

**KRONE COMMUNICATIONS LIMITED**  
**10@, II PHASE, PEENYA, BANGALORE 560 058**

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2004**

/ RS. IN LAKHS /

Sl. No.	Particulars	2nd Quarter Ended		Half Year Ended		Previous Year ended 31.12.2003 (Audited)
		30.06.2004	30.06.2003	30.06.2004	30.06.2003	
		(1)	(2)	(3)	(4)	(5)
1	Net Sales / Income from Operations	897	1,931	1,990	3,944	6,007
2	Other Income	52	45	122	85	198
	Total Income	949	1,976	2,112	4,029	6,205
3	Total Expenditure					
	a. (Increase) / decrease in stock	13	85	(16)	7	40
	b. Consumption of raw materials	502	1,226	1,195	2,630	3,912
	c. Staff cost	88	107	188	214	439
	d. Excise duty	53	163	105	367	481
	d. Other expenditure	151	165	300	291	667
4	Interest	1	1	2	1	3
5	Depreciation	27	24	54	46	101
6	Profit before Tax	114	205	284	473	562
7	Provision for tax					
	- Current Tax	26	77	100	173	199
	- Deferred Tax	(11)	(6)	(9)	0	(3)
	- Adjustment of earlier period	38	-	27	-	-
8	Net Profit	61	134	166	300	366
9	Paid-up Equity Share Capital (face value of each share - Rs.10/-)	460	460	460	460	460
10	Reserves	N.A	N.A	N.A	N.A	3465
11	Basic and diluted EPS for the period, for the year to date and for the previous year (Rs. Per Share)	1.32	2.91	3.61	6.51	7.96
12	Aggregate of Non-Promoter Shareholding					
	Number of Shares			1748000	1748000	1748000
	Percentage of Shareholding			38%	38%	38%

**Notes**

- 1 Net Sales / Income from operations is inclusive of excise duty.
- 2 A limited review of the financial results of the quarter ended 30th June 2004 has been carried out by the Statutory Auditors of the company pursuant to Clause 41 of the Listing Agreement.
- 3 The above results were taken on record by the board at its meeting held on July 24, 2004.
- 4 In the Annual General Meeting held on April 23, 2004, shareholders approved the delisting of company shares from Bangalore Stock Exchange and Delhi Stock Exchange. The shares were delisted from Bangalore Stock Exchange on June 15, 2004. An application has been made to Delhi Stock Exchange for delisting the shares from that Exchange.
- 5 The figures of the previous year/periods have been regrouped/reclassified, wherever necessary.
- 6 Information on investor complaints for the quarter-(Nos.): Opening balance-0, New-12, Disposals-12, Closing Balance-0.
- 7 Current tax for the quarter ended June 30, 2004 is computed based on the annualised profits for the financial year 2004-2005.

**By Order of the Board**

Place : Bangalore  
Date : July 24, 2004

**DIRECTOR**

## Segment wise Revenue, Results and Capital Employed

/ RS. IN LAKHS /

Sl. No.	Particulars	Qtr Ended 30.06.2004	Qtr Ended 30.06.2003	Half Year Ended 30.06.2004	Half Year Ended 30.06.2003	Year Ended 31.12.2003
1	Segment Revenue					
	a. Telecommunication	633	1,699	1,443	3,472	4,869
	b. IT - Networking	264	232	547	472	1,138
	Total	897	1,931	1,990	3,944	6,007
	Less : Inter segment revenue	-	-	-	-	-
	Net sales / income from operations	897	1,931	1,990	3,944	6,007
2	Segment Profit / (Loss) before Tax and Interest					
	a. Telecommunication	99	208	221	470	473
	b. IT - Networking	6	(17)	35	(25)	37
	Total	105	191	256	445	510
	Add/(Less) : a. Interest	15	17	39	35	74
	b. Other un-allocable expenditure net off un-allocable income	(6)	(3)	(11)	(7)	(22)
	Total Profit Before Tax	114	205	284	473	562
3	Capital Employed					
	a. Telecommunication	1,081	2,057	1,081	2,057	1,516
	b. IT - Networking	357	289	357	289	254
	c. Unallocable	1,304	1,616	1,304	1,616	2,155
	Total	2,742	3,962	2,742	3,962	3,925

Notes :

- 1 Capital Employed - Unallocable amount represents assets/liabilities used interchangeably between segments
- 2 The figures of the previous year/periods have been regrouped/reclassified, wherever necessary.

**By Order of the Board**

**Place : Bangalore**  
**Date : July 24, 2004**

**DIRECTOR**