



Geometric Software Solutions Co. Ltd.
Plant 6, Pirojshanagar
Vikhroli (West), Mumbai - 400 079 INDIA
Tel.: + 91-22-6705 6500
Fax: + 91-22-6705 6891

Media Release

For immediate release

Geometric announces Q1 FY08 Results

Consolidated Operating Revenue up 56.6% and PAT up 83.8% YoY

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Geometric Software Solutions (BSE: 532312, NSE: GEOMETRIC) today announced its Q1 results for FY 2007-08.

The Company recorded consolidated operating revenues of Rs 1129 Million for the quarter, an increase of 76.9% in US Dollar terms, and 56.6% in Rupee terms on a YoY basis. As compared to Q4FY07, operating revenues decreased by 1.3% in Dollar terms and 9.1% in Rupee terms. Net income on a consolidated basis was at Rs 116.5 Million, having grown 83.7% YoY and 11.4% over the previous quarter.

Commenting on the results, Dr. Ravi Gopinath, CEO and MD said, "The marginal drop in our revenues on a sequential basis is the outcome of a lengthy sales cycle, project startup delays and our emphasis on securing business directly. However the combined value proposition of our extended PLM and global engineering offerings is demonstrating very good traction and we have closed new direct business of over 5 Million USD in Q1. This will manifest itself as billing in the next few quarters. The elements of our 3 year strategy are being implemented aggressively and the management team is focused on driving performance improvement across our operations."

Other income for the quarter was at Rs 135.3 Million. Mr. G. Ravishankar, CFO, said, "The Company follows the policy of covering major portion of its foreign exchange earnings, including the highly probable transactions. Significant appreciation of rupee coupled with the company's policy of accounting for exchange gains on mark to market basis, in line with the ICAI guidelines, resulted in high other income. With effect from this quarter the company will move to hedge accounting policy in line with the international Accounting Standard and the proposed AS 30 by the ICAI."

The business mix has seen a drop in the products revenue share from 8% to 7.1%, and an increase in the engineering revenue share increased by 1%. There was no major change in the geographical mix of revenue. Offshore (including offsite) revenue as a percentage of total services revenue increased from 43.3% to 45.9%. Revenue from software product companies comprised 33.6% of the total, recording an increase of 3.9% and industrial customers contributed 49.5% of revenues.

The Company had 2628 employees as of June 30, 2007, including its subsidiaries. The gross addition in the number of employees in the quarter was 187.

Highlights for the quarter:

- Geometric signed an agreement with a leading Enterprise Solution company to support the development of their PLM solution. This relationship will provide Geometric a strategic entry point into the extended PLM space.
- Modern Engineering won a contract for design and engineering services from one of the world's largest Defense contractors.
- Geometric won a project from an Asian auto major to build a CAD-centric PLM prototype solution with rich product configuration and BOM editing capabilities.
- Geometric won a contract for PLM-PDM consulting and product enhancements from a global leader in Apparel and Fashion solutions.
- Geometric acquired PLM adapters for enterprise integration and all existing related contracts from MeritSpring Technologies AG. These adapters will enable Geometric to broaden its offering in the PLM interoperability space by accelerating the creation of innovative, state of the art interoperability solutions and significantly expanding the markets.

END**About Geometric**

Geometric is a specialist in the domain of engineering solutions, services and technologies. Its portfolio of Global Engineering services and Digital Technology solutions for Product Lifecycle Management (PLM), enable companies to formulate, implement, and execute global engineering and manufacturing strategies aimed at achieving greater efficiencies in the product realization lifecycle.

Geometric was incorporated in 1994 and is headquartered in Mumbai, India. It is listed on the Bombay Stock Exchange (BSE: 532312) and the National Stock Exchange (NSE: GEOMETRIC) in India. The company recorded revenues of 3.95 Billion Rupees (85 Million US Dollars), with market capitalization of 6.2 Billion Rupees (142 Million US Dollars), for its consolidated operations for the year ending March 2007.

The company has two main business subsidiaries. Modern Engineering, Inc., headquartered in Rochester Hills MI, provides product engineering and manufacturing engineering solutions to the automotive and industrial sectors. Teksoft, Inc., headquartered in Phoenix AZ, develops and supplies cutting-edge productivity solutions for manufacturing operations.

Geometric employs over 2500 people delivering solutions from 10 global delivery locations in the US, France, Romania, India, and China. The company is certified at SEI CMMI Level 5 for its software services and the engineering operations are ISO 9001:2000 certified.

Geometric has a joint venture with Dassault Systemes, 3D PLM Software Solutions Ltd., which was set up in 2002 with an equity participation of 70% and 30% respectively.

For further details about Geometric, please visit www.geometricsoftware.com.

For more information, please contact:

Media Relations

Gargi Sharma

+91.20.66526184

Gargi.Sharma@geometricsoftware.com

Investor Relations

Shashank Patkar

+91.20.66526285

Shashank.Patkar@geometricsoftware.com