



CALIFORNIA SOFTWARE CO. LTD.

1205 D, Tidel Park, 4 Canal Bank Road, Taramani, Chennai - 600 113.

Unaudited Financial Results for the Quarter ended 30 June 2006

(All figures- Rupees in lakhs except EPS & Share data)

| Particulars | <----- CONSOLIDATED BASIS-----> | | | <-----STANDALONE BASIS-----> | | |
|---|--|---|--|--|--|--|
| | Current Year Quarter ended 30 June 2006 Unaudited | Prevoius Year Quarter ended 30 June 2005 Unaudited | Previous Year ended 31 March 2006 Audited | Current year Quarter ended 30 June 2006 Unaudited | Prevoius Year Quarter ended 30 June2005 Unaudited | Previous Year ended 31 March 2006 Audited |
| Sales/Services rendered | 3609.51 | 2170.76 | 11496.97 | 1167.52 | 654.96 | 3758.28 |
| Other Income | 14.43 | 7.29 | 46.98 | 4.20 | 6.02 | 14.12 |
| Total Income | 3623.94 | 2178.05 | 11543.95 | 1171.72 | 660.98 | 3772.40 |
| Expenditure | | | | | | |
| a) Purchases & related Expenses | 397.09 | 192.79 | 1517.83 | 26.51 | 10.23 | 118.72 |
| b) Employee Cost | 1536.92 | 1050.17 | 4647.35 | 504.61 | 403.91 | 1871.90 |
| c) Other Expenditure(incl. Selling, General & Admin) | 1617.34 | 679.35 | 4412.73 | 395.39 | 118.67 | 974.11 |
| d) Deferred Expenses written off | 67.40 | 87.28 | 255.09 | 1.04 | 0.40 | 1.62 |
| Total Expenditure | 3618.75 | 2009.58 | 10833.00 | 927.55 | 533.21 | 2966.35 |
| Interest | 73.86 | 50.13 | 218.28 | 13.09 | 3.06 | 19.13 |
| Depreciation | 61.39 | 43.56 | 204.26 | 28.93 | 25.05 | 109.60 |
| Profit/(Loss) before Taxation, Extraordinary items & Minority Interest Adjustments | (130.06) | 74.78 | 288.41 | 202.15 | 99.66 | 677.32 |
| Extraordinary items | Nil | Nil | 0.07 | Nil | Nil | Nil |
| Minority Interest adjustments for share of subsidiary Profits/(Losses) | (203.70) | 12.91 | (201.59) | NA | NA | NA |
| Profit before tax | 73.64 | 61.86 | 489.93 | 202.15 | 99.66 | 677.32 |
| Provision for Taxation | | | | | | |
| a) Current Tax | 4.11 | 3.68 | 22.19 | 3.40 | 3.28 | 12.70 |
| b) Deferred Tax | 0.00 | 0.00 | (2.71) | 0.00 | Nil | 1.75 |
| Net Profit | 69.53 | 58.18 | 470.45 | 198.75 | 96.38 | 662.87 |
| Paid-up Equity Share Capital | 836.59 | 492.11 | 492.11 | 836.59 | 492.11 | 492.11 |
| (Face Value of the Share : Rs. 10) | | | | | | |
| Reserves excluding revaluation reserves | NR | NR | 2464.13 | NR | NR | 2979.00 |
| Earning Per Share for the period (Rs.) | | | | | | |
| i) Basic | 1.27 | 1.18 | 9.58 | 3.62 | 1.97 | 13.49 |
| ii) Diluted | NA | NA | NA | NA | NA | NA |
| Aggregate of non-Promoter Group Shareholding :(as at period end) | | | | | | |
| Number of Shares | 5151091 | 4587820 | 32,17,637 | 5151091 | 4587820 | 32,17,637 |
| Percentage of Shareholding | 61.57% | 93.23% | 65.38% | 61.57% | 93.23% | 65.38% |

| Segment wise Results and Capital Employed: | <----- CONSOLIDATED BASIS-----> | | | <-----STANDALONE BASIS-----> | | |
|---|--|---|--|---|--|--|
| | Current year Quarter ended 30 June 2006 Unaudited | Prevoius Year Quarter ended 30 June 2005 Unaudited | Prevoius Year ended 31 March 2006 Audited | Current year Quarter ended 30 June 2006 Unaudited | Prevoius Year Quarter ended 30 June 2005 Unaudited | Prevoius Year ended 31 March 2006 Audited |
| Particulars | | | | | | |
| Segment Revenue : | | NR | NR | | | |
| a) Commodities Solutions | 344.07 | | | 267.42 | 245.73 | 889.14 |
| b) Enterprise Solutions | 2255.08 | | | 545.85 | 200.57 | 1776.57 |
| c) Technology Solutions | 1010.36 | | | 354.25 | 208.66 | 1092.56 |
| Total | 3609.51 | | | 1167.52 | 654.96 | 3758.27 |
| Less : Inter segment revenue | Nil | | | Nil | Nil | Nil |
| Net sales/income from operations | 3609.51 | | | 1167.52 | 654.96 | 3758.27 |
| Segment Results : | | | | | | |
| {Profit (+)/(Loss) before tax and interest from each segment} | | NR | NR | | | |
| a) Commodities Solutions | 144.79 | | | 70.87 | 103.56 | 318.68 |
| b) Enterprise Solutions | (64.50) | | | 103.61 | (34.55) | 237.58 |
| c) Technology Solutions | 52.78 | | | 36.56 | 27.68 | 126.06 |
| Total | 133.07 | | | 211.04 | 96.69 | 682.32 |
| Less : (i) Interest | 73.86 | | | 13.09 | 3.06 | 19.12 |
| Add (ii) Other unallocated Income, net of un-allocable expenditure | 14.43 | | | 4.20 | 6.03 | 14.12 |
| Total Profit Before Tax | 73.64 | | | 202.15 | 99.66 | 677.32 |
| Capital Employed : | NR | NR | NR | | | |
| a) Commodities Solutions | | | | 345.01 | 491.68 | 581.27 |
| b) Enterprise Solutions | | | | 1295.30 | 926.98 | 1162.52 |
| c) Technology Solutions | | | | 744.50 | 846.24 | 790.90 |
| Unallocated | | | | 3514.10 | 964.42 | 1234.93 |
| Total Capital Employed | | | | 5898.91 | 3229.32 | 3769.62 |

NA=not applicable NR=not reported Amounts in brackets indicate negative figures

Notes :

- The above unaudited results were approved by the Board of Directors at their meeting held on July 31,2006 and have been subject to a limited review by Auditors before approval by Board.
- Consolidated results of the quarter include unaudited results of the company and all its subsidiaries.
- Comparative figures are not shown in segmental report on consolidated results for the previous year as this is the first year that that company is compiling and reporting segmental consolidated results on quarterly basis. Since the segment wise capital employed figures are not furnished by the subsidiaries consolidated segment wise capital employed is not reported.
- During the quarter Company issued 34,44,762 Equity shares of Rs. 10 each on Rights basis at a premium of Rs 56 per share in ratio of 7:10 .Issue closed on 25 May 25, 2006 and the rights equity shares were allotted on June 17, 2006.
- During the quarter, the Company did not receive any complaint from the investors, and the opening balance of investors complaints was NIL.
- Previous year's figures have been re-grouped or re-arranged wherever necessary to conform to current year's classification.

For and on Behalf of the Board

Chennai
July 31,2006

S.Santhosh
Managing Director