



HIMACHAL FUTURISTIC COMMUNICATIONS LTD.

Regd. Office: 8, Electronics Complex, Chambaghat, Solan-173213 (Himachal Pradesh)

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER ENDED 30TH SEPTEMBER, 2007

(Rs. in Crores)

| Sl. No. | Particulars | Second Quarter Ended 30th September | | Half Year Ended 30th September | | Financial Year Ended 31st March, 2007 |
|---------|---|-------------------------------------|--------------|--------------------------------|---------------|---------------------------------------|
| | | 2007 | 2006 | 2007 | 2006 | |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | |
| 1. | Net Turnover / Income from Operations | 90.89 | 250.30 | 201.66 | 473.98 | 1,142.97 |
| 2. | Other Income | 0.55 | 0.45 | 0.71 | 0.82 | 4.93 |
| 3. | Expenditure | | | | | |
| | - (Increase) / Decrease in stock in trade | 8.34 | 9.65 | 2.23 | 9.87 | 9.37 |
| | - Cost of Raw Material / Services | 62.61 | 177.42 | 159.02 | 350.88 | 855.17 |
| | Gross Profit | 19.94 | 63.23 | 40.41 | 113.23 | 278.43 |
| | - Staff Cost | 5.59 | 6.53 | 11.28 | 12.62 | 24.91 |
| | - Administrative and other Overheads | 6.57 | 9.99 | 14.15 | 19.14 | 43.76 |
| | - Royalty | 1.09 | 0.88 | 2.18 | 1.14 | 2.99 |
| | EBIDTA | 7.24 | 46.28 | 13.51 | 81.15 | 211.70 |
| 4. | Interest and Finance Charges | 17.05 | 10.12 | 32.61 | 19.88 | 39.70 |
| 5. | Depreciation and Amortisation | 6.57 | 5.81 | 13.04 | 12.85 | 25.56 |
| 6. | Profit Before Tax & Non Recurring Extra Ordinary Items | (16.38) | 30.35 | (32.14) | 48.42 | 146.44 |
| 7. | Provision for Taxation/FBT including for earlier years | 0.06 | 0.11 | 0.10 | 0.27 | 10.50 |
| 8. | Profit After Tax and Before Non-recurring Extra Ordinary Items | (16.44) | 30.24 | (32.24) | 48.15 | 135.94 |
| 9. | Extra Ordinary & Non Recurring items (net) | 2.97 | 1.03 | 2.80 | 1.06 | 1.12 |
| 10. | Net Profit After Non Recurring and Extra Ordinary Items | (19.41) | 29.21 | (35.04) | 47.09 | 134.82 |
| 11. | Paid-up Equity Share Capital (Face value of Rs. 10 each) | 442.78 | 427.61 | 442.78 | 427.61 | 442.78 |
| 12. | Reserves Excluding Revaluation Reserve | - | - | 112.68 | - | 161.27 |
| 13. | Earning Per Share (Rs.) - Basic | (0.82) | 0.68 | (0.85) | 1.17 | 3.21 |
| | - Diluted | (0.82) | 0.66 | (0.85) | 1.12 | 3.21 |
| 14. | Aggregate of Public Shareholding | | | | | |
| | - Number of Shares | 433,119,518 | 416,618,492 | 433,119,518 | 416,618,492 | 432,618,318 |
| | - Percentage of shareholding | 97.82 | 97.43 | 97.82 | 97.43 | 97.70 |

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Crores)

| Particulars | Second Quarter Ended 30th September | | Half Year Ended 30th September | | Financial Year Ended 31st March, 2007 |
|---|-------------------------------------|---------------|--------------------------------|---------------|---------------------------------------|
| | 2007 | 2006 | 2007 | 2006 | |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | |
| Segment Revenue | | | | | |
| a) Telecom Products | 46.93 | 117.99 | 115.18 | 291.67 | 538.30 |
| b) Turnkey Contracts and Services | 43.96 | 109.04 | 86.48 | 159.04 | 576.82 |
| c) Others | - | 23.27 | - | 23.27 | 27.85 |
| Total | 90.89 | 250.30 | 201.66 | 473.98 | 1,142.97 |
| Less: Inter segment revenue | - | - | - | - | - |
| Net Turnover/Income from Operations | 90.89 | 250.30 | 201.66 | 473.98 | 1,142.97 |
| Segment EBITA | | | | | |
| a) Telecom Products | (1.39) | 11.19 | (3.88) | 37.48 | 60.59 |
| b) Turnkey Contracts and Services | 4.14 | 32.92 | 7.76 | 36.92 | 117.08 |
| c) Others | - | 0.15 | - | 0.13 | 0.78 |
| Total | 2.75 | 44.26 | 3.88 | 74.53 | 178.45 |
| Less: | | | | | |
| i) Interest and Finance charges | 17.05 | 10.12 | 32.61 | 19.88 | 39.70 |
| ii) Other Un-allocable expenditure | 2.08 | 3.79 | 3.41 | 6.23 | (7.69) |
| Net off Un-allocable Income | | | | | |
| Profit Before Tax & Non Recurring Extra Ordinary Items | (16.38) | 30.35 | (32.14) | 48.42 | 146.44 |
| Capital Employed | | | | | |
| a) Telecom Products | 403.75 | 617.97 | 403.75 | 617.97 | 292.30 |
| b) Turnkey Contracts and Services | 101.92 | 119.41 | 101.92 | 119.41 | 192.01 |
| c) Others | - | 3.56 | - | 3.56 | 5.42 |
| Total Capital Employed in segments | 505.67 | 740.94 | 505.67 | 740.94 | 489.73 |
| Add: Un-allocable Corporate Assets less Liabilities | 130.30 | (175.37) | 130.30 | (175.37) | 194.84 |
| Total capital employed in Company | 635.97 | 565.57 | 635.97 | 565.57 | 684.57 |

Notes :

- The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on 31st October, 2007.
- The Auditors comments in their report on the Annual Accounts for the year 05-06 have been addressed as under:
 - The provision of interest has been made as per CDR approved package.
 - Company obtains confirmations from Debtors/Creditors, Loans and Advances in the ordinary course of business.
 - The Company has received necessary approval from Central Government for appointment/ payment of remuneration to Wholtime Directors.
- Status of investors complaints during the quarter ended 30th September, 2007 :
Pending at the beginning Nil; Received 2; Disposed off 2; Pending at the end Nil
Investors Relation Contact : investor@hfcl.com
- Figures of the previous periods have been regrouped/rearranged wherever considered necessary.

By Order of the Board

Place: New Delhi
Date : 31st October, 2007

(MAHENDRA NAHATA)
Managing Director