



Customer Success
Our Philosophy for Creating
Stakeholder Value



R SYSTEMS INTERNATIONAL LIMITED
Investor Update – Fact Sheet
For Quarter and Year Ended December 31, 2008



Financial Performance

Consolidated Profit & Loss Statement (Un-audited) for the Quarter Ended December 31, 2008 (As per Indian GAAP)

(Rs in mn. except per share data)

Sr. No.	Particulars	Quarter Ended Dec 31		YoY Growth %	Quarter Ended Sep 30, 2008	QoQ Growth %
		2008	2007			
1	Income					
1.1	Net Sales	968.42	646.70	49.75	921.14	5.13
1.2	Other Operating Income	5.58	3.39	64.43	9.66	(42.24)
	Total	974.00	650.09	49.83	930.80	4.64
2	Expenditure					
2.1	Staff Cost	574.24	385.68	48.89	555.30	3.41
2.2	Traveling Cost	49.09	56.44	(13.01)	65.97	(25.59)
2.3	Communication Costs	18.12	16.94	6.99	18.77	(3.44)
2.4	Legal & Professional Exp.	83.79	54.85	52.76	95.01	(11.81)
2.5	Depreciation/Amortisation	30.27	17.74	70.69	30.26	0.04
2.6	Other Expenditure	134.43	57.93	132.04	97.20	38.30
	Total Expenditure	889.94	589.58	50.95	862.51	3.18
3	Profit From Operations Before Exceptional Items	84.06	60.51	38.91	68.29	23.09
4	Add:- Exceptional Items	-	14.45	(100.00)	-	-
5	Profit From Operations	84.06	74.96	12.13	68.29	23.09
6	Other Income	11.29	9.76	15.68	6.58	71.57
7	Profit Before Interest and Tax	95.35	84.72	12.54	74.87	27.35
8	Interest	1.03	0.72	42.95	1.36	(24.40)
9	Profit/(Loss) Before Tax	94.32	84.00	12.28	73.51	28.31
10	Provision For Tax					
10.1	Current Tax	12.87	13.80	(6.79)	8.26	55.79
10.2	MAT Credit Entitlement	(3.52)	(2.50)	41.00	(2.90)	21.55
10.3	Deferred Tax	(5.11)	1.81	(382.83)	0.48	(1157.18)
10.4	Fringe Benefit Tax	2.15	1.77	21.70	2.18	(1.39)
	Total	6.39	14.88	(57.08)	8.02	(20.41)
11	Net Profit/(Loss) After Tax	87.93	69.12	27.21	65.49	34.28
12	Earning Per Share					
12.1	Basic	6.49	5.09	27.60	4.82	34.68
12.2	Diluted	6.42	5.02	27.73	4.76	34.70



Financial Performance

Consolidated Profit & Loss Statement (Audited) for the Year Ended December 31, 2008

(As per Indian GAAP)

(Rs. in mn. except per share data)

Sr. No.	Particulars	Year Ended December 31,		Growth %
		2008	2007	
1	Income			
1.1	Net Sales	3,593.92	2,470.58	45.47
1.2	Other Income	18.31	19.79	(7.54)
	Total	3,612.23	2,490.37	45.05
2	Expenditure			
2.1	Staff Cost	2,164.50	1,525.17	41.92
2.2	Traveling Cost	233.43	215.84	8.15
2.3	Communication Cost	70.61	69.31	1.87
2.4	Legal and Professional Expenses	344.74	225.36	52.97
2.5	Depreciation/Amortisation	115.69	70.41	64.31
2.6	Other Expenditure	414.39	202.45	104.69
	Total Expenditure	3,343.36	2,308.54	44.83
3	Profit from Operations Before Exceptional Item	268.87	181.83	47.87
4	Add:-Exceptional Item	-	14.45	(100.00)
5	Profit From Operations	268.87	196.28	36.98
6	Other Income	36.64	37.29	(1.74)
7	Profit Before Interest and Tax	305.51	233.57	30.80
8	Interest	5.33	3.44	54.88
9	Profit/(Loss) Before Tax and Prior Period Expenses	300.18	230.13	30.44
10	Prior Period Income/(Expenses)	-	0.88	(100.00)
11	Profit/(Loss) Before Tax	300.18	231.01	29.94
12	Provision For Tax			
12.1	Current Tax	31.79	32.81	(3.12)
12.2	MAT Credit Entitlement	(11.70)	(4.98)	135.00
12.3	Deferred Tax	(7.55)	6.79	(211.21)
12.4	Fringe Benefit Tax	7.98	6.68	19.49
	Total	20.52	41.30	(50.32)
13	Net Profit/(Loss) After Tax	279.66	189.71	47.41
14	Earning Per Share			
14.1	Basic	20.61	13.97	47.53
14.2	Diluted	20.36	13.78	47.69



Financial Performance

Consolidated Profit & Loss Statement (Un- audited) for the Quarter Ended December 31, 2008 (Contribution Analysis Format; Basis Indian GAAP)

(Figures in mn. except per share data)

Particulars	Q4 2008		Q4 2007		Q3 2008	
	INR	US\$	INR	US\$	INR	US\$
Revenues	968.42	19.14	646.70	16.30	921.14	21.02
Cost of Revenues	566.10	11.10	402.24	10.15	563.06	12.85
Gross Margin	402.32	8.04	244.46	6.15	358.08	8.17
SG & A	41.54%		37.80%		38.87%	
Expenses	256.61	5.07	166.88	4.24	247.50	5.65
	26.50%		25.80%		26.87%	
EBITDA	145.71	2.97	77.58	1.91	110.58	2.52
	15.05%		12.00%		12.00%	
Depreciation/Amortisation	30.27	0.59	17.74	0.42	30.26	0.69
Operating Income/(Loss) Before Non Recurring Cost	115.44	2.38	59.84	1.49	80.32	1.83
Non Recurring Costs	13.34	0.31	-	-	-	-
Income/(Loss) From Operations	102.10	2.07	59.84	1.49	80.32	1.83
Interest Expense	(1.03)	(0.02)	(0.72)	(0.02)	(1.36)	(0.03)
Other Income, Net	(6.75)	(0.13)	24.88	0.61	(5.45)	(0.12)
Income/(Loss) Before Income Tax	94.32	1.92	84.00	2.08	73.51	1.68
Income Tax Provision	6.39	0.13	14.88	0.37	8.02	0.19
Net Earnings/(Loss)	87.93	1.79	69.12	1.71	65.49	1.49
Earnings Per Share (Basic)	6.49	0.13	5.09	0.13	4.82	0.11



Financial Performance

Consolidated Statement of Operations (Un-audited) for the Year Ended December 31, 2008
(Contribution Analysis Format; Basis Indian GAAP)

(Figures in mn. except per share data)

Particulars	Year Ended December 31, 2008		Year Ended December 31, 2007	
	INR	US\$	INR	US\$
Revenues	3,593.92	82.03	2,470.58	59.74
Cost of Revenues	2,176.86	49.69	1,572.45	38.02
Gross Margin	1,417.06	32.34	898.13	21.72
SG & A	39.43%		36.35%	
Expenses	952.26	21.73	660.49	15.97
	26.50%		26.73%	
EBITDA	464.80	10.61	237.64	5.75
Depreciation/Amortisation	12.93%		9.62%	
	115.69	2.64	70.41	1.70
Operating Income/(Loss) Before Non Recurring Costs	349.11	7.97	167.23	4.05
Non Recurring Costs	13.34	0.30	-	-
Income/(Loss) From Operations	335.77	7.67	167.23	4.05
Interest Expense	(5.33)	(0.12)	(3.44)	(0.08)
Other Income, Net	(30.26)	(0.70)	67.22	1.62
Income/(Loss) Before Income Tax	300.18	6.85	231.01	5.59
Income Tax Provision	20.52	0.47	41.30	1.00
Net Earnings/(Loss)	279.66	6.38	189.71	4.59
Earnings Per Share (Basic)	20.61	0.47	13.97	0.34



Consolidated Operational Data (Un-audited)

Profitability in Percentage	Quarter ended			Year Ended	
	Dec 31, 08	Sep 30, 08	Dec 31, 07	Dec 31, 08	Dec 31, 07
Revenues	100.00%	100.00%	100.00%	100.00%	100.00%
Gross margin	41.54	38.87	37.80	39.43	36.35
SG & A	26.50	26.87	25.80	26.50	26.73
EBITDA	15.05	12.00	12.00	12.93	9.62
EBT	9.74	7.98	12.99	8.35	9.35
PAT	9.08	7.11	10.69	7.78	7.68
Basic EPS (Rs)	6.49	4.82	5.09	20.61	13.97

Revenue from Top 5 Clients	Quarter Ended		Year Ended	
	Dec 31, 08	Sep 30, 08	Dec 31, 08	Dec 31, 07
Top 5 Clients	31.48%	29.65%	31.03%	36.99%
Top 3 Clients	21.66%	20.32%	21.56%	27.37%
Largest Client	8.23%	8.09%	8.66%	13.78%

Revenues by Geographies	Quarter Ended		Year Ended	
	Dec 31, 08	Sep 30, 08	Dec 31, 08	Dec 31, 07
USA	58.53%	54.50%	55.45%	70.53%
Europe	26.65%	27.31%	28.30%	11.23%
SEAC (South East Asia)	6.27%	8.03%	7.56%	7.77%
India	3.84%	4.32%	3.81%	5.17%
Others	4.71%	5.84%	4.88%	5.30%
Total	100.00%	100.00%	100.00%	100.00%

Utilization (excluding trainees)	Quarter ended		
	Dec 31, 08	Sep 30, 08	Dec 31, 07
Onsite	69.95%	68.59%	98.98%
Offshore	69.67%	71.15%	75.18%
Blended	69.72%	70.63%	77.88%

Utilization (including trainees)	Quarter ended		
	Dec 31, 08	Sep 30, 08	Dec 31, 07
Onsite	69.95%	68.59%	98.98%
Offshore	66.21%	67.41%	69.17%
Blended	66.88%	67.64%	72.31%



Consolidated Operational Data (Un-audited)

Human resources at the end of	As at		
	Dec 31, 08	Sep 30, 08	Dec 31, 07
Technical	2,080	2,161	1,917
Software services			
Onsite	115	122	129
Offshore	1,317	1,321	1,294
Trainees at offshore	83	100	134
BPO			
Offshore	304	328	296
Onsite	261	290	64
Support	385	384	278
Total count	2,465	2,545	2,195

(Figures in Rs. mn. except “DSO”)

Key Balance Sheet Data	As At		
	Dec 31, 08	Sep 30, 08	Dec 31, 07
Receivable	790.22	758.03	613.52
Receivable in days (“DSO”)	65	71	81
Cash & bank balance	636.10	523.76	512.15
Net current assets	1,019.35	962.99	844.64
Fixed assets	746.59	761.40	610.37
Secured loans	32.56	53.07	6.31
Shareholders’ funds	1,716.53	1,663.77	1,425.67

Development Centers	As on Dec 31, 2008			
	Completed		Work-in-progress	
	Covered areas in sq ft.	No. of seats	Covered areas in sq ft.	No. of seats
India				
Noida	86,141	1,455	-	-
Pune	36,085	629		
Chennai	16,276	253		
	138,502	2,337	-	-
USA	22,800	177		
Singapore	11,500	73		
Europe	29,795	361		
Total	202,597	2,948	-	-



Fact Sheet – Consolidated Financial Data, Quarter and Year ended December 31, 2008

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 or recasted wherever applicable.

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 worldwide for products and services using our global delivery model in 18 languages. 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 eight 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
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