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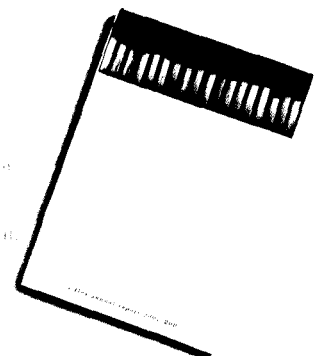


i-flex solutions
empowering financial
institutions globally

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Our Annual Report continues to receive awards for excellence in design. As published on Page 16, for the 2001-02 report, we won the following awards:

- The League of American Communication Professionals – Silver Award
- The 9th Dalton Pen Awards, USA – Award of Merit
- The South African Pulp & Paper Industries (SAPPI) Leading Printer of the Year Silver Award for the third consecutive year
- The Society for Technical Communication – Australia Chapter award for the second consecutive year
- The Association of Business Communicators of India – Certificate of Merit for the second consecutive year
- SPARKS – the annual advertising club awards – Creative Audio – Silver Award



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Introduction

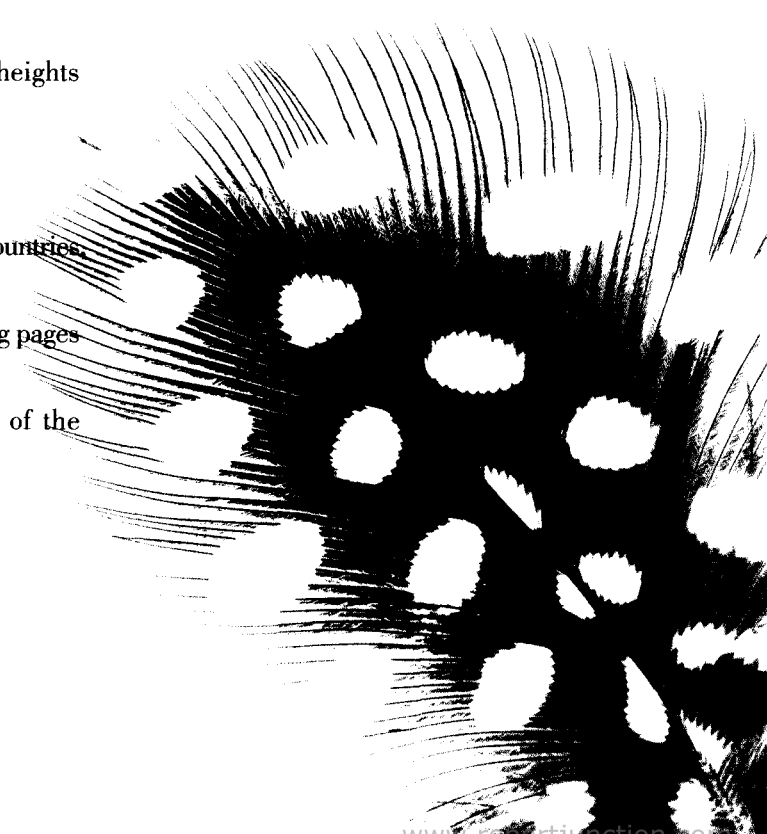
The feather. Seemingly simple and fragile. But with hidden qualities – strength, flexibility, resilience. And in its element, the simple feather can create the magic and wonder of flight.

The metaphor of flight is particularly suited to narrate the story of i-flex over the past year.

A year during which we first took wing as a listed company, with a successful IPO as our launching pad.

A year in which we conquered the stormy winds of an adverse business environment to soar to greater heights than ever before.

With more than 400 customers serviced across 93 countries, our flight to global success continues. The following pages are designed to provide you a bird's-eye view of the progress that i-flex has made in the past year.





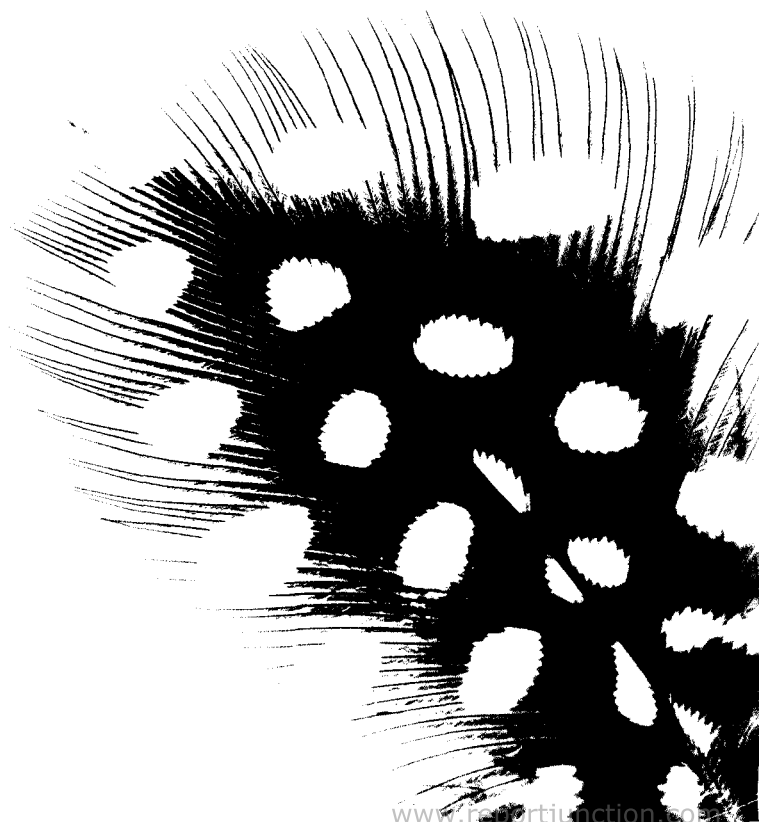
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Targeting success

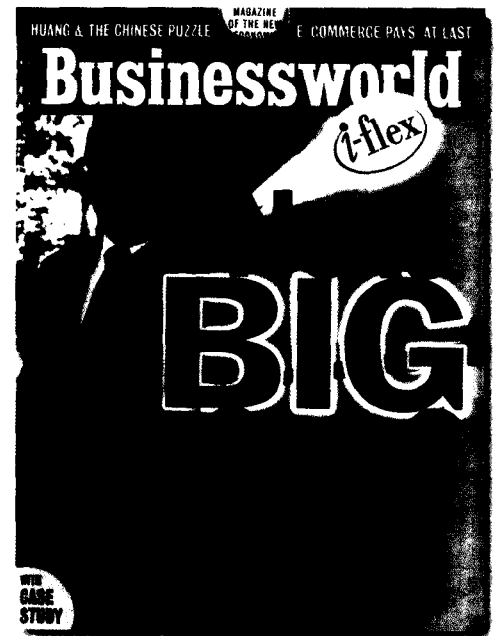


Accolades

- i-flex was rated the “Best Newly Listed Indian Company” in the 2002 Asiamoney poll. Asiamoney’s best-managed companies poll is conducted among fund managers and chief investment officers in FIs and brokerage houses across the Asia-Pacific region.



- i-flex ranked among the top five “most respected Indian IT companies” (Source: Business World - January 27, 2003).
- i-flex ranked the No. 1 web-based cash management solution provider in Europe in an independent study conducted by Celent Communications.
- The Tower Group, in a report released in March 2003 on outsourcing, rated i-flex the highest on domain expertise among other Indian software services providers.
- i-flex ranked 36 among the top 500 companies in India, according to market capitalization, by leading financial daily Economic Times. Ranked among the top five Information Technology companies in India in terms of market capitalization. (Source: Economic Times - April 2002.)
- i-flex ranked among the top 20 companies from India “that have succeeded globally or have the potential to succeed”. (Source: Business Today - January 7, 2003.)
- The fourth Business Today-Stern Stewart study on wealth creation by Indian businesses has ranked i-flex as the 14th largest wealth creator in India. i-flex stands fifth in the Information Technology segment.
- Deloitte Touche Tohmatsu Asia-Pacific Technology Fast 500 report ranked i-flex among the Top 250 fastest growing and the most dynamic technology companies in Asia.



i-flex featured in a cover story in Business World, one of India's leading business magazines. March 2003



Rajesh Hukku, Chairman & Managing Director, i-flex solutions, is selected as one among 25 'Stars of Asia' by BusinessWeek International (June 9, 2003)

- Ranked 36 among India's most valuable companies by Business Today - October 2002.
- The Electronics and Computer Software Export Promotion Council (ESC) honored i-flex by conferring an award for excellence in exports for the year 2001- 2002.
- Bharat Gaurav Puraskar (Pride of India) award given to i-flex for championing the "Made in India" effort. This award was instituted by Center for Bharatiya Marketing (Bharatiya Jagran Manch), an organization dedicated to propagating Indian brands.
- Rajesh Hukku selected as one of 25 "Stars of Asia" in an annual BusinessWeek International feature (June 9, 2003) that profiled leaders at the forefront of change in Asia.
- Rajesh Hukku won the Ernst & Young Entrepreneur of the Year award for 2002 in the IT, Communications and Entertainment category.

Initial public offer

When our Chairman and Managing Director, Rajesh Hukku, rang the bell at the listing ceremony at 9.55 am on June 28, 2002 at The Stock Exchange, Mumbai, i-flex had entered a new era in its corporate history.

i-flex shares now trade on The Stock Exchange, Mumbai, and The National Stock Exchange of India.

The i-flex initial public offer was oversubscribed 2.7 times, a noteworthy achievement considering the adverse market conditions prevailing at the time.



Joseph John, Head - Banking Products Division, i-flex solutions, received the ESC Export Award from Dr. Sanjay Paswan, Minister of State for Communication and Information Technology, Government of India



V. Shankar, Head - PrimeSourcing, i-flex solutions, received the ESC Award for Excellence in Exports from Arun Shourie, Union Minister of Communications and Information Technology, Government of India



Rajesh Hukku, Chairman & Managing Director, i-flex solutions rings the bell at The Stock Exchange, Mumbai, to signify the beginning of trading of the i-flex stock. Deepak Ghaisas, CEO - India Operations and CFO, looks on

Highlights of the year 2002-2003

- FLEXCUBE ranked the No.1 selling banking solution in the world for 2002, by International Banking Systems (sales league table), UK.
- Completed successful IPO and got listed on The Stock Exchange, Mumbai and National Stock Exchange. Issue oversubscribed 2.7 times in adverse market conditions.
- Added 59 new customers this financial year. The total number of cumulative customers serviced crossed the 400 mark across 93 countries.
- Launched Reveleus – a new division headquartered in the US – focusing on the Business Intelligence and Analytics market.
- Completed a successful SAS 70 audit – a standard instituted by the American Institute of Certified Public Accountants (AICPA). Perhaps the first Indian software company to achieve this distinction.
- Inaugurated Development, Support, Demonstration and Contingency centers in New York and Singapore. Opened regional marketing offices in Dubai and Tokyo. Work on the i-flex Park project at Bangalore progressing on schedule.
- Recorded a 45% growth in revenue on a 14% increase in employee strength to 2,327.
- Penetrated the German market with new wins. Augmented sales and marketing operations with the opening of an office in Frankfurt, Germany as part of the European expansion plans.
- Opened up the Egyptian market with large client wins.

i-flex financials at a glance

All figures in Rs Million except EPS & Book Value

	1998 - 99	1999 - 00	2000 - 01	2001 - 02*	2002 - 03*
Total Revenue	1,444.31	2,062.69	3,211.21	4,295.27	6,239.14
Total Expenses	909.53	1,312.30	2,016.85	2,991.95	4,277.53
EBT	534.78	750.39	1,194.36	1,303.32	1,961.61
Tax	30.44	57.66	94.15	150.33	252.73
EAT	504.33	692.73	1,100.21	1,152.99	1,708.88
EPS	13.52	18.56	29.48	30.90	45.80
Book Value	34.78	56.83	85.09	126.28	214.29

Notes:

All EPS and Book Value are computed based on the current equity capital base of 37,315,400 shares

EVA	264.03	328.33	548.39	472.33	669.33
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