

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31<sup>ST</sup> DECEMBER 2007**

S. No.	Particulars	(Rupees in lacs)				
		Quarter Ended		Nine Months Ended		Year ended
		Un-audited		Un-audited		Audited
		31.12.2007	31.12.2006	31.12.2007	31.12.2006	31.03.2007
1	Net Sales/Income from operations	7,152.21	2757.37	14,396.62	5665.38	10657.40
2	Other Income	588.49	163.01	1,342.19	289.13	559.81
3	<b>Total Revenue</b>	<b>7,740.70</b>	<b>2,920.38</b>	<b>15,738.81</b>	<b>5954.51</b>	<b>11217.21</b>
4	Total Expenditure:					
	(Increase)/ Decrease in stock in trade and work in progress	(2,808.48)	11.56	(3,291.37)	(5.81)	(151.59)
	Purchase of traded goods	5,054.09	855.17	6,944.59	1246.51	3193.64
	Employee Cost	952.08	190.1	2,267.68	745.78	1051.30
	Depreciation	913.19	297.55	2,134.24	621.63	939.30
	Administration & Other expenses	615.46	281.72	1,510.39	983.48	1561.32
	<b>Total Expenditure</b>	<b>4,726.34</b>	<b>1,636.10</b>	<b>9,565.53</b>	<b>3591.59</b>	<b>6593.97</b>
5	Interest	125.52	44.71	257.83	62.66	132.86
6	<b>Profit Before Tax (1+2-3-4-5)</b>	<b>2,888.84</b>	<b>1,239.57</b>	<b>5,915.45</b>	<b>2300.26</b>	<b>4490.38</b>
7	Provision for taxation:					
	. - Current tax	641.87	362.67	1,192.98	510.27	1169.33
	. - Deferred tax	325.40	51.57	825.06	256.64	431.52
	. - Fringe benefit tax	20.00	4.34	37.26	18.40	31.14
8	<b>Net Profit (6-7)</b>	<b>1,901.57</b>	<b>820.99</b>	<b>3,860.15</b>	<b>1,514.95</b>	<b>2,858.39</b>
9	Paid up Equity share capital (Face Value Rs.10/- each)	1,722.59	1,595.98	1,722.59	1,595.98	1,598.51
10	Reserve excluding revaluation reserves (As per Balance Sheet) of previous financial year	0.00	-	0.00	-	9871.27
11	Earning per share (not to be annualized) in Rupees					
	Basic	11.04	5.14	22.94	9.49	17.90
	Diluted	9.28	5.14	16.85	9.49	15.87
12	<b>Public Shareholding</b>					
	. - Numbers of Shares (Nos.)	7,567,625	5,602,411	7,567,625	5,602,411	5,956,875
	. - Percentage of shareholding	43.93%	35.10%	43.93%	35.10%	37.27%

**Educomp Solutions Limited**

Corporate office: 514, Udyog Vihar, Phase III, Gurgaon – 122001, Haryana (INDIA).

Tel.: 91-124-4529000. Fax: 91-124-4529039.

Registered Office: 1211, Padma Tower I, 5, Rajendra Place, New Delhi-110008.

Tel.: 91-11-25755920. Fax: 91-11-25766775.

 Web site [www.educomp.com](http://www.educomp.com)

Bangalore, Mumbai, Chennai, Hyderabad.

**Additional Information as per recently amended Clause 41 of Listing Agreement:**

**(Rupees in Lacs)**

<b>S.No.</b>	<b>Particulars</b>	<b>Quarter Ending 31st December 2007</b>	<b>Nine months ending 31st December 2007</b>
1	Consolidated Turnover	8,826.36	17,684.13
2	Consolidated Profit after tax	1,971.96	3,872.93
3	Consolidated earning per share (not to be annualized) in Rupees		
	Basic	11.45	23.01
	Diluted	9.66	16.89

### Segment wise Revenue, Results and Capital Employed

S. No.	Particulars	(Rupees in lacs)				
		Quarter ended		Nine Months Ending		Year ended
		Un-audited		Un-audited		Audited
		31.12.2007	31.12.2006	31.12.2007	31.12.2006	31.03.2007
<b>1</b>	<b>Segment Revenue</b>					
	Professional Development	656.43	310.07	1904.24	1336.87	1754.00
	Smart Class	3470.28	1448.95	7750.12	2163.89	4658.28
	Instructional & Computing Technology (ICT)	2387.49	801.21	3875.55	1773.11	3017.15
	Retail & Consulting	638.01	197.14	866.71	391.51	1227.97
	<b>Total Net Sales/ Income from Operations</b>	<b>7152.21</b>	<b>2757.37</b>	<b>14396.62</b>	<b>5665.38</b>	<b>10657.40</b>
<b>2</b>	<b>Segment Results (Profit before Interest &amp; tax from each segments)</b>					
	Professional Development	416.82	200.46	1135.52	803.47	1050.8
	Smart Class	1922.31	907.49	4308.15	1271.64	2705.95
	Instructional & Computing Technology (ICT)	676.75	301.64	1098.47	596.24	981.23
	Retail & Consulting	388.18	46.34	497.29	108.56	580.12
		<b>3404.06</b>	<b>1455.93</b>	<b>7039.43</b>	<b>2779.91</b>	<b>5318.10</b>
	Less: Interest (Net)	125.52	44.71	257.83	62.66	132.86
	:Other un-allocable expenses (net of un- allocable income)	389.70	171.65	866.15	416.99	694.86
	<b>Total Profit before Tax</b>	<b>2888.84</b>	<b>1239.57</b>	<b>5915.45</b>	<b>2300.26</b>	<b>4490.38</b>
<b>3</b>	<b>Capital Employed</b>					
	<b>(Segment Assets- Segment Liabilities)</b>					
	Professional Development	815.54	386.65	815.54	386.65	21.65
	Smart Class	7442.7	3716.89	7442.70	3,716.89	6323.38
	Instructional & Computing Technology (ICT)	6958.18	2404.59	6958.18	2404.59	2643.79
	Retail & Consulting	415.14	230.74	415.14	230.74	578.86
	<b>Total</b>	<b>15631.56</b>	<b>6738.87</b>	<b>15631.56</b>	<b>6738.87</b>	<b>9567.68</b>

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**Notes:**

1. The Unaudited Financial Results for the quarter ended on 31<sup>st</sup> December 2007 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 28<sup>th</sup> January 2008 and are reviewed by the Statutory auditors as per their limited review report.
2. Company has incorporated a wholly owned subsidiary named “ Educomp Software Limited” to set up a Content Development unit at Parawanoo, Himachal Pradesh to take the advantage of tax benefits available in that region
3. Edumatics Corporation. Inc, a wholly owned subsidiary of the Company based in Ventura, Calif, U.S.A. has signed an joint development agreement with US based company Learning.com, the premier provider of Web-enhanced curriculum and assessment, to provide educators with innovative, Web-delivered curriculum solutions that support unproved student learning outcomes.
4. Company has made its foray into formal school management with launch of The Millennium Schools, powered by the Millennium Learning System (MLS), India’s first fully integrated Learning Delivery System for schools to be set up by through independent trusts/societies.
5. **Postal Ballot for Amendment in ESOP Scheme 2006 & ESOP 2007 :** Company has completed the dispatch of Postal ballot notice on 08<sup>th</sup> January 2008 to seek approval of Shareholders for following:
  - a. Amendment in ESOP scheme 2006 with respect to Fringe Benefit Tax Liability
  - b. Amendment in ESOP Scheme 2007 for increasing the vesting period from 7 years to 10 years
  - c. Keeping the register of members at Office of Registrar of the Company M/s Intime Spectrum Registry ltd

Result of postal ballot will be declared on 11<sup>th</sup> February 2008 at the registered office of the Company

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

Particulars	Pending as on October 1, 2007	Received during the Quarter	Disposed during the Quarter	Pending as on December 31,2007
No of Complaints	0	3	2	1

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7. Given the seasonal nature of the industry, the results of any quarter may not be a true indicative of annual performance.
8. The Segment Report is prepared in accordance with the Accounting Standard-17 "Segment Reporting" Issued by the Institute of Chartered Accountants of India.
9. The Basic and Diluted Earning per Share has been calculated in accordance with the AS-20 "Earning per Share" issued by the ICAI.
10. Consolidation of Accounts has been done in accordance with the AS-21 "Consolidation of Financial Statements" issued by the ICAI.
11. Fourteen Subsidiaries have been taken into account while consolidation.
12. 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**

**Place: Gurgaon**  
**Date: January 28, 2008**

**Shantanu Prakash**  
**Managing Director**