



ENCORE SOFTWARE LIMITED

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

Unaudited Financial Results for the First quarter ended June 30, 2005			
(Rs. in Millions)			
	Quarter Ended 30.06.2005 1	Quarter Ended 30.06.2004 2	Year Ended 31.03.2005 (Audited) 3
1. Income from Operations	11.35	6.23	33.59
2. Other Income	0.00	0.78	2.05
Total Income	11.35	7.01	35.64
3. Total Expenditure:			
a) Increase/decrease in stock in trade	0.00	0.00	1.01
b) Consumption of raw materials	3.91	2.39	23.53
b) Staff Cost	8.17	7.42	33.16
c) Other Expenditure	5.52	5.77	23.25
4. Interest	0.32	0.31	1.39
5. Depreciation	1.05	0.94	4.30
6. Profit/(Loss) before tax	(7.62)	(9.82)	(51.00)
7. Provision for taxation	-	0.00	-
8. Provision for FBT	0.04		
9. Deferred Tax Assets withdrawn	-	-	2.90
10. Prior year expenses/(income)	-	-	-
11. Net Profit/(Loss)	(7.66)	(9.82)	(53.90)
12. Paid up Equity share capital (of Rs. 10/- each)	64.72	64.72	64.72
13. Reserves excluding revaluation reserves		-	(25.20)
14. EPS (Rs.)	(1.18)	(1.52)	(8.33)
15. Aggregate of Non-Promoter share holding			
- Number of shares	-	-	5,978,167
- % of share holding	-	-	92.38
Primary Segment			
1. Segment Revenue			
a. Technology Solutions	9.34	5.27	23.75
b. Mobile Computing Products	2.01	0.96	9.84
Income from Operations	11.35	6.23	33.59
2. Segment Result			
a. Technology Solutions	1.37	0.30	(3.44)
b. Mobile Computing Products	(8.99)	(7.87)	(39.68)
Less: i) Interest	0.00	0.00	1.39
ii) Other un-allocable expenditure, net of un-allocable income	0.00	2.25	6.49
iii) Provision for tax/Deferred tax	0		2.90
Total Profit/(Loss) Before Tax	(7.62)	(9.82)	(53.90)
3. Secondary Segment-wise Revenue (Location of Customer)			
a. USA	4.80	4.61	11.77
b. Asia, Far East & Middle East	3.69	1.42	12.31
c. Europe	0.00	0.04	0.09
d. Domestic	2.86	0.16	9.42
Total	11.35	6.23	33.59

NOTES:

1. The above results have been taken on record by the Board of Directors at their Meeting held on July 29, 2005.
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.
3. "Limited Review" of the above results has been carried out by the Auditors.
4. Regarding audit qualifications with respect to non provision of prior period remuneration, receivables, diminution in investments, the Management:
 - a. proposes to make this good, commensurate with the performance in the future years
 - b. is hopeful of realization of the receivables and
 - c. in the long term expects significant returns relating to the investments
5. No investor complaint was pending, was received nor is pending against the Company during this quarter

By Order of the Board

July 29, 2005
Bangalore

Vinay L Deshpande
Chairman & CEO