

**OnMobile Global Limited**

**Consolidated Financial Results for the Quarter and Nine Months ended December 31, 2010**

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

Sl. No	Particulars	Quarter ended		Nine Months ended/		Year ended
		December 31, 2010 (Unaudited)	December 31, 2009 (Unaudited)	December 31, 2010 (Unaudited)	December 31, 2009 (Unaudited)	March 31, 2010 (Audited)
1	Net Sales/ Income from Operations					
	(a) Telecom Value Added Services	14,240	10,279	39,186	30,487	42,531
	(b) Other services	621	1,268	1,202	2,647	2,909
	<b>Total Revenue</b>	<b>14,861</b>	<b>11,547</b>	<b>40,388</b>	<b>33,134</b>	<b>45,440</b>
2	Expenditure					
	(a) Cost of sales and services					
	- Content fee and royalty	2,933	2,163	8,179	6,202	8,915
	- Other sales and services	919	1,133	2,484	3,044	4,134
	- Consumption of materials	52	-	52	-	-
	(b) Employee cost	4,539	3,813	12,897	11,024	14,927
	(c) Depreciation	1,615	1,131	4,223	3,284	4,407
	(d) Other Expenditure	3,055	2,131	7,790	6,766	9,153
	<b>Total Expenditure</b>	<b>13,113</b>	<b>10,371</b>	<b>35,625</b>	<b>30,320</b>	<b>41,536</b>
3	<b>Profit from operations before Other income, Interest and Exceptional items (1-2)</b>	<b>1,748</b>	<b>1,176</b>	<b>4,763</b>	<b>2,814</b>	<b>3,904</b>
4	Other Income	306	534	2,022	1,715	2,284
5	<b>Profit before Interest and Exceptional items (3+4)</b>	<b>2,054</b>	<b>1,710</b>	<b>6,785</b>	<b>4,529</b>	<b>6,188</b>
6	Interest	22	7	50	17	27
7	<b>Profit after interest but before Exceptional items (5-6)</b>	<b>2,032</b>	<b>1,703</b>	<b>6,735</b>	<b>4,512</b>	<b>6,161</b>
8	Exceptional items	-	-	-	-	-
9	<b>Profit from Ordinary Activities before tax ( 7+8)</b>	<b>2,032</b>	<b>1,703</b>	<b>6,735</b>	<b>4,512</b>	<b>6,161</b>
10	Tax expense					
	(a) Current Tax	259	186	950	1,252	1,767
	(b) Earlier year provision	-	-	-	(102)	(102)
	(c) Deferred Tax	(220)	255	(195)	164	261
		39	441	755	1,314	1,926
11	<b>Net profit from Ordinary Activities after tax (9-10)</b>	<b>1,993</b>	<b>1,262</b>	<b>5,980</b>	<b>3,198</b>	<b>4,235</b>
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	<b>Net Profit for the period (11-12)</b>	<b>1,993</b>	<b>1,262</b>	<b>5,980</b>	<b>3,198</b>	<b>4,235</b>
14	Minority interest	-	-	-	85	94
15	Share in Profit/(Loss) of Associates	98	55	252	55	139
16	<b>Profit attributable to Consolidated Group (13-14+15)</b>	<b>2,091</b>	<b>1,317</b>	<b>6,232</b>	<b>3,168</b>	<b>4,280</b>
17	Paid up equity share capital (Face value of Rs 10/- each)	5,884	5,839	5,884	5,839	5,852
18	Reserves excluding revaluation reserves	-	-	-	-	68,104
19	Earnings per share (in Rs) (not annualised)					
	(a) Basic	3.6	2.3	10.6	5.5	7.4
	(b) Diluted	3.5	2.2	10.4	5.3	7.2
20	Public Shareholding					
	- Number of shares	30,309,930	26,374,467	30,309,930	26,374,467	29,109,578
	- Percentage of shareholding	51.51	45.17	51.51	45.17	49.75
21	Promoters and promoter group Shareholding					
	a) Pledged/Encumbered					
	- Number of shares	2,618,200	-	2,618,200	-	111,200
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	9.18	-	9.18	-	0.38
	- Percentage of shares (as a % of the total share capital of the company)	4.45	-	4.45	-	0.19
	b) Non-encumbered					
	- Number of shares	25,916,119	32,020,156	25,916,119	32,020,156	29,296,014
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	90.82	100.00	90.82	100.00	99.62
	- Percentage of shares (as a % of the total share capital of the company)	44.04	54.83	44.04	54.83	50.06

Notes

- The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on January 29, 2011.
- 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), OnMobile Global SA (incorporated on April 10, 2010) , OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda (incorporated on April 19, 2010) and OnMobile Global for Telecommunication Services (incorporated on December 12,2010) and hence the figures of previous period/year are not comparable. The results of OnMobile Singapore Pte Limited,VoxMobili S.A. ,Telisma S.A. and Ver se Innovation Private Limited have been reviewed by the auditors of respective subsidiaries / associate. The other subsidiaries have been consolidated based on management reports.
- The Company has on October 5, 2010 acquired 3G video technology and mobile solutions business from Silicon Valley-based Dilithium Networks Inc..
- The Company has sold 8% of its equity holding on a diluted basis in Ver se Innovation Private Limited for a consideration of Rs.1,111.20 lakhs on July 31, 2010.
- 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 December 31, 2010	
Purchase of equipments for offices at Bangalore, Mumbai and Delhi and various customer sites	18,052	17,646	
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>35,039</b>	

The proceeds from IPO (Net of Share Issue Expenses) was Rs. 35,356 lakhs. The unutilised funds as at December 31, 2010 have been temporarily invested in Short term Investments/ Fixed Deposits with Banks.

- In continuation of the ongoing dispute pertaining to the KST, KVAT and CST, the Company has received total demand notices amounting to Rs. 5610.43 lakhs for the period from April 2002 to March 2009. The Company has paid Rs. 2489.67 lakhs as cash under protest and furnished Bank Guarantee amounting to Rs. 2940.78 lakhs . The Company has preferred appeals before the Karnataka Appellate Tribunal/ Appellate Authority and as the matter is sub-judice and pending resolution ,no amounts have been provided in the accounts.
- Information on investor complaints pursuant to clause 41 of the Listing agreement for the quarter ended December 31, 2010 :

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

- Provision for Income Tax for the period ended December 31, 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.461 lakhs.
- The Company has set up a Special Economic Zone (SEZ) unit, which has become operational during the quarter ended June 30, 2010.
- 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".
- Previous period figures have been reclassified/ regrouped wherever necessary.
- The Standalone financial results for the period ended December 31, 2010 is available at [www.onmobile.com](http://www.onmobile.com). Additional information on Standalone Basis:

Particulars	Quarter ended		Nine Months Ended		Year ended
	December 31,2010	December 31,2009	December 31,2010	December 31,2009	March 31,2010
Net Sales/ Income from Operations	12,517	8,963	34,641	26,094	36,392
Profit before tax	1,774	1,722	6,661	5,108	7,072
Net profit after tax	1,768	1,300	5,996	3,876	5,291

on behalf of Board of Directors

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

Place: Bangalore  
Date: January 29, 2011