

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

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JANUARY 31, 2006**

Sl. No.	Particulars	(Rs. In Lakhs)		
		Quarter Ended 31.01.2006 (Unaudited) (1)	Quarter Ended 31.01.2005 (Unaudited) (2)	Previous Accounting Year Ended on 31.10.2005 (Audited) (3)
1	Net Sales / Income from Operations	1,960	1,230	7,619
2	Other Income	61	46	213
	Total Income	2,021	1,276	7,832
3	Total Expenditure			
	a. (Increase) / decrease in stock	(70)	(4)	(15)
	b. Consumption of raw materials	1,412	831	5,315
	c. Staff cost	141	114	554
	d. Other expenditure	147	135	747
4	Interest	1	1	8
5	Depreciation	31	28	117
6	Profit before Tax	359	171	1,106
7	Provision for tax			
	- Current Tax	125	53	371
	- Deferred Tax	(6)	14	23
	- Fringe Benefits Tax	4	-	12
	- Adjustment of earlier period	-	15	62
8	Net Profit	236	89	638
9	Paid-up Equity Share Capital (Face value of each share - Rs.10/-)	460	460	460
10	Reserves excluding revaluation reserve (as per Balance sheet) of previous accounting year	N.A	N.A	2,873
11	Basic and diluted EPS (In Rs.)	5.12	1.94	13.86
12	Aggregate of non-promoter shareholding			
	-Number of Shares	1743033	1748000	1743033
	-Percentage of Shareholding	37.89%	38.00%	37.89%

**Notes :**

- 1 The above results were taken on record by the Board at its meeting held on 25 February, 2006.
- 2 A Limited review of the financial results of the quarter ended 31st January 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-11, Disposals-11, Closing Balance-0.
- 5 Previous financial year ended figures are regrouped/reclassified in line with the current period.
- 6 The Shareholders have approved the dividend of Rs 3.50 per equity share of Rs. 10 each on 4,600,000 equity shares for the year ended on October 31,2005

**By Order of the Board**

**Place : Bangalore**  
**Date : February 25, 2006**

**Director**

### Segment wise Revenue, Results and Capital Employed

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter Ended 31.01.2006 (Unaudited) (1)	Quarter Ended 31.01.2005 (Unaudited) (2)	Previous Accounting Year Ended on 31.10.2005 (Audited) (3)
1	Segment Revenue			
	a. Telecommunication	1,506	742	5,695
	b. IT - Networking	454	488	1,924
	Total	1,960	1,230	7,619
	Less : Inter segment revenue	-	-	-
	Net sales / income from operations	1,960	1,230	7,619
2	Segment Profit / (Loss) before Tax and Interest			
	a. Telecommunication	282	91	949
	b. IT - Networking	70	75	171
	Total	352	166	1,120
	Add/(Less) : a. Interest	12	9	36
	b. Other un-allocable expenditure net off un-allocable income	(5)	(4)	(50)
	Total Profit Before Tax	359	171	1,106
3	Capital Employed			
	a. Telecommunication	1,907	1,409	1,297
	b. IT - Networking	589	576	563
	c. Unallocable	1,073	983	1,473
	Total	3,569	2,968	3,333

Note :

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

**By Order of the Board**

**Place : Bangalore**

**Date : February 25, 2006**

**Director**