

Q5 FY12

- Net revenues higher by 9.6% at Rs. 716.5 crore
- Operating profits at Rs. 192.0 crore; up 3.2%
 - EBIDTA Margins stood at 26.8%
- PAT stood at Rs 116.4 crore, up by 46.5%

New Delhi, August 14, 2012: Tulip Telecom Limited (Tulip), India's leading Enterprise Data Service provider, today announced its unaudited financial results for the fifth quarter and fifteen months ended June 30, 2012.

Key Developments in Q5 FY12

- Density of fiber network continues to expand in existing cities – investment in newer cities depending on the customer demand
- 80% of new connectivity orders were received on fibre
- Enduring focus on higher wallet share per customer by end-to-end connectivity solutions through Fibre
- Added several new customers during the quarter including National Informatics Center Services, Director General of Police, Mahindra Satyam among others
- Received an order from UIDAI for the new Bangalore data center for Rs. 87 crore
- Number of employees increased from 3,700 to 5,000 on account of NIC and other Managed Services contracts

Highlights

Cost optimization, operational efficiency and manpower rationalization measures enable stable margins

- Enhanced employee productivity by streamlining organization structure – manpower roll expected to stay stable
- Improving cost efficiency by outsourcing low value and non-core activities

Longer term outlook buoyant

- Expansive product offerings to provide end-to-end products and services to deeply engage with customers and increase wallet share per account
 - Initial response from new ventures viz. Managed services and Data Center extremely encouraging
 - Improved utilization levels to translate to healthy performance over medium to longer term
- Leveraging network of existing infrastructure to improve utilization rates and improve efficiencies
- Prudently invest in capex for network expansion

Traction witnessed in Tulip Data Center Services Pvt. Ltd.

- Government orders to provide impetus to performance
 - Won order for Rs. 87.2 crore from Unique Identification Authority of India (UIDAI) for its project 'Adhaar' for 3 years and is extendable further
 - In addition to 10,000 sq. ft. of Data Centre space, Tulip will also provide a support area for UIDAI
- Additional orders received from the BFSI, manufacturing and IT verticals for data center hosting
- One of India's largest consumer products company moved in their servers in the Bangalore data center

Divested 13% stake in Qualcomm's BWA venture to Bharti Airtel

- The Company, in July 2010, invested Rs. 140 crore for 13% stake in Qualcomm's BWA venture for 20 MHz TDD spectrum in key telecom circles of Delhi, Mumbai, Haryana and Kerala
- In May 2012, Tulip divested its 13% stake in in Qualcomm's BWA venture to Bharti Airtel
 - The proceeds from the divestment are to be utilized to strengthen balance sheet and drive growth

Appointed Mr. Dinesh Kaushal as Director-Finance

- He will be responsible for key financial and operational functions within the organization
- Mr. Kaushal has earlier worked with Tulip Telecom as a CFO from 2000 to 2009

Commenting on the Q5 FY12 results, Lt. Col. H. S. Bedi, Chairman & Managing Director of Tulip Telecom, said:

"In the present state of the macro-economic environment, Tulip continues to register steady growth in revenues and operating profit. Our focus on building operational efficiency and increasing manpower productivity has enabled us to keep our costs under control. At the same time, business in the new segments continues to grow at a steady rate along with the existing connectivity business."

"While the near term outlook is mixed, we are confident of leveraging our extremely valuable and state-of-the-art infrastructure over the longer term to post healthy performance on a sustainable basis."

Q5 FY12 (April 1, 2012 – June 30, 2012) financial performance (compared with Q1 FY12 (April 1, 2011 – June 30, 2011))

- Net revenues higher by 9.6% at Rs. 716.5 crore from Rs. 653.8 crore
- Operating profits (before Other Income) stood at Rs. 192.0 crore from Rs. 186.0 crore
- PAT at Rs. 116.4 crore
 - PAT includes one-time profits of Rs. 61.6 crore from sale of 13% stake at Qualcomm to Bharti for BWA venture
- Diluted EPS (non-annualized) at Rs. 7.16

Break up of order Input in Q5 FY12 across Products and Services

Particulars	% of total
Data Connectivity	59
Managed Services (including Data Center)	31
Network Integration	10

New Order Input across Fiber & Wireless in connectivity in terms of revenue

Particulars	Q5 FY12	Q4 FY12	Q3 FY12
Fiber	81%	83%	83%
Wireless	19%	17%	17%

Connectivity Order Input bifurcation between One time and recurring in terms of revenue

Particulars	Q5 FY12
One Time	30%
Recurring	70%

Debt Profile

Debt	As on June 30, 2012
Long Term Debt as a % of Total Debt	59%
Short Term Debt as a % of Total Debt*	41%
Average Cost of Debt (%)	10.3%

*FCCB included as part of short term debt

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Attached: Financial overview and results table

About Tulip Telecom

Tulip Telecom Ltd. (BSE: 532691/NSE: TULIP) is India's leading Enterprise Communications Service provider. The Company's data network has the largest reach of over 2,000 locations globally. The Company has a global presence with over 5,000 employees and more than 2,500 customers. Tulip designs, implements and manages communication networks of large enterprises on long term contracts to include enterprise communications connectivity, network integration, managed services and Data Centres.

For more information on the Company, please log on to www.tulip.net or contact:

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Note: Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Tulip Telecom Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Financial Overview (Consolidated)

(All figures in Rs. crore unless stated otherwise)

Particulars	Q5 FY12	Q4 FY12	% Shift	Q1 FY12	% Shift	15M FY12
Net Sales	716.5	661.7	8.3%	653.8	9.6%	3,421.6
Operating Profit	192.0	169.2	13.5%	186.0	3.2%	948.2
Operating Margin (%)	26.8	25.6	--	28.5	--	27.7
Depreciation	62.8	60.4	3.8	48.5	29.4%	274.5
Interest	55.6	53.7	3.5	31.9	74.1%	218.4
PBT (Operating)	73.6	55.0	33.8	105.6	(30.3)	455.2
Other Income*	--	6.8	--	(1.1)	--	4.1
PBT (Total – Pre-exceptional)	73.6	61.8	19.1	104.5	(29.6)	459.4
Tax Expense	18.9	(5.3)	--	25.1	(24.9)	95.0
PAT (Pre-exceptional)	54.7	67.1	(18.4)	79.4	(31.1)	364.4
Extraordinary Item (post Tax)	61.6	--	--	--	--	61.6
PAT (Post-exceptional)	116.4	67.1	73.4	79.4	46.5	426.0
EPS – In Rs. (Diluted & Post-extraordinary item)	7.16	4.13	73.4	4.89	46.5	26.22

* Reflected as Other Income in the statutory results table attached with this release

Financial Snapshot of Tulip Data Center Services Pvt. Ltd.

Particulars (Rs. crore)	Q5 FY12
Operating Profit	(14.3)
Fixed Assets(including Investments)*	372.1
Net Current Assets	48.2
Shareholder's funds	214.1

Investments in the books of Tulip Data Center Services Private Limited are on account of Land and building bought from SADA IT Parks for a consideration of Rs. 214.1 crore

– ENDS –

Tulip Telecom Ltd.							
Regd. Office : C-160, Oldhla Industrial Area, Phase-I, New Delhi - 110 020							
CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 June, 2012 (Rs. in Lacs)							
PARTICULARS	UNAUDITED			UNAUDITED		AUDITED	
	Quarter Ended			Year To Date		Year Ended	
	30.06.2012	31.03.2012	30.06.2011	30.06.2012	30.06.2011	31.03.2011	
Part I							
1 (a) Net Sales/Income from Operations	71,650.11	66,166.71	65,388.30	342,158.84	300,493.34	235,105.04	
(b) Other Operating Income	-	-	-	-	-	-	
Total Revenue	71,650.11	66,166.71	65,388.30	342,158.84	300,493.34	235,105.04	
2 Expenditure	(250.01)	3,012.00	12.20	4,768.42	3,057.67	3,045.47	
a) Increase/(Decrease) in stock in Trade & WIP	-	-	-	-	-	-	
b) Consumption of raw materials	46,670.86	39,745.32	41,779.71	214,013.61	190,616.31	148,836.60	
c) Purchase of Traded Goods/Services	3,763.08	3,636.39	2,989.45	17,149.48	12,453.66	9,464.21	
d) Employees cost	6,275.71	6,044.94	4,950.62	27,449.69	22,089.50	17,138.88	
e) Depreciation	2,270.77	2,854.92	2,125.92	11,411.27	9,576.51	7,450.59	
f) Other expenditure	-	-	-	-	-	-	
Total Expenditure	58,730.41	55,293.57	51,857.89	274,790.46	237,793.64	185,935.75	
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	12,919.70	10,873.14	13,530.41	67,368.38	62,699.71	49,169.30	
4 Other Income	(2.33)	675.42	(107.82)	411.23	(97.96)	9.86	
Profit before Interest & Exceptional Items (3+4)	12,917.37	11,548.56	13,422.59	67,779.61	62,601.75	49,179.16	
5 Interest	5,557.24	5,370.29	3,191.34	21,843.77	11,722.94	8,531.60	
Profit after Interest but before Exceptional Items (5-6)	7,360.13	6,178.27	10,231.25	45,935.84	50,878.81	40,647.56	
6 Exceptional Items	-	-	-	-	-	-	
Profit (+)/Loss (-) from Ordinary Activities before tax (7+8)	7,360.13	6,178.27	10,231.25	45,935.84	50,878.81	40,647.56	
9 Tax expense	1,885.37	(425.35)	2,509.24	9,495.55	12,516.07	10,006.83	
Net Profit (+)/Loss (-) from Ordinary Activities after tax (9-10)	5,474.76	6,603.62	7,722.01	36,440.29	38,362.74	30,640.73	
10 Extraordinary Item (Net of Tax Expense Rs. 684.64 lacs)	6,161.76	-	-	6,161.76	-	-	
Net Profit (+)/Loss (-) for the period (11-12)	11,636.52	6,603.62	7,722.01	42,602.05	38,362.74	30,640.73	
13 Paid up equity share capital (Face value of Rs. 2 each)	2,900.00	2,900.00	2,900.00	2,900.00	2,900.00	2,900.00	
14 Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	-	-	5,104.17	
15 Debenture Redemption Reserve	-	-	-	-	-	-	
16 Earning Per Share							
a) Before Extraordinary Items for the period	3.78	4.55	5.33	25.13	26.46	21.13	
i) Basic Earning Per Share (Rs.)	3.37	4.06	4.75	22.43	23.61	18.86	
ii) Diluted Earning Per Share (Rs.)	-	-	-	-	-	-	
b) After Extraordinary Items for the period	8.03	4.55	5.33	29.38	26.46	21.13	
i) Basic Earning Per Share (Rs.)	7.16	4.06	4.75	26.22	23.61	18.86	
ii) Diluted Earning Per Share (Rs.)	1.76	1.78	1.49	1.76	1.49	1.47	
17 Debt Equity Ratio	1.76	1.78	1.49	1.76	1.49	1.47	
18 Interest Service Coverage Ratio	3.11	3.36	4.97	3.11	4.97	6.60	
Part II Select Information for the Quarter ended 30th June 2012							
A Particulars of Shareholders							
1 Public Shareholding	43,625,339	43,390,275	44,286,064	43,625,339	44,286,064	45,001,500	
- Number of shares	30.09%	29.92%	30.54%	30.09%	30.54%	31.04%	
- Percentage of shareholding							
2 Promoters and Promoter Group Shareholding							
a) Pledged / Encumbered	55,844,636	46,745,789	16,660,000	55,844,636	16,660,000	17,417,000	
- Number of shares	55.09%	46.01%	16.54%	55.09%	16.54%	17.42%	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	38.51%	32.24%	11.49%	38.51%	11.49%	12.01%	
- Percentage of shares (as a % of the total share capital of the company)							
b) Non - encumbered	45,529,725	54,863,936	84,053,936	45,529,725	84,053,936	82,581,500	
- Number of shares	44.91%	54.00%	83.46%	44.91%	83.46%	82.58%	
- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	31.40%	37.84%	57.99%	31.40%	57.99%	56.95%	
- Percentage of shares (as a % of the total share capital of the company)							
Particulars							
B Investor Complaints							
Pending at the beginning of the quarter	0						
Received during quarter	0						
Disposed of during the quarter	0						
Remaining unresolved at the end of the quarter	0						
Date : 14-08-2012							
New Delhi							
Sd/-							
Lt.Col. H S Bedi							
Chairman and Managing Director							

Notes:-

- 1 The above un-Audited financial results were duly reviewed by the audit committee and were approved by the Board of Directors in their meeting held on August 14, 2012 respectively.
- 2 The Statutory Auditors have carried out the limited review of the above financial results.
- 3 Prior period/year figures have been regrouped/reclassified wherever necessary to conform to this period's classification.
- 4 The subsidiaries considered in the consolidated financial statement as on June 30, 2012 are wholly owned subsidiaries, namely M/s Tulip Data Center Services Pvt. Ltd. M/s Tulip IT Services Singapore Pte Ltd., Tulip SWAN IT Services Ltd & Tulip Telecom Inc., USA.
- 5 The standalone un- Audited Financial Results can be viewed on the Company's website i.e. www.tulip.net and can also be viewed on the website of NSE and BSE i.e. www.nseindia.com and www.bseindia.com respectively
- 6 During the quarter the Company had received four no. of investor complaints. All the investors complaints have been resolved to the satisfaction of the investors. No complaints were pending for resolution either at the beginning or at the end of the June quarter.
- 7 The company operates in single segment i.e., 'Telecom' and therefore separate segment reporting is not applicable.
- 8 During the quarter, company has disinvested its stake in Qualcomm and earned a profit amounting to Rs. 6,846.40 lacs before tax.
- 9 The text of the above statement was approved by the Board of Directors at their meeting held on August 14, 2012.
- 10 In order to make the reporting structure as per the licensing agreement with DOT, the Board at their meeting held on May 15, 2012 had, subject to the approval of the Registrar of Companies, approved the extension of the financial year from 12 months to 18 months. The Registrar of Companies, Delhi & Haryana, granted its approval vide the letter dated May 23, 2012 and therefore the financial year for 2011-12 would be for 18 months and 6 quarters i.e. April 1, 2011 to September 30, 2012. As a result of this year to date figures are not strictly comparable.

For more details, visit our website at <http://www.tulip.net>

On Behalf of the Board of Directors

Place : New Delhi
Date : 14-08-2012

Sd/-
Lt. Col. (Retd.) H.S. Bedi
Chairman

Tulip Telecom Ltd.						
Regd. Office : C-160, Okhla Industrial Area, Phase-I, New Delhi - 110 020						
UNCONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 June, 2012 (Rs. in Lacs)						
PARTICULARS	UNAUDITED			UNAUDITED		AUDITED
	Quarter Ended			Year To Date		Year Ended
	30.06.2012	31.03.2012	30.06.2011	30.06.2012	30.06.2011	31.03.2011
Part I						
1 (a) Net Sales/Income from Operations	71,643.24	66,153.09	65,383.97	342,124.50	300,450.39	235,066.42
(b) Other Operating Income	-	-	-	-	-	-
2 Expenditure	(250.01)	3,012.00	12.20	4,766.42	3,057.67	3,045.47
a) Increase/(Decrease) in stock in Trade & WIP	-	-	-	-	-	-
b) Consumption of raw materials	46,670.86	39,750.75	41,777.99	214,013.61	190,607.73	148,829.74
c) Purchase of Traded Goods/Services	3,690.74	3,578.82	2,937.26	16,875.07	12,324.73	9,387.47
d) Employees cost	6,253.09	6,022.19	4,850.90	27,336.58	21,904.48	17,053.58
e) Depreciation	2,204.95	2,727.28	2,053.62	11,061.99	9,323.16	7,269.54
f) Other expenditure	58,569.63	55,091.04	51,631.96	274,053.66	237,217.77	185,585.80
g) Total	13,073.61	11,062.05	13,752.01	68,070.85	63,232.62	49,480.61
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	(2.33)	675.43	(107.84)	411.23	(98.07)	9.77
4 Other Income:	13,071.28	11,737.47	13,644.17	68,482.08	63,134.55	49,490.38
5 Profit before Interest & Exceptional Items (3+4)	5,553.66	5,370.08	3,191.30	21,836.61	11,721.29	8,529.99
6 Interest:	7,517.62	6,367.40	10,452.87	46,645.47	51,413.26	40,960.39
7 Profit after Interest but before Exceptional Items (5-6)	-	-	-	-	-	-
8 Exceptional Items	-	-	-	-	-	-
9 Profit (+)/Loss (-) from Ordinary Activities before tax (7+8)	7,517.62	6,367.40	10,452.87	46,645.47	51,413.26	40,960.39
10 Tax expense	1,885.37	(425.35)	2,509.24	9,495.55	12,516.07	10,006.83
11 Net Profit (+)/Loss (-) from Ordinary Activities after tax (9-10)	5,632.25	6,792.74	7,943.63	37,149.92	38,897.19	30,953.56
12 Extraordinary Item (Net of Tax Expense Rs. 684.64 lacs)	6,161.76	-	-	6,161.76	-	-
13 Net Profit (+)/Loss (-) for the period (11-12)	11,794.01	6,792.74	7,943.63	43,311.68	38,897.19	30,953.56
14 Paid up equity share capital (Face value of Rs. 2 each)	2,900.00	2,900.00	2,900.00	2,900.00	2,900.00	2,900.00
15 Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	-	-	5,104.17
16 Debenture Redemption Reserve	-	-	-	-	-	-
17 Earning Per Share						
a) Before Extraordinary Items for the period						
i) Basic Earning Per Share (Rs.)	3.88	4.68	5.48	25.62	26.83	21.35
ii) Diluted Earning Per Share (Rs.)	3.47	4.18	4.89	22.87	23.94	19.05
b) After Extraordinary Items for the period						
i) Basic Earning Per Share (Rs.)	8.13	4.68	5.48	29.87	26.83	21.35
ii) Diluted Earning Per Share (Rs.)	7.26	4.18	4.89	26.66	23.94	19.05
18 Debt Equity Ratio	1.61	1.64	1.44	1.61	1.44	1.44
19 Interest Service Coverage Ratio	3.14	3.39	5.01	3.14	5.01	6.63
Part II Select Information for the Quarter ended 30th June 2012						
A Particulars of Shareholders						
1 Public Shareholding	43,625,339	43,390,275	44,286,064	43,625,339	44,286,064	45,001,500
- Number of shares	30.09%	29.92%	30.54%	30.09%	30.54%	31.04%
- Percentage of shareholding						
2 Promoters and Promoter Group Shareholding	55,844,636	46,745,789	16,660,000	55,844,636	16,660,000	17,417,000
a) Pledged / Encumbered	55.09%	46.01%	16.54%	55.09%	16.54%	17.42%
- Number of shares						
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	38.51%	32.24%	11.49%	38.51%	11.49%	12.01%
- Percentage of shares (as a % of the total share capital of the company)						
b) Non - encumbered	45,529,725	54,863,936	84,053,936	45,529,725	84,053,936	82,581,500
- Number of shares	44.91%	54.00%	83.46%	44.91%	83.46%	82.58%
- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	31.40%	37.84%	57.99%	31.40%	57.99%	56.95%
- Percentage of shares (as a % of the total share capital of the company)						
3 Months period ended on 30/06/2012						
Particulars						
B Investor Complaints						
Pending at the beginning of the quarter	0					
Received during quarter	0					
Disposed of during the quarter	0					
Remaining unresolved at the end of the quarter	0					
Place : New Delhi						
Date : 14-08-2012						
Sd/-						
Lt. Col. H S Bedi						
Chairman and Managing Director						