

**GOLDSTONE TECHNOLOGIES LIMITED**

9-1-83 & 84, AC Sharma Complex, S D Road Secunderabad, Ph. No 66470335/27807640, Fax +91-040-30620064, 39100013

UNAUDITED FINANCIAL RESULTS FOR THE 2nd QUARTER ENDED 30TH SEPT 2007

(Rs.In Millions)



GOLDSTONE TECHNOLOGIES LIMITED		CONSOLIDATED								
Particulars	Quarter ended 31.12.2007	Quarter ended 31.12.2006	Nine Months ended 31.12.2007	Nine Months ended 31.12.2006	Year ended 31.03.2007	Quarter ended 31.12.2007	Quarter ended 31.12.2006	Nine Months ended 31.12.2007	Nine Months ended 31.12.2006	Year ended 31.03.2007
	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Revenue</b>										
1 Net Sales/ Income from Operations	107.05	126.21	305.54	321.70	410.35	233.02	270.00	656.55	703.60	969.36
2 Other Income	1.86	1.56	8.83	4.90	6.22	1.86	1.80	8.85	5.50	6.22
3 Total Income ( 1+2 )	<b>108.91</b>	<b>127.77</b>	<b>314.37</b>	<b>326.60</b>	<b>416.57</b>	<b>234.88</b>	<b>271.80</b>	<b>665.40</b>	<b>709.10</b>	<b>975.58</b>
<b>Expenditure</b>										
a) Staff Cost	56.45	73.09	164.70	194.60	240.23	174.40	206.40	499.13	519.80	730.80
b) Depreciation	4.25	4.62	12.61	13.80	16.67	4.25	4.60	12.61	13.80	16.67
c) Other expenditure	22.63	14.15	66.87	58.40	82.47	25.47	17.90	72.41	80.40	101.65
<b>Total</b>	<b>83.33</b>	<b>91.86</b>	<b>244.18</b>	<b>266.80</b>	<b>339.37</b>	<b>204.12</b>	<b>228.90</b>	<b>584.15</b>	<b>614.00</b>	<b>849.12</b>
5 Interest	1.13	1.20	2.42	3.10	4.02	1.13	1.20	2.42	3.20	4.06
6 Exceptional items										
<b>Profit / (Loss) from ordinary activities before tax (3-4+5+6)</b>	<b>24.45</b>	<b>34.71</b>	<b>67.77</b>	<b>56.70</b>	<b>73.18</b>	<b>29.63</b>	<b>41.70</b>	<b>78.83</b>	<b>91.90</b>	<b>122.40</b>
8 Tax expense	(0.52)	0.20	(1.90)	(0.70)	(2.30)	(0.26)	0.40	0.27	(0.70)	11.04
<b>9 Net Profit / (Loss) after ordinary Activities after tax ( 7 - 8 )</b>	<b>24.97</b>	<b>34.51</b>	<b>69.67</b>	<b>57.40</b>	<b>75.48</b>	<b>29.89</b>	<b>41.30</b>	<b>78.56</b>	<b>92.60</b>	<b>111.36</b>
10 Extraordinary items	0.00	0.00	0.00		(2.46)					(0.72)
<b>11 Net Profit / ( Loss) for the period ( 9-10 )</b>	<b>24.97</b>	<b>34.51</b>	<b>69.67</b>	<b>57.40</b>	<b>77.94</b>	<b>29.89</b>	<b>41.30</b>	<b>78.56</b>	<b>92.60</b>	<b>112.08</b>
12 Paid-up equity share capital (Face Value Rs.10)	184.37	130.01	130.01	130.01	130.01	184.37	130.01	184.37	130.01	130.01
13 Reserves excluding revaluation reserves as per the Balance sheet of Previous accounting year.					211.27					254.26
<b>Earning Per Share in Rs.( before extraordinary item)</b>										
- Basic	1.45	2.65	4.89	4.42	6.00	1.73	3.18	5.48	7.12	8.62
- Diluted	1.30	2.65	3.62	4.42	6.00	1.55	3.18	4.08	7.12	8.62
<b>Earning Per Share in Rs.( after extraordinary item)</b>										
- Basic	1.45	2.65	4.89	4.42	6.00	1.73	3.18	5.48	7.12	8.62
- Diluted	1.30	2.65	3.62	4.42	6.00	1.55	3.18	4.08	7.12	8.62
15 Public Shareholding										
No. of Shares	14903085	9457674	14903085	9457674	9457674	14903085	9457674	14903085	9457674	9457674
Percentage of Shareholding	80.83%	72.74%	80.83%	72.74%	72.74%	80.83%	72.74%	80.83%	72.74%	72.74%

**Segment wise stand alone financial results for the quarter ended 31st December, 2007**

Particulars	Quarter ended 31.12.2007	Quarter ended 31.12.2006	Nine Months ended 31.12.2007	Nine Months ended 31.12.2006	Year ended 31.03.2007
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Segment Revenue</b>					
a) US Branch	86.80	113.87	267.35	276.00	253.82
b) Domestic Branch	22.11	13.90	47.04	50.60	162.75
Less: Inter Segment Revenue					
<b>Net Revenue from Operations</b>	<b>108.91</b>	<b>127.77</b>	<b>314.39</b>	<b>326.60</b>	<b>416.57</b>
<b>2. Segment Results</b>					
Profit(+)/Loss(-) before tax , Deprn. & interest from					
a) US Branch	21.57	39.70	59.46	6.94	7.32
b) Domestic Branch	8.28	0.80	23.35	0.41	86.54
<b>Total</b>	<b>29.85</b>	<b>40.50</b>	<b>82.81</b>	<b>7.35</b>	<b>93.86</b>
Less: interest ( not allocable)	1.13	1.20	2.42	0.57	4.02
Less: Depreciation (not allocable)	4.25	4.60	12.61	1.11	16.67
<b>Total Profit/(Loss) Before Tax</b>	<b>24.47</b>	<b>34.70</b>	<b>67.78</b>	<b>5.67</b>	<b>73.17</b>

**Notes :**

- The above unaudited financial results were reviewed by the Audit Committee and taken on record at the meeting of the Board of Directors of the Company held on 30th January 2008
- The Statutory Auditors have carried out a Limited Review of the above results for the quarter ended 31st December 2007
- Deferred Tax Asset has been provided as per Accounting Standard 22 (AS - 22) - Accounting for Taxes on Income issued by ICAI
- Segment Capital Employed: Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been done, as the assets are used interchangeably between segments. Accordingly no disclosure relating to segmental assets and liabilities has been made.
- The Company has consolidated its results based on the Accounting Standard 21 (AS - 21) on "Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.
- The financials of Foreign Subsidiaries have been incorporated in consolidated financial statements in accordance with the Accounting Standard 11 (AS - 11) on "The Effects of Changes ' in the Foreign Exchange Rates"
- The Company has allotted 54 Lakh Equity Shares on 20.10.2007 on conversion of share warrants issued by the Company. The Company also allotted 35918 Equity Shares on 30.10.2007 towards acquisition of M/s Staytop Systems Inc; in the year 2005
- Figures for the previous year/period are regrouped/ rearranged wherever considered necessary.
- Employees benefits for the quarter were provided on estimated basis as actuarial valuation is deferred to year end.
- Details of Investor complaints received for the quarter ended 31st December 2007: Beginning: Nil, Received :2 ; Disposed off: 2 ; Pending : NIL

By order of the Board  
For GOLDSTONE TECHNOLOGIES LIMITED

Place : Secunderabad  
Date : 30-01-2008

D P Sreenivas  
Executive Director



