


ENCORE SOFTWARE LIMITED

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

Audited Financial Results for the year ended March 31, 2005				
(Rs. in Millions)				
	Quarter Ended 31.03.2005 1	Quarter Ended 31.03.2004 2	Year Ended 31.03.2005 3	Year Ended 31.03.2004 (Audited) 4
1. Income from Operations	18.05	20.99	33.59	67.23
2. Other Income	0.95	3.64	2.05	5.82
Total Income	19.00	24.63	35.64	73.05
3. Total Expenditure:				
a) Increase/decrease in stock in trade	1.01	(3.03)	1.01	(3.03)
b) Consumption of materials	15.29	9.58	23.53	25.53
b) Staff Cost	8.28	6.21	33.16	24.95
c) Other Expenditure	6.91	15.60	23.25	36.37
4. Interest	0.43	0.37	1.39	1.16
5. Depreciation	1.46	0.99	4.30	4.08
6. Profit/(Loss) before tax	(14.38)	(5.09)	(51.00)	(16.01)
7. Provision for taxation	-	(0.33)	-	(0.33)
8. Deferred Tax Assets withdrawn	2.90	-	2.90	-
9. Prior year expenses/(income)	-	-	-	-
10. Net Profit/(Loss)	(17.28)	(4.76)	(53.90)	(15.68)
11. Paid up Equity share capital (of Rs. 10/- each)	64.72	64.72	64.72	64.72
12. Reserves excluding revaluation reserves	-	-	(25.20)	29.42
13. EPS (Rs.)	(2.67)	(0.74)	(8.33)	(2.42)
14. Aggregate of Non-Promoter share holding				
- Number of shares		-	5,978,167	4,724,217
- % of share holding		-	92.38	73.00
Primary Segment				
1. Segment Revenue				
a. Technology Solutions	12.90	5.23	23.75	35.23
b. Mobile Computing Products	5.15	15.76	9.84	32.00
Income from Operations	18.05	20.99	33.59	67.23
2. Segment Result				
a. Technology Solutions	3.34	0.65	(3.44)	8.17
b. Mobile Computing Products	(15.16)	(5.08)	(39.68)	(14.31)
Less: i) Financial charges	1.39	0.37	1.39	1.16
ii) Other un-allocable expenditure, net of un-allocable income	1.17	0.29	6.49	8.71
iii) Provision for tax/Deferred tax	2.90	(0.33)	2.90	(0.33)
Total Profit/(Loss)	(17.28)	(4.76)	(53.90)	(15.68)
3. Secondary Segment-wise Revenue (Location of Customer)				
a. USA	3.62	3.41	11.77	23.60
b. Asia, Far East & Middle East	9.07	1.14	12.31	12.78
c. Europe	0.01	0.03	0.09	0.89
d. Domestic	5.35	16.41	9.42	29.96
Total	18.05	20.99	33.59	67.23

NOTES:

- The above audited results have been approved by the Board of Directors at their meeting held on June 28, 2005.
- 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.
- Regarding audit qualifications with respect to non provision for prior period remuneration, old receivables and diminution in investments, the Management:
 - proposes to make this good, commensurate with the performance in the future years
 - is hopeful of realisation of the receivables and
 - in the long term expects significant returns relating to the investments
- No investor complaint was pending, was received nor is pending against the Company during this quarter

By Order of the Board

 June 28, 2005
 Bangalore

 Vinay L Deshpande
 Chairman & CEO