



FORM-7

April 30, 2014

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

Subject: **Financial Results for the Quarter Ended 31-03-2014**

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on **April 30, 2014 at 04:00 p.m.** at NetSol IT Village (Software Technology Park), Lahore Ring Road, Ghazi Road Interchange Lahore Cantt., recommended the following:

(i) CASH DIVIDEND

An Interim Cash Dividend for the quarter ended March 31, 2014 at Rs.NIL Per share i.e.NIL%. This is in addition to Interim Dividend(s) already paid at Rs.NIL per share i.e.NIL%.

AND/OR

(ii) BONUS SHARES

It has recommended by the Board of Directors to issue Interim Bonus shares in proportion of NIL share(s) for every NIL share(s) held i.e. NIL%. This is in addition to the Interim Bonus Shares already issued @ NIL %.

AND/OR

(iii) RIGHT SHARES

The Board has recommended to issue NIL% Right Shares at par/at a discount/premium of Rs.NIL per share in proportion of NIL share(s) for every NIL share(s). The entitlement of right shares being declared simultaneously will be/will not be applicable on Bonus Shares as declared above.

AND/OR

(iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION

NIL

AND/OR

(v) ANY OTHER PRICE-SENSITIVE INFORMATION

NIL

The financial results of the Company are as follows:

- 1 -

Lahore Office:
NetSol IT Village (Software Technology Park)
Lahore Ring Road, Ghazi Road Interchange,
Lahore Cantt. 54792, Pakistan.
Tel: (92-42) 111-44-88-00, 35727096-7, Fax: (92-42) 35726740

Karachi Office:
43/1/Q, Amna Villa 1,
Block-6, PECHS, Karachi
Tel: (92-21) 111-638-765, Fax: (92-21) 34313464

Rawalpindi Office:
H-No. 4 Saffari Villa,
Bahria Town - Near Dar Chowk, Rawalpindi
Tel: (92-51) 5707011

**FINANCIAL RESULTS OF NETSOL TECHNOLOGIES LIMITED**

	Jan-Mar 2014	Jan-Mar 2013	Jul-Mar 2014	Jul-Mar 2013
	Rupees in '000'		Rupees in '000'	
Revenue-net	341,162	720,411	1,231,842	1,793,991
Cost of revenue	(456,875)	(327,404)	(1,128,319)	(791,781)
Gross profit/(loss)	(115,713)	393,007	103,523	1,002,210
Selling and promotion expenses	(40,636)	(22,520)	(114,185)	(79,276)
Administrative expenses	(126,966)	(97,228)	(384,550)	(297,303)
Other operating expenses	(65,287)	(5,872)	(19,993)	(14,649)
Other income	87,879	22,471	162,772	113,760
Operating profit/(loss)	(260,723)	289,858	(252,433)	724,742
Financial cost	(2,700)	(2,121)	(7,643)	(6,922)
Profit/(loss) before taxation	(263,423)	287,737	(260,076)	717,820
Taxation				
Current period	(10,643)	(817)	(14,546)	(2,028)
Prior period	-	-	-	-
	(10,643)	(817)	(14,546)	(2,028)
Profit/(loss) after taxation for the period	(274,066)	286,920	(274,622)	715,792

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CONSOLIDATED FINANCIAL RESULTS

	Jan-Mar 2014	Jan-Mar 2013	Jul-Mar 2014	Jul-Mar 2013
	Rupees in '000'		Rupees in '000'	
Revenue-net	489,462	823,064	1,615,186	2,061,178
Cost of revenue	(528,729)	(393,162)	(1,318,054)	(960,944)
Gross profit/(loss)	(39,267)	429,902	297,132	1,100,234
Selling & promotion expenses	(40,636)	(22,778)	(114,185)	(79,534)
Administrative expenses	(128,861)	(98,843)	(390,108)	(302,188)
Other operating expenses	(91,139)	(6,436)	(23,350)	(16,371)
Other income	9,523	16,334	67,527	107,942
Operating profit/(loss)	(290,380)	318,179	(162,984)	810,083
Financial cost	(2,753)	(2,202)	(7,401)	(7,244)
Profit/(loss) before taxation	(293,133)	315,977	(170,385)	802,839
Taxation				
Current period	(10,528)	(843)	(14,572)	(2,108)
Prior period	-	-	-	-
Profit/(loss) after taxation for the period	(10,528)	(843)	(14,572)	(2,108)
Attributable to:				
Equity holders of NetSol Technologies Limited	(325,718)	301,173	(266,031)	758,703
Non-controlling interest	22,057	13,961	81,074	42,028
	(303,661)	315,134	(184,957)	800,731
Earnings per share				
Basic -In Rupees	(3.68)	3.50	(3.03)	8.83
Diluted -In Rupees	(3.65)	3.48	(3.01)	8.78

We will be sending you 200 copies of printed accounts for distribution amongst the members of the Exchange.

Additionally, the financial statements shall also be emailed to the Exchange at aqfs@kse.com.pk in Portable Document Format (PDF) to enable the Exchange to place the same on its website.

Yours faithfully,

BOO-ALI SIDDIQUI
Company Secretary

