



WIRE AND WIRELESS (INDIA) LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED SEPTEMBER 30, 2007

WWIL CONSOLIDATED TOTAL REVENUES OF RS 673 MILLION, UP 3.25% Q o Q

A NEW DIGITAL HEADEND ADDED IN LUDHIANA

COUNTRYWIDE DIGITAL ROLLOUT PLANS UNDERWAY

2Q FY2008 - Highlights

- ❖ Total consolidated revenue for the second quarter ended September 30, 2007 was Rs 673 million.
- ❖ The consolidated operating loss for the second quarter ended September 30, 2007 was Rs 14 million as compared to Rs. 38 million during the first quarter of fiscal year 2008.
- ❖ WWIL captured majority of the digital subscribers in the CAS notified areas of Mumbai, Delhi and Kolkata, strong presence in digital cable homes.
- ❖ WWIL is offering 192 channels on its digital platform, which is among the highest number of channels offered by any MSO.

Mumbai, India; October 23, 2007 – The Board of Directors in its meeting held today, has taken on record the unaudited consolidated financial results of Wire and Wireless (India) Limited (WWIL) and its subsidiaries for the second quarter ended September 30, 2007. WWIL today reported second quarter consolidated revenues of Rs 673 million. During the quarter, WWIL incurred losses at the operating level amounting to Rs 14 million. Net loss for the second quarter of the fiscal 2008 was Rs 227 million.

Mr. Subhash Chandra, Chairman, stated, "WWIL is well placed to consolidate its leading market share in the 3 CAS markets of Mumbai, Delhi and Kolkata. We have spent the last few months in building the organization and creating a winning mindset among our top executives. We remain committed to building a high quality digital cable network for our subscribers, which would change the way people think about the cable business. We are investing our time and efforts in transforming the business model to consumer oriented business, which requires a different mindset and would create shareholder value."



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Mr. Deepak Chandnani, CEO of WWIL commented "We are excited about the opportunities in this sector. Till now, consumers have been used to receiving analog signals, which was not delivering enough value to them, in terms of quality of signals as well as service. WWIL is preparing to rollout its digital services and a sophisticated service network to a larger national market, which is beyond the notified CAS areas. This, we believe, would create new opportunities for WWIL to deliver multiple services to consumers and better returns to shareholders."

"With the entry of many new channels during this year, we have opportunities to increase our income from carriage fees, in the short to medium term. During the second quarter, carriage fees income has grown 35% compared to first quarter of this year." Mr. Chandnani added.

Condensed consolidated statement of operations

The table below presents the condensed statement of consolidated operations for Wire and Wireless (India) Limited and its subsidiaries for the second quarter of FY2008, as published:

WWIL - Consolidated (Rs Million)	FY 2008		% of Total Revenue		% Growth
	2Q	1Q	2Q	1Q	Q o Q
Total Revenue	673	652	100%	100%	3%
Total Expenditure	687	690	102%	106%	0%
EBITDA	(14)	(38)	-2%	-6%	63%
Finance cost	93	85	14%	13%	9%
Depreciation	77	73	11%	11%	5%
PBT	(184)	(196)	-27%	-30%	6%
Exceptional Item	55	-	8%	0%	-
Provision for tax	(12)	7	-2%	1%	-271%
PAT	(227)	(203)	-34%	-31%	-12%
Minority interest	16	1	2%	~%	

Operating Revenue Streams:

The Company's operating revenues are generated primarily from the subscriber related income, sale of Set Top Boxes and other operating revenues. The table below will enable a better understanding of performance of various operating revenue streams:



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(Rs in Millions)	FY 2008		% of Total Revenue		% Growth
	2Q	1Q	2Q	1Q	Q o Q
Subscriber Related Income	574	514	85%	79%	12%
Sale of Set Top Boxes	17	56	3%	8%	-70%
Other Operating Revenues	44	46	6%	7%	-4%
Operating Revenues	635	616	94%	94%	3%
Other Income	38	36	6%	6%	6%
Total Revenue	673	652	100%	100%	3%

Operating Expenditure:

The Company's main operating expenses include cost of goods and services, staff cost, administrative expenses and selling & distribution expenses. The table below will enable a better understanding of the operation cost:

(Rs in Millions)	FY 2008		% of Total Expenses		% Growth
	2Q	1Q	2Q	1Q	Q o Q
Cost of goods & services	566	522	82%	76%	8%
Staff costs	59	48	9%	7%	23%
Administrative Expenses	49	103	7%	15%	-52%
Selling & Distribution Expenses	13	17	2%	2%	-24%
Total Operational Cost	687	690	100%	100%	~0%

Expansion of services and significant growth

During the quarter, WWIL has added one new digital headend in Ludhiana. Punjab is a large market, with high ARPUs and a market where WWIL has a significant presence.

Organisation building

During the quarter, WWIL embarked on an organization building exercise, with an aim of creating a very high quality team, which would be able to deliver shareholder value. A strong management team with seasoned professionals both from within and outside the industry has been built. As a measure to motivate its top management and to instill a sense of ownership in its team, the Company has implemented an ESOP scheme.

HITS – Headend In The Sky

WWIL is preparing to roll out Headend in the Sky (HITS) technology in the country. This would allow WWIL to provide high quality digital services reaching out to a pan India viewership base.





Note: This earnings release contains consolidated results that are un-audited and prepared as per Indian Generally Accepted Accounting Principles (GAAP).

Caution Concerning Forward-Looking Statements

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. Wire and Wireless (India) Limited is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

About Wire and Wireless (India) Limited

Wire and Wireless (India) Limited is one of India's largest Multi System Operators (MSO) with connectivity of television cable services network in 43 cities of India. WWIL is also the only MSO in the process to launch Headend in the Sky (HITS) services in the country. More information about WWIL and its businesses is available at www.wwil.net.