



## **Blue Star Infotech Limited Revenue for First Half FY 2008-09 up by 18%, PAT surges**

Blue Star Infotech Limited, the global software services and solutions provider, has recorded consolidated Operating Income of Rs. 79.8 Crores for the half year period ended 30<sup>th</sup> September 08 and a net profit of Rs. 10.3 Crores. Compared to the half year ending 30<sup>th</sup> September 07 this represents a growth of 18% in Operating Income (L/Y Rs.67.6 Crores) and 307% in net profit (L/Y Rs.2.5 Crores).

Pursuant to the Announcement 'Accounting for Derivatives' by the Institute of Chartered Accountants of India, the Company has adopted Accounting Standard 30, Financial Instruments: Recognition and Measurement, prescribed by the Institute of Chartered Accountants of India, during the quarter ended September 30, 2008. Consequently, outstanding forward contracts for which there are no underlying account balances have been treated as highly probable forecast transactions based on historic trends. Accordingly, losses arising on 'mark to market' of such open forward contracts have been accumulated in 'Hedging Reserve Account'. The net losses transferred to Hedging Reserve Account during the quarter ended September 30, 2008 amounts to Rs.5.96 Crores. The Company uses forward contracts as economic hedges and not for trading or speculative purposes.

The Company added 22 new customers and signed two partnership agreements this year. The Company was recently awarded the Best Regional Partner by Microsoft for Vertical Excellence in the Media & Entertainment vertical. It signed a partnership agreement with Amdocs, a leading provider of customer experience systems – this partnership with Amdocs will enable the Company to offer its telecom customers a wider portfolio of solutions and services centered on the Amdocs OSS products. The Company also recently announced a strategic alliance with a leading UK-based travel company focused on providing ground travel solutions.

Commenting on the performance, Mr. A. T. Vijayakumar, President & COO said, “Our performance reflects the results of our stringent focus on increasing customer satisfaction, improving operational efficiencies and realizing higher utilization. Going forward, in these challenging times, we will strive to sustain our current momentum by mining existing accounts, Capitalize on our increased focus on Europe, Continue collecting our dues on time and leverage the many successes we have had with the India focused Consulting Services Business by a limited launch of these services overseas.”

### **About Blue Star Infotech Ltd. (BSIL)**

Part of the US\$600M Blue Star Group, Blue Star Infotech Ltd. enables organizations to realize their business goals – by enabling them to eliminate operational inefficiencies and internal constraints through innovative technology and business solutions. Headquartered in Mumbai, India, the Company has seven software development centers in Mumbai and Bangalore and serves its global clientele through offices in Santa Clara (CA) and Jersey City (NJ) in North America, London in UK, Helsinki in Finland and Tokyo in Japan. The Company also has business associates in USA and Europe. The Company is listed on the National Stock Exchange and the Bombay Stock Exchange in India.

BSIL addresses the IT needs of organizations in select verticals such as Technology, Travel & Hospitality, Medical Imaging, Government, Pharmaceutical, Manufacturing, Media & Entertainment and Telecom.

BSIL is a Microsoft Gold Certified Partner, Oracle Certified Partner and SAS Silver Partner.

**NSE – BLUESTINFO**  
**BSE - 532346**

## **Safe Harbour**

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.

## **Investor Relations**

Blue Star Infotech Ltd is committed to create long-term sustainable shareholder value through successful implementation of its growth plans. The company's investor relations mission is to maintain an ongoing awareness of its performance among shareholders and financial community.

## **For more information, please contact:**

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