

Press Release

14th Feb 2012:

GSS Infotech announces its unaudited consolidated results for the second quarter of fiscal year 2012

Highlights:

- ✓ Revenues for the quarter at Rs 1.01 bn, up 6.6% on q-o-q basis, down 22% on a y-o-y basis
- ✓ Revenues for six months down 20.8% on y-o-y basis

Message from the MD & CEO

Commenting on the results, Mr. Bhargav Marepally, Managing Director and CEO said, "The Company's consolidated revenues for the quarter were at Rs 1.01 bn, up 6.6% on a q-o-q basis. The higher cost of sales in the IMS segment resulted in lower margins. The company has now created a global IMS division integrating disparate units within the organization to consolidate costs and is refocusing the energies of this division to enhance services sales, which will in future, result in higher operating margins.

Consolidated Financial Highlights for the quarter All figs in INR mn except % data

Particulars	Q2 FY12	Q1 FY12	Q2 FY11	FY11
Operating revenues	1,013.1	950.4	1,294.5	4,846.7
Operating Profit	(17.1)	44.6	258.2	902.6
Operating Margin (%)	--	4.7%	19.9%	18.6%
Profit after Tax	(40.1)	25.8	173.8	544.1
PAT Margin (%)	--	2.7%	13.4%	11.2%

Consolidated Financial Highlights for six months All figs in INR mn except % data

Particulars	YTD FY12	YTD FY11	FY11
Operating revenues	1,963.6	2,479.6	4,846.7
Operating Profit	27.5	483.9	902.6
Operating Margin (%)	1.4%	19.5%	18.6%
Profit after Tax	(14.2)	313.6	544.1
PAT Margin (%)	--	12.6%	11.2%

Revenue Distribution by segment Revenue Distribution by geography

Particulars	Q2 FY12
Managed IT and IMS	30%
ADMS, Testing& Staffing	68%
Others	2%
Total	100%

Particulars	Q2 FY12
North America	94%
Rest of World	6%
Total	100%

Client Distribution

Particulars	Q2 FY12
Top 5	23%
Top 10	32%

Manpower Distribution by segment

Particulars	Q2 FY12
Managed IT and IMS	160
ADMS, Testing& Staffing	331
Support Functions & others	124
Total	615



Company Overview

GSS Infotech Limited (GSS) is a fast growing Managed IT Services company. Over the last 12+ years, GSS has gained expertise in Infrastructure Technology Solutions (ITS) and Application Development and Management Services (ADMS). GSS serves Top Fortune 500 and Global 1,000 companies from various industry verticals viz. Insurance, Banking and Financial Services, Retail, Telecom and Healthcare.

GSS has a strong workforce of 600+ highly skilled professionals working onsite and offshore from our 13 business and development centres spread across US, India, Middle East and Singapore. GSS is an SEI CMMi Level 5 company and certified to ISO 9001:2000, ISO 27001 and ITIL compliant processes. GSS is a public listed company and has attracted globally reputed equity investors like IL&FS, Kubera Partners and Clearwater Capital.

For more information, please visit www.gssinfotech.com

Please Contact for further information:

A.Someswara Rao

Company Secretary & Compliance Officer

Tel:+ 91 40 4455 6600

Email: someswararao.artham@gssinfotech.com

Disclaimer

This document contains certain forward looking statements on our future prospects. Although, GSS believes that expectations contained in these statements are reasonable, their nature involve a number of risks and uncertainties that may lead to different results. These forward looking statements represent only the current expectations and beliefs and company provides no assurance that such expectations will prove correct.

All the references to GSS's financial results in this update pertain to the company's consolidated operations comprising wholly-owned subsidiaries.

