

GEOMETRIC SOFTWARE SOLUTIONS CO. LTD.

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**AUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 31ST MARCH, 2006 (CONSOLIDATED)**

(Rs. in Million)

Sr. No.	Particulars	Nine Months Ended 31-12-2005	Quarter Ended 31-3-2006	Quarter Ended 31-3-2005	Year Ended 31-3-2006	Year Ended 31-3-2005
1.	Net Sales - Software and Services	1,595.23	639.08	499.02	2,234.31	1,681.89
2.	Other Income:					
	(a) Gain/ (Loss) on Exchange Fluctuations (Net)	(6.28)	24.45	16.79	18.17	12.98
	(b) Others	35.23	14.89	9.36	50.12	38.13
3.	Total Income	1,624.18	678.42	525.17	2,302.60	1,733.00
4.	Expenditure:					
	(a) Personnel Expenses	911.11	339.89	268.39	1,251.00	922.52
	(b) Travelling Expenses	83.41	35.67	23.66	119.08	80.40
	(c) Other Expenses	268.75	102.09	76.47	370.84	212.84
	(d) Total Expenditure	1,263.27	477.65	368.52	1,740.92	1,215.76
5.	Profit before Interest, Depreciation and Taxes	360.91	200.77	156.65	561.68	517.24
6.	Interest	0.40	-	-	0.40	0.03
7.	Depreciation	122.93	48.80	36.68	171.73	127.73
8.	Profit before Taxes	237.58	151.97	119.97	389.55	389.48
9.	Provision for Taxation:					
	(a) Current Taxes	32.98	23.85	23.53	56.83	63.02
	(b) Deferred Taxes	2.62	1.55	1.19	4.17	7.42
	(c) Fringe Benefit Tax	5.15	1.90	-	7.05	-
	(d) Prior Year's Tax Adjustments	-	-	0.68	-	0.68
10.	Net Profit after Taxes before Minority Interest	196.83	124.67	94.57	321.50	318.36
11.	Less: Minority Interest in Net Profit of the Subsidiary Companies	45.68	17.96	13.66	63.64	43.60
12.	Net Profit	151.15	106.71	80.91	257.86	274.76
13.	Paid-up Equity Share Capital	112.90	113.32	111.55	113.32	111.55
14.	Reserves and Surplus	1,251.03	1,311.12	1,090.42	1,311.12	1,090.42
15.	Basic Earnings per Share (Rs.) *	2.69	1.90	1.46	4.59	4.97
16.	Diluted Earnings per Share (Rs.) *	2.66	1.87	1.45	4.53	4.92

* Previous Year's figures have been adjusted for the sub-division of Equity Shares of Rs. 10 each into five Equity Shares of Rs. 2 each.

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	82.26%
4.	3D PLM Software Solutions Ltd., India	70.00%

AUDITED FINANCIAL RESULTS

FOR THE QUARTER ENDED 31ST MARCH, 2006 (UNCONSOLIDATED)

(Rs. in Million)

Sr. No.	Particulars	Nine Months Ended 31-12-2005	Quarter Ended 31-03-2006	Quarter Ended 31-03-2005	Year Ended 31-3-2006	Year Ended 31-03-2005
1.	Net Sales - Software and Services	828.49	352.54	281.02	1,181.03	954.45
2.	Other Income:					
	(a) Gain/ (Loss) on Exchange Fluctations (Net)	(13.84)	15.53	7.34	1.69	8.63
	(b) Others	107.66	40.23	28.34	147.89	99.61
3.	Total Income	922.31	408.30	316.70	1,330.61	1,062.69
4.	Expenditure:					
	(a) Personnel Expenses	468.05	163.81	134.63	631.86	478.24
	(b) Travelling Expenses	64.48	27.66	20.91	92.14	63.39
	(c) Other Expenses	198.62	85.03	65.58	283.65	186.61
	(d) Total Expenditure	731.15	276.50	221.12	1,007.65	728.24
5.	Profit before Interest, Depreciation and Taxes	191.16	131.80	95.58	322.96	334.45
6.	Interest	-	-	-	-	0.03
7.	Depreciation	70.18	27.99	19.73	98.17	68.10
8.	Profit before Taxes	120.98	103.81	75.85	224.79	266.32
9.	Provision for Taxation:					
	(a) Current Taxes	20.94	17.86	18.16	38.80	52.70
	(b) Deferred Taxes	2.62	1.42	1.50	4.04	6.28
	(c) Fringe Benefit Tax	3.88	1.44	-	5.32	-
	(d) Prior Year's Tax Adjustments	-	-	0.65	-	0.65
10.	Net Profit after Taxes	93.54	83.09	55.54	176.63	206.69
11.	Paid-up Equity Share Capital	112.90	113.32	111.55	113.32	111.55
12.	Reserves and Surplus	1,063.10	1,102.87	951.39	1,102.87	951.39
13.	Basic Earnings per Share (Rs.) *	1.67	1.48	3.74	3.14	3.74
14.	Diluted Earnings per Share (Rs.) *	1.64	1.46	3.71	3.10	3.71
15.	Aggregate of non-promoter shareholding					
	- Number of Shares *	39,122,850	39,331,295	38,386,870	39,331,295	38,386,870
	- Percentage of shareholding	69.31	69.42	68.83	69.42	68.83

* Previous Year's figures have been adjusted for the sub-division of Equity Shares of Rs. 10 each into five Equity Shares of Rs. 2 each.

Audited Segment Financial Results (Consolidated)

(Rs. in Million)

	Particulars	Nine Months Ended 31-12-2005	Quarter Ended 31-03-2006	Quarter Ended 31-03-2005	Year Ended 31-3-2006	Year Ended 31-03-2005
A	Segment Revenue					
	Products	250.59	94.67	75.85	345.26	175.64
	Projects	1,344.64	544.41	423.17	1,889.05	1,506.25
	Total	1,595.23	639.08	499.02	2,234.31	1,681.89
	Less : Inter Segment Revenue	-	-	-	-	-
	Net Sales/ Income from Operations	1,595.23	639.08	499.02	2,234.31	1,681.89
B	Segment Results					
	Profit before Interest and Taxes					
	Products	122.09	48.29	34.18	170.38	80.14
	Projects	493.13	210.77	190.35	703.90	674.68
	Total	615.22	259.06	224.54	874.28	754.83
	Less : (a) Interest	0.40	-	-	0.40	0.03
	(b) Other unallocable expenditure net of unallocable income	377.25	107.09	104.57	484.34	365.31
	Profit Before Taxes	237.57	151.97	119.97	389.54	389.48
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 21st April, 2006.
2. Fixed assets and other assets used in 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. Pursuant to the approval of shareholders of the Company at the Eleventh Annual General Meeting held on 24th June, 2005, the Company's Equity Shares of Rs. 10 each were sub-divided into 5 Equity Shares of Rs. 2 each, on 9th August, 2005.
4. Pursuant to the exercise of vested stock options by employees and directors of the Company under various Stock Option Schemes, the Company allotted 208,445 Equity Shares of Rs.2 each during the quarter ended 31st March, 2006, 55,227 Equity Shares of Rs.10 each (before sub- division) and 608,290 Equity Shares of Rs.2 each during the year ended on that date.

5. Information on investor complaints for the quarter ended 31st March, 2006:

	Opening Balance	Additions	Disposals	Closing Balance
Number of Complaints	Nil	10	10	Nil

6. Foreign Exchange Transactions:
Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Assets and liabilities relating to foreign currency transactions, remaining unsettled at the year-end, are stated at the contracted rates when covered under forward exchange contracts and at the year-end rates in other cases.
The Company enters into forward exchange contracts based on firm commitments or highly probable forecast revenues. Till 31st March, 2005, the Company used to amortize the premium on such forward exchange contracts over the period of the contract.
With effect from 1st April, 2005, the Company ascertains the fair value of the outstanding forward exchange contracts at the forward rate available at the reporting date for the remaining maturity of the contract, and resultant gain or loss is recognized in the Profit and Loss Account.

As a result of this change in accounting policy, the Profit Before Taxes for the quarter is higher by Rs 20.21 million, and for the year is lower by Rs.23.96 million; the Consolidated Profit Before Taxes for the quarter is higher by Rs.30.43 million, and for the year is lower by Rs.33.09 million.

7. The Board of Directors has recommended a dividend at the rate of Rs 0.80 per equity share of Rs 2 each subject to the approval of shareholders at the ensuing Annual General Meeting.
8. The Board of Directors has convened an Extraordinary General Meeting of the members of the Company on 17th May, 2006 to increase the Authorized Capital of the Company from Rs 130 million to Rs 160 million and to approve issue of equity shares on preferential basis.

For Geometric Software Solutions Co. Ltd.

Mumbai
21st April, 2006

Manu Parpia
Managing Director & CEO