

3i Infotech Financial Software Inc. Signs Agreement for Sale of US-based Billing and Payments Unit to Cerberus Capital Management, L.P. for USD 137 million

Subsidiaries Formerly Known as Regulus Group and J&B Software to Operate as Single, Standalone Company

Mumbai – May 16, 2011 – 3i Infotech Financial Software Inc., a step down subsidiary of 3i Infotech Limited (NSE: 3IINFOTEC.NS), a global information technology company, signed an agreement to sell its US-based Global Billing and Payments unit, consisting of Regulus Group and J&B Software, to an affiliate of Cerberus Capital Management, L.P. ("Cerberus"), one of the world's leading private investment firms. 3i Infotech Financial Software Inc. acquired J&B Software in 2007 and Regulus Group in 2008, and the companies were integrated to form the Global Billing & Payments unit of 3i Infotech. The transaction is expected to close within the next 60 days, subject to customary closing conditions and any regulatory approvals.

"The divestment reduces the leverage and strengthens the balance sheet of 3i Infotech," said Mr. V. Srinivasan, Managing Director & Global CEO, 3i Infotech. "This enables 3i Infotech to go back to its roots as a significant IT products and services player while at the same time allowing the Billing and Payments unit to be acquired by an organization interested in growing it as an independent company." Sripat Pandey, Head of M&A, 3i Infotech, added, "The transaction reflects the success of 3i Infotech's M&A strategy."

"Cerberus is pleased to be making this investment in the Regulus and J&B billing and payments business," said Tim Price, a Managing Director and spokesperson, Cerberus. "Cerberus has the financial resources and operational expertise to help this business build additional value through operating efficiencies and growth. As a standalone entity, the company will continue to focus on delivering the best products and highest quality services to its clients."

"We are looking forward to partnering with Cerberus on the next stage of our company's growth," said Kathy Hamburger, Chief Executive Officer and President of the 3i Infotech US-based Global Billing and Payments division. "Our Global Billing & Payments Center of Excellence is pioneering innovative ways for our customers to optimize their revenue chain, and the support of Cerberus will allow us to expand and enhance our services even further."

Raymond James & Associates, Inc. acted as 3i Infotech's financial advisor and Alvarez & Marsal Transaction Advisory acted as 3i Infotech's accounting advisor in the transaction.

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About 3i Infotech

3i Infotech (www.3i-infotech.com) is a global information technology and business process outsourcing (BPO) company which provides technology solutions to customers in more than 50 countries across five continents. The company provides IT services and BPO to markets such as banking, financial services, insurance, government, manufacturing, retail, telecom, education, healthcare and utilities. 3i Infotech is a member of the FinTech 100 and the WorldBlu List of Most Democratic Workplaces.



About 3i Infotech's Global Billing & Payments Unit

3i Infotech's Global Billing & Payments unit combines people, processes and a rich suite of proven technologies to deliver best practices and highly customized solutions for all aspects of a company's end-to-end revenue chain. Home to the Global Billing & Payments Center of Excellence, the unit leverages its deep domain expertise in select vertical markets such as banking, financial services, insurance, government, manufacturing, retail, telecom, healthcare and utilities to deliver the ideal mix of on-site, software-as-a-service (SaaS) and outsourced solutions to serve each customer's unique needs.

About Cerberus Capital Management, L.P.

Established in 1992, Cerberus Capital Management, L.P., together with its affiliates, is one of the world's leading private investment firms, with approximately \$23 billion under management. Through its team of investment and operations professionals, Cerberus specializes in providing both financial resources and operational expertise to help transform undervalued companies into industry leaders for long-term success and value creation. Cerberus is headquartered in New York City with affiliate and/or advisory offices in the US, Europe and Asia.

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