

TAKE Solutions Ltd. Announces Results for the Quarter ended September 30, 2012

Chennai, India – Friday, November 09, 2012

Highlights:

- **Revenue was INR 2,117 million, y-o-y growth of 26.4% and q-o-q decline of 2.8%**
- **In USD terms, revenue was USD 38.4 million, y-o-y growth of 6.0% and q-o-q decline of 3.8%**
- **Operating EBITDA at INR 416 million; up 18.8% y-o-y and down 7.1% q-o-q**
- **Net profit at INR 211 million, up 4.7% y-o-y and down 16.3% q-o-q**
- **Diluted Q2 FY13 EPS at INR 1.76**
- **Board declares 30% interim dividend**
- **Received the ASIAN HR Leadership Award 2012 for “Organization with Innovative HR Practices”**

	Q2 FY13 (₹mn)	Y-o-Y change (%)	Q-o-Q change (%)
Total Revenue	2,117	26.4%	-2.8%
EBITDA	416	18.8%	-7.1%
Net Profit	211	4.7%	-16.3%
Diluted Earnings Per Share (₹)	1.76	4.8%	-15.8%

TAKE Solutions’ consolidated revenue was INR 2,117 million for the quarter ended September 30, 2012. It represents 26.4% increase over the same period last year and 2.8% decrease over first quarter of FY13 ended June 30, 2012.

Operating Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) for the quarter was INR 416 million up 18.8% y-o-y and down 7.1% q-o-q. The EBITDA margin for the quarter was 19.7% compared to 20.6% in Q1 FY13.

Net Profit for the quarter ended September 30, 2012 was INR 211 million. This represents an increase of 4.7% over the same period last year and decrease of 16.3% over the June, 2012 quarter. The EPS for the period was INR 1.76.

- **Revenues were below expectation due to:**
 - Lower than anticipated ramp-up by two key Life Sciences (LS) clients
 - Management changes at two of our key LS clients
 - Significant delay in business decision from the clients

- **EBITDA was lower due to:**

- Lower contribution from Life Sciences vertical. In Q2 FY13 revenue contribution of LS vertical to total revenue declined to 48% compared to 53% in Q1 FY13.
- Higher SG&A: SG&A as percentage of revenue increased from 20.8% in Q1 FY13 to 21.5% in Q2 FY13 representing a 70 bps increase primarily on account of higher marketing expense.

SIX MONTHS ENDED SEPTEMBER 30, 2012

For the six months ended September 30, 2012, consolidated revenue was INR 4,295 million, a growth of 31.8% over the same period last year. Operating EBITDA was INR 864 million up 25.5% y-o-y. The EBITDA margin for the period was 20.1% compared to 21.1% for the six months ended September 30, 2011. Net Profit for the year till date was INR 463 million, a 10.7% increase over the corresponding period of FY 2012. The EPS for the period was INR 3.86.

We are cautious on the near to medium term demand environment. This is expected to have an impact on growth in FY13.

INTERIM DIVIDEND

The Board of Directors of the Company at its meeting held on November 09, 2012, inter alia, has declared an interim dividend of Rs. 0.30/- per equity share (30%, on a face value of Re. 1/- per share) for the Financial Year 2012-13.

RIGHTS ISSUE

The Board has passed the enabling resolution to raise capital by rights issue. This is addition to the resolution passed in the recent AGM for further issue of equity shares. These resolutions will help the company to act swiftly when investment opportunities arise.

CLIENT WINS

- TAKE Life Sciences continues to expand business with two of the top five pharmaceutical companies in the world in the US. We also won a large Pharmacovigilance project in Europe by one of the top twenty pharmaceutical companies.
- With 2 key PharmaReady deals in the Middle East, one in Saudi Arabia and the other in Oman, TAKE continues to expand its life sciences footprint across the globe with customer wins in new geographies.

- SCM services projects were also added for a number of customers, including a large data collection enhancement project for a leading energy company and a large collaboration enhancement project for a global nutrition company in the US.
- There was significant traction in SCM in Middle East region, which helped us to outperform the budgeted numbers for the region.

THOUGHT LEADERSHIP

- TAKE Life Sciences published a whitepaper “Outsourcing in Regulatory Affairs: Insights from the Top Pharmaceuticals” by Kris Spahr, Regulatory Practice Director in July. This white paper was published on the PharmaVoice and Pharmtech websites and was also linked to a video interview of Kris by Pharmavoice from the floor of the DIA Annual Meeting
- Dr. Jonathan Seltzer, President, spoke on the “Definitions and Emerging Requirements for Endpoint Adjudication and their impact on Data Management” in a panel presentation led by Mark Williams and titled “Clinical Endpoint Adjudication: A clinical trial within a clinical trial?” at the 2012 Annual SCDM Meeting held in September. Dr. Seltzer also delivered a talk on “Building a Sustainable Business in a Knowledge Based Industry” to the Singapore Philadelphia Innovators Network at the University of Pennsylvania.

AWARDS and RECOGNITION

- TAKE was awarded for the organization with innovative HR practices, in the ASIAN HR Leadership Awards on 25th September, 2012 at Dubai. The award highlights, recognizes and rewards the organizations’ ability to steer their businesses through turbulent times, applying the best of business modules to manage and keep their missions afloat.

PARTNERSHIPS

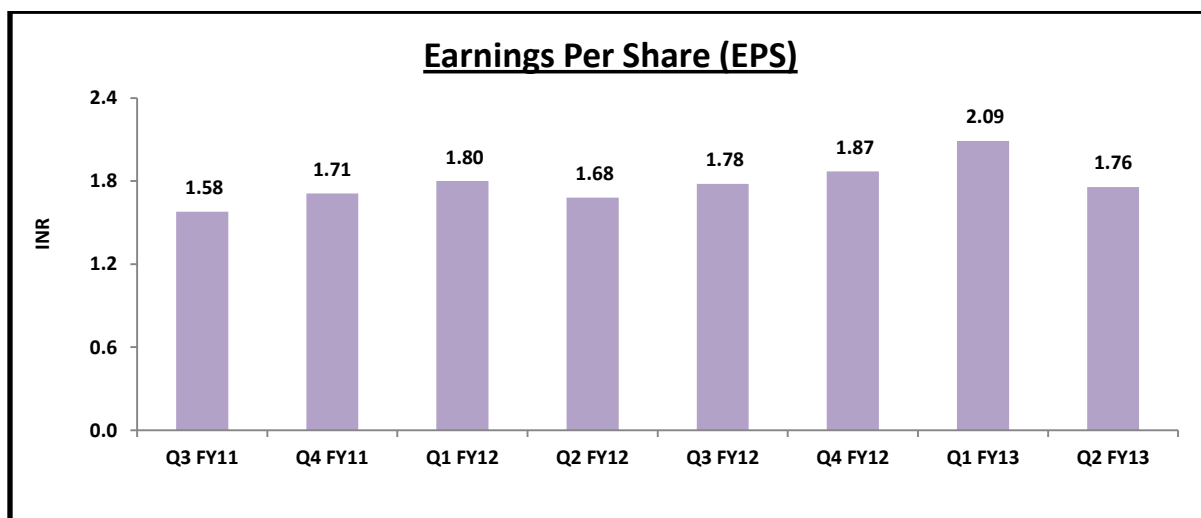
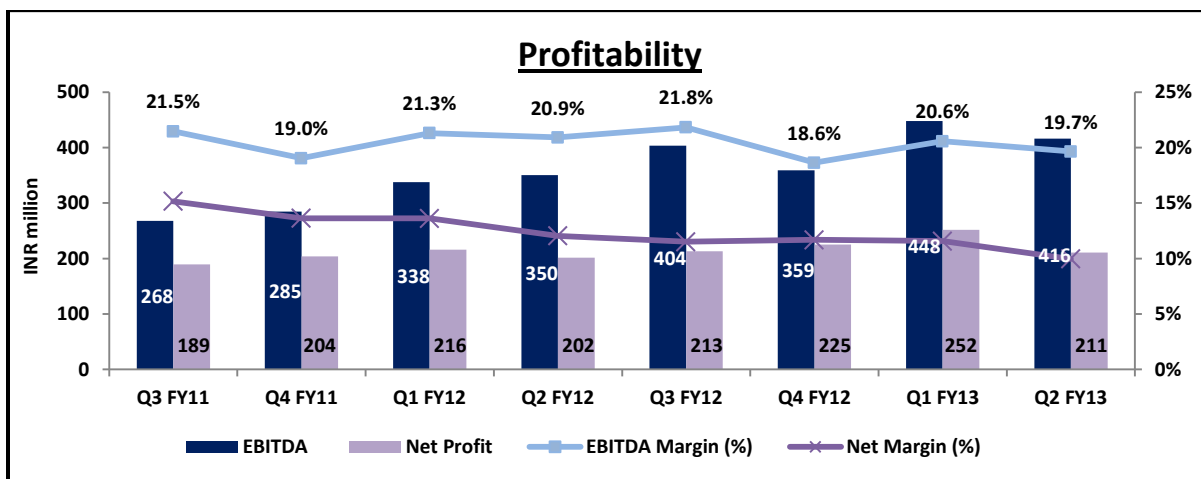
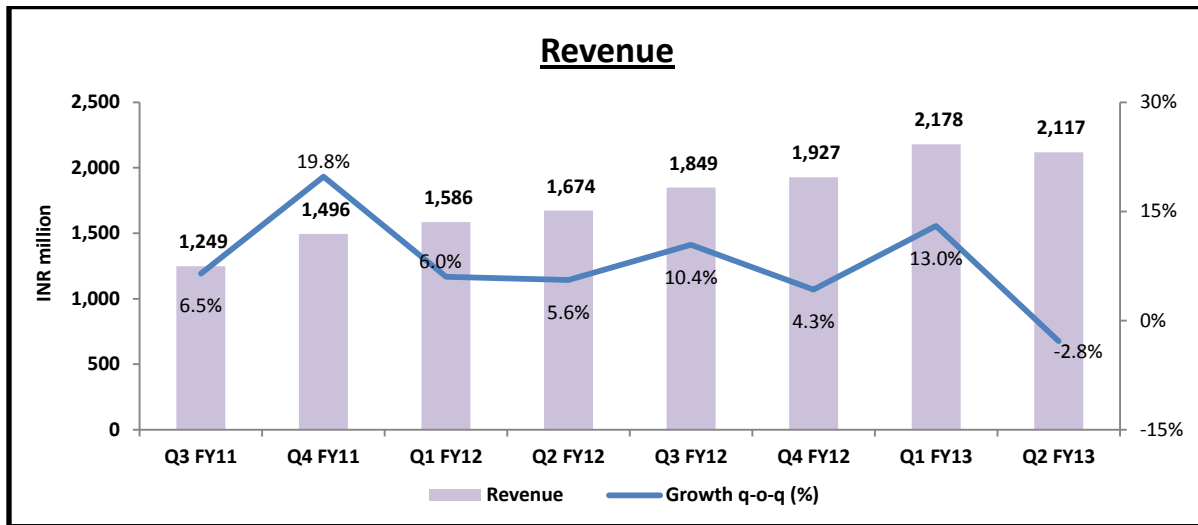
- TAKE Life Sciences took steps to achieve OPN Specialized status for Oracle Argus Safety Suite and solidify its customer references this quarter. TAKE also formed new partnerships with Alto Soft, Veeva, IBM and EMC.

NEW PRODUCT DEVELOPMENT

- TAKE is working on developing product for pharma clients in the area of *Serialization and Item-level Track & Trace* as the industry is heading closer to the “California deadline” of 2015. This legislative mandates for Serialization of saleable pharma units within the US.

We are uniquely positioned to serve this market, as the Serialization issue requires domain knowledge in both of TAKE's primary domain knowledge areas (Life Sciences and Supply Chain). In addition, TAKE has been providing supply chain solutions for lot genealogy and serialized products for over 15 years – across a number of industries (the business problem that Pharma is tackling is not new). Furthermore, TAKE's Life Sciences practice currently provides a full suite of clinical, regulatory, and safety solutions to the biopharma industry. Item-level Serialization fits extremely well within the broader portfolio of TAKE's fully integrated approach to this market segment.

GROWTH TRENDS



OPERATING MATRIX

Revenue			
	Q2 FY13	Q1 FY13	Q2 FY12
INR Million	2,117	2,178	1,674
Y-o-Y growth (%)	26.4%	37.0%	42.7%
Q-o-Q growth (%)	-2.8%	13.0%	5.5%
USD Million	38.4	39.9	36.2
Y-o-Y growth (%)	6.0%	14.0%	40.0%
Q-o-Q growth (%)	-3.8%	6.0%	3.4%

Revenue by Vertical			
%	Q2 FY13	Q1 FY13	Q2 FY12
LS	48%	53%	50%
SCM	50%	43%	45%
Others	2%	4%	5%
Total	100%	100%	100%

Revenue by Geography			
%	Q2 FY13	Q1 FY13	Q2 FY12
US	55%	61%	62%
Asia	38%	33%	31%
RoW*	7%	6%	7%
Total	100%	100%	100%

*Rest of World

Revenue by Category			
%	Q2 FY13	Q1 FY13	Q2 FY12
Product License & Related activities	20%	21%	22%
Business Services	67%	64%	65%
AMC*	11%	11%	11%
Others	2%	4%	2%
Total	100%	100%	100%

* Annual Maintenance Contract

Revenue Concentration			
	Q2 FY13	Q1 FY13	Q2 FY12
%			
Top 5 Clients	20.0%	24.9%	18.6%
Top 10 Clients	29.8%	32.8%	29.2%

Key Balance Sheet Figures			
	Q2 FY13	Q1 FY13	Q2 FY12
Book Value per share (INR)	32	32	28
Net Worth (INR Mn)	4,320	4,293	3,404
Debt (INR Mn)	1,907	1,569	1,866
Cash & Cash Equivalents (INR Mn)	1,201	1,094	1,056
DSO	92	91	82
Net D/E (x)	0.2	0.1	0.2

Order Book			
USD MN	Q2 FY13	Q1 FY13	Q2 FY12
LS	46.0	51.6	38.4
SCM	39.3	41.2	33.7
Total	85.3	92.8	72.1

Dollar Rates			
	Q2 FY13	Q1 FY13	Q2 FY12
Period Closing Rate	52.80	56.23	49.74
Period Average Rate	55.13	54.58	46.20

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE QUARTER ENDED SEPTEMBER 30, 2012

<i>Figures in INR mn</i>	Quarter ended		Half Year Ended		Year Ended
	30-Sep-12	30-Sep-11	30-Sep-12	30-Sep-11	31-Mar-12
Net Sales/Income from Operations	2,117	1,674	4,295	3,260	7,037
Expenses					
Cost of Sales	1,246	1,018	2,524	1,999	4,269
Other Expenses	455	306	908	573	1,317
	1,701	1,324	3,432	2,572	5,586
Profit Before Interest, Amortization, Depreciation & Tax	416	350	864	688	1,451
Product Development Expenses Written off	61	43	119	87	187
Depreciation	49	18	78	27	79
Profit before Interest & Tax	306	289	667	574	1,185
Finance Charges	32	36	84	72	183
Other Income	13	34	50	57	151
Profit before Tax	287	288	632	559	1,153
Tax	50	64	111	115	211
Profit before Minority interest	237	224	521	445	942
Minority interest	26	22	58	27	86
Net Profit	211	202	463	418	856
Basic Earnings Per Share (INR)	1.76	1.68	3.86	3.48	7.13
Diluted Earnings Per Share (INR)	1.76	1.68	3.86	3.48	7.13

Earnings Call Invite

The company will conduct a conference call for investors and analysts **on Friday, November 9, 2012 at 4.00 pm Indian Standard Time (IST)**, where the senior management will discuss the company's performance and conduct a question and answer session.

The conference call details are as below:

Conference Access Numbers:

Primary number +91 22 6629 0301

Secondary number +91 22 3065 0122

Local Access number 6000 1221

Available in - Delhi, Bangalore, Chennai, Hyderabad, Kolkata

(Accessible from all major carriers except BSNL/MTNL)

3940 3977

Available in - Gurgaon (NCR), Bangalore, Kolkata, Cochin, Pune, Lucknow, Ahmedabad, Chandigarh

(Accessible from all carriers)

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

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 suite includes 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 by IDC's MarketScape Worldwide Life Sciences R&D IT Outsourcing for 2011. 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.

For more details, please contact:

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