



INVESTOR UPDATE

QUARTER ENDED JUNE 30, 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., (IEEL); Infotech Enterprises America Inc., (IEAI); Infotech Enterprises GmbH (IEG) ; TTM India Pvt. Ltd; TTM Institute of Information Technology Pvt. Ltd, Infotech Enterprises Japan KK; Joint Venture Infotech HAL Ltd (HAL JV) and the partially-owned subsidiary Infotech Geospatial (India) Ltd (IGIL).

KEY HIGHLIGHTS

- Revenue for the quarter Rs. 2,326.0 million, Y-o-Y growth of 15.9%, Q-o-Q growth of -1.0%.
- Operating profit for the quarter Rs. 523.6 million, Y-o-Y growth of 41.9%, Q-o-Q growth of 2.9%.
- Profit before Tax for the quarter Rs. 566.8 million, Y-o-Y growth of 99.7%, Q-o-Q growth of 445.5%.
- Profit after Tax for the quarter Rs. 462.7 million, Y-o-Y growth of 88.4%, Q-o-Q growth of 149.5%.
- Operating profits for the quarter at 22.5%, an increase of 80 basis points over previous quarter and 410 basis points over first quarter of last year.
- EPS at Rs. 8.38 per share as against Rs. 3.48 in the previous quarter.
- Strong financial performance despite global slowdown and volatile currency markets.
- All Wholly Owned Subsidiaries have achieved commendable revenues and profits.
- Business momentum and environment continues to be in line with expectations for key verticals - Manufacturing, Utilities and Telecom.



Commenting on the First quarter FY 10, Mr. BVR Mohan Reddy, Chairman and Managing Director, said, “I am pleased to announce that the company has delivered a strong performance in the first quarter of the financial year 2009-2010. Despite the adverse global macro-economic conditions, the quarter saw revenues at Rs. 2,326.0 million (\$ 47.8 million). We not only retained our revenues but also posted a 80 basis points increase in operating margins as compared to the sequential quarter. This was achieved because of operational excellence and continued focus on cost control measures during these challenging times. Also, we have improved our PAT to Rs. 462.7 million (\$ 9.5 million).

Despite adverse conditions, our overseas subsidiaries have continued to show strong sustainable performance. IEEL revenues have grown by 53%, IEAI by 13% and IEG by 6% over quarter-1 of last year despite facing a challenge globally. The share of revenues from European geography have increased during the quarter. We continue to make in-roads in the Asia Pacific-India-Middle East region. We have started receiving orders from Japan.

Our top 10 customers have been fairly stable in their revenue contribution. The company, through its continued efforts in improving customer relationship, has enabled us to maintain a healthy order pipeline.

Our verticals, UTG and EMI, have shown growth of 15% and 16% respectively in the quarter as compared to quarter-1 of last year.

We have a strong balance sheet with cash balance of Rs. 3,469 Millions. Our receivables days for the Group are at 94 days as against 105 days during Q-4.”



HIGHLIGHTS FOR THE QUARTER ENDED JUNE 30, 2009 (Q1 FY10)

FINANCIAL HIGHLIGHTS

Particulars	Q1 FY 10	Q4 FY 09	Q-o-Q	Q1 FY 09	Y-o-Y
Operating Revenue	2,326.0	2,349.7	-1.0%	2,006.1	15.9%
Operating Profit	523.6	509.0	2.9%	368.9	41.9%
Operating Margin	22.5%	21.7%		18.4%	
PAT	462.7	185.4	149.5%	245.6	88.4%

(All numbers in INR Million, except % data)

Particulars	Q1 FY 10	Q4 FY 09	Q-o-Q	Q1 FY 09	Y-o-Y
Operating Revenue	47.8	47.2	1.2%	48.1	-0.6%
Operating Profit	10.8	10.2	5.9%	8.8	22.7%
Operating Margin	22.5%	21.7%		18.4%	
PAT	9.5	3.7	156.8%	5.9	61.0%
Average Exchange Rate (US\$ vs INR)	48.67	49.76		41.73	

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

- In Rupee terms, Revenue at Rs.2,326.0 millions for the quarter; Y-o-Y growth of 15.9%, sequential growth of -1.0%.
- Operating margins are at 22.5%, a Y-o-Y improvement of 410 basis points and Q-o-Q improvement of 80 basis points due to lower travel and operating and administrative expenses.
- In Rupee terms, Net Profit at Rs. 462.7 millions for the quarter; sequential growth of 149.5%.



However, the PAT improvement is the result of :

1. Reversal of MTM provision of Rs. 209.5 million (previous quarter - Provision for MTM losses of Rs. 309.6 million)
 2. Share of profit from IASI - Rs. 41.4 million (previous quarter - Rs. 15.2 million), due to receipt of grants in Q-1. We believe that the annual estimate of Rs. 80 million will be achieved by year end.
- Cash balance stood at Rs. 3,469 million as against Rs. 3,333 million as at end of previous quarter (details in attached annexure).
 - **Capital Expenditure** of Rs. 106 million during the quarter.
 - **18 customers were added** during the quarter, 8 in UTG and 10 in EMI.
 - We signed a multi-year partnering contract with inCONTROL Tech (iTEC), Malaysia, to implement an Enterprise GIS Information System for Tenaga Nasional Berhad (TNB), the largest electric utility in Malaysia.
 - Strengthened market presence by winning major Aerospace opportunities globally.
 - Launched global PMO to support drive for customer delight through Global Delivery Model in UTG. Engineering services have revamped the business development structure and positioned it to comprehensively harness the market potential.
 - **Launched new service offerings:** For Utilities - solutions to cater to Smart Grid programs; OSS related services. For Engineering - Plant engineering, Sustainance engineering, Requirements based engineering.
 - We obtained ISO 27001 certification for our Kakinada facility.
 - Participated in prestigious seminars like GITA, Florida, Integraph, Washington, Le Bourget Paris Air Show and EADS, Toulouse.



INCOME STATEMENT FOR THE QUARTER ENDED JUNE 30, 2009

Particulars	Q1 FY 10	Q4 FY 09	Q-o-Q
Operating Revenues	2,326.0	2,349.7	-1.0%
Operating Expenditure	1802.4	1,840.7	-2.1%
Salary Costs	1,335.4	1,286.1	3.8%
Travel Expenditure	114.0	134.0	-14.9%
Purchases for Products / Re-sale	85.8	109.9	-21.9%
Other Operating Costs	267.2	310.7	-14.0%
Operating Profits	523.6	509.0	2.9%
Operating Margins	22.5%	21.7%	
Depreciation & Amortization	117.6	124.8	-5.7%
Financial Expenses	2.4	5.7	-57.9%
Other Income	163.2	-274.6	
Profit Before Tax	566.8	103.9	
PBT Margin	22.8%	5.0%	
Tax	149.7	-65.6	
PAT	417.1	169.5	
Share of Profits from - IASI	41.4	15.2	
Minority Interest - IGIL	4.1	0.7	
PAT inc. Share of Profits	462.7	185.4	
Net Margin	18.6%	8.9%	
Basic EPS	8.38	3.48	

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



PERFORMANCE METRICS (Q1 FY10)

GROUP REVENUE ANALYSIS

Name of Company	Q1 FY10	Q4 FY09	Q1 FY09
Infotech Enterprises Ltd	1,417.8	1,398.3	1,256.1
Infotech Enterprises Europe Ltd	332.2	318.0	216.7
Infotech Enterprises America Inc.*	803.9	915.9	709.8
Infotech Enterprises, GmbH	489.3	436.5	462.9
Infotech Geospatial (India) Ltd	14.5	42.6	6.9
TTM India Pvt Ltd	6.3	10.6	0.0
Infotech HAL Limited	1.9	1.6	0.0
Infotech Enterprises Japan KK	0.6	-	-
Gross Revenues	3,066.5	3,123.5	2,652.4
Less: Intra Group Revenues	740.5	773.8	646.3
Net Revenues	2,326.0	2,349.7	2,006.1

*Includes TTM Inc Revenues of 23.8 44.4 -

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

GROUP PROFIT ANALYSIS

Name of Company	Q1 FY10	Q4 FY09	Q1 FY09
Infotech Enterprises Ltd	379.2	116.4	158.8
Infotech Enterprises Europe Ltd	21.5	53.5	9.6
Infotech Enterprises America Inc.*	27.6	25.7	52.4
Infotech Enterprises, GmbH	27.8	11.4	23.3
Infotech Geospatial (India) Ltd	-15.9	-2.7	3.3
TTM India Pvt Ltd	-8.3	-7.2	0.0
Infotech HAL Limited	-0.3	-2.5	0.0
Infotech Enterprises Japan KK	-5.7	-	-
Gross Profit	425.9	194.6	247.4
Less: Others (Elimination)	-8.8	-25.1	-22.4
Profit After Tax	417.1	169.5	225.0
Share of Profits from IASI	41.4	15.2	21.4
Minority Interest of IGIL	4.1	0.7	-0.9
Profit after Minority Interest	462.7	185.4	245.6

* Includes TTM Inc Profits of (25.9) (16.0) -

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



VERTICAL WISE REVENUE

Business Segment	Q1 FY10	Q4 FY09	Q1 FY09
Utilities Telecom and Government	842.1 (36.2%)	802.0 (34.1%)	723.4 (36.1%)
Engineering, Manufacturing and Industrial Products	1,488.6 (64.0%)	1,554.3 (66.1%)	1,285.9 (64.1%)
Less: Inter Vertical Sales	-4.7 (0.2%)	-6.6 (-0.2%)	-3.2 (-0.2)
TOTAL	2,326.0 (100.0%)	2,349.7 (100.0%)	2,006.1 (100.0%)

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

GEOGRAPHY WISE REVENUE

Geography	Q1 FY10	Q4 FY09	Q1 FY09
North America	1,099.5 (47.3%)	1,210.4 (51.5%)	962.6 (48.0%)
Europe	1,016.1 (43.7%)	885.9 (37.7%)	820.2 (40.9%)
Asia/ Australia	210.4 (9.0%)	253.4 (10.8%)	223.4 (11.1%)
TOTAL	2,326.0 (100.0%)	2,349.7 (100.0%)	2,006.1 (100.0%)

CLIENT CONCENTRATION

	Q1 FY10	Q4 FY09	Q1 FY09
Top 5	41.4%	41.0%	40.9%
Top 10	57.1%	55.4%	56.4%
Others	42.9%	44.6%	43.6%

VERTICAL WISE MANPOWER

Business Segment	30-June-09	31-Mar-09	30-June-08
UTG	4,078	4,095	3,957
EMI	3,225	3,407	3,190
Support Functions	155	159	172
TOTAL	7,458	7,661	7,319



LOCATION WISE BREAKUP OF MANPOWER

Name of Company	30-June-09	31-Mar-09	30-June-08
Infotech Enterprises Ltd.,	6,626	6,820	6,719
Infotech Enterprises Europe Ltd	71	69	42
Infotech Enterprises America Inc.	396	385	351
Infotech Enterprises, GmbH	183	190	164
Infotech Geospatial (India) Ltd.	94	105	43
TTM	85	92	0
Infotech Enterprises Japan KK	3	-	-
TOTAL	7,458	7,661	7,319

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 18+ 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 +7400 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 JUNE 30, 2009	
Name of the Bank	Amount (INR Millions)
In Current Accounts	
Citibank India	117.06
Natwest - UK	103.91
Commonwealth Bank - Australia	53.41
Kreissparkasse Böblingen - Germany	52.92
Oriental Bank of Commerce	35.49
City National Bank - USA	32.52
Hypo Vereinsbank - Germany	27.02
HDFC Bank	17.60
HSBC Bank	14.29
Other Banks	52.83
TOTAL CURRENT ACCOUNTS	507.04
In EEFC Accounts	
Oriental Bank of Commerce - EEFC	203.67
ABN Amro - EEFC	23.27
Other EEFC accounts	10.18
TOTAL EEFC ACCOUNTS	237.13
In Fixed deposits	
Union Bank of India	426.62
Andhra Bank	304.95
State bank of India	271.00
State Bank of Hyderabad	236.80

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Name of the Bank	Amount (INR Millions)
Oriental Bank of Commerce	217.08
Bank of Baroda	206.89
City National Bank - USA	177.24
Axis Bank	167.60
Bank of India	80.90
Kreissparkasse Böblingen - Germany	67.69
Vijaya Bank	64.00
Syndicate Bank	53.72
ING Vysya Bank	51.21
Standard Chartered Bank	10.16
Other Banks	12.09
TOTAL FIXED DEPOSITS	2,347.94
CASH & CHEQUES ON HAND	1.43
LIQUID INVESTMENTS	401.78
TOTAL CASH AND CASH EQUIVALENTS	3,495.32
Less, Long term deposits placed with banks considered as investment	25.26
Unclaimed dividend accounts	1.38
TOTAL CASH AND BANK BALANCES	3,468.68