

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

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED OCTOBER 31, 2008

| | | | | | (Rs. In Lakhs) |
|------------|---|---|---|--|--|
| SI. No. | Particulars | 3 Months Ended 31.10.2008 (Unaudited) | Corresponding 3 Months Ended in the Previous Year 31.10.2007 (Unaudited) | Accounting Year Ended 31.10.2008 (Audited) | Previous Acounting Year Ended 31.10.2007 (Audited) |
| | | (1) | (2) | (3) | (4) |
| | Net Sales / Income from Operations Other Income | 3,147 | 2,706 113 | 9,815 340 | 9,307 358 |
| 3 | Total Income | 3,275 | 2,819 | 10,155 | 9,665 |
| | Total Expenditure a. (Increase) / Decrease in stock in trade and work in progress b. Consumption of raw materials c. Purchase of traded goods d. Employee cost e. Depreciation f. Other expenditure g. Total | (244) 991 1,530 241 42 611 3,171 | (18) 802 1,060 223 46 233 2,346 | (429) 3,314 3,882 902 155 1,448 9,272 | (110) 3,769 2,796 880 227 868 8,430 |
| 5 | Interest | 3 | 1 | 10 | 5 |
| 6 | Profit before Tax | 101 | 472 | 873 | 1,230 |
| 7 | Tax expenses | 36 | 163 | 312 | 433 |
| 8 | Net Profit after tax | 65 | 309 | 561 | 797 |
| 9 | Paid-up Equity Share Capital (Face value Rs.10/- each) | 460 | 460 | 460 | 460 |
| 10 | Reserves excluding revaluation reserve as per balance sheet of previous accounting year. | N.A | N.A | 4,481 | 4,055 |
| 11 | Earning per share (EPS) Basic and diluted EPS for the period and for the previous year | 1.41 | 6.72 | 12.19 | 17.32 |
| 12 | Public shareholding -Number of Shares -Percentage of Shareholding | 1743033 37.89% | 1743033 37.89% | | 1743033 37.89% |

Notes :

1 The above results were taken on record by the Board at its meeting held on 11th December, 2008.

2 Net Sales / Income from operations is exclusive of excise duty.

3 The board has proposed a dividend of Rs. 2.50/- per share (25% per equity Share, par value Rs.10) amounting to Rs.1,15,00,000/- subject to approval of members at the annual general meeting.

4 Information on investor complaints for the quarter - (Nos.): Opening balance-0, New-01, Disposals-01, Closing Balance-0.

5 The Company has decided to change its Accounting year to end on November - October to October -September. Accordingly next year accounting period shall be for eleven months.

6 Previous period / financial year ended figures are regrouped / reclassified in line with the current period / financial year.



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

Segment wise Revenue, Results and Capital Employed

| KRONE Segment wise Revenue, Results and Capital Employed | | | | | | | | |
|--|--|---|---|--|---|--|--|--|
| SI. | Particulars | 3 Months Ended | Corresponding 3 Months Ended | Accounting Year Ended | (Rs. In Lakhs) Previous Acounting Year Ended | | | |
| No. | | 31.10.2008 (Unaudited) (1) | 31.10.2007 (Unaudited) (2) | 31.10.2008 (Audited) (3) | 31.10.2007 (Audited) (4) | | | |
| 1 | Segment Revenue a. Telecommunication b. IT - Networking Total Less : Inter segment revenue Net sales / income from operations | 1,371 1,776 3,147 - 3,147 | 1,069 1,637 2,706 - 2,706 | 4,902 4,913 9,815 - 9,815 | 5,228 4,079 9,307 - 9,307 | | | |
| 2 | Segment Profit / (Loss) before Tax and Interest a. Telecommunication b. IT - Networking Total Add/(Less) : a. Interest b. Other un-allocable expenditure c. Un-allocable income Total Profit Before Tax | 20 70 90 18 (3) (4) 101 | 149 301 450 32 (10) - 472 | 492 322 814 70 (30) 19 873 | 590 572 1,162 76 (12) 4 1,230 | | | |
| 3 | Capital Employed a. Telecommunication b. IT - Networking c. Unallocable Total | 1,412 2,061 1,468 4,941 | 1,164 1,612 1,739 4,515 | 1,412 2,061 1,468 4,941 | 1,164 1,612 1,739 4,515 | | | |

Note :

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

By Order of the Board

Place : Bangalore Date : December 11, 2008

Director