



Geometric Software Solutions Co. Ltd

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Geometric's Net Profit up 53 % year on year, Revenue up 51 %

Mumbai, 19th July 2005

Geometric Software Solutions' (BSE - 532312, NSE - GEOMETRIC) consolidated revenue for the quarter ended 30th June 2005 increased by **51%** to Rs. **556.91** million as compared to Rs. **369.87** million for the corresponding quarter last year. On a sequential quarter on quarter basis, consolidated revenues grew by **6%** to Rs. **556.91** million for the current quarter compared to Rs. **525.17** million for the preceding quarter.

Consolidated net profit for the quarter ended 30th June 2005 increased by **53%** to Rs. **77.94** million as compared to Rs. **51.03** million for the corresponding quarter last year. The Net Profit for the current quarter declined by **4%** to Rs. **77.94** as compared to Rs. **80.91** for the preceding quarter.

The consolidated operating revenue grew by **39%** to Rs. **485.92** million for the quarter ended 30th June 2005 as compared to Rs. **349.28** million for the corresponding quarter last year.

Commenting on the results, **Manu Parpia, Managing Director**, Geometric said, "Clearly the quarter results are not satisfactory. We remain confident of our strategy and direction and the quarter represents a temporary setback"

Highlights of the quarter include:

- Successful launch of GeomCaliper. Distributors signed up for the product.
- Added 2 new customers for Nestlib
- Signed up with an OEM for a New FR product
- eDrawings CATIA V5 sales gain momentum
- Received the first order for eDrawings Stereolithography Format (STL)
- CAD-PDM Proof of Concept set up at a major auto manufacturer's facility for demonstration and increased awareness
- TekSoft subsidiary saw a steady growth in revenues & profitability over the previous quarter
- PLM Institute successfully completed 2 batches covering courses in Teamcenter Enterprise and CATIA CAA
- Consolidated partnership with our Key US partner for providing tool design services to the automotive sector
- Won a large contract from a leading US company to provide various modeling services
- Selected as 'Engineering Services Provider' by Volvo 3P
- Selected as 'Preferred PLM Services Provider' by FORD Motor Co.

Highlights of the Results (Consolidated):

1. Comparison with Q1 of FY' 05

- Operating revenues (Sales) grew by **39%**, to Rs. **485.92** million for the current quarter as compared to Rs. **349.28** million over the same quarter last year.
- Operating Profit* (PBT (after depreciation) but excluding other income) declined by **7%**, Rs. **50.40** million for the quarter ended 30th June'05 as compared to Rs. **54.35** million for corresponding quarter last year.

2. Sequential comparison with preceding quarter (Q4 of FY' 05)

- Operating Profit* (PBT (after depreciation) but excluding other income) decreased by **48 %** to Rs. **50.40** million for the quarter ended 30th June'05 as compared to Rs. **96.30** million for the preceding quarter. The key reasons for this drop are: effect of salary increase compounded by drop in utilization %, reduction in operating revenues and increase in G & A expenses.
- Contribution of Business Partners / Industrial Customers to sales remained over **35%**.

***Operating Profit excludes Income and Depreciation from premises leased to third party.**

About Geometric:

Geometric Software Solutions is a CMMI Level 5 company and the leading PLM services provider with over 20 years of experience in CAD/CAM/CAE, PDM and MPM. With Creative People, Innovative technologies and Strong Relationships with market leaders, Geometric enables customers realize product business value – cost-effectively. Providing PLM services through its global network of partners; Dassault Systemes, UGS, Matrixone, IBM amongst others, Geometric focuses on delivering customer success by leveraging mutual strengths in local markets worldwide. Geometric offers services based on CATIA™, ENOVIA™, DELMIA™, eMatrix™, Teamcenter Enterprise (Metaphase)™, Windchill™ and other leading CAD/CAM/CAE/PDM software platforms. Geometric employs over 1000 software professionals and has business development headquarters in Merrimack, NH, USA and sales offices in Germany, Singapore and Japan. Expertise in best-of-breed PLM solutions, innovative delivery models and a cost-effective services portfolio makes Geometric the preferred partner for PLM.

The Company is traded on both the Bombay (BSE) and the National (NSE) stock exchanges in India. The company's website is www.geometricsoftware.com

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