

October 3, 2013



NetSol Responds to Factual Inaccuracies in Seeking Alpha Article

CALABASAS, Calif., Oct. 3, 2013 (GLOBE NEWSWIRE) -- NetSol Technologies, Inc. (Nasdaq:NTWK), a worldwide provider of global IT and enterprise application solutions, today issued the following statement in response to an article published Wednesday, October 2, 2013 in Seeking Alpha:

R&D Expense: When modeling the company and calculating research and development expense, the author fails to include amortization from the past year. In fact, by not including it, an investor would be double counting, a fundamental error. NetSol has capitalized costs for all projects that have established technological feasibility.

Accounts Receivable: The author erroneously aggregates the accounts receivable and revenues in excess of billings when calculating Days Sales Outstanding (DSO). Furthermore, the author is misleading in his description of NetSol's accounts receivable because he does not factor the payment cycles of customers in foreign countries, many of which are Fortune 500 manufacturers, global automakers, and financial institutions. In addition, a majority of NetSol's customers are in Asia where the duration of payment cycles are longer than in the United States. NetSol continues to report a decrease in DSO. For the period ended June 30, 2013, DSO was 106, compared with 127 days in the corresponding period last year.

CFO and Auditors: NetSol has been a publicly traded company for more than a decade and has full confidence in its financial staff, which must undergo rigorous due diligence checks. NetSol hired its new CFO for his breadth of accounting and finance experience. He is a certified public accountant, with nearly 20 years of experience working in accounting, 13 of which were in public accounting. The author notes that NetSol's CFO has only 13-plus years of experience without citing his other work experience. The author also draws misleading connections between the CFO's firm and various companies.

Additionally, NetSol's auditors were approved by shareholders and have a strong presence in Pakistan, an important characteristic for the company. They, like other accounting firms across the industry, have encountered challenges with China-based reverse mergers.

For a more accurate description of NetSol's operations and growth strategy, please visit <http://www.netsoltech.com/us/investors/event-presentation>.

About NetSol Technologies

NetSol Technologies, Inc. (www.netsoltech.com) is a worldwide provider of global IT and enterprise application solutions that include credit and finance portfolio management systems, SAP consulting and services, custom development, systems integration, and technical services for the global Financial, Leasing, Insurance, Energy, and Technology markets. Headquartered in Calabasas, Calif., NetSol's product and services offerings have achieved ISO 9001, ISO 20000, ISO 27001, and SEI (Software Engineering Institute) CMMI (Capability Maturity Model) Maturity Level 5 assessments, a distinction shared by only 178 companies worldwide. The company's clients include Fortune 500 manufacturers, global automakers, financial institutions, utilities, technology providers, and government agencies. NetSol has delivery and support locations in San Francisco, London, Beijing, Bangkok, Lahore, Sydney and Riyadh.

Forward-Looking Statements

This press release may contain forward-looking statements relating to the development of the Company's products and services and future operation results, including statements regarding the Company that are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. The words "expects," "anticipates," variations of such words, and similar expressions, identify forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, but their absence does not mean that the statement is not forward-looking. These statements are not guarantees of future performance and are subject to certain risks, uncertainties, and assumptions that are difficult to predict. Factors that could affect the Company's actual results include the progress and costs of the development of products and services and the timing of the market acceptance. The subject Companies expressly disclaim any obligation or undertaking to update or revise any forward-looking statement contained herein to reflect any change in the company's expectations with regard thereto or any change in events, conditions or circumstances upon which any statement is based.

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