

Helios & Matheson Q3 volume growth up 26%

Chennai, January 28, 2008

Helios & Matheson Information Technology Ltd, (BSE : HELIOS MAT I ; NSE : HELIOSMATH) leading Healthcare focused IT Services organization, today announced the financial results for its third fiscal quarter of 2008 ended December 31.

Highlights for the quarter ended December 31, 2007

- Helios & Matheson's revenue grew by 26% and the operating profit by 22% YOY in dollar terms.
- Income was Rs. 113.46 crore for the third quarter ended December 31, 2007; an increase of 11.2% over comparable income for the corresponding quarter in the previous year.
- Operating profit stood at Rs. 23.90 crore, up from Rs. 22.16 crore in Q3 FY 2007; reflecting an increase of 7.9%.
- Net profit increased to Rs. 15.6 crore; up 6.8% QoQ.
- Earnings per share (annualized) was Rs. 29 for the quarter ended December 31, 2007.

Highlights for the nine months ended December 31, 2007

- Income for the nine months ended December 31, 2007 was Rs. 329.46 crore, an increase of 15.13% over the corresponding period in the previous year.
- Operating profit for the nine months ended December 31, 2007 increased to Rs. 68.05 crore from Rs. 61 crore in Q3 FY 2007, an increase of 11.58%.
- Net profit after tax for nine months ended December 31, 2007 was Rs. 44.26 crore vis-à-vis Rs. 42.94 crore for the corresponding period in FY 2007.

Mr. G.K. Muralikrishna, Managing Director, Helios & Matheson said, “Our business model continues to drive growth at a fairly accelerated pace despite challenging external circumstances. Improved realization coupled with productivity efficiencies have not only absorbed the impact of a 2.3% appreciation of the rupee in Q3 but also delivered a 3.4% increase in operating margin QoQ. We are confident that our financial model and ability to effectively manage costs will continue to sustain our strong levels of profitability.”

Human Resources Update

Mr. Raman Pai, Global Head - Human Resources, Helios & Matheson said, “Helios & Matheson’s vision is shaped by the dynamism, energy and performance of our people. We continue to enjoy very low attrition of 12.1% in an environment of intense competition for talent. Our focus on diversity has borne fruit - currently 10% of our global workforce are foreign nationals and over 33% are women; we expect this to grow in the coming years.”

About Helios & Matheson Information Technology Limited

Helios & Matheson is a 16-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.

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