

**Megasoft Q1 2008 revenues up by 39% to 903 Mn PAT up by 24% to 150 Mn**

- a. Product Revenues grows by 134% to Rs. 552 Mn
- b. Share of Products revenue increased to 61% of total income as compared to 36% in previous year.
- c. Five new customers added in the quarter.

**Financial HIGHLIGHTS for Q1 of 2008:**

- o Revenues of Rs.903 Mn and Net income of Rs. 150 million for the Quarter as compared to Rs.650 Mn and net income of Rs.121 Mn for the Q1 previous year.
- o Earnings per share increased to Rs.3.39 as compared to Rs.2.74 for Q1 previous year; growth of 24 %.
- o Share of Telecom revenues was 61% on total income as compared to 36% in the Q1 previous year.

Hyderabad, April 22, 2008: - Megasoft Limited, today announced its Unaudited financial results for the Quarter ended March 31, 2008. The Company posted a Rs. 903 million as revenues and Rs.150 Mn profit after tax for the Quarter ended March 31, 2008, compared to revenues of 650 Mn and net Income of Rs. 121 Mn in the same quarter previous year. Income from operations for the Quarter ended March 31, 2008 was Rs. 660 million.

The Net Margins was reduced from 18.6% in Q1 2007 to 16.6% in Q1 2008 mainly because of additional one time severance cost incurred in bcgi.  
2008 Jan- Mar Quarter Results (Consolidated)

		Quarterly Jan-Mar 2008	Quarterly Jan-Mar 2007	Growth %
Sales Revenues	Rs. Mn.	903	650	39%
EBIDTA	Rs. Mn.	660	450	47%
PBT	Rs. Mn.	168	136	24%
PAT	Rs. Mn.	150	121	24%

"Q1 2008 was a quarter for consolidation for Megasoft post acquisition of bcgi. Company was able to start realizing the synergies and was able to leverage the management bandwidth of bcgi in expanding the company's presence in the American markets significantly", said Managing Director & CEO, GV Kumar.

Commenting on the success of Megasoft Ltd in Q1 FY 08 he further added "Post the bcgi acquisition, the industry has positively acknowledged the expansion of our product offerings. This has taken us one step closer to our goal of becoming one of the leading telecom ISV players in the world. We expect robust growth in our telecom business in the coming quarters".  
The Company was awarded two Telecom Patents in this Quarter.

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