

## TAKE Solutions Ltd. Announces Results for the Second Quarter ended Sept 30, 2009

Chennai, India - October 31, 2009

- **Consolidated Net Profit increased 70% Q-o-Q to INR 76 million**
- **Consolidated Total Income up 11% Q-o-Q to INR 902 million**

**TAKE Solutions** reported consolidated total income of INR 902 million (USD 18.5 million) for the quarter ended Sept 30, 2009. It represents 11% increase over the first quarter ended June 30, 2009. The increase in total income is primarily due to slow but steady improvement in the business environment in the US, which led to new deal wins.

|  | Q2 FY10<br>(INR Mn) | Q-o-Q change<br>(%) | Y-o- Y change<br>(%) |
|--|---------------------|---------------------|----------------------|
| <b>Total Income</b>                        | 902                 | +11%                | (9%)                 |
| <b>EBITDA</b>                              | 171                 | +38%                | (34%)                |
| <b>Net Profit before Minority Interest</b> | 97                  | +60%                | (46%)                |
| <b>Net Profit</b>                          | 76                  | +70%                | (58%)                |
| <b>Earnings Per Share (INR)</b>            | 0.63                | +70%                | (58%)                |

Earnings Before Interest, Tax, Depreciation and Tax (EBITDA) for the quarter was INR 171 million (USD 3.5 million) up 38% q-o-q on account of increased product license revenue and prudent expense management. During the quarter, EBITDA margin stood at 19% up 370 bps q-o-q.

Net Profit before Minority Interest for the quarter ended Sept 30, 2009 was INR 97 million (USD 2.0 million). This represents an increase of 60% over the June 2009 quarter.

Net Profit after Minority Interest was INR 76 million (USD 1.5 million) up 70% q-o-q. The EPS for the period was INR 0.63.

### ORDER BOOK

Due to improvement in the economic business environment, the decline in our order book, which we witnessed in first quarter, has reversed resulting in a healthy order book at the end of the second quarter. The outstanding order book as on Sept 30, 2009 stood at USD 45.3 million.

## Management Strengthened

We continue to strengthen our management team to bring in the experience, which is required to make TAKE the leading player in the Life Science and Supply Chain Management space. During the quarter Mr. Kishore Rachapudi, former SVP & Head, Healthcare & Life Sciences with Satyam Computer Services Limited joined the company, as the President & Chief Operating Officer.

Mr. Rachapudi, a Bachelor's degree holder in Electrical and Electronics Engineering, joined TAKE Solutions after twelve years at Satyam Computer Services Limited, where he led a team of 1500. He was instrumental in creating the vision and building the Healthcare & Life Sciences practice from scratch to about 10% of the multibillion dollar company revenues and earning the recognition of several industry analysts.

Additionally, he managed several strategic initiatives to build delivery excellence, program management and industry knowledge base. Prior to Satyam, Kishore had extensive global experience working for TCS and Wipro in the Americas, Europe, the Far East and India.

## BUSINESS OVERVIEW

### Supply Chain Management

The SCM business continued with its good performance during the quarter on back of healthy demand from the customers in the US. The order book has also improved on back of better business environment and demand visibility.

#### Highlights:

- During the quarter, we won **18 new deals** with one USD 1 million deal and added 7 new clients.

### Life Science

TAKE Life Science continued with its steady performance during the quarter as its suite of products continues to have a strong customer traction and retention despite challenging environment.

#### Highlights:

- During the quarter, we won **17 new orders** across geographies including 10 in the US and 6 in India.

- During the quarter we organized the annual TAKE PharmaReady seminar on August 21 in Mumbai, which drew 30 pharmaceutical companies and approximately 60 participants. This year's topics ranged from submission expectations by global agencies to emerging standards around DRM (Document Reference Model), the new HL7 RPS (Health Level 7 Regulated Product Submissions), eCTD Next Major Version and the ASEAN CTD.

### **CASH AND CASH EQUIVALENT**

TAKE ended Q2 FY10 with INR 943 million (USD 19.5 million) of cash and cash equivalent.

### **NO PLEDGED SHARES**

None of the promoters have pledged their shares as of October 30, 2009.

### **OUTLOOK**

We are witnessing a slow but steady improvement in the global business environment primarily in the US, which is our largest market. The latest data released by Institute for Supply Management suggests that the manufacturing and non-manufacturing sectors in the US are showing signs of revival with non-manufacturing sector expanding for the first time since August 2008. The clients are now open to decision making, as a result the new orders have started to flow. Although, we expect the order book to grow at a healthy rate over the next two quarters, we continue to remain cautious over the full economic recovery. The management expects that the rebound seen in the last two quarters will continue and the EBITDA will show improvement in the forth coming quarters.

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## CONDENSED CONSOLIDATED BALANCE SHEET

All figures are in INR million

|   | Sept 30, 2009<br>(INR Mn) | March 31, 2009<br>(INR Mn) |
|---|---------------------------|----------------------------|
| <b>LIABILITIES</b>                              |                           |                            |
| Share Capital                                   | 120                       | 169                        |
| Reserves & Surplus                              | 3,527                     | 3,564                      |
| Secured /Unsecured Loans & Deferred Liabilities | 510                       | 224                        |
| Minority Interest                               | 245                       | 125                        |
| <b>TOTAL LIABILITIES</b>                        | <b>4,402</b>              | <b>4,082</b>               |
| <b>ASSETS</b>                                   |                           |                            |
| Net Fixed Assets                                | 134                       | 130                        |
| Capitalized Software Product Cost               | 717                       | 679                        |
| Goodwill  | 1,883                     | 1,867                      |
| Cash & Equivalents                              | 943                       | 1,102                      |
| Deferred tax Assets                             | 1                         | 1                          |
| Accounts Receivable                             | 709                       | 611                        |
| Other Current Assets                            | 800                       | 763                        |
| Current Liabilities                             | (785)                     | (1,071)                    |
| <b>TOTAL ASSETS</b>                             | <b>4,402</b>              | <b>4,082</b>               |

## CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2009

All figures are in INR million, except per share data

|   | Quarter ended    |                  | Six Months ended |                  | Year Ended      |
|---|------------------|------------------|------------------|------------------|-----------------|
|   | Sept 30,<br>2009 | Sept 30,<br>2008 | Sept 30,<br>2009 | Sept 30,<br>2008 | Mar 31,<br>2009 |
| <b>Total Income</b>   |                  |                  |                  |                  |                 |
| Net Sales/Income from Operations  | 865              | 981              | 1,648            | 1,895            | 3,354           |
| Other Income  | 38               | 16               | 71               | 39               | 79              |
|   | <b>902</b>       | <b>997</b>       | <b>1,715</b>     | <b>1,934</b>     | <b>3,433</b>    |
| <b>Expenses</b>   |                  |                  |                  |                  |                 |
| Cost of Sales   | 604              | 606              | 1,164            | 1,204            | 2,145           |
| Other Expenses  | 127              | 130              | 255              | 222              | 506             |
|   | <b>731</b>       | <b>737</b>       | <b>1,419</b>     | <b>1,426</b>     | <b>2,651</b>    |
| <b>Profit Before Interest, Amortization,<br/>Depreciation &amp; Tax</b> | <b>171</b>       | <b>261</b>       | <b>296</b>       | <b>508</b>       | <b>782</b>      |
| Product Development Expenses Written off                                | 47               | 30               | 94               | 59               | 135             |
| Depreciation  | 10               | 7                | 21               | 14               | 34              |
| <b>Profit before Interest &amp; Tax</b>                                 | <b>113</b>       | <b>223</b>       | <b>180</b>       | <b>434</b>       | <b>613</b>      |
| Interest  | 10               | 5                | 16               | 5                | 18              |
| <b>Profit before Tax</b>  | <b>103</b>       | <b>218</b>       | <b>164</b>       | <b>429</b>       | <b>595</b>      |
| Provision for Taxation  | 6                | 40               | 7                | 76               | 55              |
| <b>Profit before Minority interest</b>                                  | <b>97</b>        | <b>179</b>       | <b>157</b>       | <b>353</b>       | <b>540</b>      |
| Minority interest   | 21               | (1)              | 37               | 1                | 11              |
| <b>Net Profit</b>   | <b>76</b>        | <b>180</b>       | <b>120</b>       | <b>352</b>       | <b>528</b>      |
| <b>Basic Earnings Per Share (INR)</b><br>(Face Value INR 1)             | 0.63             | 1.50             | 1.00             | 2.68             | 4.42            |
| <b>Diluted Earnings Per Share (INR)</b>                                 | 0.63             | 1.50             | 1.00             | 2.68             | 4.42            |

## Earnings Call Details

The company will organize a conference call for investors and analysts at **4:00 PM IST on Tuesday, November 03, 2009** to discuss the performance of the company for the quarter ended September 30, 2009. Senior management team members including Vice Chairman, Managing Director, CEO and CFO will represent TAKE on the call.

The financial results, along with a presentation, will be available on the corporate website [www.takesolutions.com](http://www.takesolutions.com) shortly after the results announcement.

**The conference call details are as below:**

### Conference Access Numbers:

| Indian Access Numbers         |   |
|-------------------------------|---|
| India Toll Free Numbers       | 1800 425 4061 / 1800 425 4250 / 1800 22 4061, 1800 425 1300 |
| National Toll Number          | 044 2370 2370   |
| Mumbai Local Access Number    | 022 2821 3311 / 022 2821 8855                               |
| Delhi Local Access Number     | 011 2685 2727 / 011 2644 8899                               |
| Bangalore Local Access Number | 080 2532 6215   |
| Hyderabad Local Access Number | 040 2799 2211   |

| International Access Numbers      |                  |
|-----------------------------------|------------------|
| International Participants Number | +91 44 2370 2370 |
| USA Toll Free                     | 001-800-974-0768 |
| UK Toll Free                      | 0808-101-6864    |
| HK Toll Free                      | 800-903-171      |
| Singapore Toll Free               | 1800-813-486     |

**Note:** Indian Toll Free numbers are accessible through all land lines and mobiles of BSNL / MTNL / Airtel / Tata / Reliance.

(International Participants cannot get Access to Indian Toll Free Numbers)

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

### About TAKE Solutions

TAKE Solutions is a leading international business technology company with products backed by a strong domain expertise in Life Sciences and Supply Chain Management - to provide cost-effective, comprehensive solutions for businesses. The vision of the company is to drive industry best practices through our proprietary, in-depth product know-how and solutions that enable business efficiencies for our clients. Since its inception in 2000, TAKE has been

serving marquee clients in the Life Sciences and SCM arena. TAKE Solutions conducts business today in 16 countries with more than 300 customers.

Headquartered in Chennai, TAKE primarily drives its SCM Domain Excellence Centre and Global Delivery Centre from India. Company has strong presence in the USA with Life Sciences Domain Excellence centres located in Princeton, New Jersey.

TAKE Solutions is assessed at Level 5 of the Capability Maturity Model Integration (CMMI) & Level 3 of the People Capability Maturity Model, Software Engineering Institute, Carnegie Mellon University, USA. TAKE Solutions is a Microsoft Gold Certified Partner, a Charter Member of the Microsoft BioIT Alliance, and is a Registered CDISC Solution Provider.

**Contact:**

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