

The Hindu

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Edition: Chennai Clip Date: 4-April-2006 Page No: 18

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The cash deal is valued at \$8.75 m

Staff Correspondent

CHENNAI: Helios & Matheson Information Technology Limited, a healthcare focused IT services company, has acquired 43 per cent stake in U.S.-based A Consulting Team.

Addressing a press conference here on Monday, V. Ramachandiran, Chairman of the company, said Helios & Matheson acquired 10.24 lakh fully diluted shares out of the total outstand-

ing 23.82 lakh equity shares in the American company for \$8.75 million. The cash deal had an additional earn-out component to the promoter, Shmuel Ben-Tov, structured as a percentage of profits achieved over a two-year period ending March 2008. Shmuel BenTov continues to be a director on the broad and president and chief executive officer of the company.

The U.S. company posted a topline of \$26.4 million and had

\$2.15 million cash for the year ended December 31, 2005. Mr. Ramachandiran said in terms of expansion plans, the company was expecting revenue to reach \$100 million and was looking at the U.S. and European markets for acquisitions as well.

The Managing Director, G. K. Muralikrishna, said his company posted revenue of Rs. 159.03 crore and a profit after tax of Rs. 26.85 crore for the nine months ended December 31, 2005.