

Press Release  
For Immediate Release

## KPIT Cummins' growth impetus remains firm

Strengthens Leadership in Focus verticals; Deepens Customer Engagement

Revenue for the year grew by 36% to Rs. 7931 Mn

Net profit for the year grew by 28% to reach Rs. 658.52 Mn

**Pune, April 27, 2009:** KPIT Cummins Infossystems Ltd. (BSE: 532400; NSE: KPIT) an IT consulting and specialist solutions partner to Global Manufacturing corporations today announced its results for the Quarter and the year ended March 31, 2009. The company has met its INR revenue and profit guidance for the year.

The company recorded total revenues of **Rs. 7931Mn** for FY09, a growth of **36%** over the previous year and earned a Net Profit of **Rs. 658.52Mn**. For the quarter ended March 31, 2009, the Company recorded revenue of **Rs. 2097Mn**, reflecting a year-on-year growth of **28%**.

### FY09 Highlights:

- Revenue for FY09, in INR, was **7931 Mn**; a growth of **36%** over FY08
- Revenue for FY09, in USD was **174.10 Mn**; a growth of **20%** over FY08
- EBITDA for FY09 grew by **150%** over FY08
- Net profit for FY09 was **Rs. 658.52 Mn**; a growth of **28 %** over FY08
- No liabilities in future on the **3 derivative contracts**. **MTM on the contracts is nil**, now and in the future.
- For **Q4 FY09 utilization** improved from **94.45%** to **95.24%** Q-o-Q for onsite and from **70.28%** to **71.41%** Q-o-Q for offshore.
- **Total Revenue** for Q4FY09, in INR terms, was **2097 Mn**; a Y-o-Y increase of **28%**
- **Revenue for Q4 FY09**, in USD terms was **42.37 Mn**; a y-o-y growth of **2.94%**
- **Net Profit after Tax** for Q4FY09 was **Rs. 193.18 Mn**; a y-o-y growth of **85.85%**

### Customer Value Enhancement through Technology Innovation and Vertical Focus Strategy

#### Automotive

- An Automotive Tier 1 customer selected KPIT Cummins as a Hybrid Engineering Consulting partner. This reinforces our Positioning as a provider of cutting edge technology solutions.
- A leading Asian Tier 1 customer entered into a long term partnership with us in the area of Instrument Clusters. We will be providing complete end-to-end solution development for Instrument Clusters as part of the engagement.

#### Industrials

- A Leading Engine manufacturer is integrating its Manufacturing and Product Management Systems on KPIT Cummins' MES-ERP-PLM integration methodology.

- We are the only company to have 3 SAP certified solutions for Discrete Manufacturing space (Auto, Industrial Machinery & Components (IMC) and Hi-Tech).
- 20+ Indian Manufacturing companies chose KPIT Cummins' SAP implementation expertise for their end-to-end SAP Implementation projects.

### Hi-Tech

- For a leading European semiconductor company we have started working on a key engagement for design and verification of a next generation Automotive System on chip (SoC).
- Won a major development contract involving a series of VLSI chip design projects for Next Gen Micro-controllers from a leading European semiconductor company.
- Successfully delivered a set of Analog IP development projects to provide the peripheral functions like Data converters, Clock circuits, Power circuits used in the Micro Controller Unit (MCU), to an Asian Semiconductor product leader in Automotive and Consumer electronics.

### Diversified Financial Services

- A leading provider of payment services has signed a long term ODC contract with us for its critical Data Transformation Services Project.
- Successfully delivered an end to end offshore development project in e-business for a leading South Africa based enterprise solutions integration company.
- Developed an integrated payment switch for a European independent payment processing firm.

### **Commenting on the Company's performance:**

**Ravi Pandit, Chairman and Group CEO said:** "In the last 6-8 months, the Manufacturing and Finance industries have witnessed unprecedented uncertainty. We had identified challenges quite early and had initiated proactive measures to enhance value for our customers while retaining our focus on increasing utilization, optimizing costs and productivity improvement. As a Result of this we have significantly improved our operating margins with a Y-o-Y increase of **150% in EBITDA**.

The next year will continue to be a challenging year for our customers. We would therefore have a cautious outlook towards revenue and have sharp focus on maintenance and improvement of our level of profits. At the same time we will continue to invest in people and technology development.

During the last fiscal, the relevance of our services to our customers has only increased; we want to continue to enhance this position."

**Kishor Patil, CEO and Managing Director:** "In FY 09, we deepened our engagement with our customers, delivering innovative solutions in a challenging environment. We proactively aligned with their changing needs and near-term business objectives. This coupled with focus on technology and providing best -in-class solutions, we have managed to enhance their confidence. We have also been able to improve our customer satisfaction scores. This is reflected in our revenue growth of 36% (INR terms) and 20% (USD terms) and over 90% repeat customers.

Our business strategy of attaining leadership position through focus on select industries while continuing to diversify geographically is yielding encouraging results. We will continue to make strategic investments in select areas to enable us partner with our customers for higher value creation.

### **About KPIT Cummins**

KPIT Cummins Infossystems Limited (BSE: 532400; NSE: KPIT), a leading global 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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