FOUR SOFT LIMITED
Internet Solutions for Logistics

10.08.2013

Listing Department
National Stock Exchange of India Ltd
5th Floor, Exchange Plaza,
Bandra (East), Bandra-Kurla Complex,
Mumbai –400 051.

Department of Corporate Services-Listing
BSE Limited
Phiroze Jeejeebhoy Towers, 1st Floor,
Dalal Street, Mumbai – 400 001.

Sub.: Intimation of press release pursuant to Board meeting of August 10, 2013

Dear Sir / Madam

Pursuant to the Board meeting held today at 5Q1, A3, Cyber Towers, Hi -Tech City, Madhapur, Hyderabad – 500 081, please find attached, a press release titled "Four Soft unlocks significant shareholder value, monetizes logistics software solutions business"

Thanking you

Yours faithfully
For **Four Soft Limited**

Raghuram Mallela
Company Secretary

Four Soft unlocks significant shareholder value, monetizes logistics software solutions business

Francisco Partners backed global leader, Kewill values transaction at US$ 43.4 million

Company to consider one-time special dividend for shareholders

In a move expected to generate significant shareholder value, the Board of Directors of Four Soft Limited today approved the slump sale of its software solutions business to the Kewill Group. The Board also approved the sale of Four Soft's entire share holding in its relevant foreign subsidiaries. The transaction is subject to requisite approvals and satisfaction of certain conditions precedent.

The transaction for the business is valued at US$ 22.5 million and the shares are valued at US$ 20.9 million, making a total deal value of US$ 43.4 million. This deal value is indicative of the synergy of the transaction and the inherent value of the business that the Company has created over the last 13 years.

Subject to the statutory approval and closing processes, including a shareholder approval via postal ballot, the transaction is expected to close within the next 90 days, post which Four Soft intends to utilize its expertise and best in class product development capabilities in non competitive industry areas, such as media and entertainment, ADM and QA and big data analytics. The Promoter of Four Soft, Mr Palem Srikanth Reddy, will be obligated to provide identified undertakings/ guarantees for the Company, a 5 year non compete as well as a non solicit undertaking, in addition to performing services as an independent contractor for a limited period of time with a view to ensuring smooth transition. He will be paid a fee of US$ 1.71 million as consideration for the same. The aforesaid consideration has been approved by the Audit Committee and the Board of Directors of the Company.

Four Soft will also consider distributing a one-time special dividend post the closure of the transaction. This dividend will be structured in accordance with the avenues available under law for such distribution. Details of this will follow in due course.

The transaction factors in the entire synergy that this combination of Four Soft and Kewill creates - in the form of a best-in-class company with an integrated product stack of cutting edge software solutions and services to address the modern global supply chain needs of both enterprises and logistics providers. This synergistic deal thus comes at an opportune time for Four Soft and its shareholders, allowing value creation in view of a rapidly transforming market scenario, where accelerated creation of scale is critical. Four Soft's solutions are based on new technology and thus are scalable, maintainable and portable.

"We welcome this transaction as it provides our customers, suppliers, employees and other stakeholders an opportunity to leverage upon the technical and financial strengths of Kewill and Francisco Partners. It creates the world's first US$ 100 million + transportation and logistics solutions company" said **Mr Palem Srikanth Reddy, Chairman and Managing Director** of **Four Soft**.

"The acquisition of Four Soft is part of our strategic plan to significantly grow the Kewill business over the next 5 years", comments **Bob Farrell, Chief Executive Officer and President at Kewill**. "At the completion of this acquisition, Kewill will have enhanced products, technology and domain skills, which will significantly improve our market leading position."

BMR Advisors acted as the exclusive financial advisors for the transaction. **BMR Legal** acted as the legal advisors to Four Soft.