

GTL issues convertible bonds for 80 mln Swiss francs

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Mumbai, 23 August 2004: GTL Limited has successfully completed an international issue of 8000 foreign currency convertible bonds (FCCB) of 10000 Swiss francs each, totalling 80 million Swiss francs (nearly US\$ 64.5 million). The issue of the 61-month, 1% per annum coupon bonds was launched in the Swiss capital market on 17 August 2004 and concluded on 20 August 2004. GTL had proposed to offer bonds worth 70 million Swiss francs. The green shoe option of 10 million Swiss francs was exercised by the issue's lead managers.

Each bond is convertible to 3620.56 equity shares of GTL at Rs 103 per GTL share.

GTL plans to use the funds from the FCCB issue for rapid growth across GTL's business operations. Priorities include capital expenditure for BPO and technology support infrastructure, technical workforce expansion, and enhancement of GTL's service offerings in its network engineering business.

The issue was lead managed by Bank Julius Baer & Co. Ltd, Zurich, Switzerland. Other members of the syndicate were Jefferies (Switzerland) Ltd, Bank Sarasin & Co. Ltd, and Clariden Bank.

RP & C International, Inc., were GTL's advisers to the issue.

Commenting on the successful close of the issue, GTL's CEO Dr Michael Clark said: "We are delighted that international investors have chosen to back GTL's vision. We have demonstrated global leadership potential in vendor- and platform-independent telecom and enterprise network engineering, in managed application services networks, and business process outsourcing."

Juerg W. Sturzenegger, Head - Capital Markets, Bank Julius Baer & Co Ltd, said: "GTL's success as a global provider of enabling services to international telcos and organizations—a high growth potential business—has been highly appreciated in the Swiss capital market."

About GTL

From 10 principal global locations, GTL Ltd provides network engineering services to international telecommunications carriers and utilities, and delivers business infrastructure and process outsourcing for globally distributed organizations.

GTL's current engagements include providing services to the public and private sectors in banking, finance and insurance, IT and telecommunications, FMCG, and health care.

GTL's revenue in FY2003-04 was Rs 6063.2 million (US\$ 133.6 million) on an equity base of Rs 712.8 million (US\$ 16.2 million). The company has 4100 employees.

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