

HOV SERVICES LIMITED

Standalone Financial Results for the Quarter and Nine Months Year ended on December 31, 2011

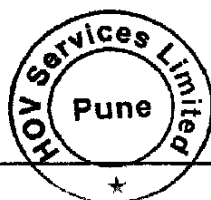
(Rs. In Lacs, except per share data)

Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Nine Months	Nine Months	Previous
	December 31,	September 30,	December 31,	Year Ended	Ended	Year Ended
	2011	2011	2010	December 31,	December 31,	March 31,
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
(a) Income from Operations	288.48	253.34	632.30	941.01	1,795.08	2,474.01
(b) Foreign Exchange Variation (Net)	13.22	28.91	-	45.89	-	-
	301.70	282.25	632.30	986.90	1,795.08	2,474.01
2 Expenditure						
(a) Employees cost	199.68	185.34	146.14	575.12	395.23	563.07
(b) Depreciation	9.24	9.32	9.17	27.61	27.38	37.23
(c) Travelling expenditure	33.20	16.58	17.55	64.35	31.13	37.59
(d) Other expenditure	79.69	90.82	64.38	258.55	202.10	268.68
(e) Foreign Exchange Variation (Net)	-	-	9.09	-	21.72	18.21
(f) Reimbursement of Corporate Charges from Subsidiary	(61.72)	(55.64)	(24.37)	(125.35)	(73.84)	(98.28)
(g) Total	260.09	246.42	221.96	800.28	603.72	826.50
3 Profit from Operations before Other Income, Interest (1-2)	41.61	35.83	410.34	186.62	1,191.36	1,647.51
4 Other Income	29.11	11.81	0.65	52.86	21.05	22.82
5 Profit before Interest (3+4)	70.72	47.64	410.99	239.48	1,212.41	1,670.33
6 Interest	-	-	-	-	-	-
7 Profit after Interest (5-6)	70.72	47.64	410.99	239.48	1,212.41	1,670.33
8 Tax expense	21.17	19.78	(0.07)	79.46	2.34	9.02
9 Net Profit from Ordinary Activities after tax (7-8)	49.55	27.86	411.06	160.02	1,210.07	1,661.31
10 Paid-up equity share capital (Face Value of Rs. 10 each)	1,249.10	1,249.10	1,249.10	1,249.10	1,249.10	1,249.10
11 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	6,917.31
12 Earnings Per Share (EPS)						
Basic and diluted EPS for the period and for the previous year (not to be annualized)	0.40	0.22	3.29	1.23	9.69	13.30
13 Public shareholding						
- Number of shares	6,406,943	6,421,943	6,421,943	6,406,943	6,421,943	6,421,943
- Percentage of shareholding	51.29	51.41	51.41	51.29	51.41	51.41
14 Promoters and promoter group Shareholding						
a) Pledged/Encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of Shares	6,084,079	6,069,079	6,059,079	6,084,079	6,069,079	6,069,079
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the company)	48.71	48.59	48.59	48.71	48.59	48.59

Notes:

- The above results were reviewed by the Audit Committee and approved at the Board Meeting held on February 4, 2012. Results for the current and previous year's quarters have been reviewed by the Auditors of the Company.
- Status of Investor Complaints for the quarter ended December 31, 2011: Complaints pending at the beginning of the quarter - Nil; Complaints received during the quarter 3; Complaints disposed off during the quarter 3; Complaints at the end of the quarter - Nil.
- The Company is engaged in the BPO business. Accordingly there are no separate reportable segments as per Accounting Standard 17 on "Segment Reporting" prescribed by Companies (Accounting Standards) Rules, 2006.
- a) On April 29, 2011 the merger of HOV Services Limited indirect subsidiary HOV Services, LLC with SOURCECORP, Inc was completed. SourceHOV is the name of the new merged entity, which is 50 percent controlled by the Company and has a 27.2 percent financial interest.
b) Pursuant to service agreements entered into with SourceHOV and its subsidiaries, the rates for the services rendered by the HOV Services, Limited have been revised due to market conditions impacting the standalone financials results.
- Previous period's/year's figures are regrouped/rearranged wherever considered necessary to conform to current period's/year's presentation.

Place: Mumbai
Date: February 4, 2012



For, HOV Services Limited

Sunil Rajadhyaksha
Sunil Rajadhyaksha
Chairman & Executive Director



HOV SERVICES LIMITED

Reports Third Quarter and Nine Months Fiscal Year Ended December 31, 2011 Results

February 4, 2012, Pune: HOV Services Limited (BSE: 532761 & NSE: HOVS) a BPO company with its registered office in Pune, Maharashtra has announced its third quarter and nine months fiscal year ended December 31, 2011 results.

HOV Services Limited reported the financial results for the quarter ended on December 31, 2011 Income from operations of Rs. 288.48 lacs, EBITDA of Rs. 79.96 lacs and Net Profit of Rs. 49.55 lacs. For the nine months and fiscal year ended December 31, 2011 Income from operations of Rs. 941.01 lacs, EBITDA of Rs. 267.09 lacs, and Net Profit of Rs. 160.02 lacs.

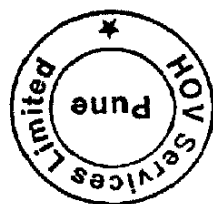
Following were the key highlights of the Company during the quarter and nine months fiscal year ended December 31, 2011.

In November 2011, HOV Environment Solutions Private Limited (the "HOV ESPL") was set up as an indirect subsidiary of the Company, to design and develop advanced solutions for solving problems related to erosion control, soil stabilization, environment conservation and construction in infrastructure projects in application sectors of roads, railways, rivers, channels, landfills, coastal protection & civil construction in relations to environment protection solutions.

The proforma financial results for SourceHOV for the three months period ended December 31, 2011 total income increased by 12.8 percent to Rs. 686.55 Crs and EBIDTA increased by 20 percent Rs. 142.65 Crs over the previous quarter ended September 30, 2011. For the nine months period ended December 31 2011 total income was Rs. 1,888.16 Crs- and EBIDTA was Rs. 368.20 Crs.

For information:

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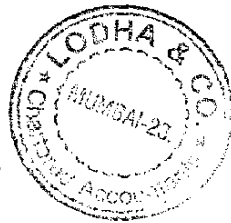
Chartered Accountants

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LIMITED REVIEW REPORT

To
The Board of Directors
HOV Services Limited

1. We have reviewed the accompanying statement of unaudited financial results of **HOV Services Limited** for the quarter ended on 31st December, 2011, which has been initiated by us for identification purpose except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our limited review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the applicable accounting standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.



For **LODHA & COMPANY**
Chartered Accountants

R. P. Baradiya
Partner

Membership No. 44101
Firm Registration No. 301051E

Place: Mumbai
Date: 4th February, 2012