

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

CONSOLIDATED UN-AUDITED FINANCIAL RESULTS FOR THREE AND NINE MONTHS ENDED DECEMBER 31, 2006

Rs. In Lacs, except per share.

Sr. No.	Particulars	Three Months Ended		Nine Months Ended		Year ended 31.03.2006 (Audited)
		31.12.2006 (Unaudited)	31.12.2005 (Unaudited)	31.12.2006 (Unaudited)	31.12.2005 (Unaudited)	
1	Net Sales/Services	4,422.06	3,236.78	12,223.73	5,583.12	9,005.59
2	Other Income	77.61	118.01	278.07	205.99	416.17
3	Total expenditure:					
	a) Staff Cost	3,089.41	2,528.60	8,045.96	3,922.97	5,939.43
	b) Other expenditure	1,045.73	627.97	2,570.29	1,233.27	2,208.70
4	Interest	94.76	105.96	270.31	128.36	275.45
5	Depreciation	108.20	65.25	266.94	137.97	220.86
6	Profit (+)/ Loss (-) before tax (1+2-3-4-5)	161.56	27.01	1,348.29	366.54	777.32
7	Provision for Taxation	29.08	9.15	213.78	80.37	183.22
8	Net Profit (+)/ Loss(-) (6-7)	132.48	17.86	1,134.51	286.17	594.09
9	Paid-up equity share capital (Face value of Rs. 5 each)	1,776.23	1,764.88	1,776.23	1,764.88	1,764.88
10	Reserves excluding revaluation reserves					5,621.66
11	Basic earnings per share (not annualised)	0.38	0.05	3.23	0.88	1.79
12	Diluted earnings per share (not annualised)	0.37	0.05	3.18	0.88	1.76

Notes:

- The above consolidated financial results have been reviewed by the Audit Committee, considered and approved by the Board of Directors at its meeting held on January 30, 2007.
- 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.
- The consolidated results for the three and nine months ended December 31, 2006 have been prepared based on the unaudited financial results of the following subsidiaries: (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 Singapore Pte Ltd and its subsidiary Four Soft Japan KK and (d) Four Soft Malaysia Sdn Bhd.
- The consolidated results for the quarter and nine months ended December 31, 2006 is arrived after recognition of unrealised foreign exchange fluctuation loss of Rs. 114.72 lacs and Rs. 111.14 lacs respectively.
- Figures for the corresponding previous periods, have been regrouped/rearranged wherever necessary.

UN-AUDITED FINANCIAL RESULTS FOR THREE AND NINE MONTHS ENDED DECEMBER 31, 2006

Rs. In Lacs, except per share.

Sr. No.	Particulars	Three Months Ended		Nine Months Ended		Year ended 31.03.2006 (Audited)
		31.12.2006 (Unaudited)	31.12.2005 (Unaudited)	31.12.2006 (Unaudited)	31.12.2005 (Unaudited)	
1	Net Sales/Services	1,144.58	386.00	3,445.56	1,083.29	2,186.85
2	Other Income	15.31	62.38	83.73	114.33	209.14
3	Total expenditure:					
	a) Staff Cost	555.53	293.46	1,489.51	699.28	1,059.23
	b) Implementation expenses	215.83	33.27	487.66	148.02	141.97
	c) Exchange Difference loss/(gain)	109.77	(66.94)	77.33	(84.40)	(44.38)
	d) Other expenditure	188.27	235.86	560.39	444.05	634.17
4	Interest	1.52	-	4.94	-	1.13
5	Depreciation	58.16	24.85	132.85	69.89	115.08
6	Profit (+)/ Loss (-) before tax (1+2-3-4-5)	30.81	(72.12)	776.61	(79.22)	488.78
7	Provision for Taxation	15.65	20.86	53.97	35.18	69.80
8	Net Profit (+)/ Loss(-) (6-7)	15.16	(92.98)	722.64	(114.40)	418.98
9	Paid-up equity share capital (Face value of Rs. 5 each)	1,776.23	1,764.88	1,776.23	1,764.88	1,764.88
10	Reserves excluding revaluation reserves					5,326.89
11	Basic earnings per share (not annualised)	0.04	(0.27)	2.05	(0.35)	1.26
12	Diluted earnings per share (not annualised)	0.04	(0.27)	2.03	(0.35)	1.24

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, 2007.
- 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.
- During the current quarter the Company through its wholly owned subsidiary Four Soft UK Ltd. has acquired Freight and Shipping products of FWL Technologies, including employees and customer contracts.
- During the current quarter the Company has entered into an agreement to acquire 100% shares of the Denmark based Transaxiom Holding A/S, a global provider of transportation and logistics solutions.
- During the current quarter Four Soft LLC, USA the wholly owned subsidiary of the Company has been merged with its step down subsidiary Four Soft USA Inc.
- The segment reporting under Clause 41 is not applicable as the company has only one primary segment.
- Figures for the corresponding previous periods, have been regrouped/rearranged wherever necessary.

Place : Hyderabad
Date : January 30, 2007

For and on behalf of Board of Directors
Sd/-
K. Vishnu Raju
Director

Adfactors xxx