

Earnings Release for the Quarter ended June 30, 2013 Results

Chennai, India – Friday, August 02, 2013: 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 June 30, 2013.

FIRST QUARTER FY14 FINANCIAL SUMMARY

- *INR Revenue stood at INR 1,957 million, a decrease of 10.1% y-o-y and increase of 0.2% q-o-q*
- *USD Revenue was USD 35.1 million, a decline of 12.1% y-o-y and 2.5% q-o-q*
- *Operating EBITDA at INR 353 million; down 21.2% y-o-y and 4.0% q-o-q*
- *EBITDA margin @ 18.0%*
- *Net profit at INR 132 million, down 13.9% q-o-q*
- *EPS at INR 1.10*

For the three months ended June 30, 2013, TAKE Solutions' consolidated revenue was INR 1,957 million, a decline of 10.1% y-o-y and an increase of 0.2% q-o-q. Revenue in US dollar declined 12.1% y-o-y and 2.5% q-o-q to USD 35.1 million. The decline in revenue was as per our guidance.

Operating Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) was INR 353 million a decrease of 21.2% y-o-y and 4.0% q-o-q. EBITDA margin declined to 18.0% compared to 18.8% in Q4 FY13 and 20.6% in Q1 FY13 on account of higher SG&A as percentage of sales.

Net Profit during the quarter was INR 132 million, a decrease of over 13.9% over Q4 FY13. The diluted EPS for the period was INR 1.10.

MANAGEMENT COMMENTS

The performance during the quarter ended June 30, 2013 was as per our expectation and guidance given for FY14. The demand remained soft during the quarter and is expected to remain subdued in the short term. We continue to work towards realigning our businesses and operations to make the company more profitable and value creating for our shareholders in the long term. Our focus is:

- To be a 360 degree solution provider to the Life Sciences industry through our offerings across the clinical, regulatory, and safety processes of the drug development, and
- To be a niche player in the Supply Chain Management domain with our selective offerings including Engineering Services, Enterprise Mobility and Collaboration

MAJOR DEAL WINS

- **TAKE won Biogen Idec ALP project:** TAKE will develop a comprehensive inventory of processes currently performed in the Advertising, Labeling & Promotion (ALP) department at Biogen Idec, the oldest independent biotechnology company in the world.
- **TAKE won ARGUS Implementation from Macleods Pharma:** TAKE Solutions will implement Argus services for Macleods Pharmaceuticals Limited, a vertically integrated global pharmaceutical company with Anti-TB as a focused area of operation
- **TAKE won ROUTEPRO32 Upgrade for Intercol Bahrain:** The RoutePro32 Upgrade will be deployed for the automation of direct van sales along with intelligent reporting. This upgrade will facilitate Intercol's requirements of advanced promotions and pricing & route-sequencing. SMS alerts for real-time updates on invoicing at outlets are added as a feature to ensure increased return rate for accurate and complete transactions. The next generation Intermec CN70 handheld computers & Printers will also be deployed as a part of this upgrade.

AWARDS AND RECOGNITIONS

- **TAKE was named in the 12th annual listing of the "SDCE 100"** by Supply & Demand Chain Executive magazine. This year the award was measured based on the company Return on Investment (ROI) through cost-cutting and increased efficiency in key areas of the end-to-end supply chain such as warehouse, transportation, or procurement sourcing. TAKE was specifically recognized for helping a leading Fortune 100 company in the oil and gas sector extend trading partner collaboration to increase inbound inventory control and receiving efficiency, prevent early shipments and increase supplier compliance with business processes through expanded workflow automation.
- **TAKE was awarded for 'Innovation in Learning' at the Best-In-Class Learning and Development Awards** organized by the World Education Congress in Mumbai. TAKE was recognized for leveraging learning and development to significantly advance the productivity and performance of its workforce.

PARTNERSHIP

- TAKE entered into a partnership with Sparta Systems, Inc., an industry pioneer and global leader in enterprise quality management software (EQMS) solutions. Through this partnership, TAKE Solutions will now be marketing and providing professional services for Sparta Systems' TrackWise® EQMS in the Indian and ASEAN markets. TrackWise® optimizes quality, ensures compliance and reduces costs and risk for world-class clients across a range of regulated industries.

EVENTS PARTICIPATION

- **DIA 2013 Annual Meeting in Boston:** TAKE Life Sciences recently exhibited at the DIA 2013 annual meeting held between June 24 and 26 at Boston. Representatives from TAKE and WCI attended this three day conference. The event witnessed more than 7,000 professionals from discovery, development and life-cycle management of pharmaceuticals, medical devices and related products along with 450 exhibits on display.

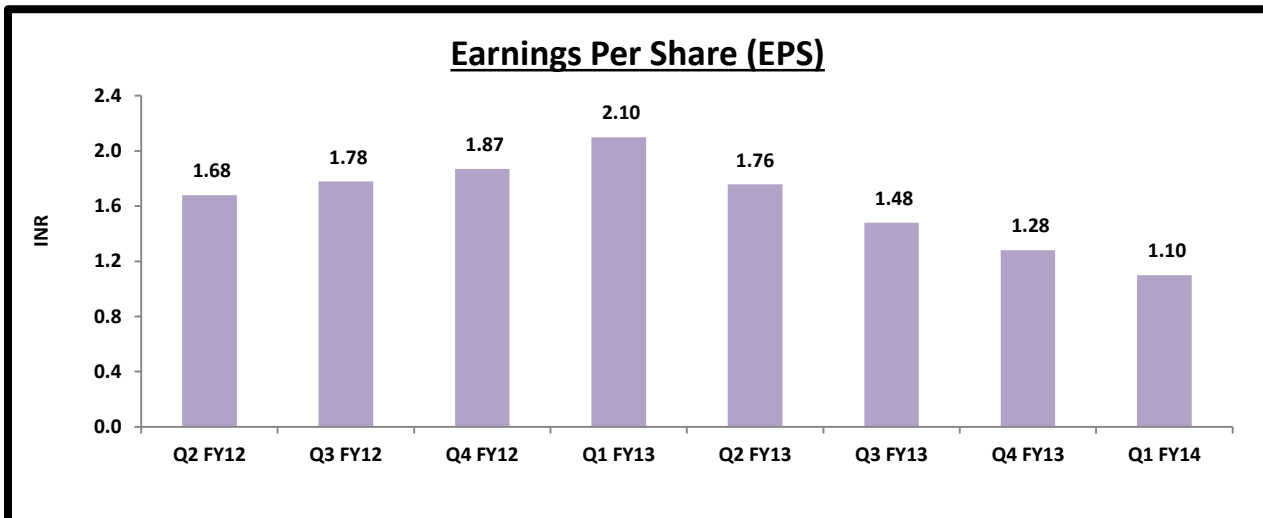
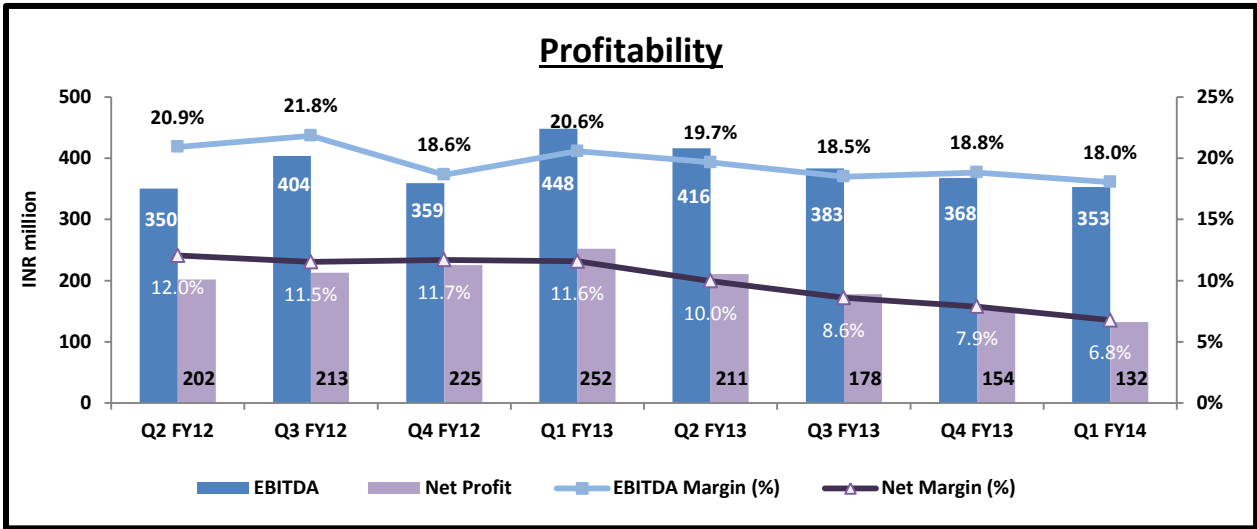
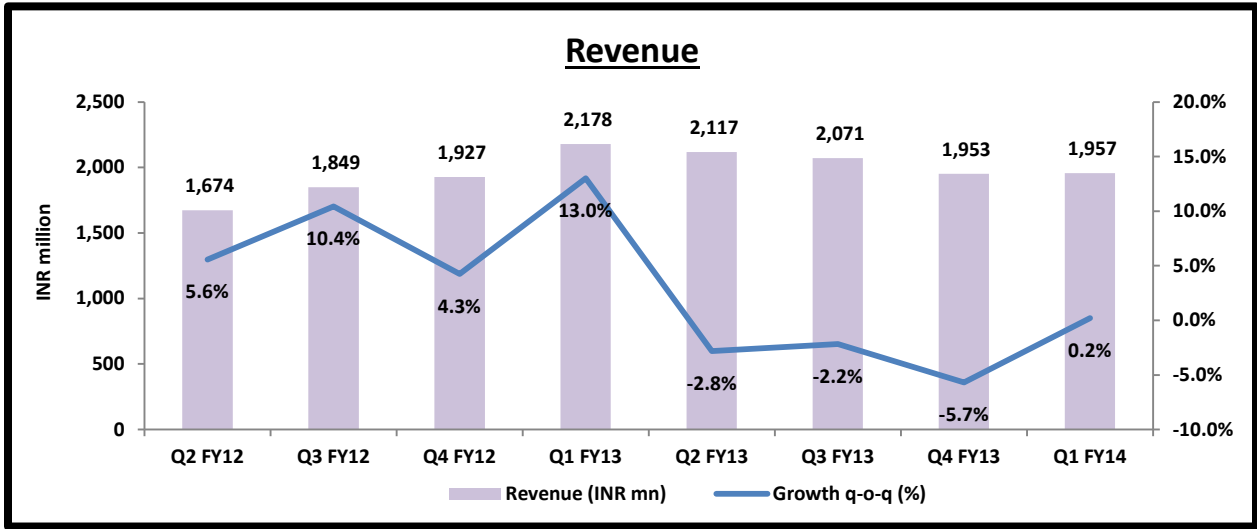
- **Annual Pharmacovigilance Asia Conference:** TAKE together with Oracle co-sponsored the fourth ‘Annual Pharmacovigilance Asia’ 2013 conference at Singapore. Agy George (Head - APAC Sales) and Varadarajan Srinivasan (Vice President, Oracle Life Sciences Competency) represented TAKE at the conference. Varadarajan Srinivasan gave a presentation on ‘Emerging Solutions in the PV space’ to the visiting delegates.
- **Event on Enterprise Mobility:** TAKE hosted an event on “Demystifying Enterprise Mobility” on June 27 together with Intermec Technologies which brought together Industry leaders, Innovators and Supply Chain Practitioners from Pharma and Manufacturing verticals. The Chief Guest, Mr. Gangadhar G (Director, Forbes Marshall) mentioned the step by step process of how they implemented mobility by deploying TAKE’s Gemini mobility solution and automated areas such as Receipt Automation, WIP Tracking, Move Transactions, Job Card Tracking and RTV Transactions on top of Oracle R12. Mr. Lakshmi Narayanan (CIO, Strides Arcolab) explained how Strides adopted the end to end enterprise mobility to have complete control over the entire incoming Formulation Processes, Dispensing, Manufacturing and Shipping Transitions. The integration with weighing scale allowed Strides gain complete control over the incoming quantity without any manual intervention. TAKE’s Mobility Framework (TMF) was launched during the event.

FY 14 Guidance

TAKE continue to maintain its guidance for FY14:

- FY14 revenue to be in the range of INR 6,900 million to INR 7,200 million
- FY14 PAT to be in the range of INR 595 million to INR 625 million

GROWTH TRENDS



OPERATING METRICS

Revenue			
	Q1 FY14	Q4 FY13	Q1 FY13
INR Million	1,957	1,953	2,178
Y-o-Y growth (%)	-10.1%	1.3%	37.3%
Q-o-Q growth (%)	0.2%	-5.7%	13.0%
USD Million	35.1	36.0	39.9
Y-o-Y growth (%)	-12.1%	-4.9%	13.9%
Q-o-Q growth (%)	-2.5%	-5.8%	5.5%

Revenue by Vertical			
%	Q1 FY14	Q4 FY13	Q1 FY13
LS	59%	50%	53%
SCM	33%	49%	43%
Others	8%	1%	4%
Total	100%	100%	100%

Revenue by Geography			
%	Q1 FY14	Q4 FY13	Q1 FY13
US	58%	57%	61%
Asia	34%	35%	33%
RoW*	8%	8%	6%
Total	100%	100%	100%

*Rest of World

Revenue by Category			
%	Q1 FY14	Q4 FY13	Q1 FY13
Product License & Related activities	21%	23%	21%
Business Services	68%	66%	64%
AMC*	9%	10%	11%
Others	2%	1%	4%
Total	100%	100%	100%

* Annual Maintenance Contract

Revenue Concentration			
%	Q1 FY14	Q4 FY13	Q1 FY13
Top 5 Clients	14.8%	14.8%	24.9%
Top 10 Clients	22.9%	23.3%	32.8%

Key Balance Sheet Figures			
	Q1 FY14	Q4 FY13	Q1 FY13
Book Value per share (INR)	38.40	35.03	32.00
Net Worth (INR Mn)	4,608	4,204	4,293
Debt (INR Mn)	1,824	1,910	1,569
Cash & Cash Equivalents (INR Mn)	1,069	1,262	1,094
DSO	98	97	91
Net D/E (x)	0.2	0.2	0.1

Order Book			
USD MN	Q1 FY14	Q4 FY13	Q1 FY13
LS	45.1	44.6	51.6
SCM	26.5	34.5	41.2
Total	71.7	79.1	92.8

Dollar Rates			
	Q1 FY14	Q4 FY13	Q1 FY13
Period Average Rate	55.80	54.27	54.58
Period Closing Rate	59.67	54.66	56.23

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR
THE QUARTER ENDED JUNE 30, 2013

<i>Figures in INR million</i>	Q1 FY14	Q4 FY13	Q-o-Q Growth (%)	Q1 FY13	Y-o-Y Growth (%)
Income From Operations	1,957	1,953	0.2%	2,178	-10.1%
Cost of Sales	1,150	1,150	0.0%	1,278	-10.0%
Other Expenses	454	435	4.3%	453	0.4%
	1,604	1,585	1.2%	1,730	-7.3%
EBITDA	353	368	-4.0%	448	-21.2%
Product Development Expenses Written off	61	63	-3.4%	59	3.7%
Depreciation	117	76	54.2%	29	300.6%
Profit before Interest & Tax	175	229	-23.4%	360	-51.3%
Finance Charges	32	26	24.6%	51	-36.9%
Other Income	15	2	611.1%	36	-58.3%
Profit before Tax	158	205	-23.0%	345	-54.2%
Tax	0	29	-98.5%	61	-99.3%
Profit before Minority interest	158	176	-10.3%	284	-44.5%
Minority interest	25	22	15.1%	32	-21.4%
Net Profit	132	154	-13.9%	252	-47.4%
Basic Earnings Per Share (INR)	1.10	1.28	-13.7%	2.1	-47.4%
Diluted Earnings Per Share (INR)	1.10	1.28	-14.0%	2.1	-47.6%

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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