

KRONE COMMUNICATIONS LIMITED
10 (C), II PHASE, PEENYA, BANGALORE 560 058

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED APRIL 30, 2006

Sl. No.	Particulars	(Rs. In Lakhs)				Previous Accounting Year Ended on 31.10.2005 (Audited) (5)
		Quarter Ended		Half Year Ended		
		30.04.2006 (Unaudited) (1)	30.04.2005 (Unaudited) (2)	30.04.2006 (Unaudited) (3)	30.04.2005 (Unaudited) (4)	
1	Net Sales / Income from Operations	2,169	1,919	4,129	3,149	7,619
2	Other Income	43	68	104	114	213
	Total Income	2,212	1,987	4,233	3,263	7,832
3	Total Expenditure					
	a. Decrease / (Increase) in stock	45	(14)	(25)	(18)	(15)
	b. Consumption of raw materials	1,586	1,354	2,998	2,185	5,315
	c. Staff cost	156	193	297	307	554
	d. Other expenditure	240	148	387	283	747
4	Interest	2	1	3	2	8
5	Depreciation	33	32	64	60	117
6	Profit before Tax	150	273	509	444	1,106
7	Provision for tax					
	- Current Tax	64	112	189	165	371
	- Deferred Tax	(7)	(3)	(13)	11	23
	- Fringe Benefits Tax	5	2	9	2	12
	- Adjustment of earlier period	-	(5)	-	10	62
8	Net Profit	88	167	324	256	638
9	Paid-up Equity Share Capital (Face value of each share - Rs.10/-)	460	460	460	460	460
10	Reserves excluding revaluation reserve (as per Balance sheet) of previous accounting year	N.A	N.A	N.A	N.A	2,873
11	Basic and diluted EPS (In Rs.)	1.91	3.63	7.04	5.57	13.86
12	Aggregate of non-promoter shareholding					
	-Number of Shares	1743033	1743033	1743033	1743033	1743033
	-Percentage of Shareholding	37.89%	37.89%	37.89%	37.89%	37.89%

Notes :

- 1 The above results were taken on record by the Board at its meeting held on 26 May, 2006.
- 2 A Limited review of the financial results of the quarter ended 30th April 2006 has been carried out by the Statutory Auditors of the company pursuant to Clause 41 of the Listing Agreement.
- 3 Net Sales / Income from operations is exclusive of excise duty.
- 4 Information on investor complaints for the quarter - (Nos.): Opening balance-0, New-22, Disposals-22, Closing Balance-0.
- 5 Previous periods / financial year ended figures are regrouped/reclassified in line with the current period.

By Order of the Board

Place : Bangalore
Date : May 26, 2006

Director

Segment wise Revenue, Results and Capital Employed

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter Ended 30.04.2006 (Unaudited) (1)	Quarter Ended 30.04.2005 (Unaudited) (2)	Half Year Ended 30.04.2006 (Unaudited) (3)	Half Year Ended 30.04.2005 (Unaudited) (4)	Previous Accounting Year Ended on 31.10.2005 (Audited) (5)
1	Segment Revenue					
	a. Telecommunication	1,671	1,363	3,177	2,106	5,695
	b. IT - Networking	498	556	952	1,043	1,924
	Total	2,169	1,919	4,129	3,149	7,619
	Less : Inter segment revenue	-	-	-	-	-
	Net sales / income from operations	2,169	1,919	4,129	3,149	7,619
2	Segment Profit / (Loss) before Tax and Interest					
	a. Telecommunication	125	217	407	308	949
	b. IT - Networking	19	49	89	124	171
	Total	144	266	496	432	1,120
	Add/(Less) : a. Interest	13	9	25	18	36
	b. Other un-allocable expenditure net off un-allocable income	(7)	(2)	(12)	(6)	(50)
	Total Profit Before Tax	150	273	509	444	1,106
3	Capital Employed					
	a. Telecommunication	1,807	1,742	1,807	1,742	1,297
	b. IT - Networking	599	396	599	396	563
	c. Unallocable	1,251	997	1,251	997	1,473
	Total	3,657	3,135	3,657	3,135	3,333

Note :

Capital Employed - Unallocable amount represents assets/liabilities used interchangeably between segments.

By Order of the Board

Place : Bangalore
Date : May 26, 2006

Director