

OnMobile Global Limited

Amount in Rs Lakhs except earnings per share

Statement of Consolidated Results for the Quarter and Nine Months ended December 31, 2016:							
Sl. No	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2016 (Unaudited)*	September 30, 2016 (Unaudited)*	December 31, 2015 (Unaudited)*	December 31, 2016 (Unaudited)*	December 31, 2015 (Unaudited)*	March 31, 2016 (Unaudited)*
1	Income from Operations Telecom Value Added Services	18,054	18,711	20,682	55,626	61,562	81,574
	<b>Total Income from Operations</b>	<b>18,054</b>	<b>18,711</b>	<b>20,682</b>	<b>55,626</b>	<b>61,562</b>	<b>81,574</b>
2	Expenses						
	(a) Cost of sales and services						
	- Content fee and royalty	6,807	6,854	7,040	20,340	20,171	27,273
	- Other sales and services	871	806	851	2,530	2,975	3,978
	(b) Employee benefits expense	5,035	5,279	5,383	15,729	17,016	22,248
	(c) Depreciation and amortisation expenses	1,351	1,420	3,744	4,240	11,181	14,943
	(d) Other Expenses	2,822	3,227	3,518	8,988	10,380	13,333
	<b>Total Expenses</b>	<b>16,886</b>	<b>17,586</b>	<b>20,536</b>	<b>51,827</b>	<b>61,723</b>	<b>81,775</b>
3	<b>Profit / (Loss) from operations before other income and finance costs (1-2)</b>	<b>1,168</b>	<b>1,125</b>	<b>146</b>	<b>3,799</b>	<b>(161)</b>	<b>(201)</b>
4	Other Income (refer note 4)	869	147	564	1,347	2,341	2,995
5	<b>Profit / (Loss) from operations before finance costs (3+4)</b>	<b>2,037</b>	<b>1,272</b>	<b>710</b>	<b>5,146</b>	<b>2,180</b>	<b>2,794</b>
6	Finance costs	-	46	45	78	142	178
7	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)</b>	<b>2,037</b>	<b>1,226</b>	<b>665</b>	<b>5,068</b>	<b>2,038</b>	<b>2,616</b>
8	Exceptional Items (refer note 7)	(1,721)	-	(1,009)	(1,721)	(1,009)	(2,300)
9	<b>Profit/(Loss) before tax (7+8)</b>	<b>316</b>	<b>1,226</b>	<b>(344)</b>	<b>3,347</b>	<b>1,029</b>	<b>316</b>
10	Tax expense (net)	414	816	906	2,102	2,318	3,085
11	<b>Net profit / (loss) for the period (9-10)</b>	<b>(98)</b>	<b>410</b>	<b>(1,250)</b>	<b>1,245</b>	<b>(1,289)</b>	<b>(2,769)</b>
12	Share of Profit / (Loss) of associate	-	-	-	-	-	(0)
13	<b>Net Profit / (Loss) after taxes and share of profit / (loss) of associate (11+12)</b>	<b>(98)</b>	<b>410</b>	<b>(1,250)</b>	<b>1,245</b>	<b>(1,289)</b>	<b>(2,769)</b>
14	Other Comprehensive income (Net)	(630)	(156)	202	(619)	(182)	731
15	<b>Total Comprehensive Income for the period (13+14)</b>	<b>(728)</b>	<b>254</b>	<b>(1,048)</b>	<b>626</b>	<b>(1,471)</b>	<b>(2,038)</b>
16	Paid up equity share capital (Face value of Rs 10/- each)	10,430	10,427	10,947	10,430	10,947	10,811
17	Reserves excluding revaluation reserves						51,053
18	Earnings / (Loss) per share (in Rs) (not annualised)						
	(a) Basic	(0.09)	0.40	(1.14)	1.19	(1.18)	(2.53)
	(b) Diluted	(0.09)	0.38	(1.14)	1.16	(1.18)	(2.53)

\* The Company's Consolidated financial results for quarter and nine months ended December 31, 2016 are prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules 2015. The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2015 as the transition date. As required by Ind AS 101, all Ind AS standards and interpretations are applied consistently and retrospectively wherever required for all fiscal periods presented. The resulting difference between the carrying amounts of assets and liabilities in the financial results under both Ind AS and Indian GAAP as at the transition date have been recognized directly in equity as at transition date. These financial results were subject to limited review by the Statutory Auditors of the Company.

**Notes:**

1 (a) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 09, 2017.

(b) Key numbers of Standalone Financial Results of the Company for the quarter and nine months ended December 31, 2016 are as under:

Particulars	Rs. in lakhs					
	Quarter ended			Nine Months ended		Year ended
	December 31, 2016 (Unaudited)*	September 30, 2016 (Unaudited)*	December 31, 2015 (Unaudited)*	December 31, 2016 (Unaudited)*	December 31, 2015 (Unaudited)*	March 31, 2016 (Unaudited)*
Total Income from Operations	7,937	8,583	9,474	25,196	30,262	38,738
Profit / (Loss) before Tax	444	3,327	883	5,353	4,006	1,470
Net Profit / (Loss) after Tax	462	2,878	267	4,597	2,382	(212)

The Unaudited standalone results of OnMobile Global limited is available in investors section in www.onmobile.com and also with the stock exchanges where it is listed.

2 The above results include consolidated results of the Company, subsidiaries : OnMobile Singapore Pte Limited, PT OnMobile Indonesia, OnMobile Europe B.V., OnMobile S.A., OnMobile USA LLC, Servicios De Telefonía OnMobile SA DE CV, OnMobile Global SA , OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda, OnMobile DE Venezuela C.A, OnMobile Global for Telecommunication Services, OnMobile Senegal SARL, OnMobile Uruguay S.A., OnMobile Bangladesh Private Limited , OnMobile Mali SARL , OnMobile Servicios Corporativos De Telefonía S.A. DE C.V., OnMobile Kenya Telecom Limited , OnMobile Telecom Limited , OnMobile Global Spain S.L.U, OnMobile Costa Rica OBCR SA. , OnMobile Uganda Limited, OnMobile Zambia Telecom Limited, OnMobile Madagascar Telecom Limited, OnMobile Rwanda Telecom Limited, OnMobile Nigeria Telecom Limited, OnMobile Tanzania Telecom Limited, OnMobile Ghana Telecom Limited, OnMobile Telecom (SL) Limited, OnMobile Global Solutions Canada Limited, OnMobile Global Italy S.R.L, Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi, Onmobile Telecom Burkina Faso, SARL, OnMobile Portugal SGPS, OnMobile Live Inc., Fonestarz Media Group Limited., 2dayUK Limited., Fonestarz Media (licensing) Limited., Daius Limited., Fonestarz Limited., Livewire Mobile (Australia) PTY Limited., Fonestarz Media Limited, OnMobile Global Czech Republic s.r.o., OnMobile Global Limited Columbia S.A.S., OnMobile Global South Africa (PTY) LTD and OnMobile Latam Holding, S.L and associate Mobile Voice Kconnect Private Limited.

3 (a). Reconciliation of the Consolidated financial results to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarised as follows:

Particulars	Rs. in lakhs			Note
	Quarter ended	Nine months ended	Year ended	
	December 31, 2015 (Unaudited)	December 31, 2015 (Unaudited)	March 31, 2016 (Unaudited)	
<b>Profit / (Loss) after tax as reported under previous GAAP</b>	<b>(763)</b>	<b>(653)</b>	<b>(1,264)</b>	
Impact of translation of financial statements of foreign operations	(347)	(238)	(1,096)	i.
Impact of recognising the cost of the employee stock option scheme at fair value	(144)	(450)	(559)	ii.
Reclassification of actuarial gains/(losses), arising in respect of employee benefit schemes, to Other Comprehensive Income (OCI)	15	5	30	iii.
Tax adjustments on above	(11)	47	120	
<b>Profit after Tax as reported under Ind AS</b>	<b>(1,250)</b>	<b>(1,289)</b>	<b>(2,769)</b>	
Other Comprehensive Income/ (Loss) (Net of tax)	202	(182)	731	
<b>Total Comprehensive Income as reported under Ind AS</b>	<b>(1,048)</b>	<b>(1,471)</b>	<b>(2,038)</b>	

b. Reconciliation of Equity as reported under previous GAAP summarised as follows:

Particulars	Rs. in lakhs			Note
	As at	As at		
	March 31, 2016	April 1, 2015		
<b>Equity under previous GAAP</b>	60,381	65,687		
Proposed dividend and tax thereon	1,952	1,972		iv.
Others	(469)	(726)		i.
<b>Equity as per Ind AS</b>	<b>61,864</b>	<b>66,933</b>		

i. Under the previous GAAP, foreign currency transactions of the Company's integral foreign operations were accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction; and exchange differences arising on settlement/ restatement of Short-term foreign currency monetary assets and liabilities were recognised as income or expense in the Statement of Profit and Loss.

Under Ind AS, the functional currency of the foreign operations were assessed at transition date and were concluded as the currency of the economic environment of the foreign operations. The results and financial position of the entities whose functional currency is different from the reporting currency (INR) are recognised in Other Comprehensive Income as a Foreign Currency Translation Reserve as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet; and
- income and expenses are translated at exchange rates at the dates of the transactions.

ii. Under the previous GAAP, the cost of employee stock options under the various stock options of the Company was recognised using the intrinsic value method. Under this method, no expense was recognised in the Statement of Profit and Loss as the fair value of the shares under the grant on the date of grant equalled its exercise price. Under Ind AS, the cost of the employee stock options is recognised in the Statement of Profit and Loss over the vesting period based on the fair value of the options at the grant date.

iii. Under the previous GAAP, all actuarial gains and losses were recognised in the Statement of Profit and Loss. Under Ind AS, actuarial gains and losses that form part of remeasurement of the net defined benefit liability / asset and the corresponding tax effect thereon are recognised in Other Comprehensive Income.

iv. Under Ind AS, liability for dividend is recognised in the period in which the obligation to pay is established. Under the previous GAAP, the liability for dividend was recognised in the period to which the dividend relates, though the dividend is approved by the shareholders subsequent to reporting date. Consequently dividend payable is lower and retained earnings is higher under Ind AS.

4 During the year ended March 31, 2016, OnMobile SA, a wholly owned subsidiary of OnMobile Europe B.V., had entered into an agreement with Voicebox Technologies France S.A.S., for the divestment of certain speech technology assets for a consideration of Euro 650,000 and accordingly recorded the gain on sale of assets under "Other Income" for the year ended March 31, 2016 in the above consolidated financial results.

5 The Company had made a public announcement on February 11, 2016 for buy back of maximum 5,600,000 equity shares for an amount not exceeding Rs.7,000 lakhs. As on September 30, 2016, the buy back of 5,600,000 equity shares was finalised and extinguished aggregating to Rs.6,401 lakhs.

6 The Company is engaged in providing value added services in telecom business and its operations are considered to constitute a single reportable segment in the context of Ind AS 108 - "Operating Segments".

7 Exceptional items represents:

(i) For the year ended March 31, 2016:

(a) During the quarter ended December 31, 2015, the Argentina Government devalued its currency Argentine Peso (ARS). The exceptional item during the quarter ended December 31, 2015 represents the loss of Rs. 1,009 lakhs on restatement of the assets and liabilities from foreign currency to functional currency related to ARS at the period end rates after such devaluation.

(b) During the quarter ended March 31, 2016, the Venezuela Government introduced a new foreign currency exchange system - 'DICOM' replacing the previous 'SIMADI' system resulting in devaluation of Venezuelan Bolivar Fuerte (VEF) currency. Accordingly, the Company had used DICOM exchange rate for restatement of the assets and liabilities from foreign currency to functional currency related to VEF and charged off Rs. 870 lakhs in the consolidated results.

(c) During the quarter ended March 31, 2016, the Central bank of Egypt had devalued its currency Egyptian Pound (EGP) against USD to strengthen its economic growth. Accordingly the Company had used period end rates after such devaluation for restatement of the assets and liabilities from foreign currency to functional currency related to EGP and charged off Rs. 421 lakhs in the consolidated results.

(ii) For the quarter and nine months ended December 31, 2016:

The Central bank of Egypt had devalued its currency Egyptian Pound (EGP) against USD to strengthen its economic growth. Accordingly the Company had used period end rates after such devaluation to remeasure the monetary assets and liabilities from foreign currency to functional currency related to EGP and charged off Rs. 1,721 lakhs in the consolidated results.

8 Previous period / year figures have been reclassified/ regrouped wherever necessary.

on Behalf of Board of Directors

**Rajiv Pancholy**

Chief Executive Officer & Managing Director

Place: New Delhi

Date: February 09, 2017