

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST
DECEMBER 2006**

S. No.	Particulars	(Rupees in lacs)				
		Quarter ended		Nine - Months Ended		Year ended
		Un-audited		Un-audited		Audited
		31.12.2006	31.12.2005	31.12.2006	31.12.2005	31.03.2006
1	Net Sales/Income from operations	2757.37	1269.67	5665.38	2690.05	5230.45
2	Other Income	163.01	26.72	289.13	114.53	146.81
	Total Revenue	2920.38	1296.39	5954.51	2804.58	5377.26
3	Total Expenditure:					
	(Increase)/ Decrease in stock	11.56	0.36	-5.81	24.45	-73.28
	Purchases	855.17	153.66	1246.51	202.67	1027.56
	Personnel expenses	190.10	183.86	745.78	523.84	750.29
	Administration & Other expenses	281.72	230.24	983.48	494.36	944.42
	Total Expenditure	1338.55	568.12	2969.96	1245.32	2648.99
4	Interest	44.71	11.91	62.66	40.97	50.35
5	Depreciation	297.55	145.04	621.63	405.10	530.52
6	Profit Before Tax (1+2-3-4-5)	1239.57	571.32	2300.26	1113.19	2147.40
7	Provision for taxation:					
	. - Current tax	362.67	192.61	510.27	401.94	759.70
	. - Deferred tax	51.57	-16.61	256.64	-29.81	-34.62
	. - Fringe benefit tax	4.34	10.33	18.40	10.83	32.02
8	Net Profit (6-7)	820.99	384.99	1514.95	730.23	1390.30
9	Paid up Equity share capital (Face Value Rs.10/- each)	1595.98	1195.98	1595.98	1195.98	1595.98
10	Reserve excluding revaluation reserves (As per Balance Sheet) of previous financial year	-	-	-	-	7434.98
11	Basic and Diluted Earning per share (not to be annualized) in Rupees	5.14	3.22	9.49	6.41	11.15
12	Aggregate of non-Promoters Share Holding:					
	. - Numbers of Shares (Nos.)	5,602,411	1,077,411	5,602,411	1,077,411	5,602,411
	. - Percentage of shareholding	35.10%	9.01%	35.10%	9.01%	35.10%

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

S. No.	Particulars	(Rupees in lacs)				
		Quarter ended		Nine-Months Ended		Year ended
		Un-audited		Un-audited		Audited
		31.12.2006	31.12.2005	31.12.2006	31.12.2005	31.03.2006
1	Segment Revenue					
	Professional Development	310.07	332.06	1336.87	764.52	1,229.53
	Smart Class	1,448.95	495.41	2163.89	1041.93	2,007.92
	Instructional & Computing Technology (ICT)	801.21	182.12	1773.11	522.67	1,586.16
	Retail Initiative	197.14	260.08	391.51	360.93	406.84
	Total Net Sales/ Income from Operations	2757.37	1269.67	5665.38	2690.05	5230.45
2	Segment Results (Profit before Interest & tax from each segments)					
	Professional Development	200.46	232.04	803.47	500.34	746.18
	Smart Class	907.49	398.52	1271.64	806.00	1200.31
	Instructional & Computing Technology (ICT)	301.64	30.06	596.24	84.20	601.73
	Retail Initiative	46.34	85.30	108.56	85.48	114.94
		1455.93	745.92	2779.91	1476.02	2663.16
	Less: Interest	44.71	11.91	62.66	40.97	50.35
	:Other un-allocable expenses (net of un- allocable income)	171.65	162.69	416.99	321.86	465.41
	Total Profit before Tax	1239.57	571.32	2300.26	1113.19	2147.40
3	Capital Employed (Segment Assets- Segment Liabilities)					
	Professional Development	386.65	203.10	386.65	203.10	288.91
	Smart Class	3716.89	831.17	3716.89	831.17	1001.42
	Instructional & Computing Technology (ICT)	2404.59	1154.23	2404.59	1154.23	1354.68
	Retail Initiative	230.74	308.50	230.74	308.50	222.53
	Total	6738.87	2497.00	6738.87	2497.00	2867.54

Notes:

1. The Un audited Financial Results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 23rd January 2007

2. Utilization of IPO Proceeds:

Particulars	Rs. in lacs	
	Projected Utilization as per the Prospectus dated 29.12.2005	Actual as on 31.12.2006
Capital Expenditure	5940.10	3762.22
Investment in U.S Subsidiary	805.14	81.60
M & A Activity	1000.00	0.00
Public Issue Expenses	380.46	525.91
Total	8125.70	4369.73
Pending utilization as at 31 st December 2006 balance funds have been either invested in liquid mutual funds /fixed deposits with Banks or lying with Cash credit/ Current account of the company.		

Note : The figure of R s 8125.70 lacs includes the forthcoming two years internal accruals of the company & Rs 50 Crores raised through Initial Public offering on 13th January, 2006 .

3. Status of Investor complaints received by the Company is as follows:

Particulars	Pending as on October 1, 2006	Received during the Quarter	Disposed during the Quarter	Pending as on December 31,2006
No of Complaints	0	5	5	0

4. Given the seasonal nature the industry, the results of any quarter may not be a true indicative of annual performance. Quarter I amounts to approximate 10 to 12% of the total revenue , Quarter II amounts to approximate 18 to 20% of the total revenue , Quarter III amounts to approximate 25 to 30% of the total revenue , Quarter IV amounts to approximate 38 to 47% of the total revenue .

5. The segment report is prepared in accordance with the Accounting Standard-17"segment reporting" Issued by the Institute of Chartered Accountants of India.
6. During the Year, the Company has raised fully convertible Foreign Currency Bonds(FCCB) amounting to US\$ 25 million to meet out the capex cost funds under Smart-Class & ICT Business Segment of the Company.
7. Previous year/period figures have been reclassified/regrouped wherever necessary.

By order of the Board of Directors

For Educomp Solutions Ltd

Sd/-

Place: Delhi

Date: January 23, 2007

Shantanu Prakash

Managing Director