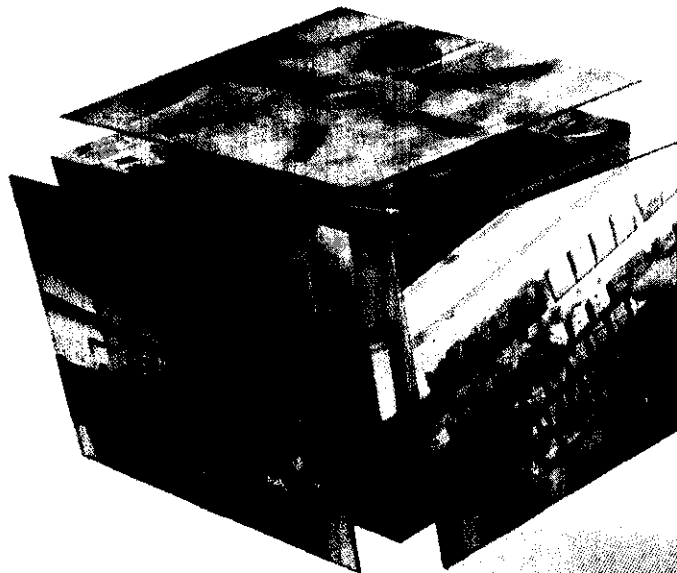


P E N T A F O U R
s o f t w a r e & e x p o r t s l t d



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Pullout: Milestone Events



From little acorns grow mighty oaks. The Pentafour Corporate Office.



Pentafour Digital Imaging Center

Developments during 1992-94

- Incorporated on 5th May 1976 as a Private Limited Company
- Converted to a Public Limited Company on 15th May 1991
- IPO of shares on 6th May 1992
- Shares listed on 20th July 1992 on BSE and MSE
- The first Indian Software Company to go public
- Inauguration of IBM facilities for the Authorized Training Center for IBM, by Ernestine S. Heck - Consul General of USA, Madras - in February 1993
- Rights issue of equity shares - to existing share holders for the total value of Rs.949 lakhs at a premium of Rs.15 per share. The issue received a good response and the shares were allotted on 28th Jan 1994.

Developments during 1994-95

- Setting up of the Software Development Park - inaugurated by Mr.N.Vittal, Secretary, Department of Electronics in March 95.
- The Certificates for the first batch of VISA candidates were given by Mr. Vaghul, Chairman, ICICI at a function held at the Software Development
- 24 hours Computer Training Center - became operational from Feb 95.

Developments during 1995-96

- Electronic Hardware Technology Park - Digital Imaging Center - a 100% EOU with Silicon Graphics, USA, for Multimedia activities - inaugurated by Mr. AVM in Feb 96.

Inauguration of the Software Development Park in 1995

Inauguration of New Project by



Inauguration of the



The Software Development Park is a 100% EOU with Silicon Graphics, USA, for Multimedia activities - inaugurated by Mr. AVM in Feb 96.



Milestone Events

- The Company bagged the Sectoral Award for Excellence in Exports in Professional Services for 94-95, from the Electronics & Computer Software Export Promotion Council.
- The Company also bagged the Sectoral Award for the highest exports under the panel Computer Software Services for the year 1995-96 from ESC.
- Dalal Street Journal conferred the Corporate Excellence award for having ranked 101st among India's top 200 companies.

Developments during 1996-97

- GDR Issue - the company has issued 3,900,000 equity shares underlying GDR @ \$3 per GDR amounting to US \$11.7 Million. The GDR is listed on the Luxembourg SE from 24th January 1997. The Company also allotted 2 lakhs preference shares of Rs.100 each in the year 1996-97.
- Offering VISA course - a 13 week high-end residential training programme in three streams - Client/Server, IBM, Multimedia.
- Signing of MOU with Department of Electronics, Govt. of India for the authoring of O, A, B and C level courses on CD-ROMs.



Inauguration
of our
24-hours
Computer
Center



Distribution of
Certificates for
the first batch of
VISA Students by
M. Vaghul
Chairman, ICICI



Winning of the "Sectoral Award" from ESC

CMD wit





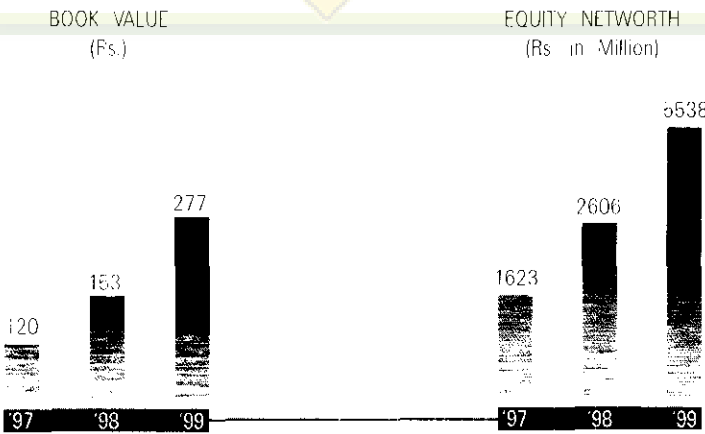
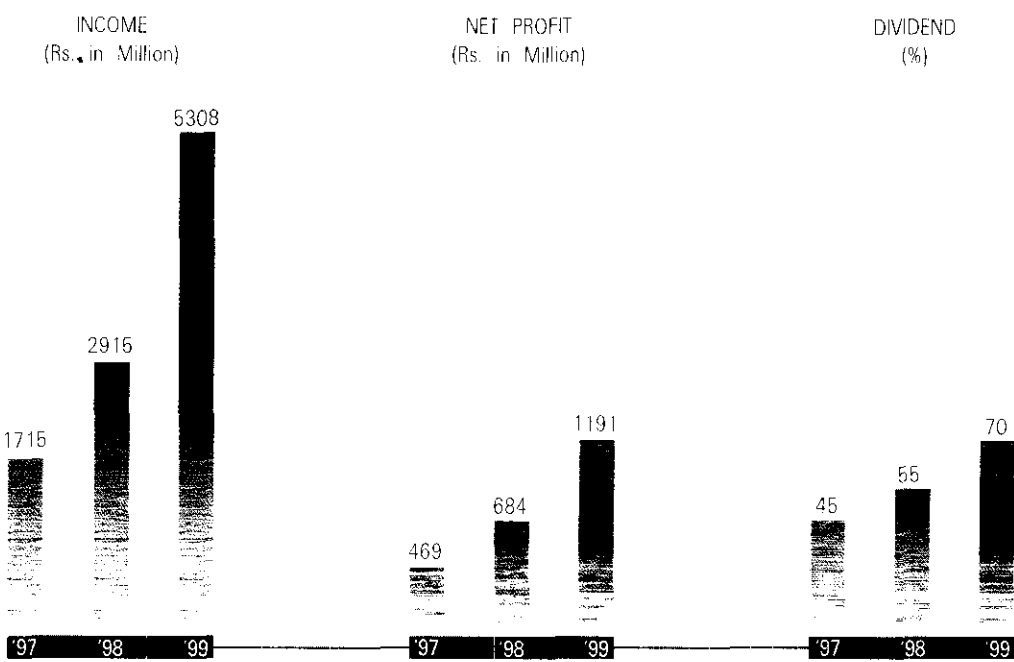
Pentafour Software Development Park



We believe in business without boundaries.

Corporate Mission

"To help our customers optimise their investments in information technology,
to help them gain a competitive edge in their market place"



The Year That Was

| | In Millions except for earnings per share (EPS) | | | |
|---|---|------------------|------------------|------------------|
| | March 31, Rs. | 1 9 9 9 US \$ | March 31, Rs. | 1 9 9 8 US \$ |
| FOR THE YEAR | | | | |
| Total revenue | 5,307.83 | 125.41 | 2,914.82 | 78.35 |
| Exports | 5,118.32 | 120.93 | 2,717.49 | 73.05 |
| Operating Profit (PBITD) | 2,022.25 | 47.78 | 1,285.36 | 34.55 |
| Profit After Tax (PAT) | 1,191.19 | 28.14 | 683.67 | 18.38 |
| PBITD as a percentage to total revenue | 38.10% | 38.10% | 44.10% | 44.10% |
| PAT as a percentage to total revenue | 22.44% | 22.44% | 23.45% | 23.45% |
| Preference dividend | 14.28 | 0.34 | 5.81 | 0.16 |
| Profit after tax and preference dividend | 1,176.91 | 27.80 | 677.86 | 18.22 |
| Equity | | | | |
| Earnings per share | 58.94 | 1.39 | 39.78 | 1.07 |
| Dividend percentage | 70% | 70% | 55% | 55% |
| Dividend Amount | 135.84 | 3.21 | 88.27 | 2.37 |
| PAT as a percentage of average equity net worth | 29.25% | 29.25% | 32.06% | 32.06% |

AT THE END OF THE YEAR

| | | | | |
|--------------------|----------|--------|----------|--------|
| Total assets | 6,273.78 | 147.97 | 4,143.86 | 105.49 |
| Fixed assets (net) | 3,192.15 | 75.29 | 2,988.37 | 76.08 |
| Working capital | 2,826.96 | 66.67 | 1,155.49 | 29.42 |
| Total debts | 635.49 | 14.99 | 1,498.28 | 38.14 |
| Equity net worth | 5,538.30 | 130.62 | 2,605.58 | 66.33 |
| Equity | 199.70 | 4.71 | 170.40 | 4.34 |

For revenue items, figures in US \$ were arrived at by converting Rupee figures at the average conversion rate. With respect to the Balance Sheet items, figures in US \$ were arrived at the closing rate in order to facilitate comparisons. The above figures have no relation with the figures shown under US GAAP Financial Statements. This is for your information purposes only.