

OnMobile Global Limited

Consolidated Financial Results for the Quarter and Half year ended September 30, 2009

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

Sl. No	Particulars	Quarter ended		Half year ended/ Year to date		Year ended
		September 30, 2009 (Unaudited)	September 30, 2008 (Unaudited)	September 30, 2009 (Unaudited)	September 30, 2008 (Unaudited)	March 31, 2009 (Audited)
1	Net Sales/ Income from Operations					
	(a) Telecom Value Added Services	10,343	9,046	20,208	16,529	37,247
	(b) Other services	520	700	1,379	1,003	3,389
	Total Revenue	10,863	9,746	21,587	17,532	40,636
2	Expenditure					
	(a) Cost of sales and services					
	- Content fee and royalty	2,063	1,194	4,107	1,953	5,132
	- Other sales and services	1,005	622	1,943	1,222	2,643
	(b) Employee cost	3,658	3,073	7,111	5,515	12,036
	(c) Depreciation	822	1,079	2,153	1,997	4,397
	(d) Other Expenditure	2,786	2,029	4,635	3,920	8,012
	Total Expenditure	10,334	7,997	19,949	14,607	32,220
3	Profit from operations before Other income, Interest and Exceptional items (1-2)	529	1,749	1,638	2,925	8,416
4	Other Income	690	775	1,181	1,619	3,101
5	Profit before Interest and Exceptional items (3+4)	1,219	2,524	2,819	4,544	11,517
6	Interest	6	-	10	-	5
7	Profit after interest but before Exceptional items (5-6)	1,213	2,524	2,809	4,544	11,512
8	Exceptional items	-	-	-	-	-
9	Profit from Ordinary Activities before tax (7+8)	1,213	2,524	2,809	4,544	11,512
10	Tax expense					
	(a) Current Tax	236	670	1,066	1,171	2,599
	(b) Earlier year provision	(102)	-	(102)	-	-
	(c) Deferred Tax	33	(8)	(91)	(45)	279
	(d) Fringe Benefit Tax	(23)	27	-	65	114
		144	689	873	1,191	2,992
11	Net profit from Ordinary Activities after tax (9-10)	1,069	1,835	1,936	3,353	8,520
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	Net Profit for the period (11-12)	1,069	1,835	1,936	3,353	8,520
14	Minority interest	82	-	85	-	-
15	Profit attributable to Consolidated Group (13-14)	987	1,835	1,851	3,353	8,520
16	Paid up equity share capital (Face value of Rs 10/- each)	5,815	5,777	5,815	5,777	5,783
17	Reserves excluding revaluation reserves	-	-	-	-	64,112
18	Earnings per share (in Rs) (not annualised)					
	(a) Basic	1.7	3.2	3.2	5.8	14.8
	(b) Diluted	1.7	3.1	3.1	5.6	14.3
19	Public Shareholding					
	- Number of shares	25,356,449	24,749,819	25,356,449	24,749,819	24,809,502
	- Percentage of shareholding	43.60	42.84	43.60	42.84	42.90
	Promoters and promoter group					
20	Shareholding					
	a) Pledged/Encumbered					
	- Number of shares	-	-	-	-	150,000
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	-	-	-	-	0.45
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	0.26
	b) Non-encumbered					
	- Number of shares	32,794,539	33,023,817	32,794,539	33,023,817	32,873,817
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	99.55
	- Percentage of shares (as a % of the total share capital of the company)	56.40	57.16	56.40	57.16	56.84

Notes

- 1 The above results have been reviewed by the Audit Committee, taken on record by the Board of Directors at its meeting held on October 26, 2009 and have been reviewed by the auditors.
- 2 The above results include consolidated results of the Company and its subsidiaries OnMobile Australia Pty Limited, OnMobile Singapore Pte Limited, PT OnMobile Indonesia, OnMobile Europe B.V., VoxMobili S.A., VoxMobili Inc., Telisma S.A., Ver se Innovation Private Limited (upto September 29, 2009) and Phonetize Solutions Private Limited. The financial results of Telisma S.A. has been consolidated from its acquisition on July 1st 2008 onwards and hence the figures of previous period/year are not comparable. The results of OnMobile Singapore Pte Limited, VoxMobili S.A., VoxMobili Inc., Telisma S.A. and Ver se Innovation Private Limited have been reviewed by the auditors of respective subsidiaries. Remaining subsidiaries have been consolidated based on management reports.
- 3 The Company has sold 5.08% of its equity holding, in Ver se Innovation Private Limited for a consideration of Rs. 300 lakhs on September 29, 2009, as a result of which the said subsidiary has become an associate of the Company.
- 4 The Company is in the process of expanding its business in Latin America and has made an initial commitment of Euro 37.00 Million to start its operations in this region. Various business agreements dated 30 June, 2009 have been formalised with Telefonica Internacional, S.A.U, Spain (Telefonica) towards deploying Value Added Services on exclusive and non-exclusive basis across 13 countries in the region.
- 5 Based on an internal technical evaluation, the Company has revised the estimated useful life of Telephony Cards grouped under Computer and Electronic Equipment, from 3 years to 5 years, the impact being the net profits during the quarter/period ended September 30, 2009 is higher by Rs. 506.33 lakhs.
- 6 During the previous year the Company had received demand notices relating to KST, KVAT and CST from Deputy Commissioner of Commercial Taxes amounting to Rs 3,392 lakhs for the period from April 2002 to March 2008, which the Company had disputed and filed a writ petition in the Honorable High Court of Karnataka. The matter was dismissed by the Honorable High Court of Karnataka with direction to file an appeal to the VAT Appellate Authority and the same has been filed as on March 31, 2009. The Company had deposited 50% of the total claim amount under the direction of the Honorable High Court of Karnataka and pending resolution of the matter, no amounts have been accrued in the accounts.

7 The details of utilisation of Net IPO proceeds are as under:

Categories as defined in the Prospectus	Amount in Rs. Lakhs	
	Projection in Prospectus	Actual funds utilised till September 30, 2009
Purchase of equipments for offices at Bangalore, Mumbai and Delhi and various customer sites	18,052	9,866
Working Capital requirements	500	500
Repayment of loan	3,500	3,500
General Corporate purposes	13,393	12,995
Total	35,445	26,861

The proceeds from IPO (Net of Share Issue Expenses) was Rs. 35,356 lakhs. The unutilised funds as at September 30, 2009 have been temporarily invested in Short term Investments/ Fixed Deposits with Banks.

8 Information on investor complaints pursuant to clause 41 of the Listing agreement for the quarter ended September 30, 2009 :

Nature of Investor complaints	Opening Balance	Additions	Disposal	Closing Balance
Allotment/ Refund/Transfer/others	-	13	13	-

- 9 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".
- 10 Previous period figures have been reclassified/ regrouped wherever necessary.
- 11 The Standalone financial results for the period ended September 30, 2009 are available at www.onmobile.com

on behalf of Board of Directors

Arvind Rao
Chief Executive Officer and
Managing Director

Place: Bangalore
Date: October 26, 2009