

Earnings Release for the Quarter ended September 30, 2014

Chennai, India – Wednesday, November 12, 2014: TAKE Solutions Ltd. [BSE: 532890 | NSE: TAKE], a leading global business technology company with domain expertise in Life Sciences (LS) and Supply Chain Management (SCM), today reported its consolidated financial results for the quarter ended September 30, 2014.

HIGHLIGHTS FOR THE QUARTER ENDED SEPTEMBER 30, 2014

- *Revenue stood at INR 1,690 million (USD 27.9 million) compared to INR 1,615 million (USD 27.0 million) in Q1 FY15 and INR 2,109 million (USD 33.9 million) in Q2 FY14.*
- *EBITDA was INR 347 million (USD 5.7 million) compared to INR 328 million (USD 5.5 million) in Q1 FY15 and INR 396 million (USD 6.4 million) in Q2 FY14.*
 - *EBITDA margin was 20.3%, up 20 bps compared to Q1 FY15 and an increase of 163 bps compared to Q2 FY14.*
- *Net profit at INR 134 million (USD 2.2 million) compared to INR 130 million (USD 2.2 million) in Q1 FY15 and INR 151 million (USD 2.4 million) in Q2 FY14.*
- *EPS at INR 1.12.*
- *Ms. Uma Krishnan appointed to the Board of Directors as an independent director*
- *Declared interim dividend of INR 0.30/- per equity share*

THREE MONTHS ENDED SEPTEMBER 30, 2014

For the three months ended September 30, 2014, TAKE Solutions' consolidated operating revenue was INR 1,690 million, an increase of 4.6% q-o-q while y-o-y declined 19.8%. Y-o-Y revenue growth is not comparable due to discontinuation of few businesses in the current financial year.

In Q2 FY15, EBITDA margins improved 20 bps compared to previous quarter to 20.3%. During the quarter, the lower SG&A expenses were partially offset by increase in employee cost due to wage hike, resulting in higher margin. EBITDA for Q2 FY15 was INR 347 million, an increase of 5.6% q-o-q while a decline of 12.5% y-o-y.

Operating EBITDA margins also improved marginally compared to previous quarter to 19.4%. Operating EBITDA was INR 328 million, an increase of 4.9% q-o-q while a decline of 14.0% y-o-y.

Net profit margin before minority interest improved to 9.0% during the quarter compared to 8.3% in the previous quarter due to better operational performance and lower effective taxes. However, net profit margin after minority interest declined marginally due to better performance of the subsidiaries compared to previous quarter resulting in higher minority interest charge. Net Profit during the quarter was INR 134 million, a 3.1% increase over Q1 FY15 and a decline of 11.4% over Q2 FY14. The EPS for the quarter was INR 1.12.

MANAGEMENT COMMENTS

Srinivasan H.R., Vice-Chairman and Managing Director, TAKE Solutions said, “The strategy to emphasize on the Life Sciences business envisaged by the management at the start of the previous financial year has slowly but steadily started showing results. Our focus will be to continue enhancement of our position in the Life Sciences space. Additionally, we are also increasingly investing both time and money in improving our go-to-market strategy which will enable us to acquire new clients and expand our offerings to the existing clients”.

INTERIM DIVIDEND

The Board of Directors of the Company has declared an interim dividend of Rs. 0.30/- per equity share (30%, on a face value of Re. 1/- per share) for the period of September 30, 2014.

APPOINTMENT

The Board appointed its first woman Director, Ms. Uma Ratnam Krishnan, who brings with her a diverse experience of 27 years in the Financial Services sector. With a deep understanding of customers, markets, business drivers and partners, Ms. Krishnan has built successful industry networks with key stakeholders.

NEW OFFERINGS

TAKE Supply Chain released an update of OneSCM®, a leading SaaS-based Supply Chain collaboration software solution focused on helping mid-market companies increase operating margin through better management of extended Supply Chain operations. Featured in this release is the addition of order fulfillment update tools that allow suppliers/trading partners to reduce shipping errors and minimize delays. It also includes responsive help for users accessing OneSCM via mobile devices such as tablets and smart phones.

AWARDS and RECOGNITIONS

- TAKE Solutions has been named in Software Magazine’s 32nd Annual Software 500 ranking of the world’s largest software and service providers. The honour of being listed among successful and growing companies was bestowed on TAKE for the third consecutive year in recognition of its commitment towards earning customer satisfaction.
- In recognition and appreciation of its unique HR practices, TAKE was ranked 2nd in the best organization category for the second consecutive year at the 5th Asia Best Employer Brand Awards held in Singapore. TAKE was conferred with a total of 14 organizational and individual awards and stood among the top three of leading Asian business conglomerates.

EVENTS

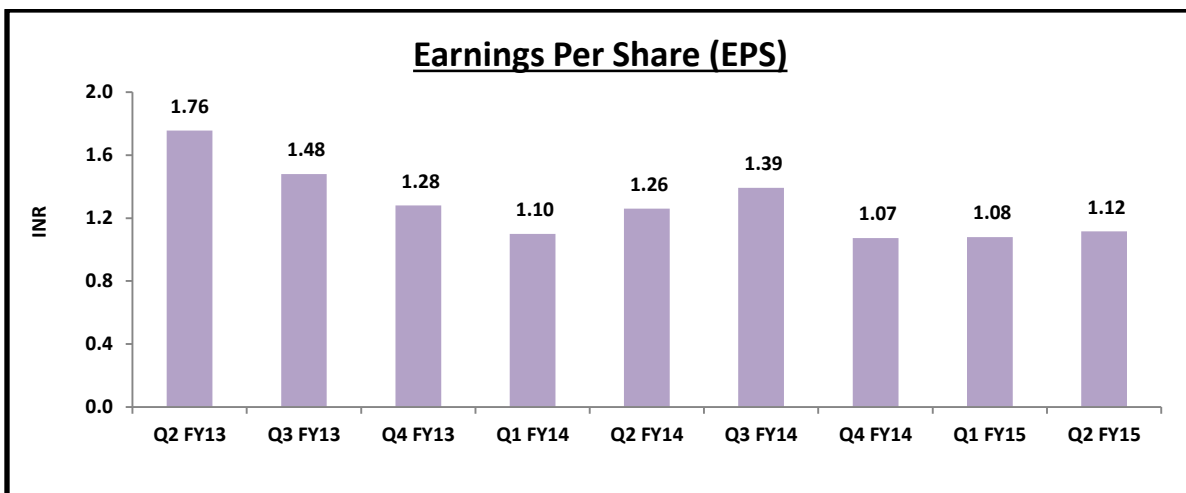
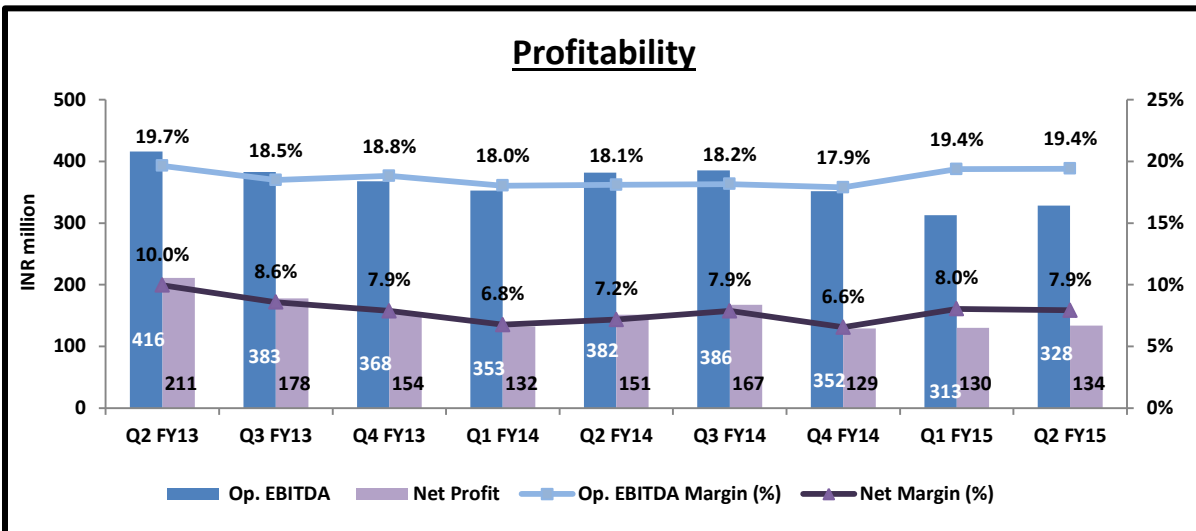
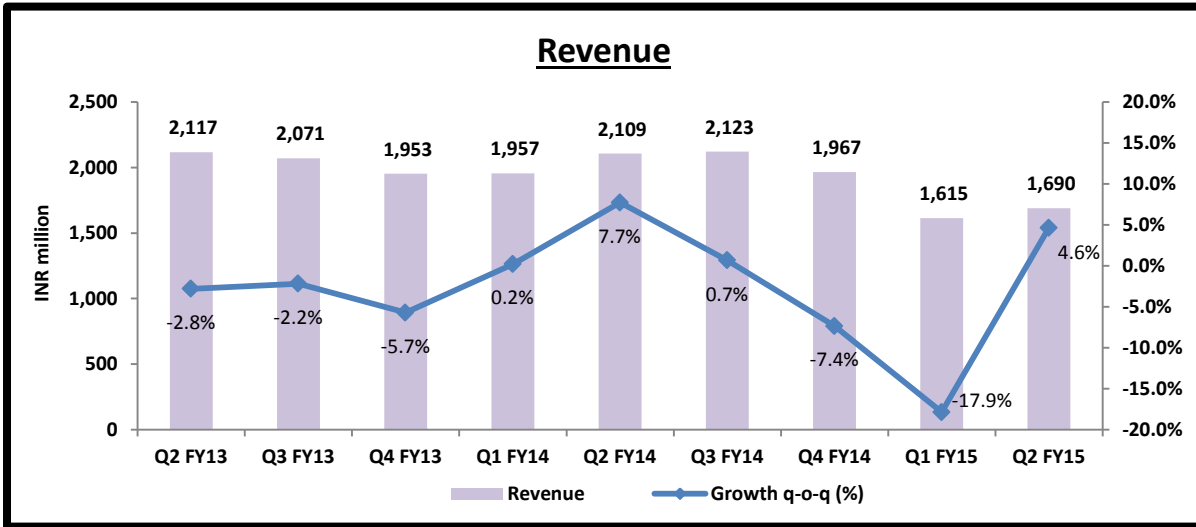
- TAKE Life Sciences along with Axway presented a complimentary one-day seminar on “Global Track & Trace Compliance – Strategies for Indian Pharma”. The event, held in July at Mumbai, brought together a community of industry professionals & solution providers to discuss global Track & Trace regulations, its relevance and the right strategies to be adopted by Indian Pharma. The event was attended by professionals from India’s largest pharmaceutical companies.

- TAKE Life Sciences hosted a quarterly round table discussion for a group of Mumbai Pharmaceutical CIOs at Mumbai in July. Heads of the IT function from leading Indian and Global pharmaceutical companies were present for this discussion, which centered on the current challenges faced by IT in Pharma. TAKE presented on the topic 'Challenges Faced by Global CIOs'.
- TAKE Life Sciences along with Oracle hosted a one-day seminar at Seoul in July. This event brought together Pharmacovigilance professionals from South Korea, including KIDS, the Korean regulatory agency. One of TAKE's clients in South Korea spoke about TAKE and Oracle's assistance in the implementation of the Oracle Argus solution, the first of its kind in South Korea.
- TAKE was the platinum sponsor of the ConSPIC 2014 conference held in September that encouraged statistical programmers from the healthcare industry to convene. It also provided a platform to share novel ideas in statistical programming, and to network and strengthen the statistical programming community in India. Attendees of the event received an opportunity to learn efficient techniques and advances.

FY 15 Guidance

- FY15 Total revenue to be in the range of INR 7,350 million to INR 7,500 million
- FY15 PAT to be in the range of INR 530 million to INR 560 million

GROWTH TRENDS



OPERATING METRICS

Revenue			
	Q2 FY15	Q1 FY14	Q2 FY14
INR Million	1,690	1,615	2,117
Y-o-Y growth (%)	-19.8%		
Q-o-Q growth (%)	4.6%		
USD Million	27.9	27.0	33.9
Y-o-Y growth (%)	-17.7%		
Q-o-Q growth (%)	3.3%		

Revenue by Vertical			
%	Q2 FY15	Q1 FY15	Q2 FY14
SCM	30.5%	30.2%	32.5%
LS	61.2%	60.7%	59.2%
Others	8.3%	9.1%	8.3%
Total	100%	100%	100%

Revenue by Geography			
%	Q2 FY15	Q1 FY15	Q2 FY14
US	69.8%	68.1%	60.9%
Asia	24.6%	24.3%	32.4%
RoW*	5.6%	7.6%	6.7%
Total	100%	100%	100%

*Rest of World

Revenue Concentration			
%	Q2 FY15	Q1 FY15	Q2 FY14
Top 5 Clients	18.5%	19.4%	20.6%
Top 10 Clients	27.1%	27.2%	30.7%

Order Book			
USD MN	Q2 FY15	Q1 FY15	Q2 FY14
LS	44.6	44.5	45.9
SCM	17.7	17.7	26.1
Total	62.3	62.2	72.0

Balance Sheet Summary			
	Q2 FY15	Q1 FY15	Q2 FY14
Book Value per share (INR)	40.8	40.4	40.9
Net Worth (INR Mn)	4,893	4,844	4,913
Debt (INR Mn)	2,135	1,962	1,991
Cash & Cash Equivalents (INR Mn)	1,289	1,194	1,173
DSO	122	102	99
Net D/E (x)	0.2	0.2	0.2

Dollar Rates			
	Q2 FY15	Q1 FY15	Q2 FY14
Period Average Rate	60.60	59.81	62.24
Period Closing Rate	61.59	60.05	63.00

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	Quarter ended			Year ended
	30-Sep-14	30-Jun-14	30-Sep-13	31-Mar-14
<i>(Figures in INR mn, except EPS)</i>				
Net Sales/Income from Operations	1,690	1,615	2,123	8,155
Expenses				
Cost of Sales	971	913	1,250	4,800
Other Expenses	391	389	488	1,883
	1,362	1,302	1,737	6,683
Profit Before Interest, Amortization, Depreciation & Tax	328	313	386	1,473
Product Development Expenses Written off	96	91	110	396
Depreciation	49	54	73	373
Profit before Interest & Tax	183	168	202	704
Finance Charges	31	27	23	138
Other Income	18	15	15	62
Profit before Tax	170	156	194	628
Tax	17	21	(19)	10
Profit before Minority interest	153	135	213	618
Minority interest	19	5	46	38
Net Profit	134	130	167	580
Basic Earnings Per Share (INR)	1.12	1.08	1.39	4.83
Diluted Earnings Per Share (INR)	1.12	1.08	1.39	4.83

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 suites include 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' in IDC Health Insights' "IDC MarketScape: Worldwide Life Science Drug Safety Services 2013 Vendor Assessment". 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.

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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