

Press Release

Aftek Q2 net profit up 32%

BSE	530707	NSE	AFTEKINFO	Reuters	AFTK.BO
-----	--------	-----	-----------	---------	---------

Mumbai, October 30: Aftek Limited, (formerly called Aftek Infosys Limited) today reported a 37% rise in net sales for the quarter ending September 30, 2006 over the corresponding quarter last year. Net sales were Rs. 787.1 million as against Rs. 575.3 million for the corresponding quarter for the last year.

Staff Cost for the quarter was Rs. 36.1 million (Rs. 23.1 million), Software Development, Support, Installation, Testing and Commission charges Rs. 470 million (Rs. 311.3 million), and Other Expenditure was Rs. 26.6 million (Rs. 25.3 million). Earnings before Interest, Taxation, Depreciation and Amortization (EBIDTA) was Rs. 256.7 million (Rs. 225.3 million), a rise of 14%.

After Depreciation of Rs. 28.7 million (Rs. 45.2 million) and nil interest, Profit Before Tax was Rs. 228 million (Rs. 180 million) a rise of 27%. Provision for taxation was Rs. 2.7 million (Rs. 2.1 million) and Net profit was Rs. 225.3 million (Rs. 177.9 million). Net profit for the quarter was up 32% over the corresponding quarter last year (Net of Foreign Exchange Difference).

For the half-year ended September 30, 2006, Net sales were Rs. 1547.3 million and Net Profit was Rs. 594.5 million. Consolidated sales for the quarter ended September 30, 2006 were Rs. 859.2 million and Net Profits were Rs. 231.6 million.

Highlights

- Exports constituted bulk of the revenues, with software services exports contributing Rs. 737.1 million and software products exports contributing Rs. 46.4 million. Domestic revenues from software products were Rs. 3.5 million.
- Over 57% of revenues were from the US market and 37% from the European Market
- Arexera GmbH, the company's wholly owned subsidiary in Germany posted net sales of 1.2 million Euros (Rs. 72 million) and net profit of 69500 Euros (Rs. 4 million)/
- During the quarter, the company added six new customers in the automotive, semiconductors and communications space. The new customers include ESG

Electronic Systems and Logistics from Germany, a 200 million Euro consulting and service giant in the automotive, telecommunications, aviation and transportation sector. ESG group has signed a Five-year, long term co-operation agreement for significant outsourcing.

- Digihome has already signed up with builders in Bangalore, Mumbai and Pune. Installations of the first version of the product are underway in these cities with a very healthy build up of prospective business. New versions of the product aimed towards enhanced security and increased configurability are under development and will be launched next year.
- First version of SEPA is undergoing final performance checks and is ready for beta launch. Many potential customers have expressed their interest in signing up for beta phase, which will commence shortly. Full commercial launch of SEPA is targeted towards end of 2006.
- In a short span of few months, Elven, a company in which Aftek has significant interest, has progressed very well. Business in semiconductor and embedded spaces from North America and Asia Pacific regions has shown impressive growth. The Aftek board has already, in principle, approved the merger of Elven with Aftek and the merger process is underway.

For further information contact:

Raju Kane,

The Source,

rajukane@sourcepr.com

+919820045656