

Quintegra Acquires US-Based Middle-Space IT Services and High-End IT Consulting Provider PA Corporation for Rs. 198 Crores.

Chennai, Tamil Nadu, India, Thursday, October 18, 2007 -- (Business Wire India)

Quintegra Solutions Limited, a Chennai-based provider of IT services and products, today announced that it has acquired PA Corporation (PAC) a US-based information technology company providing a broad range of services to several industry sectors as well as specialized consulting resources in a variety of IT-related projects. In acquiring PAC, Quintegra gains capabilities and expertise that strengthen the Company's fast-growing IT and consulting services.

Founded in 2002 and headquartered at McLean, Virginia, US, PAC brings core competencies in high-end IT consulting and leadership in middle-space IT services such as enterprise application services, data architecture & data validation, audit compliance documentation, business process management, integration architecture & deployment and testing & configuration management.

This transaction provides Quintegra with these value adding capabilities and a strong base of clients (including Fortune 500 organizations) predominantly in the BFSI, mortgage & brokerage space, such as Charles Schwab, Fannie Mae, NASD, Amex, Freddie Mac, Washington Mutual and Wells Fargo. In addition, Quintegra gains a highly experienced management team, led by Mr. LeRoy Pingho, CEO of PAC and Mr. Wally Kulesza, President and COO of PAC. Both Mr. Pingho and Mr. Kulesza have rich experience in senior executive roles in global organizations in the domains of financial services as well as IT.

This transaction marks an occasion where an offshore IT services company has joined with a focused independent, US-based middle-space IT services and high-end IT consulting provider to create a single, seamless, global delivery model, managed with common processes worldwide.

"This acquisition demonstrates our commitment to continue building on the success of Quintegra's fast-growing IT services by expanding the depth of services we can provide to our clients," said Mr. Shankarraman Vaidyanathan, Chairman and Managing Director of Quintegra. "PAC's offerings in the currently underserved middle-space IT services, high-end IT consulting capabilities and strong foothold in primarily serving clients in the Fortune 50 compliments our strong offshore presence, mature delivery processes and growing IT services & products offering. Combining the resources of both organizations will allow Quintegra to offer broad and deep set of IT services and products in the industry."

With this acquisition, Quintegra is poised to earn revenues in excess of Rs. 400 Crores (USD 100 Million) and Profit in excess of Rs. 50 Crores (USD 13 Million) for the financial year ending 31 March 2008 as against Rs. 75 Crores of revenue for the previous year ended 31 March 2007 and Profit of Rs. 7 Crores. This acquisition also takes Quintegra's global headcount to over 1,000 professionals.

"This acquisition is in keeping with Quintegra's articulated strategy of enhancing our competencies. We have had phenomenal growth organically as well as inorganically in the last 10 months. I am personally confident that we will continue with this momentum to achieve our vision of becoming

one of the top IT companies in India by the year 2010.” Mr. Vaidyanathan added.

“The synergy being created out of this alliance is remarkable. The competencies Quintegra brings on table as a offshore company and our ability to reach clients where we provide consulting services would bring more business to us and value to our clients like Fannie Mae, Freddie Mac , Schwab etc” – Mr. LeRoy Pingho, CEO of PAC said.

PAC has achieved revenue of Rs. 244 Crores (US\$ 61 Million) with Rs. 24 Crores (US\$ 6 Million) as profit for the last year ended 31 December 2006. PAC is expected to clock revenue of Rs. 280 Crores (US\$ 70 Million) with a profit in excess of Rs. 28 Crores (US\$ 7 Million) for the current financial year.

O3 Capital Advisors Private Limited and Mape Advisory Private Limited have acted as advisors for PAC & Quintegra in this transaction.