

Significant Developments during FY' 2007-2008 and Growth Prospects

- (1) **Top Tier Indian BPO Service Provider**
- (2) **Established reputation for Reliable, High Quality and Secure services:**
 - Over 50% of leading FORTUNE 100® companies as reference-able clients in our core Service offering;
 - Long Standing Relationships: Top 30 clients have been with us for 5+ years;
 - Ranked 15 on the International Association of Outsourcing Professionals' (IAOP) Global Outsourcing 100 list for 2008, published in the May 5 issue of FORTUNE Magazine. This is the third consecutive ranking for HOV Services within the top 25, improvement of nine positions from last year's ranking
 - Diversified Client Base - Top 100 clients represent over 73% of total revenues
- (3) **Right Shore Delivery Model – 12,400 associates across over 40 delivery centers in India, China, Mexico, U.S. & Canada**
 - To meet customer ramp up requirements, we plan to add 2,000 associates during FY 2009;
 - Deployment of technology and productivity improvements scheduled in FY 2009 are slowing down the rate of employee growth as compared with previous years
- (4) **Highlights of Business Performance and Growth Prospects**
 - Pace of Revenue Growth is expected to continue – in part due to success of end-to-end solution sales strategy and in part due to success of cross sell and upsell program across our top 350 customer;
 - Added \$35.7 million in customer contracts in the 4th Fiscal Quarter with \$20.5 million from existing customers; and \$113.5 million over the last 4 quarters;

- Average deal size increased during the 4th Fiscal quarter to \$1.8 million from \$0.6 million in the 1st quarter with many deals in the pipeline that are larger than average for the 4th Fiscal quarter;
- Our top 350 cross sell/up sell program yielded \$13.2 million in contract value in the 4th quarter; total of \$42.5 million for the Fiscal year and as compared to \$1.7 million 2nd quarter when the program was launched; and
- Very successful Launch of Screen 360 suite of services under Risk Management Services: We will cross sell/up-sell employment verification services into our existing customer base

(5) Key Accomplishments and Noteworthy Items in the quarter

- Substantial savings from integration and rationalization of global operations helped defray overall increases in costs in India;
- New facility launched in China with capacity for over 1,400 associates of which approximately 1,000 were added in the 4th Fiscal quarter
- Foreign Exchange management resulted in a loss of \$1.9 million in the 4th Fiscal quarter

In conclusion, HOVS made great strides to build upon our past successes and solidify its position as Top Tier Indian BPO Service Provider

Fact Sheet – Consolidated Financial Information, Fiscal Year and Fourth Quarter, 2007-2008

Particulars <i>Rs In Million's</i>	Year ended March 31,		Growth % in FY 2008 over FY 2007	Quarter ended March 31,		% Change in Q4 FY 2008 over Q4 FY 2007	Quarter ended		% Change in Q4 FY 2008 over Q3 FY 2008
	2008	2007		2008	2007		March 31, 2008	December 31, 2007	
	Audited	Audited		Reviewed	Reviewed		Reviewed	Reviewed	
INCOME									
Income from Services	8,335.11	2,489.96		1,974.85	1,104.00		1,974.85	2,087.65	
Other Income	744.87	13.33		350.88	9.16		350.88	79.24	
TOTAL INCOME	9,079.98	2,503.30	262.7%	2,325.73	1,113.16	715.7%	2,325.73	2,166.89	7.3%
EXPENDITURE									
Operating costs	4,036.07	1,073.51		913.78	536.56		913.78	1,094.80	
Personal expenses	3,513.47	1,054.25		915.36	414.75		915.36	815.62	
TOTAL	7,549.54	2,127.76		1,829.14	951.31		1,829.14	1,910.42	
EARNINGS BEFORE INTEREST, TAX, AND DEPRECIATION (EBITDA)	1,530.44	375.54	307.5%	496.59	161.85	845.6%	496.59	256.47	93.6%
EBITDA %	16.9%	15.0%		21.4%	14.5%		21.4%	11.8%	
Depreciation	169.78	47.23		43.28	19.32		43.28	39.56	
EARNINGS BEFORE INTEREST AND TAX	1,360.66	328.31	314.4%	453.31	142.53	854.6%	453.31	216.91	109.0%
EBIT %	15.0%	13.1%		19.5%	12.8%		19.5%	10.0%	
Interest expense, net	509.26	70.46		130.93	49.35		130.93	135.28	
PROFIT (LOSS) BEFORE TAX	851.40	257.85	230.2%	322.38	93.18	813.7%	322.38	81.63	294.9%
PBIT %	9.4%	10.3%		13.9%	8.4%		13.9%	3.8%	
Taxes	29.39	38.05		5.53	12.96		5.53	5.24	
PROFIT (LOSS) AFTER TAX BEFORE MINORITY INTEREST	822.01	219.80		316.85	80.22		316.85	76.39	
Minority interest	277.59	12.49		301.85	12.49		301.85	(16.48)	
PROFIT (LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	544.42	207.31		15.00	67.73	703.8%	15.00	92.87	-83.8%
PAT %	6.0%	8.3%		0.6%	6.1%		0.6%	4.3%	
Basic and Diluted EPS (Not Annualized)	43.37	19.47		1.20	5.39		1.20	5.39	
Weighted average equity shares used in computing earnings per equity share for basic and diluted		5,606,114							

Fact Sheet – Consolidated Financial Information, Fiscal Year and Fourth Quarter, 2007-2008

Revenue - YoY Quarter over Quarter by Industry Vertical

Industry Vertical <i>In 000' US\$'s</i>	Q4 FY 2007		Q4 FY2008		Growth %
	Revenue	%	Revenue	%	Q over Q
BFSI	13,627	54.5%	15,160	30.5%	11.3%
Healthcare	6,451	25.8%	19,566	39.4%	203.3%
Telecom	2,592	10.4%	2,121	4.3%	-18.2%
Media & Publishing	465	1.9%	2,462	5.0%	100.0%
Manufacturing	357	1.4%	3,392	6.8%	100.0%
Retail	244	0.0%	1,263	2.5%	100.0%
Government	1,258	5.0%	5,679	11.4%	351.5%
Total Revenue	24,994	99.0%	49,644	100.0%	98.6%

Revenue - Sequential Quarter over Quarter by Industry Vertical

Industry Vertical <i>In 000' US\$'s</i>	Q3 FY2008		Q4 FY2008		Growth %
	Revenue	%	Revenue	%	Sequential Q's
BFSI	16,594	31.4%	15,160	30.5%	-8.6%
Healthcare	20,785	39.3%	19,566	39.4%	-5.9%
Telecom	2,556	4.8%	2,121	4.3%	-17.0%
Media & Publishing	2,732	5.2%	2,462	5.0%	-9.9%
Manufacturing	3,603	6.8%	3,392	6.8%	-5.8%
Retail	1,188	2.2%	1,263	2.5%	6.3%
Government	5,440	10.3%	5,679	11.4%	4.4%
Total Revenue	52,897	100.0%	49,644	100.0%	-6.1%

Revenue - Q4 FY 2007-2008 by Service Type in the Industries served

Service Type <i>(In 000's US\$'s)</i>	Industries Served						
	BFSI	Healthcare	Telecom	Media & Publishing	Manufacturing	Retail	Government
A/P Services	1.0%	0.3%	0.1%	0.0%	0.5%	1.8%	0.1%
ARM/ A/R Cycle Management	5.4%	8.6%	3.6%	0.0%	0.0%	0.0%	0.0%
Loan processing	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Healthcare Payor/Provider Services	0.3%	23.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Risk management & Employee Verification Services	0.8%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
Construction Services	2.8%	0.1%	0.0%	0.0%	0.0%	0.0%	1.1%
Document Lifecycle Services	8.9%	5.6%	0.3%	0.3%	3.9%	0.7%	9.3%
Presentment Services	9.5%	0.8%	0.2%	0.1%	2.2%	0.1%	0.9%
Content Transformation	1.3%	0.0%	0.0%	4.5%	0.2%	0.0%	0.0%
Total Revenue	30.5%	39.4%	4.3%	5.0%	6.8%	2.5%	11.4%

Fact Sheet – Consolidated Financial Information, Fiscal Year and Fourth Quarter, 2007-2008

Revenue Q4 FY 2007-2008 by Service Type in the Industry Served

Service Type (In 000's US\$'s)	Growth by Industries Served Q4 FY 2008 over Q4 FY 2007								3 Month Period 3/31/2008
	3 Mth Period 3/31/2007	BFSI	Healthcare	Telecom	Media & Publishing	Manufacturing	Retail	Government	
A/P Services	579	185	128	37	-	164	802	72	1,968
ARM/ A/R Cycle Management	6,989	1,334	2,997	(2,561)	-	-	-	-	8,760
Loan processing	88	167	-	-	-	(1)	-	-	254
Healthcare Payor/Provider Services	4,137	116	7,767	-	-	-	-	-	12,020
Risk management & Employee Verification Services	586	(189)	-	30	-	-	-	-	427
Construction Services	2,927	(1,340)	43	-	-	-	-	367	1,997
Tax processing*	1,170	(82)	(1,088)	-	-	-	-	-	(0)
Document Lifecycle Services	5,686	2,276	2,050	87	123	1,460	182	2,498	14,362
Presentment Services	2,186	3,252	267	53	38	744	36	273	6,850
Content Transformation	662	563	-	-	1,726	57	-	-	3,008
Total Revenue	25,011	6,283	12,164	(2,354)	1,887	2,425	1,020	3,209	49,644

*In October 1, 2007 the Company divested of it's tax processing services to the former business owners in order to focus on scalable services offerings

TOP 350 by Industry and Service Type Q4 FY2008

Service Type (In 000's US\$'s)	BFSI	Healthcare	Telecom	Media & Publishing	Manufacturing	Retail	Government	Total
A/P Services	548	169	59	-	270	938	72	2,057
ARM/ A/R Cycle Management	2,646	4,270	2,000	-	-	-	-	8,916
Loan processing	243	-	-	-	-	-	-	243
Healthcare Payor/Provider Services	151	11,895	-	-	-	-	-	12,046
Risk management & Employee Verification Services	353	-	-	-	-	-	-	353
Construction Services	1,344	65	-	-	-	-	554	1,963
Document Lifecycle Services	3,546	2,594	-	298	2,478	192	3,469	12,575
Presentment Services	4,268	192	48	28	245	17	382	5,180
Content Transformation	661	-	-	2,084	87	-	-	2,832
Total Revenue	13,760	19,185	2,107	2,411	3,080	1,147	4,477	46,166

Additional New Business Won in the Fourth Quarter FY 2007-2008 and Fiscal Year 2008

Industry Vertical In 000' US\$'s	New Client Major Wins Q4		New Client Major Wins FY 2008	
	New Clients	Contract Value	New Clients	Contract
BFSI	2	1,920	9	12,809
Healthcare	8	17,135	22	47,340
Telecom	1	1,086	1	1,086
Media & Publishing	-	-	2	705
Manufacturing	-	-	4	3,913
Retail	1	1,440	5	12,760
Government	4	4,575	13	7,760
Total Revenue	16	26,156	56	86,373

For the fiscal year and fourth quarter ended March 31, 2008 the Company generated \$113.5 million and \$42.6 million in new Cross Sell/Up Sell opportunities.

Customer Concentration and Industry Highlights

Customer and Industry Highlights		Top Clients	% of Total Revenue	Q over Q Change
<i>Industry Served</i>	<i>Customer Ranking</i>	Top 1 Client	14%	0%
Banking	4 out of the top 10	Top 5 Clients	31%	-3%
Healthcare	3 out of the top 10	Top 10 Clients	40%	-2%
Insurance	9 out of the top 20	Top 20 Clients	50%	1%
Mortgage Services	5 out of the top 10	Top 50 Clients	63%	0%
Retailers	8 out of the top 20	Top 100 Clients	73%	-1%
Student Loans	1 out of the top 2	Top 200 Clients	82%	-2%
Telecom	2 out of the top 5	Top 350 Clients	87%	-3%

Global Infrastructure and Resources — as of March 31, 2008

Category	North America	India	China	China -Xi'an	Mexico	Total
Accounting	41	36	3	1	5	86
Administration	51	63	4	3	14	135
Management	119	166	20	10	1	316
Sales & Marketing	38	8	0	0	0	46
Technology	121	267	7	1	11	407
Operations	1,460	8,482	749	295	231	11,217
Total	1,830	9,022	783	310	262	12,207