

4S FOUR SOFT LIMITED

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Consolidated (Provisional) Un-audited Financial Results for the Nine Months ended December 31, 2005

Rs. in Lacs, except per share

Sr. No.	Particulars	Three Months Ended 31.12.2005 (Unaudited)	Nine Months Ended 31.12.2005 (Unaudited)	Year ended 31.03.2005 (Audited)
1.	Net Sales/Services	3,236.78	5,583.12	2,032.91
2.	Other Income	118.01	205.99	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	2,528.60	3,922.97	915.62
	d) Bad Debts Written Off	0.00	0.00	9.30
	e) Traveling Expenditure	153.60	317.70	221.83
	f) Other expenditure	474.37	915.57	426.47
4.	Interest	105.96	128.36	0.00
5.	Depreciation	65.25	137.97	94.77
6.	Profit (+)/Loss(-) before tax (1+2-3-4-5)	27.01	366.54	414.59
7.	Provision for taxation	9.15	80.37	94.77
8.	Net Profit (+)/Loss (-) (6-7)	17.86	286.17	414.59
9.	Paid-up equity share capital (Face Value Rs.5/- each)	1,808.74	1,808.74	1593.00
10.	Reserves excluding revaluation Reserves	5,599.68	5,599.68	2,769.65
11.	Basic Earnings Per Share (Not annualised)	0.05	0.88	1.28
	Diluted EPS	0.05	0.88	1.28
12.	Aggregate of non-promoter shareholding			
	- Number of shares	23,412,153	23,412,153	16,408,550
	- Percentage of shareholding	64.70	64.70	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 January 30, 2006.
- 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.

Un-audited (Provisional) Financial Results for the Nine Months ended December 31 2005

Rs. in Lacs, except per share

Sr. No.	Particulars	Three Months Ended		Nine Months Ended		Year ended 31.03.2005 (Audited)
		31.12.2005 (Unaudited)	31.12.2004 (Unaudited)	31.12.2005 (Unaudited)	31.12.2004 (Unaudited)	
1.	Net Sales/Services	386.00	390.82	1,083.29	1223.58	1,593.42
2.	Other Income	62.38	28.63	114.33	91.94	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	293.46	131.49	699.28	344.17	512.62
	d) Bad Debts Written Off	0.00	0.00	0.00	1.09	9.30
	e) Travelling Expenditure	46.29	34.46	133.91	109.51	180.74
	f) Implementation Expense	33.27	166.85	148.02	439.03	316.49
	g) Exchange rate (gain)/Loss	(66.94)	92.09	(84.40)	26.50	20.61
	h) Provision for bad & doubtful debts	90.44	0.00	90.44	0.00	0.00
	i) Other expenditure	99.13	59.20	219.70	132.22	278.46
4.	Interest	0.00	0.00	0.00	0.00	0.00
5.	Depreciation	24.85	18.58	69.89	47.86	76.50
6.	Profit (+)/Loss(-) before tax (1+2-3-4-5)	(72.12)	(83.22)	(79.22)	215.14	317.00
7.	Provision for taxation	20.86	5.81	35.18	18.82	34.40
8.	Net Profit (+)/Loss (-) (6-7)	(92.98)	(89.02)	(114.40)	196.32	297.45
9.	Paid-up equity share capital (Face Value Rs.5/- each)	1,808.74	1,592.90	1,808.74	1,592.90	1,593.00
10.	Reserves excluding revaluation Reserves	5,051.95	2,659.06	5,051.95	2659.06	2,616.59
11.	Basic Earnings Per Share (Not annualised)	(0.27)	(0.28)	(0.35)	0.62	0.89
	Diluted EPS	(0.27)	0.00	(0.35)	0.61*	0.88
12.	Aggregate of non-promoter shareholding					
	- Number of shares	23,412,153	15,884,470	23,412,153	15,884,470	16,408,550
	- Percentage of shareholding	64.70	49.84	64.70	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 January 30, 2006. 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 13 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 pending utilization from proceeds from preferential issue, parked the funds in liquid mutual funds and fixed deposits.
- An amount of Rs. 48.02 Lacs is provided towards employee stock compensation expenses during the quarter ended 31st December 2005.

Place : Hyderabad
Date : 30th January, 2006

By Order of the Board
Palem Srikanth
CEO & Managing Director