PERSISTENT

NSE & BSE / 2010-11 / 078

Date: February 18, 2011

The Manager,
Corporate Services,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai 400051

Ref: Symbol: PERSISTENT

The Manager,
Corporate Services,
Bombay Stock Exchange Limited
14th Floor, P J Towers, Dalal Street,
Mumbai 400001

Ref: Scrip Code: 533179

Dear Sir / Madam,

Sub.: Press Release regarding "OrangeScape First Indian Company Backed By The 1M/1M - Persistent Systems Partnership"

We wish to inform you that the Company has made Press Release dated February 18, 2011 titled "OrangeScape First Indian Company Backed By The 1M/1M - Persistent Systems Partnership".

The Copy of Press Release is attached for your records.

Please acknowledge the receipt.

Thanking you.

Yours faithfully,
For **Persistent Systems Limited**

PERSISTENT SYSTEMS LTD. 020 30242000 PUNE

Vivek Sadhale
Company Secretary and Head – Legal and Investor Relations

Encl - As above

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OrangeScape First Indian Company Backed By The 1M/1M - Persistent Systems Partnership

Menlo Park, CA, Pune, India and Chennai, India, February 18, 2011: The One Million by One Million (1M/1M) initiative and Persistent Systems have announced that OrangeScape is the first company in India to benefit from their new partnership to bring technologies from startup companies to market. The 1M/1M initiative set up in Silicon Valley by Sramana Mitra has a goal to help a million entrepreneurs reach $1 million in annual revenue and beyond.

Headquartered in Pune, India, Persistent Systems is a leader in outsourced product development. Persistent works with more than 250 customers and serves as a reseller and channel for products from select 1M/1M entrepreneurs. In addition, Persistent Systems also provides outsourced product development services to some of these companies.

Headquartered in Chennai, India, OrangeScape is a technology platform company founded in 2003 with a vision of simplifying business application development. OrangeScape provides a Visual Platform-as-a-Service (PaaS) to build domain rich solutions, in the easiest and the fastest manner and can be deployed on any cloud. OrangeScape has a marquee customer list comprising Unilever, Citibank, Pfizer, AstraZeneca, Sterlite and 50 other large enterprises. OrangeScape is in the Gartner's Global Top 10 list of PaaS competitive landscape. While OrangeScape is an established leader in Asia Pacific Region with sustainable business and revenues, their US focus gets additional thrust and will benefit from the 1M/1M and Persistent partnership.

"The 1M/1M philosophy is to focus our entrepreneurs on customer acquisition and revenue without burning through a huge amount of cash in building expensive channels," explains Sramana Mitra, founder of 1M/1M. "Our partnership with Persistent Systems is focused on taking promising small companies to market, efficiently. OrangeScape is one of the most promising Indian product companies we have seen so far, and we see an exciting opportunity for them to enhance the capabilities of Google's App Engine in long tail enterprise apps. Over time, we foresee OrangeScape becoming a leader in the A-PaaS (Application PaaS) space and also a cornerstone of the Google enterprise solution portfolio."

"We at Persistent are very excited to work with 1M/1M in helping entrepreneurs succeed by bringing new technologies to market," shares Dr. Anand Deshpande, Chairman and Managing Director, Persistent Systems. "We have been proactively investing in Cloud Computing, and believe that OrangeScape's Platform as a Service (PaaS) product will nicely supplement our portfolio of cloud technologies to provide large enterprises an app platform in the Cloud and use PaaS for ISVs migrating to SaaS. OrangeScape, when sold through right channels, can have a significant impact in the market."

"This deal with Persistent Systems will bring OrangeScape a cost-effective go-to-market solution through their global sales team and offshore backed enterprise implementation support through technology experts in Persistent's Cloud Practice" adds Suresh Sambandam, Founder and CEO at OrangeScape. "I also take the opportunity to recommend 1M/1M as a great program for Indian entrepreneurs looking to access US customers. Sramana's extensive experience and rolodex has

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helped us zero-in on an immediately actionable revenue-focused strategy and engage the Persistent sales force with great commitment and enthusiasm."

About One Million by One Million (1M/1M):

Founded in 2010 by Sramana Mitra, the One Million by One Million (1M/1M) initiative is an educational and business development program that aims to help a million entrepreneurs globally to reach $1 million in revenue and beyond, build $1 trillion in sustainable global GDP, and create 10 million jobs.

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.

About OrangeScape:

OrangeScape is a Chennai, India based is a rare breed of technology platform company founded in 2003 with a vision of simplifying business application development. OrangeScape provides a Visual Platform-as-a-Service (PaaS) to build domain rich solutions, in the easiest and the fastest manner and can be deployed on any cloud. OrangeScape uses a modeling driven visual development environment for creating business applications and can be deployed as SaaS or on-premise applications. OrangeScape has a marquee customer list comprising Unilever, Citibank, Pfizer, AstraZeneca, Sterlite and 50 other large enterprises. OrangeScape is in the Gartner's Global Top 10 list of PaaS competitive Landscape and also has been featured in all the PaaS reports of Forrester.

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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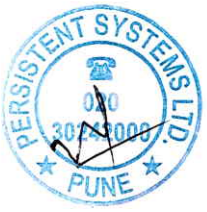
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