

4S FOUR SOFT LIMITED

Registered office: 5Q1 A3, Cyber Towers, Hitec City, Madhapur, Hyderabad-500 003
Tel: +91 40 2310 0600/601, Fax: + 91 40 2310 0602, e-mail:info@four-soft.com, website:http://www.four-soft.com

FINANCIAL RESULTS FOR THREE AND TWELVE MONTHS ENDED MARCH 31, 2007

Rs. In Lacs, except per share.

Sr. No.	Particulars	Standalone Results				Consolidated Results		
		Nine Months Ended	Three Months Ended		Year Ended		Year Ended	
		31.12.06	31.03.07	31.03.06	31.03.07	31.03.06	31.03.07	31.03.06
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Unaudited)	(Audited)
1	Net Sales/Services	3,043.86	605.61	1,103.56	3,649.47	2,186.85	16,466.47	9,005.59
2	Other Income	83.73	20.14	94.81	103.87	209.14	372.90	416.17
3	Total expenditure:							
	a) Staff Cost	1,087.81	375.01	359.95	1,462.82	1,059.23	11,014.22	5,939.43
	b) Implementation expenses	487.66	78.12	(6.05)	565.78	141.97	-	-
	c) Exchange Difference loss/ (gain)	77.33	1.65	40.02	78.98	(44.38)	89.30	-
	d) Other expenditure	560.39	294.72	190.12	855.11	634.17	3,648.50	2,208.70
4	Interest	4.94	7.32	1.13	12.26	1.13	398.06	275.45
5	Depreciation	132.85	64.22	45.19	197.07	115.08	416.79	220.86
6	Profit / (Loss) before tax and exceptional items(1+2-3-4-5)	776.61	(195.29)	568.01	581.32	488.78	1,272.50	777.32
7	Exceptional items (refer note 6)	-	-	-	-	-	991.45	-
8	Profit / (Loss) before tax and after exceptional items (6-7)	776.61	(195.29)	568.01	581.32	488.78	281.05	777.32
9	Provision for Taxation	53.97	18.21	34.62	72.18	69.80	178.48	183.22
10	Net Profit /(Loss) (8-9)	722.64	(213.50)	533.39	509.14	418.98	102.56	594.09
11	Paid-up equity share capital (Face value of Rs. 5 each)	1,776.23	1,915.31	1,764.88	1,915.31	1,764.88	1,915.31	1,764.88
12	Reserves excluding revaluation reserves				7,761.43	5,326.89	7,748.11	5,621.66
13	Basic earnings per share (not annualised)	2.05	(0.61)	1.61	1.42	1.26	0.29	1.79
14	Diluted earnings per share (not annualised)	2.03	(0.61)	1.58	1.41	1.24	0.28	1.76
15	Aggregate of public shareholding							
	- Number of shares				26,040,481	23,365,614	26,040,481	23,365,614
16	- Percentage of shareholding				66.84	64.59	66.84	64.59

Notes: 1. The above financial results have been reviewed by the Audit Committee, considered and approved by the Board of Directors at its meeting held on June 29, 2007. 2. The consolidated financial results of Four Soft Limited ("Four Soft" or "the Company") and its wholly owned subsidiaries are prepared in accordance with Accounting Standard 21 - "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India. 3. The results of the business entities which have been consolidated with the results of Four Soft Limited includes subsidiaries as at March 31, 2007: (a) Four Soft LLC, USA, (b) Four Soft BV, The Netherlands and its subsidiaries (Four Soft NL BV, Four Soft UK Ltd, Four Soft USA Inc. and Four Soft Germany GMBH), (c) Four Soft Holding A/S and its subsidiaries from the date of acquisition i.e. January 1, 2007, (d) Four Soft Singapore Pte Ltd and its subsidiary Four Soft Japan KK and (e) Four Soft Malaysia Sdn Bhd. 4. There were 11 complaints received from investors during the quarter and have been resolved. There were no complaints outstanding at the beginning or end of the quarter. 5. During the quarter ended March 31, 2007 the company has received an amount of Rs. 657.75 Lakhs towards allotment of 1,011,925 equity shares on preferential basis and Rs. 142.8 lacs towards allotment of 2,100,000 warrants on preferential basis. The company has used the issue proceeds for acquisition of Transaxiom Holding A/S (renamed as Four Soft Holding A/S), a Denmark based company. Also 1,770,170 equity shares were allotted to sellers of Transaxiom Holding A/S for consideration other than cash on preferential basis. 6. Exceptional items are the acquisition related integration and redundancy cost which are not expected to recur in the normal course of business. 7. Sales and staff cost for nine months ended December 31, 2006 has been regrouped in accordance with audited financial results for the year ended March 31, 2007. 8. Figures for the corresponding previous periods, have been regrouped / rearranged wherever necessary.

Consolidated Segment Reporting as per AS- 17

Particulars	31.03.2007	31.03.2006
1 Segment Revenue		
a) India	3,649.47	2,186.85
b) Europe	12,335.70	6,340.57
c) USA	2,537.33	1,045.57
d) Rest of the world	605.30	386.78
Total	19,127.80	9,959.77
Less: Inter Segment Revenue	2,661.32	954.18
Net Revenue from operations	16,466.47	9,005.59
2 Segment Results		
a) India	489.71	242.65
b) Europe	(71.44)	749.75
c) USA	15.90	(186.60)
d) Rest of the world	(163.42)	(169.21)
e) Others	35.47	-
Total	306.21	636.60
3 Other Income	372.90	416.17
Less: (i) Interest	398.06	275.45
Profit Before Tax	281.05	777.32
4 Capital Employed		
a) India	5,484.81	5,766.07
b) Europe	4,839.70	1,855.05
c) USA	289.44	266.72
d) Rest of the world	(409.92)	(213.82)

Place: Hyderabad
Date: June 29, 2007

For and on behalf of Board of Directors
Palem Srikanth Reddy
Managing Director