Allied Digital announces annual FY11 Results

Total Income for the year stands at Rs. 752 cr.; PAT for the year at Rs. 90 cr.

Mumbai, April 28, 2011 – Allied Digital Services Ltd. (Allied or Company), (BSE: 532875) (NSE ID: ADSL), a leading Indian IT infrastructure management services provider and a Forbes "200 Best under a Billion" company today announced its fourth quarter and annual results for the quarter and year ending March 31, 2011.

Consolidated financial highlights for the year ending March 31, 2011

- Consolidated Revenues of Rs 752 crore; up by 11% Y-o-Y

- Solutions accounted for Rs. 325 crore (44%) and services accounted for Rs. 422 crore (56%) of the revenues

- EBITDA margins stands at 17.8% for the year

- Net Profit for the year stands at Rs. 90 crore

- Diluted EPS for the year stands at Rs. 19.33 on equity face value of Rs. 5.

- Revenues from Allied Digital LLC for the year stood at US$ 40.4 mn.

Consolidated financial highlights for the quarter ending March 31, 2011

- Consolidated Revenues of Rs 174 crore

- EBITDA margin stands at 9.2% for the quarter

- Net Profit for the quarter stands at Rs. 7.4 crore

- Diluted EPS for the quarter stands at Rs. 1.58 on equity face value of Rs. 5

Commenting on the results, Mr. Nitin Shah, Chairman and Managing Director said "The second half of the year has been challenging but I am pleased to say that we ended the year at about Rs. 752 crore, a growth of about 11% over the last fiscal. EBITDA Margins and Net Profit came in marginally lower than last years numbers, but there were a couple of key triggers that were responsible for this muted growth. Critical among this was a one-off event with a client who was acquired this quarter. We had made substantial investments in the project and while negotiations are still underway with the acquirer, we had to take a hit of almost US$ 2.8 mn due to this event."

He also said "As mentioned during our last two earnings call, the Company is in the process of transforming itself in terms of systems & processes, people and the business mix targeted to address new opportunities and challenges. This is a complex and long drawn process and with this in perspective we foresee earnings pressure for the next two to three quarters."

He added, "The overall outlook of our business model within the IT infrastructure management space is strong and we are confident that the changes being initiated now will further augment the company's position to address future growth opportunities with renewed vigour."

About Allied Digital Services Ltd:

Allied Digital Services Ltd (Allied) provides a range of IT Infrastructure services and solutions including managed services and physical and information security solutions to leading Indian and global corporations. The company has a presence in over 132 locations in India, and over 40 states in the USA, through its acquisition of Enpointe Global Services.

Allied is an ISO 9001: 2000 certified company with a global command centre certified under ISO 27001:2005. Allied Digital Services Ltd. is among the few companies with a truly pan India direct presence in 132 locations across the length and breadth of the country – servicing over 40, 000 pincodes on the same day.

For further information, please contact:

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Safe Harbor: *Certain statements made in this release concerning our future growth prospects may be interpreted as forward looking statements, which involve a number of risks and uncertainties that could cause the actual results to differ materially from those in such forward looking statements. Investors are requested to use their discretion in relying on them. We do not undertake to update any forward-looking statements that may be made from time to time.*