

## TAKE Solutions Ltd. Announces Results for the Fourth Quarter and Year ended March 31, 2010

Chennai, India - May 21, 2010

### Fourth Quarter Highlights:

- *Record Fourth quarter and Annual revenues*
- *Launched OneSCM, the SCM SaaS platform*
- *Inaugurated new SEZ facility at Shriram Gateway, Chennai*
- *Won first, USD 5 million plus Life Sciences deals*
- *The Board of Directors recommended a final dividend of INR 0.20 per share for the fiscal year 2010*

**TAKE Solutions** reported consolidated total revenue of INR 1,001 million for the quarter ended March 31, 2010. This is the best ever quarterly revenue in TAKE's history. It represents 87% increase over the same period last year and 6% rise over third quarter ended December 31, 2009.

Earnings Before Interest, Tax, Depreciation and Tax (EBITDA) for the quarter was INR 196 million up 162% y-o-y and 12% q-o-q. During the quarter, EBITDA margin stood at 20%.

Net Profit for the quarter ended March 31, 2010 was INR 122 million. This represents an increase of 292% over the same period last year and 49% over the December 2009 quarter. The EPS for the period was INR 1.02.

	Q4 FY10 (INR mn)	Q-o-Q change (%)	Y-o-Y change (%)	FY 10 (INR mn)	Y-o-Y change (%)
<b>Total Revenue</b>	1,001	6%	87%	3,664	8%
<b>EBITDA</b>	196	12%	162%	667	(15%)
<b>Net Profit</b>	122	49%	292%	324	(39%)
<b>Diluted Earnings Per Share (INR)</b>	1.02	51%	281%	2.70	(39%)

During the last financial year the global economy stabilized after witnessing one of the century's worst economic crisis. Although the economy stabilized, the demand for the IT products and services remained subdued since clients restrained from capital expenditure due to limited visibility. Today when we look back, we feel proud of ourselves for successfully navigating a challenging economic environment and emerging out as a much stronger company due to our commitment and focus on elevating TAKE Solutions to the new trajectory of growth.

After witnessing a decline in top-line in the last quarter of FY09 on the back of a highly challenging global economic environment, the company's first priority was to bring back the quarterly revenue to the

levels that we enjoyed earlier as early as possible. We are extremely happy to share that we have not only matched, but comfortably surpassed the previous highs. Furthermore, the FY10 revenue was also the best ever in the company's history. It was a result of the initiatives undertaken by the company and the hard work of its employees, who have been with the company during the tough period. There was a negative impact on the profitability in the first half of the year due to an increase in SG&A expense, pricing pressure and subdued license revenues. However, the situation improved in the second half of the year resulting in improved profitability.

During the year ended March 31, 2010, the company reported record consolidated revenue of INR 3,664 millions (USD 76.7 million), up 8% compared to the year ended March 31, 2009 on account of higher volume growth. However, profit reduced in FY10 due to pricing pressure in the Supply Chain Management segment and higher SG&A expenses. During FY10, Earnings before Interest Tax Depreciation and Amortization reduced 15% to INR 667 million (USD 14.0 million) and net profit declined 39% to INR 324 million (USD 6.8 million).

***“We are extremely happy with our robust performance in FY10, which was the best ever year in terms of the top-line in the company's history. The commitment of our employees and the strategic decisions taken by the company at the start of the fiscal year paid-off. Going forward, we expect the company to increase its market presence with the basket of differentiated products and services that we have developed over the period of time. The company will continue to invest in new products”, said Mr. Sridharan Sivan, Managing Director, TAKE Solutions.***

## **APPOINTMENT OF CHIEF FINANCIAL OFFICER**

Today, the Board of Directors, appointed Ms. N. S. Shobana, as the Chief Financial Officer of the company. Before the appointment as the CFO, she was Vice President, Finance and she has been with TAKE Solutions since the company's incorporation.

## **INFRASTRUCTURE EXPANSION**

During the quarter, we inaugurated the first phase of our new SEZ facility at Shriram Gateway, Chennai with capacity of 500 people. We also have provision of expanding operations by another 500 people in the same facility, which is expected to be operational in the last quarter of FY11.

## **BUSINESS OVERVIEW**

### **Supply Chain Management**

The economic crisis had an impact on the buying behavior of our SCM clients. The capital expenditures were tightly governed and the clients were opting for operating expenditure models. As a result, there was a negative impact on our SCM license revenue and more demand for services and pay as you go models. This also had some impact on the profitability. The focus was on working closely with our customers and help them overcome the challenges during those difficult times. In this process we have developed deep partnerships with our major clients. We increased our investments on sales and

marketing. These efforts ensured that there was over all growth over previous year despite the slowdown and shift in the buying pattern.

During the last year, the company ventured into Global Trade Management (GTM) solutions. The GTM segment of SCM is witnessing high growth, primarily due to economic globalization, new regulations, low cost country sourcing and increasing global trade volumes. According to the Global Trade Management Worldwide Outlook report in 2008 by ARC Advisory Group, the global trade support market is expected to grow from more than USD 600 million in 2009 to more than USD 800 million by 2012, a compounded annual growth rate of 10 percent.

With the addition of these 2 product sets the number of products in the TAKE Supply Chain portfolio has increased to 18.

Although United States, our largest market, stabilized during the last year, there is a lag for the demand to pick up to reasonable levels. The recent AMR survey among 305 leading global companies indicates that 56% of them are going to increase their spent on Supply Chain technologies and 35% indicating that the spent is going to be static. We are optimistic on the demand scenario in the US in the near term. The Middle East market has stabilized and we are seeing a positive demand environment.

#### Fourth Quarter highlights:

- Added 8 new clients in SCM including a million dollar deal in the Middle East and a new client in India, L&T-Komatsu
- In January 2010, TAKE launched its new Software as a Service (SaaS) platform OneSCM, which is witnessing good client traction. The platform requires no upfront hardware or software investments, leading to significantly faster ROI for the clients
- TAKE Supply Chain has been selected as a 2010 "Editors' Pick" by Consumer Goods Technology (CGT) magazine for the company's highly regarded reputation for technology innovation and market leadership

#### Life Sciences

The Life Sciences vertical witnessed a minimal impact due to the economic crisis and this segment continued to strengthen its position in the market. Due to constant changes in the global regulatory requirements and demand for domain experts, the segment continued to stand out in the market. We realigned the segment's corporate structure to increase market presence and add value to the clients. Our customers and prospects in this segment are increasingly desirous of partnering with functional experts like TAKE and are steering clear from systems integrators with a focus just on IT.

#### Fourth Quarter highlights:

- Won two USD 5 million plus deals, one each from a biotechnology and a pharmaceutical major

- Establishing our domain intensity, we won a major analytics engagement competing against a large system integrator
- Won 6 deals for our regulatory filling product suite, PharmaReady
- Won multiple clinical biometric projects from a pharmaceutical major
- Executed document and submission publishing projects for 2 global pharmaceutical majors
- Entered into partnership with Lipient, Inc., a Life Sciences solutions company. The agreement entails TAKE Solutions to provide fully outsourced publishing capabilities through a combination of offshore resources, onshore industry experts and onsite specialists, all the while providing regulatory services along with Lipient to increase efficiencies to the market.

### CASH AND CASH EQUIVALENT

TAKE ended FY10 with INR 977 million (USD 21.7 million) of cash and cash equivalent, including the investments in liquid mutual funds and non-convertible debentures.

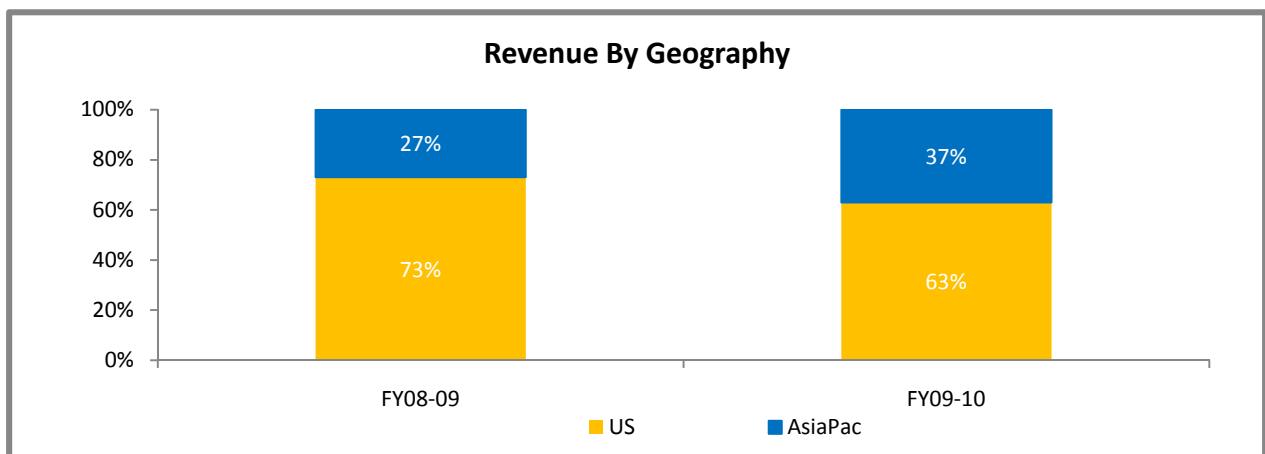
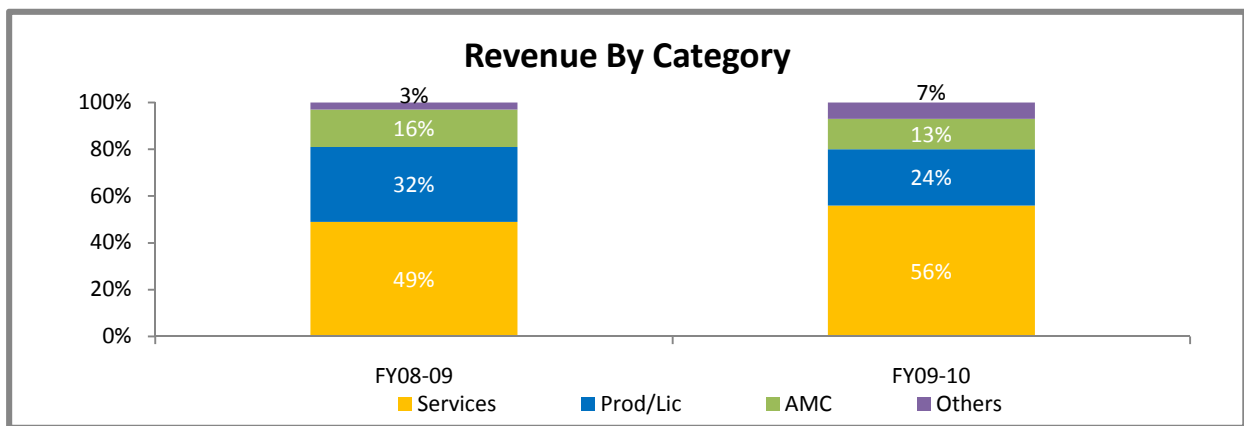
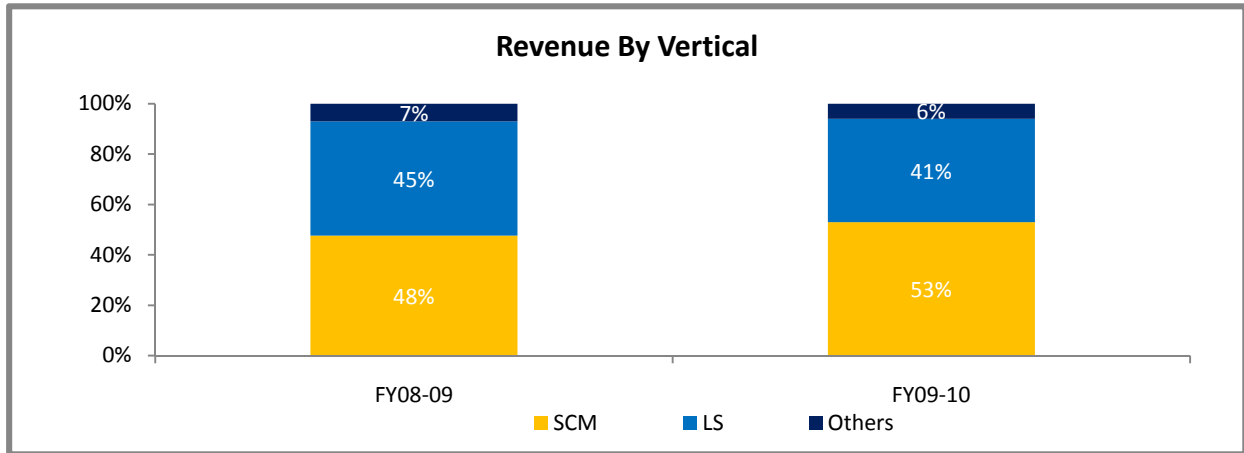
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## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE QUARTER AND YEAR ENDED MARCH 31, 2010

*All figures are in INR million, except per share data*

	Quarter ended		Year Ended	
	31-Mar-10	31-Mar-09	31-Mar-10	31-Mar-09
<b>Total Income</b>				
Net Sales/Income from Operations	954	507	3,518	3,354
Other Income	47	27	146	49
	<b>1,001</b>	<b>534</b>	<b>3,664</b>	<b>3,404</b>
<b>Expenses</b>				
Cost of Sales	585	335	2,354	2,145
Other Expenses	220	124	642	476
	<b>805</b>	<b>459</b>	<b>2,997</b>	<b>2,621</b>
<b>Profit Before Interest, Amortization, Depreciation &amp; Tax</b>	<b>196</b>	<b>75</b>	<b>667</b>	<b>782</b>
Product Development Expenses Written off	33	35	180	135
Depreciation	11	9	43	34
<b>Profit before Interest &amp; Tax</b>	<b>152</b>	<b>31</b>	<b>444</b>	<b>613</b>
Interest	8	7	39	18
<b>Profit before Tax</b>	<b>144</b>	<b>24</b>	<b>405</b>	<b>595</b>
Provision for Taxation	3	(11)	42	55
<b>Profit before Minority interest</b>	<b>141</b>	<b>36</b>	<b>363</b>	<b>540</b>
Minority interest	19	4	39	11
<b>Net Profit</b>	<b>122</b>	<b>31</b>	<b>324</b>	<b>529</b>
<b>Basic Earnings Per Share (INR)</b>	<b>1.02</b>	<b>0.27</b>	<b>2.70</b>	<b>4.41</b>
<b>Diluted Earnings Per Share (INR)</b>	<b>1.02</b>	<b>0.27</b>	<b>2.70</b>	<b>4.41</b>

## Revenue Analysis



## Earnings Call Details

TAKE Solutions invites to the earnings call for investors and analysts at **4:00 PM, Indian Standard Time (IST) on Monday, May 24, 2010**, where the senior management will discuss the company's performance and answer questions from the participants.

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

### **Conference Access Numbers:**

<b>Indian Access Numbers</b>	
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

<b>International Access Numbers</b>	
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	800 101 1941

**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 software and services provider with domain expertise in Life Sciences (LS) and Supply Chain Management (SCM). With intellectual property assets embedded within its technology solutions, and with a set of best practices executed by skilled domain and technology professionals, TAKE is constantly looking at opportunities to drive efficiencies for its clients' businesses.

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. The Company conducts business today with more than 390 customers worldwide.

TAKE has been recently recognized as India's 10th fastest growing technology company by Deloitte Technology Fast 50 India 2008 and has also been 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 is also a Microsoft Gold Certified Partner, a Charter Member of the Microsoft BioIT Alliance, and along with its subsidiary (ACI), is a Registered CDISC Solution Provider, with recognized industry leadership in Microsoft-based Solutions, Regulated Life Sciences, and Supply Chain Management.

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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