

## TAKE Solutions Ltd. Announces Results for the Quarter ended December 31, 2012

Chennai, India –Thursday, February 14, 2013

### Highlights:

- **Revenue was INR 2,071 million, y-o-y growth of 12.0% and q-o-q decline of 2.2%**
- **In USD terms, revenue was USD 38.2 million, y-o-y growth of 6.5% and q-o-q decline of 0.5%**
- **Operating EBITDA at INR 383 million; down 5.2% y-o-y and 8.0% q-o-q**
- **Net profit at INR 178 million, down 16.5% y-o-y and 15.6% q-o-q**
- **Diluted Q3 FY13 EPS at INR 1.48**

<i>Figures in INR million unless mentioned</i>	Q3 FY13	Y-o-Y change (%)	Q-o-Q change (%)
<b>Total Revenue</b>	2,071	12.0%	(2.2%)
<b>EBITDA</b>	383	(5.2%)	(8.0%)
<b>Net Profit</b>	178	(16.5%)	(15.6%)
<b>Diluted Earnings Per Share (INR)</b>	1.48	(16.7%)	(15.7%)

**TAKE Solutions'** consolidated revenue was INR 2,071 million for the quarter ended December 31, 2012. It represents 12.0% increase over the same period last year and 2.2% decrease over second quarter of FY13 ended September 30, 2012.

Operating Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) for the quarter was INR 383 million down 5.2% y-o-y and 8.0% q-o-q. EBITDA margin for the quarter was 18.5%.

Net Profit for the quarter ended December 31, 2012 was INR 178 million. This represents a decrease of 16.5% over the same period last year and 15.6% over the September, 2012 quarter. The EPS for the period was INR 1.48.

Decline in revenues was in line with our expectation as the business environment continues to remain uncertain and clients are still holding back ramp ups. In addition to this, there was also a significant impact of "Hurricane Sandy" in the US on the revenues.

As mentioned last quarter, we are now pitching in for larger RFPs and competing global majors at most places. Therefore we have and will continue to invest in SG&A to be better prepared to compete with larger players. As a result of higher SG&A in Q3 FY13, EBITDA margins declined 118 bps q-o-q and 336 bps y-o-y to 18.5%.

## **NINE MONTHS ENDED DECEMBER 31, 2012**

For the nine months ended December 31, 2012, consolidated revenue was INR 6,367 million, a growth of 24.6% over the same period last year. Operating EBITDA was INR 1,246 million up 14.2% y-o-y. The EBITDA margin for the period was 19.6% compared to 21.4% for the nine months ended December 31, 2011. Net Profit for the year till date was INR 641 million, a 1.5% increase over the corresponding period of FY 2012. The EPS for the period was INR 5.34.

## **INTERIM DIVIDEND**

The Board of Directors of the Company has declared a second interim dividend of Rs. 0.30/- per equity share (30%, on a face value of Re. 1/- per share) for the Financial Year 2012-13.

## **STRENGTHENING LEADERSHIP**

The promoter group is embarking on certain new path-breaking initiatives in the area of new technologies that requires exceptional entrepreneurial zeal and proven capability. This initiative as per plan will be taken upon and supported under the able leadership of Mr. Sridharan.

As a result of this, the Board, has decided that Mr. Srinivasan H.R., Vice Chairman will also assume the responsibility as Managing Director from April 1, 2013 and he along with Mr. D.V. Ravi will drive the overall corporate strategy and also provide directional inputs to both Supply Chain and Life Sciences businesses to enable the organization to progress towards its growth aspirations.

Furthermore, in view of the promising opportunity in its sectors of operations and in order to prepare for the next wave of the company's growth TAKE Solutions will be strengthening its senior leadership functions.

The Company has inducted senior professionals to drive the individual verticals of Life Sciences and Supply Chain Management. Mr. Jim Tizzard who is currently the CEO of TAKE Solutions' subsidiary - WCI Consulting Ltd. will be elevated to CEO - Life Sciences. Additionally, Mr. G Ramesh who is currently VP - Supply Chain management will coordinate growth of Supply Chain Management business.

In addition, we have also strengthened our operations in the US having on board Mr. Ralph Lowe as Director, Commercial & Business Analytics and Mr. Bryce Mesko as Head of Quality Management & Trackwise Services.

## **APPOINTMENT OF DIRECTOR**

The Board of Directors has appointed Mr. S Srinivasan as a Non-Executive Director of the Company. Mr. Srinivasan has total business experience of over 23 years. Currently, he is on the boards of various Shriram Group companies, including Orient Green Power and Shriram Venture Ltd. Prior to joining Shriram Group; he was the MD & CEO of Matrix Laboratories Limited and Head of Global emerging markets for Mylan Inc., one of the world's largest generic pharmaceutical companies.

## PARTNERSHIP

- TAKE Solutions has signed a Co-Innovation Lab Cooperation Agreement with SAP recently. Under this agreement, TAKE is eligible to execute projects along with SAP to innovate new products to complement / extend SAP ERP processes by using any of the SAP technologies. TAKE shall also be eligible to use SAP's Co-Innovation Lab facilities and landscapes for projects, meetings, and events based on the details of projects undertaken by TAKE.

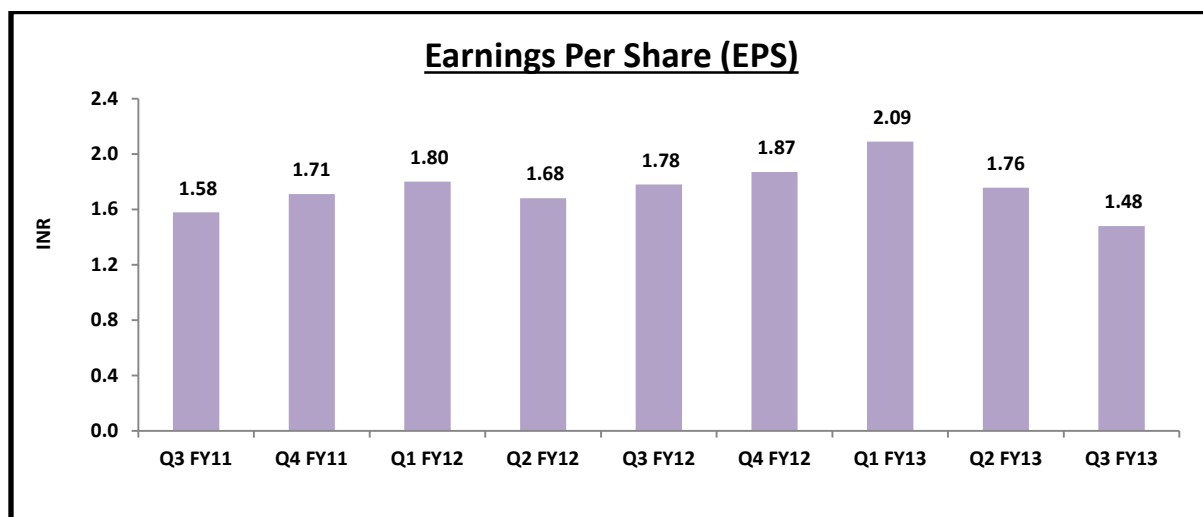
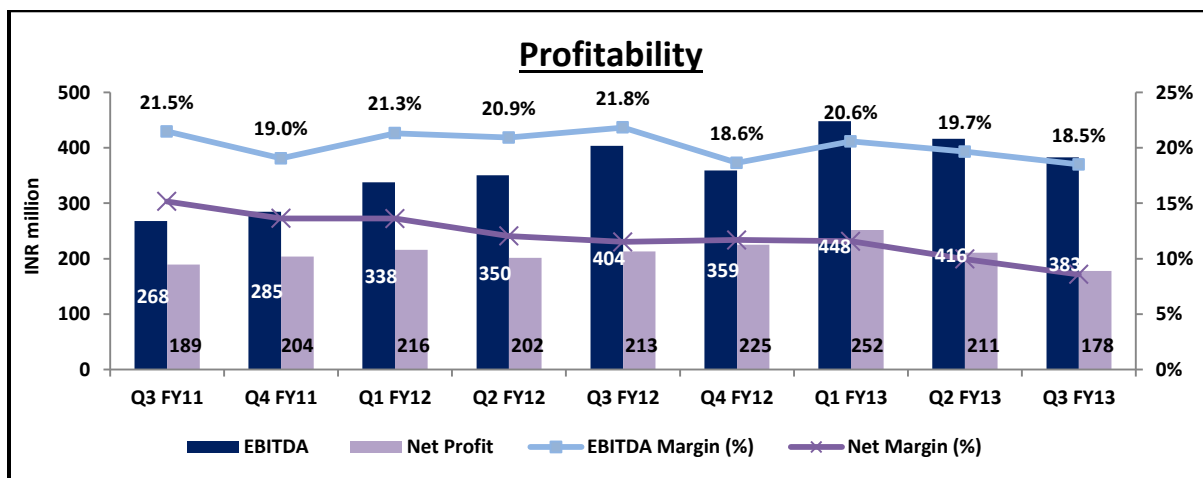
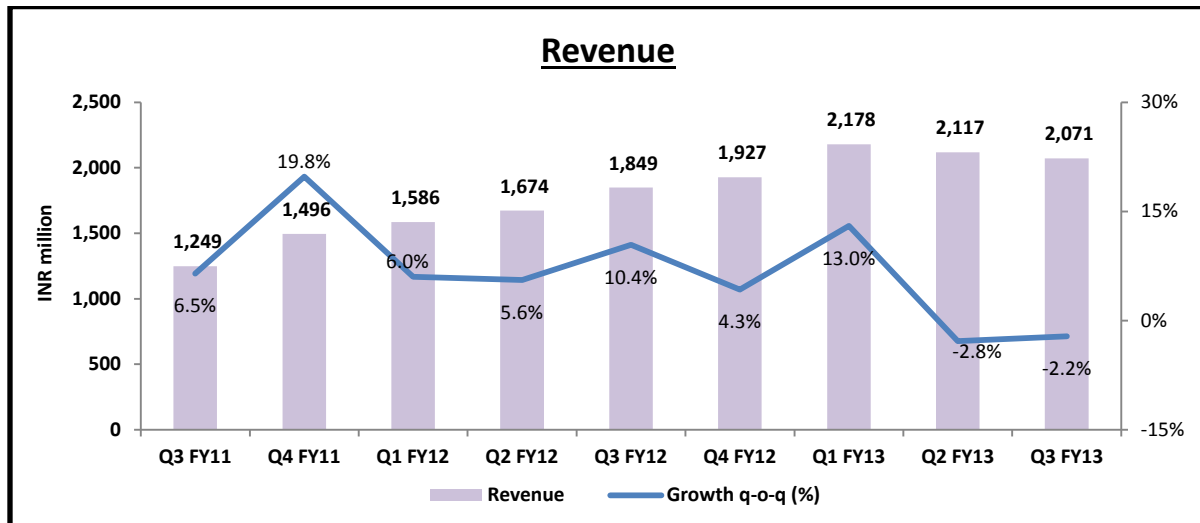
## AWARDS and RECOGNITION

- TAKE received the 7<sup>th</sup> Employer Branding Award for Excellence in Training at the regional round held at Hyderabad. The regional event saw 156 companies across industries competing in this category among which 75 companies were shortlisted and 3 companies emerged as winners.
- After been recognized as a "Leader" in R&D IT Outsourcing in 2011, TAKE has now been recognized as a "Leader" in IDC's Drug Safety Services MarketScape. As per IDC, TAKE's long-standing experience in the drug safety services space, aggressive investment in growth, and continued dedicated focus on the life science industry should help the company to remain a leading competitor in the drug safety services space for years to come.

## NEW PRODUCT DEVELOPMENT

- TAKE released the latest version of One SCM, which has enriched functionality for all ERP back end systems, including customers running Oracle or SAP. This release also features daily time and cost saving enhancements within the procure-to-pay cycle as well as the expansion of OneSCM's ControlPoint Tracking™ technology to web-based access. OneSCM offers flexible deployment and integration options to support cloud and on-premise, java, and .NET architectures.

## GROWTH TRENDS



## OPERATING MATRIX

	Revenue		
	Q3 FY13	Q2 FY13	Q3 FY12
<b>INR Million</b>	2,071	2,117	1,849
Y-o-Y growth (%)	12.0%	26.4%	46.2%
Q-o-Q growth (%)	-2.2%	-2.8%	8.2%
<b>USD Million</b>	38.21	38.40	35.9
Y-o-Y growth (%)	6.5%	6.0%	38.6%
Q-o-Q growth (%)	-0.5%	-3.8%	-4.9%

	Revenue by Vertical		
	Q3 FY13	Q2 FY13	Q3 FY12
<b>%</b>			
LS	47%	48%	52%
SCM	51%	50%	43%
Others	2%	2%	5%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

	Revenue by Geography		
	Q3 FY13	Q2 FY13	Q3 FY12
<b>%</b>			
US	54%	55%	64%
Asia	39%	38%	30%
RoW*	7%	7%	6%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\*Rest of World

	Revenue by Category		
	Q3 FY13	Q2 FY13	Q3 FY12
<b>%</b>			
Product License & Related activities	21%	20%	23%
Business Services	67%	67%	66%
AMC*	10%	11%	10%
Others	2%	2%	1%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\* Annual Maintenance Contract

Revenue Concentration			
%	Q3 FY13	Q2 FY13	Q3 FY12
Top 5 Clients	15.4%	20.0%	21.6%
Top 10 Clients	25.9%	29.8%	29.8%

Key Balance Sheet Figures			
	Q3 FY13	Q2 FY13	Q3 FY12
Book Value per share (INR)	35	33	32
Net Worth (INR Mn)	4,632	4,362	3,806
Debt (INR Mn)	1,992	1,907	2,146
Cash & Cash Equivalents (INR Mn)	1,221	1,201	1,032
DSO	97	92	86
Net D/E (x)	0.2	0.2	0.3

Order Book			
USD MN	Q3 FY13	Q2 FY13	Q3 FY12
LS	46.7	46.0	41.9
SCM	38.5	39.3	32.1
<b>Total</b>	<b>85.2</b>	<b>85.3</b>	<b>74.0</b>

US Dollar Rates			
	Q3 FY13	Q2 FY13	Q3 FY12
Period Average Rate	54.20	55.13	51.52
Period Closing Rate	54.99	52.80	54.52

**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE QUARTER ENDED**  
**DECEMBER 31, 2012**

	Quarter ended		Nine Months Ended		Year Ended
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11	31-Mar-12
<i>Figures in INR million</i>					
<b>Net Sales/Income from Operations</b>	<b>2,071</b>	<b>1,849</b>	<b>6,367</b>	<b>5,109</b>	<b>7,037</b>
<b>Expenses</b>					
Cost of Sales	1,221	1,115	3,745	3,114	4,269
Other Expenses	468	330	1,376	903	1,317
	<b>1,689</b>	<b>1,445</b>	<b>5,120</b>	<b>4,017</b>	<b>5,586</b>
<b>Profit Before Interest, Amortization, Depreciation &amp; Tax</b>	<b>383</b>	<b>404</b>	<b>1,245</b>	<b>1,092</b>	<b>1,451</b>
Product Development Expenses Written off	59	53	178	134	187
Depreciation	69	19	147	51	79
<b>Profit before Interest &amp; Tax</b>	<b>255</b>	<b>332</b>	<b>921</b>	<b>907</b>	<b>1,185</b>
Finance Charges	34	39	118	111	183
Other Income	15	18	64	75	151
<b>Profit before Tax</b>	<b>235</b>	<b>311</b>	<b>868</b>	<b>871</b>	<b>1,153</b>
Tax	41	74	152	189	211
<b>Profit before Minority interest</b>	<b>194</b>	<b>237</b>	<b>715</b>	<b>682</b>	<b>942</b>
Minority interest	16	24	75	50	86
<b>Net Profit</b>	<b>178</b>	<b>213</b>	<b>641</b>	<b>632</b>	<b>856</b>
<b>Basic Earnings Per Share (INR)</b>	<b>1.48</b>	<b>1.78</b>	<b>5.34</b>	<b>5.26</b>	<b>7.13</b>
<b>Diluted Earnings Per Share (INR)</b>	<b>1.48</b>	<b>1.78</b>	<b>5.34</b>	<b>5.26</b>	<b>7.13</b>

## Earnings Call Invite

The company will conduct a conference call for investors and analysts on **Friday, February 15, 2013 at 10:30 am Indian Standard Time (IST)**, where the senior management will discuss the company's performance and conduct a question and answer session.

### Details of the conference call are as follows:

- Timing** : 10:30 am IST on Friday, February 15, 2013
- Conference dial-in Primary number** : +91 22 6629 0301 / +91 22 3065 0122 *(The numbers are universally accessible from all networks and all countries)*
- India Local access Number** : 6000 1221
- Available in - Delhi, Bangalore, Chennai, Hyderabad, Kolkata*
- Accessible from all major carriers except BSNL/MTNL*
- : 3940 3977
- Available in - Gurgaon (NCR), Bangalore, Kolkata, Cochin, Pune, Lucknow, Ahmedabad, Chandigarh*
- Accessible from all carriers*

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*Participants are requested to dial-in 10 minutes in advance.*

## About TAKE Solutions

TAKE Solutions, Ltd. [BSE: 532890 | NSE: TAKE] is a leading global business technology company with domain expertise in Life Sciences (LS) and Supply Chain Management (SCM). TAKE provides cost-effective and comprehensive solutions for enterprises across diverse sectors including pharmaceuticals, high technology, consumer packaged goods, oil/gas, and automotive. TAKE's SCM product suite includes distinct technology with embedded IP that spans enterprise mobility, trading partner collaboration, and material tracking. In the LS domain, TAKE offers IP-based software and extensive knowledge-based solutions to enable efficient clinical, regulatory, safety and commercialization processes.

TAKE has been recognized as a leader by IDC's MarketScape Worldwide Life Sciences R&D IT Outsourcing for 2011. TAKE's global headquarters is in Chennai, India; its U.S. headquarters is located in Princeton, New Jersey. TAKE has a proven track record as a trusted partner in delivering world-class solutions to more than 400 customers worldwide. For more information, please visit [www.takesolutions.com](http://www.takesolutions.com).

## Disclaimer:

*Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT including factors which may affect*



*our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in SCM & Life Sciences, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our contracts, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. TAKE does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.*

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