

Unaudited 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	566	1,610	1,280
	(b)Software licences and other services	8	24	24
		574	1,634	1,304
2	Other Income	4	40	43
	Total Revenue	578	1,674	1,347
3	Expenditure			
	(a) Cost of sales & services			
	- Content fee & royalty	58	169	188
	- Other sales & services expenditure	28	77	48
	(b) Employee cost	134	381	243
	(c) Depreciation	70	167	142
	(d) Other Expenditure	114	330	232
	Total Expenditure	403	1,124	853
4	Interest	8	10	-
5	Profit before Tax for the period(1+2-3-4)	166	540	494
6	Tax expense			
	(a)Current Tax	45	160	151
	(b) earlier year provision	-	7	-
	(c)Deferred Tax	11	7	6
	(d)Fringe Benefit Tax	3	8	6
		59	182	163
7	Net Profit for the period (5-6)	107	358	331
		107	358	331
8	Paid up equity share capital (Face value of Rs 10/- each)	488	488	33
9	Reserves excluding revaluation reserves	-	-	1,985
10	Earning per share (in Rs) (not annualised)			
	(a)Basic	2	8	12
	(b)Diluted	2	7	7

Notes

- The above financials results for the quarter and the nine months ended December 31,2007 have been reviewed by the Audit Committee and approved by the Board in 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.
- During the period the company has set up a wholly owned subsidiary, PT OnMobile Indonesia, Indonesia on June 11, 2007 and acquired 100% shareholding in VoxMobili SA, France on September 10, 2007 and 51% shareholding in VerSe Innovations Private Limited, India on October 26, 2007, for an aggregate amount of investment of Rs 1457 Mio.
- 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 being recovered from the beneficiaries and 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 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	548	1,567	1,277
Outside India	26	67	27

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, fixed assets and capital employed have not been given.

on behalf of Board of Directors

Sd/-
Arvind Rao
Managing Director

Place: Bangalore
Date: 28/02/2008