



October 31, 2007

The General Manager,
 Karachi Stock Exchange (Guarantee) Limited,
 Stock Exchange Building,
 Stock Exchange Road,
Karachi.

Subject: **Financial Results of NetSol Technologies Limited for the 1st Quarter Ended 30-09-2007**

Dear Sir,

This is to inform you that the Board of Directors of our company in their meeting held on **October 30, 2006 at 4.00 p.m.** approved the following financial results of the company for the 1st quarter ended September 30, 2007.

FINANCIAL RESULTS OF NETSOL TECHNOLOGIES LIMITED ONLY

	For the 1 st Quarter	
	Jul-Sep 2007	Jul-Sep 2006
	Rupees in '000'	
Revenue	287,312	136,569
Cost of Sales	95,454	65,902
Gross Profit	191,858	70,667
Operating expenses		
Admin. and General Expenses	38,458	22,978
Selling & Promotion Expenses	26,493	10,933
	64,951	33,971
Operating Profit	126,907	36,696
Other income/ (expenses)	5,759	5,898
Financial charges	(3,557)	(1,766)
Dividend income	50,520	--
Net Profit for the period before taxation	179,629	40,828
Taxation	1,100	210
Net Profit for the period after taxation	178,529	40,618
Earning per Share - Basic	4.38	1.00
Earning per Share - Diluted	3.59	0.82

