



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

**EARNINGS RELEASE FOR THE FOURTH QUARTER & YEAR ENDED MARCH 31, 2011**

**CONSOLIDATED ANNUAL OPERATING REVENUES OF RS. 3059.5 MILLION, UP 12% YOY**

**CONSOLIDATED ANNUAL OPERATING PROFIT (EBITDA) OF RS. 163.6 MILLION**

**WWIL RANKED AMONG THE BEST 400 MID CAP COMPANIES IN INDIA BY DALAL STREET INVESTMENT JOURNAL'S ANNUAL COMPENDIUM – "MID CAP 400"**

**WWIL CONSOLIDATES ITS PAN-INDIA PRESENCE THROUGH STRATEGIC EXPANSIONS**

### **4Q FY2011 - Highlights**

- ❖ Total consolidated operating revenues for the fourth quarter ended March 31, 2011 was Rs. 885.0 million as compared to Rs. 676.3 million during corresponding quarter last fiscal, recording a growth of 29.8%.
- ❖ The consolidated operating profit (EBITDA) for the fourth quarter ended March 31, 2011 was Rs. 87.2 million as compared to operating loss (EBITDA) of Rs. 324.1 million during corresponding quarter last fiscal.
- ❖ WWIL consolidated its presence in key towns.

### **ANNUAL FY2011 - Highlights**

- ❖ The consolidated operating revenues for the financial year ended March 31, 2011 was Rs. 3059.5 million as compared to Rs. 2726.5 million during last fiscal, recording a growth of 12%.
- ❖ The consolidated operating profit (EBITDA) of WWIL for the financial year ended March 31, 2011 was Rs. 163.6 million as compared to operating loss of Rs. 631.6 million during the last fiscal.
- ❖ WWIL has been ranked among the best 400 mid cap companies in India by Dalal Street Investment Journal's Annual Compendium – "Mid Cap 400".
- ❖ Indian Cable Net Company Limited, a subsidiary of WWIL, was ranked among the top 500 of India's Best Performing Mid Sized Companies in the Second Annual Inc. India 500 Awards.
- ❖ WWIL consolidates its Pan India presence through strategic expansions in Uttar Pradesh and Hyderabad.



## EARNINGS RELEASE FOR THE FOURTH QUARTER & YEAR ENDED MARCH 31, 2011

**Noida, India; May 19, 2011** – The Board of Directors of Wire and Wireless (India) Limited (WWIL) (BSE: 532795, NSE: WWIL EQ) in its meeting held today, has taken on record the unaudited consolidated financial results of the company and its subsidiaries for the fourth quarter ended March 31, 2011 and audited consolidated annual financial results for the financial year 2010-11. WWIL today reported fourth quarter consolidated revenues of Rs 885.0 million. Profit after Tax for the fourth quarter of the fiscal 2011 was a loss of Rs 118.1 million as compared to Rs. 527.8 million during the corresponding quarter last fiscal.

Mr. Subhash Chandra, Chairman, stated, "The television content distribution market in India is fast changing, with visible signs of progress towards a digital environment. Digitization which was mainly confined to DTH is finally taking shape with Government finalizing sunset date for digitization of addressable cable systems. WWIL continues to show improved operational performance with a positive EBIDTA for the year, they have effectively managed strategic expansions in new geographies via analogue and digital mode."

Mr. Sudhir Agarwal, CEO of WWIL commented, "We have consolidated our existing analogue business by making it more stable and profitable with continued focus on building processes, increased collections and strategic cost reduction initiatives. These initiatives have lead to a majority of our analogue units becoming self-sustainable."

"As the market gets ready for next wave of growth, catalyzed by Government digitization initiatives, our efforts would be focused for continually increasing our footprint, invest on infrastructure, get in new services and empower our people." Mr. Agarwal added.

### Condensed consolidated statement of operations – 4Q FY2011

The table below presents the condensed statement of consolidated operations for Wire and Wireless (India) Limited and its subsidiaries for the fourth quarter of FY2011, as published:

<b>WWIL – Consolidated</b>			
(Rs Million)	<b>4Q FY2011</b>	<b>4Q FY2010</b>	<b>% Growth</b>
Operating Revenues	885.0	676.3	31%
Operating Expenditure	869.0	1,048.2	-17%
<b>Operating Profit/(Loss) before depreciation</b>	<b>16.0</b>	<b>(372.0)</b>	
Finance cost	156.4	136.7	14%
Depreciation	26.8	66.9	-60%
Exceptional Item	5.6	5.6	
<b>Operating Profit/(Loss) after interest, depreciation and ex. Item</b>	<b>(172.9)</b>	<b>(581.3)</b>	<b>-70%</b>
Other Income	71.3	47.8	49%



## EARNINGS RELEASE FOR THE FOURTH QUARTER & YEAR ENDED MARCH 31, 2011

<b>Profit/(Loss) Before Tax</b>	<b>(101.6)</b>	<b>(533.4)</b>	<b>-81%</b>
Provision for tax	16.5	(5.6)	
<b>Profit/(Loss) After Tax</b>	<b>(118.1)</b>	<b>(527.8)</b>	<b>-78%</b>
Minority interest	(37.6)	(11.4)	

### Consolidated operating revenue:

The Company has registered operating revenue of Rs. 885.0 million as compared to Rs. 676.3 million during corresponding quarter last fiscal. Operating revenue is primarily generated from subscriber related income, income from bandwidth charges, income from advertisements 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. Total consolidated operating expenses stood at Rs. 869.0 million for the fourth quarter ended March 31, 2011 as against to Rs. 1048.2 million during the corresponding quarter last fiscal, recording a decrease of 17%. Major cost item was cost of goods & services recorded as Rs. 650.8 million during the quarter representing 75% of the of the total operating expenses in comparison to Rs. 715.1 million in the corresponding quarter of the last fiscal, a 68% share of the total operating cost.

The table below will enable a better understanding of the operation cost:

Expenditure (Rs in Millions)			% of Total Operating Expenses		% Growth
	4Q FY2011	4Q FY2010	4Q FY2011	4Q FY2010	
Cost of Goods & Services	650.8	715.1	75%	68%	-9%
Staff Costs	62.9	74.1	7%	7%	-15%
Administrative Expenses	115.3	233.6	13%	22%	-51%
Selling & Distribution Expenses	40.1	25.5	5%	2%	57%
Total Operational Cost	869.0	1048.2	100%	100%	-17%



## EARNINGS RELEASE FOR THE FOURTH QUARTER & YEAR ENDED MARCH 31, 2011

### Condensed consolidated statement of operations – Financial Result

The table below presents the condensed statement of consolidated operations for Wire and Wireless (India) Limited and its subsidiaries for the financial year ended March 31, 2011, as published:

<b>WWIL – Consolidated</b>			
(Rs Million)	<b>FY2011</b>	<b>FY2010</b>	<b>% Growth</b>
Operating Revenues	3,059.5	2,726.5	12%
Operating Expenditure	3,003.7	3,438.9	-12%
<b>Operating Profit/(Loss) before depreciation</b>	<b>55.9</b>	<b>(712.3)</b>	
Finance cost	568.4	674.7	-16%
Depreciation	218.0	415.7	-48%
Exceptional Item	22.5	22.5	
<b>Operating Profit/(Loss) after interest, depreciation and ex. Item</b>	<b>(753.0)</b>	<b>(1,825.2)</b>	<b>-59%</b>
Other Income	107.7	80.7	33%
<b>Profit/(Loss) Before Tax</b>	<b>(645.3)</b>	<b>(1,744.5)</b>	<b>-63%</b>
Provision for tax	13.8	11.6	20%
<b>Profit/(Loss) After Tax</b>	<b>(659.2)</b>	<b>(1,756.1)</b>	<b>-62%</b>
Minority interest	(34.8)	2.0	

### About Wire and Wireless (India) Limited

Wire and Wireless (India) Limited is one of the India's largest Multi System Operator (MSO). With 50 analogue and 10 digital headends, it provides cable services in 54 cities of India. Wire and Wireless (India) Limited is a part of the Essel Group, which is amongst India's most prominent business houses with a diverse portfolio of assets in media, packaging, entertainment, technology-enabled services, infrastructure development and education.

Wire and Wireless product offers include, Analog Cable, Digital Cable Television, Broadband and Local Television Channels. Wire and Wireless has been providing services in analog and digital mode, having technical capability to provide features like Video on Demand, Pay per View, Electronic programming Guide (EPG), gaming through a Set Top Box (STB) and IPTV. All products are marketed under SITI brand Umbrella.

For More information about WWIL and its businesses, please log on to [www.wwil.net](http://www.wwil.net).



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



---

## EARNINGS RELEASE FOR THE FOURTH QUARTER & YEAR ENDED MARCH 31, 2011

---

### **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.

---