



● Sierra Atlantic Poised for Internal and External Growth in Outsourced Product Development (OPD) Capabilities *Global Market Projected to be \$8-11 Billion by 2010*

Fremont, Calif. – June 20, 2006 – Sierra Atlantic, Inc., a leader in outsourced product development and offshoring enterprise applications, today announced plans to leverage its proven expertise in product engineering, testing and support to tap the exponential growth in the global outsourced product development opportunity from Independent Software Vendors (ISVs).

Sierra Atlantic has seen continued success throughout 2006, as the company secured five new ISV customers. Sierra Atlantic forecasts that there will be an additional ten new ISV customers before the end of Q4, 2006. Outsourced Product Development (OPD), just one of Sierra Atlantic's service offerings is expected to contribute about 35% to the company's total revenue for 2007.

Sierra Atlantic identified key areas for targets of its OPD service offerings:

- New Development: Architecting, design and coding
- Verification and Validation: Quality assurance, interoperability and performance testing
- Maintenance: Support, fix management, and enhancements

Several industry experts and analysts project continued growth in the outsourcing market. Nasscom-McKinsey forecasts that Outsourced Product Development services will reach the \$8-11 billion range by 2008. Frost and Sullivan are estimating the research and development (R&D) outsourcing market for Information Technology in India will be a \$9.1 billion dollar business by 2010.

There are more than 350 experienced engineers and product architects that support Sierra Atlantic's OPD competency and this team is expected to grow to 800 by 2007 to service the business from ISVs in US and the increasing business from Europe.

"We are in a position where we expect OPD services to be one of our leading growth driver," said Brian P. Rogan, Senior Vice President of Strategic Business and Marketing, Sierra Atlantic. "This increased appreciation for software application companies to outsource product development will enable Sierra Atlantic to capitalize on the enormous equity that we have built over the years in the product engineering space and in turn, develop more customers, resources and build our engineering teams and revenue stream."

● About Sierra Atlantic

Sierra Atlantic is a leader in offshoring enterprise applications, helping our customers optimize their investments in enterprise business applications - ERP, CRM, and SCM – from leading vendors such as Agile, Oracle, and SAP. With expertise derived from deep R&D relationships with enterprise software leaders, we offer complete lifecycle e-business application management solutions – development, implementation, integration, upgrade and support – using our NShore™ methodology. We integrate these point solutions into Application Networks® that enable seamless business processes within and outside the enterprise. With over 750 highly satisfied customers since 1993, Sierra Atlantic is headquartered in Silicon Valley with offices in Boston, Chicago, Dallas, New York, Toronto, London, Paris, Switzerland, Dubai, India, Malaysia and Singapore. For more information, please visit www.SierraAtlantic.com.

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