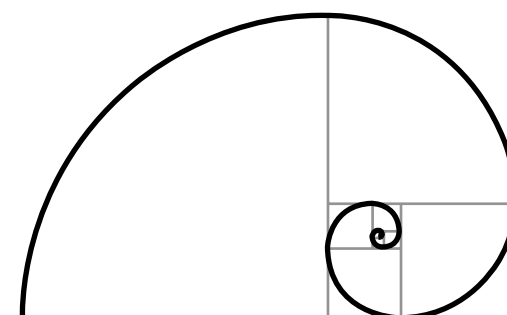


**KLG SYSTEL LIMITED**

Regd. Office: Plot 70A, Sector 34, EHTP, NH-8, Gurgaon 122004

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2007						
Rs. in Lacs, except per share data						
	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 Audited	
1	Net Sales/Income from operation	9,213.35	4,098.63	19,241.37	8,252.85	12,113.16
2	Other income	44.24	70.61	123.37	136.72	184.56
<b>3</b>	<b>Total Income (1+2)</b>	<b>9,257.59</b>	<b>4,169.24</b>	<b>19,364.74</b>	<b>8,389.57</b>	<b>12,297.72</b>
4	Total expenditure					
	a. (Increase)/decrease in stock in trade and work in progress	(92.67)	1.90	(39.67)	5.00	(58.51)
	b. Cost of sales/operations – raw material	6,378.25	2,532.45	11,655.21	4,928.29	6,882.67
	c. Staff cost	370.53	174.46	736.18	452.81	603.56
	d. Administrative	239.15	211.93	712.77	371.68	512.45
	e. Other expenditure	168.59	147.79	528.72	356.25	679.72
5	Interest	38.25	20.27	108.67	52.65	86.38
<b>6</b>	<b>Cash profit</b>	<b>2,155.49</b>	<b>1,080.44</b>	<b>5,662.86</b>	<b>2,222.89</b>	<b>3,591.45</b>
7	Depreciation	208.31	148.55	559.62	402.74	575.13
<b>8</b>	<b>Profit before tax</b>	<b>1,947.18</b>	<b>931.89</b>	<b>5,103.24</b>	<b>1,820.15</b>	<b>3,016.32</b>
9	Provision for taxation	213.26	186.47	1,034.09	355.14	660.29
10	Deferred tax adjustment	19.96	34.85	236.43	73.25	121.94
11	Prior period adjustments					39.27
<b>12</b>	<b>Profit after tax</b>	<b>1,713.96</b>	<b>710.57</b>	<b>3,832.72</b>	<b>1,391.76</b>	<b>2,194.82</b>
13	Paid-up equity share capital of Rs. 10 each fully paid up	1,083.96	1,078.29	1,083.96	1,078.29	<b>1,078.29</b>
14	Reserve excluding revaluation reserve					9439.88
15	Basic EPS	15.82	7.98	35.39	15.64	22.93
16	Diluted EPS	13.90	7.98	31.09	15.64	22.11
17	Cash EPS	17.97	10.08	42.81	21.11	30.37
18	Aggregate of non-promoters shareholding					
	– Number of shares	8,049,244	7,892,044	8,049,244	7,892,044	7,992,044
	– Percentage of shareholding	74.25	73.19	74.25	73.19	74.11
19	Consolidated turnover	9,291.18	4,097.17	19,485.50	8,419.65	12,147.66
20	Consolidated profit after tax	1,716.24	713.85	3,838.96	1,395.80	2,201.65
21	Consolidated EPS	15.85	8.44	35.44	16.50	23.00



The golden spiral grows with every quarter-turn it makes.

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We continue to be an integral part of India's growth and development. Our solutions drive all companies in Manufacturing, Process, Power and Infrastructure sectors.

SEGMENT REPORTING – SEGMENT WISE REVENUE AND RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2007						
Rs. in Lacs						
	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 Audited	
1	<b>Segment Revenue</b>					
	a) Life Cycle Solutions	2,706.35	1,439.11	6,705.80	4,286.27	5,868.66
	b) Power Systems Solutions	6,507.00	2,659.52	12,535.57	3,966.58	6,244.50
	<b>Total</b>	<b>9,213.35</b>	<b>4,098.63</b>	<b>19,241.37</b>	<b>8,252.85</b>	<b>12,113.16</b>
	<b>Less: Inter segment revenue</b>					
	Net sales/income from operations	<b>9,213.35</b>	<b>4,098.63</b>	<b>19,241.37</b>	<b>8,252.85</b>	<b>12,113.16</b>
2	<b>Segment Results</b> {(Profit)+/Loss(-) before tax and interest}*					
	a) Life Cycle Solutions	624.68	497.97	2,024.00	1,300.48	1,796.64
	b) Power Systems Solutions	1,947.44	867.66	4,746.09	1,527.12	2,806.15
	<b>Total</b>	<b>2,572.12</b>	<b>1,365.63</b>	<b>6,770.09</b>	<b>2,827.60</b>	<b>4,602.79</b>
	<b>Less:</b>					
	1) Interest	38.25	20.27	108.67	52.65	86.37
	2) Other un-allocable expenditure net off un-allocable income	586.69	413.46	1,558.18	954.80	1,500.10
	<b>Total Profit Before Tax</b>	<b>1,947.18</b>	<b>931.90</b>	<b>5,103.24</b>	<b>1,820.15</b>	<b>3,016.32</b>

**Notes:** 1) The above results have been reviewed by audit committee and taken on record by the Board of Directors at its meeting held on January 14, 2008. 2) Statutory Auditors have carried out the limited review of the financial results for the quarter ended December 31, 2007. 3) The Company raised USD 22.00 million from issue of FCCB in March 2007. The Company has utilised proceeds amounting to USD 18.00 million in its expansion plan / new projects. Balance is still lying in fixed deposit. 4) Diluted EPS is arrived at after including potential equity shares to be issued on conversion of FCCB. 5) Consolidated figure comprises its subsidiary companies i.e. KLG Environment and Safety Sciences Ltd., KLG Software Technology Pvt. Ltd., KLG Software Technology and Infrastructure Pvt. Ltd. and Atlantis Lab Pvt Ltd. 6) Fixed assets and liabilities have not been segregated to any of the reportable segments, as fixed assets are used interchangeably between segments. 7) There were no investor complaints pending as on 1.10.2007. Three complaints were received during the quarter. All complaints have been resolved. No complaint was pending as on December 31, 2007. 8) Figures have been regrouped/rearranged wherever considered necessary.