



WIRE AND WIRELESS (INDIA) LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED DECEMBER 31, 2007

CONSOLIDATED OPERATING REVENUES OF RS 704 MILLION, UP 43%

CARRIAGE FEES AND DIGITAL INCOME LEAD GROWTH

COUNTRYWIDE DIGITAL ROLLOUT PLANS UNDERWAY THROUGH HITS

3Q FY2008 - Highlights

- ❖ Total consolidated operating revenues for the third quarter ended December 31, 2007 was Rs. 704 million as compared to Rs. 493 million recording a growth of 43% over corresponding quarter last fiscal.
- ❖ Carriage Fees was Rs 264 million for the third quarter ended December 31, 2007 as compared to Rs 126 million recording a growth of 109.5% over corresponding quarter last fiscal.
- ❖ The consolidated operating loss before depreciation, interest and exceptional items for the third quarter ended December 31, 2007 was Rs 31.6 million as compared to Rs. 52.6 million during the third quarter of fiscal year 2007.
- ❖ WWIL captured the largest share of digital subscribers in the CAS notified areas and is offering 192 channels on its digital platform, which is among the highest number of channels offered by any MSO.

Mumbai, India; January 29, 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 third quarter ended December 31, 2007. WWIL today reported third quarter consolidated revenues of Rs 704 million. During the quarter, WWIL incurred losses at the operating level amounting to Rs. 31.6 million. Profit after Tax for the third quarter of the fiscal 2008 was a loss of Rs 285 million.

Mr. Subhash Chandra, Chairman, stated, "We have identified several opportunities for growth of our business and plan to consolidate our position in the cable business by way of faster digitization of cable TV, acquisition of MSOs & direct points and through strategic alliance with various infrastructure providers for digital services. We are investing our time and efforts in



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building a high quality digital cable network for our subscribers. Apart from the existing digital services in CAS notified metros and some non-metro cities, we plan to extend the digital services to all parts of country through HITS. We believe that our ability to handle large cable network, digital cable services and launch of VOD & other value added services provides a compelling value proposition for the shareholders in the days to come.”

Mr. Deepak Chandnani, CEO of WWIL commented, “Very soon we would be the first MSO to deliver digital services through HITS platform in India. This would enable us to rollout digital services and a sophisticated service network to a larger national market, beyond the currently notified CAS areas, quickly and efficiently. HITS roll-out will progress in tandem with the roll-out of digital services in the cities where we already have Digital Head-ends. This is a big and challenging opportunity for WWIL and we are confident that we will deliver differentiated, attractive and compelling offers to our consumers and better returns to shareholders.”

“The highlight of this quarter is the carriage fees income which has gone up to Rs 264 million, while digital revenues have increased to Rs 45 million. We have also extended technical upgradation program throughout our existing operations to improve the quality of our current services to subscribers and be ready with high quality infrastructure for roll out of digital services.” 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 third quarter of FY2008, as published:

WWIL - Consolidated (Rs Million)	FY2008	FY 2007	% of Total Revenue		%
	3Q	3Q	FY08	FY07	Growth
Operating Revenues	704	493	100.0%	100.0%	42.6%
Operating Expenses	735	546	104.5%	110.6%	34.7%
Operating Profit/(Loss) before depreciation	(32)	(52)	-4.5%	-10.6%	
Finance cost	94	49	13.4%	9.9%	
Depreciation	75	77	10.7%	15.6%	
Exceptional Item	99	-	14.1%	0.0%	
Operating Profit/(Loss) after interest, depreciation and ex. item	(300)	(179)	-42.7%	-36.2%	
Other Income	32	20	4.6%	4.1%	
PBT	(268)	(158)	-38.1%	-32.1%	
Provision for tax	17	1	2.4%	0.2%	
PAT	(285)	(159)	-40.5%	-32.2%	
Minority interest	9.5	4.0			



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Consolidated 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:

(Rs in Millions)	FY2008	FY 2007	% of Total Operating Revenue		% Growth
	3Q	3Q	FY08	FY07	
Subscriber Related Income	617	454	88%	92%	36%
Sale of Set Top Boxes	44	-	6%	0%	-
Other Operating Revenues	43	39	6%	8%	8%
Operating Revenues	704	493	100%	100%	43%

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)	FY2008	FY 2007	% of Total Expenses		% Growth
	3Q	3Q	FY08	FY07	
Cost of goods & services	583	376	79%	69%	55%
Staff costs	51	34	7%	6%	48%
Administrative Expenses	78	129	11%	24%	-39%
Selling & Distribution Expenses	22	6	3%	1%	251%
Total Expenses	735	546	100%	100%	35%

All set for the launch of HITS

WWIL is preparing to roll out digitalization through 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. During the quarter, WWIL has procured various equipments, parts and accessories for the HITS platform. WWIL would be the first MSO in the country to initiate transmission of digital signals via this platform.



Organisation building

During the quarter, WWIL continued on its 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.



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 which would be shortly launching digital cable transmission through Headend in the Sky (HITS) services in the country. More information about WWIL and its businesses is available at www.wwil.net.