



Fact Sheet – Consolidated Financial Data, Third Quarter Ended September 30, 2007



R SYSTEMS INTERNATIONAL LIMITED



**Investor Update – Fact Sheet
For Third Quarter Ended September 30, 2007**

Financial Performance

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

(Rs in mn. Except per share data)

Sr. No.	Particulars	Quarter Ended Sept 30		YoY Growth %	Quarter Ended June 30, 2007	QoQ Growth %
		2007	2006			
1	Income					
1.1	Net Sales	641.00	542.49	18.16	589.27	8.78
1.2	Other Income	26.92	14.26	88.79	13.95	93.05
	Total	667.92	556.75	19.97	603.22	10.73
2	Expenditure					
2.1	Staff Cost	381.56	327.98	16.34	364.43	4.70
2.2	Traveling Cost	54.06	41.23	31.11	60.10	(10.05)
2.3	Communication Costs	18.83	11.83	59.22	16.72	12.62
2.4	Legal & Professional Exp.	62.12	52.24	18.93	55.35	12.23
2.5	Other Expenditure	53.48	37.81	41.41	48.87	9.42
	Total Expenditure	570.05	471.09	21.01	545.47	4.51
3	EBITDA	97.87	85.66	14.26	57.75	69.48
4	Interest	1.23	0.39	211.69	1.05	16.99
5	Depreciation/Amortisation	18.46	14.18	30.18	16.57	11.43
6	Profit/(Loss) before Tax and Prior Period Expenses	78.18	71.08	9.99	40.13	94.82
7	Prior Period Income/(Expenses)	-	-	-	0.88	(100.00)
8	Profit/(Loss) before Tax	78.18	71.08	9.99	41.02	90.62
9	Provision for Tax					
9.1	Current Tax	8.82	3.67	140.57	5.70	54.85
9.2	MAT credit entitlement	(0.93)	-	-	(1.55)	(40.01)
9.3	Deferred Tax	1.21	7.59	(83.87)	3.11	(60.60)
9.4	Fringe Benefit Tax	1.70	1.71	(0.82)	1.54	10.39
	Total	10.81	12.97	(16.60)	8.79	23.00
10	Net Profit/(Loss) After Tax	67.37	58.11	15.92	32.22	109.07
11	Earning Per Share					
	Basic	4.96	4.29	15.52	2.37	109.07
	Diluted	4.89	4.29	13.99	2.37	106.33

Financial Performance

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

(Rs. in mn. except per share data)

Sr. No.	Particulars	Nine Months Ended Sept 30		Growth %
		2007	2006	
1	Income			
1.1	Net Sales	1,823.88	1,479.25	23.30
1.2	Other Income	43.93	21.15	107.73
	Total	1,867.81	1,500.40	24.49
2	Expenditure			
2.1	Staff Cost	1,137.18	907.50	25.31
2.2	Traveling Cost	159.40	106.18	50.13
2.3	Communication Cost	52.37	32.09	63.21
2.4	Legal and Professional Expenses	172.82	141.34	22.28
2.5	Other Expenditure	144.52	103.46	39.68
	Total Expenditure	1,666.29	1,290.57	29.11
3	EBITDA	201.52	209.83	(3.96)
4	Interest	2.72	3.36	(19.00)
5	Depreciation/Amortisation	52.67	37.89	39.03
6	Profit/(Loss) before Tax and Prior Period Expenses	146.13	168.59	(13.32)
7	Prior Period Income/(Expenses)	0.88	-	-
8	Profit/(Loss) before Tax	147.01	168.59	(12.80)
9	Provision for Tax			
9.1	Current Tax	19.01	9.32	104.02
9.2	MAT Credit Entitlement	(2.48)	-	-
9.3	Deferred Tax	4.99	11.26	(55.72)
9.4	Fringe Benefit Tax	4.90	4.15	18.49
	Total	26.42	24.72	6.89
10	Net profit/(Loss) After Tax	120.59	143.87	(16.18)
11	Earning Per Share			
	Basic	8.88	11.60	(23.47)
	Diluted	8.64	11.60	(25.52)

Financial Performance

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

(Figures in mn. except per share data)

Particulars	Q3 2007		Q3 2006		Q2 2007	
	INR	US\$	INR	US\$	INR	US\$
Revenues	641.00	15.75	542.49	11.71	589.27	14.24
Cost of Revenues	402.70	9.91	336.86	7.28	380.80	9.21
Gross Margin	238.30	5.84	205.62	4.44	208.47	5.03
	37.18%		37.90%		35.38%	
SG & A						
Expenses	161.71	3.99	129.24	2.78	163.78	3.97
Depreciation/Amortisation	18.46	0.43	14.18	0.31	16.57	0.39
	180.17	4.42	143.42	3.09	180.35	4.36
	28.11%		26.44%		30.61%	
Income/(Loss) from Operations	58.13	1.42	62.20	1.35	28.12	0.67
Interest Expense	(1.24)	(0.03)	(0.38)	(0.01)	(1.06)	(0.02)
Other Income, Net	21.29	0.52	9.01	0.20	13.95	0.33
Income/(Loss) before Income Tax	78.18	1.91	70.82	1.54	41.02	0.98
Income Tax Provision	10.81	0.28	12.70	0.28	8.79	0.21
Net Earnings/(Loss)	67.37	1.63	58.11	1.26	32.22	0.77
Earnings Per Share (Basic)	4.96	0.12	4.29	0.09	2.37	0.06

Financial Performance

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

(Figures in mn. except per share data)

Particulars	Jan to Sept 07		Jan to Sept 06	
	INR	US\$	INR	US\$
Revenues	1,823.88	43.44	1,479.25	32.56
Cost of Revenues	1,170.21	27.87	903.96	19.90
Gross Margins	653.67	15.57	575.29	12.66
SG and A	35.84%		38.89%	
Expenses	493.61	11.76	384.73	8.47
Depreciation	52.68	1.25	37.89	0.83
	546.29	13.01	422.62	9.30
	29.95%		28.57%	
Income/(Loss) from Operations	107.38	2.56	152.67	3.36
Interest Expense	(2.72)	(0.06)	(3.36)	(0.07)
Other Income, Net	42.35	1.01	19.27	0.42
Income/(Loss) before Income Tax	147.01	3.51	168.59	3.71
Income Tax Provision	26.42	0.64	24.72	0.54
Net Earnings/(Loss)	120.59	2.87	143.87	3.17
Earnings Per Share (Basic)	8.88	0.21	11.60	0.26

Consolidated Operational Data (Un-audited)

Profitability in Percentage	Quarter ended		
	Sept 30, 07	June 30, 07	Sept 30, 06
Revenues	100.00%	100.00%	100.00%
Gross Margin	37.18	35.38	37.90
SG & A	28.11	30.61	26.44
EBITDA	11.95	7.58	14.08
EBT	12.20	6.96	13.10
PAT	10.51	5.47	10.71
EPS (Rs)	4.96	2.37	4.29

Revenue from Top 5 Clients	Quarter Ended		
	Sept 30, 07	June 30, 07	Sept 30, 06
Top 5 Clients	36.80%	38.93%	37.35%
Top 3 Clients	27.61%	30.01%	30.30%
Largest Client	14.46%	14.73%	18.14%

Revenues by Geographies	Quarter Ended		
	Sept 30, 07	June 30, 07	Sept 30, 06
USA	66.19%	76.33%	72.50%
SEAC (South East Asia)	6.94%	8.52%	8.83%
India	5.13%	3.19%	2.17%
Others	21.74%	11.96%	16.50%
Total	100.00%	100.00%	100.00%

Utilization (excluding trainees)	Quarter ended		
	Sept 30, 07	June 30, 07	Sept 30, 06
Onsite	98.99%	97.56%	98.00%
Offshore	76.24%	70.60%	68.10%
Blended	79.04%	74.04%	72.40%

Utilization (including trainees)	Quarter ended		
	Sept 30, 07	June 30, 07	Sept 30, 06
Onsite	98.99%	97.56%	98.00%
Offshore	70.73%	66.47%	64.25%
Blended	73.98%	70.23%	68.84%

Consolidated Operational Data (Un-audited)

Human resources at the end of	As at		
	Sept 30, 07	June 30, 07	Sept 30, 06
Technical	1,779	1,698	1,544
Software services			
Onsite	127	130	118
Offshore	1,179	1,131	1,004
Trainees at offshore	120	95	76
BPO			
Offshore	282	271	266
Onsite	71	71	80
Support	280	279	230
Total count	2,059	1,977	1,774

(Figures in Rs. mn. except DSO)

Key Balance Sheet Data	As At		
	Sept 30, 07	June 30, 07	Sept 30, 06
Receivable	612.83	544.66	477.67
Receivable in days (“DSO”)	76	77	78
Cash & bank balance	485.62	447.08	545.85
Net current assets	842.42	802.55	803.36
Fixed assets	607.68	604.33	537.83
Secured loans	41.03	63.74	8.16
Shareholders’ funds	1,387.85	1,323.17	1,358.68

Development Centers	As on Sept 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/ 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 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.

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