



2009 Highlights

- * Legal vertical continues to grow with higher coding volumes, launch of EDD and IP services
- * IT vertical expands into product based development and the Indian market
- * Key members added in both operations as well as sales to keep pace with rapid growth

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Recession? Really???

2009 has been a challenging year for companies worldwide. Several high flying companies have come back to earth, battered and bruised. With America being the most affected country in the global recession, things were looking really bleak for Kensium, as almost all our revenues are from the US.

However, as you may have already noticed, we are still standing strong, focused, and growing. Yes, we have had our challenges as well with customers cutting down budgets and projects, slow payments from customers with cash flow issues, etc. However, we overcame this with help from each one of you: whether it is the sales team going after more clients to counter the reduced volume from

existing clients, fiscal responsibility shown by our accounting team both in the US and India, improved productivity from our delivery teams, or the improvement in the Rupee-Dollar conversion value, we are better than ever before.

Overall, this has resulted in an excellent 2009, where we continued to show growth in spite of the state of the economy.

As the global economy comes out of recession in 2010, we are well positioned to take advantage of the opportunities that would be available to companies such as ours with strong foundation.

Thank you to all of you for making us say, Recession? Really???



New Website

Our new corporate website at www.kensium.com is now live!!!

This would be the third version of the site. The first version was put together in a hurry just to inform the world that we exist. Later, as we had

more clarity on the services offered, we launched the second version of the site listing our services.

Now, in our fourth year of operations, we have our latest website, which showcases our expertise and experi-

ence across the various verticals.

Thanks to Ramamohan, Jyothiprasad, Vijay, Mohammadiz, Gopalaram, and Saikumar for their efforts in launching this site that we can be proud of.

2006-2007

Service-Oriented approach

2008-2009

Service and Product Oriented approach

2010

Customer-centric approach

Find Out What They Want and How They Want It and Give It to Them Just That Way

Challengers follow the path of greatest opportunity, wherever it leads

- Hamel and Prahalad

Launch of EDD and related services - KEDS

From Jan 2010, Kensium will also offer EDD as a service to our clients via a subsidiary company Kensium Electronic Discovery Services (KEDS). This was a natural extension of our coding services considering that almost all Litigation Support companies (our clients) are focusing on EDD.

Paul Kardaschow will be joining KEDS from 247 Discovere, as VP, Business Development.

Kensium is uniquely positioned to service this area because of our expertise in both Legal and IT space.

Services offered under this area would include:

- Batch Processing
- QC/TIFF Printing
- Data Loading
- Data Integrity Testing
- Dataset Exports
- Misc Services such as Excel formatting, validations, redactions, etc.

KEDS will also focus on the development, marketing, and support of ProQmen, our newest offering for the

legal industry. ProQmen is the brain child of Paul and has been in development for the past 10 months, and is a project management/process flow application for the litigation support industry that focuses on Quality control and improving business acumen.

EDD Services, ProQmen, and our usual solid Coding services should provide us enough opportunities with various companies that we were not able to get into previously.

Kensium Products

2009 saw the launch of several new products from Kensium. Traditionally, we have been a services organization with focus on providing custom development for our clients.

As our services model matured, we have identified that some of the services that we offer are repetitive in nature and have developed our products based on this experience.

Recently launched products include:

autoDISTRIBUTOR

Online portal software for Dealerships to manage their inventory, and reach out to customers.



K-Commerce Elite - An online e-commerce solution with support for web 2.0 concepts.



K-CMS - A customizable contact management system for small and medium sized organizations with support for

print (label), email and SMS marketing campaigns.



K-DMS - A simple yet powerful document management system to store, track, and archive documents with built-in access controls



K-ERP - A sophisticated and scalable ERP solution that helps integrate all the production, operational, and management systems in a company.

Kensium Talent Management - To be launched in early January, this is an integrated HR-Management system with employee self service portal.

Kensium Talent Management will be implemented internally at Kensium starting with our Hyderabad office from January 2nd, and will soon be expanded to Chennai, and eventually the US.

This is a significant shift in the strategy for the organization to move from a pure services organization to a product and services organization, which should provide for better market penetration and visibility.

The first quarter of 2010 is extremely important with the focus on product delivery that is essential for penetrating the tough product market.



Exiting Medical Transcription

As a relative start-up, a rule that we have to follow is that we have to be very honest about the issues and what we have to do, and take action as fast as we can.

We have not followed this rule fully when it came to Medical Transcription. Even though every alternative we have tried to make this a viable business failed including a failed acquisition of a US-based MT company based out of South Carolina, we ignored the signs, and tried to push ahead.

2009 was a year of tough choices.

Like all other organizations, we had to take a hard look at the strength of our services, operations, delivery, as well as market needs to ensure that we stay cash positive and take whatever actions we have to in order to keep the organization alive.

For companies to survive in this economy, cash flow and balance sheet is king. This meant that Medical Transcription, which was one of the three verticals that we started with, had to go.

At the end of July, we exited the MT

business, and the existing book of business was transitioned to *Spe Tran*, an MT organization started by the ex-employees of the Medical Transcription team.

This hard decision also guided us back to the questions we asked of ourselves constantly to be successful:

Are we still adding value to our customers and ourselves?

Are we still relevant in what we do?

Are we still exciting?

**Are we still
adding value to
our customers
and ourselves?**

**Are we still
relevant?**

**Are we still
exciting?**

Our new Hyderabad office

We have moved into our new office in Hyderabad in the month of November. A lot of us still feel quite nostalgic about our previous office, which is where we started our humble beginnings with 3 people back in 2006. However, the new office is definitely something to be proud of, with its facilities, features, and the structure - A place that we can proudly bring our

international clients to.

This new office has also allowed us to expand our coding services to Hyderabad, and offer a true disaster recovery solution for our clients.

Thanks to everyone involved in the meticulous planning and execution of the move without disrupting client deliverables or services for even a

single day.

A special note of thanks to our IT Infrastructure team, who worked on every aspect of the build out of the new office (even non-IT related areas) as well as the actual move, to ensure that everyone was able to go about their work the day after the move with ZERO DOWNTIME.

Note from the Board

2009 was a year that saw many changes in the United States. The economic climate has been very difficult. Several large companies like General Motors and CIT were forced into bankruptcy. The government has shut down over 100 failed banks and some of our own customers have also gone out of business. The unemployment rate is the highest it has been for 30 years.

And while all this was going on, Kensium continued to provide outstanding

service and quality to our customers. We continued to develop relationships with our vendors and suppliers. We know that our customers love the quality and value that we deliver every day, which is even more important in this economic environment.

We have added two new sales people to go after new business and take advantage of our competitor's weaknesses. We have established our reputation in the market as a leader in delivering high quality service. As a

result our sales have actually increased this year while many of our competitors failed. We have added new clients in both our IT and Legal Services businesses. Our product offerings have grown to include Electronic Document Discovery (EDD) and new offerings in our IT business.

During a difficult year, Kensium management worked hard to keep costs down while still investing in new employees in India, establishing an impressive office in Hyderabad, and

adding new product lines for our customers. As the U.S. economy starts to turn around, Kensium will be in a much stronger position to continue to grow and provide even better service to our expanding client base.

We are proud to be associated with such a dedicated and hard-working team. We want to thank you very much for your amazing efforts this past year and wish you all the best for the new year.

Kensium

Value driven solutions for IT
and Legal Services

Kenscions

Intellectual Capital, not Financial Capital, drives Value - Des Dearlove

The year 2009 saw us adding several key resources to our existing teams as well as setting up of entirely new teams to keep up with the opportunities that were presented to us.

Each new Kenscion brings with them new ideas, culture, approach, and knowledge to the organization, and merges that with our values of **Knowledge**, **Effectiveness**, **Novelty**, **Speed**, **Innovation**, **Uniqueness** and **Management**, resulting in constantly improving abilities that drive the growth of the organization.

So, to all new Kenscions, We wish you great success in your careers at Kensium, and THANK YOU for helping us evolve.

2009 also saw us add some key members to our sales team in the US.



Dave Hein joined Kensium in April of 2009 as Sales Manager based out of Chicago.

In this position, Dave will be responsible for IT sales and management of the IT Sales team for the US market. He will be developing new customers and taking over the relationships with existing customers. Over time, Dave would also begin to develop sales in the Back Office area for his clients that would need this service.

Dave brings over 28 years of experience in sales and management of sales teams to Kensium. He has worked with various Fortune 1000 companies in finance, insurance, health-care, manufacturing, pharmaceutical, and S&L markets. He is focused on setting up strategic partnerships with other service provider companies in the US and focusing on channel partner sales.



Kent Hartsfield joined Kensium in August of 2009 as Sales Executive based out of Chicago.

Kent would be responsible for IT sales in the US market, primarily in the mid-west region, with a strong focus on e-commerce and web development.

Kent has around 19 years of experience in IT and Sales with significant experience in CMS, e-commerce, database integration, CRM integration, etc.

In a short time, Kent has prospected and has in the pipeline some very significant deals that would make a very productive 2010 for Kensium.

In the past year, we have almost doubled our team size, and have made several improvements in our delivery model with process enhancements in every area, and all of us should look forward to an even better 2010.

Wish you all a Very Exciting and Happy New Year!!!