

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

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

/ RS. IN LAKHS /

Sl. No.	Particulars	3rd Quarter Ended		Nine Months Ended		Previous Year ended 31.12.2003 (Audited)
		30.09.2004	30.09.2003	30.09.2004	30.09.2003	
		(1)	(2)	(3)	(4)	(5)
1	Net Sales / Income from Operations	1,331	878	3,321	4,822	6,007
2	Other Income	32	47	154	132	198
	Total Income	1,363	925	3,475	4,954	6,205
3	Total Expenditure					
	a. (Increase) / decrease in stock	(11)	33	(27)	40	40
	b. Consumption of raw materials	805	512	2,000	3,142	3,912
	c. Staff cost	115	95	303	309	439
	d. Excise duty	102	59	207	426	481
	d. Other expenditure	162	179	462	470	667
4	Interest	1	1	3	2	3
5	Depreciation	28	27	82	73	101
6	Profit before Tax	161	19	445	492	562
7	Provision for tax					
	- Current Tax	45	12	145	185	199
	- Deferred Tax	1	(8)	(8)	(8)	(3)
	- Adjustment of earlier period	-	-	27	-	-
8	Net Profit	115	15	281	315	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)	2.50	0.33	6.10	6.85	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 Current tax for the quarter ended September 30, 2004 is computed based on the annualised profits for the financial year 2004-2005.
- 3 A limited review of the financial results of the quarter ended 30th September 2004 has been carried out by the Statutory Auditors of the company pursuant to Clause 41 of the Listing Agreement.
- 4 The above results were taken on record by the board at its meeting held on October 29, 2004.
- 5 The Company's shares have been delisted from Delhi Stock Exchange with effect from September 2, 2004. The Company's shares continues to be listed on The Stock Exchange, Mumbai (BSE)
- 6 The accounting period of the Company has been changed from January - December to November - October. Consequently, the accounting period for the year 2004 will be for a period of 10 months from January 1, 2004 to October 31, 2004. The accounting period for the following years will be for a period of 12 months from November to October.
- 7 Information on investor complaints for the quarter-(Nos.): Opening balance-0, New-22, Disposals-22, Closing Balance-0.
- 8 The figures of the previous year/periods have been regrouped/reclassified, wherever necessary.

**By Order of the Board**

Place : Bangalore  
Date : October 29, 2004

DIRECTOR

### Segment wise Revenue, Results and Capital Employed

/ RS. IN LAKHS /

Sl. No.	Particulars	Qtr Ended 30.09.2004	Qtr Ended 30.09.2003	Nine Months Ended 30.09.2004	Nine Months Ended 30.09.2003	Year Ended 31.12.2003
1	Segment Revenue					
	a. Telecommunication	996	603	2,439	4,075	4,869
	b. IT - Networking	335	275	882	747	1,138
	Total	1,331	878	3,321	4,822	6,007
	Less : Inter segment revenue	-	-	-	-	-
	Net sales / income from operations	1,331	878	3,321	4,822	6,007
2	Segment Profit / (Loss) before Tax and Interest					
	a. Telecommunication	129	(17)	350	453	473
	b. IT - Networking	26	26	61	1	37
	Total	155	9	411	454	510
	Add/(Less) : a. Interest	10	17	49	52	74
	b. Other un-allocable expenditure net off un-allocable income	(4)	(7)	(15)	(14)	(22)
	Total Profit Before Tax	161	19	445	492	562
3	Capital Employed					
	a. Telecommunication	1,434	1,491	1,434	1,491	1,516
	b. IT - Networking	378	290	378	290	254
	c. Unallocable	1,044	2,196	1,044	2,196	2,155
	Total	2,856	3,977	2,856	3,977	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 : October 29, 2004**

**DIRECTOR**