

Infotech Enterprises acquires Daxcon Engineering

Hyderabad, January 18, 2010: Infotech Enterprises Limited (IEL), a global technology solutions provider with headquarters in Hyderabad, India, announced today that its wholly owned subsidiary Infotech Enterprises America Inc., acquired Daxcon Engineering Inc. (Daxcon) located in Peoria, Illinois.

Infotech is an acknowledged global leader in the Engineering Services Outsourcing (ESO) market space and is among the Top-5 providers of these services in the US. Within ESO, Infotech has established itself very strongly in many verticals, especially in Aerospace, Rail, Energy and HiTech.

Towards achieving its vision of *'Delivering innovative solutions together for a better future'* and achieving the goal of being \$1 Bn enterprise, Infotech has embarked on the following key strategic initiatives:

- Strengthen domain expertise in new market segments within existing verticals
- Establish a global network of design engineering centers that offer our customers the right mix of proximity, skill and price
- Forge strategic, long-term relationships with large engineering companies

As a part of executing these strategic initiatives and after carefully evaluating several strategic options, Infotech has acquired Daxcon in an all-cash deal.

Established in 1996, Daxcon is a pure play engineering Services Company focused on off-highway heavy equipment engineering (heavy, mining, construction and farming equipment) and commercial vehicles. Headquartered in Peoria, IL, Daxcon has over 150 people and counts industry leaders in each segment as its long-term customers.

Commenting on the acquisition, **Mr. BVR Mohan Reddy, Chairman & Managing Director of Infotech Enterprises** said, *"Heavy equipment engineering and commercial vehicle sectors are important growth markets for us. With this acquisition Infotech would inherit deep domain expertise in these segments, strong long-term customer relationships and a US delivery capability – all of which are very critical to accelerated growth. We were impressed with the management and technical team at Daxcon and their vision towards attaining leadership position. Combined with our ability to scale customer relationships and mature processes, we are confident that we will leverage this acquisition to create a strong momentum and further enhance our leadership position in the Engineering Services Outsourcing market space."*



Mr. Michael Daxenbichler, Founder and President of Daxcon said, *"We have found an excellent partner in Infotech Enterprises and are very excited about joining a global leader focused on engineering services. Infotech's larger geographic presence and reach complement our strong relationships in the heavy equipment engineering and commercial vehicle verticals. We are confident that our combined and complementary strengths will further enhance the leadership position in these vertical segments. During our discussions over the last few months, we recognized the opportunity to leverage the reach of Infotech to rapidly build a global scale. The entire Daxcon team is looking forward to this opportunity and our customers have endorsed the merger with Infotech."*

In a statement **Mr. Krishna Bodanapu, Senior Vice President – Engineering** said, *"According to the NASSCOM BAH report on Design Engineering Services, global engineering spend in the heavy equipment engineering and commercial vehicles segments is at around \$100 Billion with offshorable spend estimated at around \$9 Bn by 2020. With this acquisition we will become a dominant player in these segments as well adding to our dominant position in the aerospace, rail and energy segments. Being a pure play engineering Services Company, Daxcon fits very well into Infotech's business model and culture. We are delighted to welcome Mr. Daxenbichler and the entire Daxcon team to Infotech."*

About Daxcon Engineering Inc. :-

Daxcon Engineering Inc. is an engineering services company focused on the heavy equipment engineering, commercial vehicles and aerospace sectors based in Peoria, IL. The company was incorporated in 1996 and today has over 150 people operating out of 3 offices in the USA. It has developed a leadership position in the market segments in which it operates and counts industry leaders in each of these segments as its long-term customers.

Visit www.daxcon.com to know more.

About Infotech Enterprises Limited

Founded in 1991, we are a Global IT services and solutions provider specializing in Engineering Services, Geographic Information Services (GIS) and IT services. We provide services to a wide range of industries -Aerospace, Rail, Automotive, Marine, Energy, Plant Engineering, Utilities, Telecom (operators), Government, Retail, Consumer Electronics, Medical Electronics, Semiconductor, Telecom (Manufacturers) and Computing industries. Infotech has a distinctive business model: "offshore services, onshore responsibility". We operate "Centres of Excellence" for leaders in key industries. We combine the extensive engineering design and solutions capability based in India with global delivery through our offices worldwide providing local customer interface and project management.

Our cutting edge is our industry specific domain expertise, people and processes, technologies, tools and training. We draw on this strong foundation to create measurable business impact for customers around the world, resulting in



long-term relationships with several of the most recognized names in their respective industries. Many of these are among the top fortune 500 companies.

Infotech is certified to ISO 9001:2000, AS 9100, ISO 27001 and AS9100. We have been successfully reappraised for CMMi Level 5 Version 1.2 for the software units of our Engineering, UTG and IT verticals.

We are a (INFOTECENT in BSE – Bombay Stock Exchange and in NSE – National Stock Exchange) listed company with equity participation from globally reputed investors.

For more information, please visit www.infotech-enterprises.com

For additional information, please contact:

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