



WIRE AND WIRELESS (INDIA) LIMITED

EARNINGS RELEASE FOR THE FIRST QUARTER ENDED JUNE 30, 2011

CONSOLIDATED OPERATING REVENUES OF RS. 798.3 MILLION, UP 15%

CONSOLIDATED OPERATING PROFIT (EBITDA) OF RS. 42.8 MILLION

WWIL CONSOLIDATES ITS PAN-INDIA PRESENCE THROUGH STRATEGIC EXPANSIONS

Q1 FY2012- Highlights

- ❖ Total consolidated operating revenues for the first quarter ended June 30, 2011 was Rs. 798.3 million as compared to Rs. 692.5 million during corresponding quarter last fiscal, recording a growth of 15%.
- ❖ The consolidated operating profit (EBITDA) for the first quarter ended June 30, 2011 was Rs. 42.8 million as compared to Rs. 1.9 million during corresponding quarter last fiscal.
- ❖ WWIL expands its business operations in new Strategic towns.

New Delhi, India; July 26, 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 quarter ended June 30, 2011. The consolidated total revenues for the quarter were Rs 804.5 million and operating profit (EBITDA) was Rs. 42.8 million.

Mr. Subhash Chandra, Chairman, stated, "Indian economy continues to grow with digital services catching the fancy of the Indian television viewer, the industry continues its march towards digitization. Digital cable will play an important role in the digitization of television with government and the regulator looking keen towards implementation of addressable digitization policies and guidelines. With WWIL showing consistently improved operational performance quarter-on-quarter, and with all its infrastructure and systems in place, the company is set to benefit immensely with the onset of digitization."

Mr. Sudhir Agarwal, CEO of WWIL commented, "We have extended the momentum gained during the last fiscal into the first quarter of FY12. Our consolidated revenue grew to Rs 804.5 million, a growth of 15% over corresponding quarter of last year. Majority of our Analog Business units are now operationally self-sustainable, resulting in operational profits. We will continue to work towards making the existing business self-sustainable as well as expand our footprint to new strategically important geographies. While on one hand, the company expanded its business and ground presence by starting operations in newer areas, on the other hand, it undertook strategic cost reduction initiatives to enhance efficiencies and optimize resources. As the market gets ready for next wave of

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growth, we shall expand our network wider and deeper and capitalize on our investments in infrastructure, systems, processes and people. The outlook for the industry remains positive and the year ahead promises to be an exciting one for WWIL”

Condensed consolidated statement of operations – Q1 FY2012

The table below presents the condensed statement of consolidated operations for Wire and Wireless (India) Limited and its subsidiaries for the first quarter of FY2012, as published:

WWIL - Consolidated (Rs Million)	Q 1 FY2012	Q1 FY2011	% of Total Revenue		% Growth
			Q1 FY2012	Q1 FY2011	
Operating Revenues	798.3	692.5	99%	99%	15.3%
Operating Expenditure	761.7	698.0	95%	100%	9.1%
Operating Profit/(Loss) before depreciation	36.6	(5.5)	5%	-1%	763.7%
Finance cost	151.2	144.1	19%	21%	5.0%
Depreciation	70.3	84.9	9%	12%	-17.1%
Exceptional Item	233.4	5.6	29%	1%	4051.1%
Operating Profit/(Loss) after interest, depreciation and ex. Item	(418.4)	(240.1)	-52%	-34%	-74.3%
Other Income	6.2	7.4	1%	1%	-16.5%
PBT	(412.2)	(232.7)	-51%	-33%	-77.2%
Provision for tax	7.8	1.2	1%	0%	531.4%
PAT	(420.0)	(233.9)	-52%	-33%	-79.6%
Minority interest	(13.8)	2.7	-2%	0%	-612.8%

Consolidated operating revenue:

The Company’s operating revenue for the quarter is Rs. 798.3 million as compared to Rs. 692.5 million during corresponding quarter last fiscal, recording an increase of 15%. 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 goods and services, employees’ cost, selling & distribution expenses and other expenditure. Total consolidated operating expenses stood at Rs. 761.7 million for the first quarter ended June 30, 2011 as against to Rs. 698.0 million during the corresponding quarter last fiscal, recording an increase of 9%. Major cost item was cost of goods & services recorded as Rs. 567.3 million during the quarter representing 71% of the of the total revenue



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in comparison to Rs. 503.9 million in the first quarter of the last fiscal, representing 72% of the total revenue.

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

WWIL - Consolidated (Rs in Millions)	Q1 FY2012	Q1 FY2011	% of Total Revenue		% Growth
			Q1 FY2012	Q1 FY2011	
Cost of Goods & Services	567.3	503.9	71%	72%	12.6%
Staff Costs	64.4	62.6	8%	9%	2.9%
Administrative Expenses	91.4	122.4	11%	17%	-25.4%
Selling & Distribution Expenses	38.7	9.1	5%	1%	326.5%
Total Operational Cost	761.7	698.0	95%	100%	9.1%

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 11 digital head ends, 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.

For More information about WWIL and its businesses, please log on to www.wwil.net.



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.