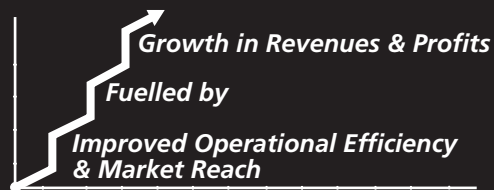




SQL STAR INTERNATIONAL LIMITED

Regd. Off.: 'Sanali Info Park', B-Block, 4th Floor, 8-2-120/113,
Road No. 2, Banjara Hills, Hyderabad - 500 033.



Knowledge Services / Enterprise Services / e-Governance Solutions

UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2008

(Rs. in lacs)

Particulars	CONSOLIDATED			SQL Star International Ltd. (Standalone)		
	Quarter Ended		Year Ended	Quarter Ended		Year Ended
	30.06.2008	30.06.2007	31.03.2008	30.06.2008	30.06.2007	31.03.2008
	Un-Audited	Un-Audited	Audited	Un-Audited	Un-Audited	Audited
INCOME:						
- Sales/Income from Operations	2,456.04	2,448.08	10,568.27	1,279.33	1,230.44	5,063.85
- Other Income	12.08	14.01	61.87	11.34	13.99	46.37
Total	2,468.12	2,462.09	10,630.15	1,290.67	1,244.43	5,110.22
EXPENDITURE :						
- Staff Cost	1,330.36	1,238.91	5,727.23	379.82	321.00	1,262.36
- Other Expenditure	447.70	408.35	1,772.13	308.84	257.08	1,181.79
- Direct & Outsourcing	515.10	588.41	2,131.75	479.48	528.87	2,131.75
- Depreciation	95.12	38.57	307.82	55.32	27.68	139.09
Total	2,388.28	2,274.24	9,938.93	1,223.46	1,134.63	4,714.99
- Interest	55.07	8.62	153.01	44.15	3.49	111.10
- Exceptional Items	-	-	-	-	-	-
Profit/(Loss) from Ordinary Activities before tax	24.77	179.23	538.21	23.06	106.31	284.13
Tax Expenses	11.14	19.89	153.49	6.56	18.44	146.18
Profit/(Loss) from Ordinary Activities after tax	13.63	159.34	384.72	16.50	87.87	137.95
Extraordinary Items (net of tax expenses)	-	-	-	-	-	-
Net Profit/(Loss) for the period	13.63	159.34	384.72	16.50	87.87	137.95
Paid up Equity Capital (Face Value of Rs.10/- each)	2,180.48	2,180.42	2,180.48	2,180.48	2,180.42	2,180.48
Reserves Excluding Revaluation Reserves (as per Audited Balance Sheet)	-	-	4,061.21	-	-	2,757.11
Earnings Per Share						
Before Extraordinary Item						
- Basic	0.06	0.86	1.77	0.08	0.40	0.63
- Diluted	0.06	0.81	1.70	0.07	0.39	0.61
After Extraordinary Item						
- Basic	0.06	0.86	1.77	0.08	0.40	0.63
- Diluted	0.06	0.81	1.70	0.07	0.39	0.61
Aggregate of Public Shareholding						
- No. of Shares	14,707,464	15,134,331	14,707,464	14,707,464	15,134,331	14,707,464
- Percentage of Shareholding	68%	69%	68%	68%	69%	68%

NOTES:

- The financial results were reviewed by Audit Committee and approved by the Board of Directors in their meeting held on July 29, 2008.
- The consolidated financial results include un-audited results of International SQL Star Pte Ltd., Singapore; SQL Star International Inc., USA; the wholly owned subsidiaries of the Company and SQL Star International Pty. Ltd., Australia the wholly owned subsidiary of SQL Star International Inc., USA.
- Pursuant to the requirements of listing agreement, the statutory auditors have carried out limited review of the financial results of Indian operations for the quarter ended June 30, 2008.
- Provision for Current Year tax is made as per section 115JB of the Income Tax Act, 1961.
- The Company operates in the following primary business segments viz., Software Development & Services, Education and Training, e-Governance and accordingly segmental reports have been disclosed.

UN-AUDITED SEGMENT-WISE REVENUE, RESULTS & CAPITAL EMPLOYED

(Rs. in lacs)

A) Primary Segment (By Business Segment)

Sl. No.	Particulars	Consolidated			SQL Star International Ltd. (Standalone)		
		Quarter Ended		Year Ended	Quarter Ended		Year Ended
		30.06.2008	30.06.2007	31-03-2008	30.06.2008	30.06.2007	31-03-2008
		Un-Audited	Un-Audited	Audited	Un-Audited	Un-Audited	Audited
1	Segment Revenue						
	a. Software Development & Services	1,507.66	1,464.58	6,727.64	330.95	246.94	1,182.39
	b. Education & Training	429.83	448.66	1,750.05	429.83	448.66	1,790.88
	c. e-Governance	518.55	534.84	2,090.58	518.55	534.84	2,090.58
	Total	2,456.04	2,448.08	10,568.27	1,279.33	1,230.44	5,063.85
	Less: Inter-segment Sales	-	-	-	-	-	-
	Net Sales	2,456.04	2,448.08	10,568.27	1,279.33	1,230.44	5,063.85
2	Segment Results						
	Profit/(Loss) before Tax and Interest from each segment						
	a. Software Development & Services	48.60	99.79	400.57	36.71	30.87	152.03
	b. Education & Training	42.11	103.84	380.22	42.11	83.91	338.72
	c. e-Governance	112.23	93.35	317.07	112.23	93.35	317.07
	Total	202.94	296.98	1,097.86	191.05	207.63	807.82
	Less:						
	i) Interest	55.07	8.62	153.01	44.15	3.49	111.10
	ii) Other Un-allocable Expenses	135.18	123.14	468.52	135.18	111.82	458.95
	iii) Un-allocable Income	(12.08)	(14.01)	(61.88)	(11.34)	(13.99)	(46.37)
	Total Profit Before Tax	24.77	179.23	538.21	23.06	106.31	284.14
3	Capital Employed						
	a. Software Development & Services	4,040.11	1,428.97	4,043.06	421.71	233.37	769.73
	b. Education & Training	675.40	356.58	524.96	675.40	356.58	524.96
	c. E-Governance	633.70	594.36	530.41	633.70	594.36	530.41
	d. Un-allocated	4,392.77	4,535.24	4,238.16	4,392.77	4,535.24	4,239.10
	Total Capital Employed	9,741.98	6,915.15	9,336.59	6,123.58	5,719.55	6,064.20

B) Secondary Segment (By Geographical Segment)

Segment Revenue							
Geographical Location							
- India	1,272.91	1,197.02	5,036.92	1,272.91	1,197.02	5,036.92	
- Rest of the World	1,183.13	1,251.06	5,531.35	6.42	33.42	26.93	

- The Company has received 8 requests/grievances from the shareholders during the quarter ended June 30, 2008 and all of them have been resolved and there are no pending requests/grievances.
- Figures of the previous year/period have been regrouped and/or re-classified or recast or re-arranged wherever considered necessary.

By Order of the Board,
For SQL STAR INTERNATIONAL LTD.,

Sd/-
N.R. GANTI
Chairman & Managing Director

Place: Hyderabad
Date: 29.07.2008