

PRESS RELEASE

XL TELECOM Half-Year Revenues at RS.2.5 Billion and Net Profit at Rs.97.28 Million

Half Yearly Results

XL TELECOM, a NSE and BSE listed entity with focus in TELECOM and ENERGY sectors, has achieved Revenues of Rs. 2,506.90 Million for the first Half-Year ending 31.12.2006 and the Net Profit for the same period is at Rs.97.28 Million. The EBIDTA for the Half Year was at Rs.210.73 Million.

The Telecom Segment has contributed Rs.2,050.61 Millions, while Energy segment contributed about Rs.456.29 Million out of the total revenues of Rs.2,506.90 Million.

The Company did reach net profit for the first six months of Rs.97.28 Million as compared to previous period 12 Months Financial year net profit of Rs.106.72 million, signifying over 82% growth on annualized basis.

2nd Quarter Results

XL TELECOM has achieved Revenues of Rs. 1,289.15 Million for the second quarter ending 31.12.2006 and the Net Profit for the same period is at Rs.55.83 Million. The EBIDTA for the Second Quarter was at Rs.121.95 Million.

The Telecom Segment has contributed Rs.1,047.90 Millions, while Energy segment contributed about Rs.241.26 Million out of the total revenues of Rs.1,289.15 Million.

Interim Dividend

The Board of Directors have decided in view encouraging results to give interim dividend of 10% to the Shareholder's of the Company.

IPO:

XL Telecom has recently concluded its Initial Public Offering and has raised about Rs.593.73 Millions and as part of its expansion plan is investing Rs.80 Millions in expanding the Solar Panel Manufacturing capacity to reach 24 MW manufacturing capacity per annum. The Company follows July to June financial year and has achieved Revenues of Rs.3,954.16 Millions and Net Profit of Rs.106.72 Millions for the financial year 2005-06.

Order Book Position:

XL Telecom has recently received a repeat order valued Rs.468.7 Millions from BSNL for supplying of Fixed Wireless Phones.

XL Telecom has currently two international customers for its Solar Photovoltaic Business and the existing export order is valued over Rs.2.4 Billion.

XL Telecom is in the process of executing orders for supply of Ethanol for various orders received from OIL Companies and has also got firm commitment by virtue of its L1 position in the THREE YEAR Tender for supply of Ethanol to OIL Companies in Maharashtra to its full capacity of 45 Million lts per annum. The total order is valued at about Rs.3,369.6 Million.

Change of Name of the Company:

XL Telecom for several years has been focusing on TELECOM and ENERGY sectors and during the last financial year Energy Division Revenues were about 15% of total revenues. Going forward, XL sees significant growth in the Energy Segment Revenues in view of huge growth in Non-conventional Energy opportunities especially in Solar Photovoltaic Modules. In view of its continued focus and to bid for the several projects in emerging non-conventional energy, the Board has decided to change the name of the Company from its present XL TELECOM LTD to **XL TELECOM & ENERGY LTD**, so that the name truly indicates the sectors it represents. Accordingly the Board has decided to call for an Extra Ordinary General Meeting to pass the enabling resolutions.

Dinesh Kumar, Managing Director of the Company said that the Company has done reasonably good in the first half of the year by achieving Rs.2.5 Billion revenues and based on the current order book position of over Rs. 6 Billion, we should be able to close about Rs.5.25 Billion full year revenues guided earlier in the year. He has also said that the company should be able to reach the full year Net Profits of about Rs.200 Million and about Rs.18 EPS on fully diluted basis.

DINESH KUMAR
Managing Director

Enclosure : Results