

OnMobile Global Limited

Consolidated Financial Results for the Quarter ended June 30, 2010

Amount in Rs. Lakhs except earnings per share and public shareholding data

Sl. No	Particulars	Quarter ended		Year ended
		June 30, 2010 (Unaudited)	June 30, 2009 (Unaudited)	March 31, 2010 (Audited)
1	Net Sales/ Income from Operations			
	(a) Telecom Value Added Services	11,903	9,865	42,531
	(b) Other services	473	859	2,909
	<b>Total Revenue</b>	<b>12,376</b>	<b>10,724</b>	<b>45,440</b>
2	Expenditure			
	(a) Cost of sales and services			
	- Content fee and royalty	2,523	2,011	8,915
	- Other sales and services	835	921	4,134
	(b) Employee cost	4,100	3,503	14,927
	(c) Depreciation	1,324	1,331	4,407
	(d) Other Expenditure	2,080	1,849	9,153
	<b>Total Expenditure</b>	<b>10,862</b>	<b>9,615</b>	<b>41,536</b>
3	<b>Profit from operations before Other income, Interest and Exceptional items (1-2)</b>	<b>1,514</b>	<b>1,109</b>	<b>3,904</b>
4	Other Income	561	491	2,284
5	<b>Profit before Interest and Exceptional items (3+4)</b>	<b>2,075</b>	<b>1,600</b>	<b>6,188</b>
6	Interest	13	4	27
7	<b>Profit after interest but before Exceptional items (5-6)</b>	<b>2,062</b>	<b>1,596</b>	<b>6,161</b>
8	<b>Exceptional items</b>	<b>-</b>	<b>-</b>	<b>-</b>
9	<b>Profit from Ordinary Activities before tax ( 7+8)</b>	<b>2,062</b>	<b>1,596</b>	<b>6,161</b>
10	Tax expense			
	(a) Current Tax	307	830	1,767
	(b) Earlier year provision	-	-	(102)
	(c) Deferred Tax	(29)	(124)	261
	(d) Fringe Benefit Tax	-	23	-
		278	729	1,926
11	<b>Net profit from Ordinary Activities after tax (9-10)</b>	<b>1,784</b>	<b>867</b>	<b>4,235</b>
12	<b>Extraordinary items (net of tax expenses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
13	<b>Net Profit for the period (11-12)</b>	<b>1,784</b>	<b>867</b>	<b>4,235</b>
14	Minority interest	-	3	94
15	Share in Profit/(Loss) of Associates	74	-	139
16	<b>Profit attributable to Consolidated Group (13-14+15)</b>	<b>1,858</b>	<b>864</b>	<b>4,280</b>
17	Paid up equity share capital (Face value of Rs 10/- each)	5,862	5,791	5,852
18	Reserves excluding revaluation reserves	-	-	68,104
19	Earnings per share (in Rs) (not annualised)			
	(a) Basic	3.2	1.5	7.4
	(b) Diluted	3.1	1.4	7.2
20	Public Shareholding			
	- Number of shares	29,214,566	24,990,830	29,109,578
	- Percentage of shareholding	49.84	43.15	49.75
21	Promoters and promoter group Shareholding			
	a) Pledged/Encumbered			
	- Number of shares	366,200	-	111,200
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	1.25	-	0.38
	- Percentage of shares (as a% of the total share capital of the company)	0.62	-	0.19
	b) Non-encumbered			
	- Number of shares	29,041,014	32,923,817	29,296,014
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	98.75	100.00	99.62
	- Percentage of shares (as a% of the total share capital of the company)	49.54	56.85	50.06

## Notes

- 1 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on July 23, 2010.
- 2 The above results include consolidated results of the Company and its subsidiaries/associate OnMobile Australia Pty Limited, OnMobile Singapore Pte Limited, PT OnMobile Indonesia, OnMobile Europe B.V., VoxMobili S.A., VoxMobili Inc., Telisma S.A., Phonetize Solutions Private Limited, OnMobile USA LLC, Servicios De Telefonía OnMobile SA DE CV, Ver se Innovation Private Limited (subsidiary upto September 29, 2009 and associate thereafter) and its associate Ver se Innovation Private Limited and hence the figures of previous period/year are not comparable. The results of OnMobile Singapore Pte Limited, VoxMobili S.A. and Telisma S.A., have been reviewed by the auditors of respective subsidiaries. The other subsidiaries and the associate have been consolidated based on management reports.
- 3 The details of utilisation of Net IPO proceeds are as under:

Categories as defined in the Prospectus	Projection in Prospectus	Amount in Rs. Lakhs	
		Actual funds utilised till June 30, 2010	
Purchase of equipments for offices at Bangalore, Mumbai and Delhi and various customer sites	18,052	14,163	
Working Capital requirements	500	500	
Repayment of loan	3,500	3,500	
General Corporate purposes	13,393	13,393	
<b>Total</b>	<b>35,445</b>	<b>31,556</b>	

The proceeds from IPO (Net of Share Issue Expenses) was Rs. 35,356 lakhs. The unutilised funds as at June 30, 2010 have been temporarily invested in Short term Investments/ Fixed Deposits with Banks.

- 4 In continuation of the ongoing dispute pertaining to the KST, KVAT and CST demand notices amounting to Rs. 4.517 lakhs for the period from April 2002 to March 2009, the Company has received an order from the Joint Commissioner of Commercial Taxes for the period April 2005 to March 2008, increasing the original liability for these years by Rs. 983 lakhs. The Company had filed a writ petition against the same in the Honorable High Court of Karnataka. The Honorable Court had directed the Company to deposit an additional sum of Rs. 200 lakhs and furnish bank guarantee for the balance amount. As at the quarter end, the Company has deposited Rs. 2,459 lakhs of the total claim and furnished bank guarantee for Rs. 2,258 lakhs under the direction of the Honorable High Court of Karnataka, and pending resolution of the matter no amounts have been provided in the accounts.
- 5 Information on investor complaints pursuant to clause 41 of the Listing agreement for the quarter ended June 30, 2010 :

Nature of Investor complaints	Opening Balance	Additions	Disposal	Closing Balance
Allotment/ Refund/Transfer/others	-	3	3	-

- 6 Provision for Income Tax for the quarter ended June 30, 2010 has been computed on the basis of Minimum Alternate Tax (MAT) in accordance with Section 115JB of The Income Tax Act, 1961, and is net of MAT Credit availed of Rs.119 lakhs.
- 7 The Company has set up a Special Economic Zone (SEZ) unit, which has become operational during the quarter ended June 30, 2010.
- 8 The Company is engaged in providing value added services in telecom business and its operations are considered to constitute a single segment in the context of Accounting Standard 17 - "Segment Reporting".
- 9 Previous period figures have been reclassified/ regrouped wherever necessary.
- 10 The Standalone financial results for the period ended June 30, 2010 is available at [www.onmobile.com](http://www.onmobile.com). Additional information on Standalone Basis:

Particulars	Quarter ended		Year ended
	June 30,2010	June 30,2009	March 31,2010
Net Sales/ Income from Operations	10,627	8,791	36,392
Profit before tax	1,995	2,142	7,072
Net profit after tax	1,739	1,423	5,291

on behalf of Board of Directors

**Arvind Rao**  
Chief Executive Officer and  
Managing Director

Place: Bangalore  
Date: July 23, 2010