



Fact Sheet – Consolidated Financial Data, Quarter ended September 30, 2008

**Customer Success**  
Our Philosophy for Creating  
Stakeholder Value



**R SYSTEMS INTERNATIONAL LIMITED**  
**Investor Update – Fact Sheet**  
**For Quarter Ended September 30, 2008**



## Financial Performance

### Consolidated Profit & Loss Statement (Un-audited) for the Quarter Ended September 30, 2008 (As per Indian GAAP)

(Rs in mn. except per share data)

Sr. No.	Particulars	Quarter Ended Sept 30		YoY Growth %	Quarter Ended June 30, 2008	QoQ Growth %
		2008	2007			
<b>1</b>	<b>Income</b>					
1.1	Net Sales	921.14	641.00	43.70	905.59	1.72
1.2	Other Operating Income	9.66	17.19	(43.79)	1.32	63.00
	<b>Total</b>	<b>930.80</b>	<b>658.19</b>	<b>41.42</b>	<b>906.91</b>	<b>2.63</b>
<b>2</b>	<b>Expenditure</b>					
2.1	Staff Cost	555.30	382.48	45.18	543.48	2.18
2.2	Traveling Cost	65.97	54.06	22.03	62.53	5.50
2.3	Communication Costs	18.77	18.83	(0.34)	17.49	7.33
2.4	Legal & Professional Exp.	95.01	61.21	55.22	90.99	4.41
2.5	Other Expenditure	97.20	53.47	81.77	121.45	(19.97)
	<b>Total Expenditure</b>	<b>832.25</b>	<b>570.05</b>	<b>45.99</b>	<b>835.94</b>	<b>(0.44)</b>
<b>3</b>	<b>EBITDA</b>	<b>98.55</b>	<b>88.14</b>	<b>11.83</b>	<b>70.97</b>	<b>38.86</b>
<b>4</b>	Depreciation/Amortisation	30.26	18.46	63.92	28.09	7.71
<b>5</b>	<b>Profit from Operations</b>	<b>68.29</b>	<b>69.68</b>	<b>(1.97)</b>	<b>42.88</b>	<b>59.26</b>
<b>6</b>	Other Income	6.58	9.73	(32.41)	7.88	(16.48)
<b>7</b>	<b>Profit Before Interest and Tax</b>	<b>74.87</b>	<b>79.41</b>	<b>(5.70)</b>	<b>50.76</b>	<b>47.51</b>
<b>8</b>	Interest	1.36	1.23	11.05	1.37	(0.52)
<b>9</b>	<b>Profit/(Loss) Before Tax</b>	<b>73.51</b>	<b>78.18</b>	<b>(5.97)</b>	<b>49.39</b>	<b>48.84</b>
<b>10</b>	<b>Provision for Tax</b>					
10.1	Current Tax	8.26	8.82	(6.45)	4.85	70.31
10.2	MAT Credit Entitlement	(2.90)	(0.93)	211.83	(0.13)	2155.21
10.3	Deferred Tax	0.48	1.21	(60.21)	(3.66)	113.19
10.4	Fringe Benefit Tax	2.18	1.70	28.26	1.90	14.76
	<b>Total</b>	<b>8.02</b>	<b>10.81</b>	<b>(25.88)</b>	<b>2.96</b>	<b>171.19</b>
<b>11</b>	<b>Net Profit/(Loss) After Tax</b>	<b>65.49</b>	<b>67.37</b>	<b>(2.77)</b>	<b>46.43</b>	<b>41.05</b>
<b>12</b>	<b>Earning Per Share</b>					
12.1	<b>Basic</b>	<b>4.82</b>	<b>4.96</b>	<b>(2.78)</b>	<b>3.42</b>	<b>41.05</b>
12.2	<b>Diluted</b>	<b>4.76</b>	<b>4.89</b>	<b>(2.66)</b>	<b>3.38</b>	<b>41.07</b>



## Financial Performance

### Consolidated Profit & Loss Statement (Un-audited) for the Period Ended September 30, 2008 (As per Indian GAAP)

(Rs. in mn. except per share data)

Sr. No.	Particulars	Nine Month Ended Sept 30,		Growth %
		2008	2007	
<b>1</b>	<b>Income</b>			
1.1	Net Sales	2,625.51	1,823.88	43.95
1.2	Other Operating Income	12.72	16.40	(22.44)
	<b>Total</b>	<b>2,638.23</b>	<b>1,840.28</b>	<b>43.36</b>
<b>2</b>	<b>Expenditure</b>			
2.1	Staff Cost	1,590.26	1,139.49	39.56
2.2	Traveling Cost	184.34	159.40	15.65
2.3	Communication Cost	52.49	52.37	0.21
2.4	Legal and Professional Expenses	260.95	170.51	53.04
2.5	Other Expenditure	279.96	144.52	93.73
	<b>Total Expenditure</b>	<b>2,368.00</b>	<b>1,666.29</b>	<b>42.11</b>
<b>3</b>	<b>EBITDA</b>	<b>270.23</b>	<b>173.99</b>	<b>55.32</b>
<b>4</b>	Depreciation/Amortisation	85.42	52.67	62.16
<b>5</b>	<b>Profit from Operations</b>	<b>184.81</b>	<b>121.32</b>	<b>52.35</b>
<b>6</b>	Other Income	25.35	27.53	(7.92)
<b>7</b>	<b>Profit Before Interest and Tax</b>	<b>210.16</b>	<b>148.85</b>	<b>41.20</b>
<b>8</b>	Interest	4.30	2.72	58.04
<b>9</b>	<b>Profit/(Loss) Before Tax and Prior Period Expenses</b>	<b>205.86</b>	<b>146.13</b>	<b>40.89</b>
<b>10</b>	<b>Prior Period Income/(Expenses)</b>	-	<b>0.88</b>	<b>(100.00)</b>
<b>11</b>	<b>Profit/(Loss) Before Tax</b>	<b>205.86</b>	<b>147.01</b>	<b>40.04</b>
<b>12</b>	<b>Provision for Tax</b>			
12.1	Current Tax	18.92	19.01	(0.46)
12.2	MAT Credit Entitlement	(8.18)	(2.48)	229.75
12.3	Deferred Tax	(2.44)	4.99	(149.04)
12.4	Fringe Benefit Tax	5.83	4.90	18.70
	<b>Total</b>	<b>14.13</b>	<b>26.42</b>	<b>(46.52)</b>
<b>13</b>	<b>Net Profit/(Loss) After Tax</b>	<b>191.73</b>	<b>120.59</b>	<b>59.00</b>
<b>14</b>	<b>Earning Per Share</b>			
14.1	<b>Basic</b>	14.12	8.88	59.00
14.2	<b>Diluted</b>	13.94	8.64	61.35



## Financial Performance

### Consolidated Profit & Loss Statement (Un- audited) for the Quarter Ended September 30, 2008 (Contribution Analysis Format; Basis Indian GAAP)

(Figures in mn. except per share data)

Particulars	Q3 2008		Q3 2007		Q2 2008	
	INR	US\$	INR	US\$	INR	US\$
<b>Revenues</b>	<b>921.14</b>	<b>21.02</b>	<b>641.00</b>	<b>15.75</b>	<b>905.59</b>	<b>21.80</b>
Cost of Revenues	563.06	12.85	402.70	9.91	552.42	13.30
<b>Gross Margin</b>	<b>358.08</b>	<b>8.17</b>	<b>238.30</b>	<b>5.84</b>	<b>353.17</b>	<b>8.50</b>
<b>SG &amp; A</b>	38.87%		37.18%		39.00%	
Expenses	247.50	5.65	161.71	3.99	242.66	5.85
Depreciation/Amortisation	30.26	0.69	18.46	0.43	28.09	0.67
	277.76	6.34	180.17	4.42	270.75	6.52
	30.15%		28.11%		29.90%	
<b>Income/(Loss) from Operations</b>	<b>80.32</b>	<b>1.83</b>	<b>58.13</b>	<b>1.42</b>	<b>82.42</b>	<b>1.98</b>
Interest Expense	(1.36)	(0.03)	(1.24)	(0.03)	(1.37)	(0.03)
Other Income, Net	(5.45)	(0.12)	21.29	0.52	(31.66)	(0.78)
<b>Income/(Loss) before Income Tax</b>	<b>73.51</b>	<b>1.68</b>	<b>78.18</b>	<b>1.91</b>	<b>49.39</b>	<b>1.17</b>
Income Tax Provision	8.02	0.19	10.81	0.28	2.96	0.07
<b>Net Earnings/(Loss)</b>	<b>65.49</b>	<b>1.49</b>	<b>67.37</b>	<b>1.63</b>	<b>46.43</b>	<b>1.10</b>
<b>Earnings Per Share (Basic)</b>	<b>4.82</b>	<b>0.11</b>	<b>4.96</b>	<b>0.12</b>	<b>3.42</b>	<b>0.08</b>



## Financial Performance

**Consolidated Statement of Operations (Un-audited) for the Period Ended September 30, 2008**  
**(Contribution Analysis Format; Basis Indian GAAP)**

(Figures in mn. except per share data)

Particulars	Jan to Sept 08		Jan to Sept 07	
	INR	US\$	INR	US\$
<b>Revenues</b>	<b>2,625.51</b>	<b>62.88</b>	<b>1,823.88</b>	<b>43.44</b>
Cost of Revenues	1,610.76	38.58	1,170.21	27.87
<b>Gross Margins</b>	<b>1,014.75</b>	<b>24.30</b>	<b>653.67</b>	<b>15.57</b>
<b>SG and A</b>	38.65%		35.84%	
Expenses	695.65	16.66	493.61	11.76
Depreciation	85.42	2.05	52.68	1.25
	781.07	18.71	546.29	13.01
	29.75%		29.95%	
<b>Income/(Loss) from Operations</b>	<b>233.68</b>	<b>5.59</b>	<b>107.38</b>	<b>2.56</b>
Interest Expense	(4.30)	(0.10)	(2.72)	(0.06)
Other Income, Net	(23.52)	(0.56)	42.35	1.01
<b>Income/(Loss) before Income Tax</b>	<b>205.86</b>	<b>4.93</b>	<b>147.01</b>	<b>3.51</b>
Income Tax Provision	14.13	0.34	26.42	0.64
<b>Net Earnings/(Loss)</b>	<b>191.73</b>	<b>4.59</b>	<b>120.59</b>	<b>2.87</b>
<b>Earnings Per Share(Basic)</b>	<b>14.12</b>	<b>0.34</b>	<b>8.88</b>	<b>0.21</b>



## Consolidated Operational Data (Un-audited)

Profitability in Percentage	Quarter ended		
	Sep 30, 08	June 30, 08	Sep 30, 07
Revenues	100.00%	100.00%	100.00%
Gross margin	38.87	39.00	37.18
SG & A	30.15	29.90	28.11
EBITDA	12.00	12.20	11.95
EBT	7.98	5.45	12.20
PAT	7.11	5.13	10.51
Basic EPS (Rs.)	4.82	3.42	4.96

Revenue from Top 5 Clients	Quarter ended		
	Sep 30, 08	June 30, 08	Sep 30, 07
Top 5 Clients	29.65%	30.96%	36.80%
Top 3 Clients	20.32%	22.34%	27.61%
The Largest Client	8.09%	9.08%	14.46%

Revenues by Geographies	Quarter ended		
	Sep 30, 08	June 30, 08	Sep 30, 07
USA	55.52%	51.68%	72.84%
Europe	26.95%	30.69%	9.28%
SEAC ( South East Asia )	8.69%	8.73%	6.66%
India	4.32%	4.19%	5.90%
Others	4.52%	4.71%	5.32%
Total	100.00%	100.00%	100.00%

Utilization (excluding trainees)	Quarter ended		
	Sep 30, 08	June 30, 08	Sep 30, 07
Onsite	68.59%	72.17%	98.99%
Offshore	71.15%	69.72%	76.24%
Blended	70.63%	70.20%	79.04%

Utilization (including trainees)	Quarter ended		
	Sep 30, 08	June 30, 08	Sep 30, 07
Onsite	68.59%	72.17%	98.99%
Offshore	67.41%	65.29%	70.73%
Blended	67.64%	66.58%	73.98%



## Consolidated Operational Data (Un-audited)

Human resources at the end of	As at		
	Sep 30, 08	June 30, 08	Sep 30, 07
<b>Technical</b>	<b>2,161</b>	<b>2,249</b>	<b>1,779</b>
<b>Software services</b>			
Onsite	122	124	127
Offshore	1,321	1,369	1,179
Trainees at offshore	100	103	120
<b>BPO</b>			
Offshore	328	357	282
Onsite	290	296	71
<b>Support</b>	<b>384</b>	<b>386</b>	<b>280</b>
<b>Total count</b>	<b>2,545</b>	<b>2,635</b>	<b>2,059</b>

(Figures in Rs. mn. except “DSO”)

Key Balance Sheet Data	As At		
	Sep 30, 08	June 30, 08	Sep 30, 07
Receivable	758.03	744.33	612.83
Receivable in days (“DSO”)	71	64	76
Cash & bank balance	523.76	451.35	485.62
Net current assets	962.99	908.24	842.42
Fixed assets	761.40	771.64	607.68
Secured loans	53.07	94.89	41.03
Shareholders’ funds	1,663.77	1,576.56	1,387.85

Development Centers	As on Sep 30, 2008			
	Completed		Work-in-progress	
	Covered areas in sq ft.	No. of seats	Covered areas in sq ft.	No. of seats
<b>India</b>				
Noida	86,141	1,455	-	-
Pune	36,085	629		
Chennai	16,276	253		
	138,502	2,337	-	-
<b>USA</b>	22,800	177		
<b>Singapore</b>	11,500	73		
<b>Europe</b>	29,795	361		
<b>Total</b>	<b>202,597</b>	<b>2,948</b>	-	-



## Fact Sheet – Consolidated Financial Data, Quarter ended September 30, 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, 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 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:

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