



Persistent Systems Q3 \$ Revenue Grows 27.2% Y-o-Y, 6.7% Q-o-Q, ₹ Profit Grows 17.3% Y-o-Y

Pune, India – January 20, 2011: [Persistent Systems](#) (BSE & NSE: PERSISTENT), a leader in outsourced software product development services, today announced its audited financial results for the third quarter ended December 31, 2010, as approved by its Board of Directors.

Financial highlights:

For the third quarter ended December 31, 2010 (consolidated):

- Revenues were US\$ 43.21 Million as against US\$ 33.96 Million Y-o-Y and US\$ 40.51 Million Q-o-Q representing a Y-o-Y increase of 27.2 %, and Q-o-Q growth of 6.7 %.
- Revenues were ₹ 1,949.32 Million as against ₹ 1,583.55 Million Y-o-Y and ₹ 1,869.99 Million Q-o-Q representing a Y-o-Y increase of 23.1 %, and Q-o-Q growth of 4.2 %.
- EBIDTA was ₹ 427.75 Million as against ₹ 372.64 Million Y-o-Y and ₹ 430.34 Million Q-o-Q.
- Profit after Tax (PAT) was ₹ 362.43 Million, indicating a Y-o-Y increase of 17.3% and a Q-o-Q growth of 1.1%.

For the nine months ended December 31, 2010 (consolidated):

- Revenues were US\$ 123.21 Million, representing a Y-o-Y increase of 36.9 %.
- Revenues were ₹ 5,630.20 Million, representing a Y-o-Y increase of 31.1 %.
- EBIDTA was ₹ 1,202.19 Million as against ₹ 1,080.41 Million Y-o-Y.
- Profit after Tax (PAT) was ₹ 1,066.02 Million, indicating a Y-o-Y increase of 41.5 %.

Interim Dividend:

- The Board of Directors declared an interim dividend of ₹ 2.00 per share for FY 11 and a special one-time dividend of ₹ 2.00 per share on the occasion of completion of twenty years of the company, aggregating total interim dividend of ₹ 4.00 per share.

Dr. Anand Deshpande, Chairman and Managing Director, Persistent Systems said, “2010 was a significant year for Persistent, with the company celebrating its twentieth year in business and successfully getting listed in the Indian stock exchanges.”

Dr. Deshpande further added, “We are glad that our investments in cloud computing, collaboration, analytics and mobility are paying off well. We believe that markets are shifting rapidly and those who are agile will survive and thrive. We are well poised to take advantage of these changes and our ability to react swiftly to these conditions will be the cornerstone of our success.”

Key quarter highlights:

- [Appoints Dr. Dinesh Kesar](#), President, Boeing India as Independent Director.
- Launches SEZ unit in Pune.
- [Exhibits at salesforce.com's Dreamforce 2010 conference](#) on December 6, 2010, joins cloud computing industry leaders at the event.

- Announces mid-term salary raise for employees effective January 1, 2011.
- [Wins the Bloomberg UTV's CXO Awards 2010](#) - The IT Chapter, in India's Emerging Software Company of the Year category.
- [Wins the Institute of Company Secretaries of India \(ICSI\) Excellence in Corporate Governance Award 2010](#) – being one of the top five companies recognized for adopting excellent practices in Corporate Governance.
- Wins the Institute of Chartered Accountants of India (ICAI) Award, silver shield for Excellence in Financial Reporting for the year 2009-2010.
- [Wins the Titanium Award at the Asset Triple A Corporate Awards 2010](#) for Excellence in Corporate Governance, Social Responsibility and Investor Relations.
- [Persistent's Annual Report 2009-10 wins](#) the League of American Communication Professionals (LACP) 2010 Platinum Award in the print category and also Gold Award for the Debut.
- Wins the Asia's Best Employer Brand Award 2010-11 in the western region for India in the category Managing Health at Workplace.

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 5,400+ 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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