



ENCORE SOFTWARE LIMITED

Regd. Office: VI Floor, Leo Complex, 44 & 45 Residency Cross Road, Bangalore 560 025

Unaudited Financial Results for the Third Quarter ended December 31, 2002					
(Rs. in Millions)					
	Third Quarter Ended 31.12.2002 1	Quarter Ended 31.12.2001 2	Period ended 31.12.2002 3	Period ended 31.12.2001 4	Year Ended 31.03.2002 (Audited) 5
1. Income from Operations	16.79	4.11	51.05	14.66	16.87
2. Other Income	0.15	0.00	0.47	1.02	1.40
Total Income	16.94	4.11	51.52	15.68	18.27
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	3.43	0.28	6.45	1.39	2.31
c) Staff Cost	4.47	5.43	13.68	24.54	29.01
d) Other Expenditure	7.93	3.15	29.27	14.81	32.30
4. Interest	0.12	0.16	0.29	0.40	0.69
5. Depreciation	1.29	1.40	4.11	4.51	5.98
6. Profit/(Loss) before tax	(0.32)	(6.31)	(2.29)	(29.97)	(52.02)
7. Provision for taxation	0.00	0.00	0.00	0.00	0.00
8. Deferred Tax	0.00	0.00	(0.50)	0.00	(1.87)
9. Prior year expenses/(income)	-	(0.01)	-	(0.04)	0.21
10. Net Profit/(Loss)	(0.32)	(6.30)	(1.79)	(29.93)	(50.36)
11. Paid up Equity share capital (of Rs. 10/- each)	64.72	64.72	64.72	64.72	64.72
12. Reserves excluding revaluation reserves	-	-	-	-	42.05
13. EPS (Rs.)	(0.05)	(0.92)	(0.28)	(4.58)	(7.78)
14. Aggregate of Non-Promoter share holding					
- Number of shares	3,537,380		3,537,380	3,537,380	3,537,380
- % of share holding	54.66		54.66	54.66	54.66
Primary Segment					
1. Segment Revenue					
a. Software Sales (including IP rights & Royalty)	6.44	3.06	28.16	4.70	7.69
b. Product sales	1.78	0.00	2.38	1.10	0.32
c. Development & Consultancy services	8.57	1.06	20.51	8.86	8.86
Income from Operations	16.79	4.11	51.05	14.66	16.87
2. Segment Result					
a. Software Sales (including IP rights & Royalty)	0.39	(0.38)	13.39	(14.34)	(13.82)
b. Product sales	(3.62)	(2.29)	(8.39)	(4.35)	(7.68)
c. Development & Consultancy services	5.57	0.80	6.28	5.13	4.96
Less: i) Interest	0.12	0.16	0.29	0.40	0.69
ii) Other un-allocable expenditure, net of un-allocable income	2.54	4.28	13.28	16.01	34.79
Total Profit/(Loss) Before Tax	(0.32)	(6.31)	(2.29)	(29.97)	(52.02)
3. Secondary Segment-wise Revenue (Location of Customer)					
a. USA	2.55	N.A	6.13	N.A	7.88
b. Asia, Far East & Middle East	3.68		26.66		-
c. Europe	0.69		1.91		4.26
d. Others	9.87		16.36		4.73
Total	16.79		51.05		16.87

NOTES:

- The above unaudited results have been taken on record by the Board of Directors at their meeting held on January 17, 2003.
- Segmental capital employed: Fixed assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the Fixed assets and services are used interchangeably between segments. Segmental information for earlier period have been furnished.

By Order of the Board

January 17, 2003
Bangalore

Vinay L Deshpande
Chairman & CEO