

4S FOUR SOFT LIMITED

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Un-audited (Provisional) Financial Results for the Half Year ended September 30, 2005

Rs. In Lacs, except per share.

Sr. No.	Particulars	Three Months Ended		Six Months Ended		Year ended 31.03.2005 (Audited)
		30.09.2005 (Unaudited)	30.09.2004 (Unaudited)	30.09.2005 (Unaudited)	30.09.2004 (Unaudited)	
1.	Net Sales/Services	330.41	434.82	697.29	831.07	1,593.42
2.	Other Income	29.97	45.77	55.17	131.43	118.30
3.	Total Expenditure					
	a) Increase/decrease in stock in Trade	0.00	0.00	0.00	0.00	0.00
	b) Consumption of raw materials	0.00	0.00	0.00	0.00	0.00
	c) Staff cost	220.15	128.14	405.81	212.65	512.62
	d) Bad Debts Written Off	0.00	0.33	0.00	1.09	9.30
	e) Travelling Expenditure	46.28	50.51	87.63	75.05	180.74
	f) Implementation Expense	43.98	85.87	114.75	272.18	316.49
	g) Exchange rate (gain) / Loss	(0.16)	0.00	(17.46)	0.00	20.61
	h) Other expenditure	65.71	41.85	123.79	73.91	278.46
4.	Interest	0.00	0.00	0.00	0.00	0.00
5.	Depreciation	22.96	17.66	45.04	29.28	76.50
6.	Profit (+)/Loss(-) before tax (1+2-3-4-5)	(38.55)	156.24	(7.10)	298.33	317.00
7.	Provision for taxation	8.23	7.98	14.33	13.01	34.40
8.	Net Profit (+)/Loss (-) (6-7)	(46.78)	148.27	(21.43)	285.33	297.45
9.	Paid-up equity share capital (Face Value Rs.5/- each)	1,808.74	1,593.00	1,808.74	1,593.00	1,593.00
10.	Reserves excluding revaluation Reserves	5,099.38	2,747.46	5,099.38	2,747.46	2,616.59
11.	Basic Earnings Per Share (Not annualised)	(0.14)	0.44	(0.07)	0.44	0.89
	Diluted EPS	(0.14)	0.00	(0.06)	0.00	0.88
12.	Aggregate of non-promoter shareholding**					
	- Number of shares	22,790,585	15,881,470	22,790,585	15,881,470	16,408,550
	- Percentage of shareholding	63.00	49.84	63.00	49.84	51.49

Notes:

- The above financial results have been reviewed by the Audit Committee considered and approved by the Board of Directors at its meeting held on October 29, 2005. These results are subject to limited review by statutory auditors.
- Segment Reporting is not applicable, as the Company is engaged in software product and related services.
- There were 14 complaints received from investors during the quarter and have been resolved. There was no complaint outstanding at the beginning or end of the quarter.
- Figures for the corresponding previous periods, have been regrouped / rearranged wherever necessary.
- The company has deployed in full the proceeds from the Initial Public Offering towards the objects mentioned in the prospectus. The company pending utilization from proceeds from preferential issue, parked the funds in liquid mutual funds and fixed deposits.
- The paid-up share capital of the Company has increased during the quarter due to allotment of 39,49,447 equity shares for cash and 3,63,408 equity shares for consideration other than cash (Rs. 5/- each and at a premium of Rs. 58.30/-) on preferential basis on 10th September 2005.

Consolidated (Provisional) Un-audited Financial Results for the Half Year ended September 30, 2005

Rs. In Lacs, except per share.

Sr. No.	Particulars	Three Months Ended	Six Months Ended	Year ended
		30.09.2005 (Unaudited)	30.09.2005 (Unaudited)	31.03.2005 (Audited)
1.	Net Sales/Services	1,691.17	2,346.34	2,032.91
2.	Other Income	54.22	87.98	133.02
3.	Total Expenditure			
	a) Increase/decrease in stock in Trade	0.00	0.00	0.00
	b) Consumption of raw materials	0.00	0.00	0.00
	c) Staff cost	1,039.66	1,394.37	915.62
	d) Bad Debts Written Off	0.00	0.00	9.30
	e) Traveling Expenditure	108.93	164.10	221.83
	f) Other expenditure	310.81	441.20	426.47
4.	Interest	22.40	22.40	0.00
5.	Depreciation	44.00	71.72	94.77
6.	Profit (+)/Loss(-) before tax	219.59	339.53	414.59
7.	Provision for taxation	50.66	71.22	94.77
8.	Net Profit (+)/Loss (-) (6-7)	168.93	268.31	414.59
9.	Paid-up equity share capital (Face Value Rs.5/- each)	1,808.74	1,808.74	1,593.00
10.	Reserves excluding revaluation Reserves	2,790.43	2,790.43	2,769.65
11.	Basic Earnings Per Share (Not annualised)	0.51	0.82	1.28
	Diluted EPS	0.51	0.81	1.28
12.	Aggregate of non-promoter shareholding**			
	- Number of shares	22,790,585	22,790,585	16,408,550
	- Percentage of shareholding	63.00	63.00	51.49

Notes:

- The above un-audited results have been reviewed by the Audit Committee and has been approved and taken on record by the Board of Directors at its meeting held on October 29, 2005.
- Accounts are consolidated by applying AS-21 consolidation of accounts issued by ICAI.
- The above Consolidated un-audited financial results include results of Four Soft LLC, Four Soft Singapore Pte Ltd., Four Soft Malaysia Sdn Bhd. Four Soft B.V (Subsidiaries in UK, Germany, US and Netherlands from 2nd September 2005). As the majority of subsidiary companies were acquired in the current financial year, the consolidated figures for the previous years are not given, since they are not comparable.
- These results are available on our website www.four-soft.com.

Place: Hyderabad
Date: October 29, 2005

By Order of the Board
Sd/-
Palem Srikanth
Managing Director & CEO

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