Mindteck

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MINDTECK Q2 REVENUES UP BY 86%, PROFIT UP BY 697%

Bangalore, October 31, 2008: Mindteck (India) Limited (BSE: MDTK), a global technology and IT services company, today announced its financial results for the second quarter ended on September 30, 2008.

The Company has registered 86% growth in revenues on a stand alone basis for the second quarter ended September 30, 2008 (Q2) compared to the same period last year. The total revenue for Q2 FY08-09 is Rs 13.50 crores compared to that of Rs 7.27 crores for the corresponding period of last year. The Q2 FY08-09 profit after tax is Rs 3.03 crores compared to Rs 0.38 crores for the same period during the previous year, a growth of 697%.

On a consolidated basis, Mindteck reported revenues of Rs 70.62 crores for the second quarter ended September 30, 2008 compared to Rs 31.28 crores for the same period during the previous year, a growth of 126% in revenues. The consolidated profit after tax for the Q2FY08-09 is Rs 3.13 crores compared to Rs 1.65 crores for the corresponding period last year, showing a growth of 89%.

The YTD revenues of the Company is Rs 24.40 crores (standalone) and Rs 146.75 crores (consolidated); and YTD profit after tax is Rs 5.27 crores (standalone) and Rs 9.21 crores (consolidated).

Commenting on the Q2 FY09-09 results, Mr. Pankaj Agarwal, Managing Director and Group CEO of Mindteck said, "We are very happy to see the results. This is a reflection of our recent acquisitions and consolidation exercises. As part of the 'Go Global' strategy, we are streamlining our operations globally to increase sales and improve overall efficiencies. This will help us achieve exciting results in the coming quarters as well."

During the Q2 FY08-09, the Software Services revenue grew by 73% and the ITES revenue grew by 249% compared to the same period last year. Further, the EPS (Earnings per Share) stood at Rs 1.27 as of Q2 FY08-09 as compared to Rs 0.41 for the corresponding period last year.

Mindteck has maintained a steady growth through the last year and Company's quarter on quarter results have shown remarkable improvements. Mindteck has successfully developed relationships with key strategic accounts, including that of computer manufacturing giant HP. Mindteck has become a key vendor to HP supporting its businesses globally. Mindteck's Embedded Systems business is growing at a healthy pace. The Company saw significant traction from the European region during the last quarter.

As growing economic uncertainties impact the software companies and other businesses globally, Mindteck has been watchful about the current economic slowdown and is reviewing the developments on a regular basis. "Our direct exposure to financial sector is minimal and our global customers are largely unaffected so far. However, we are closely monitoring the situation. We have adopted several cost savings measures that would help us sustain our growth and profitability in the coming quarters." said, Mr. Agarwal.

Certain expectations and projections regarding future performance of the Company referenced in this Communication are forward looking statements. These expectations and projections are based on currently available competitive, financial and economic data along with the Company's operating plans and are subject to certain future events and uncertainties that could cause actual results to differ materially from those that may be indicated by such statements.

The Company has recently combined its operations of all three U.S. based subsidiaries into one single organization, Mindteck, Inc. The new U.S. headquarters is based in Harrisburg, Pennsylvania. Mindteck expects substantial cost savings and operational benefits from this reorganization.

About Mindteck (India) Limited

Mindteck is a global Technology and IT Services Company that delivers business and technology solutions to a wide range of Fortune 500 companies, multinationals, and successful small and medium enterprises around the globe. It has offices and development centers in India, USA, UK, Germany, Netherlands, Singapore, Malaysia, and Bahrain. Core software solutions and services include Business Applications Consulting, Embedded Systems, SAP Enterprising Consulting, and Security, Infrastructure & Managed Services.

Mindteck (India) Limited is listed on the Bombay Stock Exchange (BSE 517344). It is an ISO 9001:2000, ISO 27001:2005, ISO 13485 certified, and a SEI CMMi Level 5 assessed Company.

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