

## TERA SOFTWARE LTD.

8-3-1113/2B, Kesavanagar, Srinagar Colony, Hyderabad-73.

UN AUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE 2nd QUARTER ENDED  
30th SEPTEMBER 2006

Rs. In Lac

Sl. No.	PARTICULARS	3 Months Ended		Half Year Ended		Year ended
		30.09.2006	30.09.2005	30.09.2006	30.09.2005	31.03.2006
		Un audited	Unaudited	Un audited	Un audited	Audited
1	Net Income from Sales & Services	870.75	767.81	1882.90	1257.05	3507.70
	Other Income	10.65	2.74	13.00	5.33	21.99
	<b>Total income</b>	<b>881.40</b>	<b>770.55</b>	<b>1895.90</b>	<b>1262.38</b>	<b>3529.69</b>
2	Total Expenditure:					
a.	(Increase)/decrease in Stock in trade	(12.70)	(16.10)	(12.70)	(49.53)	(20.36)
b.	Consumption of Raw Materials	14.00	69.78	33.00	161.24	663.02
c.	Staff Cost	44.40	50.72	88.20	99.96	200.74
d.	Consultancy, Professional & Other Charges	268.20	289.81	620.40	382.65	1022.65
e.	General Administrative & Other Expenses	96.10	63.17	267.60	116.20	272.20
	<b>Total Expenditure</b>	<b>410.00</b>	<b>457.38</b>	<b>996.50</b>	<b>710.52</b>	<b>2138.25</b>
3	Operating profit before interest and Deprecia	471.40	313.17	899.40	551.86	1391.44
4	Interest	25.10	24.75	54.00	46.76	101.02
5	Depreciation & Amortisation	113.20	84.08	219.30	162.23	368.20
6	<b>Profit/(Loss) before tax</b>	<b>333.10</b>	<b>204.34</b>	<b>626.10</b>	<b>342.87</b>	<b>922.22</b>
7	Provision For Taxation:					
	Current Period	109.30	33.77	191.50	90.66	285.78
	Deferred	6.50	43.79	22.40	33.75	24.96
8	<b>Net Profit/(Loss)</b>	<b>217.30</b>	<b>126.78</b>	<b>412.20</b>	<b>218.46</b>	<b>611.48</b>
9	Paid up equity share capital	920.95	770.36	920.95	770.36	920.48
10	Reserves excluding Revaluation reserve	-	-	-	-	-
11	Basic/Diluted EPS	2.36	1.65	4.48	2.84	6.64
12	Aggregate of non-promoter shareholding:					
a.	Number of shares	5746087	4774987	5746087	4774987	5779587
b.	Percentage of shareholding	62.39	61.94	62.39	61.94	62.76

**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
		30.09.2006	30.09.2005	30.09.2006	30.09.2005	31.03.2006
		Un audited	Unaudited	Un audited	Un audited	Audited
<b>1</b>	<b>Segment Revenue</b>					
a.	Integrated Solutions Division	8.17	47.38	62.03	117.16	682.37
b.	Technical Division	227.07	367.50	697.77	468.16	1199.94
c.	Projects Division	625.85	342.73	1110.40	660.51	1492.33
d.	Others	9.66	10.20	12.70	11.22	133.06
e.	Other Income	10.65	2.74	13.00	5.33	21.99
	<b>Net sales/Income from operations</b>	<b>881.40</b>	<b>770.55</b>	<b>1895.90</b>	<b>1262.38</b>	<b>3529.69</b>
<b>2</b>	<b>Segment Profit/(Loss) before interest and tax</b>					
a.	Integrated Solutions Division	3.18	(1.32)	36.26	8.95	35.27
b.	Technical Division	78.71	105.78	211.71	141.30	483.95
c.	Projects Division	302.31	156.05	486.74	299.42	589.95
d.	Others	5.45	1.41	6.12	0.06	56.20
	<b>Total</b>	<b>389.65</b>	<b>261.92</b>	<b>740.83</b>	<b>449.73</b>	<b>1165.37</b>
	Less: Interest	25.10	24.75	54.00	46.76	101.02
	Un-allocable expenditure net off un-allocable income	31.45	32.83	60.73	60.10	142.13
	<b>Total Profit/(Loss) Before Tax</b>	<b>333.10</b>	<b>204.34</b>	<b>626.10</b>	<b>342.87</b>	<b>922.22</b>
<b>3</b>	<b>Capital employed</b>					
a.	Integrated Solutions Division	13.88	155.20	13.88	155.20	108.39
b.	Technical Division	851.95	406.63	851.95	406.63	689.30
c.	Projects Division	3229.46	1481.16	3229.46	1481.16	2528.02
d.	Others	18.68	5.65	18.68	5.65	129.25
e.	Others (Unallocable Assets-Liabilities)	146.26	371.83	146.26	371.83	282.52
	<b>Total</b>	<b>4260.23</b>	<b>2420.47</b>	<b>4260.23</b>	<b>2420.47</b>	<b>3737.48</b>

Not 1 Previous quarter/year figures were regrouped/reclassified wherever necessary.

2 The Company received 35 requests during the quarter ended 30th September 2006 from shareholders, all the requests have been resolved. No complaints were pending at the beginning or ending 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 28th October 2006 and subject to limited audit review by statutory auditors.

for and on behalf of the Board

Sd/-

Place: Hyderabad  
Date: 28th October 2006

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