

For Immediate Release



PRESS RELEASE

Frontline's Indian Subsidiary Launches IPO on the Indian Stock Exchanges – Raising Up to S\$16.1 Million

This is the First by a Listed Singapore IT Services Provider

Singapore, 28th September 2006 – Accel Frontline Ltd (“Accel Frontline”), the Indian subsidiary of Frontline Technologies Corporation Ltd (“Frontline”), a leading IT Services Provider in Asia, today entered the capital market with an Initial Public offering (IPO) of 5,635,950 equity shares through 100% Book Building Process in the price band of Rupees 75 to 90 (or \$2.60 to \$3.10) per share. The issue, which closes on 5th October 2006, will constitute 25.04% of the fully diluted post issue capital of the company.

	Shares	Expected Amount (Indian Rupees: Rs)	Expected Amount (S\$ 'millions)
1. Issue Price/ share Rs 75 to 90 or S\$2.60 to S\$3.10			
2. Public Issue	5,635,950	422,696,250 to 507,235,500	14.6m to 17.5m
2a. New Issue	5,175,667	388,175,025 to 465,810,030	13.4m to 16.1m
2b. Offer for Sale	460,283	34,521,225 to 41,425,470	1.2m to 1.4m
3. Total Number of shares after the Issue	22,509,000		
4. Market Capital after the Issue		1,688,175,000 to 2,025,810	58.2m to 69.9m

Public Listing on NSE & BSE

Accel Frontline expects to raise net proceeds of approximately S\$13.4 to S\$16.1 million from the IPO on the National Stock Exchange (NSE) of India and the Bombay Stock Exchange (BSE). The State Bank of India (SBI) Capital Markets Limited is the Book Running Lead Manager (BRLM) and Bajaj Capitals Limited is the co-BRLM. Pursuant to the IPO, Accel Frontline will remain as Frontline's subsidiary after the listing.

Positive Impact on Frontline Technologies Corporation Ltd Balance Sheet & Financials

At the end of Frontline's Financial Year 2006 ending 31st March 2006, the Net Total Assets of Frontline was S\$104.3 million or 12.66 cents per share. On completion of Accel Frontline's IPO and depending on the final book-building price, the Net Total Assets of Frontline will increase to between S\$117.7 million and S\$120.4 million or between 14.28 and 14.61 cents per share. The funds raised will also boost Frontline's Cash and Cash Equivalents by about 41%, from S\$32.8 million to approximately S\$46.2 million. As such, this IPO will have material impact on Frontline's Financial Year 2007 financials and balance sheet statements.

Plans for the Proceeds

The net proceeds of the issue will be used to fund global and regional expansion plans, and acquire and invest in strategic businesses. One of the critical success factors in the software industries is the availability of good infrastructure and work environment. In order to support the growth of Accel Frontline's business, the Company will be increasing its capabilities, both in terms of manpower and its infrastructure. The funds raised from this issue will be used for the following purposes:

- * To strengthen its presence in USA with additional sales and marketing personnel.
- * To expand its operation in Middle East beyond the current Dubai office to countries such as Bahrain, Kuwait and Saudi Arabia.
- * To fund proposed strategic acquisitions in the Software and BPO sectors.
- * To increase the capacity of its Software Division from 500 to 1000 seats.
- * To enhance and add new BPO facilities from the current 86 locations to 100.
- * To enhance its working capital requirements.

Mr. Steve Ting, Executive Chairman of Frontline commented, "This is a major milestone as it is not only Frontline's first subsidiary to launch an IPO, but also the first by a listed Singapore IT services provider. With the funds, we will invest heavily to build a strong pool of human talent to give us a larger competitive edge. We plan to increase our human capital by 25% to 5,000 in the next three years. A large pool of skilled intellectual resources is crucial for the success of our business. The funds will also be used to expand our Middle East and US operations".

India has maintained a strong economic performance in 2005 and its economy is set to grow at 8.1 percent this fiscal year (Source: CIOL [Cyber India Online Ltd] IT Unlimited, 3 March 2006). India is also increasing its prominence as the preferred offshore delivery locations with its effective and low cost delivery capabilities. In 2006, the IT and IT Enabled Service industries (ITeS) in India is

expected to be US\$37.3 billion; growing at a compounded annual rate of 35% (Source: Dataquest 15 July 2006). The domestic IT Services industry is expected to record an impressive growth of 30% to US\$24 billion in size (Dataquest 15 July 2006). The positive economic outlook, coupled with the growing information technology industry and vibrant stock market in India, spells an opportune environment for Accel Frontline's step towards public listing.

The offer for sale for 460,283 shares is made by Intel Pacific, Inc, a fund that was invested in the Company since 2000.

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About Accel Frontline Ltd

Accel Frontline has been achieving steady growth in the Indian IT market, and currently employs over 2000 skilled IT professionals. Accel Frontline is a total solutions company with four strategic business units, namely, IT Infrastructure Solutions, IT Infrastructure Management Services, Enterprise Software Solutions and Business Process Outsourcing. Together, these business units provide a comprehensive suite of IT infrastructure management solutions, enterprise software solutions and outsourcing services to leading banks, telecommunication providers and blue-chip companies in India, including Life Insurance Corporation of India, Syndicate Bank, State Bank of India, Bharti Group, Erickson and Alcatel India.

Accel Frontline has also formed strong partnerships with several key industry and technology leaders. In addition, it has successfully developed several core products for customers in the healthcare, education, manufacturing and banking verticals. Accel Frontline's established state-of-the-art software development and competency centre in Chennai has the capacity to house 1000 software professionals. The software unit now specialises in providing ERP consulting, application management, outsourced product development and industry specific solutions.

Accel Frontline has also attained several industry certifications and accolades including the prestigious CMMi Level 5 for software and in July 2006, Dataquest has ranked it the Top 10 Employer in the Indian IT market for the fourth consecutive year.

For more information, please visit www.accelfrontline.com

About Frontline Technologies Corporation Ltd

Frontline Technologies Corporation Ltd (SGX: FRLT.SI) is a leading provider of end-to-end IT services in Asia. Established in 1993, Frontline offers IT consulting, IT infrastructure solutions, enterprise application solutions, systems integration and IT and Business Process Outsourcing to help organisations harness IT so as to drive operational and cost efficiency, as well as business growth.

The Group has over 4,000 professionals in eight key markets in Asia – Singapore, Malaysia, Thailand, Philippines, China, Hong Kong, Taiwan and India – to meet the specific needs of Corporations across a broad spectrum of industries.

Frontline has been listed on the Main board of the Singapore Exchange since March 2001, and is ranked in the top 10% of the Corporate Transparency Index (CTI) in Singapore.

For more information, please visit www.frontline.com.sg