Dear Friends:

On behalf of iSoftStone's Board of Directors, management team and 13,000 employees, I would like to extend spring greetings and deepest gratitude to our clients and various partners worldwide for your constant attention and support of the company.

iSoftStone celebrated the company's 10th anniversary at the end of 2011. During the past 10 years, we have made continued progress and great strides in becoming a leading China-based IT services and solutions provider, and have become one of the most powerful players in the IT services industry. We couldn’t have done this without the sustained attention and support from our friends—the government, our clients and partners, and the media.

2012 will be a defining year for iSoftStone, and will be the beginning of the "iSoftStone 2.0" era. Our joint and continuing efforts in "quality, efficiency, innovation, accountability" will be paramount to a successful 2012 and beyond. We will focus on executing our "Global + China" strategy, pushing innovation and knowledge-driven growth further this upcoming year. We will also emphasize our "software + services" business model and accelerate our growth through additional focus on software, solutions, and R&D. Additionally, we will dedicate and align our efforts to become a global organization and a world-class company with a culture of client-focused and people-focused. We are committed to building a sustainably developed and well-respected enterprise, ensuring we always are taking customers, shareholders, employees and social responsibility into account as we grow.

I would like once again to extend our deep gratitude and appreciation to you, and we look forward to your support of iSoftStone in the next decade.

T.W. Liu
Case Studies

Customizing a Sales Force Solution for Mead Johnson Nutritional
The new Sales Force system implemented by iSoftStone has improved efficiency and management for MJN in China. The system eliminates the need for daily manual data entry and improved field sales processes by reducing the time required for data collection from 10 days to 1 day.

Providing a Small Business Solutions for a Major Wireless Carrier
The Small Business Solutions (SBS) Platform allows Small Business customers access to wireline and wireless products via bundled offerings. It enhances the platform by automating and streamlining all aspects of the customer experience.

A Global Manufacturer: Aviation Software Testing
iSoftStone quickly built an experienced team of testers and partnered with our client's internal technology solution lab in China to take on this testing project.

News

iSoftStone Attends CeBIT 2012
March 6-10, 2012, iSoftStone participated in CeBIT for the first time, displaying iSoftStone's comprehensive service capability and innovative achievements and industry solutions in the mobile internet field.

iSoftStone Attends the ISO/IEC Global Cloud Computing Meeting
February 20-24, 2012, iSoftStone as a solutions and services provider of Cloud Computing, attended the SC 38 WG3 F2F meeting in Vancouver, Canada.

iSoftStone Wins "ChinaSourcing 2011 Awards of the Year"
February 25, 2012, The third annual conference of China Software and Information Service Outsourcing Industry was held in Harbin. iSoftStone Chairman and CEO TW Liu was honored as "ChinaSourcing's 2011 Person of the Year", and iSoftStone Software Development Center (SDC) won "Outstanding Project Implementation Award of 2011".

iSoftStone in the News

Four MBA Students from the MIT are Interning at iSoftstone
By Qiong Liu,
China Business News

Events

Look for us at these upcoming events.

Asia Business Forum: How to be Successful in Asia for Technology Companies
Mar. 28
Seattle, US

Harvard China Forum Panel
Apr. 13-15
Cambridge, US

New IT Promoting Healthcare Informatization of Next Generation Summit 2012
Apr. 18-20
Nanjing, China

Jefferies 2012 Global Technology, Media & Telecom Conference
May 7-10
New York, US

2012 MIT Sloan CIO Symposium
May 22
Boston, US
iSoftStone Attended the 20th NASSCOM Conference

iSoftStone Celebrates 10 Years Anniversary
Beijing, China – December 14, 2011 iSoftStone held its 10-year anniversary celebration "Appreciate in 10 years, Transform in 10 years". iSoftStone gathered its management team and staff leaders, invited its partners and clients as well as media, government to celebrate the event in Beijing.

This iSoftStone newsletter (iNewsletter) shares highlights, information and thoughts about iSoftStone, as well as the industry. For any comments and suggestions, please send an e-mail to: contact@isoftstone.com. If you want to unsubscribe, please reply with the title UNSUBSCRIBE.

iSoftStone in the News

Four MBA Students from the MIT are Interning at iSoftstone
By Qiong Liu, China Business News

This internship is part of MIT's G-Lab (Global Entrepreneurship Lab), the flagship international internship course at MIT Sloan. The course links teams of MIT Sloan MBA students with entrepreneurs in emerging markets from Ghana to India, Uruguay to Vietnam. The students share their knowledge, experience and research with these business owners, helping them deal with such immediate challenges as internationalization commercialization, financing, and marketing. Meanwhile, the students gain experience in global environments and put their management skills to use. For more about the China G-Lab, please visit http://mitsloan.mit.edu/globalmitsloan/chinalab.php

For details about the internship program in Chinese, please visit http://t.cn/zOVqYmU.

Case Studies

Customizing a Sales Force Solution for Mead Johnson Nutritional

iSoftStone created a Sales Force solution to meet the needs of Mead Johnson Nutritional’s sales and service teams in China.

Situation
Mead Johnson Nutritional (MJN) is the leading global manufacturer and distributor of nutritional products for infants and children. MJN wanted to implement Sales Force in China after experiencing successful internal adoption in Mexico. Salesforce.com (SFDC) is an online software system used to manage marketing and sales activities. MJN found SFDC adoption more challenging in China than Mexico because the China teams were much larger and were broken into two separate groups, with one responsible for distribution and the other sales. Before investing time, money, and resources on implementation, MJN
wanted to ensure that SFDC would properly serve these internal teams. MJN hired iSoftStone, a Strategic Partner with SFDC, to
design a SFDC solution for their China business.

**Solution**
iSoftStone formed a consulting team to help MJN shape requirements based on SFDC's technical framework and build a solution proposal. The selected iSoftStone team included certified SFDC administrators, consultants and developers, who also had experience in the Fast Moving Consumer Goods (FMCG) market.

Next, a small team focused on technical design and business analysis for MJN in order to map out the entire solution design and implementation. This resulted in requirements, design and testing plan documents.

Then, an iSoftStone development team created a SFDC solution that would run online and on Windows Mobile PDA devices to meet MJN's needs. Implementation was completed in two months to prepare the system for a 300 pilot user program.

Following the successful pilot program, iSoftStone managed the rollout of MJN's SFDC system for their China teams. The rollout, which was completed in six months, included MJN employees in four large regions and 14 sub-regions. To support adoption, iSoftStone provided MJN with resources for a technical training team that would work with MJN's internal training team. By combining their efforts, these two teams will have trained 1,000 users by the end of 2010. MJN continues to rely on iSoftStone for maintenance and support: iSoftStone provides Tier-2 support (alone) and Tier 1 support (with IBM).

**Benefits**
The new SFDC system implemented by iSoftStone has improved efficiency and management for MJN in China. To improve efficiency, iSoftStone configured the system to eliminate the need for daily manual data entry and improved field sales processes by reducing the time required for data collection from ten days to one day. To improve management the new system offers:

- Increased management visibility on store order, inventory, hospital coverage and market data such as new born baby adoption rates
- A more strategic view of the business and the ability to identify patterns that will inform business decisions to support expansion
- Accurate business forecasting to allow for better capacity planning, manufacturing production cycles and supply chain management
- Complete visibility on channels, distributors and sales activities

Providing a Small Business Solutions for a Major Wireless Carrier

The Small Business Solutions (SBS) Platform allows Small Business customers access to wireline and wireless products via bundled offerings. The objective of the SBS Program is to enhance the platform by automating and streamlining all aspects of the customer experience such as ordering, provisioning and billing, resulting in improved cycle times.

**Situation**
In order to compete more effectively in the Small Business space, our client launched the Small Business Solutions (SBS) Program to develop a new, more efficient, platform to offer bundled wireline and wireless offerings. In addition, our client sought to automate and streamline the platform and needed additional resources to design, validate and operationalize the solution.

**Solution**
Although a partner had been selected to reengineer the business and system processes, our client sought a knowledgeable and trusted partner to validate the solution by defining a thorough testing strategy. Our client looked to iSoftStone resources to operationalize the platform by documenting business processes and organizing key activities such as deployment planning, training, and transitioning to post production support.

Additionally, our client leveraged iSoftStone's extensive resource pool and experience to obtain skilled Project Managers and Business Analysts. These resources support future stabilization projects aimed at new capabilities to support Customer Care functions and enhanced strategic business reporting in order to ramp volumes on the platform.

**Benefits**
iSoftStone successfully developed a robust testing strategy based on industry knowledge and previous client project work to validate new functionality and measure cycle times for customers on the platform. In addition, iSoftStone created a set of processes and relationships to operationalize the current and future product releases on the platform.

Future releases of the platform are currently being designed and managed by iSoftStone resources. These releases will stabilize and harden the platform to allow customer order volumes to increase.

A Global Manufacturer: Aviation Software Testing

iSoftStone performed testing for two aviation systems.

Situation
Our client is a diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services. Our client needed to ensure that its Flight Management System (FMS) would meet Boeing 787 and Airbus A380 requirements and was looking for a vendor to test the system. Our client’s current FMS is an automated system that integrates aircraft sensors and systems allowing it to display information essential to any flight crew.

Solution
iSoftStone quickly built an experienced team of testers and partnered with our client’s internal technology solution lab in China to take on this testing project. After the initial evaluation by the internal lab, iSoftStone performed all necessary testing, which included modules such as Physical Database, Performance Systems, Navigator, Input-Output and Vertical Navigation. Over a period of a year, the iSoftStone team created hundreds of test cases and identified a variety of bugs.

The iSoftStone team used design component test cases with ADA/C/C++/ASM scripts, developed an automation tools, and performed tests using the following test methods: DO-178B MC/DC coverage rule for the requirements and code, test case driver, test case matrix and stub, problem report, and test report.

iSoftStone also worked with our client to complete additional testing for its Flight Display System, which is used in smaller planes. This is an Electronic Flight Instrumentation System (EFIS) designed to display flight and engine information to the flight crew so they can master any flight situation in real-time.

All of iSoftStone's testing follows the Do-178B rules for aviation software. DO-178B represents "Software Considerations in Airborne Systems and Equipment Certification", which provides a standard for airborne systems and equipment to ensure an aircraft’s safety during flight.

Benefits
Since iSoftStone completed this testing work, our client’s systems have been stable and running efficiently. iSoftStone's testing services helped our client save costs and improve efficiency. iSoftStone was even able to complete the FMS testing one month ahead of schedule resulting in a 12% cost savings for the project. In addition, the Flight Management System and Flight Display System resulted in growth and development for our client in the aviation market.

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