

For Immediate Release

Spanco Q2 - FY12 Net sales at Rs 462 crore; PAT stood at Rs 21 crore; up 19.5% QoQ

Mumbai, India – 11th May, 2012: Spanco Limited (BSE: 508976: NSE: SPANCO), a leading player in Technology Infrastructure, Global BPO business and Power Distribution, announced its unaudited standalone financial results for second quarter FY12, ending March 31st, 2012.

Review of financial performance for the quarter ended 31st March' 2012

On a quarter-on-quarter basis:

- Standalone revenue was Rs 462.1 crore during the quarter under review as compared to Rs 467.9 crore during the sequential previous quarter reflecting a decrease of 1.2%.
- Overall operational efficiency helped the company to post EBITDA of Rs 65.5 crore (14.2% of Net Sales) compared to Rs 59.2 crore (12.7% of Net Sales) in Q1FY12.
- Net profit stood at Rs 20.6 crore in Q2FY12 as against Rs 17.3 crore in Q1FY12 an increase of 19.5%.
- PBT margin for the quarter stood at 6.7%; increase of 110bps.
- PAT margin improved to 4.5% in Q2 FY12; increase of 80bps.
- Basic EPS for the quarter under review was at Rs 6.6 as compared to Rs 5.5 in Q1FY12.

Review of financial performance for FY12 (6m ended 31st March' 2012)

- Standalone revenue was Rs 930 crore, with PAT at Rs 38 crore.
- EBITDA was at Rs 125 crore with 13.4% margins.

Commenting on the results, Mr.Kapil Puri, Chairman and Managing Director, Spanco, said, *"The quarter under review saw good improvement in terms of operational performance and profitability. We have seen substantial progress across various projects undertaken by the company; in particular I am pleased to announce the "Go Live" of the R-APDRP pilot in Punjab and 7 towns in Maharashtra and addition of 20,000 new customer connections in our Nagpur Power Distribution Franchise."*

Note: The Company extended its last Financial Year 2011 by 6 months from March 2011 to September 2011. Thus Financial Year 2011 was for a period of 18months i.e. April 2010 to September 2011. Post which the company has decided to get back to a March ending Fiscal. Hence the quarter under review is referred to as Q2FY12. As a result financials for FY12 is for 6 months.

About Spanco

Spanco is in the business of creating Technology Infrastructure to help drive governance efficiency across key sectors. The company caters to large complex Technology Infrastructure projects across Government, Power, Transport and Telecom Service Provider's space. Offerings in Government, eGovernance and Transport are predominantly focused on building core infrastructure and providing services to help drive better and more effective governance. On the telecom front the company caters to carriers in India providing solutions to meet the networking infrastructure requirements of its clients using cutting-edge technologies. It also has a formidable presence in the BPO space catering to India, US/Europe and African markets. It has also entered into Power Distribution Franchisee segment and distributes Power in 3 urban circles of Nagpur city.

Spanco is SEI CMMI Level 3 and ISO 9001:2008 certified. The company has more than 15,000 employees working across 4 continents.

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