

HOV Services Ltd. (Consolidated)

Regd. Office: 3rd Floor, Sharada Arcade, Pune Satara Road, Bibwewadi, Pune-411037

Unaudited Financial Results for the Three Months and Nine Months ended December 31, 2006

Particulars	Quarter ended December 31,		Growth Over Quarter ended December 31, 2005	Nine months ended December 31,		Growth Over Nine - months ended December 31, 2005	Previous Year ended March 31, 2006
	2006	2005		2006	2005		
	Rs. in millions		%	Rs. in millions		%	Audited Rs. in millions
1. Net Sales/Income from Operations	416.58	349.79	-	1,386.63	1,159.20	-	1,638.42
2. Other Income	4.44	1.31	-	4.77	39.61	-	12.28
3. Total Income	421.02	351.10	19.91%	1,391.40	1,198.81	16.07%	1,650.70
4. Expenditure							
a) Staff cost	142.57	134.67	-	478.93	491.20	-	823.89
b) Other expenditure	210.22	165.90	-	697.25	558.98	-	616.82
c) Exchange Fluctuations	2.86	(1.35)	-	1.42	(1.54)	-	-
5. Interest	6.26	5.02	-	21.02	18.17	-	26.31
6. Depreciation	8.94	10.01	-	27.93	25.16	-	32.93
7. Profit (+)/Loss(-) before tax							
(1+2-4-5-6)	50.16	36.85	36.11%	164.86	106.83	54.31%	150.75
8. Provision for taxation	7.34	3.63	-	25.04	29.90	-	34.82
9. Net Profit (+)/Loss (-) (7-8)	42.83	33.22	28.91%	139.82	76.93	81.75%	115.93
10. Paid-up equity share capital (Face Value RS.10/-each)	125.54	0.93	-	125.54	0.93	-	85.04
11. Reserves excluding revaluation reserves	801.37	673.70	-	801.37	673.70	-	58.00
12. No of shares taken for calculation of EPS (Weighted Average)	1,25,54,000	30,04,045	-	1,00,06,227	30,04,045	-	43,79,045
13. Basic and diluted EPS for the period, for the year to date and for the previous year (not annualised)	3.41	11.06	-	13.97	25.61	-	26.47
14. Aggregate of Public Shareholding							
- Number of shares	56,06,114	-	-	56,06,114	-	-	-
Percentage of shareholding	44.66	-	-	44.66	-	-	-

Notes:

- The consolidated financial statements of HOV Services Ltd. (HOVS) and its wholly owned domestic and foreign subsidiaries are prepared in accordance with Accounting Standard (AS) 21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. All significant intra-group balances and intra-group transactions and resulting unrealised profits have been eliminated.
- The results of business entities which have been consolidated with the results of HOVS, include the following subsidiaries as on December 31, 2006:
Bay Area Credit Service (I) Pvt. Ltd., Bay Area Credit Service, LLC, Glen Daniels Corporation, HOV Enterprise Services, Inc., Meridian Consulting Group, LLC and Complex Property Advisors Corporation.
- Figures of the earlier periods, wherever necessary, have been regrouped and rearranged to conform to those of the current period.

Place: Mumbai
Date: January , 2007

For HOV Services Limited
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Surinder Rametra
Chairman

HOV Services Ltd. (Standalone)

Regd. Office: 3rd Floor, Sharada Arcade, Pune Satara Road, Bibwewadi, Pune-411037

Unaudited Financial Results for the Three Months and Nine Months ended December 31, 2006

Particulars	Quarter ended December 31,		Growth Over Quarter ended December 31, 2005 %	Nine months ended December 31,		Growth Over Nine - months ended December 31, 2005 %	Previous Year ended March 31, 2006 Audited Rs. in millions
	2006	2005		2006	2005		
	Rs. in millions			Rs. in millions			
1. Net Sales/Income from Operations	18.80	11.03	-	54.49	28.25	-	44.71
2. Other Income	4.44	0.01	-	4.47	0.00	-	1.81
3. Total Income	23.24	11.04	110.57%	58.96	28.26	108.67%	46.52
4. Expenditure							
a) Staff cost	5.39	2.61	-	14.10	6.30	-	9.98
b) Other expenditure	3.71	1.20	-	9.56	3.10	-	9.07
c) Consultancy Charges	1.56	-	-	5.01	0.24	-	0.33
d) Travelling & Conveyance	2.22	0.73	-	3.99	0.81	-	1.66
e) Exchange Fluctuations	1.65	(1.93)	-	1.26	(2.03)	-	(1.80)
5. Interest	0.20	0.02	-	0.60	0.04	-	0.17
6. Depreciation	0.33	0.20	-	0.83	0.77	-	1.12
7. Profit (+)/Loss(-) before tax (1+2-4-5-6)	8.19	8.21	-0.20%	23.62	19.02	24.17%	25.99
8. Provision for taxation							
Taxation pertaining to earlier years	0.01	-	-	(0.04)	0.01	-	-
Current tax	0.71	0.01	-	0.73	0.00	-	0.00
FBT	0.13	0.05	-	0.29	0.07	-	0.11
Deferred tax	(0.29)	-	-	(0.21)	-	-	(0.04)
Total Tax	0.56	0.06	-	0.77	0.08	-	0.08
9. Net Profit (+)/Loss (-) (7-8)	7.63	8.15	-6.39%	22.85	18.94	20.64%	25.91
10. Paid-up equity share capital (Face Value RS.10/-each)	125.54	0.93	-	125.54	0.93	-	85.04
11. Reserves excluding revaluation reserves	672.45	48.05	-	672.45	48.05	-	29.11
12. No of shares taken for calculation of EPS (Weighted Average)	1,25,54,000	30,04,045	-	1,00,06,227	30,04,045	-	43,79,045
13. Basic and diluted EPS for the period, for the year to date and for the previous year (not annualised)	0.61	2.71	-	2.28	6.30	-	5.96
14. Aggregate of Public Shareholding							
- Number of shares	56,06,114	-	-	56,06,114	-	-	-
Percentage of shareholding	44.66	-	-	44.66	-	-	-

Notes:

- The above Unaudited Financial Results were subjected to a "Limited Review" for the current quarter by the Statutory Auditors of the Company, reviewed by the Audit Committee and thereafter approved at the meeting of the Board of Directors held on January 30, 2007.
- The details of investor complaints received by the Company is as follows;
Pending as on beginning of the Quarter- Nil; Received during the Quarter-30; Disposed during the Quarter-30; Pending at the end of the Quarter- Nil
- The impact of revised (AS) 15 would be taken at the year end March 31, 2007 however the financial impact will not be significant.
- Segmental reporting is not done as we operate in a single segment of Finance and Accounting Sector of the BPO industry.
- The Company had made Initial Public Issue and issued 4,050,000 equity shares of Rs.10 each with premium of Rs.190 per share. The shares of the Company got listed on 27 September 2006.
- Figures of the earlier periods, wherever necessary, have been regrouped and rearranged to conform to those of the current period.

Place: Mumbai
Date: January , 2007

For HOV Services Limited
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Surinder Rametra
Chairman