



PRESS RELEASE

Helios & Matheson bags Hughes and Sasken orders

Thought leadership and domain expertise in embedded systems and wireless technology

Chennai, October 6, 2004 – Helios & Matheson, the Chennai based IT services company, today announced that Hughes and Sasken have chosen the company to deliver advanced technology services in the areas of embedded systems and wireless technology. With these new contracts, Helios & Matheson has added 2 more prestigious accounts to its growing list of telecom clients, which includes Cisco, Samsung, Tata Elxsi, and the like.

Helios & Matheson's completely customized offering for these 2 clients stand testimony to the company's commitment to building relationships through deliverables that add value to customer organizations.

Announcing the new project wins, V. Ramachandiran, Chairman, Helios & Matheson said, 'This is yet more proof of our specialists and architects ability to build thought leadership and technology competencies in the areas of wireless, broadband, and embedded systems. This firmly establishes our offering as a top class solution in the telecom space.'

Expressing appreciation of Helios & Matheson's overall delivery capability, and its telecom expertise, Mr V.Venkatakrishnan, Head, Competence Development Center, Sasken Communications said, 'We are glad that we chose Helios & Matheson; we are impressed with their domain expertise and their ability to completely customize the offering according to our requirements.'

Helios & Matheson, which has an uninterrupted record of profits and dividend distribution since inception, ended FY 2004 with consolidated gross revenue of Rs.855 million and a profit after tax of Rs.79.5 million. Bolstered by its strong performance, the company plans for an aggressive growth to \$ 100 million in revenue through organic growth complimented by a focused acquisition strategy and is also planning to attain a critical mass of 2,000 employees by 2006.

The shareholders of Helios & Matheson recently approved the 1:1 bonus issue of shares at the Annual General Meeting of the company held on September 28, 2004 at Chennai. The record date for the bonus issue has been set as October 29, 2004. In addition to a 1:1 bonus, the company maintained its dividend record and returned Rs 7.5 million to shareholders through a 15% dividend.

About Helios & Matheson Information Technology Limited

Helios & Matheson Information Technology Ltd is a 13-year-old Information Technology services organization with its corporate headquarters in Chennai, India and offices and subsidiaries at USA, Singapore and Bangalore. The range of service offerings is one of the most comprehensive in the industry and spans the entire software services lifecycle, including application development and integration, application life cycle management, enterprise application systems, and enterprise systems management. Currently with a team of over 500 people, Helios & Matheson has a strong client focus backed by a powerful suite of services, quality processes that follow ISO 9001:2000 norms, solutions that cover a wide range of business areas and a global delivery model. The company believes that there is more to IT than technology and our ability to manage large client relationships, our extensive industry specific knowledge and experience, and delivery excellence are some of our important differentiators. For more information visit us at www.heliosmatheson.com.

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