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Media Release - FOR IMMEDIATE RELEASE

Speaking on the results, Rajiv C Mody, Chairman and Managing Director Sasken Communication Technologies limited said, "While revenues have remained flat on a sequential quarter basis, we have been able to make significant improvements in our operating margins. In celebration of its 25th year since incorporation, the Board has declared a special dividend of Rs.22.50 per equity share in addition to the special dividend of Rs.2.50 declared in October 2013, thus taking the total special dividend to Rs.25.00 (250%)". "Our leadership team under the guidance of Anjan Lahiri, our CEO is putting together a plan that will see us returning to growth in the coming quarters" added, Mr. Mody.

Bangalore, 20 January 2014: Sasken Communication Technologies Limited (BSE: 532663, NSE: SASKEN) today announced its consolidated results according to Indian GAAP for the third quarter ended December 31, 2013.

Performance Snapshot for the Quarter: Q3 FY 14

- Consolidated Revenues for Q3 FY 14 at ₹. 113.15 Crore
  - Sequentially same as the previous quarter
  - Down 3.1 % YoY from Q3 FY 13

- Consolidated EBIDTA for Q3 FY 14 at ₹. 13.58 Crore
  - Up 41.4 % sequentially over the previous quarter
  - Up 5.3% YoY from Q3 FY 13

- Consolidated PAT for Q3 FY 14 at ₹. 11.12 Crore
  - Down 19.2 % sequentially over the previous quarter
  - Up 5.8% YoY from Q3 FY 13
  - PAT Margins for the quarter at 9.8 %

Key Business metrics for the Quarter: Q3 FY 14

- Software services revenues for Q3 FY 14 at ₹. 108.27 Crore
  - Up 0.3 % sequentially over the previous quarter
  - Down 2.8% YoY from Q3 FY 13

- Products group revenues for Q3 FY 14 at ₹.4.39 Crore
  - Down 4.4 % sequentially over the previous quarter
  - Down 5.7% YoY from Q3 FY 13

- Consolidated EBIDTA margins were at 12.0 %.
  - Services EBIDTA margins were at 15.1 %
  - Products EBIDTA margins were at -60.7 %

Indian GAAP Financial Release - Q3 FY 14

- Revenue contribution from
  - the Top five customers stood at 40.5 % and
  - from Top 10 customers at 59.8 %

- Consolidated EPS was at ₹. 5.24 for the quarter

- 4 new customers added during the quarter making the total of active customers to 139

A fact sheet providing the operating metrics for the company and a presentation for analysts can be downloaded from the investor section of the corporate website www.sasken.com.

About Sasken:

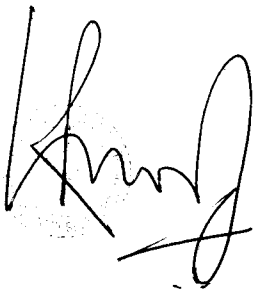
Sasken (www.sasken.com) is an embedded communications solutions company, that helps businesses across the communications value chain accelerate product development life cycles. Sasken offers a unique combination of research and development consultancy, wireless software products and software services, and works with Network OEMs, Semiconductor Vendors, Terminal Device OEMs and Operators across the world. Global Fortune 500 and Tier 1 companies in these segments are part of Sasken's customer profile.

Disclaimer on Forward Looking Statements:

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 due to risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to successfully implement our strategy and our growth and expansion plans, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, changes in the laws and regulations that apply to the Indian IT services industry, including with respect to tax incentives and export benefits, adverse changes in foreign laws, including those relating to outsourcing and immigration, increasing competition in and the conditions of the Indian and global IT services industry, the prices we are able to obtain for our services, wage levels in India for IT professionals, the loss of significant customers the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in the information technology/ telecommunication industries. Additional risks that could affect our future operating results are more fully described in our Red herring filing. The company 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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Sasken Communication Technologies Ltd.
Consolidated Key Metrics

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	Q3 FY 14	Q2 FY 14	Q1 FY 14	Q4 FY 13	Q3 FY 13	Q2 FY 13	Q1 FY 13
Employee Metrics							
Employees, period end							
Total Employees (Consolidated)	**2,053**	**2,108**	**2,122**	**2,291**	**2,560**	**2,762**	**2,960**
Services S/W, Product S/W and technical professionals	1,827	1,868	1,892	2,050	2,308	2,505	2,684
Support Staff	226	240	230	241	252	257	276
Hiring Metrics							
Gross Adds	116	150	76	59	109	110	237
Net Adds	(55)	(15)	(169)	(269)	(202)	(198)	(66)
Attrition % Annualized (Based on Voluntary attrition only)	28.3%	28.0%	37.2%	36.8%	28.7%	34.3%	35.4%
Attrition % LTM (Based on Voluntary attrition only)	31.4%	31.5%	34.0%	34.7%	33.3%	32.4%	31.6%
Revenue by geography - Consolidated (In %)							
North America	34%	33%	28%	24%	24%	25%	22%
EMEA	38%	36%	37%	34%	35%	33%	36%
India	20%	23%	23%	29%	31%	32%	26%
APAC	8%	8%	12%	13%	10%	10%	13%
Client Concentration (In %)							
Top 5 client contribution to revenues	40.5%	42.0%	42.0%	45.6%	49.0%	50.6%	50.9%
Top 10 client contribution to revenues	59.8%	60.0%	64.0%	66.4%	69.7%	72.5%	73.5%
Relationships with Tier 1 Customers - Services+Products							
< 1 Million dollar customers - Trailing 12 months	13	11	11	11	11	11	14
1 < >3 Million dollar customers - Trailing 12 months	8	7	8	8	8	8	6
3 < >10 Million dollar customers - Trailing 12 months	7	10	9	8	6	6	7
10 < >20 Million dollar customers - Trailing 12 months				1	2	2	1
> 20 Million dollar customers - Trailing 12 months							1
Utilization, including trainees (Services Only - In %)	73.0%	74.6%	75.6%	69.5%	67.9%	64.5%	66.9%
Revenue Split (Products Only) (In ₹ Million)							
License fees	4	5	10	33	26	18	11
Royalties	12	13	21	19	18	30	107
Customization	29	28	25	4	2	2	5
Revenue Split (Services Only) (In ₹ Million)							
Onsite	492	423	421	373	354	309	382
Offshore	590	657	674	701	763	756	816
Revenue by Project Type (Services Only) (In ₹ Million)							
Time and Material (including compensation)	890	865	854	786	862	862	944
Fixed Price	192	215	241	288	255	203	254