



COMPANY PERFORMANCE
ANALYSIS & OVERVIEW
Q4-2010 RESULTS
March 2011

March 3, 2011

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- New Growth drivers & Market Opportunities

Company Evolution

2000: XIUS established as a telecom products company

- A high technology mobile telecom company – great products and patents
 - Over 105 patents filed globally (24 already granted till date)
- Many global firsts in the areas of Mobile Prepaid billing and real time call management, roaming and mobile commerce
- Built up customer base and revenues – became profitable in 18 months
- But lacked balance sheet strength, revenue size & company profile to win Tier 1 deals

Took the M&A route to build Balance Sheet strength & gain access to tier 1 customers and deals

Company Evolution

M&A history

January 2004: Megasoft India

- Became a listed entity through this M&A
- Gained offices and presence in US, Malaysia, Europe

October 2006: Visualsoft India

- Gained valuable real estate Assets & development infrastructure

September 2007: BCGI USA

- Leveraging Visualsoft's assets, raised financing and bought BCGI
- Got Tier 1 access, strong US presence and a multi-national management team

October 2009: Divested IT services business

January 2011: Rebranded  as 

What does XIUS do

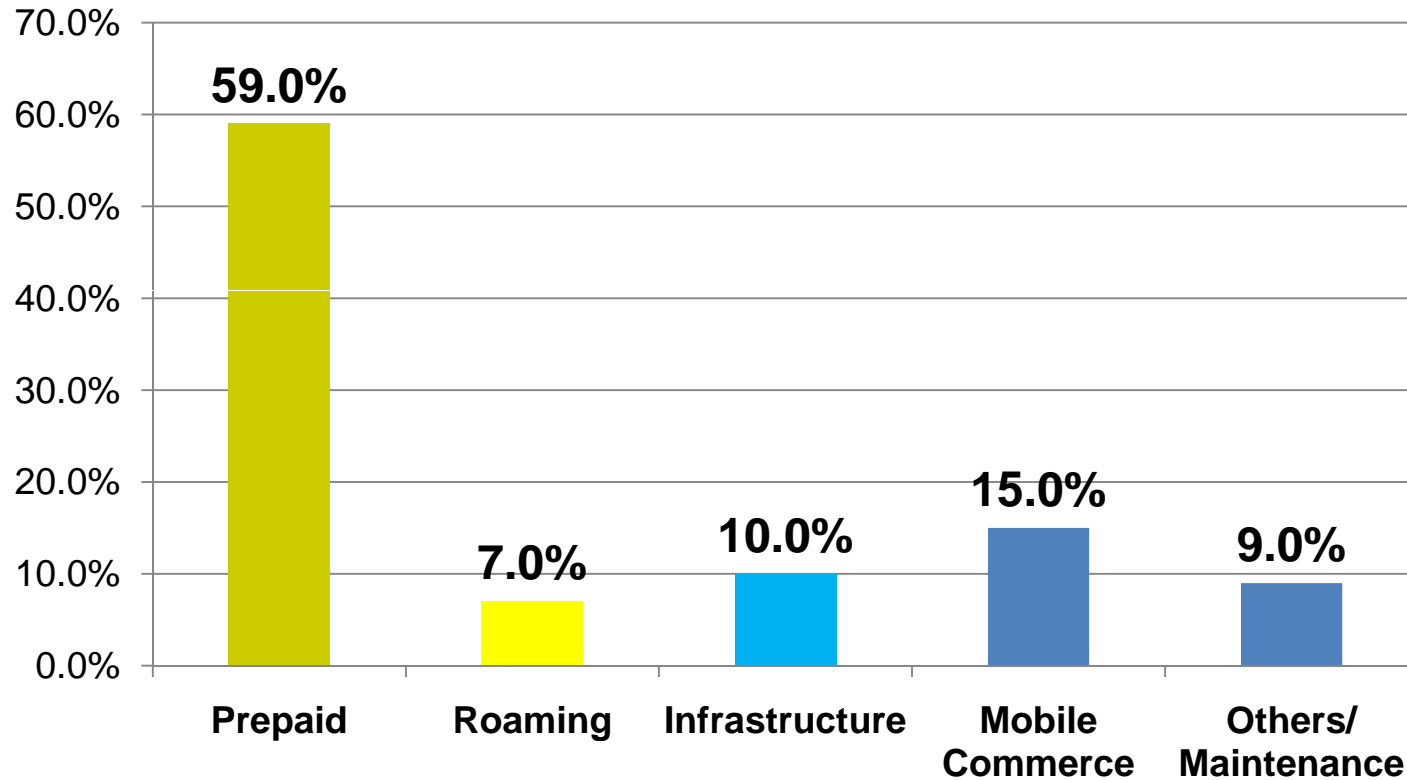
- A Mobile Products Company that Offers Pre-paid (USA) Platforms, Small carrier Network Infrastructure and Mobile Commerce Platforms on “Software as a Service” (SaaS) Model
 - Close to 80% of current revenues annuity based –
 - stable, predictable and generating cash month on month
- Over 75% revenues from large tier 1 carriers
 - Examples: Sprint, US Cellular, Telefonica group, Teleglobe, America Moviles, Telecom New Zealand, Celcom- Tunetalk (Malaysia), Loop telecom India etc
- Currently operating at 30% EBITDA margins
- Mobile commerce, Mobile advertising and small carrier infrastructure are key growth drivers, while US pre-paid provides stable revenue base for the next 2-3 years

A unique Indo-American company

- Combines best practices of both cultures (US & India) creating a high quality & cost effective entity
- Functional responsibilities located where they can be delivered most cost efficiently and effectively
 - U.S. – corporate Mgmt, marketing, strategy, product management, client relations & hosted services for US clients.
 - India – Asia Sales office, software development and engineering, operations and all back-office.



XIUS Product-Revenue Mix - 2010



Key Management Personnel

- ◉ GV Kumar MD & CEO
- ◉ Kevin Bresnahan EVP & Head Global Operations (US Office Head)
- ◉ Mitch Cornell Head SBU (Americas)
- ◉ Upendra Bhatt Head SBU (Rest of the World)
- ◉ Sridhar T VP & Head (HR)
- ◉ Bob Hackney VP Operations
- ◉ Sridhar Lanka Head Technology and Development
- ◉ GP Srinath VP (Finance) and Co. Secy

A team of exceptional talent and global experience

2010 Performance Summary

- A great Turn around in company history (₹ 20 Crores Loss in 2009 to ₹ 21.71 Crores PAT in 2010)
- ₹ 37 Crores of Free Operational Cash Generated
- Loans reduced from ₹ 197 Crores to ₹ 87 Crores
- Debtor outstanding around 108 days
- Two New Product Launches (APD & ADValue) & 30 New Patents filed
- Strong customer base established (USCC, Tunetalk, Telefonica) and 5 new customers added
- Sale of Hyderabad property in a tough real-estate market
- Good Pipeline build up for 2011

Q4-2010 Financial Summary

	2010 Q4	2010 Q3	% Change
	₹ lakhs	₹ lakhs	%
Revenues	4361	4284	1.8
EBIDTA	1409	1360	3.6
Cash profit	935	947	(1.3)
PAT	627	607	3.2
EPS (₹)	1.42	1.37	1.03

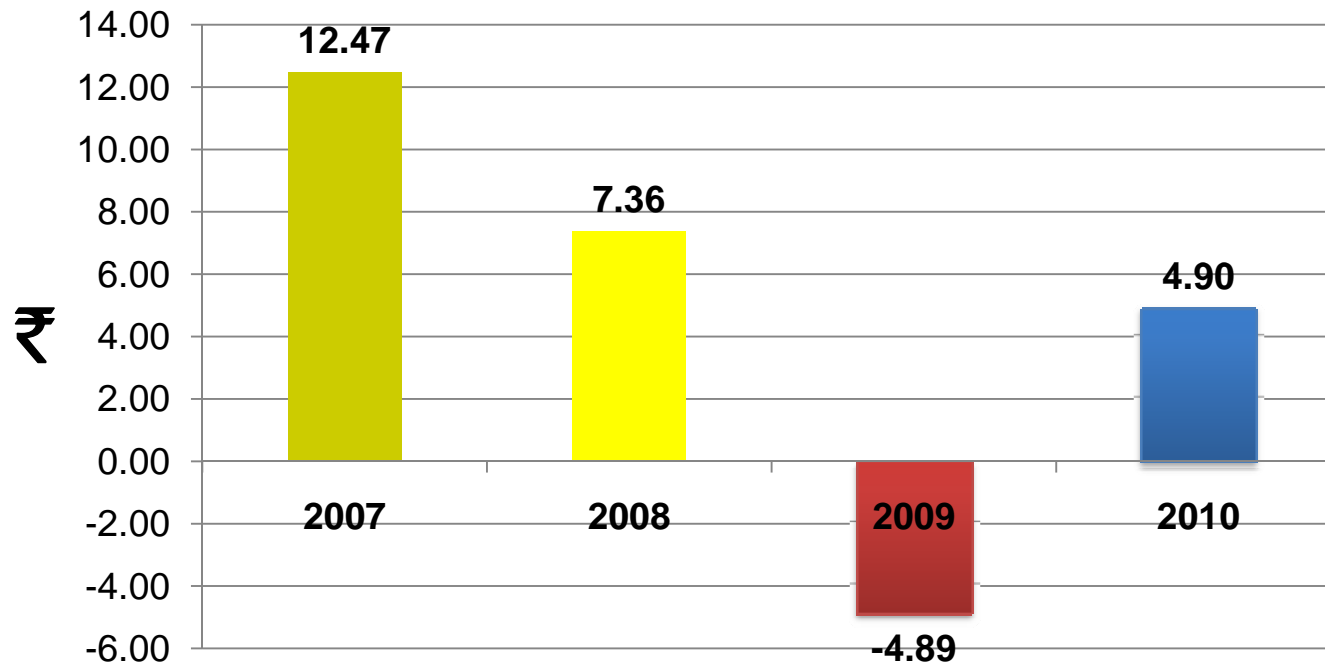
2010 Financial Summary

	2010	2009	% Change
	₹ lakhs	₹ lakhs	%
Revenues	16791	30299	(44.6)
EBIDTA	5345	3856	38.6
Cash profit	3605	217	1559.6
PAT	2171	(2210)	198.2
EPS (₹)	4.90	(4.89)	200.2

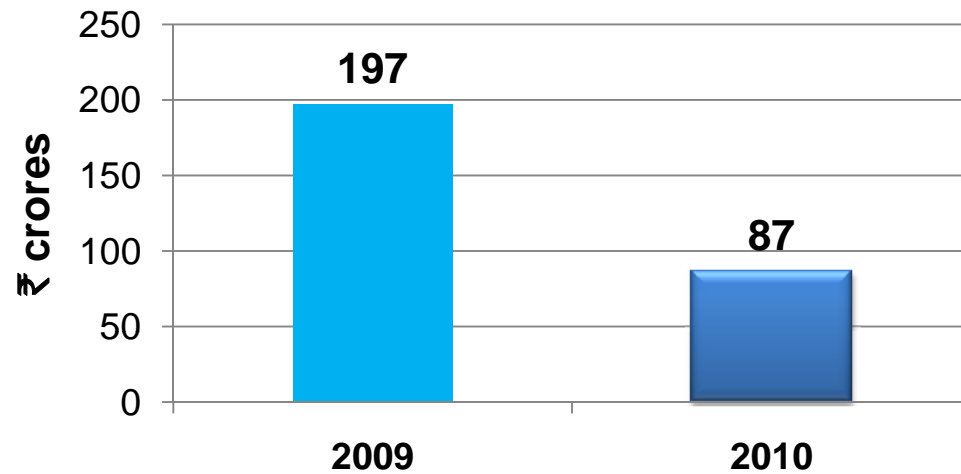
Balance Sheet

	31 Dec 2010	31 Dec 2009
	₹ lakhs	₹ lakhs
Liabilities		
Capital & Reserves	10,605	11,568
Borrowings	8,722	19,718
Total Liabilities	19,326	31,285
Assets		
Fixed Assets (net)	9,953	18,150
Investments	1,212	1,212
Net Current Assets	8,161	11,923
Total Assets	19,326	31,285
Net Worth	10,605	11,568
Book value (₹)	23.96	26.14
Debt / Equity	0.82	1.70
Current Ratio	4.29	2.92

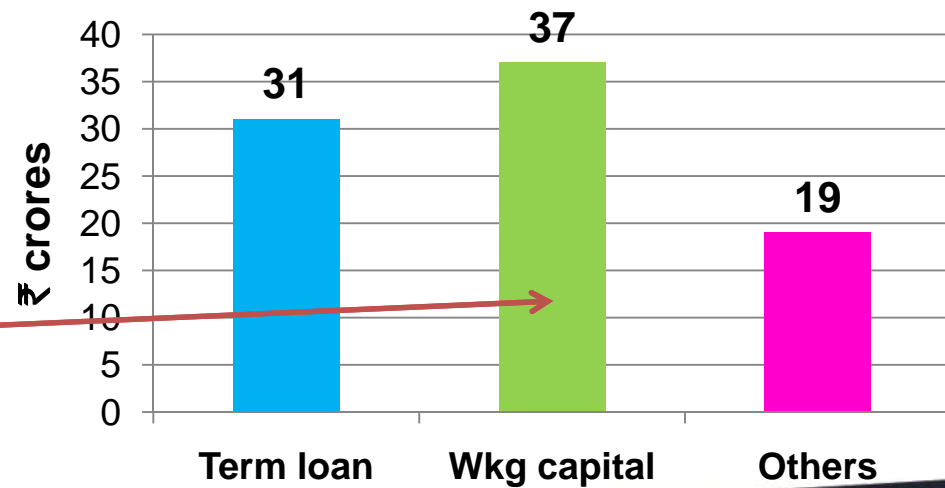
EPS (₹)



Debt Reduction



Covered by short-term
receivables



2011 company well poised for Growth

- I. Strong order back log
- II. Current Core Business still growing:
 - Fast growing pre-paid mobile Market in the USA:
 1. US Pre-paid base expected to double in the next 18 – 24 months
 2. uniquely positioned to seize this opportunity –
Ready made hosted pre-paid infrastructure – allows carriers to launch new pre-paid offerings instantly without months/years of installation procedures & operational training
 3. Company has over 21 carrier customers in US for its prepaid and revenues are growing month on month

Growth drivers - New

I. Growth kickers from New launches

- Mobile Payments and Mobile wallet applications commercially launched already – high growth in India, LatAm & emerging markets for larger carriers
 - New MTT –APD Platform is being well received globally
- Mobile advertizing market

3G networks will act as a great catalyst for both the above

II. Expanding in new Geographic segments

- Focus on growing in LatAm & Asian Mobile markets esp. With Larger multi-country carriers through multi-year contracts

Market Opportunities

- Explosive growth of Smart phones & tablets in US
 - Driving M-commerce and other new services through Mobile devices
 - Driving Mobile apps growth to non-I-Phone devices as well (Android)
- Mobile transactions & commerce are taking a larger share through point retail solutions
 - Money transfer
 - Mobile banking
 - M-wallet applications
- Mobile Advertising is a high growth segment
 - Advt. subsidy model gaining traction globally
 - Couponing and Discount vouchers are getting mobile – enabled due to smart phones
 - Alcatel-Lucent and Ericsson have also now launched – this will fast track adoption

XIUS well positioned for these opportunities

- ◉ MTT- APD mobile commerce initiative has multiple Retail and Corporate market segments
 - ◉ First Mover advantage globally
 - ◉ Enables RETAIL Transactions for multiple services first time globally
 - ◉ Leverages industry standard Near Field Communications (NFC) technology which is proven for retail mobile transactions, in Japan, S.Korea & Europe
- ◉ Going live with Tata Docomo and in pilot / discussions with 14 other carriers worldwide
- ◉ Point solutions for Mobile commerce already being implemented in Venezuela, Ecuador and now trialing with major US & LatAm carriers

XIUS well positioned for these opportunities

- ◉ XIUS Mobile Advertising Platform (ADValue) is a unique carrier-centric Advertising Solution
 - ◉ Enables end-to-end ad delivery (SMS, Voice, Video, Push & Pop-ups)
 - ◉ Integrated into billing and other carrier infrastructure in real-time
 - ◉ Enables targeted advertizing
 - ◉ Customer Opted advertizing
 - ◉ Integrated couponing and store discounting platform (unique)
- ◉ Already successfully operational in Malaysia (1 Mn subs in 1 year)
- ◉ Going live next month with a Major US Carrier
- ◉ Strong pipeline in India, Africa and Latin America

Business Risks

- Client Concentration (top 5 amounts to 67% of revenues)
- Property Market
- MTT APD involves Hardware –a new area for the company
- Global Telecom Spend (Esp. in US) un-clear