



NEWS RELEASE

GINSMS REPORTS INCREASED EBITDA, NET EARNINGS AND GROSS PROFIT MARGIN FOR FIRST QUARTER ENDED JUNE 30, 2010

CALGARY, ALBERTA – (August 30, 2010) – GINSMS Inc. (“GINSMS” or the “Corporation”) (TSXV – “GOK”) is pleased to announce its results for its first quarter ended June 30, 2010.

GINSMS began trading as a public company on December 18, 2009. Results depicted herein are for the first quarter of fiscal year 2011, which ended June 30, 2010. Comparative results are shown for Global Edge Technology (“GET”), the predecessor parent company whose shares were acquired by GINSMS in May 2009.

Highlights

- At \$49,605, net income before taxes for the three months ended June 30, 2010 is up \$15,426 or 45.1% compared to the net income of \$34,179 for the first three months of fiscal 2010.
- Earnings before interest, taxes, depreciation and amortization (EBITDA) for the first three months of fiscal 2011 totaled \$76,342, up \$17,659 or 30% from the \$58,683 reported in the first quarter of fiscal 2010.
- Net earnings after taxes for the three months ended June 30, 2010 were \$39,548, up \$5,369 or 15.7% from the comparable period ended June 30, 2009.
- Revenue for the first three months of fiscal 2011 was up slightly at \$208,787, versus \$204,255 for the same period in fiscal 2010.
- Total assets as at June 30, 2010 were \$1,739,007, up more than \$86,000 from the March 31, 2010 total of \$1,652,884.
- Gross profit margin for the quarter ended June 30, 2011 was \$143,143, an increase of \$44,052, or 30.7% over the \$99,091 recorded for the quarter ended June 30, 2009.
- Gross profit margin for the quarter ended June 30, 2011 was 68.6%, a 20% increase over the 48.5% recorded during the first quarter of fiscal 2010.

REVENUE		
	3 Months Ended June 30, 2010	3 Months Ended June 30, 2009
	<u>GINSMS</u>	<u>GET</u>
Revenue \$	208,787	204,255
-- Gross Margin \$	143,143	99,091
-- Gross Margin %	68.6%	48.5%
EBITDA (1) \$	76,342	58,683
-- EBITDA Margin %	36.6%	28.7%
Net Earnings \$	39,548	34,179
-- Net Earnings %	24.05%	16.7%

1. *EBITDA is a non-GAAP measure related to cash earnings and is defined for these purposes as earnings before income taxes, depreciation and amortization. This metric should not be considered in isolation or as a substitute for net earnings which is also reported herein but is made relevant by the fact that there is a substantial difference in the capital structure of the Corporation from one period to another, distorting the comparability of net earnings.*

Revenue for the first quarter of fiscal 2011 at \$208,787 was up approximately 2.2% over the \$204,255 reported during the same period in prior year. This is due mainly to an increase in revenue-bearing inter-SMS traffic to 34,401,824 short messages during the three months ended June 30, 2010, versus 26,551,917 short messages for the same period in fiscal 2010. This represents an increase in charged SMS traffic for the quarter under review of 7,849,907 short messages, or 29.6%.

In addition, gross margin for the first three months of fiscal 2011 was up \$44,052 or 20% over the first quarter of fiscal 2010; and, EBITDA for the three months ended June 30, 2010 at \$76,342 was also up from the \$56,683 reported during the same period last fiscal year, representing an increase of 34.7%. The increase in both gross margin and EBITDA can be attributed to the reduction in the cost of sales from \$105,164 during the first quarter of fiscal 2010 to \$65,644 in fiscal 2011. This in turn is due to the improved efficiency being realized by the Company thanks to the new IOSMS system now in full operation.

For the quarter ended June 30, 2010, GINSMS recorded net earnings after taxes of \$39,548 compared to net earnings of \$34,179 in the first quarter of fiscal 2010, an improvement of 15.7%. The net earnings for the first quarter of fiscal 2011 were negatively impacted by an income tax expense of \$10,057. At the end of March 2009, GET had a tax loss available to off-set a potential tax liability based on estimated net earnings over the ensuing periods(s). As such, there was no provision for income taxes in the first quarter of fiscal 2010.

Overall expenses for the quarter ended June 30, 2010 totaled \$93,538, an increase of \$28,626, or 44.1% from the first quarter fiscal 2010 total of \$64,912. The rise in expenses is due primarily to the increase in selling and general and administrative expenses, which were up over \$26,000 to \$66,801 versus \$40,408 during the first quarter of fiscal 2010. These higher selling, general and administrative expenses thus far in fiscal 2011 were due largely to increased consultancy and professional fees.

ASSETS		
Current Assets	Three months Ended June 30, 2010	Year Ended March 31, 2010
	\$	\$
Cash	454,922	444,271
Accounts receivable	323,563	317,196
Prepaid expenses	181,938	110,125
Fixed Assets		
Property & equipment	306,419	323,548
Deferred costs	---	--
Other assets*	472,165	457,744
Total Assets	1,739,007	1,652,884
Shareholders' Equity	1,391,461	1,296,531

* On December 29, 2009, the Corporation entered into a contract agreement, which entailed the acquisition of physical and software assets, which consist of an e-mail and SMS platform along with a service agreement which provides for the maintenance of the system. In connection with this agreement, on the acquisition date, a refundable payment of HK\$3,500,000 (CDN\$472,165) was made by GINSMS, and is included in deposits on the balance sheet as at June 30, 2010.

Total assets, including cash, accounts receivable, prepaid expenses, property and equipment and other assets (deposit), at the end of the first quarter of fiscal 2011 totaled \$1,739,007, up approximately \$86,000 from the fiscal 2010 year end total of \$1,652,884. The reasons for the increase include a rise in prepaid expense to \$181,938 versus \$110,125 at the end of fiscal 2010, and an increase in the deposit total from \$457,744 at year end to \$472,165. The increase in the prepaid expenses is due to the fact that GINSMS prepaid the online platform service, which amounted to HK\$750,000 in February 2010. It will be settled on a fixed amount every month.

Shareholders' equity for the quarter ended June 30, 2011 is also up over fiscal 2010 year-end to \$1,391,461 as compared to \$1,296,531. The increase is due in part to a 15.7% rise in net earnings of \$5,369 for the period along with a positive foreign exchange adjustment of \$44,479. The latter amount is not included in determining net income, but it is included in other comprehensive income, a component of shareholders' equity of the consolidated financial statements.

Going forward, after raising some \$1.7 million in share capital last December through an initial public offering, the Corporation is determined to capture a growing share of the Hong Kong market and penetrate the Chinese market for inbound traffic into the country. With the formation of a Wholly-Owned Foreign Enterprise ("WOFE") in China in July 2010, the Corporation has positioned itself to benefit from the advantages and the flexibility such a vehicle offers to expand into the Chinese market, either directly, through partners, or through potential acquisitions.

The most immediate and significant challenge for the Company is to grow revenues back to historical levels through higher traffic in Hong Kong. Current trends indicate that the Corporation is making good progress. This is evidenced by the fact that during the first quarter of fiscal 2011, the Company reported its highest inter-SMS traffic in the past eight quarters. This is due largely to an especially strong May, where the Company reported an increase in revenue-bearing inter-SMS traffic of 40% in comparison with May 2009.

Caution Regarding Forward-Looking Information

Certain information included in this press release may constitute forward-looking statements. Forward-looking statements generally can be identified by the use of terms such as “may”, “could”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe” or “continue” or the negative thereof or variations thereon or similar terminology. Forward-looking statements, by their very nature, involve significant risks, uncertainties and assumptions. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, without limitation, the risks factors discussed in the section entitled “Risk Factors” in GINSMS’s long form prospectus dated November 12, 2009 which is available under GINSMS’s profile on SEDAR at www.sedar.com. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, GINSMS cannot assure the reader that actual results will be consistent with these forward-looking statements. These assumptions are further described in GINSMS’s management discussion & analysis for the three and nine-month periods ended December 31, 2009, which is also available on SEDAR at www.sedar.com. These forward looking statements are made as of the date hereof and GINSMS assumes no obligation to update or revise them to reflect new events or circumstances except as may be required by law. Accordingly, readers should not place undue reliance on the forward-looking statements.

About GINSMS

GINSMS owns 100% of Global Edge Technology, a technology company focused on providing inter-operator short messaging services to mobile telecom operators in Hong Kong. GINSMS’s stated business objective to become a leading short messaging service (“SMS”) and data hubbing service provider to mobile network operators in Hong Kong and China and to establish an international SMS and value added services business.

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