



## **WIRE AND WIRELESS (INDIA) LIMITED**

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**EARNINGS RELEASE FOR THE SECOND QUARTER ENDED SEPTEMBER 30, 2008**

**CONSOLIDATED OPERATING REVENUES OF RS. 837.5 MILLION, UP 32%**

**CONSOLIDATED OPERATING PROFIT OF RS. 4.4 MILLION, AS AGAINST LOSSES OF RS. 52.3 MILLION IN THE CORRESPONDING QUARTER LAST YEAR**

**LAUNCH OF SITI BROADBAND SERVICES IN NEW DELHI**

### **2Q FY2009 - Highlights**

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- ❖ Total consolidated operating revenues for the second quarter ended September 30, 2008 was Rs. 837.5 million as compared to Rs. 635.1 million during corresponding quarter last fiscal 2008, recording a growth of 32%.
- ❖ The consolidated operating profit for the second quarter ended September 30, 2008 was Rs 4.4 million as compared to operating loss of Rs. 52.3 million during corresponding quarter last fiscal 2008.
- ❖ The consolidated operating profit of Rs. 4.4 million for the second quarter ended September 30, 2008 has grown by 389% as compared to operating profit of Rs. 0.9 million of first quarter ended June 30, 2008.

**Mumbai, India; October 21, 2008** – 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, 2008. WWIL today reported second quarter consolidated revenues of Rs 837.5 million. Profit after Tax for the second quarter of the fiscal 2009 was a loss of Rs 219.7 million as compared to Rs. 226.9 million during the corresponding quarter of last fiscal 2008.

Mr. Subhash Chandra, Chairman, stated, "With a plan to consolidate our position in the cable business by focusing on digitalisation and transforming ourselves into a B To C company, we launched HITS on trial-run basis during the previous quarter. Based on the directions of the appellate tribunal, the Telecom Disputes Settlement and Appellate Tribunal (TDSAT), Ministry of Information and Broadcasting (I&B) has recently issued a clarification asking all broadcasters to share their channels with our HITS platform. We are set for the commercial launch of HITS soon, which is any MSO's



**EARNINGS RELEASE FOR THE QUARTER ENDED SEPTEMBER 30, 2008**

dream solution, for rapidly rolling out digital cable services, countrywide. This would provide the consumer with the best TV viewing experience with Value added Services like broadband internet and movie-on-demand backed by outstanding customer service and made available at affordable price. Our expertise in handling large cable network, launch digital cable services through HITS and launch of movie-on-demand & other value-added services would provide a compelling value proposition for our viewers and for our shareholders in the days to come.”

Mr. Deepak Chandnani, CEO of WWIL commented, “We have also recently launched our broadband services in the Capital under the brand name SITI Broadband which delivers a higher bandwidth for faster surfing and other internet applications. Our services that are based on latest technology and cater to a varied segment of users would provide true broadband Internet experience. HITS is the key initiative for WWIL and the team is eagerly looking forward to the launch and national rollout of this path breaking initiative in Cable TV business. We aim to be a national player with a bundle of offers.”

**Condensed consolidated statement of operations – 2Q FY2009**

The table below presents the condensed statement of consolidated operations for Wire and Wireless (India) Limited and its subsidiaries for the second quarter of FY2009, as published:

WWIL - Consolidated (Rs Million)	% of Total Revenue				
	2Q FY2009	2Q FY2008	2Q FY2009	2Q FY2008	% Growth
Operating Revenues	837.5	635.1	100.00%	100.00%	31.86%
Operating Expenditure	833.1	687.4	99.48%	108.23%	21.20%
<b>Operating Profit/(Loss) before depreciation</b>	<b>4.4</b>	<b>(52.3)</b>	<b>0.52%</b>	<b>-8.23%</b>	~%
Finance cost	144.3	92.9	17.23%	14.63%	55.26%
Depreciation	79.2	76.5	9.45%	12.04%	3.48%
Exceptional Item	-	54.9	0.00%	8.64%	-100.00%
<b>Operating Profit/(Loss) after interest, depreciation and ex. item</b>	<b>(219.1)</b>	<b>(276.6)</b>	<b>-26.16%</b>	<b>-33.02%</b>	~%
Other Income	5.9	37.8	0.70%	5.95%	-84.51%
<b>PBT</b>	<b>(213.2)</b>	<b>(238.8)</b>	<b>-25.46%</b>	<b>-37.60%</b>	~%
Provision for tax	6.5	(11.9)	0.77%	-1.87%	-154.54%
<b>PAT</b>	<b>(219.7)</b>	<b>(226.9)</b>	<b>-26.23%</b>	<b>-35.73%</b>	~%
Minority interest	12.8	16.4	0.00%	2.58%	-100.00%
Prior period adjustment	-	-	0.00%	0.00%	~%



## EARNINGS RELEASE FOR THE QUARTER ENDED SEPTEMBER 30, 2008

### Consolidated operating revenue:

The Company's operating revenue has grown to Rs. 837.5 million which is generated primarily from the subscriber related income, sale of Set Top Boxes and other operating revenues.

### Consolidated operating expenditure:

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

(Rs in Millions)	FY 2009 2Q	FY 2008 2Q	% of Total Operating Expenses		% Growth
			FY 2009 2Q	FY 2008 2Q	
Cost of Services	608.2	565.8	73.00%	82.31%	7.49%
Employees' Cost	80.9	58.9	9.72%	8.57%	37.37%
Selling & Distribution Expenses	29.6	13.6	3.56%	1.97%	118.42%
Other Expenditure	114.4	49.1	13.73%	7.15%	132.87%
Total Operational Cost	833.1	687.4	100.00%	100.00%	21.20%



**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 45 cities of India. More information about WWIL and its businesses is available at [www.wwil.net](http://www.wwil.net).