

**SIFY LIMITED AND SUBSIDIARIES**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE INCOME**  
(in thousands, except share data and as stated otherwise)

	Common Stock		Additional paid In capital	Deferred compensation - employee stock offer plan	Accumulated deficit	Total Stockholders' equity
	Shares	Par Value				
<b>Balance as of March 31, 2004</b>	<u>34,900,993</u>	<u>Rs. 349,010</u>	<u>Rs. 14,490,037</u>	<u>Rs. (14,326)</u>	<u>Rs. (12,109,053)</u>	<u>Rs. 2,715,668</u>
Issue of common stock	139,957	1,400	21,619			23,019
Compensation related to stock option grants				6,240		6,240
Amortization of compensation related to stock option grants			470			470
Comprehensive income						-
Net loss					(100,941)	(100,941)
Other comprehensive income						-
Unrealized loss on investments, net						-
Foreign exchange translation adjustment						-
Comprehensive income						-
<b>Balance as of September 30, 2004</b>	<u>35,040,950</u>	<u>350,410</u>	<u>14,512,126</u>	<u>(8,086)</u>	<u>(12,209,994)</u>	<u>2,644,456</u>
<b>Balance as of September 30, 2004 (in US\$)</b>	<u>35,040,950</u>	<u>7,633</u>	<u>316,099</u>	<u>(176)</u>	<u>(265,955)</u>	<u>57,601</u>

See accompanying notes to unaudited condensed consolidated financial statements