



## Press Release

### For Immediate circulation

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### **GTL registers a Revenue growth of 86%**

**and**

### **Operating Profit growth of 123% on Y-o-Y basis**

#### **Consolidated results for the quarter ended September 30, 2007**

- Consolidated Revenue from Global Operations was Rs.439.18 Crores for the quarter ended September 30, 2007 as against Rs.235.56 Crores for the corresponding quarter in the previous year recording an Y-o-Y growth of 86%
- Operating Profit for the quarter ended September 30, 2007 was Rs. 66.55 Crores as against Rs.29.75 Crores for the corresponding quarter in the previous year recording Y-o-Y growth of 123%
- Net Profit for the quarter ended September 30, 2007 was Rs. 33.84 Crores as against Rs.18.24 Crores for the corresponding quarter in the previous year recording Y-o-Y growth of 86%

#### **Mumbai, October 22, 2007**

GTL Limited (GTL) today announced audited results of the Company (including its International subsidiaries on consolidated basis) for the quarter ended September 30, 2007. The Company continues to focus on Network Services business and provides Network Design & Planning, Network Deployment, Network Operations & Maintenance, Infrastructure Management, Application Management & Professional Services to Telecom Operators & Original Equipment Manufacturers (OEMs) in over 25 countries. It is positioning itself as a "Network Services provider" and has a vision to become India's largest Network Service provider, globally.

The consolidated revenue for the quarter ended September 30, 2007 was Rs.439.18 Crores as against Rs. 235.56 Crores for the corresponding period in the previous year recording an Y-o-Y growth of 86%. The gross profit for the quarter was Rs.106.02 Crores (24.14% of revenue) as against Rs. 61.64 Crores (26.16% of revenue) during the corresponding quarter in the previous year.

The Selling & Marketing Expenses with respect to revenue decreased to 3.13% of revenue (Rs.13.77 Crores) in the current quarter from 4.08% of revenue (Rs. 9.63 Crores) in the corresponding period for the previous year . Administration Expenses decreased to 5.85 % of revenues (Rs.25.70 Crores) as against 9.44% of revenues (Rs.22.26 Crores) in the corresponding period for the previous year.

Interest and finance charges for the quarter ended September 30, 2007 increased to Rs.12.94 Crores against an income of Rs.0.02 Crores during the corresponding quarter of the last financial year. The rise in Interest & Finance Charges is mainly on account of External Commercial Borrowing (ECB) raised by GTL in September 2006, to the extent of Rs. 687 Crores, to fund its inorganic growth plans, capex and related costs thereto.

Depreciation charged for the quarter stood at Rs.12.25 Crores as against Rs 9.89 Crores in the corresponding quarter of last financial year.

The Company incurred loss on Other Income to the extent of Rs. 4.82 Crores as against a loss of 0.35 Crores in the corresponding quarter previous year. This was mainly on account of strengthening of rupee against the US dollar and its impact on the Company's mark to market positions for overseas funds.

The Company still retains the IT Application Management, BPO and KPO business and owns the assets related to the business. The Board of Directors has given the approval to hive off these into a separate 100% subsidiary.

## **Business highlights:**

The Company has won contracts worth Rs 230 Crores in this quarter from two national level operators in India. It also won contracts worth Rs. 40 Crores and Rs.70 Crores from OEMs in Saudi Arabia and Nigeria. The company established operations in Guinea-Conakry this quarter, adding to its geographical presence of over 25 countries.

The company is focusing on new and emerging technologies. During the quarter the company has signed business co-operation agreement with Navini , a WiMAX solution provider which will enable it to offer WiMAX services in the APAC, India and Middle East markets. It also entered into business cooperation agreement with a telecom applications solution provider in India and overseas markets. The Company is deploying WiMAX networks as a part of it's contract with a leading provider of WiMAX equipments in India for leading Indian telecom operators like VSNL and Reliance Communications and is also providing O&M services for the rolled out sites.

## **Manpower at GTL**

The Company has sold off its Enterprise Network Services and Managed Services business to Orange Business Services, a business communication arm of France Telecom. As the part of the transaction 602 employees were transferred to Orange Business Services.

As a result of this transaction the total manpower of the Company including Contract Employees as of September 30, 2007 stood at 3464, as against 4236 in the corresponding period ended September 30, 2006.

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## **About GTL Limited**

GTL, part of the Global group, is a leading Network Services company, offering services and solutions to address the Network Life Cycle requirements of Telecom Carriers and Technology providers (OEMs).

GTL's consolidated revenue for FY 2006-07 (trailing twelve months) ending March 31, 2007 stood at Rs. 11562.8 million (USD 258 million). Today GTL executes projects in over 25 countries, has built over 35 cellular networks, installed and

# GTL Limited



commissioned over 20000 cell sites, connecting over 20 million subscribers, has set up over 500 corporate networks.

For more than a decade, leading wireless carriers, equipment manufacturers, service providers and enterprises have trusted GTL's talented and trained engineering professionals to plan, design, deploy, optimize, manage, and maintain their networks and applications. Our trained and skilled manpower of over 3400 employees offer assured quality to customers through integrated end-to-end services.

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