

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 11, 2006 (September 11, 2006)

Commission file number: 0-22773

NETSOL TECHNOLOGIES, INC.

(Exact name of small business issuer as specified in its charter)

NEVADA

(State or other Jurisdiction of
Incorporation or Organization)

95-4627685

(I.R.S. Employer NO.)

23901 Calabasas Road, Suite 2072, Calabasas, CA 91302
(Address of principal executive offices) (Zip Code)

(818) 222-9195 / (818) 222-9197
(Issuer's telephone/facsimile numbers, including area code)

Item 2.02 Results of Operations and Financial Condition.

On September 11, 2006, NetSol Technologies, Inc. issued a press release providing revised guidance for fiscal year ending June 30, 2007. The press release is furnished as Exhibit 99.1 to this Form 8-K.

The information in this report shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Exhibits

99.1 News Release dated September 11, 2006.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NETSOL TECHNOLOGIES, INC.

Date: September 11, 2006

/s/ Naeem Ghauri
NAEEM GHURI
Chief Executive Officer

Date: September 11, 2006

/s/ Tina Gilger
TINA GILGER
Chief Financial Officer, Secretary

NETSOL TECHNOLOGIES EXPECTS FISCAL 2007 REVENUE TO REACH \$30 MILLION

CALABASAS, CA - September 11, 2006 - **NetSol Technologies, Inc.** (NASDAQ:NTWK), a U.S.-based, multinational provider of enterprise software and services for equipment financing, today issued guidance for fiscal 2007. The company expects revenues to grow approximately 60 percent to \$30 million, with net income of between \$0.10 and \$0.13 per share, for fiscal 2007.

"As a truly global player in our market, we are experiencing a surge in demand for our LeaseSoft product suite and are confident that our sales and services pipeline will support this significant increase in revenue," commented NetSol CEO Naeem U. Ghauri. He added, "We are leveraging our Lahore, Pakistan, facility for our new acquisitions in the U.S. and the U.K. and expect solid growth in our net income for fiscal 2007." According to NetSol CFO Tina Gilger, the company's balance sheet remains strong.

About NetSol Technologies, Inc.

NetSol Technologies is a U.S.-based multinational provider of enterprise software and services for equipment finance. Headquartered in Calabasas, CA, NetSol Technologies, Inc. operates on a global basis with locations in the U.S., Europe, East Asia and Asia Pacific, including London, Los Angeles, San Francisco, Sydney, Beijing, Toronto, and Lahore, Pakistan.

NetSol Technologies helps its clients identify, evaluate and implement technology solutions to meet their strategic business challenges and maximize their bottom line. By utilizing its worldwide resources, NetSol Technologies delivers high-quality, cost-effective equipment finance portfolio management solutions and IT services ranging from consulting and application development to systems integration and outsourcing. NetSol Technologies' commitment to quality is demonstrated by its achievement of both ISO 9001 and SEI (Software Engineering Institute) CMMI (Capability Maturity Model) Level 5 assessment. For more information, visit NetSol Technologies' web site at www.netsoltek.com.

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Securities Exchange Act of 1934

This release is comprised of inter-related information that must be interpreted in the context of all the information provided; accordingly, care should be exercised not to consider portions of this release out of context. This release is provided in compliance with Commission Regulation FD and contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21B of the Securities Exchange Act of 1934. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, goals, assumptions or future events or performance, are not statements of historical fact and may be "forward-looking statements." Forward-looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. Forward-looking statements in this action may be identified through the use of words such as "expects," "will," "anticipates," "estimates," "believes," or statements indicating certain actions "may," "could," or "might," occur. Such statements reflect the current views of NetSol Technologies with respect to future events and are subject to certain assumptions, including those described in this release. Should one or more of the underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed or expected. NetSol Technologies does not intend to update these forward-looking statements prior to announcement of quarterly or annual results.

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