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Moderator: Robin Raina
May 6, 2009
10:00 a.m. CT

Operator: Good morning, my name is (Amy) and I will be your conference operator today. At this time, I would like to welcome everyone to the 2009 First Quarter Investor's conference call. All lines have been placed on mute to prevent any background noise. After the speaker's remarks, there will be a question and answer session. If you would like to ask a question during that time, simply press star, the number one on your telephone keypad. If you would like to withdraw your question, press the pound key. Thank you.

Mister Raina, you may begin your conference.

Robin Raina: Thank you. Good morning, gentlemen. Thank you for attending EBIX 2009 Q1 investor conference call. I have also have with me EBIX CFO, Robert Kerris.

Our Q1 2009 results were announced a few hours back. Let me summarize the results for you. Q1 2009 results were, yet again, record results, the best ever in EBIX history in terms of the diluted EPS, net income and revenues. Each of the last many quarters have been a record result with each quarter beating all of the preceding quarters in our 33 year history of the company. As a management team, we have believed in being consistent rather than just producing spectacular quarters. You could compare these results to Q1 of 2008 or Q4 of 2008 or for that matter, compare it to Q1 of 2007 and all comparisons will show that the present quarter scores over all of the quarters on all four key criteria, growth in revenues, net income, diluted EPS and net margins.

Let us delve a bit deeper into it. A comparison of the Q1 2009 numbers to the Q1 2008 numbers reveals that all four, namely revenue, income, net margin and diluted EPS, grew in this quarter as compared to Q1 of 2008. Revenue in the first quarter of '09 was 24 percent higher than the first quarter of 2008. Net income after taxes in the first quarter of 2009 was \$8.3 million as compared to \$5.7 million in the first quarter of 2008, a 47 percent increase. The company's operating expenses for the quarter grew by 17 percent to \$12.7 million as compared to \$10.5 million for the first quarter of 2008. The results for the first quarter of 2009 were based on 12.36 million weighted average diluted shares outstanding as compared to 12.46 in the first quarter of 2008. Basic earnings per share in the first quarter of '08 rose 51 percent to 84 cents as compared to 55 cents in the first quarter of 2008.

I'm especially pleased that our net margins grew to 40 percent in the first quarter of 2009 as compared to 34 percent in the first quarter of 2008. During the first quarter of 2009, we generated \$7.8 million of net cash flows from operations which represents 116 percent or a \$4.2 million improvement over the first quarter of 2008. EBITDA for the current quarter was \$9.5 million implying 46 percent of our revenues, a significant improvement over the \$7 million EBITDA from first quarter of '08 that was 42 percent of our revenues at that time.

The current economic environment has made things harder for any company and we are no exception to that. The insurance industry worldwide has been hit severely by the present economic crisis and new capital expense decisions are either being delayed or just being put into cold storage. To add to that, the U.S. dollar has (inaudible) by approximately 30 percent in the first quarter of '09 and compared to the first quarter of '08 having an obvious adverse impact on our revenues and net income numbers. Considering all of that, this has been a satisfying quarter to the extent that it helps under line the fundamental strength of the company today. Our (repetitive) revenue streams and infrastructure based transaction services help ensure that EBIX continues to grow it's revenues, net income and net margin steadily.

A comparison of the first quarter 2009 numbers to the fourth quarter 2008 numbers reveals that all four, namely revenue, income, net margin and diluted

EPS, grew in this quarter as compared to the fourth quarter of 2008. Our revenues grew almost three percent as compared to the fourth quarter of 2008. Our net income after taxes grew 20 percent. Our diluted EPS grew five percent and our net margins grew almost (500) percent.

The strengthening of the U.S. dollar has been rather dramatic since last year. A comparison between Q1 2008 and Q1 2009 reveals that the Australian dollar has devalued by 27 percent, New Zealand dollar has devalued by 31 percent and Singapore dollar by seven percent. Even compared to fourth quarter of 2008, the first quarter of 2009 had to deal with the effect of comparative devaluation of these currencies, with the Australian dollar having devalued by one percent, the New Zealand having devalued by six percent, Singapore dollar having devalued by two percent. This is since changing and since March 31, the dollar has gone the right way, which means it's – the currency devaluation – the foreign currency devaluation has started to improve. For those of you who like to look at currency neutral results, I have some numbers for you. Currency adjusted revenues in the first quarter of 2009 grew to \$22.4 million, a 34 percent increase over the first quarter of 2008.

Currency adjusted net income after taxes in the first quarter of '09 grew to \$8.91 million, a 56 percent increase over the first quarter of 2008. Basically, what it means is that if you were to keep currency rates constant between the first quarter of 2008 and the first quarter of 2009, EBIX revenues would have been \$1.73 million higher and net income would have been \$580,000 higher. Currency adjusted is a non GAAP financial measure that we use solely for comparing numbers from two different periods without the impact of foreign exchange.

Over the last six months, lots of new institutions and investors have discovered the EBIX story. For their benefit, I felt it would be useful for me to emphasize the consistency of the EBIX story by looking back and comparing the Q1 2009 results to Q1 2007 also to emphasize the strides the company has continued to make in a consistent manner.

Our revenues for the first quarter of 2009 grew by 129 percent as compared to the first quarter of 2007. Our net income after taxes grew by 325 percent as compared to the first quarter of 2007. Our net margins grew from 21 percent to almost 40 percent – 22 percent to 40 percent. Our diluted EPS grew 13 percent between these two quarters showing that our Q1 2009 numbers were better than the Q1 2007 numbers on all four criteria, revenue, income, net margin and diluted EPS.

EBIX business is broken into four channels, carriers channel, exchanges, broker channel and the BPO channel. So look at the performance of this – to look at the performance of these channels, I have a few numbers for you. Exchanges, this quarter, were 58 percent of our revenues, BPO, 17 percent, carrier systems, 14 percent and broker systems, 11 percent. Exchanges, carrier systems and BPO all three grew this quarter in comparison to the first quarter of 2008 or as compared to the fourth quarter of 2008. The broker channel, in local currency terms, grew this quarter in comparison to first quarter 2008 or the fourth quarter of 2008.

The broker channel, however, in U.S. dollar terms, the first quarter of 2009 had slightly lower numbers. In fact, the broker system channel had 18 percent lower numbers as compared to the first quarter of 2008 and the prime reason for that is and that's a – kind of a misleading picture, the broker channel is – was mostly impacted by the currency fluctuations. In local currency terms, as I said, their numbers were better. However, our broker channel primarily comprises of broker systems business coming out from international. Also, (newer decisions) are harder to get by these days. Since our broker business (inaudible) international currency fluctuations impacted this most, we're not overly concerned with this as the broker channel is one of our most recurring revenue bases with a strong business pipeline at any time. To add to that, our recent strides in the broker channel, especially in Netherland, Europe and Asia, have given us reason to believe that this channel will continue to be a strong pillar for EBIX.

When you look at the other channels, our carrier channel grew 12 percent as compared to 2008 Q1. Our exchange channel grew 27 percent. Our BPO channel grew 99 percent, mainly because of acquisition of Confirmnet. When

you compare this performance to the fourth quarter of 2008, our carrier channel grew around 33 percent, exchanges grew one percent, our BPO channel grew around 11 percent and the broker channel was down 22 percent, but again that impact is mainly because of currency fluctuations and also some of it has also to do with the deals are harder to come by in the broker channels.

Our pipeline continues to be good with many well awaited having been agreed to in the last 90 days in the area of exchanges and BPO. The economic environment continues to create pressure on insurance companies reducing their spending, but EBIX has continued to use it's cross selling to open up new opportunities and keep revenues growing. We continue to improve – sorry. We continue to work on improving our balance sheet and are committed towards significantly reducing the debt on the balance sheet. As of 31st of March, '09, the total of convertible debt balance stood at \$26.5 million with \$11.5 million maturing in December 2009 and \$15 million maturing in July 2010. Both the converts are in the money and the common stock after conversion is already fully counted in our diluted EPS count for a calculation of quarterly and annual EPS results as it – it has already been converted.

On 17th of April, as a subsequent event, White Box Advisors converted \$5.7 million of principal on their first promissary note. The remaining outstanding balance on this original \$20 million note is now \$5.9 million expiring in December 2009. Since the other \$15 million convert is also in the money, we expect them to exercise their conversion rights resulting in making our balance sheet looking a lot better. As of 31st of March 2009, our cash balances stood at \$11.8 million. This is after paying a combined total of approximately \$12.9 – sorry. This is after paying a combined total of approximately \$12.5 million for the acquisition of Confirmnet, unannounced (inaudible), et cetera using our internal cash flows since December 2008. The only bank debt we have presently is a line worth \$25 million at LIBOR plus 1.3, which translates to 1.8 percent at this time. We are looking at various options to either renew that line, renegotiate a new line with another bank with (inaudible) (unused) fees or to reduce that debt considerably using our strong cash flows.

In January 2009, we had announced that EBIX has received 100 percent tax free status until 2014 for its developer operations in India under the special economic zone act of the government of India. This new building, our third in India, will be fully functional in a few days from now resulting in giving EBIX another world class facility to support our continued growth.

So how do we at EBIX or I personally perceive these results? From my perspective, these results are just another step forward. As the CEO of this company, I see my role as creating sustained, long term shareholder value. Towards that extent, this quarter is another small step forward. My belief is that long term shareholder value can only be sustained if our business has a few key elements. One, we need to fulfill a business need in a manner that makes us almost the engine that powers fulfillment of that need. In other words, our goal is to be an infrastructure (player) worldwide rather than being a services or software product company. I could draw (similarly) with the airline industry to emphasize my point. When you take a flight to any destination, you can choose what airline to fly by, but you do not necessarily choose what airport to fly by and most of the time, that's considered a given. Nine years back, EBIX embarked on the journey to be an airport rather than be an airline and today, we remain focused on continuing to establish such airports around the world.

A second key element in our viewpoint is that our revenue streams need to be as recurring as possible. Ideally, upwards of 90 percent. This goal is rather linked to the first goal. If we are an airport or (inaudible) simple (inaudible), an infrastructure player, then recurring revenues will flow by itself. Again, we have work to do before we can get to that mark of 90 percent. Thirdly, our margins need to be consistently higher than 37 percent. Towards that extent, we need to watch our costs rather carefully and balance that cost pressure with the right amount of investment in the future so that we are continuously investing in the future without taking huge risks. Fourthly, we need to keep investing in innovation. We need to take our competition seriously and need to keep making consistent efforts to be a few years ahead of our competition in terms of technology, desktop functionality and also in terms of how we provide these services. This goal is more of a journey rather than a destination.

Lastly, the insurance markets worldwide are fragmented, disjointed and need increased standardization in terms of service offerings. That is a rather difficult goal to standardize, but in my viewpoint, a huge opportunity. The fact remains that there is no one dominant player in the insurance services market worldwide or for that matter, in the United States. That is an opportunity that EBIX needs to go after by positioning itself as a player that can offer a wide range of services to the insurance market under one roof while converging services, regions and channels in insurance. When I look at these five goals and evaluate EBIX today, it's a rather humbling feeling as I realize that we have a long way to go and that we are just getting started. The good news, from my perspective, is that we realize how far we need to go and that we have made a rather good start.

So what is next? We're looking to expand our exchange offerings, make a few acquisitions in the exchange area in specific geographies, get into (plans inquiry), billing (inquiry), increase our presence in the life and health markets, expand ourselves further into emerging economies, like China and India. All of these are good opportunities and we intend to pursue them. While doing all of this, we are continually strengthening our resource base around the world in addition to designing newer cutting edge products and services that can keep us few years ahead of our competition.

As always, the audio transcript of this and any of our previous calls can be heard and downloaded from the investor homepage on the EBIX site, triple W dot E-B-I-X dot com after 2 pm Eastern Standard Time. Also, I would encourage you to visit the comprehensive investor homepage on the EBIX site (inaudible) to providing you a one stop place to analyze EBIX.

Before I hand it back to the moderator to open the call for questions, I'm going to request each one of you if you have more than two questions, ideally one, if you have more than two questions, I'm going to request you to hold on to that question and give others an opportunity and get back in the queue and we'll come back to you. With that, I'm going to hand over back to the moderator to open the call for questions.

Thank you.

Operator: At this time, I would like to remind everyone if you would like to ask a question, press star then the number one on your telephone keypad. We'll pause for just a moment to compile the Q&A roster. Again, if you would like to ask a question, please press star then the number one on your telephone keypad. Our first question comes from (Simon Borak), a private investor. Your line is open.

(Simon Borak): I have a question about your tax holiday. First of all, is that only applicable to the income generated from the new facility?

Robin Raina: Yes, that's absolutely true. It is only applicable to our income generated from the newest facility. We are going to be moving most of our revenue intensive operations into this facility in India.

(Simon Borak): OK. Great. And as far as those things that do stay in the other facilities, I saw in your 10-K that the other tax holiday expires in 2010, at least to some degree. Is that at the beginning or the end of 2010?

Robin Raina: Well, the other tax holiday is basically expiring in the March of 2010. However, it is at the present moment, the government of India has made some announcements. They're in an election year right now in India. But before they went into elections, they basically made some announcement (of are) extending it for another two years. It's not yet a bill, but it's most likely to happen that extension of two years. In any case, we have almost insulated ourselves, whether they extend it or they don't extend it, (inaudible), the new facility that we have in place.

(Simon Borak): OK. Thank you.

Robin Raina: Thank you.

Operator: Our next question comes from the line of (Joseph Garner) with Emerald Advisors. Your line is open.

(Joseph Garner): Good morning.

Robin Raina: Hi, (Joe).

(Joseph Garner): A couple – well, I'll keep it to two questions. The first question is you've done very well in growing the business through what has been a very difficult time in the financial services and insurance industry. I'm wondering if you can perhaps talk about what you're seeing in the market currently and any signs that the industry – that you might be seeing that the industry may be getting healthier.

Robin Raina: Well, frankly, no. I'm not seeing any encouraging signs as of now. Meaning there is – good news is companies are starting to take the right decisions in terms of trying to strengthen themselves. But I don't think we're at a point in the insurance industry where we're starting to see a major change from where we were.

(Joseph Garner): OK. Second question would be related to the operating expenses of the company. You've done a very good job of expanding profit margins over the last several quarters and with the growth that you've been experiencing I'm wondering how you would expect the expenses to trend from this point. Will you be able to maintain the expenses at these relatively low levels? Or do you see anything coming around the corner at all that might increase the cost structure of the company?

Robin Raina: Well, I think that's a rather big question to be honest because we hate to issue any guidance, but I will say this that as we stand today, if you look at the history of EBIX, we remain extremely focused on keeping our costs under check. Today, EBIX has essentially controlled expense system which means anything that happens in any part of the world at some point will go through a centralized system and it will have to be approved by a number of folks at the corporate level. Now, all of this – when you do stuff like that and put controls in place, you can't compromise nimbleness. So what we have done is we have created systems across the world so that while the controls are in place, we're not losing in terms of our efficiency. Having said that, (you see) expense control is a journey. I mean you can never be sure that you have everything under control. You have to be absolutely on the watch each and every day virtually to make sure you're doing it right.

So having said that, if you – we are – I believe EBIX has a – EBIX has room to improve itself still, meaning our margin figures look good at the same time, I think there is room on one side to make sure that there is a (inaudible) existing in certain areas and I think we can improve on it. We're not perfect in that area. Now, on the other side, EBIX has to keep innovation – has to embrace innovation all of the time. We are dominating in certain business areas and we dominate in certain technologies. Now having said that, some people would say, 'Why do you really need to change that technology if you're already the dominant player?' And really to me, you can't really take anything for granted. You always have to keep – your only way to remain ahead of your competition and remain a few years ahead, not just in how you – whether you have cutting edge technology, it is expense of your functionality, it is how you implement your services and so on. You – and all of that requires innovation. And you have to make sure that you're not – you suddenly don't get a surprise and having said that, that means you have to continue spending more in R&D all of the time.

So I think we will try to balance both, in terms of I don't know – to answer your question, I don't know of anything specific that should really suddenly increase our costs. I am not at liberty to issue any guidance in the – for – on expenses in the future, but I will tell you if you're asking me, do I see anything at this point in terms of anything that should throw our expenses out of the park? No, I don't see that.

(Joseph Garner): Thank you very much and great job.

Robin Raina: Thank you.

Operator: Again if you would like to ask a question, please press star then the number one on your telephone keypad. We have another question from the line of (Simon Borak), private investor. Your line is open.

(Simon Borak): Hi, Mister Raina. As far as the – excuse me – the income that's going to be generated from the new facility in India, will that be subject to the minimum alternative tax?

Robin Raina: No.

(Simon Borak): OK.

Robin Raina: It has no (inaudible) on it. It's 100 percent tax free unit.

(Simon Borak): Great. And as far as the acquisition pipeline, do you see any difference in valuations from what it was a year or two ago? Have they become easier?

Robin Raina: Oh, absolutely. Absolutely. Meaning this is a good time, as I've always said, this is a good time to be opportunistic and make the right acquisitions because you could pay a bit lesser and so there is – people's expectations are a bit lower at this point. There's definitely a change.

(Simon Borak): And are people out there willing to make a sale?

Robin Raina: Oh, absolutely. In fact, more than ever. There are companies today who are at the point where they feel that maybe this is the time to get out and some of them are basically struggling with – at times, they have a good business and they're struggling to either grow it or at times, they are struggling with simple cost control and different challenges. Some have technology challenges and so on, but – so we have to walk into any of those situations with open eyes to see their strengths are given, we should focus – we tend to focus on their weaknesses and see do we have a medicine for those weaknesses? And if we do, then we clearly use their weakness as an opportunity to negotiate a good price.

(Simon Borak): OK. Thank you.

Robin Raina: Thank you.

Operator: Our next question comes from the line of (Ian Biprel) from (Wasock) Advisors. Your line is open.

(Brian): Good morning. This is actually (Brian). Wondering if you could just talk about your revenue opportunities over the next say three to five years and if you could break that down and if you didn't make another acquisition, what's your organic growth potential? And then, additionally, maybe separately talk

about those acquisition opportunities and what's a realistic target that management might have with that same timeframe? That's my first question.

Robin Raina: Well, I think, first of all, is the revenue opportunities. We're discussing opportunities meaning we're (inaudible) the market value is almost \$59 billion and I think in terms of just the amount that the U.S. spends on paper based processes in insurance alone. So clearly, to me, that is opportunity. Now, what can EBIX do in that? And I don't – I hate to answer that because I don't want to be issuing any guidance on revenue. Having said that, I think we have consistently grown our revenue meaning if you go to our Website, you'll see a particular presentation there which walks you through some of the organic growth rate last year and once we take out all of the acquisitions, you'll see it's a 22 – 23 – I think 27 percent actually, the organic growth rate. So it's – we have done decently well with cross selling.

We – in a time like this when new capital decisions are harder to come by, we have continued cross selling and using launching new products and opening up new areas and so on so and that has kept our revenue growing. And clearly, we will make a few acquisitions and coming back to your second question on acquisitions, we clearly will make a few acquisition. You could see us make possibly we will – you could see us go after two kind of companies, one are relatively smaller acquisitions, the kind of acquisitions we have made in the past, which tend to be – have always been accretive. We have never made an acquisition that was not accretive on day one and then there are larger opportunities. You could possibly see us going after some larger acquisitions, but the only case in which we will go after a larger acquisition is only if we see a slam dunk situation. If we see our – this as a next big life changing step for us, then on we will go after that and clearly even when we do that, we are very simplistic in our approach. We expect accretiveness on day one rather than as a long term objective.

So our task always becomes harder when we are looking at acquisitions because we're almost trying to make an acquisition with accretiveness in the first quarter and that's been our history and we feel that a benchmark we're getting evaluated by and we want to stick with that.

(Brian): And could you also talk about what percent of your growth has come from the customers outsourcing the business to you? Something they did previously in-house versus business that maybe you've taken from another competitor?

Robin Raina: Well, most of it has been – if you're talking about outsourcing, the – BPO is the only channel in which we handle the outsourcing business and I think during my initial talk, I talked about the BPO channel in terms of the percentage of the BPO channel. If I'm looking at my numbers here correctly, I think we did on our BPO channel, we did around \$3.4 million – \$3.361 million this quarter and that is basically business outsource. Again, this is in the one – mainly one specific line that we are focusing on that is we're focusing on insurance services in terms of tracking insurance (inaudible), creation of insurance (inaudible) and in that market, we are by far the largest player – we're the largest, most dominant player. We work with 75 of the Fortune 500 companies. It's virtually a who's who of the corporate world who basically outsources the handling of the (inaudible) insurance to us.

So that's basically the \$3.361 million line that I talked through and BPO counted for almost 17 percent of our revenue this quarter.

(Brian): Thank you.

Robin Raina: Thank you.

Operator: Our next question comes from the line of (Mark Rye) with Singular Research. Your line is open.

(Mark Rye): Hi, good afternoon, gentlemen. I wonder if you could comment on your specific new business development initiatives. For example, you mentioned in your investor presentation that you are launching a new property and casualty exchange in New Zealand and also an employee benefits service in the U.K..

Robin Raina: Yes. Well, I mean those are two areas we define, but there are a few more areas that we are actually continuously going after. The P&C exchange in New Zealand, you should start seeing revenue this year. We expect this to be the exchange and clearly, the – our fine reason for confidence is rather simple,

we have teamed up with the four top carrier – four top P&C carriers in New Zealand to launch this exchange. Those four carriers account for 90 percent of P&C premium in that market. So we believe we should see this being the exchange in that market. Now beyond that, it actually should help us sell a lot more broker systems because these services tend to get very connected. You see, exchange, as I've always said, insurance transactions are like a telephone transaction and we provide broker systems and we have one end of the telephone already and we have the broker system and we have the exchange. Once you have the exchange, you – it also kind of helps you to sell on both sides which is you go to the carriers, insurance carriers, and say, 'Now I can take a transaction end to end, especially if you use my own backend system, P&C system, this could – life could become very easy for you' because most of the brokers in New Zealand already use our system, almost 67 percent and that's one angle you take and you have a better chance of selling your carrier system then to the backend carrier because they are able to seamless with their brokers.

Now on the other side, you go to the brokers and say the same thing. You say to them, 'Well, I have this exchange and if you were on my broker system, life would be a lot easier because you don't have to log in into the exchange, you work from – directly from your broker system and the data will seamlessly in the background go in and work and go into the carriers backend.' So it really helps you sell three things, when you're trying to launch exchanges, it helps you sell broker system, it helps you sell carrier systems and of course, it is helping you get revenues from exchanges. So we see that as a good development.

On the employee benefit exchange, we launched in the U.K. and our U.K. is basically kind of we're making it into some kind of a headquarter right now for our European kind of employee benefit operations. Now in the last few months, we have tried to take it to ratio and we have had – we were starting to make in roads in to that market. So clearly our goal remains to take the employee benefits side of our business to different parts of the world. But again, you will also see us launch possibly bring in exchanges into Singapore, possibly get into India, possibly going into more difficult places like London. Keep in mind we are not even a P&C exchange player in the U.S. right now.

That's a large market and that's an opportunity. And so, you could see us do a few more things.

(Mark Rye): Are there other competitors currently doing that in the U.S.? P&C ...

Robin Raina: Yes. There is a very large player in that market who is the leader in that market.

(Mark Rye): I see. How about in the business process outsourcing area? Any specific business initiatives to comment on there?

Robin Raina: BPO area we have continued to do well and last 90 days have been reasonably good. We have – we continue to sign deals. We have really been reason to be pleased with our performance on the BPO channel side. We're continuing to get newer business in the U.S. We're also – our goal remains to expand on the BPO area from – into other service areas, whether it is (plans inquiry), billing (inquiry), launching and there are so many other lines of business in insurance that you could go into on the BPO side. Our focus has always been we like to be the end to end service player. What I mean by that is we don't just provide the man power for handling the – the traditional BPO (inaudible) you provide the man power and you handle provide the service on an X functionality. What we try to do, we try to provide the, clearly, the man power with the knowledge of insurance, but we, in addition to that, we try to also be the software services player.

What I mean by that is typically our BPO is always functioning on our software application platform and why is that good? That is very good because we kind of insulate ourselves from our competition. Our competition, when they come in, since they don't have the software service and they're talking price and they're talking people, whereas we go in and we say, 'We understand insurance' and we show that through our – and we say, 'We can really make this happen. And you don't have to worry about (inaudible) getting involved. We'll just make that service happen.' What happens is we get an edge and not only do we get an edge, price becomes a slightly – yes – I would never say that price is unimportant, but I would say we are able to get better prices than most people because we become an end to end services

player. So there is reason for us to believe that we can expand the BPO channel.

In the BPO channel, there is one more area that I think I should have said and somebody asked the question about expense control. We have continued to move some of the BPO business to – some of the backend BPO business to India. We're keeping all of the customer handling in the U.S., but if there is any data entry functionality, we are moving that to India and that should help us reduce some of our costs.

(Mark Rye): Thanks. One final question, with regard to your India tax strategy, do you find that you're generating significant cash in India? And are there any restrictions in moving that cash, say for the use of an acquisition in another country?

Robin Raina: Well, no. We haven't had any because there is – you see we have – we are employing the best in the business. We have – we take advice from (inaudible). I would suffice it to that at this time that we have the best in the business, Ernst & Young, working on providing us tax advice and as such, we have never had problems. And if you do it the right way, if you have the right tax structure, if you have the right way to figure out to repatriate money, you're able to do it. Meaning as of now at least. In the current scenario, as you know, everything is out in the open and we will have to wait and watch and we have to keep reinventing our strategies as the environment changes in the U.S.

(Mark Rye): OK. Thank you, gentlemen, and good luck next quarter.

Robin Raina: Thank you, (Mark).

Operator: Our next question comes from the line of (Vincent Caposi) with Kovack Securities. Your line is open.

(Vincent Caposi): Yes, hi. Very nice quarter. I just want to ask you, have you – being that – well, here, can you break down how much business you do in Australia? New Zealand? (inaudible) the top four or five countries, how much business? You did that last quarter and I don't have it in front of me right now.

Robin Raina: (Vincent), we'll have to do a separate call to talk through that because I don't have the number in front of me and we would rather do it separately.

(Vincent Caposi): OK. Have you thought about hedging the dollar against the Australian and New Zealand currencies?

Robin Raina: Yes, we have looked at it and hedging is, as you know, has its positive and negative and as of now, let me suffice it to say that when we looked at it, we analyzed it from pretty much detail, we feel at this minute we would rather not hedge. We would rather leave it where we are because there are quite a few advantages of not hedging also. And yes.

(Vincent Caposi): All right. And could you tell me what your NOLs are?

Robin Raina: Our NOL at the beginning of – or at the end of 2008 was around \$42.9 million. We use around \$3.9 million in this quarter.

(Vincent Caposi): That's all? That's pretty good. All right. Last thing is the way I figure your company out here is that if you issued some – a certain amount of shares and paid off this \$24 million that's due by the end of the year and get some kind of decent acquisition, that you would get a higher valuation. I know ...

Robin Raina: (inaudible) I understand your question, can you repeat that?

(Vincent Caposi): I feel that if you were to issue some shares shortly and pass couple of that – maybe like one million or two million – take two million shares or something and couple that with paying down your or paying off your \$24 million debt that's coming due by the end of the year and also maybe some kind of accretive acquisition, I think you would get a higher valuation.

Robin Raina: Well, you could be right or you could be wrong and we are starting to look at it, meaning I couldn't tell you what exactly we will do because we haven't decided. We're going to look at it and we will be as opportunistic as we can be. Let's – suffice it to say that. We're going to keep our eyes open. We understand what it means. Clearly at the end of the day, we are very focused on long term shareholder value and short term shareholder value.

(Vincent Caposi): Right.

Robin Raina: And we are not just going to do a transaction which hurts our shareholders interest. So if we feel, as in the scenario, that you pretend that there is a – let's take a possible scenario that there is an acquisition happening, a larger sized acquisition and we sell some stock (inaudible) and along with that raise a slightly more cash, but again, we can do that, but we will only do it if we feel that it – that the transaction overall will be accretive for our shareholders.

(Vincent Caposi): Right. Right. Well, that...

Robin Raina: So it goes down to – it gets down to the nuts and bolts, you know? We'll have to (adhere) to that.

(Vincent Caposi): That's admirable. I mean if that – like certain amount of dilution maybe the stock might go down a point or something, is the fact that it would be a bad thing, if (inaudible) by the next couple of months that you're going to buy an accretive acquisition, the stock is going to go up again. So.

Robin Raina: Well, (Vincent), we're not adverse to anything. As I said, we're not adverse to anything.

(Vincent Caposi): Right.

Robin Raina: But we're going to be – I couldn't tell you either way what we're going to do right now. We're going to do the right thing, let's suffice it to say that.

(Vincent Caposi): I think you're – I believe you will. Thank you very much.

Robin Raina: Thank you. Thank you, (Vincent).

Operator: At this time, we have no further questions in queue.

Robin Raina: Since we have no other questions in the queue, we basically would thank each one of you for attending the investor conference call and look forward to speaking to you again soon. Thank you again. With that, we will close the call for today. Thank you.

Operator: This concludes today's conference. You may now disconnect.

END