

FOUR SOFT LIMITED

Registered office: 5Q1 A3, Cyber Towers, Hitec City, Madhapur, Hyderabad-500 033
Tel: +91 40 2310 0600/601, Fax: +91 40 2310 0602, e-mail:info@four-soft.com, website:http://www.four-soft.com

Rs. lakhs, except per share and share data.

CONSOLIDATED FINANCIAL RESULTS FOR THREE MONTHS ENDED DECEMBER 31, 2010

| Sr. No. | Particulars | Three Months Ended | | Nine Months Ended | | Year ended |
|---------|--|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | | 31.12.2010 (Unaudited) | 31.12.2009 (Unaudited) | 31.12.2010 (Unaudited) | 31.12.2009 (Unaudited) | 31.03.2010 (Audited) |
| 1 | Net sales/income from operations | 3,132.53 | 3,332.26 | 8,922.42 | 10,134.45 | 13,296.00 |
| 2 | Expenditure: | | | | | |
| | a) Employees cost | 2,104.81 | 2,124.30 | 5,938.00 | 6,552.39 | 8,793.93 |
| | b) Depreciation | 45.98 | 66.93 | 131.96 | 208.63 | 238.62 |
| | c) Exchange difference loss/ (gain) | (1.64) | (23.07) | (12.43) | 200.19 | 270.76 |
| | d) Other expenditure | 780.88 | 792.75 | 2,318.47 | 2,483.08 | 3,406.93 |
| | e) Total expenditure: | 2,930.03 | 2,960.91 | 8,376.00 | 9,444.29 | 12,710.24 |
| 3 | Profit from operations before other income, interest and exceptional items (1-2) | 202.50 | 371.35 | 546.42 | 690.16 | 585.76 |
| 4 | Other income | 13.63 | 121.84 | 63.98 | 413.84 | 664.84 |
| 5 | Profit before interest and exceptional items (3+4) | 216.13 | 493.19 | 610.40 | 1,104.00 | 1,250.60 |
| 6 | Interest | 46.29 | 62.98 | 119.45 | 188.09 | 247.07 |
| 7 | Profit after interest but before exceptional items (5-6) | 169.84 | 430.21 | 490.95 | 915.91 | 1,003.53 |
| 8 | Exceptional items | - | - | - | - | - |
| 9 | Profit (+)/loss (-) from ordinary activities before tax (7+8) | 169.84 | 430.21 | 490.95 | 915.91 | 1,003.53 |
| 10 | Tax expense | 63.08 | 63.96 | 51.17 | 188.82 | 236.98 |
| 11 | Net profit (+)/loss (-) from ordinary activities after tax (9-10) | 106.76 | 366.25 | 439.78 | 727.09 | 766.55 |
| 12 | Extraordinary items (net of tax expense Rs. Nil) | - | - | - | - | - |
| 13 | Net profit(+)/loss(-) for the period (11-12) | 106.76 | 366.25 | 439.78 | 727.09 | 766.55 |
| 14 | Paid-up equity share capital (face value of Rs. 5 each) | | | | | 1,941.40 |
| 15 | Reserves excluding revaluation reserves | | | | | 12,801.42 |
| 16 | a) Basic earnings per share (not annualised) | 0.28 | 0.95 | 1.14 | 1.89 | 1.99 |
| | b) Diluted earnings per share (not annualised) | 0.27 | 0.95 | 1.13 | 1.88 | 1.98 |

STANDALONE FINANCIAL RESULTS FOR THREE MONTHS ENDED DECEMBER 31, 2010

| Sr. No. | Particulars | Three Months Ended | | Nine Months Ended | | Year ended |
|---------|--|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | | 31.12.2010 (Unaudited) | 31.12.2009 (Unaudited) | 31.12.2010 (Unaudited) | 31.12.2009 (Unaudited) | 31.03.2010 (Audited) |
| 1 | Net sales/income from operations | 689.47 | 840.33 | 1,906.70 | 2,481.84 | 3,257.97 |
| 2 | Expenditure: | | | | | |
| | a) Employees cost | 614.19 | 495.89 | 1,767.58 | 1,508.30 | 1,966.28 |
| | b) Depreciation | 26.44 | 37.59 | 76.08 | 112.41 | 147.09 |
| | c) Exchange difference loss/ (gain) | (1.51) | 6.27 | 0.23 | 53.66 | 51.20 |
| | d) Other expenditure | 215.70 | 187.61 | 654.99 | 517.26 | 803.90 |
| | e) Total expenditure: | 854.82 | 731.08 | 2,498.88 | 2,263.07 | 2,968.47 |
| 3 | Profit from operations before other income, interest and exceptional items (1-2) | (165.35) | 109.25 | (592.18) | 218.77 | 289.50 |
| 4 | Other income | 10.23 | 12.11 | 18.24 | 19.69 | 57.37 |
| 5 | Profit before interest and exceptional items (3+4) | (155.12) | 121.36 | (573.94) | 238.46 | 346.87 |
| 6 | Interest | 0.94 | 42.56 | 8.37 | 126.39 | 158.11 |
| 7 | Profit after interest but before exceptional items (5-6) | (156.06) | 78.80 | (582.31) | 112.07 | 188.76 |
| 8 | Exceptional items | - | - | - | - | - |
| 9 | Profit (+)/loss (-) from ordinary activities before tax (7+8) | (156.06) | 78.80 | (582.31) | 112.07 | 188.76 |
| 10 | Tax expense | (36.74) | 29.73 | (173.91) | 46.29 | 73.39 |
| 11 | Net profit (+)/loss (-) from ordinary activities after tax (9-10) | (119.32) | 49.07 | (408.40) | 65.78 | 115.37 |
| 12 | Extraordinary items (net of tax expense Rs. Nil) | - | - | - | - | - |
| 13 | Net profit(+)/loss(-) for the period (11-12) | (119.32) | 49.07 | (408.40) | 65.78 | 115.37 |
| 14 | Paid-up equity share capital (face value of Rs. 5 each) | | | | | 1,941.40 |
| 15 | Reserves excluding revaluation reserves | | | | | 8,209.74 |
| 16 | a) Basic earnings per share (not annualised) | (0.31) | 0.13 | (1.06) | 0.17 | 0.30 |
| | b) Diluted earnings per share (not annualised) | (0.31) | 0.13 | (1.06) | 0.17 | 0.30 |
| 17 | Public shareholding | | | | | |
| | - No. of shares | | | 26,557,094 | 26,168,442 | 26,496,572 |
| | - Percentage of shareholding | | | 68.17 | 67.17 | 68.01 |
| 18 | Promoters and promoter group shareholding | | | | | |
| | a) Pledged/encumbered | | | | | |
| | - Number of shares | | | 2,150,000 | 2,150,000 | 2,150,000 |
| | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | | | 17.34 | 16.81 | 17.25 |
| | - Percentage of shares (as a % of the total share capital of the company) | | | 5.52 | 5.52 | 5.52 |
| | b) Non-encumbered | | | | | |
| | - Number of shares | | | 10,252,650 | 10,641,302 | 10,313,172 |
| | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | | | 82.66 | 83.19 | 82.75 |
| | - Percentage of shares (as a % of the total share capital of the company) | | | 26.32 | 27.31 | 26.47 |

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Rs. lakhs, except per share and share data.

NOTES TO FINANCIAL RESULTS

1. 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" as notified by the Companies (Accounting Standards) Rules, 2006.
2. The results of the business entities which have been consolidated with the results of Four Soft Limited includes subsidiaries as at December 31, 2010: (a) Four Soft BV, The Netherlands and its subsidiaries (Four Soft Netherlands BV, Four Soft UK Ltd, Four Soft USA Inc, Four Soft Nordic A/s and its subsidiaries (Four Soft Hong Kong Ltd and Transaxiom (USA) Inc.), (b) Four Soft Singapore Pte Ltd and its subsidiaries (Four Soft Japan KK and Four Soft Australia Pty. Ltd.) and (c) Four Soft Malaysia Sdn Bhd.
3. The above Consolidated results have not been subjected to Limited Review by the Statutory Auditors, but have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 27, 2011.
4. The above Stand-alone results have been subjected to Limited Review by the Statutory Auditors, and have also been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 27, 2011.
5. Two complaints were received during the quarter from Investors and were resolved. There were no complaints outstanding at the beginning or end of the quarter.

For and on behalf of Board of Directors

Place: Hyderabad
Date: January 27, 2011

Palem Srikanth Reddy
Managing Director



