

Paradyne profit surges with 113% growth for Q3 of FY07

BSE: 532672	NSE: PARADYNE
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Mumbai, January 24, 2007 – Paradyne Infotech, an emerging leader in Technology Infrastructure Management Services and Application Software Services has come out with an impressive performance for the 3rd quarter ending 31st December 2006. This is in keeping with the impressive ramp up by the company in the current financial year.

Results for the quarter ended December 31, 2006:

- Revenue for the quarter at Rs. 3449.97 lacs, grew by 54% over the corresponding quarter last year. On a sequential basis, the revenue grew by 14%.
- Earnings before interest, depreciation and tax (EBIDT) for the quarter at Rs. 518.22 lacs, grew by 93% over the corresponding quarter last year.
- Profit after tax (PAT) for the quarter at Rs. 394.98 lacs, grew by 113% over the corresponding quarter last year. PAT grew by 17.5% on a sequential basis.
- Earning per share (EPS) for the quarter works out to Rs. 3.63 as compared to EPS of Rs. 1.71 in Q3FY06 and Rs. 3.09 in Q2FY07.

Results for the nine months ended December 31, 2006:

- Revenue for the nine months at Rs. 9158.70 lacs, grew by 42% over corresponding period of the previous year.
- Earnings before interest, depreciation and tax (EBIDT) for the nine months at Rs. 1377.92 lacs, grew by 80% on YoY basis.
- Profit after tax for the nine months at Rs. 1015.52 lacs, a growth of 91% on YoY basis.
- EPS for the nine months Rs. 9.34, as compared to EPS of Rs. 4.88 for the corresponding nine months of the last year.

Commenting on the performance of the company in the quarter, **Mr. Annand Sarnaik, MD & CEO, Paradyne Infotech**, said, "The results are in line with the Company's long term strategy. The performance is just a precursor to the business path that the company has charted for itself. An optimal combination of Customer Mix, Services Mix and Continued Operational improvements has been key drivers for Paradyne. We have been rising in the value chain in our offerings and we foresee the trend to continue. Paradyne's future growth path will be driven by its inherent strengths coupled with strategic acquisitions across the globe."

BUSINESS HIGHLIGHTS

- Developed a Web Based Credit Appraisal and Rating Tool (CART) for SIDBI which will be used by all major nationalized banks, which enables quick appraisal and rating of SME credit proposals in an automated workflow environment to be used by banks and other lending institutions.
- Joined hands with SAP- global leader in Enterprise Solutions, which would enable Paradyne to service emerging, and dynamic businesses.
- The Company has taken a step ahead in moving towards offering its HR solution ("**HrWORK**") on **SaaS** (Software as a Service) model by developing unique solution for PSUs, which enables online annual declaration of property returns of their employees.

About Paradyne Infotech Limited

Paradyne Infotech is a fast growing IT services Company headquartered in Mumbai with core competencies in Application Software Services & Technology Infrastructure Management Services. Paradyne's services and solutions for the enterprise are focused on key segments like Banking & Finance, Manufacturing & Retail, ISVs, e-Governance, Education & Research, Telecom and SME. The company has developed two innovative products – HRWorQ- a complete suite of Human Resource Information Management System and FinWorQs- a Banking solution, both of which find wide acceptance in the market. Paradyne is a winner in the Deloitte Technology Fast 500 Asia Pacific 2005 and awarded for being one of the fastest 50 growing technology companies in India by Deloitte in 2005.

For more information, please contact:

Amita Trivedi
Corporate Communication Manager
Paradyne Infotech
801, Balarama
Bandra Kurla Complex
Mumbai- 51
Tel: 91-22- 66963333
Cell: 91-9324263332
Fax: 91-22-66963344
Email: corporate@paradyne.co.in

Forward Looking Statements

Certain Statements made in this release describing the Company's objectives, projections, estimate, expectations may be "Forward-looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic & overseas markets in which the company operates, changes in the government regulations, tax laws & other statutes & other incidental factors.