



RAMCO SYSTEMS LIMITED

Registered 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 December 31, 2006. (In Rs. Lacs)

Sl. No.	Particulars	Unaudited for the Quarter Ended		Unaudited for the Nine Months Ended		Audited for the Year Ended
		31.12.2006	31.12.2005	31.12.2006	31.12.2005	31.03.2006
1	Net Sales / Income from Operations	1,861.83	3,199.29	5,919.15	9,711.79	11,746.78
2	Other Income	105.34	190.01	746.75	293.30	433.30
3	Total Income	1,967.17	3,389.30	6,665.90	10,005.09	12,180.08
4	Expenditure:					
a)	Cost of Resale Materials	5.93	788.89	42.11	2,853.65	3,863.24
b)	Staff Cost	919.21	1,470.88	3,896.34	4,732.55	6,043.68
c)	Other Expenditure					
	Selling & Marketing Expenses	67.04	50.56	165.45	114.37	176.61
	Administration & Other Expenses	463.54	601.71	1,398.01	1,604.42	2,336.38
	Total Expenditure	1,455.72	2,912.04	5,501.91	9,304.99	12,419.91
5	EBIDTA	511.45	477.26	1,163.99	700.10	(239.83)
6	Interest	335.02	366.25	921.05	975.94	1,254.31
7	Profit/(Loss) before Depreciation & Tax	176.43	111.01	242.94	(275.84)	(1,494.14)
8a	Depreciation - Technology Platform & Product Software	358.90	297.93	1,076.70	893.77	1,191.70
8b	Depreciation - Others	189.30	161.33	551.82	454.55	638.98
9	Profit/(Loss) before Tax	(371.77)	(348.25)	(1,385.58)	(1,624.16)	(3,324.82)
10	Provision for Taxation					
	Current Taxation	Nil	Nil	Nil	Nil	Nil
	Deferred Taxation	Nil	Nil	Nil	Nil	Nil
	Fringe Benefit Tax	15.00	20.00	33.00	58.00	82.00
11	Net Profit/(Loss)	(386.77)	(368.25)	(1,418.58)	(1,682.16)	(3,406.82)
12	Paid-up Equity Share Capital - Face value of Rs. 10/- each	1,539.19	1,231.84	1,539.19	1,231.84	1,539.19
13	Reserves excluding revaluation reserves	-	-	-	-	19,424.93
14	Earnings per Share Basic & Diluted - in Rs.	(2.52)	(3.00)	(9.24)	(13.70)	(26.74)
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)

Notes: (The figures in brackets in the notes denotes the amounts for the corresponding quarter in the previous year)

- The above results have been approved and taken on record at the Board Meeting held on 30th January 2007.
- Other Income for the current quarter includes rental income of Rs.90.91 lacs (Rs.47.01 lacs), interest of Rs.13.26 lacs (Rs.13.52 lacs) dividend income of Rs.Nil (Rs.62.00 lacs) and Foreign exchange gain of Rs.Nil (Rs.67.47 lacs)
- Administration & Other Expenses for the current quarter includes foreign exchange loss of Rs.12.67 lacs (Rs.Nil).
- In the perception of the Company, the provisioning for deferred tax asset / liability does not arise.
- Consequent to the sale of Secure Converged Networking (SCN) division of the Company to its wholly owned subsidiary Ramco Infotech Solutions Limited (RITS), with effect from 1st April, 2006, the above results as well as the segment reporting results given below, for the quarter and for the nine months ended 31st December, 2006, reflect the performance of the Company, excluding the SCN division. In view of this, the said results for the previous period/year are not comparable with the figures for the current period/year. However, the unaudited global consolidated results under AS-21 include the results pertaining to the same.
- Status of Investor grievances:

Description	Pending as on 01.10.06	Received during the current quarter	Redressed during the current quarter	Pending as on 31.12.06
Number of Complaints	Nil	1	1	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 December 31, 2006. (In Rs. Lacs)

Sl. No.	Particulars	Unaudited for the Quarter Ended		Unaudited for the Nine Months Ended		Audited for the Year Ended
		31.12.2006	31.12.2005	31.12.2006	31.12.2005	31.03.2006
1	Segment Revenue					
	a. Software Solutions and Services	1,861.83	2,054.39	5,919.15	5,674.51	6,320.43
	b. Network Solutions	-	1,144.90	-	4,037.28	5,426.35
	Total Revenue	1,861.83	3,199.29	5,919.15	9711.79	11,746.78
	Less: Inter Segment Revenue	-	-	-	-	-
	Net Sales/Income from Operations	1,861.83	3,199.29	5,919.15	9711.79	11,746.78
2	Segment Profit/(Loss) before tax & interest					
	a. Software Solutions and Services	868.42	717.76	1,655.69	1,346.23	817.74
	b. Network Solutions	-	(7.62)	-	167.04	155.20
	Total	868.42	710.14	1,655.69	1,513.27	972.94
	Less: Interest	335.02	366.25	921.05	975.94	1,254.31
	Less: Other unallocable expenditure net of unallocable income	905.17	692.14	2,120.22	2,161.49	3,043.45
3	Profit/(Loss) before Tax	(371.77)	(348.25)	(1,385.58)	(1,624.16)	(3,324.82)
4	Fringe Benefit Tax	15.00	20.00	33.00	58.00	82.00
5	Profit/(Loss) after Tax	(386.77)	(368.25)	(1,418.58)	(1,682.16)	(3,406.82)

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 December 31, 2006. (In USD Mn.)

Sl. No.	Particulars	Unaudited for the Quarter Ended		Unaudited for the Nine Months Ended		Audited for the Year Ended
		31.12.2006	31.12.2005	31.12.2006	31.12.2005	31.03.2006
1	Net Sales / Income from Operations					
	a. Software Solutions and Services	10.01	10.76	34.81	32.47	46.39
	b. Network Solutions	2.70	2.68	8.29	9.42	12.85
	Total Sales	12.71	13.44	43.10	41.89	59.24
2	Other Income	0.22	0.29	0.85	0.57	0.84
3	Total Income	12.93	13.73	43.95	42.46	60.08
4	Expenditure:					
a)	Cost of Resale Materials	1.98	2.06	6.28	7.32	10.33
b)	Staff Cost	7.56	7.83	25.63	24.88	32.69
c)	Other Expenditure					
	Selling & Marketing Expenses	0.90	0.66	2.23	2.05	3.20
	Administration & Other Expenses	3.29	3.12	8.86	8.48	11.45
	Total Expenditure	13.73	13.67	43.00	42.73	57.67
5	EBIDTA	(0.80)	0.06	0.95	(0.27)	2.41
6	Interest	0.75	0.84	2.07	2.29	2.94
7	Profit/(Loss) before Depreciation & Tax	(1.55)	(0.78)	(1.12)	(2.56)	(0.53)
8a	Depreciation - Technology Platform & Product software	0.79	0.66	2.37	2.03	2.71
8b	Depreciation - Others	0.46	0.41	1.35	1.17	1.63
9	Profit/(Loss) before Tax	(2.80)	(1.85)	(4.84)	(5.76)	(4.87)
10	Provision for Taxation					
	Current Taxation	-	-	0.15	0.06	0.55
	Deferred Taxation	-	-	-	-	-
	Fringe Benefit Tax	0.04	0.04	0.10	0.13	0.19
11	Minority Interest	-	-	-	-	0.01
12	Equity in earnings / (losses) of affiliates	-	-	-	-	0.25
13	Net Profit/(Loss)	(2.84)	(1.89)	(5.09)	(5.95)	(5.37)
14	Earnings per Share - Basic & Diluted - in USD	(0.18)	(0.15)	(0.33)	(0.48)	(0.42)
		(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

Place : Chennai
Date : 30th January, 2007

P.R. Venketrana Raja
Vice Chairman, Managing Director & CEO