

## Earnings Release for the Quarter ended December 31, 2013 Results

**Chennai, India – Friday, January 31, 2014:** 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) today reported its consolidated financial results for the quarter ended December 31, 2013.

### THIRD QUARTER FY14 FINANCIAL SUMMARY

- *Revenue at INR 2,123 million; up 0.7% q-o-q and 2.5% y-o-y*
- *USD Revenue at USD 34.3 million; up 1.2% q-o-q and down 10.3% y-o-y*
- *Operating EBITDA at INR 386 million; up 1.0% q-o-q and 0.8% y-o-y*
- *EBITDA margin at 18.2%; +10bps q-o-q and -30bps y-o-y*
- *Net profit at INR 167 million; up 10.6% q-o-q and down 6.0% y-o-y*
- *Annualized diluted EPS at INR 5.57*
- *Interim dividend of Rs. 0.30 per share*
- *Increase revenue guidance*

“The performance in the third quarter of FY14 was better than our expectations. The strategy to focus on the Life Sciences business envisaged by the management at the start of the financial year has started showing results. We had significant deal wins in Life Sciences during the quarter, establishing the company as a partner in growth for our clients. The company’s focus continues to satisfy existing and emergent unmet needs that make good use of our proven capabilities and where our reputation stands us in good stead to win against our competition,” said Mr. Srinivasan H.R., Vice Chairman and Managing Director.

“We expanded our offerings in Life Sciences to have 360 degree coverage of the Pharma / Biotech R&D market – clinical, regulatory and safety. Furthermore, our investments in enhancing our go-to-market strategies have also enabled us to acquire new clients and expand our offerings to the existing clients,” he further added.

#### Three Months Performance

Consolidated revenue was INR 2,123 million for the quarter ended December 31, 2013. It represents 0.7% increase over second quarter of FY14 ended September 30, 2013 and 2.5% increase over the same period last year with Life Sciences’ contribution to total business crossed 60% for the first time in company’s history.

Operating Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) for the quarter was INR 386 million up 1.0% q-o-q and 0.8% y-o-y. EBITDA margin for the quarter was 18.2%, up 10bps q-o-q.

Net Profit for the quarter ended December 31, 2013 was INR 167 million. This represents an increase of 10.6% over the September, 2013 quarter and down 6.0% over the same period last year. Diluted Earnings per share (EPS) for the period was INR 1.39 and annualized EPS was INR 5.57.

#### Nine Months Performance

For the nine months ended December 31, 2013, consolidated revenue was INR 6,189 million, a decline of 2.8% over the same period last year. Operating EBITDA was INR 1,121 million down 10.1% y-o-y. The EBITDA margin for the period was

18.1% compared to 19.6% for the nine months ended December 31, 2012. Net Profit for the year till date was INR 451 million, a 29.6% decrease over the corresponding period of FY 2013. The diluted EPS for the period was INR 3.75.

## 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 2014.

## MAJOR DEAL WINS

- TAKE won a deal from the world's largest biotechnology company to assess the client's Pharmacovigilance processes. The project comprises of standards & training, AE reporting, safety analysis, Compliance/Audit/Quality, local business practices, external partnerships, system management, roles & responsibilities and safety interfaces.
- TAKE won its first deal from a South Korean research-based pharmaceutical and healthcare company.
- Won several deals for PharamReady suite of products.

## CERTIFICATION

- **TAKE's 'Asset Management & Tracking Solution' (TAMS)** is a certified Cisco solution for real-time location services (RTLS) based asset/equipment tracking. The solution utilizes the Wi-Fi network of the organization and provides a better ROI for their investments. TAMS addresses multi-floor assets/equipment tracking with this solution. TAMS also addresses the entire life cycle of asset thus protecting the investments made by the organization. The application integrates with ERP (SAP/ Oracle/Others) and Hospital Information Systems (HIS) applications to monitor and track patient information.
- **TAKE was recognized as the "Silver Partner" of Samsung Enterprise Alliance Program (SEAP).** The collective effort of the team paid rich dividends in gaining this recognition through showcasing the 'RoutePro' application on the Samsung tablet. TAKE is planning to add more products such as 'Gemini NxG' into this program. This alliance partner program will also open avenues to help TAKE position its products through the Samsung B2B App store.

## EVENT

- TAKE organized a series of facilitated working sessions in Tokyo, New York and London to explore and discuss the latest industry insights and best practices in both Pharmacovigilance and Labeling. The sessions had participation from more than 60 Life Sciences companies. A member satisfaction rating of 88% is an indication of the relevance of the topics covered, the engagement of members and the professionalism and capability of the TAKE team fronting the events.

## Thought Leadership

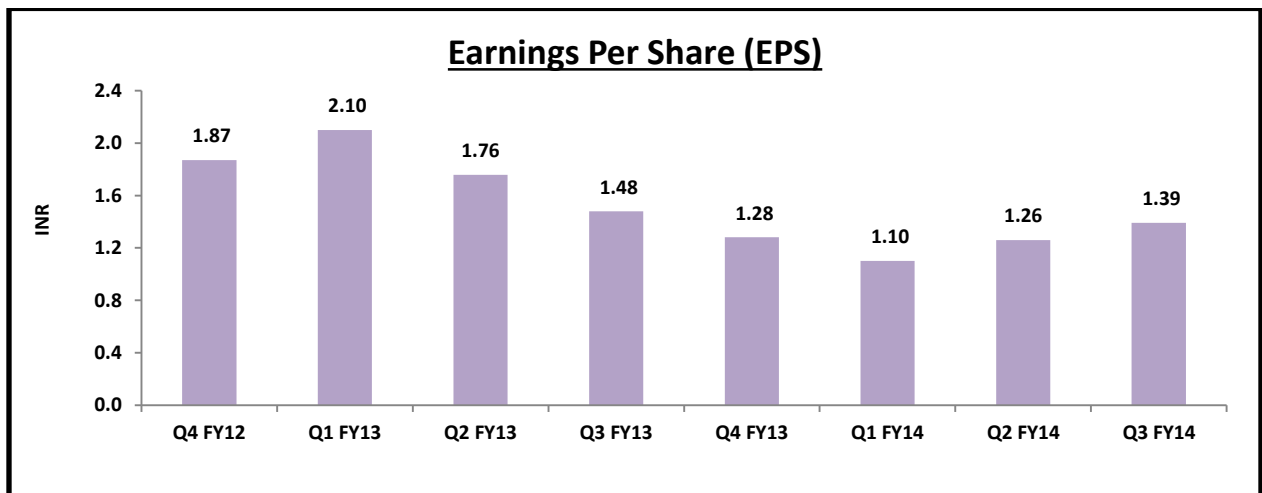
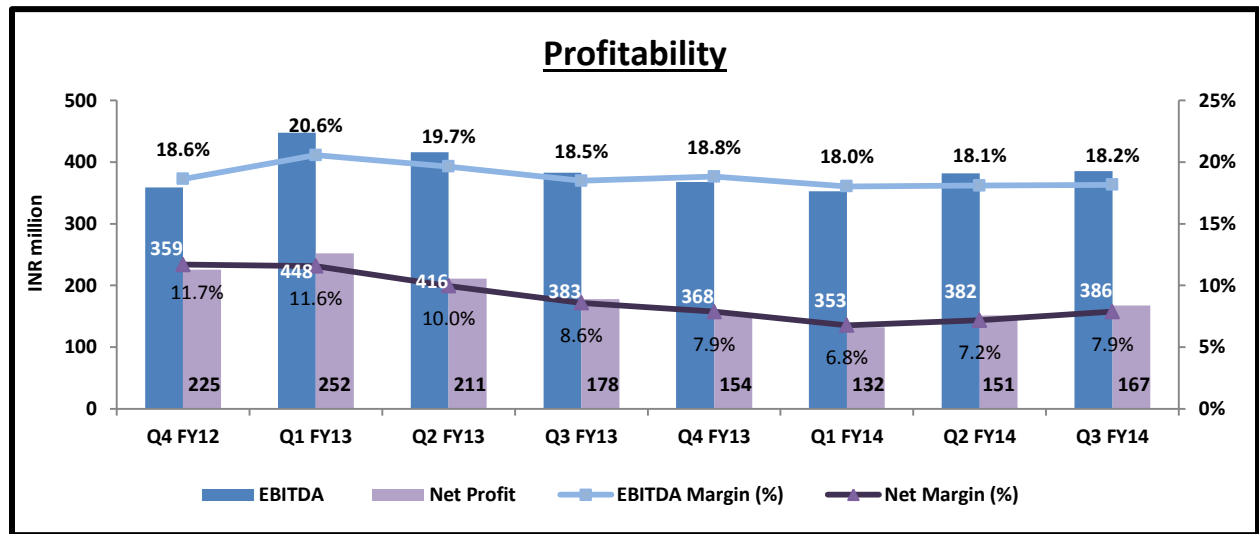
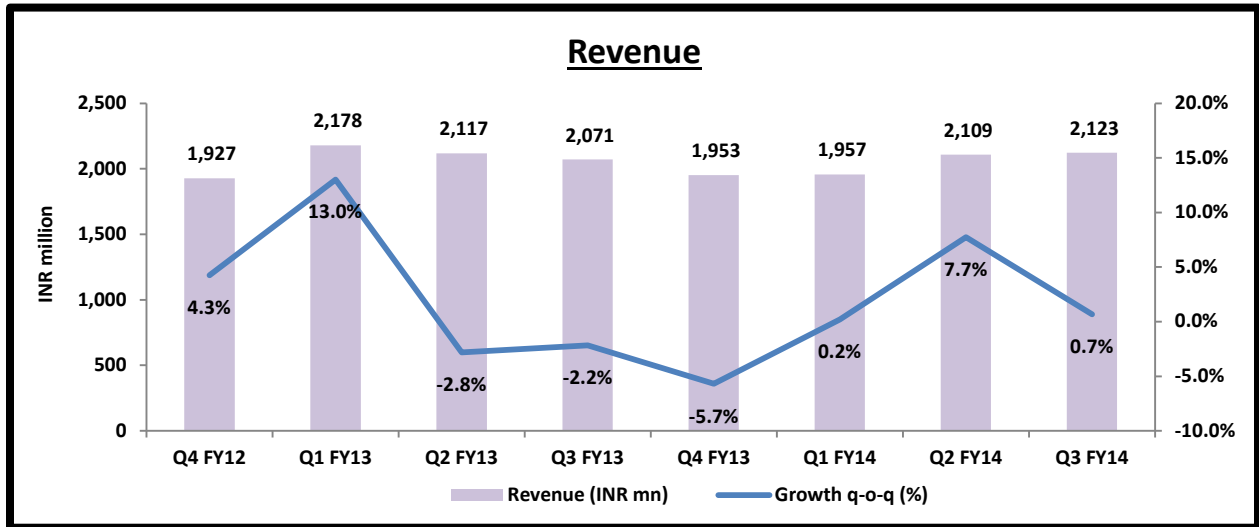
- TAKE published an eBook titled, “4 Steps to Leveraging Supply Chain Data Integration for Actionable Business Intelligence as part of its continuing thought leadership program. The eBook, written by Virginia Morgan, a Research Analyst, provides key steps and a check list for utilizing data integration for better Supply Chain operations. The book can be downloaded using the following link: <http://www.takesupplychain.com/eBooks/4StepstoLeveragingSupplyChainDataIntegrationforActionableBusinessIntelligence.pdf>

## FY 14 Guidance

### **Increase our revenue guidance for FY14:**

- FY14 revenue to be in the range of INR 7,650 million to INR 7,750 million
- FY14 PAT to be in the range of INR 595 million to INR 625 million

## GROWTH TRENDS



## OPERATING METRICS

| Revenue            |         |         |         |
|--------------------|---------|---------|---------|
|                    | Q3 FY14 | Q2 FY14 | Q3 FY13 |
| <b>INR Million</b> | 2,123   | 2,109   | 2,071   |
| Y-o-Y growth (%)   | 2.5%    |         |         |
| Q-o-Q growth (%)   | 0.7%    |         |         |
| <b>USD Million</b> | 34.3    | 33.9    | 38.2    |
| Y-o-Y growth (%)   | -10.3%  |         |         |
| Q-o-Q growth (%)   | 1.2%    |         |         |

| Revenue by Vertical |             |             |             |
|---------------------|-------------|-------------|-------------|
| %                   | Q3 FY14     | Q2 FY14     | Q3 FY13     |
| LS                  | 60%         | 59%         | 47%         |
| SCM                 | 32%         | 33%         | 51%         |
| Others              | 8%          | 8%          | 2%          |
| <b>Total</b>        | <b>100%</b> | <b>100%</b> | <b>100%</b> |

| Revenue by Geography |             |             |             |
|----------------------|-------------|-------------|-------------|
| %                    | Q3 FY14     | Q2 FY14     | Q3 FY13     |
| US                   | 61%         | 61%         | 54%         |
| Asia                 | 33%         | 32%         | 39%         |
| RoW*                 | 6%          | 7%          | 7%          |
| <b>Total</b>         | <b>100%</b> | <b>100%</b> | <b>100%</b> |

\*Rest of World

| Revenue Concentration |         |         |         |
|-----------------------|---------|---------|---------|
| %                     | Q3 FY14 | Q2 FY14 | Q3 FY13 |
| Top 5 Clients         | 19.3%   | 20.6%   | 15.4%   |
| Top 10 Clients        | 30.1%   | 30.7%   | 25.9%   |

| Order Book   |             |             |             |
|--------------|-------------|-------------|-------------|
| USD MN       | Q3 FY14     | Q2 FY14     | Q3 FY13     |
| LS           | 46.3        | 45.9        | 46.7        |
| SCM          | 26.5        | 26.1        | 38.5        |
| <b>Total</b> | <b>72.8</b> | <b>72.0</b> | <b>85.2</b> |

| <b>Key Balance Sheet Figures</b> |                |                |                |
|----------------------------------|----------------|----------------|----------------|
|                                  | <b>Q3 FY14</b> | <b>Q2 FY14</b> | <b>Q3 FY13</b> |
| Book Value per share (INR)       | 41.5           | 40.9           | 35.0           |
| Net Worth (INR Mn)               | 4,985          | 4,913          | 4,632          |
| Debt (INR Mn)                    | 2,022          | 1,991          | 1,992          |
| Cash & Cash Equivalents (INR Mn) | 1,176          | 1,173          | 1,221          |
| DSO                              | 99             | 99             | 97             |
| Net D/E (x)                      | 0.2            | 0.2            | 0.2            |

| <b>Dollar Rates</b> |                |                |                |
|---------------------|----------------|----------------|----------------|
|                     | <b>Q3 FY14</b> | <b>Q2 FY14</b> | <b>Q3 FY13</b> |
| Period Average Rate | 61.92          | 62.24          | 54.20          |
| Period Closing Rate | 61.92          | 63.00          | 54.99          |

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE QUARTER ENDED DECEMBER 31, 2013

| <i>Figures in INR million</i>                                       | Quarter ended |              |              | Nine Months Ended |              |
|---|---------------|--------------|--------------|-------------------|--------------|
|   | 31-Dec-13     | 30- Sept-13  | 31-Dec-12    | 31-Dec-13         | 31-Dec-12    |
| <b>Net Sales/Income from Operations</b>                             | <b>2,123</b>  | <b>2,109</b> | <b>2,071</b> | <b>6,189</b>      | <b>6,367</b> |
| <b>Expenses</b>   |               |              |              |                   |              |
| Cost of Sales   | 1,250         | 1,243        | 1,221        | 3,642             | 3,745        |
| Other Expenses  | 488           | 484          | 468          | 1,426             | 1,376        |
|   | <b>1,737</b>  | <b>1,727</b> | <b>1,689</b> | <b>5,068</b>      | <b>5,121</b> |
| <b>Profit Before Interest, Amortization, Depreciation &amp; Tax</b> | <b>386</b>    | <b>382</b>   | <b>383</b>   | <b>1,121</b>      | <b>1,246</b> |
| Product Development Expenses Written off                            | 110           | 78           | 59           | 249               | 178          |
| Depreciation  | 73            | 105          | 69           | 295               | 147          |
| <b>Profit before Interest &amp; Tax</b>                             | <b>202</b>    | <b>198</b>   | <b>255</b>   | <b>576</b>        | <b>921</b>   |
| Finance Charges   | 23            | 52           | 34           | 107               | 118          |
| Other Income  | 15            | 14           | 15           | 44                | 64           |
| <b>Profit before Tax</b>  | <b>194</b>    | <b>161</b>   | <b>235</b>   | <b>513</b>        | <b>867</b>   |
| Tax   | (19)          | 5            | 41           | (13)              | 152          |
| <b>Profit before Minority interest</b>                              | <b>213</b>    | <b>155</b>   | <b>194</b>   | <b>526</b>        | <b>715</b>   |
| Minority interest   | 46            | 4            | 16           | 75                | 74           |
| <b>Net Profit</b>   | <b>167</b>    | <b>151</b>   | <b>178</b>   | <b>451</b>        | <b>641</b>   |
| <b>Basic Earnings Per Share (INR)</b>                               | <b>1.39</b>   | <b>1.26</b>  | <b>1.48</b>  | <b>3.76</b>       | <b>5.34</b>  |
| <b>Diluted Earnings Per Share (INR)</b>                             | <b>1.39</b>   | <b>1.26</b>  | <b>1.48</b>  | <b>3.75</b>       | <b>5.33</b>  |

## 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](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.*

**For more details, please contact:**

**Sachin Garg**

Investor Relations

HP: +91 – 99625 45467/ +65 – 929 79748

[sachingarg@takesolutions.com](mailto:sachingarg@takesolutions.com)