

OnMobile Global Limited

Consolidated Financial Results for the Quarter and Half Year ended September 30, 2011

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

Sl. No	Particulars	Quarter ended		Half year ended		Year ended
		Sept 30, 2011 (Unaudited)	Sept 30, 2010 (Unaudited)	September 30, 2011 (Unaudited)	September 30, 2010 (Unaudited)	March 31, 2011 (Audited)
1	Net Sales/ Income from Operations					
	(a) Telecom Value Added Services	14,876	12,942	27,915	24,947	51,454
	(b) Other services	646	211	1,248	582	2,267
	<b>Total Revenue</b>	<b>15,522</b>	<b>13,153</b>	<b>29,163</b>	<b>25,529</b>	<b>53,721</b>
2	Expenditure					
	(a) Cost of sales and services					
	- Content fee and royalty	2,051	2,723	3,616	5,245	9,553
	- Other sales and services	1,313	876	2,457	1,817	3,946
	- Consumption of materials	98	-	98	-	56
	(b) Employee cost	5,742	4,259	10,736	8,359	17,733
	(c) Depreciation	1,869	1,285	3,457	2,608	5,667
	(d) Other Expenditure	3,070	2,508	6,308	4,483	10,374
	<b>Total Expenditure</b>	<b>14,143</b>	<b>11,651</b>	<b>26,673</b>	<b>22,512</b>	<b>47,329</b>
3	<b>Profit from operations before Other income, Interest and Exceptional items (1-2)</b>	<b>1,379</b>	<b>1,502</b>	<b>2,490</b>	<b>3,017</b>	<b>6,392</b>
4	Other Income	5,113	1,154	5,694	1,715	4,481
5	<b>Profit before Interest and Exceptional items (3+4)</b>	<b>6,492</b>	<b>2,656</b>	<b>8,184</b>	<b>4,732</b>	<b>10,873</b>
6	Interest	50	16	91	29	82
7	<b>Profit after interest but before Exceptional items (5-6)</b>	<b>6,442</b>	<b>2,640</b>	<b>8,093</b>	<b>4,703</b>	<b>10,791</b>
8	Exceptional items	-	-	-	-	-
9	<b>Profit from Ordinary Activities before tax ( 7+8)</b>	<b>6,442</b>	<b>2,640</b>	<b>8,093</b>	<b>4,703</b>	<b>10,791</b>
10	Tax expense					
	(a) Current Tax	1,652	383	2,155	690	2,278
	(b) Deferred Tax	18	54	(112)	24	(155)
		1,670	437	2,043	714	2,123
11	<b>Net profit from Ordinary Activities after tax (9-10)</b>	<b>4,772</b>	<b>2,203</b>	<b>6,050</b>	<b>3,989</b>	<b>8,668</b>
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	<b>Net Profit for the period (11-12)</b>	<b>4,772</b>	<b>2,203</b>	<b>6,050</b>	<b>3,989</b>	<b>8,668</b>
14	Minority interest	-	-	-	-	-
15	Share in Profit/(Loss) of Associates	-	80	-	154	252
16	<b>Profit attributable to Consolidated Group (13-14+15)</b>	<b>4,772</b>	<b>2,283</b>	<b>6,050</b>	<b>4,143</b>	<b>8,920</b>
17	Paid up equity share capital (Face value of Rs 10/- each)	11,794	5,869	11,794	5,869	5,895
18	Reserves excluding revaluation reserves	-	-	-	-	77,324
19	Earnings per share (in Rs) (not annualised)					
	(a) Basic	4.0	1.9	5.7	3.5	7.6
	(b) Diluted	3.8	1.9	5.3	3.5	7.4
20	Public Shareholding					
	- Number of shares	6,12,57,133	2,92,81,351	6,12,57,133	2,92,81,351	3,04,20,224
	- Percentage of shareholding	51.94	49.89	51.94	49.89	51.60
21	Promoters and promoter group Shareholding					
	a) Pledged/Encumbered					
	- Number of shares	83,86,400	10,18,200	83,86,400	10,18,200	30,53,200
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	14.80	3.46	14.80	3.46	10.70
	- Percentage of shares (as a % of the total share capital of the company)	7.11	1.73	7.11	1.73	5.18
	b) Non-encumbered					
	- Number of shares	4,82,95,777	2,83,89,014	4,82,95,777	2,83,89,014	2,54,81,119
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	85.20	96.54	85.20	96.54	89.30
	- Percentage of shares (as a % of the total share capital of the company)	40.95	48.37	40.95	48.37	43.22

## 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 November 2, 2011.
- 2 The above results include consolidated results of the Company and its subsidiaries/ erstwhile associate OnMobile Singapore Pte Limited, PT OnMobile Indonesia, OnMobile Europe B.V., VoxMobili S.A., VoxMobili Inc., OnMobile S.A. (erstwhile 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 till February 7, 2011), OnMobile Global SA (incorporated on April 10, 2010), OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda (incorporated on April 19, 2010), OnMobile DE Venezuela C.A (incorporated on November 4, 2010), OnMobile Global for Telecommunication Services (incorporated on December 12, 2010), OnMobile Bangladesh Private Limited (incorporated on June 21, 2011) and hence the figures of previous period/year are not comparable.
- For the period ended September 30, 2011, the results of VoxMobili S.A and OnMobile S.A (erstwhile Telisma S.A.), have been reviewed by the auditors of respective subsidiaries. The other subsidiaries have been consolidated based on management reports.
- 3 The Company has further diluted its equity holding in Ver se Innovation Private Limited for a consideration of Rs 5,000 lakhs on September 16, 2011.
- 4 In continuation of the ongoing dispute pertaining to the KST, KVAT and CST, For 2005-2008, Karnataka Appellate Tribunal has passed order dated Aug 30, 2011 disposing the case in favor of the company. It has been held that the activities of the Company other than (AMC & Software development) are not liable for VAT / CST. Turnover from AMC & software development for the period 2005-08 on which VAT is leviable, works to Rs.496.75 lacs and such tax payable has been adequately provided for.
- For 2002-2005 and 2008-10, appeals preferred by the Company in the similar matter are lying at different appellate authorities and are part heard / yet to be heard. However, based on the above said jurisdictional KAT order, a positive outcome in the appeals is expected.
- 5 The company has made a public announcement on September 15, 2011 for buy back of equity shares. As on September 30, 2011, the buyback of 50,000 equity shares were finalised which was executed in October 2011. As of November 2, 2011, the company has bought back in total of 975,000 equity shares.

## 6 Information on investor complaints pursuant to clause 41 of the Listing agreement for the quarter ended September 30, 2011 :

Nature of Investor complaints	Opening Balance	Additions	Disposal	Closing Balance
Allotment/ Refund/Transfer/others	-	7	7	-

- 7 On April 21, 2011, the shareholders of the Company have approved through Postal ballot process, the issue of one equity share of face value of Rs 10/- each as bonus share for every one share held by the equity shareholders of the Company whose name appear in the register of members as on the record date, by capitalisation of Securities premium account. Subsequently, the Bonus shares have been allotted on 5th May 2011. Basic and Diluted Earnings Per Share (EPS) have been restated for all the corresponding periods to give effect of the said issue of Bonus shares, in accordance with Accounting Standard (AS) 20 "Earnings Per Share" notified under Section 211(3C) of the Companies Act, 1956.

- 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 Statement of Consolidated assets and liabilities as at 30th September 2011:

	30-Sep-11 Unaudited		30-Sep-10 Unaudited	
<b>I SOURCES OF FUNDS</b>				
<b>1.SHAREHOLDERS' FUNDS</b>				
(a) Share capital	11,794		5,869	
(b) Stock options outstanding	4		4	
(c) Reserves & surplus	77,661		72,379	
		89,459		78,252
<b>2. LOAN FUNDS</b>		8,356		661
<b>3. DEFERRED PAYMENT LIABILITY</b>		350		14,154
<b>4. DEFERRED TAX LIABILITY</b>		676		959
<b>TOTAL</b>		<b>98,841</b>		<b>94,026</b>
<b>II APPLICATION OF FUNDS</b>				
<b>1. GOODWILL ON CONSOLIDATION</b>		20,463		20,463
<b>2. FIXED ASSETS</b>		38,300		37,476
<b>3. DEFERRED TAX ASSET</b>		3		-
<b>4. INVESTMENTS</b>		3,340		4,528
<b>5. CURRENT ASSETS, LOANS AND ADVANCES</b>				
(a) Inventories	166		0	
(b) Sundry debtors (Net of Provisions)	23,183		17,151	
(c) Cash and bank balances	19,166		18,571	
(d) Other Current Assets	283		163	
(e) Loans and Advances	15,428	58,225	14,074	49,959
Less: CURRENT LIABILITIES AND PROVISIONS				
(a) Current liabilities	18,048		15,836	
(b) Provisions	3,442	21,490	2,564	18,400
<b>NET CURRENT ASSETS</b>		<b>36,735</b>		<b>31,559</b>
<b>TOTAL</b>		<b>98,841</b>		<b>94,026</b>

10 Previous period figures have been reclassified/ regrouped wherever necessary.

11 The Standalone financial results for the period ended September 30, 2011 is available at [www.onmobile.com](http://www.onmobile.com). Additional information on Standalone Basis:

Particulars	Quarter ended		Half year ended		Year ended
	Sept 30,2011	Sept 30,2010	Sept 30,2011	Sept 30,2010	March 31,2011
Net Sales/ Income from Operations	12,832	11,497	24,632	22,124	45,503
Profit before tax	5,898	2,892	7,400	4,887	10,826
Net profit after tax	4,279	2,489	5,518	4,228	9,164

on behalf of Board of Directors

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

Place: Bangalore  
Date: November 02, 2011