

## **Helios & Matheson Income up 80%** *Revises profit guidance upwards*

### **Chennai, January 23, 2007**

Helios & Matheson Information Technology Ltd, leading Healthcare focused IT services organization, today announced financial results for its third quarter and nine months ended December 31, 2006.

### **Highlights for the quarter and nine months ended December 31, 2006**

#### *Results for the quarter ended December 31, 2006*

- Income was Rs. 102.04 crore for the third quarter ended December 31, 2006, an increase of 80% over the corresponding quarter in the previous year.
- Operating profit was Rs. 22.16 crore vis-à-vis Rs.14.64 crore for Q3 FY 2006, representing a YoY growth of 51% and sequential growth of 9%.
- Net Profit grew to Rs. 15.56 crore compared to Rs. 10.14 crore in Q3 FY 2006, an increase of 54%.
- Earnings per share (annualized) was Rs. 31.11 for the quarter ended December 31, 2006.

#### *Results for the nine months ended December 31, 2006*

- Income for nine months ended December 31, 2006 was Rs. 286.16 crore, an increase of 80% over the corresponding period in the previous year.
- Operating profit for nine months ended December 31, 2006 increased to Rs. 60.99 crore from Rs. 40.38 crore for the corresponding period in the previous year, an increase of 51%.
- Net profit after tax for nine months ended December 31, 2006 was Rs. 42.94 crore vis-à-vis Rs. 26.86 crore for nine months ended December 31, 2005
- Our cash and cash equivalents as on December 31, 2006 was Rs 129.09 crore.

### **Expansion of the Board**

At the board meeting held on January 23, 2007, Air Vice Marshal S R Sistla, VSM (Retd.) and Mr. S K Patil have joined the board.

Air Vice Marshal S R Sistla, VSM (Retd) has rich and varied experience in Indian Air Force for 35 years. He was awarded the Vishisht Seva Medal by the Honorable President of India in recognition of his "distinguished service of an exceptional order".

S K Patil has 20 years of experience in IT. As an expert in setting up large e-governance projects, his focus is to drive the benefits of Information and Communication Technologies to governments and businesses in both emerging and established markets. Mr. Patil holds an engineering degree and an MBA from IIM, Ahmedabad.

### **New Initiative**

Helios & Matheson has rolled out a company-wide cross cultural initiative this year - *a systematic, thoughtful approach to understanding the differences between national cultures in the way a person conducts business, with specific country-by-country advice spanning an incredible range of 50 regions.*

**"One of the biggest tasks for today's CEO is managing across borders. The Global Delivery Model mandates a multi-cultural and multi-ethnicity workforce. We believe that this initiative will be instrumental in making our employees become internationally focused and fluent with the ability to understand the needs of local cohort group, markets and clients."** said Mr. Ramachandiran, Chairman.

### **Growth plans and business outlook**

#### ***Guidance for the year ending March 31, 2007***

Income projected to be in the range of Rs. 394.16 crore and Rs. 394.72 crore.  
Net profit after tax projected to be in the range of Rs. 59.90 crore and Rs. 60.04 crore.

G.K. Muralikrishna, Managing Director, Helios & Matheson said, **"Cash flows continue to be strong. Net margins up from 14.8% in H1 FY 2007 to 15.3% in Q3 FY 2007 and we expect to close FY 2007 with income of about Rs. 394 Crore, an increase of 78% over FY 2006."**

**About Helios & Matheson Information Technology Limited**

Helios & Matheson Information Technology Ltd is a 15-year old IT services organization with its corporate headquarters in Chennai, India and subsidiaries and offices in USA, Singapore and Bangalore. The range of service offerings is one of the most comprehensive in the industry and spans the entire software services lifecycle, from application development and integration to application life cycle management. Helios & Matheson has a strong client focus backed by internationally certified quality processes and a global delivery model. The company's ability to manage large client relationships, extensive industry specific knowledge and experience, and delivery excellence are some of its important differentiators. For more information visit us at [www.heliosmatheson.com](http://www.heliosmatheson.com).