

iGATE Capital

Vision

1999 Annual Report

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**iGATE Capital stands at the
frontier of a new global industry,
pursuing with passion and
commitment opportunities that
others have not yet perceived**



Financial Highlights

Year Ended December 31,
(Dollars in thousands)

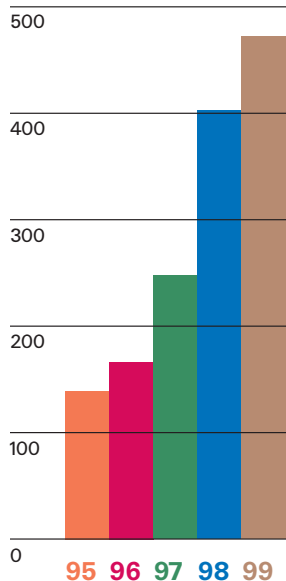
	1997 ¹	1998 ¹	1999 ¹
Revenues	\$247,176	\$401,371	\$471,450
Gross profit	74,902	130,581	153,805
Income from operations²	26,167	52,915	55,985
Income before income taxes	27,379	53,015	56,408
Net Income	16,148	32,556	36,211
Diluted net income per share	0.34	0.64	0.71

¹ Amounts presented above have been restated to reflect the 1999 merger of the Amber Group

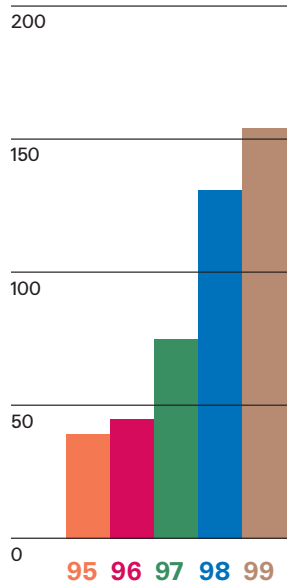
² Includes certain non-recurring charges discussed in Notes to Consolidated Financial Statements

iGATE Capital Corporation is the only global, Internet-centric holding company focused exclusively on eServices. Our mission is to create, acquire, and build leading eServices companies. We see our responsibility at iGATE as providing the skill sets necessary to all our companies to unlock value and ensure their success.

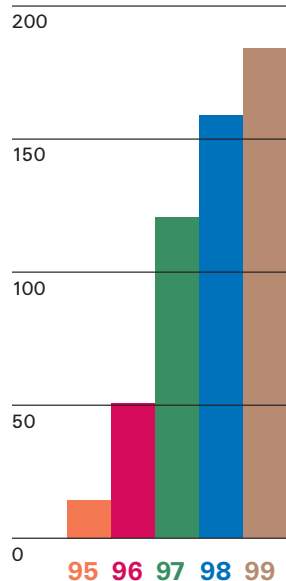
**Total Revenue
(in millions)**



**Gross Profit
(in millions)**



**Total Shareholders'
Equity (in millions)**



Letter to Shareholders



Sunil Wadhvani,
Co-Chairman and Chief
Executive Officer (left side)
and Ashok Trivedi,
Co-Chairman and President
(right side)

Dear Fellow Shareholder:

On March 7, 2000, our company announced a profound strategic reorganization. Mastech Corporation was transformed into a new entity, iGATE Capital Corporation, a company with a bold vision, a new strategy and a radically changed corporate structure.

Our mission is to create, acquire and build leading companies focused on providing eServices – a broad range of services associated with the digital transformation of business – that will enable businesses all over the world to capitalize on the power of the Internet and its many emerging capabilities.

It is our intention to be a pioneer within this industry, to perceive opportunities that others have not yet recognized and to pursue them with a passion for excellence that has characterized our company since its inception.

We intend to acquire only those companies that share our passion and our commitment to innovation and entrepreneurship.

The eServices market is still in the beginning of its explosive growth and represents tremendous opportunity. A \$13 billion market in 1999, it is projected by IDC to approach \$80 billion by 2003. Numerous market niches are still in their early stages, and innumerable opportunities have yet to be discovered. Moreover, this is still a fragmented market, with no dominant players. We believe the winners in this arena will be eServices companies that are focused on specific market segments and that have deep management and technology resources. Our goal is to make iGATE the leading global eServices corporate enterprise.

We are certainly not newcomers to the business of information technology solutions. We have a proven track record as a leading global provider of high-value IT services and solutions to large and medium-sized organizations. Since our founding in 1986, we have achieved stellar operating results and have gained remarkable success in creating new eServices businesses, delivering real value to our clients to meet their Internet-based needs.

In doing so, we have discovered that the Internet revolution has driven eServices to the top of the value chain, and that our own eServices businesses have rewarded us with our highest margins and financial returns. That is why we have now chosen to concentrate all our efforts on high-growth segments of the eServices market.

Forging a More Effective Structure

To best achieve our objective, we have completely overhauled our business model. We transferred substantially all of our operating assets into subsidiary operating companies, each positioned as a separate company, focused on a specific market within eServices. We created five new companies from our existing businesses and acquired or created several more. Each of our companies has its own management team and its own board of directors. Today, iGATE Capital is the only publicly traded holding company focused exclusively on eServices.

This new structure, however, is far more potent than just performing as a holding company, and even goes beyond being an incubator of Internet-centric start-ups.

Through this structure, we have created a complex, multi-faceted vehicle that will enable iGATE to realize its mission to create, acquire and build leading eServices companies.

By creating individual operating companies, we have unlocked their potential to bring a much higher level of speed and flexibility to their specific markets – to innovate, develop new solutions, better market existing services, and respond to market changes. It will unleash their individual high-growth potential – along with the innovation and skill of our people – that sometimes became trapped in the old Mastech structure. This new structure will enable our companies to respond to their markets in “Internet time,” whose startling pace of change has now become commonplace.

More importantly, each company will also be part of the greater iGATE family. Our intention is to leverage our global resources across all our businesses. iGATE boasts a total of 3,000 technology experts worldwide, whose achievements can be cross-pollinated throughout our company, and our seasoned management expertise at the corporate level can be shared by all of iGATE’s operations. Likewise, we have over 1000 customers, including major corporations like GE, AT&T, Wells Fargo, American Express and Bank of America, whose relationships with any one iGATE company can be tapped by others in our organization. In brief, we expect our companies will connect with one another to collaborate on services and technologies, management vision, entrepreneurial and technical talent, marketing efforts, and the identification of hot new areas to exploit.

To complement our operating companies, in late 1999 we created iGATE Ventures I, a \$75 million fund formed to launch and finance web-based companies. The industry’s first fund focused exclusively on eServices, iGATE Ventures has invested in several companies to date that include: Versata, an eBusiness automation solutions provider; Brainbench, an online skills testing service; Vcampus, a virtual learning environment host for large organizations; and Speechworks, a voice recognition technology solutions leader.

We see our responsibility at iGATE as providing the skill sets necessary to all our companies to unlock value and ensure their success.

As part of this Annual Report, we will present examples of how we envision our different companies functioning together, and how they have already begun to do so. On page 10, you can read about how Versata, one of our investment companies, created a software tool that was adopted by one of our operating companies, Symphoni Interactive, to create a technology solution for their customers and win additional new business. Similarly, we discuss how Mascot, our web-based offshore services company, helped Symphoni win a major contract with GE Capital. These are prime examples of the way we have conceived of our new organization and how we have already begun to execute on our strategy.

Given our concentration on operating results and “old economy” value, we think shareholders will get the best of both worlds – old economy emphasis on revenue growth and profitability with new economy market opportunities.

A Focus on Attracting Talent

The third leg of our new company – together with our new strategy and our new structure – is our continuing ability to attract and keep a superb pool of professional talent both in our management and among our technology experts.

We believe that our new structure will give us a competitive advantage in attracting intellectual capital. Both financial and professional development opportunities for talented managers and technical professionals will not be limited to a single company or consulting group within iGATE.

We have over 80 full-time employees dedicated to recruiting eServices professionals, which allows our operating companies to quickly reach the scale necessary in order to capitalize on new opportunities that arise in their markets, and we use a proprietary system to manage our employees, enabling us to promptly identify appropriate personnel for various client engagements. We also have a focused retention strategy and an extensive training infrastructure that allows our people to continue to upgrade and enhance their skills.

We are very pleased that we have recently announced the addition of several highly regarded management professionals, both on the corporate and operating company level.

Other Recent Achievements

During 1999, we planted the seeds of our transformation and laid the groundwork for future success. Once again, we achieved record revenues and net income, improving over a spectacular 1998. Revenues were \$471.5 million, a 17.5% increase, while net income rose 15%, excluding special items, depreciation, amortization, and merger-related expenses, to a record \$43.7 million.

In 1999, we created Symphoni Interactive, a web-marketing solutions company, through a 50-50 joint venture with Wolf Group. In early 2000, we acquired a 75% stake in Innovative Resource Group, Inc., a leading provider of business intelligence solutions in the information management, data mining and data warehousing fields. We also announced the acquisition of a 25% interest in Air2Web, which gave us entry into the wireless applications services market.

In addition, our Enterprise Network Systems Operating company merged with Planning Technologies, Inc. to create a leading global networking services consultancy.

Outlook for the Future

With our reorganization now in place, we are excited about our prospects for the future.

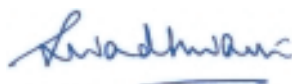
We are planning several ambitious undertakings. We currently have ten operating companies, but by the end of this year we expect to significantly increase this number.

Later this year, we plan to launch iGATE Ventures II, with \$300 million of funding for investment in additional eServices businesses. On an operating basis, we envision expanding rapidly beyond the U.S. market and hope to serve as many as 15 major markets across the world – in Canada, Europe, Asia, and Latin America – by 2003. We anticipate building a presence in new market niches such as global services for non-English language Internet applications, interactive voice response applications, global knowledge management services, and many others.

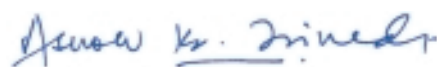
As we stand on the brink of a new chapter in our company's development, we are enthusiastic about the burgeoning eServices industry and how we have positioned ourselves for leadership within it.

We believe that we have a bright future and possess the strategy and the inner drive to realize our vision and attain our goals.

We would also like to thank our many employees throughout the world, without whose dedication and skills we could not succeed. And of course, we will continue to work towards building value for all our shareholders, through responsiveness, innovation and achieving sound operating results.



Sunil Wadhvani,
Co-Chairman and Chief Executive Officer



Ashok Trivedi,
Co-Chairman and President



Each iGATE company
is independent;
all work together to
find and exploit
synergies that will
make iGATE grow

iGATE Companies



Emplifi

Oakdale, PA

Emplifi, 100% owned by iGATE, designs, develops and implements web-enabled enterprise solutions that transform traditional enterprises into bricks-and-clicks, Internet-centric companies. Emplifi is a leading provider of eBusiness services whose capabilities include Web-focused strategic consulting, interactive design, vertical industry expertise, and EAI services.



Symphoni Interactive

New York, NY

Symphoni, 50% owned by iGATE, offers clients end-to-end electronic commerce services including creative design, Internet technology, web application development, and media and marketing services. Symphoni examines the web presence of a business and then delivers a fast, complete, strategic, one-to-one solution to meet specific client needs.



Mascot Systems

Bangalore, India

Mascot Systems, 88.9% owned by iGATE, is a provider of solutions in e-business, business intelligence and application re-engineering areas. It specializes in the offshore delivery of IT services, using global development centers with local country offices, which facilitates understanding of the local country business practices. Mascot's innovative proprietary tools, methodologies, and knowledge systems – SmartAPPSSM – enables effective distributed delivery management. In June, 2000, Mascot stock is expected to be listed on the stock exchanges in Bombay, Delhi and Bangalore.



Planning Technologies, Inc.

Atlanta, GA

Planning Technologies, Inc. merged with Enterprise Network Systems, an iGATE operating company, creating a global networking services consulting and engineering firm. The new company, 50% owned by iGATE, provides design, architecture and implementation services to transform network infrastructures into e-business engines.



eJiva, Inc.

Pittsburgh, PA

eJiva, 97% owned by iGATE, creates and implements web-based solutions for manufacturing and service companies covering all phases of client operations, including customer relationship management (eCRM), supply chain management (eSCM) and commerce technology management (eCTM). eJiva's web solutions help clients improve communications, increase customer retention and lower operational costs.



RedBrigade

**Bracknell, Berkshire
England**

Red Brigade, 100% owned by iGATE, provides eServices, solutions and web integration for the European market. European Internet progress is several years behind that of the United States. This creates an enormous opportunity for Web migration, integration, and business service implementations that Red Brigade will be able to tap into.



**Innovative Resource
Group, Inc.**

Pittsburgh, PA

IRG, 75% owned by iGATE, is a premier provider of web-based, high-value business intelligence solutions that collect, process, manage and disseminate diverse corporate data. These services and solutions span the information management, mining and warehousing fields and help improve the cost/benefit relationship of clients' information and process management investments.



itiliti™

Eden Prairie, MN

itiliti™ (formerly Ex-tra-net Applications) is a leader in delivering ASP-based staffing and procurement solutions to corporations, suppliers and managed service providers. Inspired by real-world process demands, the company's Global Resource Interchange™ facilitates superior communication and enables enterprise-wide management of business processes. Dramatic time and cost savings are realized through compliance with vendor programs, ease of use and rapid implementation.



iProcess

Hyderabad, India

iProcess, a 50% owned joint venture between iGATE and GE Capital, provides web-based off-shore processing and support services in areas such as accounting, transaction services, help desk, call centers and related business process outsourcing (BPO). The company intends to become a world leader in BPO.

Air2Web, Inc.

Atlanta, GA

Air2Web, 25% owned by iGATE, provides wireless web-based infrastructure services designed to help businesses create, deploy and deliver their branded applications and content to their customers on wireless devices. Wireless applications are expected to be the fastest-growing segment in the eServices market over the next two years. iGATE will leverage Air2Web's infrastructure and expertise across its portfolio of eServices companies.

**iGATE Ventures I
Pittsburgh, PA**

iGATE Ventures I is iGATE Capital's first fund established with \$75 million for financing and launching web-based companies by taking minority ownership positions in early- or expansion-stage firms. Investments to date include:

VCampus® – a completely outsourced, remotely hosted, distance education and training delivery solution. It is an industry leader in the web-based learning environment.

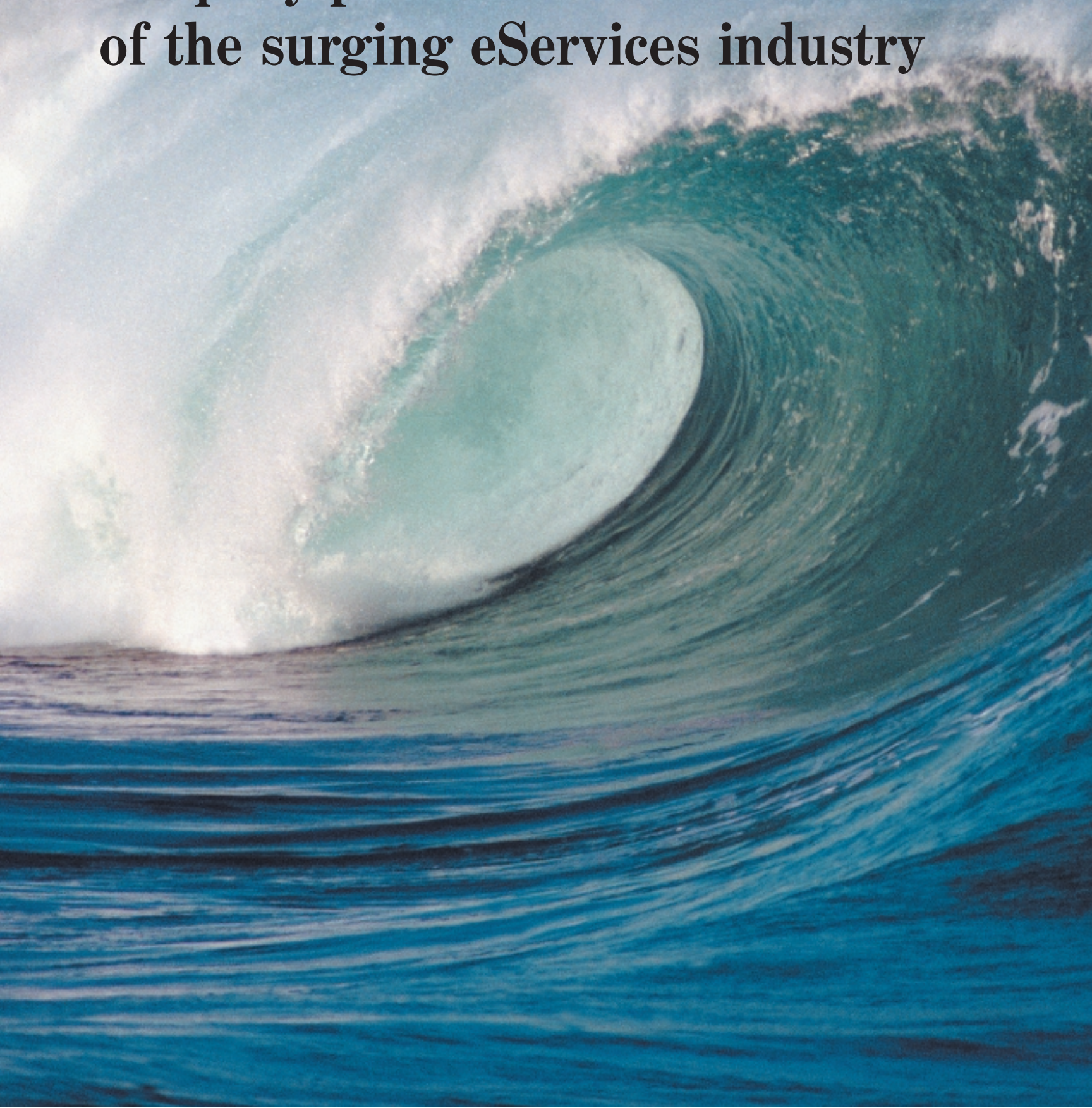
Versata, Inc. – provides software and services that help businesses rapidly create, deploy, and modify highly dynamic, business-to-business, transaction-based web applications.

Brainbench – a leading web-based online skills testing and certification service.

SpeechWorks – a leading provider of over-the-telephone automated speech recognition (ASR) solutions.

Xpede – provides web-based solutions to establish and strengthen relationships between financial institutions and their customers.

**A wave of technological innovation
is changing the world. iGATE is
uniquely positioned at the forefront
of the surging eServices industry**



iGATE in Action

Mascot Systems is First Out of the Gate

Mascot Systems started out as Mastech's offshore information technology operations, with state-of-the-art software development centers in Bangalore, Pune, and Chennai, India. As part of iGATE's restructuring, these were joined by other global software solutions facilities based out of the U.K., the Netherlands, Japan, Singapore, Malaysia and the U.S., to create a single company focused exclusively on providing offshore web-based solutions.

In early June, 2000, Mascot stock is expected to be listed on the stock exchanges in Bombay, Delhi, and Bangalore. "Mascot Systems represents the fruit of the visionary business model created by iGATE Capital," said Lisa Frankovitch, Senior Vice President of Mascot's U.S. Operations.

The size and strength of India's information technology industry offers long-term growth opportunity for Mascot. The market is expected to grow from \$4 Billion in 1999 to over \$90 billion in 2008.

Investments and Operations Working Together

iGate Capital's \$75 million venture fund, iGate Ventures I L.P., took a position in Versata, Inc., a rapidly growing California-based software designer whose e-business automation system constructs and modifies applications 10 times faster than standard technology.

Versata fit precisely the characteristics of the type of company iGate Ventures was seeking to invest in. Versata, whose innovative business rules automation approach had the ability to add significant value within the iGATE family, promised tremendous potential return on investment.

As a result of the investment, Symphoni Interactive became one of Versata's implementation partners, incorporating the Versata automation system into solutions to help clients achieve one-to-one relationship management. For Symphoni and its clients, the Versata e-business automation solution eliminates the need to build from scratch required connections across

multiple customer "touch points". Incorporating the Versata automation system's ability to connect multiple data sources, Symphoni recently signed a major new contract with United Way to deliver advanced customer relationship management solutions.

For Versata, too, there has been a significant benefit. Versata got a leading-edge iGATE company to start building a practice around its solutions.

Leveraging Customer Relationships

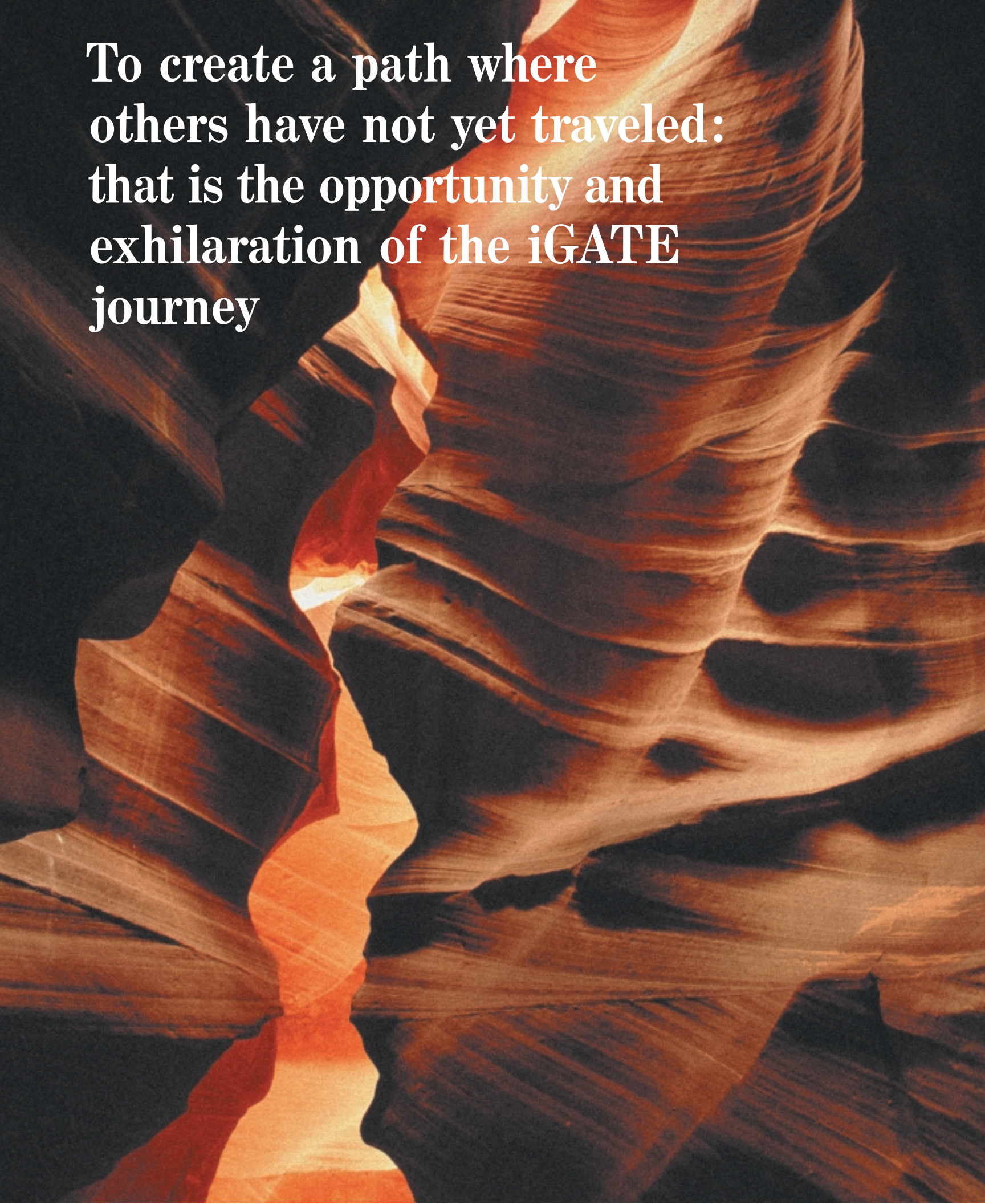
GE Capital was seeking to improve its ability to market to its customers over the Web. As Mascot Systems learned, GE Capital in particular wanted to harness the exciting new capability of one-to-one Web-based customer relationship management.

Mascot informed GE Capital that Symphoni Interactive, another iGATE company, was a leader in developing the most advanced solutions in this field. Its customer profiling and personalization solutions would enable GE Capital to gather the entire wealth of data it possessed on its customers, throughout its organization, and to create Web-based marketing interactions that accurately reflected each customer's individual characteristics.

In collaborating to win the business, Mascot did much more than introduce Symphoni to GE Capital. Mascot shared with Symphoni a project manager to lead the Symphoni team. The result was an innovative solution that GE Capital adopted for two of its businesses – auto insurance and mutual funds – that could then be reused throughout GE Capital's Web initiatives as a tool to better manage customer relationship across multiple GE businesses.

It was a winning situation for all concerned. One iGATE company had helped to develop important new business for another. For its part, GE Capital saved time and effort by drawing upon business partners it already knew and trusted.

To create a path where
others have not yet traveled:
that is the opportunity and
exhilaration of the iGATE
journey



Shareholder Information

Shareholder Meeting

The 2000 annual meeting of shareholders will be held at 8 a.m., Monday, June 5, 2000 at iGATE Capital Corporate Headquarters, 1004 McKee Road, Oakdale, PA 15217

Executive Directors

Sunil Wadhvani

Co-Chairman and CEO

Ashok Trivedi

Co-Chairman and President

Sriram Bala

Managing Director

John Brendel

Managing Director

Morgan H. Chung

Managing Director

Bruce Haney

Managing Director and CFO

Jeff Nickerson

Managing Director

Ajmal Noorani

General Partner, iGATE Ventures

Steven L. Raber

Managing Director

C. Don Scales

Managing Director

David Whitmore

Managing Partner, iGATE Ventures

Michael Zugay

Managing Director

Corporate Headquarters

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Transfer Agent

ChaseMellon Shareholder Services
One Mellon Bank Center
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Pittsburgh, PA 15258-0001
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Form 10-K

iGATE Capital Corporation's annual 10-K is on file with the U.S. Securities and Exchange Commission and may be obtained at no cost from the Commission or through the Commission's online EDGAR database at www.sec.gov.

Investor Relations

Investor Relations
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Corporate Counsel

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Stock Market Listing

Shares of iGATE Capital Corporation are traded on the NASDAQ National Market under the symbol IGTE.

Statements in this Annual Report that are not historical facts, including those that refer to iGATE's plans, expectations, beliefs and intentions, are "forward-looking statements" that involve risks and uncertainties. These forward-looking statements are based on information available to iGATE today, and iGATE assumes no obligation to update these statements as circumstances change. The risks and uncertainties that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, iGATE's ability to create, acquire and build new businesses, to achieve collaboration among its existing and its new businesses, to locate appropriate new opportunities for investment, to continue to grow its existing and any new businesses, and the availability and receptivity of the capital markets for public offerings of eServices businesses. These and other risk factors are described in more detail in iGATE's filings with the Securities and Exchange Commission.



iGATE Companies

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