

KIRLOSKAR OIL ENGINES LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2004

(Rs. In crores)

Particulars	Quarter ended		Nine Months ended		Year ended (Audited)
	31-12-2004	31-12-2003	31-12-2004	31-12-2003	31-03-2004
1 Sales	356.00	269.78	947.83	781.98	1,093.94
Less : Excise duty	(31.76)	(15.84)	(83.36)	(52.62)	(91.46)
Net Sales	324.24	253.94	864.47	729.36	1,002.48
2 Income from Operations	7.49	5.11	24.15	13.16	26.40
3 Other Income	2.69	5.27	18.37	15.02	22.14
4 Total Income	334.42	264.32	906.99	757.54	1,051.02
5 Total Expenditure	300.35	234.65	808.49	671.39	928.57
a) (Increase) /decrease in stock in trade	1.69	(1.31)	(9.03)	0.14	9.53
b) Consumption of raw materials	237.53	172.29	634.26	502.85	686.32
c) Staff cost	22.72	18.94	67.25	55.03	72.66
d) Other expenditure	38.41	44.73	116.01	113.37	160.06
6 Profit before Interest and Depreciation	34.07	29.67	98.50	86.15	122.45
7 Interest	0.72	0.82	1.86	2.77	3.50
8 Depreciation	6.42	6.38	19.01	19.54	25.99
9 Profit before extraordinary items	26.93	22.47	77.63	63.84	92.96
10 Extra ordinary Items					
Income	0.01	0.30	0.18	0.56	12.80
Expenses	2.99	-	10.33	-	0.16
11 Profit before Tax	23.95	22.77	67.48	64.40	105.60
12 Provision For Taxation					
Current	9.32	6.20	21.17	21.70	32.16
Deferred	(0.15)	(0.12)	(1.61)	(3.35)	2.68
13 Net Profit	14.78	16.69	47.92	46.05	70.76
14 Paid Up Equity Share Capital (Face value of Rs 10 each)	19.42	19.42	19.42	19.42	19.42
15 Reserves excluding revaluation reserves					396.34
16 Basic and diluted EPS (Rs.)	7.61	8.60	24.68	23.72	36.44

Notes:

1. Extra ordinary income represents net surplus on sale of investments.
2. Extra ordinary expenses for the current quarter and for nine months include provision for engine warranty of Rs. 2.64 crores and Rs. 9.14 crores respectively ,recognised in accordance with AS 29 issued by ICAI which has become mandatory w.e.f. 1st April, 2004.
3. Figures for the previous periods have been regrouped wherever required.
4. The results for the period ended 31st December 2004 have been reviewed by the Auditors.
5. Company received thirty two complaints during the current quarter. All complaints are resolved during the quarter and nothing is pending at the end of the quarter.
6. The above results were taken on record by Board of Directors in its meeting held on 20th January , 2005.
7. During the month of January 2005 the Company has sold 72 Lacs shares in Cummins India Ltd. resulting into a surplus of Rs. 87.36 crores. The said surplus is not reflected in the above results and will be reflected in the results for the last quarter.

Registered Office:
Laxmanrao Kirloskar Road,
Khadki, Pune - 411 003

For Kirloskar Oil Engines Limited

Place : Pune
Date : 20th January , 2005

Gautam A. Kulkarni
Joint Managing Director

KIRLOSKAR OIL ENGINES LIMITED

**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED,
AS PER CLAUSE 41 OF THE LISTING AGREEMENT**

(Rs. In Crores)

Particulars	Quarter ended		Nine months ended		Year ended (Audited)
	31-12-2004	31-12-2003	31-12-2004	31-12-2003	31-03-2004
1 Segment Revenue					
a Engines	260.64	207.44	665.24	560.66	780.72
b Auto Components	25.44	24.18	76.54	68.92	96.75
c Others	55.30	36.60	174.50	135.19	181.47
Total	341.38	268.22	916.28	764.77	1,058.94
Less: Inter segment revenue	9.65	9.17	27.66	22.25	30.06
Net Sales / Income from Operations	331.73	259.05	888.62	742.52	1,028.88
2 Segment Results					
Profit (+) / Loss (-) before tax and interest from each segment					
a Engines	20.48	20.60	47.67	54.39	78.20
b Auto Components	2.09	2.64	6.63	9.55	14.73
c Others	0.80	(5.31)	2.31	(8.42)	5.54
Total	23.37	17.93	56.61	55.52	98.47
Less:					
i Interest	0.72	0.82	1.86	2.77	3.50
ii Other Unallocable expenditure net off unallocable income	(1.30)	(5.66)	(12.73)	(11.65)	(10.63)
Total Profit Before Tax	23.95	22.77	67.48	64.40	105.60
3 Capital Employed (Segment assets - Segment liabilities)					
a Engines	134.52	123.40	134.52	123.40	132.17
b Auto Components	37.10	34.04	37.10	34.04	39.65
c Others	59.21	53.35	59.21	53.35	58.89
Total capital employed in segments	230.83	210.79	230.83	210.79	230.71
Add: Unallocable corporate assets less liabilities	260.52	234.55	260.52	234.55	219.72
Total capital employed in the company	491.35	445.34	491.35	445.34	450.43

Notes:

- Segmentwise results for engines are after considering the warranty provision made in accordance with AS 29, of Rs. 2.64 Crores for the quarter & Rs. 9.14 Crores for nine months, which is included in extra ordinary expenses in unaudited financial results.

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