

## Unaudited Consolidated Financial Results for the period ended December 31, 2007

Amount in Rs. Million except earnings per share

Sl. No	Particulars	Quarter ended December 31, 2007	Year to date figures for the nine month period ended December 31, 2007	Previous year accounting year ended March 31, 2007
1	Net Sales/ Income from Operations			
	(a) Telecom Value Added Services	709	1,789	1,281
	(b) Software licences and other services	96	141	49
		805	1,930	1,330
2	Other Income	4	45	43
	<b>Total Revenue</b>	<b>809</b>	<b>1,975</b>	<b>1,373</b>
3	Expenditure			
	(a) Cost of sales & services			
	- Content fee & royalty	58	169	188
	- Other sales & services expenditure	38	99	50
	(b) Employee cost	188	455	266
	(d) Other Expenditure	128	339	217
	<b>Total Expenditure</b>	<b>412</b>	<b>1,052</b>	<b>720</b>
4	Interest	9	11	0
5	Depreciation	72	171	143
6	<b>Profit before Tax for the period(1+2-3-4-5)</b>	<b>316</b>	<b>741</b>	<b>510</b>
7	Provision for Taxation			
	(a) Current Tax	45	161	155
	(b) Earlier year provision	-	7	-
	(b) Deferred Tax	11	7	6
	(c) Fringe Benefit Tax	3	8	6
		59	183	168
8	<b>Net Profit for the period (6-7)</b>	<b>257</b>	<b>558</b>	<b>343</b>
9	Share of profit of Minority Interest	-	-	6
10	<b>Net Profit after Minority Interest</b>	<b>257</b>	<b>558</b>	<b>337</b>
11	Paid up equity share capital (Face value of Rs 10/- each)	488	488	33
12	Reserves excluding revaluation reserves	-	-	1,990
13	Earning per share (in Rs) (not annualised)			
	(a) Basic	5	12	13
	(b) Diluted	5	11	7

## Notes

- The above financials results for period ended December 31, 2007 have been reviewed by the Audit Committee and approved by the Board at their meetings held on February 28, 2008.
- This being the first year the Company has prepared interim financial results for the quarter and nine months ended December 31, 2007, comparative financial results for the corresponding periods in the previous year is not given.
- As at December 31, 2007, the Company being a closely held public company, public shareholding and percentage of shareholding information is not provided.
- Pursuant to sanction of the Scheme of Amalgamation (the "Scheme") by the Hon'ble High Court of Karnataka and the Hon'ble High Court of Judicature at Bombay vide their orders dated March 27, 2007 and April 21, 2007, respectively, ITIFINITY Solutions Private Limited, engaged in the same line of business as the company, has been amalgamated with the Company. The Scheme became effective on May 14, 2007, the appointed date of the Scheme being April 1, 2006. Consequently, the results for quarter and nine months ended December 31, 2007 include the operations of the amalgamated company. In terms of the Scheme, goodwill arising on the amalgamation has been appropriated against the securities premium account, which if accounted based on Accounting Standard 14 - Accounting for Amalgamations, would have been amortised over its useful life not exceeding 5 years from the effective date resulting in profits for the quarter and nine months ended December 31, 2007 being lower by Rs. 18 million and Rs. 54 million, respectively.
- Pursuant to setting up of wholly-owned subsidiary, PT OnMobile Indonesia, Indonesia on June 11, 2007 and acquisition of 100% shareholding in VoxMobil SA, France on September 10, 2007 and 51% shareholding in VerSe Innovations Private Limited, India on October 26, 2007, the consolidated results for the periods thereafter include the consolidated results of operations of these subsidiaries.
- Effective 1st April 2007, the Company adopted the revised AS - 15 on Employee Benefits. Pursuant to the adoption the additional obligation as on 1st April 2007 amounting to Rs. 7 Mio has been adjusted to revenue reserve and the impact thereon in the current year in profits for the quarter and nine months ended December 31, 2007 are lower by Rs. 1.7 Mio and Rs. 7 Mio respectively.
- Fringe Benefit tax on stock options exercised during the year is recovered from the beneficiaries and is not charged in the financial results above.
- During the quarter, the Company was not listed and the Company shall publish the details of the investor complaints received for the quarter ended March 31, 2008.
- Segment Reporting:  
The Company is engaged in providing value added services in telecom business globally and is considered to constitute a single segment in the context of AS - 17 on "Segment Reporting" issued by The Institute of Chartered Accountants of India. Geographical Segment constitutes the Secondary Segment of Company and the secondary segment details are given below.

Amount in Rs Million

Particulars	Quarter ended December 31, 2007	Year to date figures for the nine month period ended December 31, 2007	Previous year accounting year ended March 31, 2007
India	544	1,567	1,302
Rest of the world	261	363	28

Segment assets, segment liabilities and fixed assets used in the Company's business have not been identified to any reportable segment as these are used interchangeably between segments and hence segment disclosures related to the total carrying amount of the segment assets, segment liabilities and fixed assets have not been given.

- The standalone financial results for the quarter and nine months ended December 31, 2007 are available at [www.onmobile.com](http://www.onmobile.com)

on behalf of Board of Directors

Sd/-  
Arvind Rao  
Managing Director

Place: Bangalore  
Date: 28/02/2008