



Fact Sheet – Consolidated Financial Data, Second Quarter Ended June 30, 2007



R SYSTEMS INTERNATIONAL LIMITED



**Investor Update – Fact Sheet
For Second Quarter Ended June 30, 2007**

Financial Performance

Consolidated Profit & Loss Statement (Un-audited) for the Quarter Ended June 30, 2007 (As per Indian GAAP)

(Rs in mn. except per share data)

Sr. No.	Particulars	Quarter Ended June 30		YoY Growth %	Quarter Ended Mar 31, 2007	QoQ Growth %
		2007	2006			
1	Income					
1.1	Net Sales	589.27	495.46	18.93	593.61	(0.73)
1.2	Other Income	13.95	6.03	131.32	8.60	62.22
	Total	603.22	501.49	20.29	602.21	0.17
2	Expenditure					
2.1	Staff Cost	364.43	291.81	24.89	391.19	(6.84)
2.2	Traveling Cost	60.10	32.74	83.55	45.23	32.87
2.3	Communication Costs	16.72	10.46	59.82	16.82	(0.59)
2.4	Legal & Professional Exp.	55.35	47.77	15.87	55.35	0.01
2.5	Other Expenditure	48.87	44.87	8.91	47.72	2.41
	Total Expenditure	545.47	427.65	27.55	556.31	(1.95)
3	EBITDA	57.75	73.84	(21.80)	45.90	25.81
4	Interest	1.05	1.13	(6.83)	0.44	137.98
5	Depreciation/Amortisation	16.57	12.45	33.01	17.65	(6.14)
6	Profit/(Loss) before Tax and Prior Period Expenses	40.13	60.26	(33.40)	27.81	44.30
7	Prior Period Income/(Expenses)	0.88	-	-	-	-
8	Profit/(Loss) before Tax	41.01	60.26	(31.94)	27.81	47.48
9	Provision for Tax					
9.1	Current Tax	5.70	4.12	38.34	4.48	27.11
9.2	MAT credit entitlement	(1.55)	-	-	-	-
9.3	Deferred Tax	3.10	2.11	46.86	0.65	374.77
9.4	Fringe Benefit Tax	1.54	1.10	40.00	1.67	(7.89)
	Total	8.79	7.33	19.91	6.81	29.16
10	Net Profit/(Loss) After Tax	32.22	52.93	(39.12)	21.00	53.42
11	Earning Per Share	2.37	4.09	(41.97)	1.55	53.42

Financial Performance

Consolidated Profit & Loss Statement (Un- audited) for the Six Months Ended June 30, 2007 (As per Indian GAAP)

(Rs. in mn. except per share data)

Sr. No.	Particulars	Six Months Ended June 30		Growth %
		2007	2006	
1	Income			
1.1	Net Sales	1,182.88	936.77	26.27
1.2	Other Income	21.77	10.26	112.04
	Total	1,204.65	947.03	27.20
2	Expenditure			
2.1	Staff Cost	755.62	579.52	30.39
2.2	Traveling Cost	105.34	59.74	76.32
2.3	Communication Cost	33.54	20.26	65.54
2.4	Legal and Professional Expenses	110.70	89.10	24.24
2.5	Other Expenditure	95.80	73.97	29.52
	Total Expenditure	1,101.00	822.59	33.84
3	EBITDA	103.65	124.44	(16.70)
4	Interest	1.49	2.96	(49.68)
5	Depreciation/Amortisation	34.22	23.71	44.33
6	Profit/(Loss) before Tax and Prior Period Expenses	67.94	97.77	(30.50)
7	Prior Period Income/(Expenses)	0.88	-	-
8	Profit/(Loss) before Tax	68.82	97.77	(29.60)
9	Provision for Tax			
9.1	Current Tax	10.18	5.91	72.19
9.2	MAT Credit Entitlement	(1.55)	-	-
9.3	Deferred Tax	3.76	3.67	2.46
9.4	Fringe Benefit Tax	3.21	2.43	32.11
	Total	15.60	12.02	29.88
10	Net profit/(Loss) After Tax	53.22	85.75	(37.93)
11	Earning Per Share	3.92	7.25	(45.97)

Financial Performance

Consolidated Profit & Loss Statement (Un- audited) for the Quarter Ended June 30, 2007 (Contribution Analysis Format; Basis Indian GAAP)

(Figures in mn. except per share data)

Particulars	Q2 2007		Q2 2006		Q1 2007	
	INR	US\$	INR	US\$	INR	US\$
Revenues	589.27	14.24	495.46	10.91	593.61	13.45
Cost of Revenues	380.80	9.21	288.11	6.34	386.70	8.76
Gross Margin	208.47	5.03	207.35	4.57	206.91	4.69
	35.38%		41.85%		34.86%	
SG & A						
Expenses	163.78	3.97	138.75	3.06	168.12	3.81
Depreciation/Amortisation	16.57	0.39	12.45	0.27	17.65	0.40
	180.35	4.36	151.20	3.33	185.77	4.21
	30.61%		30.52%		31.30%	
Income/(Loss) from Operations	28.12	0.67	56.14	1.24	21.14	0.48
Interest Expense	(1.06)	(0.02)	(1.12)	(0.02)	(0.45)	(0.01)
Other Income, Net	13.95	0.33	5.24	0.12	7.12	0.16
Income/(Loss) before Income Tax	41.01	0.98	60.26	1.33	27.81	0.63
Income Tax Provision	8.79	0.21	7.33	0.16	6.81	0.15
Net Earnings/(Loss)	32.22	0.77	52.93	1.17	21.00	0.48
Earnings Per Share	2.37	0.06	4.09	0.09	1.55	0.04

Financial Performance

Consolidated Statement of Operations (Un-audited) for the Six Months Ended June 30, 2007
(Contribution Analysis Format; Basis Indian GAAP)

(Figures in mn. except per share data)

Particulars	Jan to June 07		Jan to June 06	
	INR	US\$	INR	US\$
Revenues	1,182.88	27.69	936.77	20.85
Cost of Revenues	767.50	17.97	567.10	12.62
Gross Margins	415.38	9.72	369.67	8.23
SG and A	35.12%		39.46%	
Expenses	331.90	7.77	255.49	5.69
Depreciation	34.22	0.80	23.71	0.53
	366.12	8.57	279.20	6.22
	30.95%		29.80%	
Income/(Loss) from Operations	49.26	1.15	90.47	2.01
Interest Expense	(1.49)	(0.03)	(2.96)	(0.07)
Other Income, Net	21.06	0.49	10.26	0.23
Income/(Loss) before Income Tax	68.83	1.61	97.77	2.18
Income Tax Provision	15.61	0.37	12.02	0.27
Net Earnings/(Loss)	53.22	1.25	85.75	1.91
Earnings Per Share	3.92	0.09	7.25	0.16

Consolidated Operational Data (Un-audited)

Profitability in Percentage	Quarter ended		
	June 30, 07	Mar 31, 07	June 30, 06
Revenues	100.00%	100.00%	100.00%
Gross Margin	35.38	34.86	41.85
SG & A	30.61	31.30	30.52
EBITDA	7.58	6.53	13.85
EBT	6.96	4.69	12.16
PAT	5.47	3.54	10.68
EPS (Rs)	2.37	1.55	4.09

Revenue from Top 5 Clients	Quarter Ended		
	June 30, 07	Mar 31, 07	June 30, 06
Top 5 Clients	38.93%	38.34%	32.58%
Top 3 Clients	30.01%	29.31%	24.45%
Largest Client	14.73%	14.27%	12.68%

Revenues by Geographies	Quarter Ended		
	June 30, 07	Mar 31, 07	June 30, 06
USA	76.33%	73.93%	72.24%
SEAC (South East Asia)	8.52%	7.75%	9.26%
India	3.19%	6.10%	3.46%
Others	11.96%	12.22%	15.04%
Total	100.00%	100.00%	100.00%

Utilization (excluding trainees)	Quarter ended		
	June 30, 07	Mar 31, 07	June 30, 06
Onsite	97.56%	96.08%	97.50%
Offshore	70.60%	70.91%	69.58%
Blended	74.04%	74.20%	72.43%

Utilization (including trainees)	Quarter ended		
	June 30, 07	Mar 31, 07	June 30, 06
Onsite	97.56%	96.08%	97.50%
Offshore	66.47%	67.69%	64.45%
Blended	70.23%	71.25%	67.60%

Consolidated Operational Data (Un-audited)

Human resources at the end of	As at		
	June 30, 07	Mar 31, 07	June 30, 06
Technical	1,698	1,675	1,260
Software services			
Onsite	130	130	120
Offshore	1,131	1,139	897
Trainees at offshore	95	67	84
BPO			
Offshore	271	260	159
Onsite	71	79	-
Support	279	268	204
Total count	1,977	1,943	1,464

(Figures in Rs. mn. except DSO)

Key Balance Sheet Data	As At		
	June 30, 07	Mar 31, 07	June 30, 06
Receivable	544.66	483.57	452.47
Receivable in days (“DSO”)	77	76	85
Cash & bank balance	447.08	482.81	649.14
Net current assets	802.55	755.04	967.94
Fixed assets	604.33	596.93	323.62
Secured loans	63.74	32.24	7.56
Shareholders’ funds	1,323.17	1,302.93	1,304.98

Development Centers	As on June 30, 2007			
	Completed		Work-in-progress	
	Covered areas in sq ft.	No. of seats	Covered areas in sq ft.	No. of seats
India				
Noida	73,150	1,188		
Pune	32,940	534		
Chennai	16,276	253		
	122,366	1,975	-	-
USA	29,003	235		
Singapore	11,500	52		
Total	162,869	2,262	-	-



Notes:

1. US\$ equivalent figures are derived by converting the Rupee figures using average currency rates from Oanda.com.
2. Previous period's figures have been regrouped/ recast wherever applicable, to the extent possible.

About R Systems International Ltd.

R Systems International Ltd. founded in 1993, is one of the leading provider of outsourced product development and customer support services. We help companies accelerate the speed to market for their products and services with a high degree of time and cost predictability by using our proprietary pSuite execution framework. Clients can choose services specific to their needs from R Systems iPLM suite of services. We help companies build scalable, configurable and secure products and applications; and help our clients support their customers for products and services using our global delivery model. R Systems rapidly growing customer list includes a variety of Fortune 1000, government and mid-sized organizations across a wide range of industry verticals including Banking and Finance, High Technology and Independent Software Vendors, Government, HealthCare, Manufacturing and Logistic Industries. R Systems maintains six development and service centers and using our global delivery model we serve customers in the US, Europe, South America, the Far East, the Middle East and Africa.

Safe Harbor:

Investors are cautioned that this presentation contains forward looking statements that involve risks and uncertainties. The Company undertakes no obligation publicly to update or revise any forward-looking statements, whether because of new information, future events, or otherwise. Actual results, performance, or achievements could differ from those expressed or implied in such forward-looking statements.

For further information please contact:

Nand Sardana
Chief Compliance Officer & VP Finance
Tel # 0120 - 4303506
Fax # 0120 - 2587123
Email: nand.sardana@rsystems.com

Shankar Seetharaman
Sr. VP Finance
Tel # 020 - 22952520
Email: Shankar.Seetharaman@indussoft.com

O'Neil Nalavadi
Director Finance
Tel # 1-916 939 5170
Fax # 1- 916 939 6321
Email: Oneil.nalavadi@rsystems.com