



Sonata Consolidated Q1 FY11 Net Profit at Rs. 18.23 Cr

Mumbai, July 20, 2010

Leading Indian software solutions company, Sonata Software Ltd. today reported its audited financial results for the quarter and the financial quarter ended 30th June, 2010.

Highlights:

Sonata Software Ltd. – Stand Alone

- Revenue for the quarter at US\$ 13.62 Mn (US\$ 11.82 Mn) up 15% YoY
- Revenue for the quarter at Rs. 63.00 Cr (Rs. 56.86 Cr) up 11% YoY
- EBIDTA for the quarter at Rs. 18.17 Cr (Rs. 16.18 Cr) up 12% YoY
- Net profit for the quarter at Rs. 14.86 Cr (Rs. 13.39 Cr) up 11% YoY
- Earnings per share for the quarter at Rs. 5.65 (Rs. 5.09) up 11% YoY
- RONW and ROCE for the quarter at 20% (23%)
- Cash from operations for the quarter Rs. 19.26 Cr (Rs. 18.49 Cr)
- Cash Reserves : Rs. 57.87 Cr (Rs.30.53 Cr)

Sonata Software Ltd. – Consolidated

- Net profit for the quarter at Rs. 18.23 Cr (Rs. 17.76 Cr) up 3% YoY
- Earnings per share for the quarter at Rs. 6.92 (Rs. 6.76) up 3% YoY
- RONW & ROCE for the quarter at 20% (RONW 25% & ROCE 27%)
- Consolidated Cash Reserves : Rs. 107.09 Cr (Rs.96.35 Cr)

** Figures shown in brackets pertains to Q1 09-10*

Management Comments:

Commenting on the results, Mr. B. Ramaswamy, President and Managing Director, Sonata Software Limited said, "Growth from top 10 customers and building up of a strong pipeline have been the hall marks of this quarter. In spite of the challenges on account of Europe and currency, we have witnessed growth which is very positive".



Significant Projects:

Sonata is helping a leading supplier of taxi management services in the UK streamline their operations by using state-of-the-art software and hosting solutions. Sonata's immense expertise in Travel and Hospitality industry is enabling the customer to operate efficiently and gain a competitive edge by providing new and improved customer service. The engagement is also helping the customer to expand into new business areas through B2B channels.

For a leading provider of water and waste management services in the UK, Sonata is implementing an integrated and scalable Enterprise Resource Planning (ERP) solution to help them address their need for a flexible IT environment. The implementation of Oracle Release 12 (R12) E-Business Suite adopting a Service-Oriented Architecture (SOA) will help the customer overcome their operational challenges, reduce costs, and deliver better customer service.

A large supply chain and logistics ISV had earlier engaged Sonata to integrate their Transportation Optimization Planning System with SAP Order Processing and Execution System. As part of their larger program they have now retained Sonata to integrate their Workforce Management System as well. This will result in seamless and reliable operations for the customer, and will support process-centric collaboration between SAP and non-SAP components.

For a leading public sector bank, Sonata has developed a Knowledge Management solution to facilitate seamless content and information access for its call centre agents. Based on IBM Web Sphere Portal Server, the portal will serve as a ready reference to all bank products and help the call centre agents to respond to the customer queries efficiently.

A leading provider of web-based software solutions, managing large numbers of geographically dispersed operating sites, assets, and real estate properties in the US has engaged Sonata to help them in their product enhancement, customization and product testing activities.

For a globally diversified investment institution, Sonata is developing a collaborative platform using Microsoft SharePoint 2010. The portal solution will aid in effective communication, collaboration and knowledge sharing across the organisation thereby enhancing team productivity and business agility.



Sonata Software Ltd Financial results - Consolidated

(In Rs. Cr.)

Revenues	Quarter 1 10-11	Quarter 1 09-10	Year 09-10
International	197.19	217.76	879.76
Domestic - Sonata Information Technology Ltd.*	134.97	160.26	500.68
Consolidated	333.31	378.02	1,380.44

EBIDTA	Quarter 1 10-11	Quarter 1 09-10	Year 09-10
International	32.15	35.26	156.93
Domestic - Sonata Information Technology Ltd.*	5.49	3.06	14.15
Consolidated	37.63	38.32	171.09

PAT	Quarter 1 10-11	Quarter 1 09-10	Year 09-10
International	14.80	16.12	71.33
Domestic - Sonata Information Technology Ltd.*	3.43	1.64	8.54
Consolidated	18.23	17.76	79.87

Notes :

- 1) Consolidated Revenue, EBIDTA and PAT are after elimination of inter company transactions
- 2) Sonata Software Limited Consolidated includes Sonata Software Limited, Sonata Information Technology Limited, TUI InfoTec, Sonata Software Noth America Inc. (Formerly known as Offshore Digital Services Inc.), Sonata Software GmbH, Sonata Europe Limited and Sonata Software FZ LLC.
- 3) International comprises of Sonata Software Limited, Sonata Software Noth America Inc. (Formerly known as Offshore Digital Services Inc.), Sonata Software GmbH, TUI Infotec, Sonata Europe Limited and Sonata Software FZ LLC.
- 4) *Domestic - Sonata Information Technology Ltd. Is after elimination of inter company transactions
- 5) Consolidated PAT is after minority interest
- 6) Other Income in Sonata Software Ltd. Includes gains on account of foreign exchange variations of Rs. 4.22 crores and 2.28 crores in the Consolidated financials.



About Sonata Software Limited

Sonata Software, headquartered in Bangalore, India, is a leading IT consulting and services company. Sonata's customers are located across the US, Europe, Middle East and the Asia-Pacific region. Its portfolio of services includes IT Consulting, Product Engineering Services, Travel Solutions, Application Development, Application Management, Managed Testing, Business Intelligence, Infrastructure Management and Packaged Applications. As per the industry rankings released by NASSCOM for FY08-09, Sonata Software figured among the Top 20 IT Software and Service Exporters in India. Sonata Software has also been ranked global #2 in the 2008 Top Ten ESO: Outsourced Software Development in The Black Book of Outsourcing.

Sonata's subsidiaries include (1) TUI InfoTec – Sonata's Joint Venture with TUI, Europe's largest tourism group, (2) Sonata Software North America Inc – Sonata's arm in the US, which provides development and consulting services to clients, using an onsite-offshore delivery model, (3) Sonata Software FZ LLC – Sonata's fully-owned subsidiary that provides value-based IT solutions to customers in the Middle East and (4) Sonata Information Technology Limited which is premier software services and product distribution company with India-focused business operations.

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