

TANLA SOLUTIONS LIMITED
TANLA TECHNOLOGY CENTRE, HITECH CITY ROAD, HYDERABAD - 500 081
UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER JUNE 30, 2008

(Rupees in Lakhs)

Particulars	Consolidated Results for the			Tanla Solutions Limited - Results for the		
	3 months ended June 30, 2008	Correspondin g 3 months ended in the previous year June 30, 2007	Previous accounting year ended March 31, 2008	3 months ended June 30, 2008	Corresponding 3 months ended in the previous year June 30, 2007	Previous accounting year ended March 31, 2008
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Gross Revenue:						
- Overseas	16639.86	8944.15	45938.63	4056.78	2586.88	12866.57
- Domestic- India	46.19	1.00	36.87	46.19	1.00	36.87
Other Income	200.75	506.07	1741.75	331.56	627.81	2296.68
Total	16886.79	9451.22	47717.25	4434.53	3215.69	15200.11
Expenditure:						
- Cost of sales	6841.23	4376.39	20121.75	918.19	665.47	3087.12
- Selling & marketing expenses	1056.07	411.70	2729.14	217.47	113.03	710.33
- Operating & administrative expenses	746.49	193.43	1592.51	173.70	111.70	561.83
- Depreciation	1237.10	331.88	2347.11	228.30	180.90	741.83
Total	9880.90	5313.40	26790.51	1537.66	1071.09	5101.12
Profit before Tax	7005.90	4137.82	20926.74	2896.88	2144.60	10098.99
Provision for Income Tax	1197.79	768.01	4395.83	223.70	184.36	1144.20
Provision for Fringe Benefit Tax	15.75	1.58	19.95	15.75	1.58	19.95
Provision for Deferred Tax	151.63	42.51	200.32	151.63	11.24	200.32
Net Profit	5640.72	3325.72	16310.64	2505.80	1947.42	8734.52
Paid-up Equity Share Capital (Face Value of Re.1 each)	1000.00	1000.00	1000.00	1000.00	1000.00	1000.00
Reserves and Surplus (excluding revaluation reserves including share premium)	-	-	69930.48	-	-	58161.54
Basic / Diluted EPS in Rs. (adjusted to par value Re.1)	5.64	6.65	16.31	2.51	3.89	8.73
Public shareholding						
No.of Shares (adjusted to par value Re.1)	64,152,900	64,466,900	64,152,900	64,152,900	64,466,900	64,152,900
Percentage of shareholding	64.15%	64.47%	64.15%	64.15%	64.47%	64.15%

Notes:

1.The above financial results for the quarter ended June 30, 2008 have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on July 14, 2008. In compliance with Clause 41 of the Listing Agreement with the Stock Exchanges a Limited Review of the un-audited financial results of Tanla Solutions Limited (stand alone) has been carried out by the Statutory Auditors.

2.During the quarter Tanla Mobile Malaysia Sdn. Bhd, (Malaysia), Tanla Mobile South Asia (P) Ltd, (Srilanka) and Tanla Mobile South Africa Proprietary Ltd, (South Africa) have been incorporated as wholly owned subsidiaries of Tanla Mobile Asia Pacific Pte Ltd, (Singapore), Tanla Mobile Spain SL, (Spain) has been incorporated as wholly owned subsidiary of Tanla Mobile Ltd, (UK) and Tanla Mobile Finland Oy (Finland) has been incorporated as wholly owned subsidiary of Tanla Mobile Middle East FZ LLC, (U.A.E)

3.Consolidated financial results include Tanla Solutions (UK) Ltd., a wholly owned subsidiary, Tanla Mobile Ltd. (U.K), a wholly owned subsidiary of Tanla Solutions (UK) Ltd, Tanla Mobile Asia Pacific Pte. Ltd, (Singapore), a wholly owned subsidiary, Tanla Mobile Ireland Private Limited, (Ireland), Tanla Mobile Inc., (USA) and Tanla Mobile Middle East FZ-LLC,(UAE), wholly owned subsidiaries of Tanla Mobile Asia Pacific Pte. Ltd and Tanla Oy, (formerly Openbit Oy), (Finland), a subsidiary of Tanla Mobile Finland Oy, (Finland).

4.During the quarter Tanla Mobile Finland Oy, (Finland) has acquired 85% stake in Tanla Oy (formerly Openbit Oy) on 05.06.2008 and the gross revenue of Rs.739.40 lakhs of Tanla Oy is included in the consolidated financial results.

5.During the quarter the Face Value of the equity shares were sub-divided from Rs.2 to Re.1 with effect from 9th May 2008 and accordingly Earnings per Share and number of shares have been adjusted.

6.Other income consists of Interest & Dividend earned from investments in deposits and mutual funds from out of follow on public offer proceeds and internal accruals.

7.The Company is mainly engaged in the area of Software Development and related services. Hence Accounting Standard (AS 17) "Segment Reporting", is not applicable to the Company and to the nature of its business.

8.The company continues to comply with Accounting Standard 15 (revised) on ' Employee Benefits' .

9.During the fiscal year 2007 the company allotted 1,58,85,000 equity shares of Rs.2/- each at a premium of Rs.263/- on 28th December 2006 in the Follow on Public Offer.Consequently, the paid-up equity shares has been increased from 3,41,15,000 to 5,00,00,000 equity shares.

10. Details of utilisation of funds received from Follow on Public Offer of equity shares, as per Clause 43 of Listing Agreement are as follows:

	Rs. in Lakhs	Rs. in Lakhs
Funds raised on Follow on Public Offer of equity shares		42095.25
Less: Utilised upto 31.03.2008		33423.16
Funds available as on 01.04.2008		8672.09
Less: Utilized during the quarter		
Expansion & upgradation of existing Research & Product Development Facilities	108.34	
General Corporate purposes	2523.84	
		2632.18
Funds un-utilised as on June 30, 2008		6039.91

11. In terms of amended Clause 41 of the Listing Agreement, Investor correspondence / compliants received and dispensed off during the quarter ended June 30, 2008 is as under:

Correspondence / compliants pending at the beginning of the quarter	Nil
Correspondence / compliants received during the quarter	39
Correspondence / compliants disposed during the quarter	39
Correspondence / compliants pending at the end of the quarter	Nil

12. Previous period / year figures have been re-grouped wherever necessary.

Place: Hyderabad
Date : July 14, 2008

For and on behalf of the Board of Directors

(D.Uday Kumar Reddy)
Chairman & Managing Director