

**TERA SOFTWARE LTD.**  
**#8-3-1113/2B, Kesavanagar, Srinagar Colony, Hyderabad-73.**

**UN AUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE 2nd QUARTER ENDED  
30TH SEPTEMBER 2008**

Rs. In Lac

| Sl. No.   | PARTICULARS   | 3 Months Ended  |                 | Half Year Ended |                 | Year Ended      |
|-----------|---|-----------------|-----------------|-----------------|-----------------|-----------------|
|           |   | 30.09.2008      | 30.09.2007      | 30.09.2008      | 30.09.2007      | 31.03.2008      |
|           |   | Unaudited       | Unaudited       | Unaudited       | Unaudited       | Audited         |
| <b>1</b>  | Net Income from Sales & Services  | 1,962.42        | 1,411.55        | 3,626.98        | 2,936.48        | 5,940.70        |
| <b>2</b>  | Other Income  | 9.35            | 5.94            | 14.24           | 13.10           | 50.23           |
| <b>3</b>  | <b>Total Income (1+2)</b>   | <b>1,971.77</b> | <b>1,417.49</b> | <b>3,641.22</b> | <b>2,949.58</b> | <b>5,990.93</b> |
| <b>4</b>  | <b>Expenditure:</b>   |                 |                 |                 |                 |                 |
|           | a. (Increase)/decrease in Stock in trade and Work in Progress                           | -               | -               | -               | -               | -               |
|           | b. Consumption of Consumables   | 756.35          | 299.98          | 1,325.51        | 654.48          | 1,413.01        |
|           | c. Employees Cost   | 82.96           | 41.71           | 154.32          | 87.78           | 268.56          |
|           | d. Consultancy, Professional & Other Charges  | 307.02          | 236.72          | 553.74          | 526.88          | 990.94          |
|           | Depreciation & Amortisation   | 54.14           | 97.21           | 150.85          | 206.87          | 387.37          |
|           | e. Administrative & Other Expenses  | 279.65          | 194.13          | 510.19          | 406.30          | 821.34          |
|           | <b>Total Expenditure</b>  | <b>1,480.12</b> | <b>869.75</b>   | <b>2,694.61</b> | <b>1,882.31</b> | <b>3,881.22</b> |
| <b>5</b>  | Interest  | 54.37           | 58.47           | 97.26           | 115.06          | 240.96          |
| <b>6</b>  | <b>Profit/(Loss) before tax (3) - (4+5)</b>   | <b>437.28</b>   | <b>489.27</b>   | <b>849.35</b>   | <b>952.21</b>   | <b>1,868.75</b> |
| <b>7</b>  | Tax expenses  |                 |                 |                 |                 |                 |
|           | Current Period  | 172.94          | 177.61          | 328.25          | 351.36          | 802.62          |
|           | Fringe Benefit Tax  | 2.00            | 2.00            | 3.50            | 3.00            | 8.00            |
|           | Deferred  | (23.76)         | 10.22           | (25.30)         | (31.29)         | (78.71)         |
| <b>8</b>  | <b>Net Profit/(Loss) for the period (6-7)</b>   | <b>286.10</b>   | <b>299.44</b>   | <b>542.90</b>   | <b>629.14</b>   | <b>1,136.84</b> |
| <b>9</b>  | Paid up equity share capital (Face value of the share shall be indicated)               | 1,251.19        | 1,251.19        | 1,251.19        | 1,251.19        | 1,251.19        |
| <b>10</b> | Reserves excluding Revaluation reserve as per balance sheet of previous accounting year | -               | -               | -               | -               | 2,994.54        |
| <b>11</b> | Earning Per share (EPS)   |                 |                 |                 |                 |                 |
|           | a) Basic EPS (not to be annualised)   | 2.29            | 2.39            | 4.34            | 5.03            | 9.09            |
|           | b) Diluted EPS (not to be annualised)   | 2.29            | 2.39            | 4.34            | 5.03            | 9.09            |
| <b>12</b> | Public shareholding   |                 |                 |                 |                 |                 |
|           | a. Number of shares   | 7,977,008       | 8,067,535       | 7,977,008       | 8,067,535       | 8,051,970       |
|           | b. Percentage of shareholding   | 63.76           | 64.48           | 63.76           | 64.48           | 64.35           |

**QUARTERLY REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL  
EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

| Sl. No.  | PARTICULARS  | 3 Months Ended  |                 | Half Year Ended |                 | Year Ended      |
|----------|--|-----------------|-----------------|-----------------|-----------------|-----------------|
|          |  | 30.09.2008      | 30.09.2007      | 30.09.2008      | 30.09.2007      | 31.03.2008      |
|          |  | Unaudited       | Unaudited       | Unaudited       | Unaudited       | Audited         |
| <b>1</b> | <b>Segment Revenue</b>   |                 |                 |                 |                 |                 |
|          | a. Integrated Solutions Division                                       | 747.27          | 309.65          | 1,331.21        | 675.69          | 1,413.50        |
|          | b. Technical Division  | 156.90          | 60.22           | 302.05          | 145.81          | 325.21          |
|          | c. Projects Division   | 1,055.92        | 1,012.74        | 1,984.69        | 2,081.04        | 4,146.17        |
|          | d. Others  | 2.33            | 28.94           | 9.03            | 33.94           | 55.82           |
|          | e. Unallocated   | 9.35            | 5.94            | 14.24           | 13.10           | 50.23           |
|          | <b>Net sales/Income from operations</b>                                | <b>1,971.77</b> | <b>1,417.49</b> | <b>3,641.22</b> | <b>2,949.58</b> | <b>5,990.93</b> |
| <b>2</b> | <b>Segment Profit/(Loss) before tax and interest from each segment</b> |                 |                 |                 |                 |                 |
|          | a. Integrated Solutions Division                                       | 2.79            | 8.71            | 4.14            | 18.75           | 36.55           |
|          | b. Technical Division  | 102.62          | 27.71           | 156.97          | 57.36           | 122.24          |
|          | c. Projects Division   | 457.26          | 560.60          | 920.66          | 1,076.26        | 2,192.65        |
|          | d. Others  | 1.09            | 15.32           | 1.53            | 18.54           | 26.63           |
|          | <b>Total</b>   | <b>563.76</b>   | <b>612.34</b>   | <b>1,083.30</b> | <b>1,170.91</b> | <b>2,378.07</b> |
|          | Less: Interest   | 54.37           | 58.47           | 97.26           | 115.06          | 240.96          |
|          | Un-allocable expenditure net off                                       |                 |                 |                 |                 |                 |
|          | un-allocable income  | 72.11           | 64.60           | 136.69          | 103.64          | 268.36          |
|          | <b>Total Profit/(Loss) Before Tax</b>                                  | <b>437.28</b>   | <b>489.27</b>   | <b>849.35</b>   | <b>952.21</b>   | <b>1,868.75</b> |
| <b>3</b> | <b>Capital employed</b>  |                 |                 |                 |                 |                 |
|          | a. Integrated Solutions Division                                       | 24.77           | 32.70           | 24.77           | 32.70           | 733.51          |
|          | b. Technical Division  | 487.93          | 427.07          | 487.93          | 427.07          | 246.34          |
|          | c. Projects Division   | 5,937.21        | 5706.93         | 5,937.21        | 5706.93         | 5,680.58        |
|          | d. Others  | 3.60            | 39.17           | 3.60            | 39.17           | 12.41           |
|          | e. Unallocable   | 32.25           | 71.37           | 32.25           | 71.37           | (69.08)         |
|          | <b>Total</b>   | <b>6,485.76</b> | <b>6277.24</b>  | <b>6,485.76</b> | <b>6277.24</b>  | <b>6,603.76</b> |

**Notes:**

- 1 Previous quarter/year figures were regrouped/reclassified wherever necessary.
- 2 The Company received 7 requests during the quarter ended 30th September 2008 from shareholders, all the requests have been resolved. No complaints were pending at the beginning or end of the quarter.
- 3 The above results were reviewed by the audit committee and have been taken on record by the Board at its meeting held on 30th October 2008 subjected to limited audit review by the statutory auditors.

for and on behalf of the Board

Place: Hyderabad  
Date : 30-10-2008

(T.Gopi Chand)  
V.C.& Managing Director