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### **Helios & Matheson positions itself as a healthcare player** Envisages more acquisitions in the healthcare space

**Chennai - September 28, 2004** – Chennai based software services company Helios & Matheson today announced its decision to position itself as a niche player in the healthcare sector and strengthen its presence in this vertical. Mr V Ramachandiran, Chairman, Helios & Matheson declared this at the Annual General Meeting of the company held on September 28, 2004.

In the current year, this vertical will be contributing close to 35% of Helios & Matheson's revenues. By focusing on this space, the company believes that it can, on a sustainable, long-term basis, generate superior returns compared to the overall industry, command leadership position in its area of operations, and produce strong cash flows.

Helios & Matheson believes it is well placed to exploit the strong growth potential of the healthcare space, especially with the recent acquisitions of Maruthi Consulting Inc, CA, USA and Jayamaruthi Software Systems, Chennai, India. Mr. V Ramachandiran said, 'Our acquisitions of Maruthi and Jayamaruthi in August 2004 are a reaffirmation of our commitment to invest and emphasize our presence in the healthcare vertical. By this transaction, we are investing money - 7.5 million dollars, we are getting more than 75 employees with strong domain expertise in this space, and therefore it is a big statement about our commitment and our seriousness in enhancing our presence in this space.'

Helios & Matheson has grown from strength to strength and ended 2004 with consolidated revenue and Profit After Tax (PAT) of Rs 852 mn and Rs 214 mn respectively (CAGR of revenues and PAT over a 5-year period 1999-2004 were 61% and 39% respectively. Growth in revenues and PAT over previous year 2002-03 were 21% and 24% respectively). The company has once again generated excellent cash flows. As at March 31, 2004, the company had Rs 129 million in cash available for investment and distribution to shareholders. Bolstered by the excellent showing, Helios & Matheson plans for an aggressive growth to USD 100 mn revenue through strong organic growth complimented by a judicious and focused acquisition strategy.

The shareholders of the company approved the 1:1 bonus issue of shares at the AGM. The record date for the bonus issue has been set as October 28, 2004. In addition to the 1:1 bonus, the company maintained its dividend record and returned Rs 7.5 million to investors through a 15% dividend.

Helios & Matheson, which has an uninterrupted record of profits and dividend distribution since inception, is also planning to attain a critical mass of 2,000 employees by 2006.

#### **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



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and experience, and delivery excellence are some of our important differentiators. For more information visit us at [www.heliosmatheson.com](http://www.heliosmatheson.com).

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