



Monday  
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## **Rolta's Q2 FY-09 Consolidated Revenue Grows 49.7 % Y-o-Y & 4.6 % Q-o-Q**

Mumbai - Rolta India Limited, one of India's leading IT companies, specializing in Geospatial Information Systems (GIS), Defense and Homeland Security, Engineering Design Services (EDS), and Enterprise Information and Communications Technology (EICT), today announced unaudited financial results for the quarter ended December 31, 2008.

### **Financial Highlights**

- Consolidated Revenue for Q2 FY-09 at Rs. 361.94 crores (Rs. 3,619.4 Mn) against Rs. 241.70 crores (Rs. 2,417.0 Mn) in FY-08, registering a Y-o-Y growth of 49.7% & Q-o-Q growth of 4.6%.
- Consolidated EBITDA for Q2 FY-09 at Rs. 126.11 crores (Rs. 1,261.1 Mn) against Rs. 92.78 crores (Rs. 927.8 Mn) in FY-08, registering a Y-o-Y growth of 35.9% & Q-o-Q growth of 6.5%.
- Consolidated Profit After Exceptional Item and Tax for Q2 FY-09 at Rs. 60.56 crores (Rs. 605.6 Mn) against Rs. 60.22 crores (Rs. 602.2 Mn) in FY-08, registering a Y-o-Y growth of 0.6% & Q-o-Q growth of 153.3%.
- The company has provided Rs. 22.66 crores (against Rs. 61.35 crores in the previous quarter) as foreign exchange revaluation loss on translation of Foreign Currency Convertible Bonds (FCCB) liability of US\$ 150 million in accordance with Accounting standard AS-(11) and treated this as an exceptional item in the quarterly results on account of the wide fluctuation in foreign exchange rates witnessed during the quarter. This is a provision made due to revaluation of FCCB liability in the balance sheet at the exchange rate prevailing on December 31, 2008 and does not entail any actual loss or cash outflows. The closing exchange rate as on 31st December 2008 was Rs. 48.45/US\$ as compared to the closing exchange rate as on 30th September 2008 of Rs. 46.94/US\$. The Maturity date of FCCB is June 2012; in the event of conversion of FCCB, or exchange rate moving back to earlier levels, the provision will be reversed as an exceptional item. All other exchange fluctuations in the normal course of business activities are charged to Profit and Loss account and do not form part of the exceptional item. Consolidated Profit after tax, minority interest, and after this FCCB provision was Rs. 60.56 crores (Rs. 605.6 Mn).
- Pursuant to the RBI circular dated December 8, 2008 on buy back of FCCB, the Board of Directors of the Company have resolved to explore opportunities for, and where appropriate effecting buy-back of FCCB issued by the Company and outstanding as on date, subject to applicable laws and necessary regulatory approvals/filings. Company is proposing to appoint BNP Paribas Capital (Asia Pacific) as advisor in this regard.

Commenting on the results, **Mr. K. K. Singh, Chairman and Managing Director**, said: "We are confident that our continued focus on specialized markets i.e. Defense, Homeland Security, Government and Infrastructure will continue to pay dividends, as these markets are expected to remain strong and resilient. Our ability to combine the inherent strengths of our Business Groups, JVs and acquisitions to develop and launch innovative solutions that uniquely fulfill deep underlying demand in our specialized markets, positions us very well in our path of continued growth".

### **Operational Highlights**

#### **• Geospatial Information Systems (GIS)**

The Company has acquired and developed extensive intellectual property (IP) to launch geospatial solutions including Geospatial Fusion™, once again pioneering and redefining the role of an Indian Company in the worldwide Geospatial market. The Company now offers solutions to address enterprise-level needs of users by leveraging the synergies between its own state-of-the-art GIS and EICT software and middleware products, and extensive domain expertise in various verticals. The Company is executing projects that involve conceptual design and consulting, development and customization of solutions, systems integration, implementation, technical support and maintenance.

The Company has maintained its leadership in the Indian Defense Geospatial market. In the quarter under review, the Company has executed sensitive and large Defense projects for complex Command & Control (C2) and Intelligence, Surveillance and Reconnaissance (ISR) requirements. These solutions, and others being developed for battlefield management and decision support, are based on Rolta's own IP and that being developed by Rolta Thales Limited (RTL), the Company's joint venture with Thales, France, based on transfer of technology from Thales.

The Company has now launched comprehensive and very uniquely integrated solutions for the large Homeland Security market that enable various security agencies to not only collaboratively develop and securely share intelligence to assess and prioritize threats, but also to pro-actively address and mitigate such threats, through a Common Operations Picture. The Company has ingeniously combined and integrated various technologies and solutions available in its own and RTL's portfolios. These solutions include high-end systems for intelligence gathering, quick and needle-sharp analysis, and robust data fusion across disparate agencies, resulting in near realtime actionable intelligence. This allows them to then pro-actively respond through advanced automatic vehicle location and dispatch systems (AVLS), enabled by mission-critical communication systems like TETRA (terrestrial trunking radio access).

- **Engineering and Design Services (EDS)**

The Company continues to move up the value chain to deliver enhanced value to its customers. The Company acquired Piocon Technologies, Inc. of Chicago, IL, USA, thereby acquiring exceptional capabilities to address critical operational and reliability needs of Owner-Operators. The Company's novel approach to integrating business intelligence tools with enterprise-level engineering databases and applications, provides operational excellence and high reliability metrics through accurate and timely reporting on more than 100,000 pieces of equipment and hundreds of operations throughout a large plant. This solution is field proven and deployed successfully in multiple refining facilities of one of the world's largest oil companies. Industry experts believe that when fully deployed, the Rolta solution could save as much as \$20M annually for a medium-sized refinery, providing very high returns on their investment.

Stone & Webster Rolta Limited has been renamed Shaw Rolta Limited (SWRL) as a part of a worldwide corporate rebranding exercise by The Shaw Group. SWRL continues to progress and achieve high growth. The Company is very well positioned to take advantage of large opportunities in the Indian nuclear power sector, by leveraging the strengths of its JV partner, the Shaw Group Inc., USA, a world leader in this field.

- **Enterprise Information & Communication Technology (E-ICT)**

The Enterprise Information and Communications Technology (E-ICT) portfolio has undergone a paradigm shift. The Company now addresses the enterprise-wide end-to-end needs of organizations, with its comprehensive range of solutions and services for large-scale ERP applications, sophisticated database requirements and business intelligence. With the acquisition of Whitman Hart Consulting, the Company moved up the value-chain to address the high-end domain of business intelligence. Now, with the acquisition of Piocon, the Company is able to integrate various technologies to build unique integrated solutions for vertical segments where the Company already has domain expertise and a track record - Oil & Gas/Petrochemicals, Defense & Government, Healthcare & Finance, and Communication & Utilities.

- **Corporate**

The Company has expanded its world-class facilities by setting up a state-of-the-art development and delivery center in SEEPZ, an SEZ in Mumbai. This center, with a 1500-seat capacity, is in close proximity to the

Company's existing facilities and will be operational in the next few weeks. The Company is also in the process of establishing a top-notch 1500-seat facility in Delhi NCR, to showcase its solutions for Defense, Government, Infrastructure and Security verticals through extensive demo rooms and a battle lab customized to Indian Defense requirements. This facility will also be the Company's first development and delivery center in North

India.

The Company has utilized full proceeds of FCCB, other lines of credit and funds from internal accruals to acquire various companies, business divisions, technologies and IPR during the last six quarters, and also to invest in establishing development and delivery infrastructure to scale up the business and move up the value chain in India and overseas. As on December 31, 2008, the Company has Cash and Cash equivalents (including liquid mutual fund investments) of Rs.252.29 crores. These funds are parked in: a) Bank deposits of Rs. 101.89 crores with Union Bank Of India, ICICI Bank, Bank of India, Central Bank of India and Bank of Baroda; b) Liquid debt mutual funds of Rs.121.66 crores in Prudential ICICI, HDFC, SBI, Birla Sunlife, Fidelity, UTI, HSBC, Reliance, and Kotak MF; c) balance of Rs.28.74 crores in Current Account in various Banks in India and abroad.

The Company has transformed its business from a services centric to a solutions oriented model. The Company is consciously working toward honing its selling and delivery strategies with a focus on using its own staff to deliver high-value services and outsourcing low-value tasks. The Company would leverage the Rolta Academy for enhancing the skills of its workforce at all levels to suit the new business paradigm. The Company continues to hire experienced management and highly-skilled technical staff to strengthen its techno-commercial strength. Mr Tim Mahoney, formerly Executive Vice President of Intergraph Corporation, USA as the head of their Asia-Pacific region, has recently joined the Company as President of European Operations.

#### **About Rolta:**

About Rolta: Rolta is an Indian multinational organization that has executed projects in over 40 countries. The Company is a strong player in the Defense & Homeland Security, Government, Infrastructure and Security markets, worldwide. Rolta serves these markets by providing innovative solutions in Geospatial Information Systems (GIS), Defense & Homeland Security; Engineering & Design Services (EDS); and Enterprise Information & Communications Technology (EICT). Rolta, through its joint venture with The Shaw Group Inc. USA - Shaw Rolta Ltd., provides comprehensive Engineering, Procurement and Construction Management (EPCM) services to meet turnkey project requirements of power, oil, gas and petrochemical sectors. Rolta's joint venture with Thales, France - Rolta Thales Ltd., develops and provides state-of-the-art C4ISTAR information systems, Military Communications, Digital Soldier & Vehicle System solutions, covering the entire "sensor to shooter" chain, under transfer of technology from Thales. Rolta, headquartered in Mumbai, has over 5000 professionals with a countrywide infrastructure and international subsidiaries across the globe. The Company has benchmarked its quality processes with the world's best quality standards. Rolta is accredited with the prestigious BSI ISO/IEC 27001:2005 certification, the ultimate benchmark for information security; the BSI ISO/IEC 20000-1:2005 IT Service Management Standard, and the Company's software development business group has been assessed at the highest level of SEI-CMMI Level 5. Forbes Global has ranked Rolta amongst the "Best 200 under a Billion" for four times in six years. Rolta has been included in the S&P Global Challengers List™ 2008, by Standard & Poor's. This List identifies 300 mid-size companies worldwide that have a total market capitalization between US\$ 1 & 5 Billion and have shown the highest growth characteristics along dimensions encompassing intrinsic and extrinsic growth. The Company is listed on the NSE in cash and F&O segment and forms part of CNX IT, NIFTY Midcap 50 and CNX 500 indices. The Company is also listed on BSE 'A' group and forms part of BSE Midcap, BSE 200, BSE 500, BSE IT and BSE TECK indices. The Company's GDR is listed on the Main Board of London Stock Exchange and its FCCB's are listed on the Singapore Stock Exchange.

#### **For additional information**

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**Disclaimer:** This press release includes statements that are not historical in nature and that may be characterized as "forward-looking statements", including those related to future financial and operating results, benefits and synergies of the Company's brands and strategies, future opportunities and the growth of the market for open source solutions. You should be aware that Rolta's actual results could differ materially from those contained in the forward-looking statements, which are based on current expectations of Rolta management and are subject to a number of risks and uncertainties, including, but not limited to, Rolta's ability to integrate acquired operations and employees, Rolta's success in executing its strategies, Rolta's ability to take a competitive position in the industry, business conditions and the general economy, market opportunities, potential new business strategies, competitive factors, sales and marketing execution, shifts in technologies or market demand, and any other factors. We may make additional written and oral forward-looking statements but do not undertake, and disclaim any obligation, to update them.

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