

Geodesic Q2 FY10 revenues at Rs.154 crore and net profit at Rs.57 crore

Date	October 30, 2009
Place	Mumbai

Geodesic Limited (**BSE:** 503699, **NSE:** GEODESIC) a leading provider of communication, information and entertainment products on Mobile phones, Desktop and Internet, today reported its fiscal 2010 second quarter results ended September 30, 2009.

Financial Highlights for the second quarter ending September 30, 2009

- Geodesic reported revenues of Rs 154.40 crore for the quarter ended September 30, 2009 as compared to the corresponding quarter of the previous year. The revenues remained flat despite revising our licensing prices downwards for the enterprise segment. Geodesic issued few licenses of Mundu IM and Radio to the OEM/ODM segment owing to the drop in smart phone shipments.
- Geodesic's net profit for the second quarter ended September 30, 2009 declined by 24% at Rs 57.03 crore as compared to the quarter ended Sep 30, 2008. We believe the following factors contributed to the decline in profits:
 - Rising marketing costs.
 - Foreign Exchange losses due to forward contracts and exchange losses.
 - Drop in smart phone shipments during the quarter in review led to reduction in the number of Mundu IM and Radio licenses being issued to the OEM/ODM segment.
 - Enterprise wide pricing pressure due to the economic slowdown.
 - Higher depreciation.
- EPS for the second quarter ended September 2009 stands at Rs 6.18 as compared to Rs 8.12 of the corresponding quarter previous year
- The Board of Directors at their meeting held on 9th October 2009 allotted 28,825 equity shares to employees under the Geodesic ESOP Plan.
- Dividend @ 40% (Re.0.80 per share) on the face value of equity share is declared by the shareholders in the Annual General Meeting held on September 29, 2009 and paid on October 20, 2009.

Functional Highlights

- Geodesic during this quarter strengthened its senior management team by including Mr. Anil Raj – a known name in the Wireless industry with more than 20 years of experience to head Geodesic’s Internet telephony business, Shibaji Ghosh (who was the Business Development Head at L&T, IT) to head the Enterprise business and Mr. Rakesh Langer with over 25 years of experience in manufacturing and supply chain management to head Manufacturing, Operations and supply chain management of GeoAmida.
- Geodesic added 30 new employees in the software engineering department during the last quarter
- Dr. Shashikant Kelkar resigned as Independent Director due to personal reasons with effect from August 28, 2009. Geodesic takes this opportunity to thank Dr. Kelkar for his guidance and wishes him the very best in his future endeavors
- Mr. Mahesh Murthy resigned as a Promoter of Geodesic Ltd with effect from July 31, 2009 owing to his personal commitments. Mr. Murthy was on Geodesic’s board since 2003 and had resigned from directorship in the last financial year. Mr. Mahesh Murthy will always have a special place at Geodesic Ltd.

Operational Highlights

1. Product Launches

- Mundu SMS launched its International SMS service in India, Australia, Singapore, Philippines, South Africa, U.A.E. and United Kingdom. Mundu SMS will reach out to more than 100 countries during this financial year.
- Geodesic reoriented it’s product offering to the Enterprise segment and has started to pilot the new product offering to various Enterprise customers globally. The reoriented product focuses on saving communication costs across the enterprise and provides the Enterprise with a comprehensive CRM tool for a 360-degree view of their customers.
- Geodesic announced plans to launch Filmorbit (www.filmorbit.com) - a portal dedicated to the Entertainment and Media industry in India. The portal would use Mundu Entertainment stack as a means to deliver deep interlinked content.

2. Rewards & Recognition

- Mundu IM won the Handango Champion Award 2009 for Best Social Application for Blackberry Users.
- Mundu IM for Android has been selected as a finalist at the GSM Mobile world congress being held in Hong Kong during the month of November 09.
- Mundu Radio has been a finalist at the Mobile Excellence Awards to be held in San Diego. The winner will be chosen during December at a special awards ceremony in Los Angeles, USA. It is a coveted Awards program and recognizes Industry’s rising stars and Best of the Best in Mobile Entertainment
- Mundu Radio has been rated as one of the top 10 popular applications on the Nokia OVI Store.
- Forbes Magazine listed Geodesic in the “Top 200 under a billion companies”.

3. New Customers

A. Retail:

- The Company added 195,000 new users for Mundu products.
- Mundu VoIP clocked an average of 170,000 call minutes per day.
- Averages of 50,000 text messages (SMS) per day were sent using Mundu SMS.

B. Enterprise:

- The Company signed a deal with Entel PCS, Chile's largest mobile operator to provide windows live instant messaging service to its mobile subscribers.
- The Company signed deals with Oasis Capital Bank B.S.C., Bahrain, Business India Group and a major Korean Investment Bank to provide financial services solutions including CRM and integrated communication over the web.
- BrightStar Corp a multi-billion dollar global leader in customized distribution and integrated supply chain solutions for the wireless industry extended its contract with the company for Mundu IM for the Latin American market
- Geodesic partnered with Sybase 365, a subsidiary of Sybase Inc. USA - a global leader in mobile messaging services to extend the breadth of Geodesic's service portfolio to 800 Global Operators and to further expand its global user base.
- A UK based Financial Services Company acting as an exchange for C2C, C2B and B2B multi currency transaction signed a trial order for the company's GeoAmida hand held device.
- The Company's GeoAmida was signed on for a "Financial Inclusion" project of a large PSU bank in conjunction with one of the top 5 Indian IT companies.
- A major System Integrator has signed on the company's GeoAmida to pilot "Public Distribution Automation" initiative in Madhya Pradesh.

4. During the quarter, Chandamama launched Interactive children friendly portals in Kannada, Marathi, Telugu, Tamil and Hindi, with host of features making browsing exciting and enjoyable for the readers.

Geodesic Limited

Regd Office : B-3 Lunic Industries, Cross Road No. B, MIDC, Andheri (E), Mumbai - 93.

Consolidated Unaudited Financial results for quarter ended 30th September, 2009

	Quarter ended 30th September (Unaudited)		Six months ended 30th September (Unaudited)		Year ended 31st March (Audited)
	2009	2008	2009	2008	2009
1.(a) Net sales / income from operations	15,454.25	15,423.14	31,774.89	27,810.91	65,299.78
(b) Other Operating Income	(13.56)	-	(13.56)	-	14.56
3. TOTAL INCOME	15,440.69	15,423.14	31,761.33	27,810.91	65,314.34
2. Expenditure					
a) Software Development Expenditure	4,628.66	4,732.53	9,545.86	7,448.68	18,990.31
b) Staff cost	724.98	583.92	1,390.25	1,150.80	2,405.87
c) Marketing expenses	906.60	439.56	2,046.19	1,067.80	4,274.86
d) Depreciation and Amortization	1,295.64	874.41	3,803.18	1,723.32	5,407.56
e) Other expenditure	909.89	594.38	1,487.50	1,104.22	3,340.12
f) Exchange loss on forward contracts	445.72	(41.71)	1,594.99	258.46	1,511.92
g) (Profit)/Loss due to exchange fluctuation	333.81	(498.91)	(158.06)	(632.19)	712.79
j) Total	9,245.30	6,684.18	19,709.91	12,121.09	36,643.43
3. Profit from Operations before Other Income, Interest and Exceptional Items (1 - 2)	6,195.39	8,738.96	12,051.42	15,689.82	28,670.91
4. Other Income	447.47	702.28	716.77	1,279.88	2,101.71
5. Profit before Interest and Exceptional Items	6,642.86	9,441.24	12,768.19	16,969.70	30,772.62
6. Interest	942.13	1,048.49	1,855.55	1,981.31	3,973.52
7. Profit after Interest but before Exceptional Item	5,700.73	8,392.75	10,912.64	14,988.39	26,799.10
8. Exceptional Item		-	797.97		2,360.94
9. Profit from Ordinary Activities before tax	5,700.73	8,392.75	11,710.61	14,988.39	29,160.04
10. Tax Expense					
10a. Income Tax	0.13	902.99	100.77	1,643.65	1,521.02
10b. Deferred Tax (Credit) / Expense	-	-	-	-	199.20
10c. Fringe Benefit Tax	-	10.00	8.50	20.00	35.48
11. Net Profit from Ordinary Activities after tax	5,700.60	7,479.76	11,601.34	13,324.74	27,404.34
12. Prior period adjustments	0.60	(29.41)	0.60	(29.37)	984.32
13. Share of profit transferred to Minority	(3.08)	(6.64)	(6.31)	(8.03)	(14.38)
14. Net profit for the period / year	5,703.08	7,515.81	11,607.05	13,362.14	26,434.40
15. Paid - up Share Capital					
Equity Capital (FV Rs. 2)	1,844.30	1,844.13	1,844.30	1,844.13	1,844.3
Preference Capital (FV Rs. 10)					
16. Reserves excluding revaluation reserves					67,611.26
17. Earning Per Share (EPS) *					
a) Basic and	6.18	8.12	12.59	14.46	26.67
Diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualised)	6.16	8.06	12.55	14.36	26.62
b) Basic and	6.18	8.12	12.59	14.46	26.67
Diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualised)	6.16	8.06	12.55	14.36	26.62
18. Public shareholding :					
- Number of Shares	71241309	70308883	71241309	70308883	70409579
- Percentage of Holding	77.26	76.28	77.26	76.28	76.35
18. Promoters and promoter group shareholding					
a) Pledged/Encumbered					
- Number of shares					760230
- %age of shares (as a % of total shareholding of promoter and promoter group)					3.49
- %age of shares (as a % of the total share capital of the company)					0.82
b) Non-encumbered					
- Number of shares					21045165
- %age of shares (as a % of total shareholding of promoter and promoter group)					96.51
- %age of shares (as a % of the total share capital of the company)					22.82

For and on behalf of the Board of Directors of
Geodesic Limited

Place: Mumbai
Date: 30th October 2009

Pankaj Kumar
Chairman

Notes:

1. The consolidated unaudited results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 30th October, 2009.
2. The consolidated financial results are prepared in accordance with Accounting Standard (AS) 21 on consolidated financial statements issued by the Institute of Chartered Accountants of India.
3. During the quarter, Chandamama launched Interactive children friendly portals in Kannada, Marathi, Telugu, Tamil and Hindi, with host of features making browsing exciting and enjoyable for the readers.
4. Previous period figures been regrouped and reclassified wherever necessary.
5. Minority interest in subsidiaries is adjusted while consolidating the above figures.

**For and on behalf of the Board of Directors of
Geodesic Limited**

**Pankaj Kumar
Chairman**

Place: Mumbai

Date: 30th October, 2009

Geodesic Limited

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Unaudited Financial results for quarter ended 30th September, 2009

Particulars	Rs.in lacs				
	Quarter ended 30th September (Unaudited)		Six months ended 30th September (Unaudited)		Year ended 31st March (Audited)
	2009	2008	2009	2008	2009
1. (a) Net sales / income from operations	11,807.48	11,937.09	24,306.68	21,386.83	49,379.29
(b) Other Operating Income	-	-	-	-	-
TOTAL INCOME	11,807.48	11,937.09	24,306.68	21,386.83	49,379.29
2. Expenditure					
a) Software Development Expenses	4,559.75	4,732.53	9,476.95	7,448.68	18,990.31
b) Staff cost	543.71	396.59	1,016.08	779.21	1,616.16
c) Marketing expense	15.66	3.84	34.11	17.08	124.91
d) Depreciation and amortization	1,002.73	741.71	3,218.33	1,465.30	3,146.83
e) Other expenditure	699.95	350.20	993.07	657.64	1,948.19
f) Exchange loss/ (profit) on forward contracts	445.72	(41.71)	1,594.99	258.46	1,511.92
g) (Profit)/Loss due to exchange fluctuation	333.54	(526.28)	(717.08)	(666.21)	615.89
i) Total Expenditure	7,601.06	5,656.88	15,616.45	9,960.16	27,954.21
3. Profit from Operations before Other Income, Interest and Exceptional Items (1 - 2)	4,206.42	6,280.21	8,690.23	11,426.67	21,425.08
4. Other Income	349.09	542.24	608.67	1,040.05	2,048.87
5. Profit before Interest and Exceptional Items	4,555.51	6,822.45	9,298.90	12,466.72	23,473.95
6. Interest	933.05	1,046.45	1,833.63	1,978.88	3,959.16
7. Profit after Interest but before Exceptional Item	3,622.46	5,776.00	7,465.27	10,487.84	19,514.79
8. Exceptional Items	-	-	797.97	-	2,360.94
9. Profit from Ordinary Activities before tax	3,622.46	5,776.00	8,263.24	10,487.84	21,875.73
10. Tax Expense					
10a. Income Tax	-	900.00	100.00	1,640.00	1,520.00
10b. Deferred Tax (Credit) / Expense	-	-	-	-	199.20
10c. Fringe Benefit Tax	-	10.00	8.50	20.00	29.00
11. Net Profit from Ordinary Activities after tax	3,622.46	4,866.00	8,154.74	8,827.84	20,127.53
12. Prior Period Expenditure	0.60	(29.41)	0.60	(29.37)	986.48
13. Net profit for the period / year	3,621.86	4,895.41	8,154.14	8,857.21	19,141.05
14. Paid - up Share Capital Equity Capital (FV Rs. 2)	1,844.30	1,844.13	1,844.30	1,844.13	1,844.30
15. Reserves excluding revaluation reserves					59,563.26
16. Earning Per Share (EPS) *					
a) Basic and Diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualised)	3.93 3.91	5.28 5.24	8.84 8.81	9.57 9.51	20.76 20.72
b) Basic and Diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualised)	3.93 3.91	5.28 5.24	8.84 8.81	9.57 9.51	20.76 20.72
17. Public shareholding :					
- Number of Shares	71241309	70404179	71241309	70404179	70409579
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For and on behalf of the Board of Directors of
Geodesic Limited

Place: Mumbai
Date: 30th October 2009

Pankaj Kumar
Chairman

Notes:

1. The above unaudited results for the quarter ended 30th September, 2009 were reviewed by the Audit Committee and were adopted by the Board of Directors at their meeting held on 30th October, 2009.
2. The unaudited results for the quarter ended 30th September, 2009 of the Company on standalone basis, have been subjected to a limited review by the statutory auditors of the company.
3. The Board of Directors at their meeting held on 9th October, 2009 has allotted 28,825 equity shares to employees under the Geodesic ESOP Plan.
4. Dividend @ 40% (Re.0.80 per share) on the face value of equity share is declared by the shareholders in the Annual General Meeting held on September 29, 2009 and paid on 20th October, 2009.
5. During the quarter, Dr. Shashikant Kelkar, Non-Executive Director resigned from the directorship of the Company due to his pre-occupation w.e.f August 28, 2009. Geodesic takes this opportunity to thank Dr. Kelkar for his guidance and wishes him the very best in his future endeavors.
6. Mr. Mahesh Murthy resigned as a Promoter of Geodesic Ltd with effect from July 31, 2009 owing to his personal commitments. Mr. Murthy was also on Geodesic's board since 2003 and had resigned from directorship in the last financial year. Mr. Mahesh Murthy will always have a special place at Geodesic Ltd as his ineradicable guidance and support.

7. Product Launches

- a. Mundu SMS launched its International SMS service in India, Australia, Singapore, Philippines, South Africa, U.A.E. and United Kingdom. Mundu SMS will reach out to more than 100 countries during this financial year.
- b. Geodesic reoriented it's product offering to the Enterprise segment and has started to pilot the new product offering to various Enterprise customers globally. The reoriented product focuses on saving communication costs across the enterprise and provides the Enterprise with a comprehensive CRM tool for a 360-degree view of their customers.
- c. Geodesic announced plans to launch Filmorbit (www.filmorbit.com) - a portal dedicated to the India Entertainment and Media industry in India. The portal would use Mundu Entertainment stack as a means to deliver deep interlinked content.

8. Rewards & Recognition

- a. Mundu IM won the Handango Champion Award 2009 for Best Social Application for Blackberry Users.
- b. Mundu IM for Android has been selected as a finalist at the GSM Mobile world congress being held in Hong Kong during the month of November 09.
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- d. Mundu Radio has been rated as one of the top 10 popular applications on the Nokia OVI Store.
- e. Forbes Magazine listed Geodesic in the "Top 200 under a billion companies".

9. New Customers

- a. The Company added 195000 new users for Mundu products.
- b. Mundu VoIP clocked an average of 170000 call minutes per day.

- c. Averages of 50000 text messages (SMS) per day were sent using Mundu SMS.
 - d. The Company signed a deal with Entel PCS, Chile's largest mobile operator to provide windows live instant messaging service to its mobile subscribers.
 - e. The Company signed deals with Oasis Capital Bank B.S.C., Bahrain, Business India Group, and a major Korean Investment Bank to provide financial services solutions including CRM and integrated communication over the web.
 - f. BrightStar Corp a multi-billion dollar global leader in customized distribution and integrated supply chain solutions for the wireless industry extended its contract with the company for Mundu IM for the Latin American market.
 - g. Geodesic partnered with Sybase 365, a subsidiary of Sybase Inc. USA - a global leader in mobile messaging services to extend the breadth of Geodesic's service portfolio to 800 Global Operators and to further expand its global user base.
 - h. A UK based Financial Services Company acting as an exchange for C2C, C2B and B2B multi currency transaction signed a trial order for the company's GeoAmida hand held device.
 - i. The Company's GeoAmida was signed on for a "Financial Inclusion" project of a large PSU bank in conjunction with one of the top 5 Indian IT companies.
 - j. A major System Integrator has signed on the company's GeoAmida to pilot "Public Distribution Automation" initiative in Madhya Pradesh.
10. Geodesic added 30 new employees in the software engineering department during the last quarter
11. Previous period figures have been regrouped and reclassified wherever necessary.
12. As per the revised guidelines from SEBI dated July 10, 2007, the Company is submitting both the consolidated and standalone results, but will be publishing only consolidated results. The consolidated results along with stand alone results will be displayed on the company's website.
13. The above results are standalone and consolidated figures with all subsidiaries of Geodesic are presented separately.
14. There are no primary reportable segments in the period as per AS-17.
15. The status of investor grievances for the quarter ended 30th September, 2009 Pending- Nil; Received during the quarter-14 ; Disposed during the quarter- 14; Unresolved as at 30th September, 2009 - Nil.

**For and on behalf of the Board of Directors of
Geodesic Limited**

**Pankaj Kumar
Chairman**

**Place: Mumbai
Date: 30th October, 2009**

About Geodesic Limited

Geodesic is an innovator in software products focused on Information, Communication and Entertainment for mobile phones and desktop computers. Headquartered in Mumbai, India, Geodesic's Mundu suite of award-winning products includes solutions for Instant Messaging, Voice-over-IP and Internet Radio. The company is listed on the National Stock Exchange and Bombay Stock Exchange in India. Geodesic has offices in Mumbai and Bangalore in India, USA (Silicon Valley), UK, Sweden, Mauritius, Germany and Hong Kong.

Geodesic provides solutions and services to the following segments:

- Enterprise – SMB, BFSI, Large Business, System Integrators, Government etc.
- Portals and Publishers.
- Handset manufacturers & Telecom Operators.
- Retail Business.

Geodesic products include a communication stack (Email/IM/SMS/VoIP), Customer Alignment and Relationship Management and the Entertainment stack including Internet Radio. Geodesic also builds E-governance solutions based on its GeoAmida (Geodesic's Hand held Computer).

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