

GEOMETRIC SOFTWARE SOLUTIONS CO. LTD.

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**AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED 31ST MARCH , 2005 (UNCONSOLIDATED)**

(Rs. in Million)

| Sr. No. | Particulars | Nine months ended 31-12-2004 | Quarter ended 31-03-2005 | Quarter ended 31-03-2004 (Unaudited) | Year ended 31-03-2005 | Year ended 31-03-2004 |
|---------|--|---------------------------------|-----------------------------|--|--------------------------|--------------------------|
| 1. | Net Sales - Software and Services | 673.43 | 281.02 | 182.99 | 954.45 | 636.72 |
| 2. | Other Income : | | | | | |
| | (a) Gain/ (Loss) on Exchange Fluctations (Net) | 1.29 | 7.34 | (1.27) | 8.63 | 16.16 |
| | (b) Others | 71.27 | 28.34 | 21.82 | 99.61 | 81.57 |
| 3. | Total Income | 745.99 | 316.70 | 203.54 | 1,062.69 | 734.45 |
| 4. | Expenditure: | | | | | |
| | (a) Personnel Expenses | 343.61 | 134.63 | 86.99 | 478.24 | 319.65 |
| | (b) Travelling Expenses | 42.48 | 20.91 | 15.13 | 63.39 | 42.77 |
| | (c) Other Expenses | 121.04 | 65.58 | 44.06 | 186.61 | 139.16 |
| | (d) Total Expenditure | 507.13 | 221.12 | 146.18 | 728.24 | 501.58 |
| 5. | Profit before Interest, Depreciation and Taxes | 238.86 | 95.58 | 57.36 | 334.45 | 232.87 |
| 6. | Interest | 0.03 | - | - | 0.03 | 0.03 |
| 7. | Depreciation | 48.37 | 19.73 | 11.86 | 68.10 | 45.45 |
| 8. | Profit before Taxes | 190.46 | 75.85 | 45.50 | 266.32 | 187.39 |
| 9. | Provision for Taxation: | | | | | |
| | (a) Current Taxes | 34.54 | 18.16 | 4.06 | 52.70 | 16.05 |
| | (b) Deferred Taxes | 4.78 | 1.50 | 2.79 | 6.28 | 4.74 |
| | (c) Prior Year's Tax Adjustments | - | 0.65 | - | 0.65 | - |
| 10. | Net Profit after Taxes | 151.14 | 55.54 | 38.65 | 206.69 | 166.60 |
| 11. | Paid-up Equity Share Capital | 111.01 | 111.55 | 54.49 | 111.55 | 54.49 |
| 12. | Reserves (Excluding Revaluation Reserves) | 938.49 | 951.39 | 825.47 | 951.39 | 825.47 |
| 13. | Basic Earnings per Share (Rs.) * | 13.71 | 5.02 | 3.62 | 18.70 | 15.48 |
| 14. | Diluted Earnings per Share (Rs.) * | 13.57 | 4.98 | 3.58 | 18.52 | 15.41 |
| 15. | Aggregate of non-promoter shareholding | | | | | |
| | - Number of Shares | 7,617,702 | 7,677,374 | 3,698,677 | 7,677,374 | 3,698,677 |
| | - Percentage of Shareholding | 68.62 | 68.83 | 67.87 | 68.83 | 67.87 |

* Basic/ Diluted Earnings per Share for the previous year have been adjusted for the issue of Bonus Shares in the ratio of 1:1

**AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED 31ST MARCH , 2005 (CONSOLIDATED)**

(Rs. in Million)

| Sr. No. | Particulars | Nine months ended 31-12-2004 | Quarter ended 31-03-2005 | Quarter ended 31-03-2004 (Unaudited) | Year ended 31-03-2005 | Year ended 31-03-2004 |
|---------|---|---------------------------------|-----------------------------|--|--------------------------|--------------------------|
| 1. | Net Sales - Software and Services | 1,182.87 | 499.02 | 309.16 | 1,681.89 | 1,060.27 |
| 2. | Other Income : | | | | | |
| | (a) Gain/ (Loss) on Exchange Fluctations (Net) | (3.81) | 16.79 | 1.62 | 12.98 | 31.24 |
| | (b) Others | 28.77 | 9.36 | 9.60 | 38.13 | 32.33 |
| 3. | Total Income | 1,207.83 | 525.17 | 320.38 | 1,733.00 | 1,123.84 |
| 4. | Expenditure: | | | | | |
| | (a) Personnel Expenses | 654.14 | 268.39 | 159.42 | 922.52 | 569.17 |
| | (b) Travelling Expenses | 56.75 | 23.66 | 17.78 | 80.40 | 53.00 |
| | (c) Other Expenses | 136.38 | 76.47 | 47.13 | 212.84 | 148.82 |
| | (d) Total Expenditure | 847.27 | 368.52 | 224.33 | 1,215.76 | 770.99 |
| 5. | Profit before Interest, Depreciation and Taxes | 360.56 | 156.65 | 96.05 | 517.24 | 352.85 |
| 6. | Interest | 0.03 | - | - | 0.03 | 0.10 |
| 7. | Depreciation | 91.05 | 36.68 | 24.14 | 127.73 | 82.11 |
| 8. | Profit before Taxes | 269.48 | 119.97 | 71.91 | 389.48 | 270.64 |
| 9. | Provision for Taxation: | | | | | |
| | (a) Current Taxes | 39.49 | 23.53 | 5.48 | 63.02 | 23.35 |
| | (b) Deferred Taxes | 6.23 | 1.19 | 3.23 | 7.42 | 5.18 |
| | (c) Prior Year's Tax Adjustments | - | 0.68 | - | 0.68 | - |
| 10. | Net Profit after Taxes before Minority Interest | 223.76 | 94.57 | 63.20 | 318.36 | 242.11 |
| 11. | Less: Minority Interest in Net Profit of Subsidiary Companies | 29.94 | 13.66 | 9.80 | 43.60 | 33.62 |
| 12. | Net Profit | 193.82 | 80.91 | 53.40 | 274.76 | 208.49 |
| 13. | Paid-up Equity Share Capital | 111.01 | 111.55 | 54.49 | 111.55 | 54.49 |
| 14. | Reserves (Excluding Revaluation Reserves) | 1,054.25 | 1,090.42 | 903.06 | 1,090.42 | 903.06 |
| 15. | Basic Earnings per Share (Rs.) * | 17.58 | 7.32 | 5.00 | 24.86 | 19.50 |
| 16. | Diluted Earnings per Share (Rs.) * | 17.40 | 7.24 | 4.94 | 24.60 | 19.29 |

* Basic/ Diluted Earnings per Share for the previous year have been adjusted for the issue of Bonus Shares in the ratio of 1:1

The above consolidated results include the results of the following subsidiary companies:

| Sr.No. | Company | % Holding |
|--------|---|-----------|
| 1 | Geometric Software Solutions, Inc., USA | 100.00% |
| 2 | Geometric Software Solutions Pte. Ltd., Singapore | 100.00% |
| 3 | Teksoft, Inc.,USA | 80.09% |
| 4 | 3D PLM Software Solutions Ltd., India | 70.00% |

AUDITED SEGMENT FINANCIAL RESULTS (CONSOLIDATED)

(Rs.in Million)

| | Particulars | Nine months ended 31-12-2004 | Quarter ended 31-03-2005 | Quarter ended 31-03-2004 (Unaudited) | Year ended 31-03-2005 | Year ended 31-03-2004 |
|----|---|---------------------------------------|---|---|--------------------------------------|-----------------------------|
| A. | Segment Revenue | | | | | |
| | Products | 99.79 | 75.85 | 30.62 | 175.64 | 111.56 |
| | Projects | 1,083.08 | 423.17 | 278.54 | 1,506.25 | 948.71 |
| | Total | 1,182.87 | 499.02 | 309.16 | 1,681.89 | 1,060.27 |
| | Less : Inter Segment Revenue | - | - | - | - | - |
| | Net Sale/Income from Operations | 1,182.87 | 499.02 | 309.16 | 1,681.89 | 1,060.27 |
| B. | Segment Results | | | | | |
| | Profit before Tax and Interest | | | | | |
| | Products | 45.96 | 34.18 | 14.57 | 80.14 | 48.26 |
| | Projects | 484.33 | 190.35 | 126.33 | 674.68 | 462.69 |
| | Total | 530.29 | 224.54 | 140.90 | 754.83 | 510.95 |
| | Less : (a) Interest | 0.03 | - | - | 0.03 | 0.11 |
| | (b) Other Unallocable expenditure net of unallocable income | 260.78 | 104.57 | 68.99 | 365.31 | 240.19 |
| | Total Profit before Taxes | 269.48 | 119.97 | 71.91 | 389.48 | 270.65 |
| C. | Capital Employed (Segment Assets - Segment Liabilities) (See Note 2) | | | | | |

Notes:

1. The above results have been approved and taken on record by the Board of Directors at its meeting held on 14th April, 2005
2. Fixed assets and other assets used in the Company's operations or liabilities contracted have not been identified to any of the reportable segments, as the assets are used interchangeably between segments; hence, it is not practicable to provide segment disclosures relating to total assets and liabilities.
3. (a) Pursuant to approval of issue of Bonus Equity Shares in the ratio of 1:1 (1 share for every 1 share held) at the 10th Annual General Meeting of the Company held on 29th June, 2004, the Company has allotted 5,516,494 Equity Shares of Rs. 10 each as Bonus Shares on 6th August, 2004 and consequently, the paid up capital of the Company has increased by Rs. 55,164,940.

(b) Pursuant to the exercise of vested stock options by employees and directors of the Company under various Stock Options Schemes, the Company allotted 53, 572 Equity Shares of Rs 10 each during the quarter ended 31st March, 2005, and 188,803 Equity Shares of Rs 10 each during the year ended on that date.

4. Information on investor complaints for the quarter ended 31st March, 2005:

| | Opening Balance | Additions | Disposals | Closing Balance |
|----------------------|-----------------|-----------|-----------|-----------------|
| Number of Complaints | Nil | 15 | 15 | Nil |

5. With effect from 1st April, 2004, the Company has adopted the following accounting policy for Software Expenses: Small-value software purchases (where cost per copy is less than Rs.50,000), software purchased for product development (R&D), and the cost of software developed internally are written off as incurred. The cost of software purchased for specific software development contracts is charged over the period of such contracts or three years, whichever is less.

All other software purchased is capitalized and written off over its useful life, which is normally three years, provided the software is regularly updated through a maintenance contract, failing which the unamortised balance is charged to revenue. If the usage of software is discontinued, its unamortised cost is also charged to revenue.

Till last year, the cost of software purchased for use in software development was charged to revenue, whereas the cost of software purchased for specific software development contracts was charged over the period of such contracts. As a result of this change, the Profit before Taxes for the current quarter is higher by Rs. 0.70 million, and for the year ended 31st March, 2005, is higher by Rs.15.23 million.

6. The Company acquired from OnCourse Technologies, Inc. 7,583 shares of TekSoft, Inc. and 500 shares of Cimtronics, Inc. (100% of common stock) for cash consideration of US\$ 1.75 million. The Company also surrendered 269 preference shares of OnCourse Technologies, Inc., subscribed at the cost of US\$ 269,000, towards non-cash consideration for acquiring TekSoft shares.

Further, in a planned action for acquisition, the Company has sold its entire shareholding in Cimtronics, Inc. to the top management of Cimtronics, Inc. for US\$ 100,000, being the price paid by the Company to OnCourse Technologies, Inc., plus a share of direct expenses. The Company has also sold 1,510 shares of TekSoft, Inc. to the top management of TekSoft, Inc. at the same price per share as paid by the Company, plus a share of direct expenses. The Company is committed to buy-back the 1,510 shares of TekSoft, Inc. during the three financial years commencing from 1st April, 2007, based on the financial performance of Teksoft, Inc. The net investment made by the Company for acquisition of TekSoft, Inc. shares amounted to US\$ 1.66 million, equivalent to Rs. 72.70 million.

Accordingly, the consolidated financial results for this quarter and year include the results of the subsidiary company TekSoft, Inc., and hence the previous year's figures are not comparable.

7. The Board of Directors has recommended a dividend at the rate of Rs. 4 per Equity Share of Rs. 10 each subject to the approval of shareholders at the ensuing Annual General Meeting.
8. The Board of Directors has also recommended the sub-division of the Company's Equity Share of Rs 10 each into 5 Equity Shares of Rs 2 each, subject to the approval of shareholders at the ensuing Annual General Meeting.

For Geometric Software Solutions Co. Ltd.

Mumbai
14th April, 2005

Manu Parpia
Managing Director