

SLT Group Records Profit



SLT released its Group and Company financial results for the quarter ending March 31, 2010, with a substantial increase in the Group net profit after taxation compared to the previous quarter. Although there was severe competition in the market during the first quarter of the year, the Company and the Group have recorded Rs 415m and Rs 609m net profit after tax and profit respectively, even after provisioning of Rs 188m for VRS cost of the Company. This is mainly due to the impressive performance of the subsidiary Mobitel, the mobile arm of SLT.

Releasing the results, Leisha De Silva Chandrasena, Group Chairperson stated that “due to the strategic initiatives taken by SLT to face the effects of turbulent market conditions in the industry and the strong resilience shown by SLT in the face of challenges, the Group has been able to achieve good results. Mobitel, our mobile arm has contributed significantly to increase SLT Group profit through good performance in the face of strong competition”.

During the first quarter, the Company and the Group have achieved operating

revenue of Rs 8,168m and Rs 12,048m respectively. This shows a marginal increase compared to the previous quarter, with some improvements on a corresponding quarterly basis in the Group. This shows the wholesome results of the strategic initiatives taken by SLT that act to strengthen the position of SLT as the nation's integrated telecommunication service provider.

With continued efforts the Company and the Group have been able to keep its operating costs significantly below the previous quarter at Rs 5,061m and Rs 7,359m respectively.

Meanwhile the interest expense has dropped due to the repayment of the US\$100m bond in November 2009. During the quarter the Company introduced another VRS (Voluntary Retirement Scheme) spending about Rs 188m, as a part of its strategy to improve the productivity and control the expenses of the Company.

SLT continues to swell its fixed broadband customer base, with an increase of 57% during the past 12 months, with more attention paid to these services, as they are important for the growth of the Group while fulfilling emerging customer needs.