

# Patni Computer Systems Limited

FAX TO SE

Registered Office : Level II, Tower 3, Cybercity, Magarpatta City, Hadapsar, Pune - 411 013, India.

Corporate Office : Akruti , MIDC Cross Road No 21, Andheri (E) , Mumbai - 400 093, India.

**Audited financial results of Patni Computer Systems Limited for the three and six months ended 30 June 2011, as per Indian GAAP (Standalone)**

**₹ in Lakhs except share data**

|                                                                                           | Three months ended 30 June |            | Six months ended 30 June |            | Year ended 31 December |
|-------------------------------------------------------------------------------------------|----------------------------|------------|--------------------------|------------|------------------------|
|                                                                                           | 2011                       | 2010       | 2011                     | 2010       | 2010                   |
| <b>Income</b>                                                                             |                            |            |                          |            |                        |
| Sales and service income                                                                  | 49,796                     | 45,671     | 101,002                  | 91,440     | 189,127                |
| Other operating income                                                                    | 3,401                      | 2,037      | 6,468                    | 5,521      | 13,934                 |
|                                                                                           | 53,197                     | 47,708     | 107,470                  | 96,961     | 203,061                |
| <b>Expenditure</b>                                                                        |                            |            |                          |            |                        |
| Personnel costs (Refer Note 6)                                                            | 30,780                     | 21,801     | 57,913                   | 43,401     | 94,622                 |
| Selling, general and administration costs                                                 | 8,555                      | 8,981      | 15,962                   | 17,605     | 34,878                 |
| Depreciation (net of transfer from revaluation reserves)                                  | 2,972                      | 2,349      | 5,126                    | 4,646      | 9,190                  |
|                                                                                           | 42,307                     | 33,131     | 79,001                   | 65,652     | 138,690                |
| <b>Profit from operations before Other Income and Interest</b>                            | 10,890                     | 14,577     | 28,469                   | 31,309     | 64,371                 |
| Other income                                                                              | 1,583                      | 2,625      | 3,552                    | 4,544      | 7,616                  |
| <b>Profit before interest</b>                                                             | 12,473                     | 17,202     | 32,021                   | 35,853     | 71,987                 |
| Interest costs                                                                            | 120                        | 23         | 208                      | 242        | 434                    |
| <b>Profit before prior period items and tax</b>                                           | 12,353                     | 17,179     | 31,813                   | 35,611     | 71,553                 |
| Tax Expenses                                                                              | 3,980                      | 1,879      | 5,554                    | 4,474      | 6,048                  |
| <b>Profit after tax and before prior period items</b>                                     | 8,373                      | 15,300     | 26,259                   | 31,137     | 65,505                 |
| Prior period item (Refer Note 9)                                                          | 170                        | -          | 381                      | -          | -                      |
| <b>Net Profit for the period</b>                                                          | 8,203                      | 15,300     | 25,878                   | 31,137     | 65,505                 |
| Paid up equity share capital (Face value per equity share of ₹ 2 each)                    | 2,680                      | 2,598      | 2,680                    | 2,598      | 2,628                  |
| Reserves excluding revaluation reserves                                                   |                            |            |                          |            | 291,668                |
| <b>Earnings per equity share of ₹ 2 each</b>                                              |                            |            |                          |            |                        |
| - Basic                                                                                   | 6.14                       | 11.81      | 19.48                    | 24.06      | 50.35                  |
| - Diluted                                                                                 | 6.03                       | 11.39      | 19.08                    | 23.22      | 48.77                  |
| <b>Dividend per share (Face value per equity share of ₹ 2 each)</b>                       | -                          | -          | -                        | -          | 63.00                  |
| Public Shareholding                                                                       |                            |            |                          |            |                        |
| - Number of Shares                                                                        | 23,924,313                 | 69,800,280 | 23,924,313               | 69,800,280 | 71,327,878             |
| - Percentage of Shareholding                                                              | 17.85                      | 53.74      | 17.85                    | 53.74      | 54.28                  |
| Promoters and Promoter group Shareholding                                                 |                            |            |                          |            |                        |
| a) Pledge/Encumbered                                                                      |                            |            |                          |            |                        |
| - Number of shares                                                                        | -                          | -          | -                        | -          | -                      |
| - Percentage of shares (as a % of the total shareholding of promoter group)               | -                          | -          | -                        | -          | -                      |
| - Percentage of shares (as a % of the total share capital of the Company)                 | -                          | -          | -                        | -          | -                      |
| b) Non-encumbered                                                                         |                            |            |                          |            |                        |
| - Number of shares                                                                        | 110,090,715                | 60,091,202 | 110,090,715              | 60,091,202 | 60,091,202             |
| - Percentage of shares (as a % of the total shareholding of promoters and promoter group) | 100.00                     | 100.00     | 100.00                   | 100.00     | 100.00                 |
| - Percentage of shares (as a % of the total share capital of the Company)                 | 82.15                      | 46.26      | 82.15                    | 46.26      | 45.72                  |

## Notes :

- The above statement of audited financial results was reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 25 July 2011.
- Pan-Asia iGATE Solutions and iGATE Global Solutions Limited (iGATE), alongwith iGATE Corporation as the person acting in concert ("PAC"), acquired 62.13% of the equity share capital of the Company from Narendra Patni, Gajendra Patni, Ashok Patni (the "Previous Promoter Group") and General Atlantic Mauritius Limited. Further 20.27% was acquired from public shareholders of the Company by way of mandatory tender offer in accordance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 at a price of ₹ 503.50 per share. As a result, the Acquirers have a majority stake of 82.40% of the equity share capital of the Company.

# Patni Computer Systems Limited

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**Audited financial results of Patni Computer Systems Limited for the three and six months ended 30 June 2011, as per Indian GAAP (Standalone) (Contd.)**

## 3 Statement of Assets and Liabilities as of 30 June 2011

| Particulars                                     | As of 30 June  |                |
|-------------------------------------------------|----------------|----------------|
|                                                 | 2011           | 2010           |
| <b>Shareholders' funds</b>                      |                |                |
| a) Share Capital                                | 4,735          | 5,021          |
| b) Reserves and Surplus                         | 320,554        | 348,915        |
| <b>Loan funds</b>                               | 102            | 64             |
| <b>Deferred tax liability</b>                   | 711            | 884            |
| <b>Total</b>                                    | <b>326,102</b> | <b>354,884</b> |
| <b>Fixed assets (Net)</b>                       | <b>66,370</b>  | <b>71,945</b>  |
| <b>Investments</b>                              | <b>204,045</b> | <b>234,125</b> |
| <b>Deferred tax asset, net</b>                  | <b>311</b>     | <b>441</b>     |
| <b>Current assets, loans and advances</b>       |                |                |
| a) Sundry Debtors                               | 48,186         | 46,640         |
| b) Cash and Bank balances                       | 7,557          | 20,068         |
| c) Unbilled revenue                             | 10,389         | 9,546          |
| d) Loans and Advances                           | 35,142         | 23,843         |
| <b>Less: Current liabilities and provisions</b> |                |                |
| a) Liabilities                                  | 27,780         | 31,445         |
| b) Provisions                                   | 18,118         | 20,279         |
| <b>Total</b>                                    | <b>326,102</b> | <b>354,884</b> |

\* Share Capital includes Share application money ₹ Nil (June 2010 : ₹ 72) and Stock option outstanding ₹ 2,054 (June 2010 : ₹ 2,351)

## 4 Investor complaints for the quarter ended 30 June 2011

| Pending as on<br>1 April 2011 | Received during<br>the quarter | Disposed of during<br>the quarter | Unresolved at the<br>end of the quarter |
|-------------------------------|--------------------------------|-----------------------------------|-----------------------------------------|
| -                             | 39                             | 39                                | -                                       |

## 5 Statement of Utilisation of ADS Funds as of 30 June 2011

|                                                                | No of shares | Price | Amount        |
|----------------------------------------------------------------|--------------|-------|---------------|
| Amount raised through ADS (6,156,250 ADSs @ \$ 20.34 per ADS ) | 12,312,500   | 466   | 57,393        |
| Share issue expenses                                           |              |       | 3,694         |
| <b>Net proceeds</b>                                            |              |       | <b>53,699</b> |
| <b>Deployment :</b>                                            |              |       |               |
| 1 Held as short term investments                               |              |       | 7,359         |
| 2 Utilised for Capital expenditure for office facilities       |              |       | 45,131        |
| 3 Exchange loss                                                |              |       | 1,209         |
| <b>Total</b>                                                   |              |       | <b>53,699</b> |

6 As a result of acquisition of the Company, the management terminated the services of some of the employees and incurred ₹ 1,690 of severance costs in Personnel cost in three months ended 30 June 2011.

7 With effect from 1 April 2011, the Company has aligned the estimated useful lives of Furniture and Fixtures and Electrical Installations with those followed by iGATE Corporation, its ultimate parent Company.

The revisions have been accounted for prospectively as change in accounting estimates resulting in additional depreciation charge in three months ended 30 June 2011 of ₹ 708.

8 As per Company's practice, it has finalised the amount of incentive payable to certain employees for the fiscal year 31 December 2010 based on completion of employee appraisals during the six months ended 30 June 2011. Accordingly, the Company has reversed incentive accrual amounting to ₹ 780 and ₹ 1,434 (net of provisions for overachievements) which has been included under personnel cost in profit & loss for the three and six months period ended 30 June 2011 respectively.

9 Prior period item for the three months and six months ended June 30, 2011 includes following items:

| Particulars    | Three months ended<br>30 June 2011 | Six months ended<br>30 June 2011 |
|----------------|------------------------------------|----------------------------------|
| Deferred costs | 170                                | 381                              |

10 Previous period figures have been appropriately reclassified / regrouped to conform to the current period's presentation.

**By Order of the Board  
for Patni Computer Systems Limited**

**Place : Mumbai**  
**Date : 25 July 2011**

**Mr. Phaneesh Murthy**  
*CEO & Managing Director*

# Patni Computer Systems Limited and Subsidiaries

FAX TO SE

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Corporate Office : Akruiti , MIDC Cross Road No 21, Andheri (E) , Mumbai - 400 093, India.

Audited consolidated financial results of Patni Computer Systems Limited and subsidiaries for the three and six months ended 30 June 2011, as per Indian GAAP.

₹ in Lakhs except share data

|                                                                                           | Three months ended 30 June |            | Six months ended 30 June |            | Year ended 31 December |
|-------------------------------------------------------------------------------------------|----------------------------|------------|--------------------------|------------|------------------------|
|                                                                                           | 2011                       | 2010       | 2011                     | 2010       | 2010                   |
| <b>Income</b>                                                                             |                            |            |                          |            |                        |
| Sales and service income                                                                  | 82,191                     | 76,288     | 168,130                  | 154,451    | 318,808                |
| Other operating income                                                                    | 3,561                      | 2,535      | 6,713                    | 5,844      | 14,056                 |
|                                                                                           | 85,752                     | 78,823     | 174,843                  | 160,295    | 332,864                |
| <b>Expenditure</b>                                                                        |                            |            |                          |            |                        |
| Personnel costs (refer note 6)                                                            | 61,535                     | 45,389     | 114,679                  | 91,009     | 188,981                |
| Selling, general and administration costs                                                 | 17,861                     | 16,443     | 34,757                   | 32,184     | 68,758                 |
| Depreciation (net of transfer from revaluation reserves)                                  | 3,841                      | 2,908      | 6,838                    | 5,771      | 11,846                 |
|                                                                                           | 83,237                     | 64,740     | 156,274                  | 128,964    | 269,585                |
| <b>Profit from operations before Other Income and Interest</b>                            | 2,515                      | 14,083     | 18,569                   | 31,331     | 63,279                 |
| Other income                                                                              | 1,705                      | 2,680      | 3,797                    | 4,650      | 7,887                  |
| <b>Profit before interest</b>                                                             | 4,220                      | 16,763     | 22,366                   | 35,981     | 71,166                 |
| Interest costs                                                                            | 126                        | 28         | 175                      | 247        | 478                    |
| Impairment of intangibles (refer note 10)                                                 | 8,918                      | -          | 8,918                    | -          | -                      |
| <b>(Loss) / Profit before prior period items and tax</b>                                  | (4,824)                    | 16,735     | 13,273                   | 35,734     | 70,688                 |
| Tax Expenses/(Income)                                                                     | (251)                      | 2,061      | 1,040                    | 5,356      | 8,371                  |
| <b>(Loss) / Profit after tax and before prior period items</b>                            | (4,573)                    | 14,674     | 12,233                   | 30,378     | 62,317                 |
| Prior period items (refer note 9)                                                         | (579)                      | -          | (1,156)                  | -          | -                      |
| <b>(Loss) / Profit for the period</b>                                                     | (5,152)                    | 14,674     | 11,077                   | 30,378     | 62,317                 |
| Paid up equity share capital (Face value per equity share of ₹ 2 each)                    | 2,680                      | 2,598      | 2,680                    | 2,598      | 2,628                  |
| Reserves excluding revaluation reserves                                                   |                            |            |                          |            | 320,018                |
| <b>(Loss)/Earnings per equity share of ₹ 2 each</b>                                       |                            |            |                          |            |                        |
| - Basic                                                                                   | (3.86)                     | 11.33      | 8.34                     | 23.47      | 47.90                  |
| - Diluted                                                                                 | (3.78)                     | 10.93      | 8.17                     | 22.68      | 46.44                  |
| <b>Dividend per share (Face value per equity share of ₹ 2 each)</b>                       | -                          | -          | -                        | -          | 63.00                  |
| Public Shareholding                                                                       |                            |            |                          |            |                        |
| - Number of Shares                                                                        | 23,924,313                 | 69,800,280 | 23,924,313               | 69,800,280 | 71,327,878             |
| - Percentage of Shareholding                                                              | 17.85                      | 53.74      | 17.85                    | 53.74      | 54.28                  |
| Promoters and Promoter group Shareholding                                                 |                            |            |                          |            |                        |
| a) Pledge/Encumbered                                                                      |                            |            |                          |            |                        |
| - Number of shares                                                                        | -                          | -          | -                        | -          | -                      |
| - Percentage of shares (as a % of the total shareholding of promoter group)               | -                          | -          | -                        | -          | -                      |
| - Percentage of shares (as a % of the total share capital of the Company)                 | -                          | -          | -                        | -          | -                      |
| b) Non-encumbered                                                                         |                            |            |                          |            |                        |
| - Number of shares                                                                        | 110,090,715                | 60,091,202 | 110,090,715              | 60,091,202 | 60,091,202             |
| - Percentage of shares (as a % of the total shareholding of promoters and promoter group) | 100.00                     | 100.00     | 100.00                   | 100.00     | 100.00                 |
| - Percentage of shares (as a % of the total share capital of the Company)                 | 82.15                      | 46.26      | 82.15                    | 46.26      | 45.72                  |

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## Notes :

- The above statement of audited financial results was reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 25 July 2011.
- Pan-Asia iGATE Solutions and iGATE Global Solutions Limited (iGATE), alongwith iGATE Corporation as the person acting in concert ("PAC"), acquired 62.13% of the equity share capital of the Company from Narendra Patni, Gajendra Patni, Ashok Patni and General Atlantic Mauritius Limited. Further 20.27% was acquired from public shareholders of the Company by way of mandatory tender offer in accordance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 at a price of ₹ 503.50 per share. As a result, iGATE has a majority stake of 82.40% of the equity share capital of the Company.

### 3 Statement of Assets and Liabilities as of 30 June 2011

| Particulars                                     | As of 30 June  |                |
|-------------------------------------------------|----------------|----------------|
|                                                 | 2011           | 2010           |
| <b>Shareholders' funds</b>                      |                |                |
| a) Share Capital                                | 5,338          | 6,132          |
| b) Reserves and surplus                         | 335,497        | 381,641        |
| <b>Loan funds</b>                               |                |                |
| Secured loans                                   | 102            | 77             |
| <b>Deferred tax liability, net</b>              | 711            | 884            |
| <b>TOTAL</b>                                    | <b>341,648</b> | <b>388,734</b> |
| <b>Goodwill</b>                                 | <b>48,445</b>  | <b>49,566</b>  |
| <b>Fixed assets, net</b>                        | <b>70,151</b>  | <b>85,942</b>  |
| <b>Investments</b>                              | <b>146,662</b> | <b>185,104</b> |
| <b>Deferred tax asset, net</b>                  | <b>7,457</b>   | <b>7,974</b>   |
| <b>Current assets, loans and advances</b>       |                |                |
| a) Sundry debtors                               | 53,505         | 54,591         |
| b) Cash and bank balances                       | 26,942         | 31,377         |
| c) Unbilled revenue                             | 22,255         | 20,244         |
| d) Loans and advances                           | 45,427         | 30,079         |
| <b>Less: Current liabilities and provisions</b> |                |                |
| a) Liabilities                                  | 50,156         | 46,152         |
| b) Provisions                                   | 29,040         | 29,991         |
| <b>TOTAL</b>                                    | <b>341,648</b> | <b>388,734</b> |

\* Share Capital includes Share application money ₹ NIL (June 2010: ₹ 72) and Stock option outstanding ₹ 2,658 (June 2010: ₹ 3,566)

### 4 Investor complaints for the quarter ended 30 June 2011

| Pending as on<br>1 April 2011 | Received during<br>the quarter | Disposed of during<br>the quarter | Unresolved at the<br>end of the quarter |
|-------------------------------|--------------------------------|-----------------------------------|-----------------------------------------|
| -                             | 39                             | 39                                | -                                       |

### 5 Statement of Utilisation of ADS Funds as of 30 June 2011

|                                                                 | No of shares | Price | Amount        |
|-----------------------------------------------------------------|--------------|-------|---------------|
| Amount raised through ADS ( 6,156,250 ADSs @ \$ 20.34 per ADS ) | 12,312,500   | 466   | 57,393        |
| Share issue expenses                                            |              |       | 3,694         |
| <b>Net proceeds</b>                                             |              |       | <b>53,699</b> |
| <b>Deployment :</b>                                             |              |       |               |
| 1 Held as short term investments                                |              |       | 7,359         |
| 2 Utilised for Capital expenditure for office facilities        |              |       | 45,131        |
| 3 Exchange loss                                                 |              |       | 1,209         |
| <b>Total</b>                                                    |              |       | <b>53,699</b> |

- As a result of acquisition of the Company, the management terminated the services of some of employees and incurred ₹ 5,942 of severance costs in Personnel costs in three months ended 30 June 2011.
- With effect from 1 April 2011, the Company has aligned the estimated useful lives of Furniture and Fixtures and Electrical Installations with those followed by iGATE Corporation, its ultimate parent Company. The revisions have been accounted for prospectively as change in accounting estimates resulting in additional depreciation charge in three months ended 30 June 2011 of ₹ 751.
- As per Company's practice, it has finalised the amount of incentive payable to certain employees for the fiscal year 31 December 2010 based on completion of employee appraisals during the six months ended 30 June 2011. Accordingly, the Company has reversed incentive accrual amounting to ₹ 125 and ₹ 230 which has been included under personnel cost in profit & loss for the three months and six months period ended 30 June 2011 respectively.
- Prior period items:

Prior period item for the three months and six months ended 30 June 2011 includes following items:

| Particulars                              | Three months<br>ended 30 June<br>2011 | Six months ended<br>30 June 2011 |
|------------------------------------------|---------------------------------------|----------------------------------|
| Provision for long term medical benefits | 673                                   | 673                              |
| Reversal for compensated absences        | (535)                                 | (535)                            |
| Deferred cost for revenue contracts      | 441                                   | 1,018                            |
| <b>Total</b>                             | <b>579</b>                            | <b>1,156</b>                     |

- During the current quarter, the Company evaluated certain IPR with value of ₹ 8,918 and concluded that they were impaired as a result of substantial decline in expected cashflow and change in business strategy for usage of IPR. Accordingly, in the three months period ended 30 June 2011, the Company recorded an impairment charge of ₹ 8,918.
- Consequent to iGATE' acquiring majority ownership in the Company, there has been change in operational and management structure of the Company. With this change, the board of directors and CEO of the Company review the performance of the Company as one primary segment. Accordingly, no segment disclosure is made for primary business segment.
- Previous period's figures have been appropriately reclassified/regrouped to conform to the current period's presentation.

**By Order of the Board  
for Patni Computer Systems Limited**

**Mumbai  
25 July 2011**

**Phaneesh Murthy  
CEO & Managing Director**

## Patni Computer Systems Limited and Subsidiaries

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**Summary of Consolidated financial results of Patni Computer Systems Limited and subsidiaries for the quarter and six months ended 30 June 2011, prepared as per US GAAP**

US \$ in lakhs except share data

|                                                                                      | 16 May 2011<br>through 30 June<br>2011 | 1 April 2011 through<br>15 May 2011 | Three months ended<br>30 June 2010 | 16 May 2011<br>through 30 June<br>2011 | 1 January 2011<br>through 15 May<br>2011 | Six months ended 30<br>June 2010 | Year ended 31<br>December 2010 |
|--------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------|------------------------------------|----------------------------------------|------------------------------------------|----------------------------------|--------------------------------|
|                                                                                      | Successor Company                      | Predecessor Company                 | Predecessor Company                | Successor Company                      | Predecessor Company                      | Predecessor Company              | Predecessor Company            |
| Net revenues                                                                         | 943                                    | 896                                 | 1,676                              | 943                                    | 2,799                                    | 3,399                            | 7,017                          |
| Cost of revenues (exclusive of depreciation and amortization)                        | 636                                    | 595                                 | 1,011                              | 636                                    | 1,797                                    | 1,994                            | 4,280                          |
| <b>Gross profit</b>                                                                  | <b>307</b>                             | <b>301</b>                          | <b>665</b>                         | <b>307</b>                             | <b>1,002</b>                             | <b>1,405</b>                     | <b>2,737</b>                   |
| Selling, general and administrative expenses                                         | 254                                    | 317                                 | 323                                | 254                                    | 680                                      | 681                              | 1,342                          |
| Depreciation and amortization                                                        | 66                                     | 37                                  | 70                                 | 66                                     | 110                                      | 138                              | 285                            |
| Foreign exchange (gain), net                                                         | (32)                                   | (37)                                | (43)                               | (32)                                   | (92)                                     | (91)                             | (220)                          |
| <b>Operating income/(expense)</b>                                                    | <b>19</b>                              | <b>(16)</b>                         | <b>315</b>                         | <b>19</b>                              | <b>304</b>                               | <b>677</b>                       | <b>1,330</b>                   |
| Interest and dividend income                                                         | 23                                     | 9                                   | 44                                 | 23                                     | 48                                       | 83                               | 134                            |
| Interest expense                                                                     | (2)                                    | (1)                                 | (1)                                | (2)                                    | (2)                                      | (5)                              | (11)                           |
| Interest expense reversed                                                            | -                                      | -                                   | -                                  | -                                      | -                                        | -                                | 11                             |
| Gain on sale of investments, net                                                     | 6                                      | 1                                   | 21                                 | 6                                      | 11                                       | 27                               | 56                             |
| Other income, net                                                                    | 1                                      | 4                                   | 5                                  | 1                                      | 5                                        | 8                                | 5                              |
| <b>Income/(loss) before income taxes</b>                                             | <b>47</b>                              | <b>(3)</b>                          | <b>384</b>                         | <b>47</b>                              | <b>366</b>                               | <b>790</b>                       | <b>1,525</b>                   |
| Income taxes                                                                         | 20                                     | 0                                   | 67                                 | 20                                     | 104                                      | 140                              | 193                            |
| <b>Net Income/(Loss)</b>                                                             | <b>27</b>                              | <b>(3)</b>                          | <b>317</b>                         | <b>27</b>                              | <b>262</b>                               | <b>650</b>                       | <b>1,332</b>                   |
| <b>Earnings per share</b>                                                            |                                        |                                     |                                    |                                        |                                          |                                  |                                |
| - Basic                                                                              | \$0.02                                 | (\$0.00)                            | \$0.24                             | \$0.02                                 | \$0.20                                   | \$0.50                           | \$1.02                         |
| - Diluted                                                                            | \$0.02                                 | (\$0.00)                            | \$0.24                             | \$0.02                                 | \$0.19                                   | \$0.49                           | \$0.99                         |
| <b>Weighted average number of common shares used in computing earnings per share</b> |                                        |                                     |                                    |                                        |                                          |                                  |                                |
| - Basic                                                                              | 133,915,882                            | 133,544,231                         | 129,562,441                        | 133,915,882                            | 131,464,575                              | 129,407,822                      | 130,101,442                    |
| - Diluted                                                                            | 135,773,325                            | 135,420,766                         | 133,835,341                        | 135,773,325                            | 135,165,637                              | 133,518,117                      | 133,848,374                    |
| Total assets                                                                         | 17,092                                 |                                     | 9,701                              | 17,092                                 |                                          | 9,701                            | 8,728                          |
| Cash and cash equivalents                                                            | 601                                    |                                     | 675                                | 601                                    |                                          | 675                              | 787                            |
| Investments                                                                          | 3,338                                  |                                     | 3,991                              | 3,338                                  |                                          | 3,991                            | 2,836                          |

### Notes:

- The above summary of consolidated unaudited financial results were taken on record by the Board of Directors at its meeting held on 25 July 2011.
- Pan-Asia iGATE Solutions and iGATE Global Solutions Limited (iGATE), alongwith iGATE Corporation as the person acting in concert ("PAC"), acquired 62.13% of the equity share capital of the Company from Narendra Patni, Gajendra Patni, Ashok Patni and General Atlantic Mauritius Limited. Further 20.27% was acquired from public shareholders of the Company by way of mandatory tender offer in accordance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 at a price of ₹ 503.50 per share. As a result, iGATE has a majority stake of 82.40% of the equity share capital of the Company.
- For convenience, we have used a cut-off date of 15 May 2011 as the transactions from 13 May 2011 and 14 May 2011 were insignificant. Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 805-50-S99-1 "Business Combinations-Related issues" governs the application of push down accounting in situations where ownership is increased to 80% or more. The post 15 May 2011 consolidated financial statements reflect the new basis of accounting as required by the authoritative guidance under ASC 805-50-S99-1, and have applied the SEC rules and guidance regarding "push down" accounting treatment. Accordingly, our consolidated financial statements prior to the acquisition by iGATE Corporation reflect the historical accounting basis in our assets and liabilities and are labeled Predecessor Company, while such consolidated financial statements subsequent to the acquisition by iGATE Corporation are labeled Successor Company and reflect the push down basis of accounting for the fair values of assets and liabilities acquired by iGATE Corporation. This effect is presented in the Company's consolidated financial statements by a vertical black line division between the columns entitled Predecessor Company and Successor Company on the statements. The black line signifies that the amounts shown for the periods prior to and subsequent to the iGATE acquisition are not comparable.  
The total for the quarter ended 30 June 2011 is not intended to represent or be indicative of the combined results of operations of the Successor Company and the Predecessor Company that would have been reported had the push down accounting treatment not been effected and should not be taken as representative of our future combined results of operations. Additionally, certain totals for the quarter ended 30 June 2011 may not be comparable to the quarter ended 30 June 2010 as a result of the push down accounting treatment.
- The Company has finalized the amount of incentive payable to the employees for the fiscal year 31 December 2010 based on completion of employee appraisals including final determination of key operating parameters applicable to each employee and business unit during the six months ended 30 June 2011. Accordingly, the Company has reversed incentive accrual amounting to \$23 and \$34 which has been included in personnel cost in the statement of income for the three months ended 31 March 2011, 1 April through 15 May 2011 respectively and overachievement of \$6 for 16 May through 30 June 2011.
- As a result of acquisition of the Company, the management terminated the services of some of the employees. The Company incurred \$133 of severance costs in Selling and Administrative expenses in three months ended 30 June 2011.
- The Company has evaluated subsequent events through the date of filing the financial statements and no events have occurred from the balance sheet date that would impact the Consolidated Financial Statements.
- Certain reclassifications of the prior period amounts and presentation have been made to conform to the presentation adopted for the current period.
  - Depreciation and amortization expense is reclassified from cost of revenues and selling, general and administrative expenses, respectively, and disclosed separately on the face of the statement of income.
  - Certain costs relating to office rent, electricity, water, diesel, repair and maintenance are reclassified from cost of revenues and included as part of selling, general and administrative expenses.

# Patni Computer Systems Limited and Subsidiaries

Registered Office : Level II, Tower 3, Cybercity, Magarpatta City, Hadapsar, Pune - 411 013, India.  
Corporate Office : Akruti , MIDC Cross Road No 21, Andheri (E) , Mumbai - 400 093, India.

FAX to SE

Summary of financial statements prepared as per US GAAP - Convenience translation (Unaudited)

₹ in lakhs except share data

|                                                               | 16 May 2011 through<br>30 June 2011 | 1 April 2011 through<br>15 May 2011 | Three months ended<br>30 June 2010 | 16 May 2011 through<br>30 June 2011 | 1 January 2011<br>through 15 May 2011 | Six months ended 30<br>June 2010 | Year ended 31<br>December 2010 |
|---------------------------------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|-------------------------------------|---------------------------------------|----------------------------------|--------------------------------|
|                                                               | Successor Company                   | Predecessor Company                 | Predecessor Company                | Successor Company                   | Predecessor Company                   | Predecessor Company              | Predecessor Company            |
| Exchange Rate (₹)                                             | 44.59                               | 44.86                               | 46.41                              | 44.59                               | 44.86                                 | 46.41                            | 44.80                          |
| Net revenues                                                  | 42,034                              | 40,180                              | 77,763                             | 42,034                              | 125,555                               | 157,733                          | 314,361                        |
| Cost of revenues (exclusive of depreciation and amortization) | 28,365                              | 26,696                              | 46,890                             | 28,365                              | 80,586                                | 92,492                           | 191,745                        |
| <b>Gross profit</b>                                           | <b>13,669</b>                       | <b>13,484</b>                       | <b>30,873</b>                      | <b>13,669</b>                       | <b>44,969</b>                         | <b>65,241</b>                    | <b>122,616</b>                 |
| Selling, general and administrative expenses                  | 11,340                              | 14,221                              | 14,969                             | 11,340                              | 30,513                                | 31,609                           | 60,132                         |
| Depreciation and amortization                                 | 2,920                               | 1,663                               | 3,267                              | 2,920                               | 4,922                                 | 6,408                            | 12,744                         |
| Foreign exchange (gain), net                                  | (1,456)                             | (1,662)                             | (1,976)                            | (1,456)                             | (4,111)                               | (4,189)                          | (9,860)                        |
| <b>Operating income/(expense)</b>                             | <b>865</b>                          | <b>(738)</b>                        | <b>14,613</b>                      | <b>865</b>                          | <b>13,645</b>                         | <b>31,413</b>                    | <b>59,600</b>                  |
| Interest and dividend income                                  | 969                                 | 420                                 | 2,071                              | 969                                 | 2,133                                 | 3,907                            | 6,000                          |
| Interest expense                                              | (76)                                | (49)                                | (27)                               | (76)                                | (96)                                  | (252)                            | (472)                          |
| Interest expense reversed                                     | -                                   | -                                   | -                                  | -                                   | -                                     | -                                | 477                            |
| Gain on sale of investments, net                              | 283                                 | 46                                  | 966                                | 283                                 | 473                                   | 1,245                            | 2,510                          |
| Other income, net                                             | 60                                  | 187                                 | 211                                | 60                                  | 236                                   | 367                              | 212                            |
| <b>Income/(loss) before income taxes</b>                      | <b>2,101</b>                        | <b>(134)</b>                        | <b>17,834</b>                      | <b>2,101</b>                        | <b>16,391</b>                         | <b>36,680</b>                    | <b>68,327</b>                  |
| Income taxes                                                  | 884                                 | 4                                   | 3,105                              | 884                                 | 4,646                                 | 6,492                            | 8,663                          |
| <b>Net Income/(Loss)</b>                                      | <b>1,217</b>                        | <b>(138)</b>                        | <b>14,729</b>                      | <b>1,217</b>                        | <b>11,745</b>                         | <b>30,188</b>                    | <b>59,664</b>                  |
| <b>Earnings per share</b>                                     |                                     |                                     |                                    |                                     |                                       |                                  |                                |
| - Basic                                                       | 0.91                                | (0.10)                              | 11.37                              | 0.91                                | 8.93                                  | 23.33                            | 45.86                          |
| - Diluted                                                     | 0.90                                | (0.10)                              | 11.01                              | 0.90                                | 8.69                                  | 22.61                            | 44.58                          |
| Total assets                                                  | 762,133                             |                                     | 450,242                            | 762,133                             |                                       | 450,242                          | 391,007                        |
| Cash and cash equivalents                                     | 26,779                              |                                     | 31,349                             | 26,779                              |                                       | 31,349                           | 35,273                         |
| Investments                                                   | 148,827                             |                                     | 185,203                            | 148,827                             |                                       | 185,203                          | 127,069                        |

Disclaimer:

We have translated the financial data derived from our consolidated financial statements prepared in accordance with US GAAP for each period at the noon buying rate in the City of New York on the last business day of such period for cable transfers in Rupees as certified for customs purposes by the Federal Reserve Bank of New York. The translations should not be considered as a representation that such US Dollar amounts have been, could have been or could be converted into Rupees at any particular rate, the rate stated above, or at all. Investors are cautioned not to rely on such translated amounts.

By Order of the Board  
for Patni Computer Systems Limited

Mumbai  
25 July 2011

Phaneesh Murthy  
CEO & Managing Director