

**Press Release**  
**For Immediate Release**

**KPIT Cummins broadens & deepens customer engagements in focus industries**

*Revenue grows by 2.4% Q-o-Q to reach INR 1769 million, EBITDA increases 27.9% Q-o-Q*

Pune, October 15, 09: KPIT Cummins (BSE: 532400; NSE: KPIT), the leading product engineering and IT consulting partner to manufacturing companies, today announced financial results for Q2 FY 2010 ending September 30, 2009. Amidst early signs of revival, company sees traction in emerging markets; steps-up action in select adjacent verticals.

**Business highlights**

- Sets itself a target of USD 500 million by end of FY 2013.
- Extends services to Defense and PSU sectors.

**Highlights for the quarter ended September 30, 2009**

- Revenue for the quarter increased by 2.4% Q-o-Q to INR 1769.86 Mn.
- In USD terms, Revenues stood at USD 36.35 Mn. Q-o-Q growth of 3%.
- EBITDA grew by 28% Q-o-Q and 20% Y-o-Y to INR 468.37 Mn. EBITDA margins expanded by 5.3% to 26.5% during the quarter.
- Net Profits for the quarter stood at INR 211.95 Mn, a Y-o-Y growth of 27%.
- 4 new Customers were added during the quarter, taking the total number of customers to 137.

**Engagement highlights**

During the last year, manufacturing industry went through seismic shifts and the business basics were reset. Product expectations have been redefined and it is imperative on manufacturers to bring products that are more fuel efficient, cause lesser emission, are smarter and are made available at affordable price points. This has thrown up new opportunities for KPIT Cummins and the company is in a vantage position to leverage these.

The company has set itself a target of USD 500 million revenues by end of FY 2013 by continuing to focus on select industries and strengthening key practice/ competency areas.

## Automotive

~ *Technology solutions for sustainable and Green growth.*

- Commenced **strategic consulting engagement** for an **Indian Auto OEM**.
- Consulted an **American OEM** on **Human Machine Interface (HMI) Tool selection**.
- Developed an **end-to-end software solution** for **night vision and pedestrian detection** for an **Asian Tier 1**
- Built a **Dedicated Short Range Communication (DSRC) based Advanced Traffic management solution** for an **American Tier 1**
- Furthered automotive software standardization efforts: Selected for **AUTOSAR (AUTomotive Open System Architecture) Basic Software implementation** for a **leading European OEM**. Introduces **AUTOSAR 3.0 solution** in association with **NEC Electronics**.

## Industrial Equipments

~ *'First time right' solutions maintaining 'highest quality standards'*

- **Integrates multiple assembly lines** for **UK operations** of a **leading American Tier 1**. KPIT Cummins' reliable and scalable re-engineered **MES (Manufacturing Execution Systems) solution** replaces complex legacy systems.
- Commenced a **strategic enterprise IT engagement** with a **national automotive testing laboratory**, to help them **reduce the time required for testing, validating and documenting the test results for Auto Manufacturers**.
- Commenced engagement with an **Asian auto component manufacturer** and a **leading Asian contract logistics company** to implement **end-to-end templated ERP solution** for business operations.

## Hi-tech and Semiconductor

~ *Solution accelerators for quick-time-to-market*

- Engaged with a **leading European semiconductor company** on development of **MCU for Dashboard Cluster** for a **High End Luxury Car**.
- Started project on developing **reference designs** for **consumer and Automotive applications** for a **leading Asian semiconductor company**. Established **Center of Excellence for Motor Controls**.
- Commenced work on developing **complete digital section of a controller chip** for a **leading European manufacturer of IC solutions**.

## Diversified Financial Services

~ *Customer award for excellent teamwork towards breakthrough Improvement in Quality & Productivity*

- Initiates **on-site/offshore reverse engineering project** for a **leading retail bank of South Africa**.

## Commenting on the Company's Q2 FY10 performance:

**Ravi Pandit, Chairman & Group CEO said,**

During the last one year the manufacturing industry has undergone a big paradigm shift with an extraordinary rise in demand for more fuel efficient, less polluting and safer products. We are working with our existing and new customers to bring such products faster to market. We have set ourselves a goal of reaching \$500 million in revenues by the end of FY 2013, while continuing our sharp focus on the manufacturing industry and extending our services to select cognate verticals.

**Kishor Patil, MD & CEO, said,**

“Our current quarter's results reflect the revival trends that are observed in our focus markets. The slide in revenues in the last quarter has been arrested and we are on the growth path again. Our profitability outlook continues to be positive and we believe we should end the year with Net Profit after Tax in the range of Rs. 770 Million to 820 Million. With the business scenario gradually recovering, we continue with our investments in R&D, Practice Development and People Development. We are also focusing on extending our service offerings to the Public Sector Undertakings (PSUs) and Defense sectors. We are confident that this would help us gain market leadership in select practice areas.

### **About KPIT Cummins**

KPIT Cummins Infossystems Limited (BSE: 532400; NSE: KPIT), a trusted global IT Consulting and product engineering partner, is focused on co-innovating domain intensive technology solutions for Manufacturing corporations (with special focus on Automotive, Hi-Tech & Industrials verticals) to help its customers become efficient, integrated and innovative enterprises.

A leader in technology solutions and services, KPIT Cummins currently partners with 100+ global Manufacturing corporations including 50+ Original Equipment Manufacturers (OEMs), semiconductor companies and Tier 1s, helping them globalize efficiently & bring complex technology products/ systems faster to their global markets. Please visit [www.kpitcummins.com](http://www.kpitcummins.com) for more information.

### **Forward Looking Statements**

*Some of the statements in this update that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.*

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