

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE 2007

S. No.	Particulars	(Rupees in lacs)		
		Quarter ended		Year ended
		Un-audited		Audited
		30.06.2007	30.06.2006	31.03.2007
1	Net Sales/Income from operations	2750.25	936.73	10657.40
2	Other Income	386.28	87.92	559.81
	Total Revenue	3136.53	1024.65	11217.21
3	Total Expenditure:			
	(Increase)/ Decrease in stock	-31.29	-9.26	-151.59
	Purchases	279.19	159.05	3193.64
	Personnel expenses	793.71	214.04	1051.30
	Administration & Other expenses	370.97	222.83	1561.32
	Total Expenditure	1412.58	586.66	5654.67
4	Interest	56.95	7.25	132.86
5	Depreciation	526.68	137.47	939.30
6	Profit Before Tax (1+2-3-4-5)	1140.32	293.27	4490.38
7	Provision for taxation:			
	. - Current tax	415.15	118.33	1169.33
	. - Deferred tax	121.95	-19.48	431.52
	. - Fringe benefit tax	6.25	6.77	31.14
8	Net Profit (6-7)	596.97	187.65	2858.39
9	Paid up Equity share capital (Face Value Rs.10/- each)	16,77,00,680	15,95,97,830	15,98,51,040
10	Reserve excluding revaluation reserves (As per Balance Sheet) of previous financial year			9871.27
11	Earning per share (not to be annualized) in Rupees			
	Basic	3.70	1.18	17.90
	Diluted	0.86	1.18	15.87
12	Aggregate of non-Promoters Share Holding:			
	. - Numbers of Shares (Nos.)	6,831,839	5,602,411	5,956,875
	. - Percentage of shareholding	40.74%	35.10%	37.27%

Segment wise Revenue, Results and Capital Employed

S. No.	Particulars	(Rupees in lacs)		
		Quarter ended		Year ended
		Un-audited		Audited
		30.06.2007	30.06.2006	31.03.2007
1	Segment Revenue			
	Professional Development	607.51	353.80	1754.00
	Smart Class	1684.38	237.94	4658.28
	Instructional & Computing Technology (ICT)			
		367.61	262.90	3017.15
	Retail and Consulting	90.75	82.09	1227.97
	Total Net Sales/ Income from Operations	2750.25	936.73	10657.40
2	Segment Results (Profit before Interest & tax from each segments)			
	Professional Development	358.52	177.04	1050.80
	Smart Class	957.07	102.46	2705.95
	Instructional & Computing Technology (ICT)			
		118.48	91.53	981.23
	Retail and Consulting	52.59	18.25	580.12
		1486.66	389.28	5318.10
	Less: Interest	56.95	7.25	132.86
	:Other un-allocable expenses (net of un- allocable income)	289.39	88.76	694.86
	Total Profit before Tax	1140.32	293.27	4490.38
3	Capital Employed (Segment Assets- Segment Liabilities)			
	Professional Development	911.92	839.94	21.65
	Smart Class	5443.20	1230.50	6323.38
	Instructional & Computing Technology (ICT)			
		3049.89	1703.74	2643.79
	Retail and Consulting	306.70	260.42	578.86
	Total	9711.71	4034.60	9567.68

Notes:

1. The Unaudited Financial Results have been reviewed by the audit Committee and approved by the Board of Directors at their meeting held on 27th July 2007. There are no qualifications in the Auditors' report for these periods. The information presented above is extracted from the Audited Financial Statements.
2. The Company has successfully raised fully convertible Foreign Currency Bonds(FCCB) amounting to US\$ 80 million on 25th July 2007 to augment its capex needs and overseas acquisitions.
3. **Utilization of IPO Proceeds:**

Rs. in lacs		
Particulars	Projected Utilization as per the Prospectus dated 29.12.2005	Actual as on 30.06.2007
Capital Expenditure	5940.10	3981.40
Investment in U.S Subsidiary	805.14	117.69
M & A Activity	1000.00	375.00
Public Issue Expenses	380.46	525.91
Total	8125.70	5000.00

4. The Board of Directors on 21st June 2007 have recommended a final dividend @20% on the equity Share Capital of the Company i.e Rs. 2.00 per Equity Share for the financial year 2006-07 subject to the approval of shareholders at the Forthcoming Annual General Meeting.
5. The Company has issued Foreign Currency Convertible Bonds amounting to USD 25 million on 13th October 2006 out of which USD 22.61 million has been converted into Equity Shares as on 27th July 2007. The paid-up Equity Share Capital of the Company is Rs. 17,10,48,180/- as on 27th July 2007 after the conversion of above said FCCB's.
6. On 01st April 2007, Company has allotted 6,25,000 Stock Options to the Permanent Employees of the Company and its subsidiaries under ESOP Scheme 2006. The options will be vested over a period of five years. The amortization cost of ESOP for the Quarter ended June 2007 amounting to Rs. 4,13,11,080/- has

Educomp Solutions Limited

1211 Padma Tower –I, 5,Rajendra Place,New Delhi-110008,
 India,Ph:25755920,25762725,25753258

25762726 Fax :91-11-25766775,25755000

Web site www.educomp.com, **Education Portal** : www.planetvidya.com

Regional Offices:,Bangalore, ,Mumbai,

been charged to P & L Account under the Personnel Expense in accordance with the Guidance Note on “Accounting for Employee Share Based Payments” issued by ICAI.

7. Company has acquired Ask n Learn Inc., a leading education technology Company headquartered in Singapore through setting up of an SPV. The total acquisition price is Singapore \$ 5.98 million in cash in addition to options worth S\$ 1.05 million. This acquisition will bring synergies in content development and marketing at both ends. Acquisition has been done through structured financing(LBO)
8. Company has taken 76% stake in Three-Brix E-Services Pvt Ltd, an online tutoring company to expand its online business
9. Status of Investor complaints received by the Company is as follows:

Particulars	Pending as on April 1, 2007	Received during the Quarter	Disposed during the Quarter	Pending as on June 30,2007
No of Complaints	2	6	8	0

10. Given the seasonal nature the industry, the results of any quarter may not be a true indicative of annual performance.
11. The Segment Report is prepared in accordance with the Accounting Standard-17"Segment Reporting" Issued by the Institute of Chartered Accountants of India.
12. The basic and diluted Earning per Share has been calculated in accordance with the AS-20 “Earning per Share” issued by the ICAI.
13. Previous year/period figures have been regrouped and rearranged, wherever considered necessary for comparison purposes.

By order of the Board of Directors

For Educomp Solutions Ltd

Sd/-

Place: Delhi
Date: July 27, 2007

Shantanu Prakash
Managing Director