



## 4S Investor Presentation

**4S** **FOUR SOFT**  
*Internet Solutions for Logistics*



One of the world's largest logistics and transportation software products company

600 + Domain & Tech Experts			8 Development & Delivery Centers Worldwide	
60,000+ USERS		120 COUNTRIES		CMMi Level 5 Appraised
	400+ CUSTOMERS			

- Founded in 1999 , Four Soft is one of the world's largest logistics and transportation software product company
- A SEI CMMi Level 5 appraised organization
- 600+ experts combined to develop products applying cutting edge domain expertise and technological skills
- Has grown through a judicious blend of organic and inorganic growth
- Over 400 customers across the globe with combined user base of over 60,000
- International customer base includes several fortune 500 3PL's, carriers and enterprises
- 8 development and delivery centers worldwide to cater to customer needs
- Listed on the NSE and BSE – India's premium stock exchanges



**At least one 4S application is in use in over 120 Countries**

## Our Vision

---

To be the acknowledged leader in providing cutting edge, mission critical solution across the entire enterprise supply chain

## Our Mission

---

To provide our customers with the tools that enable them to be responsive, effective and perspicacious in achieving “best in class” standards in their areas of operation

## Our Values

---

A commitment to put in our best efforts, treat all stakeholder interests as our own and be both ethical and responsible, in letter and spirit, while engaging with society at large.

## QUICK FACTS



**Global Institute of Logistics – appoints Srikanth Palem the Chairman and MD of 4S on to its advisory board**



**Among Deloitte's 10 Fastest Growing Indian Technology Companies 2007**

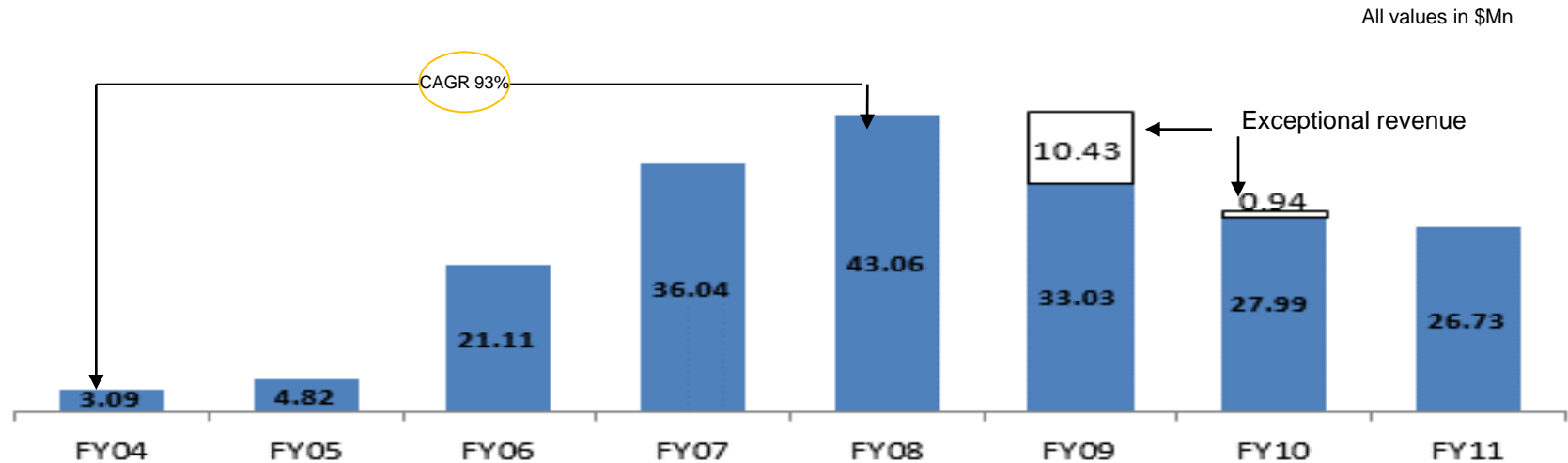


**Awarded Supply Chain Best Partnership Award in 2010**



**Supply Chain Brain Great Supply chain Partner 2010**

# Company History and Evolution



## Foundation

- › Listed on Indian exchanges, Feb 2004
- › Private equity investment, Kotak Private Equity Group (KPEG): 10% stake
- › New technology TMS, WMS products launched
- › Large customer wins including EGL (CEVA)
- › ISO 9001:2000 certified
- › Acquired DCS, Transaxiom
- › New markets: NL<sup>1</sup>, UK, US, Germany, Scandinavia and Australia
- › Delivery/ sales offices: Singapore, NL, US

## Building the business

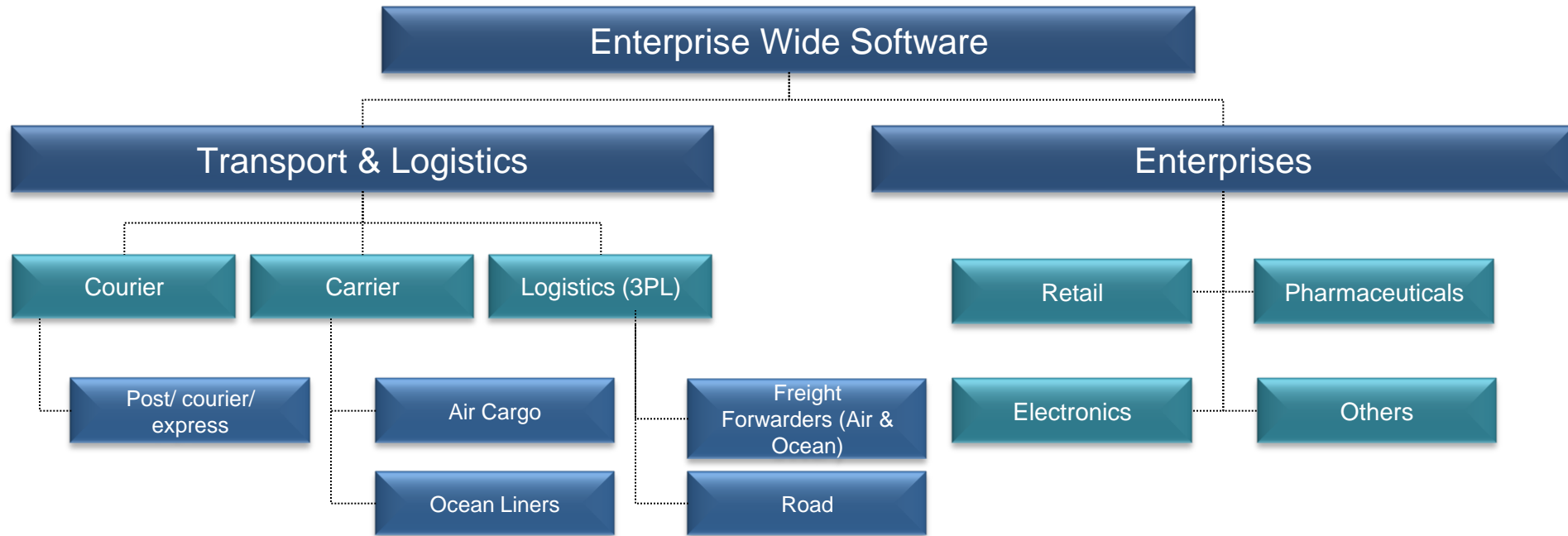
- › Integration of acquisitions
- › Operational consolidation
- › Customs application for Benelux launched
- › Integrated SCE products for enterprises launched
- › Successful global implementation at one of the largest Japanese electronic product manufacturers in the world
- › New markets: India, Thailand, Japan
- › Channel partner in Thailand, India
- › Delivery/ sales presence added: Japan

## Poised for growth

- › Certification of eCustoms application by US and Border Protection (USCBP)
- › 20+ implementations, 100% success rate
- › Implementation with one of world's largest 3PL company at advanced stage
- › Investments in sales team across geographies
- › Strong traction, 21 contracts in FY'11 and 7 contracts till date in FY'12
- › Renewed market focus : Japan, US, India
- › Channel partner in Japan
- › LogiSaaS-Expansion of SaaS customer base
- › CMMI level 5 certified

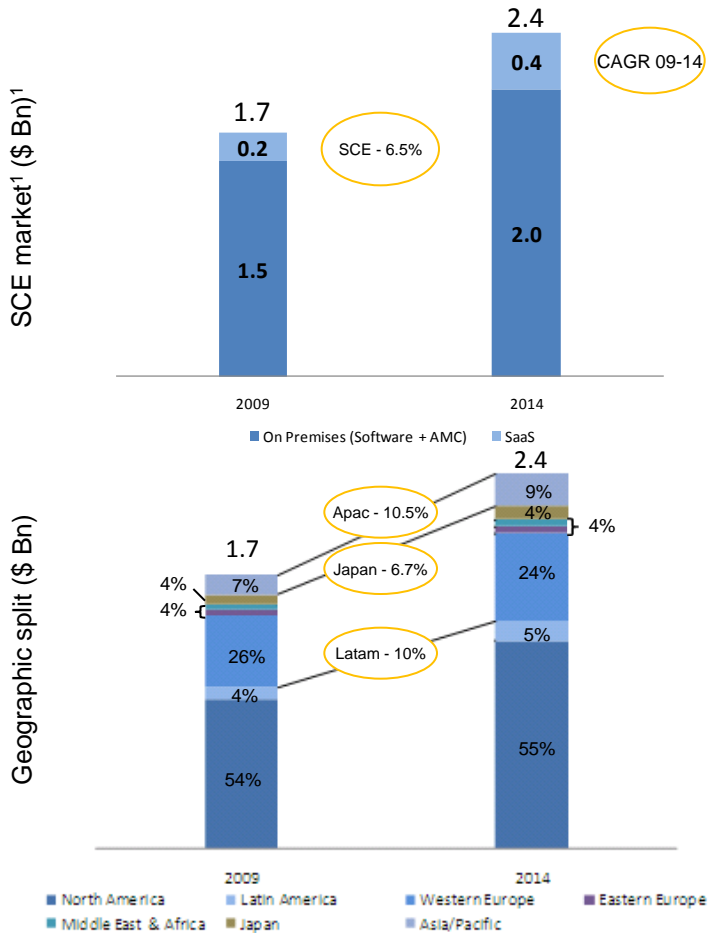
<sup>1</sup> NL Netherlands. Exceptional revenue related to sale of customer specific instance of application for internal use  
Functional currency for reporting is INR, all income statement and CFS data in the presentation is converted based on average USD:INR exchange rate for the period as applicable;  
BS data is based on the exchange rate as on the reported date

4S has a **comprehensive set of solutions** catering both to the **T&L<sup>1</sup>** and **Enterprise segment**



1. Transportation and logistics segments comprising of Logistics service providers (LSP) including freight forwarders, non vessel-owning common carriers (NVOCCs), customs brokers, container freight stations, ships agents, warehouses, cartage, trucking and 3rd party logistics (3PL) / 4th party logistics (4PL) companies

# Market Opportunity.. Size and Opportunities



## Growing market opportunity

- SCE fastest growing segment within enterprise application software
- Under penetrated and fastest growing opportunities - TMS and GTM (penetrated 20% and 19% respectively) <sup>2</sup>
- TMS is a ~\$600 Mn market in 2009 with CAGR of 9.4% (2009-2013)<sup>3</sup>
- NA and WE continue to be large but fragmented markets
- Emerging economies like Latam and Apac to outpace SCE market (CAGR: 10% (2009-14))
- Vendor market fragmented and should experience consolidation
- Emerging markets and small organizations are large potential markets

**Four Soft is well positioned to tap the market opportunity through its flagship products i.e. TMS and SCE for shippers**

<sup>1</sup> Source: Forecast - Enterprise Software Markets, Worldwide, 2009-2014 Gartner; <sup>2</sup> Supply chain management market and vendor guide 2009 Gartner; <sup>3</sup> Transportation Management Systems, Worldwide, 2008-2013 Gartner  
 Market trends Supply Chain Management Worldwide 2009-10 Gartner

## Demand side trends

### Key drivers for investment

- Mature markets and WMS: technical obsolescence
- Developing markets, TMS and GTM: low penetration.

### Product attributes

- SOA based products: adaptability to business needs
- Support for global operations: multi leg, multi currency, multi language

### Deployment models

- Traditional on premises deployments tailored to business process
- Emerging preference for SaaS, driven by SME

### Vendor selection criteria

- Optimal TCO
- Flexible delivery and agile customization

## Key success factors

- Technology edge :  
Modular, web enabled, SOA
- Depth and breadth of functionality
- Solutions that meet requirements of large and small businesses
- Flexibility and agility of solution and deployment
- Market presence across developed and emerging markets
- Optimal TCO

## Supply side trends

### Fragmented landscape

- Suite providers: broad portfolio of solutions
- Specialist vendors: niche capabilities
- Innovative companies with value adding capabilities

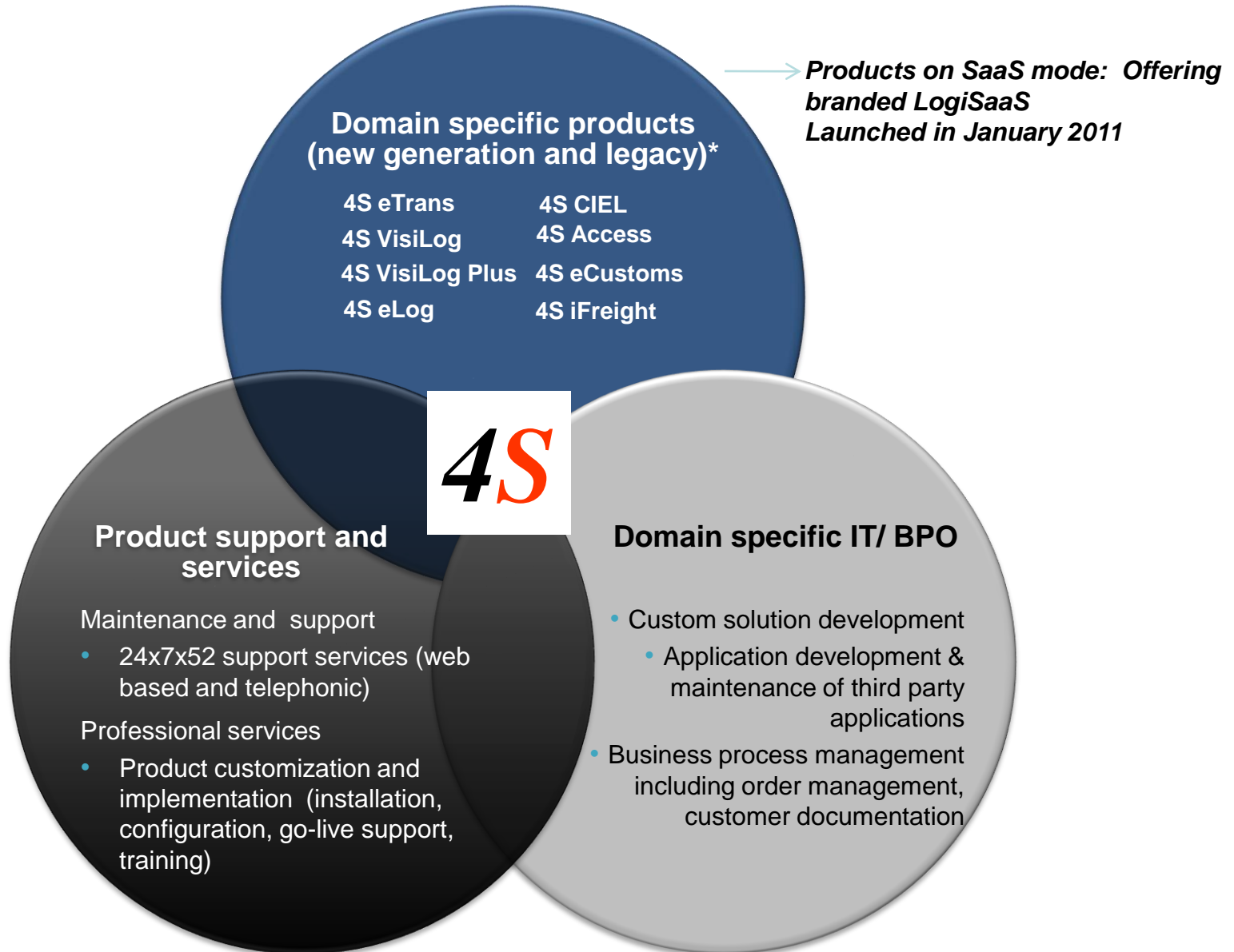
### Pricing & focus

- Suite providers traditionally focused on large businesses
- Specialists: agile and cater to both ends of market
- Flexible delivery and transaction based pricing

### Geographical expansion

- Sales and delivery presence outside of traditional mature markets like NA and WE
- Local delivery capability for cost and implementation effectiveness

**Four Soft's product architecture, functionality, customer base and market footprint across developed and emerging markets make it optimally positioned to leverage market opportunity**



\*Web enabled new generation product suite enables for SaaS delivery

# New Generation Products from 4S

<b>4S eTrans</b> ®	<b>Web-centric application for Freight Forwarding companies – Air / Sea / Road</b>
<b>4S eLog</b> ®	<b>Web-centric enterprise application for warehousing and contract logistics</b>
<b>4S iShipping</b> ™	<b>Classic shipping line execution solution</b>
<b>4S VisiLog</b> ® <i>plus</i>	<b>Web-centric enterprise application for supply-chain intense organizations, in manufacturing, procurement and distribution</b>
<b>4S VisiLog</b> ®	<b>Web-based Order management, work flow and collaboration system</b>
<b>4S eCustoms</b> ®	<b>Web-centric global customs software covering the customs brokerage requirements of countries in US, EU &amp; APAC</b>
<b>4S eConnect</b> ™	<b>Connectivity engine and providing business process integration</b>
<b>4S INFO TIPS</b> ™	<b>Intuitive Business Intelligence, Dashboard analysis and reporting tool</b>
<b>4S Project / Services</b>	<b>Software development services using Web Technologies in this domain</b>

# Comprehensive Product Support Capability

## Consulting (T&L expertise)

- Process definition and optimization
- Alignment of systems to meet business goals
- Supply chain functionality assessment

**Flexible customization to meet customer requirement**

## Customization and implementation

- Product customization and implementation, ~ 227specialst
- Implementation delivered at optimal TCO through hybrid onshore (US, UK, NL and DK) / offshore (India) model
- Project management (115 people)

**20+ implementations in last 24 months with 100% success rate**

## Maintenance and support

- 24x7x52 support services (web based and telephonic) provided by 90 people
- Onshore/ offshore hybrid support
- Remote monitoring for hosted applications

**Agile processes (lean management, work packages) for effective delivery**

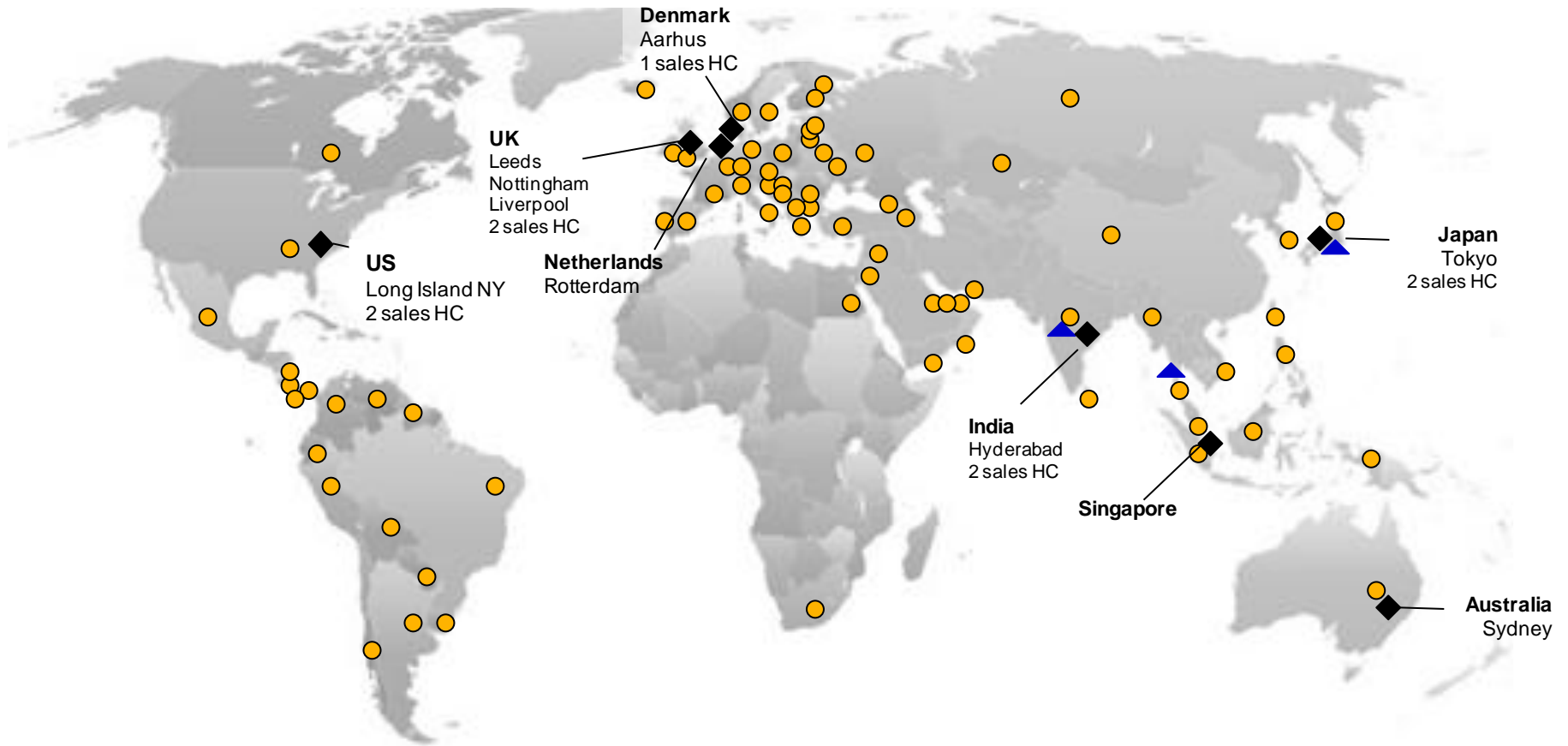
## Emerging focus areas in logistics: IT services, BPO

- Custom solution development
- Application development and maintenance of third party applications
- Business process management including order management, customer documentation

**Strong product related services at optimum TCO\* creates a sticky business model offering a growth platform for IT and BPO services in logistics and supply chain**

\* Total cost of ownership

# Markets Served and Sales Team Footprint



- ▲ Channel partnerships
  - ◆ Sales/ delivery offices
  - Presence through customer deployments
- Japan sales team are consultants and not on company rolls

**60,000 Users, 400 Customers across 120 Countries**

# Entrenched Marquee Customers

## Top 10 clients

Customers	% of total FY11 revenue	Vintage (Years)	Regions#	Functionality covered
Client 1	19%	13+	Europe, ASIA	TMS, WMS, Customs, OMS, IT services
Client 2	8%	4+	US, Asia	TMS, WMS, Visibility and collaboration, Customs
Client 3	8%	11+	US, Europe, Asia	TMS, WMS, Customs, OMS
Client 4	7%	7+	Europe, US	TMS, WMS, Visibility, Customs, OMS
Client 5	7%	13+	Europe, Asia	TMS, WMS
Client 6	3%	4+	Global	Vendor management interface
Client 7	2%	4+	Europe	TMS
Client 8	2%	0.5+	US, Europe	TMS, WMS, Visibility and collaboration, Customs
Client 9	2%	9+	Europe, US	TMS, Customs
Client 10	2%	15+	Europe	TMS

- ▶ Well entrenched relationships: 60% revenue from top 10 customers and 8+ years average relationship with top 10 clients
- ▶ Marquee customer base including 17 of top 25 logistics service providers
- ▶ Good traction with enterprise customers including one of the world's largest electronics companies

# Alliance / Partners

**SENKO**

**compwin**  
SYSTEMY INFORMATYCZNE



**UNISYS**



**ORACLE**  
SOFTWARE POWERS THE INTERNET™



**PROGRESS**  
SOFTWARE

**CSI**

Age in the industry and so the **maturity of the products** we have

**Management team comprises of technocrats** with rich industry experience

Mid-size company, hungry to grow and provides personalized services

Structured development approach with strong domain experts

**Strong acumen to provide product maintenance & support and product extensions / hot patches**

Rich resource pool - efficiencies of cross-function collaboration cutting across technology

Having leading players of the industry as our customers( 17 of the top 25 players use 4S products)

**End-to-end solution providers right from software, implementation and support**

New and flexible delivery models that is suited to **large and SME market segments**





\* Based on organic growth alone



Kotak Mahindra is one of India's leading financial institutions, offering complete financial solutions



**APIDC**

Established by Andhra Pradesh government for providing financial and consulting services

**West River Investment  
Ltd**

A financial services group managed and controlled by BoonWhee group

**Six Rivers Group  
Ltd**

A financial services group managed and controlled by BoonWhee group

*Thank You*