



## ENCORE SOFTWARE LIMITED

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

<b>Unaudited Financial Results for the First Quarter ended June 30, 2003</b>					
(Rs. in Millions)					
	Quarter Ended 30.06.2003 <b>1</b>	Quarter Ended 30.06.2002 <b>2</b>	Period ended 30.06.2003 <b>3</b>	Period ended 30.06.2002 <b>4</b>	Year Ended 31.03.2003 (Audited) <b>5</b>
1. Income from Operations	7.95	17.93	7.95	17.93	70.85
2. Other Income	0.74	0.13	0.74	0.13	1.90
<b>Total Income</b>	<b>8.69</b>	<b>18.06</b>	<b>8.69</b>	<b>18.06</b>	<b>72.75</b>
3. Total Expenditure:					
a) Increase/decrease in stock in trade					
b) Consumption of raw materials	2.61	2.51	2.61	2.51	8.26
c) Staff Cost	6.27	4.74	6.27	4.74	19.38
d) Other Expenditure	5.63	10.24	5.63	10.24	36.50
4. Interest	0.17	0.05	0.17	0.05	0.41
5. Depreciation	1.27	1.50	1.27	1.50	5.68
6. Profit/(Loss) before tax	(7.26)	(0.98)	(7.26)	(0.98)	2.53
7. Provision for taxation	0.00	0.00	0.00	0.00	0.57
8. Deferred Tax					(1.03)
9. Prior year expenses/(income)	0.00	0.00	0.00	0.00	(0.06)
10. Net Profit/(Loss)	(7.26)	(0.98)	(7.26)	(0.98)	3.05
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	-	-	-	-	45.10
13. EPS (Rs.)	(1.12)	(0.15)	(1.12)	(0.15)	0.47
14. Aggregate of Non-Promoter share holding					
- Number of shares	3,537,380	3,537,380	3,537,380	3,537,380	3,537,380
- % of share holding	54.66	54.66	54.66	54.66	54.66
<b>Primary Segment</b>					
1. Segment Revenue					
a. Software Sales (including IP rights & Royalty)	5.92	8.55	5.92	8.55	32.18
b. Products and Design charges	0.66	0.15	0.66	0.15	4.17
c. Development & Consultancy services	1.37	9.24	1.37	9.24	34.51
<b>Income from Operations</b>	<b>7.95</b>	<b>17.93</b>	<b>7.95</b>	<b>17.93</b>	<b>70.85</b>
2. Segment Result					
a. Software Sales (including IP rights & Royalty)	(1.44)	4.36	(1.44)	4.36	13.28
b. Products and Design charges	(1.75)	(1.89)	(1.75)	(1.89)	(10.88)
c. Development & Consultancy services	0.14	1.08	0.14	1.08	19.71
Less: i) Interest	0.17	0.05	0.17	0.05	0.41
ii) Other un-allocable expenditure, net of un-allocable income	4.04	4.48	4.04	4.48	19.17
<b>Total Profit/(Loss) Before Tax</b>	<b>(7.26)</b>	<b>(0.98)</b>	<b>(7.26)</b>	<b>(0.98)</b>	<b>2.53</b>
<b>3. Secondary Segment-wise Revenue (Location of Customer)</b>					
a. USA	3.82	2.49	3.82	2.49	9.81
b. Asia, Far East & Middle East	3.47	10.36	3.47	10.36	26.41
c. Europe	0.11	0.02	0.11	0.02	1.94
d. Others	0.55	5.06	0.55	5.06	32.69
<b>Total</b>	<b>7.95</b>	<b>17.93</b>	<b>7.95</b>	<b>17.93</b>	<b>70.85</b>

### NOTES:

- 1 The above unaudited results have been taken on record by the Board of Directors at their meeting held on July 24, 2003.
- 2 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.
- 3 "Limited Review" of the above results has been carried out by the Auditors.
- 4 There was no complaint pending in respect of any investor.

July 24, 2003  
Bangalore

By Order of the Board

Vinay L Deshpande  
Chairman & CEO