2	3,566.4	37.3%
Travel Expenditure	651.7	555.0	17.4%
Purchases for Products / Re-sale	306.8	452.6	-32.2%
Other Operating Costs	1,257.7	947.6	32.7%
Operating Profits	1,785.2	1,219.7	46.3%
Operating Margins	20.1%	18.1%	
Depreciation & Amortization	465.6	365.7	27.3%
Financial Expenses	40.3	38.0	6.0%
Other Income	-294.6	225.0	-230.9%
Profit Before Tax	984.7	1041.0	-5.4%
PBT Margin	11.4%	15.0%	
Tax	140.2	257.5	-45.5%
PAT	844.5	783.5	7.8%
Share of Profits from - IASI	80.1	69.9	14.6%
Minority Interest - IGIL	0.3	2.2	
PAT inc. Share of Profits	924.8	855.6	8.1%
Net Margin	10.8%	12.3%	
Basic EPS	17.36	16.90	

(All numbers in INR Million, except for % and EPS data)

The financials reported above are drawn from the Internal MIS reporting of the Company. The audited financials have been drawn up in line with Indian GAAP requirements in which expenses of subsidiaries have been interchanged / regrouped, wherever necessary. This will not result in any change in operating margins, PBT and PAT as reported.



PERFORMANCE METRICS (FY 09)

GROUP REVENUE ANALYSIS

Name of Company	FY09	FY08
Infotech Enterprises Ltd	5,665.7	4,351.9
Infotech Enterprises Europe Ltd	1,091.9	908.3
Infotech Enterprises America Inc., *	3,399.8	2,127.2
Infotech Enterprises, GmbH	1,893.5	1,557.4
Infotech Geospatial (India) Ltd	78.3	15.5
TTM India Pvt Ltd	23.1	-
Infotech HAL Limited	2.6	-
Gross Revenues	12,154.9	8,960.3
Less: Intra Group Revenues	3,257.4	-2,219.0
Net Revenues	8,897.5	6,741.3

*Includes TTM Inc Revenues of 120.7 -
 (All numbers in INR Million, except for % data)

GROUP PROFIT ANALYSIS

Name of Company	FY09	FY08
Infotech Enterprises Ltd	683.2	577.1
Infotech Enterprises Europe Ltd	77.9	57.8
Infotech Enterprises America Inc., *	173.3	85.8
Infotech Enterprises, GmbH	67.0	92.6
Infotech Geospatial (India) Ltd	-0.8	-8.5
TTM India Pvt Ltd	-10.7	-
Infotech HAL Limited	-5.5	-
Gross Profit	984.4	804.8
Less: Others (Elimination)	-139.9	-21.3
Profit After Tax	844.5	783.5
Share of Profits from IASI	80.1	69.9
Minority Interest of IGIL	0.2	2.2
Profit after Minority Interest	924.8	855.6

*Includes TTM Inc Profit of 16.3 -
 (All numbers in INR Million, except for % data)



PERFORMANCE METRICS (Q4 FY09)

GROUP REVENUE ANALYSIS

Name of Company	Q4 FY09	Q3 FY09	Q4 FY08
Infotech Enterprises Ltd	1,398.3	1,476.4	1,225.8
Infotech Enterprises Europe Ltd	318.0	306.5	244.4
Infotech Enterprises America Inc.,	915.9	981.6	594.9
Infotech Enterprises, GmbH	436.5	494.6	455.8
Infotech Geospatial (India) Ltd	42.6	23.1	8.7
TTM India Pvt Ltd	10.6	12.5	-
Infotech HAL Limited	1.6	0.9	-
Gross Revenues	3,123.5	3,295.6	2,529.6
Less: Intra Group Revenues	773.8	968.1	655.6
Net Revenues	2,349.7	2,327.5	1,874.0

*Includes TTM Inc Revenues of 44.4 76.3 -
 (All numbers in INR Million, except for % data)

GROUP PROFIT ANALYSIS

Name of Company	Q4 FY09	Q3 FY09	Q4 FY08
Infotech Enterprises Ltd	116.4	78.0	171.1
Infotech Enterprises Europe Ltd	53.5	7.0	5.6
Infotech Enterprises America Inc.*	25.7	56.2	40.8
Infotech Enterprises, GmbH	11.4	6.7	24.6
Infotech Geospatial (India) Ltd	-2.7	3.3	-5.5
TTM India Pvt Ltd	-7.2	-2.8	-
Infotech HAL Limited	-2.5	-0.6	-
Gross Profit	194.6	147.8	236.6
Less: Others (Elimination)	-25.1	-31.9	4.0
Profit After Tax	169.5	115.9	232.6
Share of Profits from IASI	5.2	29.8	25.3
Minority Interest of IGIL	0.7	-0.9	1.4
Profit after Minority Interest	185.4	144.8	259.3

* Includes TTM Inc Profits of (16.0) (0.2) -
 (All numbers in INR Million, except for % data)



VERTICAL WISE REVENUE

Business Segment	Q4 FY09	Q3 FY09	Q4 FY08
Utilities Telecom and Government	802.0 (34.1%)	788.4 (33.9%)	761.4 (40.6%)
Engineering, Manufacturing and Industrial Products	1,554.3 (66.1%)	1,546.3 (66.4%)	1,120.6 (59.8%)
Less: Inter Vertical Sales	-6.6 (-0.2%)	-7.2 (-0.3%)	-8.0 (-0.4%)
TOTAL	2,349.7 (100.0%)	2,327.5 (100.0%)	1,874.0 (100.0%)

(All numbers in INR Million, except for % data)

GEOGRAPHY WISE REVENUE

Geography	Q4 FY09	Q3 FY09	Q4 FY08
North America	1,210.4 (51.5%)	1,232.0 (52.9%)	824.3 (44.0%)
Europe	885.9 (37.7%)	839.8 (36.1%)	829.5 (44.3%)
Asia/ Australia	253.4 (10.8%)	255.7 (11.0%)	220.2 (11.7%)
TOTAL	2,349.7 (100.0%)	2,327.5 (100.0%)	1,874.0 (100.0%)

CLIENT CONCENTRATION

	Q4 FY09	Q3 FY09	Q4 FY08
Top 5	41.0%	42.1%	41.3%
Top 10	55.4%	57.9%	53.9%
Others	44.6%	42.1%	46.1%

VERTICAL WISE MANPOWER

Business Segment	31-Mar-09	31-Dec-08	31-Mar-08
UTG	4,095	4,361	3,801
EMI	3,407	3,455	3,027
Support Functions	159	158	193
TOTAL	7,661	7,974	7,021



LOCATION WISE BREAKUP OF MANPOWER

Name of Company	31-Mar-09	31-Dec-08	31-Mar-08
Infotech Enterprises Ltd.,	6,820	7,152	6,466
Infotech Enterprises Europe Ltd	69	79	42
Infotech Enterprises America Inc.	385	370	330
Infotech Enterprises, GmbH	190	152	134
Infotech Geospatial (India) Ltd.	105	120	49
TTM	92	101	-
TOTAL	7,661	7,974	7,021

ABOUT INFOTECH ENTERPRISES LIMITED

Infotech Enterprises Limited (IEL) is a global IT Services provider offering Engineering Design Services, Geospatial Information Services and IT Services. Over the last 17+ years Infotech has excelled in gaining expertise in Engineering Design Services in - Aerospace, Locomotives, Marine, Automobiles and other Industrial products. Geospatial Solutions for Telecommunication, Utilities and Government and Software Services.

Over +7600 highly skilled professionals in Infotech work onsite, offshore and near shores to provide high quality and value added services and solutions for companies in several industry sectors. Infotech Enterprises is an SEI CMMi Level 5 company, and certified to ISO 9001:2000, ISO 27001 and AS 9100 standards. Infotech Enterprises is a public listed company and has attracted globally reputed equity investors like UTC and General Atlantic Partners.

For more information, please visit www.infotech-enterprises.com

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Annexure to Investor Update

CASH AND BANK BALANCES AS ON MARCH 31, 2009	
Name of Bank	Amount (INR Millions)
In Current Accounts	
City National Bank - USA	88.35
Natwest - UK	116.29
Hypo Vereinsbank - Germany	16.42
Commonwealth Bank - Australia	144.65
HDFC Bank, India	10.36
Kreissparkasse Böblingen - Germany	120.60
Oriental Bank of Commerce, India	214.15
ABN Amro, India	7.61
Bank of America - USA	22.94
Others	86.36
TOTAL CURRENT ACCOUNTS	827.74
In EEFC Accounts	
Oriental Bank of Commerce - EEFC, India	195.83
ABN Amro - EEFC, India	39.10
Other EEFC accounts	4.66
TOTAL EEFC ACCOUNTS	239.59
In Fixed deposits	
Oriental Bank of Commerce, India	375.76
Tamilnad Mercantile Bank, India	213.15
Axis Bank, India	204.65
Andhra Bank, India	244.45
State Bank of India, India	271.00
Syndicate Bank, India	164.12
Union Bank of India, India	164.02
Bank of Baroda, India	204.24
State Bank of Hyderabad, India	100.00
Others	316.43
TOTAL FIXED DEPOSITS	2,257.81
CASH & CHEQUES ON HAND	8.45
TOTAL CASH AND CASH EQUIVALENTS	3,333.58