



HISTORICAL ANALYSIS						
SATYAM COMPUTER SERVICES						
INCOME STATEMENT						
	2003	2004	2005	2006	2007	
Net Sales	566	794	1,096	1,461	2,138	
Cost Of Goods Sold	319	482	658	904	1,318	
GROSS PROFIT	247	312	439	557	820	
Sell General Adm	92	112	170	209	335	
R&D						
Advertising						
Pre-Opening						
Executive Salaries						
Deprec/Amort	24	25	32	34	42	
Oper Exp Rentals	9	13	18	24	36	
Fixed Charges						
Other Oper Expense						
TOTAL OPER EXP	126	149	219	266	412	
OPER PROFIT	121	162	220	292	409	
Other Income	14	17	69	41	66	
Extra Item (Net)						
Other Expense						
Interest Expense	0	0	1	4	5	
Minority Interest (+)			(0)			
PRE TAX PROFIT	134	179	287	329	470	
Income Tax	23	25	38	31	53	
NET PROFIT	112	154	249	298	417	

SATYAM COMPUTER SERVICES					
BALANCE SHEET	(000 000)	OMITTED	YR END: March 31		
	2003	2004	2005	2006	2007
Cash	86	129	292	151	291
Investms Bank Depos	332		404		827
Acct Receivable	151	195	280	426	621
Allow Bad Debt (-)	(14)	(18)	(19)	(23)	(31)
Unbilled Revenue					
Total Inventory	1	1	1	1	1
Raw Materials					
Work-in-Process					
Finished Goods					
LIFO Reserve (-)					
Tax Refund Receivable					
DIT	6	9	11	17	24
Prepays & Other	33	16	51	37	130
TOT CURR ASSET	594	333	1,019	609	1,863
Land					
Buildings					
Mach & Equipment	204	242	292	387	517
Furn, Fixt & Other					
Constr In Progress					
Acm Depr & Amt (-)	(135)	(158)	(185)	(224)	(280)
NET FIXED ASSETS	68	84	107	163	237
Oper. Lease Assets					
Contracts In Progress					
Investms Bank Depos		412		768	
Investments - Equity	27	23	4	5	5
Prepaid Retirement Plans					
Intangibles (Net)	16	15	34	40	96
Other	8	17	18	40	44
TOTAL ASSETS	714	884	1,181	1,624	2,243
Commercial Paper					
Notes Payable				11	27
LTD Current	2	5	7	2	2
Accts Payable	8	11	12	17	32
Deferred Revenues	2	6	12	20	33
Dividends Payable					
Income Tax Payable				16	26
Taxes Non-Income					
Marketing & Distrib					
Employee Compens					
Customer Vol Discts					
Rent					
Insurance					
Warranty Costs					
Other	47	65	109	147	212
TOTAL CURR LIAB	59	86	139	211	333
LTD	2	1	18	22	25
Repurch Agrm Oblig					
Notes					
Notes					
Bonds					
Bonds					
Securitization of A/Rs					
Other - Non-Int Debt				8	13
Post Retirement Obligation					
Oper. Lease Liabilities					
Subordinated Debt					
Subordinated Debt					
TOTAL LIABILITIES	61	87	157	242	371
DIT	9	9	9	12	11
Minority Interest	10	20	21		
Reserves					
Forgn Curr Transl Adj					
Min Pension Liab Adj					
Stock Option Loans					
Cumm Unreal Inv G/L					
Deferred Compensation (-)					
Treasury Stock (-)	(2)	(1)	(1)	(1)	(1)
Retained Earnings	202	319	513	784	1,234
Paid-In-Capital	416	433	465	552	592
Preferred Stock A					
Preferred Stock B					
Common Stock A	17	17	18	36	36
Common Stock B					
TOT NET WORTH	634	768	994	1,371	1,862
TOT LIAB + NW	714	884	1,181	1,624	2,243



SATYAM COMPUTER SERVICES					
MISCELLANEOUS DATA					
	2003	2004	2005	2006	2007
Common Dividends	26	38	41	57	68
Depreciation	24	25	32	34	42
Other Non Cash Chg	0	1	(43)	(1)	1
= Depletion					
+ Amortization					
- G/L On Sale Secs					
- G/L On Sale Land	2	0	43	(0)	(1)
- Equity Earnings	(3)	(1)	(1)	1	0
+ Equity Dividends					
+ Other					
Preferred Dividends					
Other Fixed Chg					
Costs Capitalized					
Int Exp Capitalized					
Non-Cash Lease Exp					
Chg Oper Lease Liabs					
CF Interest Exp Paid	0	0	1	3	5
CF Income Tax Paid	32	25	45	33	47
Defer Inc Taxes (+)			(5)	(7)	(11)
CFFO Def Inc Tax (+)	(1)	(2)	(5)	(7)	(11)
Bal Sh Change DFIT	XXX	(3)	(1)	(4)	(7)
Tax Val Allowance	18	21	24	27	30
Capital Expenditures	17	39	54	82	97
Proceeds Asset Sale		0	0	1	1
Maintenance Exp.					
# Yr-End Employees	14,456	20,690	28,624	39,018	50,570
Σ Square Footage					
Accountants:					
Audit Fees					
Non-Audit Fees					
Material Change?					
Commitments and Contingencies:					
LT Lease Obligations	6	2	1	1	10
Total Amount		19	48	84	152
Depreciation & Amortization Estimates of Useful Asset Lives (Years):					
Buildings					
Mach & Equip					
Goodwill					
Investments:					
Held-Maturity					
Trading					
Available-Sale					
PENSION + POST-RETIREMENT PLAN(S) DATA					
Smoothing or Pure Market Values?					
FV Plan Assets					
Projected Bene Oblig					
Assumed Rate of Return					
Funded Status					
Expected Return					
Actual Return					
Recognized on BalSheet					
OperStm Net CR/Cost					
STOCK DATA					
# C/S Outstanding	313	316	321	326	333
# Diluted C/S Outstd	317	324	331	333	340
\$ Amt Dilution Adjstm					
Treasury Stk Repur					
Proceeds Ex Stk Opt	9	15	31	64	15
Stk Option Tax Bene					
Stk Opt Compensation	24	21	21		
Stock Based Comp	2	2	1	16	23
Excess Tax Benefit					
# Shares Under Option					
Wted Avg Price/Opt Shr					
STOCK MARKET DATA					
High Price	17.68	14.25	21.95	25.94	30.89
Low Price	4.21	8.00	10.50	12.01	20.02
Last Price	10.26	11.68	21.88	22.70	22.59
MARKET CAPITAL	3,253	3,779	7,251	7,559	7,674

SATYAM COMPUTER SERVICES					
ANALYSIS RATIOS					
	2003	2004	2005	2006	2007
SOLVENCY					
Debt	(414)	(123)	(671)	(117)	(1,064)
Debt/Equity					
Solvency Ratio	32.58	29.94	11.51	9.68	8.48
Times Interest Earned	38.87	39.72	41.25	29.61	28.75
Fixed Charge Coverage	14.85	14.82	16.27	13.05	12.57
CFFO/Fixed Charges	XXX	13.87	8.91	10.51	7.30
Debt/EBITDA					
EBITDA/Interest	48.38	45.15	46.67	32.72	31.20
Funds Flow Coverage	48.24	33.59	36.42	21.62	13.55
Avg Int Exp Rate	XXX	9.15%	5.79%	8.35%	9.84%
TAKEOVER TARGET					
EV	2,849	3,676	6,601	7,442	6,610
EBITDA	159	205	320	366	517
EV/EBITDA	17.89	17.97	20.63	20.32	12.80
Price/EBITDA	20.42	18.47	22.67	20.64	14.86
EV/Sales	5.03	4.63	6.02	5.09	3.09
SALES					
Sales Growth	XXX	40.12	38.14	33.30	46.30
CGS Growth	XXX	50.92	36.49	37.49	45.76
Oper Exp. Growth	XXX	18.53	46.68	21.31	54.89
Sales/Square Foot					
FUNDS MANAGEMENT					
A/R Turn Days	XXX	75	74	80	82
A/R Debt Allowance	9.26%	8.97%	6.82%	5.36%	4.99%
Collections/Sales	XXX	1.06	1.08	1.10	1.09
Inv Turn Days	1	1	1	0	0
Raw Materials					
Work-In-Process					
Finished Goods					
A/P Turn Days	10	8	7	7	9
Cash Conversion Cycle	#VALUE!	68	68	74	73
Acct Pay/Inv	838%	1089%	1190%	1680%	3240%
Net FA/Sales	XXX	0.10	0.09	0.09	0.09
DeprExp/(NFA-L-CIP)	XXX	32.85%	33.04%	24.92%	20.77%
Accum Deprec ↓	XXX				
Asset Utilization Ratios					
Sales/Cash	XXX	7.40	5.21	6.60	9.66
Sales/Tot Assets	XXX	0.99	1.06	1.04	1.11
Accrued Accounting					
Prepays ↑ Sales → ↓	33	16	51	37	130
Accruals ↓ Sales → ↑	47	65	109	147	212
Inc Pay/Inc Tax Exp				50.65%	49.91%
R&D/Sales					
Dividend Safety					
CDiv/(NP-Exl-Pfd)	23.40%	24.46%	16.56%	19.00%	16.38%
(CFFO-CapEx)/Div	XXX	3.75	2.75	3.63	2.94
PROFITABILITY AND LEVERAGE					
Profit Margin	19.75%	19.38%	22.75%	20.42%	19.50%
Net Profit/Employee	XXX	9	10	9	9
Return on Tot Assets	XXX	19%	24%	22%	22%
Return on C/S Equity	XXX	22%	28%	25%	26%
COROA	XXX	15%	9%	14%	10%
ROCE	XXX	22%	24%	24%	25%
Du Pont's Formula for ROE:					
Profit/Sales	XXX	0.19	0.23	0.20	0.20
Sales/Assets	XXX	0.99	1.06	1.04	1.11
Assets/Equity	XXX	1.14	1.17	1.19	1.20
Finl Leverage Index	XXX	1.14	1.17	1.17	1.18
LIQUIDITY					
Working Capital	535	247	880	398	1,529
WkCap/LTD	293.06	217.09	49.14	13.14	40.89
Wk. Cap Turnover	XXX	2.0	1.9	2.3	2.2
Current Ratio	10.02	3.87	7.32	2.88	5.59
Quick Ratio	9.35	3.56	6.88	2.62	5.13
Quick/Current Ratio	93%	92%	94%	91%	92%
CFFO/AvgCL	XXX	2.47	1.49	1.64	1.09
Free Cash Flow	XXX	103	72	149	132
Total Debt/FrCFlow	XXX	0.06	0.34	0.23	0.41
WORKING CAPITAL PERFORMANCE					
Days Sales Outstanding	96.99	89.91	93.29	106.30	106.00
Days Inventory Outstanding	0.64	0.46	0.33	0.25	0.17
Days Payables Outstanding	9.59	8.25	6.61	6.78	8.97
Days Working Capital	92.24	85.36	89.66	102.35	100.63
PIOTROSKI SCORE	XXX	5.00	6.00	2.00	6.00



SATYAM COMPUTER SERVICES						
PREDICTOR OF FINANCIAL DISTRESS						
ALTMAN	2003	2004	2005	2006	2007	
Privately Held Non-Manufacturing Firms						
Z Score	18.00	13.61	14.59	10.52	12.97	
Z Score is a predictor of bankruptcy within one (1) time period. High probability if Z Score < 1.10. 1.10 =< "gray area" =< 2.60. Low probability if Z Score > 2.60.						
Privately Held Firms						
Z Score (1983)	6.51	5.73	5.25	4.50	4.68	
Z Score is a predictor of bankruptcy within one (1) time period. High probability if Z Score < 1.20. 1.20 =< "gray area" =< 2.90. Low probability if Z Score > 2.90.						
Publicly Held Firms						
Z Score (1968)	34.25	27.80	30.04	20.94	15.43	
Z Score is a predictor of bankruptcy within one (1) time period. High probability if Z Score < 1.81. 1.81 =< "gray area" =< 2.99. Low probability if Z Score > 2.99.						
SPRINGATE (Canadian)						
Z Score (1978)	4.47	3.77	4.15	2.99	3.26	
Z Score is a predictor of bankruptcy within one (1) time period. High probability if Z Score < .862.						
FULMER						
Z Score (1984)	XXX	6.03	8.09	3.98	6.69	
Z Score is a predictor of bankruptcy within one (1) time period. High probability if Z Score < 0.0.						
LEGAULT (Canadian)						
Manufacturing Firms						
CA Score (1987)	XXX	XXX	2.45	2.56	2.40	
CA Score is a predictor of bankruptcy within one (1) time period. High probability if CA Score < -0.3.						
B-SHERROD						
Z-Score	37.95	24.48	33.86	19.68	29.85	
Z > 25 - no exposure to risk of bankruptcy; Z < 5 -- significant exposure to risk of bankruptcy.						
ZMIJEWSKI						
(1984)	0%	0%	0%	0%	0%	
Probability of bankruptcy.						
TAFFLER						
	2.61	1.76	2.11	1.32	1.58	
OHLSON O-SCORE						
Probability of Bankruptcy		XXX	1%	2%	3%	
y=	XXX	XXX	(4.428)	(3.733)	(3.657)	
GNP Deflator	230.951	236.952	244.597	252.140	258.972	

SATYAM COMPUTER SERVICES					
QUALITY OF REPORTED EARNINGS					
	2003	2004	2005	2006	2007
Net Profit	112	154	249	298	417
CFFO	XXX	180	168	287	296
Earnings Quality Tests:					
(NP - CFFO)/CFFO	XXX	-14%	49%	4%	41%
(NP - CFFO)/TA	XXX	-3%	7%	1%	5%
NP>0; CFFO<0	XXX				
ΔNP ↑ ΔCFFO ↓	XXX	XXX	Yes		
CFFO<0; EBITDA>0	XXX				
ΔNP ↑ ΔFCF ↓	XXX	XXX	Yes		Yes
Acctg Int/CF Int Paid	100%	100%	100%	138%	104%
A (Acctg Tax-CF Tax Paid)/Shr	0.03	0.00	0.02	0.01	0.02
Def Tax/Tax Exp					
Effective Rate<30%?	17%	14%	13%	9%	11%
Manipulation Index					
Prob of Manipulation	XXX	72.35%	3.35%	99.21%	3.26%
M-Score (5 VAR)	XXX	1.08	(3.14)	3.45	(3.09)
M-Score (8 VAR)	XXX	0.59	(1.83)	2.42	(1.84)
Fraud-Score (2011)	XXX	XXX	0.60	3.30	0.77
C-Score (2008)	XXX	XXX	4	3	4
Much Cash v. Stk or Debt	XXX				
ROIC	XXX	23%	25%	24%	25%
Oper CF ROIC	XXX	26%	23%	27%	27%
Sales Growth	XXX	40.12%	38.14%	33.30%	46.30%
Inventory Growth	XXX				
Raw Materials	XXX				
Work-in-Process	XXX				
Finished Goods	XXX				
A/R Growth	XXX	29.89%	43.34%	51.89%	45.89%
A/P Growth	XXX	29.95%	9.23%	41.18%	92.86%
Growth: AP>AR, AP>Inv	XXX	Problem!			Problem!
Chg Cash for Inventory	XXX	(3)	(1)	(5)	(16)
Under/Over Stocking?					
Inventory/Sales	0.02	0.02	0.01	0.01	0.01
Fictitious Inventory?					
GM ↑ & InvTurnDays ↑	XXX				
+ Sales ↓	XXX				
+ Growth: Inv > Total	XXX				
Fictitious Inventory?					
Purchases	XXX	482	658	904	1,318
AP	8	11	12	17	32
AP Turnover	XXX	44.22	55.25	53.81	40.67
Days Payable Out (DPO)	XXX	8.25	6.61	6.78	8.97
Purchases ↑ & AP → ↓	XXX				
Pre-Booking Rebates	XXX		Yes		Yes
Obsolete Inventory?					
InvTurnDays ↑ & GM ↓	XXX				
Overstated Inv & A/Rs?					
A/R / Total Sales > .15	0.27	0.25	0.26	0.29	0.29
Inventory / CGS > .25	0.00	0.00	0.00	0.00	0.00
Channel Stuffing?					
DSO	96.99	89.91	93.29	106.30	106.00
Gr: A/R > Sales	XXX	0.90	0.79	0.90	0.93
Fictitious Assets?					
Sales/NFA	XXX	10.41	11.50	10.84	10.70
Sales/Total Assets	XXX	0.99	1.06	1.04	1.11
NFA/Total Assets	0.10	0.10	0.09	0.10	0.11
Wk/Total Assets	0.75	0.28	0.74	0.25	0.68
Abnormal E/ee Chg.	XXX				
Inventory	100.00%	100.00%	100.00%	100.00%	100.00%
Raw Materials					
Work-in-Process					
Finished Goods					
Hidden LIFO Liquidation?	XXX				
Accruals					
Accruals/TotalAssets	0.07	0.07	0.09	0.10	0.11
Reserve Changes Impact on Net Profit					
LIFO	XXX				
A/R Allowance	XXX	(4)	(2)	(4)	(8)
Tax Val Allowance	XXX	(4)	(3)	(3)	(3)
Long-Term Accruals	XXX			(8)	(5)
Intangibles/NW	2%	2%	3%	3%	5%
PENSION + POST-RETIREMENT PLAN(S) ANALYSIS					
Rate of Return Chg?	XXX				
Funded Status					
Unfunded/TNW					
Bal Sheet Surplus/Deficit					
Additional Liability?					
Actual-Expected ROPA?					
Chg Unrecogn Actual G/L	XXX				
Pension Income/NP					
Future Asset Write-Offs?	XXX	XXX	No	Maybe	No
Dec Deferred Revenue?	XXX				



SATYAM COMPUTER SERVICES					
QUALITY OF REPORTED EARNINGS					
	2003	2004	2005	2006	2007
Fixed Asset Analysis (Under-expensed? Uncompetitive? Milked?)					
Depreciable Life	XXX	8.90	8.48	10.11	10.89
Approx Age (Yrs)	5.54	6.32	5.88	6.68	6.75
AccDeprec/GFA	0.66	0.65	0.63	0.58	0.54
Depreciation/Sales	4.31%	3.16%	2.87%	2.30%	1.94%
CFFO/CapEx	XXX	4.60	3.10	3.52	3.06
Dec Deprec Exp?	XXX	No.	No.	No.	No.
CapExpnd/Deprec	0.69	1.56	1.72	2.43	2.33
CapEx/Sales	2.96%	4.92%	4.93%	5.58%	4.52%
Capitalizing Operating Expenses?					
PP&E/Sales	0.36	0.31	0.27	0.27	0.24
PP&E/CGS	0.64	0.50	0.44	0.43	0.39
Depreciation/PP&E	0.12	0.10	0.11	0.09	0.08
PP&E/Total Assets	0.29	0.27	0.25	0.24	0.23
Stock Option Compensation:					
Stk Opt Comp/NP	21.10%	13.45%	8.58%		
Tax Benefit/CFFO	XXX				
Stock Option Overhang as an Impediment to Growth:					
% Option/Dil Shares					
Wted Avg Pr/Share					
Cash Reinvestment	XXX	14.86%	10.29%	14.06%	10.41%

SATYAM COMPUTER SERVICES					
STATEMENT OF SHAREHOLDERS' EQUITY					
	2003	2004	2005	2006	2007
Begin Net Worth	XXX	634	768	994	1,371
Net Profit	XXX	154	249	298	417
Stk Option Shares	XXX	15	31	64	15
Stk Opt Tax Benefits	XXX				
Stock Based Comp	XXX	2	1	16	23
Excess Tax Benefits	XXX				
Treasury Stk Repurchase	XXX				
Forgn Curr Transl Adj	XXX				
Min Pension Liab Adj	XXX				
Stock Option Loans	XXX				
Unreal Investm G/L	XXX				
Other *	XXX	1	(13)	55	105
Cash Dividends	XXX	(38)	(41)	(57)	(68)
Ending Net Worth	XXX	768	994	1,371	1,862
* E.G. Compensation Under Employee Incentive Plans; Acquisitions; Securities Valuation Adjustment; Conversion of Subordinated Notes; Repayment of Notes Receivable from ESOP.					

SATYAM COMPUTER SERVICES						
FUNDS STATEMENT						
	2003	2004	2005	2006	2007	
SOURCES OF FUNDS						
Net Profit	XXX	154	249	298	417	
Depreciation	XXX	25	32	34	42	
Other Non-Cash Chg	XXX	1	(43)	(1)	1	
CASH FLOW	XXX	180	238	332	459	
Inc Non-Curr Liab	XXX		17	12	7	
Dec Fixed Assets	XXX					
Dec Other Non-Curr A	XXX		454		707	
Inc Res & Def Credits	XXX	10	1			
Other Inc NW	XXX	18	18	135	142	
Dec Working Cap	XXX	288		482		
TOTAL PROVIDED	XXX	496	728	960	1,315	
APPLICATIONS OF FUNDS						
Cash Div or Wd	XXX	38	41	57	68	
Dec Non-Curr Liab	XXX	1				
Inc Fixed Assets	XXX	41	54	90	115	
Inc Other Non-Curr A	XXX	417		795		
Dec Res & Def Credit	XXX			18	1	
Other Dec NW	XXX					
Inc Working Capital	XXX		633		1,131	
TOTAL APPLIED	XXX	496	728	960	1,315	

SATYAM COMPUTER SERVICES						
STATEMENT OF COMPREHENSIVE INCOME						
	2003	2004	2005	2006	2007	
Net Profit	XXX	154	249	298	417	
Forgn Curr Transl Adj	XXX					
Min Pension Liab Adj	XXX					
Unreal Investm G/L	XXX					
Comprehensive Inc	XXX	154	249	298	417	

SATYAM COMPUTER SERVICES						
STATEMENT OF CASH FLOW FROM OPERATIONS AND FREE CASH FLOW						
	2003	2004	2005	2006	2007	
Net Profit	XXX	154	249	298	417	
DIT	XXX	(2)	(5)	(7)	(11)	
Depreciation	XXX	25	32	34	42	
Depletion	XXX					
Amortization	XXX					
Stock Based Comp	XXX	2	1	16	23	
Change LT Accruals	XXX			8	5	
Non-Cash Lease Exp	XXX					
LIFO Charge(s)	XXX					
G/L on Sale of Secs	XXX					
G/L on Sale of Land	XXX	(0)	(43)	0	1	
Equity Earnings	XXX	1	1	(1)	(0)	
Equity Dividends	XXX					
Other	XXX					
Amt Dilution Adj	XXX					
Extra Item (Net)	XXX					
Minority Interest	XXX		(0)			
Capitalized Int/Costs	XXX					
Chg Oper Lease Liab	XXX					
Chg Accts Recv	XXX	(45)	(85)	(145)	(195)	
Chg Allowance A/Rs	XXX	4	2	4	8	
Chg Inventory	XXX					
Chg Other Curr Asset	XXX	17	(35)	14	(93)	
Chg Accts Payable	XXX	3	1	5	16	
Chg A/P Adjustment	XXX				(4)	
Chg Income Tax Pay	XXX			16	11	
Chg Deferred Rev	XXX	4	6	8	13	
Chg Other Curr Liabs	XXX	18	44	38	65	
Cash Flow From Ops	XXX	180	168	287	296	
Dividends	XXX	38	41	57	68	
Net Cap Expenditure	XXX	39	54	81	96	
Free Cash Flow	XXX	103	72	149	132	
FCF/Sales	XXX	13.02%	6.61%	10.21%	6.18%	
FC Growth Profile	XXX	(0.156)	(0.664)	(0.128)	(0.572)	





SATYAM COMPUTER SERVICES						
CASH-GENERATING EFFICIENCY						
	2003	2004	2005	2006	2007	
CFFO/NetProfits	XXX	1.17	0.67	0.96	0.71	
CFFO/Sales	XXX	0.23	0.15	0.20	0.14	
CFFO/AvgTotAssets	XXX	0.22	0.16	0.20	0.15	

SATYAM COMPUTER SERVICES						
STATEMENT OF CASH VARIANCE						
		2003	2004	2005	2006	2007
Revenue	XXX	227	303	365	677	
Cost of Goods Sold						
Growth	XXX	(128)	(184)	(219)	(419)	
Efficiency	XXX	(34)	8	(28)	5	
Operating Expenses						
Growth	XXX	(51)	(57)	(73)	(123)	
Efficiency	XXX	27	(13)	26	(23)	
Receivables						
Growth	XXX	(55)	(68)	(87)	(187)	
Efficiency	XXX	13	(15)	(55)	(1)	
Inventory (Fifo)						
Growth	XXX	(1)	(0)	(0)	(0)	
Efficiency	XXX	1	0	0	0	
Accounts Payable						
Growth	XXX	4	4	4	8	
Efficiency	XXX	(2)	(3)	0	8	
Taxes						
Growth	XXX	(7)	(15)	(6)	(13)	
Efficiency	XXX	5	3	13	(9)	
Deferred Taxes						
Growth	XXX	(0)	(1)	1	(5)	
Efficiency	XXX	(1)	(2)	(3)	0	
Taxes Payable						
Growth	XXX				11	
Efficiency	XXX			16	(0)	

SATYAM COMPUTER SERVICES						
WORKING CAPITAL ANALYSIS						
	2003	2004	2005	2006	2007	
INC IN WK CAPITAL						
Inc Cash	XXX	43	163		140	
Inc Accts Recv	XXX	45	85	145	195	
Dec Bad Debts	XXX					
Inc Inventory	XXX					
Inc Other Curr. Asse	XXX		440		926	
Dec Notes Payable	XXX					
Dec Accts Payable	XXX					
Dec Tax Payable	XXX					
Dec Other Curr. Liab	XXX					
DEC IN WK CAPITAL						
Dec Cash	XXX			141		
Dec Accts Recv	XXX					
Inc Bad Debts	XXX	4	2	4	8	
Dec Inventory	XXX					
Dec Other Curr. Ass	XXX	346		411		
Inc Notes Payable	XXX			11	16	
Inc Accts Payable	XXX	3	1	5	16	
Inc Tax Payable	XXX			16	11	
Inc Other Curr. Liab.	XXX	24	52	41	79	
WK CAP CHANGE	XXX	(288)	633	(482)	1,131	

SATYAM COMPUTER SERVICES					
COMMON SIZE INCOME STATEMENT (%)					
	2003	2004	2005	2006	2007
Net Sales	100.00%	100.00%	100.00%	100.00%	100.00%
Cost Of Goods Sold	56.36%	60.70%	59.97%	61.86%	61.63%
GROSS PROFIT	43.64%	39.30%	40.03%	38.14%	38.37%
Sell General Adm	16.31%	14.09%	15.52%	14.27%	15.65%
R&D					
Advertising					
Pre-Opening					
Executive Salaries					
Deprec/Amort	4.31%	3.16%	2.87%	2.30%	1.94%
Oper Exp Rentals	1.63%	1.58%	1.60%	1.62%	1.66%
Fixed Charges					
Other Oper Expense					
TOTAL OPER EXP	22.25%	18.82%	19.99%	18.19%	19.26%
OPER PROFIT	21.39%	20.48%	20.04%	19.95%	19.12%
Other Income	2.42%	2.15%	6.26%	2.81%	3.10%
Extra Item (Net)					
Other Expense					
Interest Expense	0.08%	0.06%	0.12%	0.25%	0.24%
Minority Interest (+)			-0.01%		
PRE TAX PROFIT	23.73%	22.56%	26.19%	22.51%	21.98%
Income Tax	16.77%	14.13%	13.14%	9.30%	11.26%
NET PROFIT	19.75%	19.38%	22.75%	20.42%	19.50%

SATYAM COMPUTER SERVICES					
COMMON SIZE BALANCE SHEET (%)					
	2003	2004	2005	2006	2007
Cash	12.01%	14.57%	24.70%	9.31%	12.99%
Investms Bank Depos	46.53%		34.18%		36.85%
Acct Receivable	21.09%	22.11%	23.72%	26.21%	27.68%
Allow Bad Debt (-)	-1.95%	-1.98%	-1.62%	-1.40%	-1.38%
Unbilled Revenue					
Total Inventory	0.14%	0.11%	0.08%	0.06%	0.04%
Raw Materials					
Work-in-Process					
Finished Goods					
LIFO Reserve (-)					
Tax Refund Receivab					
DIT	0.85%	1.03%	0.89%	1.05%	1.06%
Prepays & Other	4.61%	1.82%	4.28%	2.28%	5.79%
TOT CURR ASSET	83.28%	37.66%	86.24%	37.51%	83.03%
Land					
Buildings					
Mach & Equipment	28.52%	27.42%	24.70%	23.85%	23.04%
Furn, Fixt & Other					
Constr In Progress					
Acm Depr & Amt (-)	-18.93%	-17.91%	-15.67%	-13.81%	-12.49%
NET FIXED ASSETS	9.59%	9.51%	9.02%	10.04%	10.55%
Contracts In Progress					
Investms Bank Depos		46.56%		47.26%	
Investments - Equity	3.79%	2.63%	0.30%	0.28%	0.21%
Prepaid Retirement Plan					
Intangibles (Net)	2.18%	1.75%	2.90%	2.47%	4.26%
Other	1.16%	1.90%	1.54%	2.43%	1.96%
TOTAL ASSETS	100.00%	100.00%	100.00%	100.00%	100.00%
Commercial Paper					
Notes Payable				0.65%	1.20%
LTD Current	0.33%	0.55%	0.55%	0.10%	0.11%
Accts Payable	1.17%	1.23%	1.01%	1.03%	1.44%
Deferred Revenues	0.26%	0.63%	1.00%	1.24%	1.48%
Dividends Payable					
Income Tax Payable				0.95%	1.18%
Taxes Non-Income					
Marketing & Distrib					
Employee Compens					
Customer Vol Discts					
Rent					
Insurance					
Warranty Costs					
Other	6.54%	7.33%	9.22%	9.03%	9.45%
TOTAL CURR LIAB	8.31%	9.74%	11.78%	13.00%	14.85%
LTD	0.26%	0.13%	1.52%	1.37%	1.11%
Repurch Agrm Oblig					
Notes					
Notes					
Bonds					
Bonds					
Securitization of A/Rs					
Other - Non-Int Debt				0.50%	0.56%
Post Retirement Oblig					
Subordinated Debt					
Subordinated Debt					
TOTAL LIABILITIES	8.56%	9.87%	13.29%	14.87%	16.52%
DIT	1.23%	1.01%	0.75%	0.71%	0.49%
Minority Interest	1.40%	2.26%	1.77%		
Reserves					
Forgn Curr Transl Adj					
Min Pension Liab Adj					
Stock Option Loans					
Cumm Unreal Inv G/L					
Deferred Compensati					
Treasury Stock (-)	-0.24%	-0.17%	-0.10%	-0.07%	-0.05%
Retained Earnings	28.34%	36.05%	43.46%	48.26%	55.03%
Paid-In-Capital	58.31%	49.01%	39.34%	34.01%	26.41%
Preferred Stock A					
Preferred Stock B					
Common Stock A	2.41%	1.96%	1.49%	2.22%	1.61%
Common Stock B					
TOT NET WORTH	88.81%	86.86%	84.19%	84.42%	82.99%
TOT LIAB + NW	100.00%	100.00%	100.00%	100.00%	100.00%



SATYAM COMPUTER SERVICES					
STOCK PERFORMANCE ANALYSIS					
	2003	2004	2005	2006	2007
# Outstanding Shares	313	316	321	326	333
# Diluted C/S Outstd	317	324	331	333	340
\$ Amt Dilution Adjstm					
High Price	17.68	14.25	21.95	25.94	30.89
Low Price	4.21	8.00	10.50	12.01	20.02
Dividends/Share	0.08	0.12	0.13	0.17	0.20
Low Yield/Share	0.47%	0.83%	0.59%	0.67%	0.66%
High Yield/Share	1.99%	1.49%	1.23%	1.45%	1.02%
Earnings Per Share					
Diluted EPS	0.35	0.48	0.75	0.90	1.23
High P/E Ratio	50.10	29.99	29.17	28.95	25.16
Avg High P/E Ratio Latest 3 Yrs =			36.42	29.37	27.76
Low P/E Ratio	11.93	16.84	13.95	13.40	16.31
Avg Low P/E Ratio Latest 3 Yrs =			14.24	14.73	14.55
Is the EPS approximate growth rate implicit in the present PE Multiple (H/L) greater than the actual EPS growth rate? Psychological red flag of overpayment regardless of quality?					
		N/N	N/N	Y/N	N/N
EPS Growth Rate	XXX	34.69%	58.37%	19.07%	36.99%
Sustainable Growth Rate	XXX	16.57%	23.62%	20.44%	21.57%
Net Profit Growth Rate	XXX	37.46%	62.20%	19.65%	39.75%
Is the EPS approximate growth rate implicit in the present PE Multiple (H/L) greater than the ROE? Psychological red flag of overpayment regardless of quality?					
		Y/N	Y/N	Y/N	N/N
Return on C/S Equity	XXX	21.94%	28.30%	25.23%	25.80%
High EPS Relative Weight =			3.07	3.33	3.29
Low EPS Relative Weight =			5.78	6.83	7.06
Cash Flow Per Share					
Dil Cash Flow/Shr	0.43	0.55	0.70	0.98	1.32
Cash Flow	135	178	233	325	448
High P/CF Ratio	41.36	25.91	31.21	26.59	23.44
Avg High P/CF Ratio Latest 3 Yrs =			32.83	27.91	27.08
Low P/CF Ratio	9.85	14.55	14.93	12.31	15.19
Avg Low P/CF Ratio Latest 3 Yrs =			13.11	13.93	14.14
High CF/S Relative Weight =			4.18	4.39	4.19
Low CF/S Relative Weight =			4.64	5.51	5.88
Sales Per Share					
Diluted Sales/Share	1.79	2.45	3.31	4.39	6.29
High P/S Ratio	9.89	5.81	6.64	5.91	4.91
Avg High P/S Ratio Latest 3 Yrs =			7.45	6.12	5.82
Low P/S Ratio	2.36	3.26	3.17	2.74	3.18
Avg Low P/S Ratio Latest 3 Yrs =			2.93	3.06	3.03
High Sales/Share Relative Wt =			3.45	3.67	3.45
Low Sales/Share Relative Wt =			5.87	6.88	7.61

SATYAM COMPUTER SERVICES					
STOCK PERFORMANCE ANALYSIS					
	2003	2004	2005	2006	2007
Book Value Per Share					
Tangible BV/Share	1.97	2.38	3.00	4.08	5.30
Book Value/Share	2.02	2.43	3.10	4.20	5.59
High P/BV Ratio	8.73	5.87	7.08	6.17	5.53
Avg High BV/S Ratio Latest 3 Yrs			7.23	6.37	6.26
Low P/BV Ratio	2.08	3.29	3.39	2.86	3.58
Avg Low BV/S Ratio Latest 3 Yrs =			2.92	3.18	3.27
			5.02	5.41	5.19
			4.01	4.87	5.08
Graham Number	3.96	5.04	7.12	9.07	12.10
Private Market Value	4.26	5.11	7.99	8.46	12.23
PE Sell-Out Price	6.10	7.76	11.97	13.47	18.60
Range	5.09	6.47	9.98	11.22	15.50
Undervalued?	XXX	0.04	0.03	0.04	0.02
Cash+Equiv/Share	1.32	0.40	2.10	0.45	3.29

NOTE:	INFORMATION OBTAINED FROM SOURCES BELIEVED TO BE RELIABLE, BUT ITS ACCURACY AND COMPLETENESS AND ANY OPINIONS BASED THEREON ARE NOT GUARANTEED. IT SHOULD NOT BE CONSTRUED TO BE A RECOMMENDATION FOR THE PURCHASE, RETENTION, OR SALE OF THE SECURITIES OF THE COMPANY MENTIONED. ALL RIGHTS RESERVED.
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