



RAMCO SYSTEMS LIMITED

Regd Office : 47, PSK Nagar, Rajapalayam - 626 108

Corporate Office : No. 64, Sardar Patel Road, Taramani, Chennai 600 113.

Unaudited Financial Results (Provisional) for the Quarter Ended September 30, 2005 (In Rs. Lacs)

Sl. No.	Particulars	Unaudited for the quarter ended		Unaudited for the six months ended		Audited for the year ended
		30.09.2005	30.09.2004	30.09.2005	30.09.2004	31.03.2005
1	Net Sales / Income from Operations	3,385.89	3,266.31	6,512.50	5,367.39	11,548.10
2	Other Income	60.23	373.68	103.29	513.63	730.07
3	Total Income	3,446.12	3,639.99	6,615.79	5,881.02	12,278.17
4	Expenditure:					
a)	Cost of Resale Materials	1,110.08	994.74	2,064.76	1,588.63	3,149.05
b)	Staff Cost	1,641.19	1,132.75	3,261.67	2,464.73	5,431.28
c)	Other Expenditure					
	Selling & Marketing Expenses	37.71	68.86	63.81	140.04	304.60
	Administration & Other Expenses	589.09	473.55	1,002.71	875.05	1,843.08
	Total Expenditure	3,378.07	2,669.90	6,392.95	5,068.45	10,728.01
5	EBIDTA	68.05	970.09	222.84	812.57	1,550.16
6	Interest	308.44	291.76	609.69	632.36	1,138.13
7	Profit / (Loss) before Depreciation, Amortisation, Tax & Extraordinary Items	(240.39)	678.33	(386.85)	180.21	412.03
8a	Depreciation - Technology Platform & Product software	297.92	287.17	595.84	574.35	1,148.70
8b	Depreciation - Others	153.00	158.75	293.22	302.27	549.57
9	Profit/(Loss) before Tax and Extraordinary Items	(691.31)	232.41	(1,275.91)	(696.41)	(1,286.24)
10	Extraordinary Items	-	-	-	-	2,749.79
11	Profit/(Loss) before Tax	(691.31)	232.41	(1,275.91)	(696.41)	(4,036.03)
12	Provision for Taxation					
	Current Taxation	Nil	Nil	Nil	Nil	Nil
	Deferred Taxation	Nil	Nil	Nil	Nil	Nil
	Fringe Benefit Tax	20.00	Nil	38.00	Nil	Nil
13	Net Profit / (Loss)	(711.31)	232.41	(1,313.91)	(696.41)	(4,036.03)
14	Paid-up Equity Share Capital - Face value of Rs. 10/- each	1,231.84	1,165.23	1,231.84	1,165.23	1,228.36
15	Reserves excluding revaluation reserves	-	-	-	-	13,344.63
16	Earnings per Share Basic & Diluted - in Rs.	(5.80)	2.00	(10.71)	(5.99)	(32.95)
17	Aggregate of non-promoter share holding	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)
a)	Number of Shares			4,595,290	4,477,099	4,560,440
b)	Percentage of Share Holding			37.41%	38.54%	37.23%

Notes:

- The above results have been approved and taken on record at the Board Meeting held on 29th October, 2005.
- Other Income for the current quarter includes rental income of Rs.47.48 lacs (corresponding quarter previous year Rs.47.79 lacs), interest of Rs.10.00 lacs (corresponding quarter previous year Rs.91.08 lacs) and dividend income of Rs. Nil (corresponding quarter previous year Rs.77.70 lacs).
- Administration & other expenses for the current quarter includes Rs.26.71 lacs (corresponding quarter previous year Rs.21.84 lacs) on account of provision for bad debts.
- The Hon'ble High Court of Madras has, on 4th August, 2005 approved the Scheme of Arrangement for adjusting an amount not exceeding Rs.200.00 crores against share premium account. The Company has received approvals from all concerned and completed the implementation of the said Scheme.
- In the perception of the company, the provisioning for deferred tax assets / liability does not arise.
- During the quarter, the Company had allotted 11,650 equity shares under ESOP 2000 & ESOS 2003 Schemes on 20th July, 2005. Consequent to the said allotments, the paid-up capital has increased from Rs.1,230.68 lacs to Rs.1,231.84 lacs.
- Status of Investor grievances:

Description	Pending as on 01.07.2005	Received during the current quarter	Redressed during the current quarter	Pending as on 30.09.2005
Number of Complaints	Nil	Nil	Nil	Nil

- Figures for the previous periods have been regrouped / restated wherever necessary to make them comparable with the figures for the current period.

Segment Reporting for the Quarter Ended September 30, 2005 (In Rs. Lacs)

Sl. No.	Particulars	Unaudited for the quarter ended		Unaudited for the six months ended		Audited for the year ended
		30.09.2005	30.09.2004	30.09.2005	30.09.2004	31.03.2005
1	Segment Revenue					
a.	Product Software and Related Services	1,183.68	1,423.49	2,497.97	2,372.99	4,904.16
b.	Other Software Services	622.90	505.77	1,122.15	828.88	2,274.00
c.	Network Solutions	1,579.31	1,337.05	2,892.38	2,165.52	4,369.94
	Total Revenue	3,385.89	3,266.31	6,512.50	5,367.39	11,548.10
	Less: Inter Segment Revenue	-	-	-	-	-
	Net Sales / Income from Operations Segment Profit / (Loss) before tax, interest & Extraordinary Items	3,385.89	3,266.31	6,512.50	5,367.39	11,548.10
2	Expenditure:					
a.	Product Software and Related Services	0.83	877.09	213.27	885.73	1,354.38
b.	Other Software Services	243.84	(17.80)	415.20	(7.32)	739.07
c.	Network Solutions	109.25	68.24	174.66	60.89	118.30
	Total	353.92	927.53	803.13	939.30	2,211.75
	Less: Interest	308.44	291.76	609.69	632.36	1,138.13
	Less: Extraordinary Items	-	-	-	-	2,749.79
	Less: Other unallocable expenditure net of unallocable income	736.79	403.36	1,469.35	1,003.35	2,359.86
3	Profit / (Loss) before Tax	(691.31)	232.41	(1,275.91)	(696.41)	(4,036.03)
4	Fringe Benefit Tax	20.00	-	38.00	-	-
5	Profit / (Loss) after Tax	(711.31)	232.41	(1,313.91)	(696.41)	(4,036.03)

- Notes on Segment Reporting:** Fixed assets used in the operations of the company interchangeably (other than those that are used for its R&D purposes and those located in its Software Technology Park Units) and liabilities contracted (other than those contracted for the respective segments) are not directly identifiable to any of the reportable segments.

Unaudited Global Consolidated Financial Results (under AS 21) for the Quarter Ended September 30, 2005 (In USD Mn.)

Sl. No.	Particulars	Unaudited for the quarter ended		Unaudited for the six months ended		Audited for the year ended
		30.09.2005	30.09.2004	30.09.2005	30.09.2004	31.03.2005
1	Net Sales / Income from Operations	16.25	13.38	28.45	23.28	49.11
2	Other Income	0.16	0.47	0.28	0.60	0.91
3	Total Income	16.41	13.85	28.73	23.88	50.02
4	Expenditure:					
a)	Cost of Resale Materials	2.74	2.44	5.26	3.91	8.36
b)	Staff Cost	8.43	6.70	17.05	14.05	29.91
c)	Other Expenditure					
	Selling & Marketing Expenses	0.70	0.72	1.39	1.18	3.04
	Administration & Other Expenses	3.03	2.33	5.36	4.32	9.40
	Total Expenditure	14.90	12.19	29.06	23.46	50.71
5	EBIDTA	1.51	1.66	(0.33)	0.42	(0.69)
6	Interest	0.73	0.65	1.45	1.40	2.59
7	Profit / (Loss) before Depreciation, Amortisation, Tax & Extraordinary Items	0.78	1.01	(1.78)	(0.98)	(3.28)
8a	Depreciation - Technology Platform & Product software	0.69	0.63	1.37	1.27	2.56
8b	Depreciation - Others	0.39	0.39	0.76	0.75	1.42
9	Amortisation of Product Research and Development Expenditure	-	0.12	-	0.25	-
10	Profit/(Loss) before Tax & Extraordinary Items	(0.30)	(0.13)	(3.91)	(3.25)	(7.26)
11	Extraordinary Items	-	-	-	-	7.79
12	Profit/(Loss) before Tax	(0.30)	(0.13)	(3.91)	(3.25)	(15.05)
13	Provision for Taxation					
	Current Taxation	-	-	-	-	0.14
	Deferred Taxation	-	-	-	-	-
	Fringe Benefit Tax	0.11	-	0.15	-	-
14	Equity in earnings/(losses) of affiliates	-	-	-	-	0.06
15	Net Profit / (Loss)	(0.41)	(0.13)	(4.06)	(3.25)	(15.13)
16	Earnings per Share - Basic & Diluted - in USD	(0.03)	(0.01)	(0.33)	(0.28)	(1.29)
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)

- Note:** Figures for the previous periods have been regrouped / restated wherever necessary to make them comparable with the figures for the current period.

By Order of the Board
For Ramco Systems Limited