For Immediate Release

KPIT Cummins registers 28% Y-o-Y revenue growth in Q1 FY11

Adds 426 employees in Q1 FY11

Pune, July 21, 2010: KPIT Cummins Infosystems Limited (BSE: 532400; NSE: KPIT), the leading product engineering and IT consulting partner to global manufacturing companies, today announced the unaudited financial results for the quarter ended June 30, 2010.

Financial highlights

- Revenue in USD terms for the quarter stood at USD 45.04 Mn; Q-o-Q growth of 6%, Y-o-Y growth of 28%.
- Revenues in INR terms stood at INR 2,061 Mn; Q-o-Q growth of 4.58%.
- Net profit for the quarter stood at INR 194 Mn, a Q-o-Q de-growth of 6.84%.

KPIT Cummins attributed this performance to the key growth drivers - Automotive, SAP and APAC. The healthy quarterly growth in revenues is in line with the company's aggressive growth target of 25% for the year.

"We are happy that despite the slowdown in the European market, we could accelerate our growth in all our business areas. Though there are still uncertainties in Europe and in some parts of the US, the quarter creates a good foundation for our growth in the rest of the year. Our niche focus and innovative technology offerings are helping us to create successful business partnerships with our customers. The revenue growth during the quarter helped us absorb the increased wage bill to a large extent. I am particularly pleased about the 3 multi-year deals we signed with a cumulative value of over USD 40 Mn," said **Kishor Patil, MD & CEO, KPIT Cummins.**

"We have received an overwhelming response to Revolo, the new plug-in, parallel, hybrid solution for automobiles. Revolo represents the new standard of value that frugal engineering can deliver to both auto manufacturers and vehicle owners globally," said **Girish Wardadkar, President and Executive Director, KPIT Cummins.**

Key Highlights

- At the end of Q1, the **total employee** strength of the Company was **5,344.**
- Formed a joint venture with Bharat Forge Limited to manufacture and market REVOLO – the revolutionary patented plug-in parallel hybrid solution for automobiles (13 patents filed so far).
- **3 new customers** were added during the quarter, taking the total number of customers to 144.
- Reorganized and aligned the lines of business and offerings under four Strategic Business Units:
    - Automotive Engineering Solutions
    - Integrated Enterprise Solutions
    - SAP
    - Semiconductor Solutions Group

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Innovation

- **27 patents** have been filed till date.

Automotive & Transportation

Enterprise Solutions

- Co-developed **online certification system for new vehicles** in association with iCAT (International Centre for Automotive Technology), a division of NATIS (NATRiP Implementation Society).
- Partnered with a **European mobility company** for a critical project to develop a comprehensive Blackberry application that features interactive navigation maps, integration with Facebook and discussion forums.
- Awarded **end-to-end MES** (Manufacturing Execution Systems) **implementation** project that includes consulting, complete roll-out and support, by a leading **Indian automotive Tier 1.**

Engineering Solutions

- Engaged with a **large Korean automotive Tier 1** to jointly work on multiple advanced R&D programs in the area of **vision based safety systems**.
- Partnered with a **premium European car manufacturer** for an **AUTOSAR** (a standardized platform for automotive systems) **Application Validation Test Framework** project.
- A **Japanese automotive Tier 1** has collaborated with KPIT Cummins for **migration to AUTOSAR** platform – extending KPIT Cummins' leadership in AUTOSAR to the Asian automotive market.

Hi-Tech and Semiconductor

Enterprise Solutions

- A **very large ISV** (Independent Software Vendor) partnered with KPIT Cummins for a multi-year, **USD 15+ Mn enterprise software support project** which involves high-end technical consulting and support.
- Signed a multi-year, **USD 10+ Mn Oracle** implementation **deal in Europe.**

Engineering Solutions

- Commenced **strategic engagements with three** semiconductor companies, in the area of **digital design & verification, standard cell design and analog design & layout**.
- Started working on a **large MCU** (Microcontroller Unit) **derivative development** project for a leading semiconductor manufacturer including a major Analog Macro design and integration module. This MCU is targeted for multiple automotive subsystems.

Industrials

- Signed a multi-year **strategic agreement with a Tier 1** to form a high-level joint team to identify, prioritize and execute new technology initiatives.
- Selected by a **leading European farm equipment manufacturer** for a multi-year strategic supply chain improvement initiative.

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Energy & Utilities

- Started delivery on **three new SAP support & maintenance engagements** in the US.
- Launched **two specialized SAP frameworks** for the utilities sector
  - A comprehensive end-to-end utilities solution delivery framework on SAP platform comprising of four major pillars of meter-to-cash delivery system, training & knowledge transfer, Business Intelligence and Core ERP with support services.
  - A comprehensive analytical solution for utilities enabling the provider and its customers with Smart Grid and traditional metrics.
- Initiated an end-to-end MES implementation project with an US based new generation energy utility company. The project includes consulting, complete roll-out and support.

About KPIT Cummins

KPIT Cummins Infosystems Limited (BSE: 532400; NSE: KPIT), a trusted global IT Consulting and product engineering partner, is focused on co-innovating domain intensive technology solutions for Manufacturing corporations (with special focus on Automotive, Hi-Tech, Energy & Utilities and Industrials verticals) to help its customers become efficient, integrated and innovative enterprises.

A leader in technology solutions and services, KPIT Cummins currently partners with 100+ global Manufacturing corporations including 50+ Original Equipment Manufacturers (OEMs), semiconductor companies and Tier 1s, helping them globalize efficiently & bring complex technology products/ systems faster to their global markets. Please visit www.kpitcummins.com for more information.

Forward Looking Statements

Some of the statements in this update that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.

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