Innovation in software product design, development and delivery

PERSISTENT SYSTEMS LIMITED

Analyst Conference Call
Q4 FY10 and Year Ended FY10

April 23 2010
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.
Listed on NSE on April 6, 2010
Company overview
Persistent Systems: Overview

Founded in 1990, established leaders in Outsourced Product Development ("OPD")

Help product companies across all stages of the product development lifecycle (concept to end life)

About 300 Customers and over 37 customers with >US$1B of annual revenue

Contributed to development of over 3,000 products releases for customers over last 5 years

Total employee strength of 4,600+ with sales offices in 7 countries and delivery centers in Pune, Goa, Nagpur and Hyderabad in India
Our Business

Customer base
- Primarily software product companies
- Outsource either part of the value chain or partner for total value chain

Rationale for outsourcing for product companies
- Save management bandwidth
- Reduce risk of engineering failure
- Reduce time to market

Business engagement
- Time and material
- Fixed price contracts
- Licensing of products and royalties
Depth in focused areas and continuous investment in new technology areas

**Existing focus areas**
- Telecom and Wireless
- Infrastructure and Systems
- Life Sciences & Healthcare

**New technology focus areas**
- Enterprise Mobility
- Cloud Computing
- Analytics
- Enterprise Collaboration
Persistent Systems: Competitive strengths

1. Depth in focused areas and continued investment in new technology areas
2. Long-term relationship with customers
3. High quality and motivated workforce
4. Deep rooted product development culture
5. IP-led businesses to lead to next stage of growth

Well positioned to exploit the high growth opportunity in OPD market
Persistent facilities

- **Bhageerath**
  - Senapati Bapat Road, Pune (operational)

- **Aryabhata–Pingala**
  - Karve Road, Pune (operational)

- **Panini**
  - Senapati Bapat Road, Pune (operational)

- **Goa**
  - Verna, Goa (operational)

- **Hinjewadi, Pune**
  - Under construction (artist impression)

- **Nagpur**
  - Under construction (artist impression)
Dr. Srikanth Sundararajan, previously COO, to relocate to the USA to further relationships with strategic customers

Mr. Nitin Kulkarni, previously EVP – Operations, takes over as the Chief Operating Officer

Dr. Hemant Pande takes over from Mr. Prashant Raje as Head of Planning, ERP and MIS

Mr. T. M. Vijayaraman, previously CTO based in San Jose, will return to India to lead the newly created Persistent Laboratories

New Business Units corresponding to thrust areas – Cloud Computing, Analytics, Enterprise Collaboration and Enterprise Mobility Created
Financial performance
Key Financials : Quarterly

<table>
<thead>
<tr>
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<th>Q4, FY 10</th>
<th>Q3, FY 10</th>
<th>Q4, FY 09</th>
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</thead>
<tbody>
<tr>
<td>Income from sale of software products and services</td>
<td>1,717.43</td>
<td>1,583.55</td>
<td>1,490.93</td>
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<tr>
<td>% Growth QoQ</td>
<td>8.5%</td>
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<tr>
<td>% Growth YoY</td>
<td>15.2%</td>
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<tr>
<td>Profit before Tax</td>
<td>416.86</td>
<td>336.05</td>
<td>134.54</td>
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<tr>
<td>% Growth QoQ</td>
<td>24.0%</td>
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<tr>
<td>% Growth YoY</td>
<td>209.8%</td>
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<tr>
<td>Profit after Tax</td>
<td>396.77</td>
<td>308.91</td>
<td>140.67</td>
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<tr>
<td>% Growth QoQ</td>
<td>28.4%</td>
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<tr>
<td>% Growth YoY</td>
<td>182.1%</td>
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### Key Financials: Annual

<table>
<thead>
<tr>
<th></th>
<th>FY 10</th>
<th>FY 09</th>
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</thead>
<tbody>
<tr>
<td>Income from sale of software products and services</td>
<td>6,011.56</td>
<td>5,938.31</td>
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<tr>
<td>% Growth</td>
<td>1.2%</td>
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<tr>
<td>Profit before Tax</td>
<td>1,240.75</td>
<td>685.31</td>
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<tr>
<td>% Growth</td>
<td>81.0%</td>
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<tr>
<td>Profit after Tax</td>
<td>1,150.24</td>
<td>675.84</td>
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<tr>
<td>% Growth</td>
<td>70.2%</td>
<td></td>
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<tr>
<td>Profit after Tax &amp; Extra Ordinary Items</td>
<td>1,150.24</td>
<td>660.92</td>
</tr>
<tr>
<td>% Growth</td>
<td>74.0%</td>
<td></td>
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THANK YOU