



Persistent Systems Q2 Revenue Grows 34.5% Y-o-Y; Profit Increases by 33.1%

Pune, India – October 21, 2010: [Persistent Systems](#) (BSE & NSE: PERSISTENT), a leader in outsourced software product development services, today announced its audited financial results for the second quarter ended September 30, 2010, as approved by its Board of Directors.

Financial highlights for the second quarter ended Sept. 30, 2010 (consolidated):

- Revenues stood at Rs. 1,869.99 Million, indicating a Year-on-Year (Y-o-Y) growth of 34.5 %, and a Quarter- on -Quarter (Q-o-Q) growth of 3.3 %.
- In Dollar terms, revenues were US\$ 40.51 Million, representing a Y-o-Y increase of 41.1 %, and Q-o-Q growth of 2.6 %.
- EBIDTA was Rs. 430.35 Million, against Rs.385.99 Million Y-o-Y and against Rs. 344.09 Million, Q-o-Q.
- Profit after Tax (PAT) was Rs.358.31 Million, indicating a Y-o-Y increase of 33.1% and a Q-o-Q growth of 3.8%.

Dr. Anand Deshpande, Chairman and Managing Director, Persistent Systems said, “We are constantly pushing for innovation in the market. The market response to our strategy in the four thrust areas, cloud computing, analytics, collaboration and mobility has been very encouraging. We believe these domains are significant business areas for us and the response from our customers towards this aptly justifies it.”

Dr. Deshpande further added, “We recently crossed the 5,000 employee mark and celebrated our Goa operations’ fifth anniversary. As we celebrate our 20 glorious years, scaling the business continues to be our focus and I am confident that we will continue to lead, innovate and strengthen our offerings.”

Key quarter highlights:

- Appoints Mr. Prakash Telang and Mr. Kiran Umrootkar as independent directors on its Board.
- Persistent Systems crosses the 5,000 employee mark. Number of employees as on Sept. 30, 2010 was 5,281 as compared to 4,911 on June 30, 2010.
- 325 new graduates from engineering background join across company locations.
- Wins the Bloomberg UTV’s ‘CXO Awards 2010 - The IT Chapter’, in ‘India’s Emerging Software Company of the Year’ category.
- Persistent successfully completes 5 years in Goa.
- Launches Techstart-II campus initiative focused towards Computer Science students, to help them learn cutting-edge technology and to make them industry ready.

About Persistent Systems:

Established in 1990, Persistent Systems (BSE & NSE: PERSISTENT) is recognized as an award-winning technology company specializing in [software product development services](#). With 5,000+ employees, innovative business models, and reusable assets and frameworks, Persistent helps customers increase revenues and margins, and enhance brand value. Persistent Systems has delivered over 3,000 software product releases in their last five years and has 290+ customers. The company has developed proven processes for the entire product lifecycle which reduce time-to-market while delivering consistent quality and customer satisfaction – as evidenced by customer partnerships that span many years. For more information, please visit: www.persistentsys.com.

Forward-looking and Cautionary Statements:

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, our revenues highly dependent on customers located in the United States, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, concentration of major operations of the Company in one city, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Stock Exchanges and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.

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