

AGC/PB/SE/2013/046

November 14, 2013

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| <b>Corporate Relationship Department<br/>Bombay Stock Exchange Limited</b><br>P.J. Towers,<br>Dalal Street, Fort,<br>Mumbai - 400 001 | <b>Corporate Relationship Department<br/>National Stock Exchange Limited</b><br>Exchange plaza, Bandra Kurla<br>complex,<br>Bandra (E)<br>Mumbai 400051 |
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Dear Sir,

**Sub.:** Press release for the un-audited financial results of the Company (stand-alone and consolidated) for the quarter ended 30<sup>th</sup> September, 2013

**Ref.:** Script code BSE 500463/NSE AGCNET

Please find attached herewith the Press release for the un-audited financial results of the Company (stand-alone and consolidated) for the quarter ended 30<sup>th</sup> September, 2013

This is for your information, record and necessary action.

Thanking You,

**For AGC Networks Limited**

  
  
**Pratik Bhanushali**  
**Company Secretary**  
Encl.: A./a.

## **AGC Networks Announces Results for the Quarter ended September 30, 2013**

**Mumbai, 14<sup>th</sup> November 2013:** AGC Networks Limited, (BSE: 500463 and NSE: AGCNET), a Global ICT Solutions Provider and Integrator in Unified Communications, Network Infrastructure, Data Centre & Virtualization and Enterprise Applications and a subsidiary of Aegis Limited, an Essar enterprise, today announced financial results for Q2 FY 2014.

### **Key Consolidated Financial & Operational Highlights for Q2 FY 2014**

#### **Financial highlights**

- Revenue for Q2 FY 2014 increased by 11% from Rs 192 cr to Rs 213 cr over the previous quarter of Q1 FY 2014. Persisting macroeconomic concerns compounded with sluggish economic growth highlights weak demand impacting spending patterns on technology solutions across various industry verticals

|                      | <b>Q2'14</b> | <b>Q2'13</b> | <b>Q1'14</b> |
|----------------------|--------------|--------------|--------------|
| <b>Total Revenue</b> | <b>213</b>   | <b>282</b>   | <b>192</b>   |
| <b>PBT</b>           | <b>(42)</b>  | <b>18</b>    | <b>(87)</b>  |
| <b>PAT</b>           | <b>(42)</b>  | <b>14</b>    | <b>(84)</b>  |
| <b>EPS (in Rs)</b>   | <b>(15)</b>  | <b>5</b>     | <b>(30)</b>  |

- Operations in the North America geography have stabilized contributing significantly to revenues and growth for the Quarter in that market. The acquisition of the business of Transcend has helped access reach to more than 1500 customers and across various states in the US
- Operating Expenses decreased in comparison to Q1 FY 2014, on account of rationalization in costs and a focus on operational efficiencies
- In line with the adopted approach last quarter, we have continued to adapt conservative practices and estimates towards building a stronger balance sheet with sustained earnings.

#### **Business highlights**

- AGC Networks expanded its portfolio of Technology offerings with cloud based Managed Network Security solution offering

- Highlights of India business
  - Uptake of demand and engagements in the select verticals of IT / ITeS, BFSI, Hospitality/ Healthcare and Education
  - Significant elongation of the decision making cycle.
- Emphasizing on customer centricity as the core, AGC Networks has had some significant wins in the quarter in the India theatre
  - A single sign on solution, that can handle up to 2lakh concurrent sessions, provided to one of India's leading investment bank & project advisor
  - Deployed a unique Trunk-and-Tank locking system to control pilferage for a Fortune 500 Oil and Natural gas company
  - Delivered around 100 video endpoints connecting all offices for one of Nepal's first private mobile operator
  - A win in the Data Center and Virtualization practice for Servers, Storage and Data Center for a Electricity regulation board.
- Highlights of the US business
  - Strong increase in demand of products and services within the IT / ITeS domain
  - Increased revenue share from non-UC (Unified Communication) quadrant
  - Expansion of solution portfolio from existing customers
  - US business profitable on a standalone basis
  - North America continues to be an evolving contributor to AGC's global 10<sup>3</sup> strategy. A major win being the start of the theatre's largest managed services contract for one the largest US banks.
- Highlights of MEA business
  - The Middle East market has been a steady contributor with some wins such as
    - The Data Center and Virtualization and Business Applications business growth with wins across verticals
    - Breakthrough in two large banks in Kenya and Zambia with security solutions.
- Highlights of the ANZ business
  - Expansion of solution offerings to existing customers and appropriate strategies have made the overall business profitable in Australia
  - Tony Heywood on board as 'Vice President & Country Head' bringing in significant experience in AGC's line of Solution Integration.
- Other highlights include, AGC Networks being awarded '**Industry Partner of the Year – FY 2013' by Microsoft** in the BFSI segment towards improving the focus on customer service.

Speaking on the occasion, **Mr. S. K. Jha, MD & CEO, AGC Networks** said "The sluggish business environment has affected the Indian ICT industry. However, together with our strong emphasis on customer-centricity, partner alliance network and technology expertise we will continue to gain client-stickiness and focus in proving best-in-class returns to our stakeholders, in the upcoming quarters."



**About AGC Networks:**

AGC Networks (AGC) is a Global ICT Solutions Provider and Integrator seamlessly delivering technology based solutions across global markets and verticals layered with a spectrum of applications and services in Unified Communications, Network Infrastructure, Data Center & Virtualization and Enterprise Applications. Being a leader in Enterprise Communications in India and spanning the Middle East, North America, Australia, New Zealand and Africa, AGC Networks has a differentiated approach to Solutions Integration and offers domain-focused, flexible and customized solutions to customers across the globe. Equipped with Global technology alliance partners like Avaya, Juniper, NICE Systems, Aspect, HP, Polycom, Cisco, Microsoft, Verint, NEC, Sony, Plantronics, EMC, Dialogic, NetApp, Checkpoint and Jabra among others. AGC 'Experience specialists' deliver ICT solutions. AGC Networks is a subsidiary of Aegis Limited, an Essar Enterprise. For more information log on to [www.agcnetworks.com](http://www.agcnetworks.com)

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