

**FOUR SOFT LIMITED**

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Rs. lakh, except per share and share data.

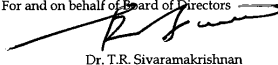
**FINANCIAL RESULTS FOR THREE MONTHS ENDED JUNE 30, 2010**

| Sr. No. | Particulars  | Unaudited Consolidated Results Three Months Ended |            | Audited Consolidated Results | Unaudited Standalone Results Three Months Ended |            | Audited Standalone Results |
|---------|--|---|------------|------------------------------|---|------------|----------------------------|
|         |  | 30.06.2010  | 30.06.2009 | 31.03.2010                   | 30.06.2010                                      | 30.06.2009 | 31.03.2010                 |
| 1       | Net sales/income from operations   | 2,939.48  | 3,570.30   | 13,296.00                    | 629.82  | 817.70     | 3,257.97                   |
| 2       | Expenditure:   |   |            |                              |   |            |                            |
|         | a) Employees cost  | 1,929.90  | 2,238.37   | 8,793.93                     | 570.71  | 526.11     | 1,966.28                   |
|         | b) Depreciation  | 42.52   | 69.98      | 238.62                       | 25.01   | 37.19      | 147.09                     |
|         | c) Exchange difference loss/ (gain)  | (60.06)   | 373.35     | 270.76                       | (1.07)  | 44.97      | 51.20                      |
|         | d) Other expenditure   | 763.25  | 865.65     | 3,406.93                     | 227.17  | 213.29     | 803.90                     |
|         | e) Total expenditure:  | 2,675.61  | 3,547.35   | 12,710.24                    | 821.82  | 821.56     | 2,968.47                   |
| 3       | Profit from operations before other income, interest and exceptional items (1-2)         | 263.87  | 22.95      | 585.76                       | (192.00)  | (3.86)     | 289.50                     |
| 4       | Other income   | 40.98   | 147.18     | 664.84                       | 2.83  | 2.77       | 57.37                      |
| 5       | Profit before interest and exceptional items (3+4)                                       | 304.85  | 170.13     | 1,250.60                     | (189.17)  | (1.09)     | 346.87                     |
| 6       | Interest   | 36.07   | 75.09      | 247.07                       | 3.84  | 41.89      | 158.11                     |
| 7       | Profit after interest but before exceptional items (5-6)                                 | 268.78  | 95.04      | 1,003.53                     | (193.01)  | (42.98)    | 188.76                     |
| 8       | Exceptional items  | -   | -          | -                            | -   | -          | -                          |
| 9       | Profit (+)/loss (-) from ordinary activities before tax (7+8)                            | 268.78  | 95.04      | 1,003.53                     | (193.01)  | (42.98)    | 188.76                     |
| 10      | Tax expense  | (1.21)  | 46.87      | 236.98                       | (64.48)   | (1.70)     | 73.39                      |
| 11      | Net profit (+)/loss (-) from ordinary activities after tax (9-10)                        | 269.99  | 48.17      | 766.55                       | (128.53)  | (41.28)    | 115.37                     |
| 12      | Extraordinary items (net of tax expense Rs. Nil)   | -   | -          | -                            | -   | -          | -                          |
| 13      | Net profit(+)/loss(-) for the period (11-12)   | 269.99  | 48.17      | 766.55                       | (128.53)  | (41.28)    | 115.37                     |
| 14      | Paid-up equity share capital (face value of Rs. 5 each)                                  | 1,947.96  | 1,935.48   | 1,941.40                     | 1,947.96  | 1,935.48   | 1,941.40                   |
| 15      | Reserves excluding revaluation reserves  | 11,923.99   | 13,980.99  | 12,801.42                    | 8,082.93  | 8,095.09   | 8,209.74                   |
| 16      | a) Basic earnings per share (not annualised)   | 0.70  | 0.13       | 1.99                         | (0.33)  | (0.11)     | 0.30                       |
|         | b) Diluted earnings per share (not annualised)   | 0.70  | 0.12       | 1.99                         | (0.33)  | (0.11)     | 0.30                       |
| 17      | Public shareholding  |   |            |                              |   |            |                            |
|         | - No. of shares  |   |            |                              | 26,520,418                                      | 26,496,572 | 26,496,572                 |
|         | - Percentage of shareholding   |   |            |                              | 68.07   | 68.01      | 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) |   |            |                              | 17.25   | 17.25      | 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   |   |            |                              | 10,313,172                                      | 10,313,172 | 10,313,172                 |
|         | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) |   |            |                              | 82.75   | 82.75      | 82.75                      |
|         | - Percentage of shares (as a % of the total share capital of the company)                |   |            |                              | 26.47   | 26.47      | 26.47                      |

**NOTES TO FINANCIAL RESULTS**

- The above financial results have been reviewed by the Audit Committee, considered and approved by the Board of Directors at its meeting held on July 23, 2010.
- 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.
- The results of the business entities which have been consolidated with the results of Four Soft Limited includes subsidiaries as at March 31, 2010: (a) Four Soft BV, The Netherlands and its subsidiaries (Four Soft Netherlands BV, Four Soft UK Ltd and Four Soft USA Inc.), (b) Four Soft Nordic A/s and its subsidiaries (Four Soft Hong Kong Ltd and Transaxiom (USA) Inc.), (c) Four Soft Singapore Pte Ltd and its subsidiaries (Four Soft Japan KK and Four Soft Australia Pty. Ltd.) and (d) Four Soft Malaysia Sdn Bhd.
- No complaints were received during the quarter from investor. There were no complaints outstanding at the beginning or end of the quarter.
- Figures for the corresponding previous periods, have been regrouped / rearranged wherever necessary.

For and on behalf of Board of Directors

  
Dr. T.R. Sivaramakrishnan  
Director

Place: Hyderabad  
Date: July 23, 2010