

Press Release
For Immediate Release

Customer-Centric Innovation Drives Q3, FY 10 Growth at KPIT Cummins

Net Profit grows 27% Y-o-Y, revenues grew by 8.6% Q-o-Q to USD 39.48 Mn

KPIT Cummins Filed 6 Patents Covering Innovations in Automotive and Semiconductor Technologies

Pune, January 20, 2010: KPIT Cummins (BSE: 532400; NSE: KPIT), the leading product engineering and IT consulting partner to manufacturing companies, today announced a net profit increase of 27% Y-o-Y during Q3 FY 2010, ending December 31, 2009. KPIT Cummins also announced that revenues grew to USD 39.48 Mn, a growth of 8.62% Q-o-Q. Increased focus on non-linear growth and differentiated engagement models started delivering results in Q3, FY10.

Business Highlights

- Filed a total of 6 patents in the last quarter - 5 patents in the area of Powertrain & Hybrid and 1 patent in semiconductor space.
- Entered into a definitive merger agreement with Sparta Consulting Inc, a California, US based leading provider of high-end SAP solutions. The all cash transaction is for a consideration of USD 38 million which includes a bonus of USD 4 million.
- Became Product Partner of Mathworks Connections Program. This will enable us to align our AUTOSAR based products with the industry's leading technical computing software.

Highlights for the quarter ended December 31, 2009

- Net Profits for the quarter stood at INR 214 Mn, a Y-o-Y growth of 27%.
- Increased Profit Guidance for FY10. Net Profit after tax to be in the range of Rs. 840 Million to Rs. 860 Million for FY10, Y-o-Y growth of 28% to 30%.
- USD Revenue for the quarter increased by 8.6% Q-o-Q to \$ 39.48 Mn.
- In INR terms, revenues stood at Rs. 1,847.5 Mn. Q-o-Q growth of 4.39%.
- 2 new Customers were added during the quarter, taking the total number of customers to 139.
- 6 new patents were filed during the quarter, taking the total number of patents to 14.

Automotive

- Filed 5 patents in powertrain & hybrid technology for automotives. The patents range from ‘power assist’ to ‘motor design’.
- Started a large Business IT consulting project with Government of India’s flagship automotive R&D facility.
- Consulted a global automotive Tier1 based in North America in the Application Lifecycle Management space.
- Significance and role of our EUCD NOS product for automobiles grew further with new projects from multiple Tier 1s spread across US, Europe and Asia Pac.
- Became Product Partner of Mathworks Connections Program.

Industrial Equipments

- Commenced integrated IT + BPO + Consulting offering engagement in the area of freight management with one of the world’s largest generator manufacturer based in UK.
- Launched templated Enterprise Systems Management (ESM) solution for manufacturing corporations. This templated solution helps reduce implementation time, increase productivity and enable reusability.
- Started the ERP functional & technical support engagement with a leading European provider of logistics and shipping services.

Hi-tech and Semiconductor

- Started work on device drivers and application software for one of the world’s leading Graphics Processing Unit (GPU) semiconductor manufacturer.
- Commenced software and hardware solutioning project in China in the area of automotive body & cluster application for a large Asian semiconductor company.
- Filed one patent in the area of high-speed transmitters.
- Furthered relationship with a global semiconductor leader from Asia in the areas of Embedded Software, PDES and Analog & Mixed Signal.

Diversified Financial Services

- Started work on an on-site/offshore project for a leading African Bank. The project involves reverse engineering of customer’s key business applications.

Commenting on the Company’s Q3 FY10 performance:

Ravi Pandit, Chairman & Group CEO said, “Our investments in technologies and people have delivered results. In this quarter, we have filed 6 patents in automotive and semiconductor space (aligned to customer priorities) and this thrust would continue. Driven by technologies to improve manufacturing processes, we believe a larger component of our revenues in the current year and FY11 could come from

new technologies. As part of our hiring plan we were to add 250 freshers in the workforce, of this half have already joined and the remaining will come on board during Q4, FY 10.”

Kishor Patil, MD & CEO, said, “Phase 1 of the integration process of Sparta Consulting is nearly complete and we have started seeing positive traction from customers to our strengthened SAP practice. Emerging markets - India and China, are also showing significant growth and the revenues from this region have doubled during the current financial year. Overall in most of our business areas we have started seeing positive and increased interest from customers across all geographies.”

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 and Energy & Utilities 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 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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