

SONATA



SONATA SOFTWARE LIMITED

A.P.S. TRUST BUILDING, BULL TEMPLE ROAD,

N. R. COLONY, BANGALORE - 560 019, INDIA.

TEL: 91-80-30971999 FAX: 91-80-26610972



February 14, 2011

The Manager
Market Operations
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

Dear Sir/Madam,

**SUB : AUDITED RESULTS FOR THE QUARTER AND NINE
MONTHS ENDED 31ST DECEMBER, 2010
REF : CLAUSE 41 OF THE LISTING AGREEMENT**

With reference to the above, we wish to inform you that the audited financial results for the above period were considered and adopted by the Board in their meeting held today. We are sending herewith highlights of the financial results in the prescribed format.

A copy of the press release and Investor Update is enclosed for your reference.

Kindly take the same on record.

Thanking you,

Very truly yours,
For **SONATA SOFTWARE LIMITED**

PRAVEEN KUMAR D
COMPANY SECRETARY

CC to : The National Stock Exchange Ltd - Mumbai

N. M. RAIJI & CO.
Chartered Accountants
Universal Insurance Building,
Pherozeshah Mehta Road,
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Auditor's Report On Quarterly Financial Results and Year to Date Results of Sonata Software Ltd
Pursuant to the Clause 41 of the Listing Agreement

To The Board of Directors of Sonata Software Limited,

We have audited the quarterly financial results of Sonata Software Limited for the quarter ended 31st December, 2010 and the year to date results for the period 1st April, 2010 to 31st December, 2010, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

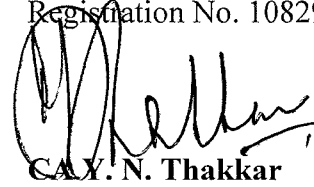
- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter ended 31st December, 2010 as well as the year to date results for the period from 1st April, 2010 to 31st December, 2010.



N. M. RAIJI & CO.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **N. M. Raiji & Co**
Chartered Accountants
Registration No. 108296W



C.A.Y. N. Thakkar

Partner

Membership No. 33329

Place : Bengaluru

Date : 14th February, 2011

SONATA SOFTWARE LIMITED

Registered Office: 208, T.V. Industrial Estate, S.K. Ahire Marg, Worli, Mumbai - 400 030
Corporate Office: 1/4, A.P.S Trust Building, Bull Temple Road, N.R. Colony, Bangalore - 560 019

STANDALONE AUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2010

Figures in Rs. Lakhs
(Except EPS)

	Particulars	Quarter ended		Nine months ended		Year ended
		31.12.2010	31.12.2009	31.12.2010	31.12.2009	
1	Sales and Services	6,156.73	6,051.50	18,964.95	17,732.07	23,609.42
2	Other Operating Income	502.85	37.52	1,353.92	114.30	375.60
3	Total Operating Income	6,659.58	6,089.02	20,318.88	17,846.37	23,985.02
4	Expenditure					
	a) (Increase) / Decrease in stocks	-	-	-	-	-
	b) Staff Costs	3,426.09	2,934.51	10,468.13	8,434.09	11,618.84
	c) Depreciation	259.28	197.95	713.05	573.70	776.65
	d) Other operating Expenses	1,405.80	1,271.28	4,476.54	4,173.26	5,570.62
	Total Expenditure	5,091.16	4,403.74	15,657.72	13,181.05	17,966.10
5	Other Income	83.80	5.46	214.92	21.40	152.42
6	Profit before Interest	1,652.22	1,690.74	4,876.07	4,686.71	6,171.34
7	Interest	-	-	-	-	-
8	Profit after Interest but before tax	1,652.22	1,690.74	4,876.07	4,686.71	6,171.34
9	Tax expense/provision including FBT	83.76	54.26	301.25	245.01	151.04
10	Net Profit After Tax	1,568.46	1,636.48	4,574.82	4,441.71	6,020.30
11	Paid-up Equity Share Capital (FV-Re.1/-)	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59
12	Reserves & Surplus	30,541.17	26,127.91	30,541.17	26,127.91	28,165.33
13	Earning per Share (Face value Re.1/-each)					
	- Basic & Diluted	1.49	1.56	4.35	4.22	5.72
14	Public Shareholding*					
	No. of shares (Face value Re.1/-each)	59,687,576	57,411,456	59,687,576	57,411,456	57,411,456
	% of holding (to total shareholding)	56.76%	54.59%	56.76%	54.59%	54.59%
15	Promoters & Promoter group shareholding					
	(a) Pledged / Encumbered					
	- Number of shares	16,400,000	13,575,000	16,400,000	13,575,000	13,500,000
	- % of shares(to total holding of Promoter group)	36.07%	28.43%	36.07%	28.43%	28.27%
	- % of shares(to total share capital of the Company)	15.60%	12.91%	15.60%	12.91%	12.84%
	(b) Non-encumbered					
	- Number of shares	29,071,730	34,172,850	29,071,730	34,172,850	34,247,850
	- % of shares(to total holding of Promoter group)	63.93%	71.57%	63.93%	71.57%	71.73%
	- % of shares(to total share capital of the Company)	27.65%	32.50%	27.65%	32.50%	32.57%
16	EBIDT %	28.35%	30.99%	27.22%	29.44%	28.79%
17	PAT %	23.26%	26.85%	22.28%	24.86%	24.94%
18	ROCE % (Annualised)	20.38%	25.30%	20.06%	23.90%	22.90%
19	RONW % (Annualised)	20.38%	25.30%	20.06%	23.90%	22.90%

* Public Shareholding as classified under category B in the shareholding pattern in Clause 35/40A of the Listing Agreement.

Notes:

- 1 These audited results for the quarter and nine months ended 31st December, 2010, have been taken on record by the Board at its Meeting held on 14th February, 2011.
- 2 The Audit Report of the Company for the period bears no qualification.
- 3 Details of Other operating expenses exceeding 10% of total expenditure :

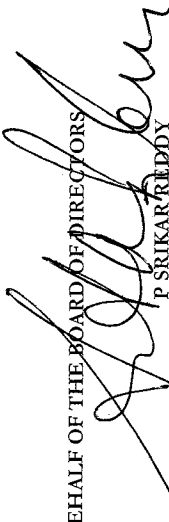
Particulars	Figures in Rs. Lakhs			
	Quarter ended		Nine months ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Subsistence/Living Cost	501.02	450.20	1,487.86	1,480.41
				1,962.60

- 4 These Accounts have been prepared in accordance with the mandatory applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).
- 5 Figures have been regrouped wherever necessary to facilitate comparison.
- 6 Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended December 31, 2010

Nature of complaints received	Opening balance	Additions	Disposal	Closing balance
Non receipt of dividend / Annual Report	0	19	19	0

Place: Bengaluru
Date : 14th February, 2011

As per Accounting Standard 25 of the ICAI, the accounts are presented in condensed form. These are available at the website www.sonata-software.com

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

P SRIKAR REDDY
EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER

N. M. RAIJI & CO.
Chartered Accountants
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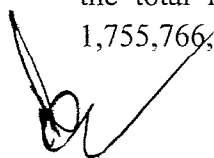
**Auditor's Report On Quarterly Consolidated Financial Results and Consolidated Year to Date
Results of Sonata Software Ltd Pursuant to the Clause 41 of the Listing Agreement**

To The Board of Directors of Sonata Software Ltd,

We have audited the quarterly consolidated financial results of Sonata Software Limited for the quarter ended 31st December, 2010 and the consolidated year to date results for the period 1st April, 2010 to 31st December, 2010, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These consolidated quarterly financial results as well as the consolidated year to date financial results have been prepared from consolidated financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to Companies (Accounting Standards) Rules, 2006 as per Section 211 (3C) of the Companies Act, 1956 and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of five (5) subsidiaries included in the consolidated quarterly financial results and consolidated year to date results, whose consolidated financial statements reflect total assets of Rs.3,760,513,580 as at 31st December, 2010 (year to date) and Rs. 3,760,513,580 as at the quarter ended 31st December, 2010 (date of quarter end); as well as the total revenue of Rs. 5,165,123,027 as at 31st December, 2010 (year to date) and Rs. 1,755,766,078 as at the quarter ended 31st December, 2010 (date of quarter end). These financial



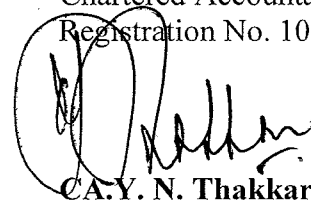
statements and other financial information have been audited by other auditors except for Sonata Software GmbH whose financial statements have been reviewed by their auditors, whose reports have been furnished to us and our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly financial results as well as the consolidated year to date results:

- (i) include the quarterly financial results and year to date of the following entities;
 - (a) Sonata Information Technology Ltd, India
 - (b) TUI InfoTec GmbH, Germany
 - (c) Sonata Software North America Inc., USA
 - (d) Sonata Software GmbH, Germany
 - (e) Sonata Europe Ltd, UK
 - (f) Sonata Software FZ LLC
- (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (iii) give a true and fair view of the consolidated net profit and other financial information for the quarter ended 31st December, 2010 as well as the consolidated year to date results for the period from 1st April, 2010 to 31st December, 2010.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the consolidated number of shares as well as percentage of shareholdings in respect of aggregate amount of consolidated non promoter shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **N M Raiji & Co**
Chartered Accountants
Registration No. 108296W



CA.Y. N. Thakkar

Partner

Membership No: 33329

Place : Bengaluru

Date : 14th February, 2011

SONATA SOFTWARE LIMITED

Registered Office: 208, T.V. Industrial Estate, S.K. Ahire Marg, Worli, Mumbai - 400 030

Corporate Office: 1/4, A.P.S Trust Building, Bull Temple Road, N.R. Colony, Bangalore - 560 019

CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2010

Figures in Rs. Lakhs
(Except EPS)

Particulars	INTERNATIONAL			DOMESTIC			TOTAL		
	Quarter ended	Nine months ended		Quarter ended	Nine months ended		Quarter ended	Nine months ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2010	31.12.2009	31.12.2010	31.12.2010	31.12.2009	31.12.2010
1 Sales and Services	19,308.47	22,298.46	59,398.10	67,182.30	87,975.95	15,493.01	11,301.89	38,952.31	50,068.51
2 Other Operating Income	631.18	138.66	1,538.50	481.55	712.90	393.94	0.04	471.70	204.14
3 Total Operating Income	19,939.65	22,437.12	60,936.60	67,663.85	88,688.85	15,886.95	11,301.93	38,957.46	50,272.65
4 Expenditure									
a) (Increase) / Decrease in stocks	(191.85)	121.42	(291.08)	(330.02)	(441.33)	2,795.99	(266.43)	169.52	(483.96)
b) Purchase of traded items	(31.25)	(459.30)	(14.43)	(7.77)	(247.30)	11,188.98	10,107.45	35,703.58	45,390.99
c) Staff Costs	10,056.37	9,933.69	29,626.16	29,805.92	39,907.18	552.76	564.48	1,587.23	1,413.57
d) Depreciation	961.32	1,244.69	2,870.01	3,694.52	4,887.29	2.78	7.43	14.10	22.86
e) Other operating expenses	6,979.61	8,649.96	21,665.06	26,136.25	34,142.76	790.28	488.07	2,056.01	1,570.55
Total Expenditure	17,774.20	19,490.45	53,855.72	59,298.90	78,248.61	15,330.80	10,901.00	37,982.50	48,889.07
5 Profit from operations before other income and interest	2,165.45	2,966.67	7,100.87	8,364.95	10,440.24	556.15	400.93	1,654.19	1,383.57
6 Other Income	109.33	21.57	242.74	59.60	365.34	0.62	0.55	1.28	2.23
7 Profit before Interest	2,274.78	2,988.24	7,343.61	8,424.55	10,805.58	556.77	401.48	1,655.47	1,385.80
8 Interest	98.81	143.58	288.87	397.29	529.53	78.72	20.24	197.48	140.77
9 Profit after Interest but before tax	2,175.97	2,844.66	7,054.74	8,027.26	10,276.05	478.06	381.24	1,457.98	1,245.03
10 Tax expense/provision including FBT	342.89	481.42	1,085.03	1,374.06	1,587.56	127.64	128.58	399.02	391.00
11 Net Profit after Tax	1,833.07	2,363.24	5,969.71	6,653.20	8,688.49	350.41	252.65	1,058.96	854.03
12 Share in earnings of Affiliates	-	-	-	-	(153.68)	-	-	-	-
13 Minority Interest	(255.42)	(417.90)	(773.08)	(1,130.71)	(1,401.40)	-	-	(255.42)	(417.90)
14 Net Profit	1,577.65	1,945.34	5,196.64	5,522.49	7,133.41	350.41	252.65	1,058.96	854.03
15 Paid-up Equity Share Capital (Face Value Re.1/-)									
16 Reserves & Surplus									
17 Earning Per Share (Face value Re.1/- each)									
- Basic & Diluted									
18 Public Shareholding									
No. of shares (Face value Re.1/- each)									
% of holding (to total shareholding)									
19 Promoters & Promoter group shareholding									
(a) Pledged / Encumbered									
- Number of shares									
- % of shares(to total holding of Promoter group)									
- % of shares(to total share capital of the Company)									
(b) Non-encumbered									
- Number of shares									
- % of shares(to total holding of Promoter group)									
- % of shares(to total share capital of the Company)									
20 EBITD %	16.14%	18.83%	16.69%	17.90%	17.62%	3.52%	3.62%	3.46%	2.82%
21 PAT %	7.87%	8.65%	8.49%	8.15%	8.01%	2.21%	2.24%	2.19%	1.70%
22 ROCE % (Annualised)	18.88%	29.29%	21.57%	28.05%	26.03%	17.71%	17.75%	21.87%	19.49%
23 RONW % (Annualised)	17.97%	26.55%	20.18%	26.48%	24.73%	32.64%	31.09%	35.56%	26.81%

International : Comprises of Sonata Software Limited, SS North America Inc., Sonata Europe Limited, Sonata Software GmbH, TUI InfoTec GmbH & Sonata Software FZ LLC

Sonata & its subsidiaries portfolio of Services include IT Consulting Services, Travel Solutions, Application Development, Application Management, Managed Testing, Business Intelligence, Infrastructure Management and Packaged Applications.

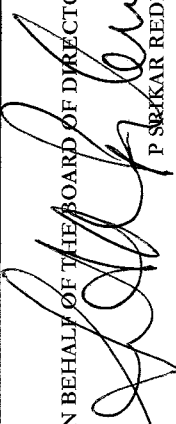
Domestic : Sonata Information Technology Limited which is into Indian Operations comprising of Software Product Marketing & Services

Notes:

- 1 These audited results for the quarter and nine Months ended 31st December, 2010, have been taken on record by the Board at its Meeting held on 14th February, 2011.
- 2 The Audit Report of the Company for the period bears no qualification.
- 3 Figures have been regrouped wherever necessary to facilitate comparison.
- 4 The consolidated segmentwise revenue and results for the quarter and nine Months ended 31st December, 2010 as required under Clause 41 of the Listing Agreement are as follows :

Particulars	Quarter ended			Nine months ended			Particulars	Quarter ended			Nine months ended			Year ended
	31.12.2010	31.12.2009		31.12.2010	31.12.2009			31.12.2010	31.12.2009		31.12.2010	31.12.2009		31.03.2010
I. Segment Revenue							Less: Other unallocable expenditure,							
a. Domestic (Sales & Services)	15493.01	11301.89		47847.70	38952.31	50068.51	Net of Unallocable Income							
b. International (Software Service Exports)	19308.47	22298.46		59398.10	67182.30	87975.95								
Total	34801.48	33600.35		107245.80	106134.61	138044.46	a. Domestic (Sales & Services)							
Less : Inter segment revenue							b. International (Software Service Exports)							
Net sales /income from operations	34801.48	33600.35		107245.80	106134.61	138044.46	Total	-	-	-	-	-	-	-
2. Segment Results							3. Profit Before Tax							
Profit(+) /loss(-) before tax & Interest							a. Domestic (Sales & Services)	478.06	381.24	1457.98	871.36	1245.03		
a. Domestic (Sales & Services)	556.77	401.48		1655.47	975.51	1385.80	b. International (Software Service Exports)	2175.97	2844.66	7054.74	8027.26	10276.05		
b. International (Software Service Exports)	2274.78	2988.24		7343.61	8424.55	10805.58	Total Profit Before Tax	2654.02	3225.89	8512.72	8898.62	11521.08		
Total	2831.55	3389.72		8999.08	9400.06	12191.38	4. Capital Employed							
Less: Interest							(Segment assets - Segment liabilities)							
a. Domestic (Sales & Services)	78.72	20.24		197.48	104.15	140.77	a. Domestic (Sales & Services)	7961.01	3365.88	7961.01	3365.88	7359.47		
b. International (Software Service Exports)	98.81	143.58		288.87	397.29	529.53	b. International (Software Service Exports)	35809.32	31114.32	35809.32	31114.32	32023.04		
Total	177.53	163.83		486.35	501.44	670.30	Total	43770.33	34480.20	43770.33	34480.20	39382.51		

Place: Bengaluru
Date : 14th February, 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

P. SRIKAR REDDY
EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER

As per Accounting Standard 25 of the ICAI, the accounts are presented in condensed form. These are available at the website www.sonata-software.com



Sonata Consolidated Q3 FY11 Net Profit at Rs. 19.28 Cr

Bangalore, Feb 14, 2011

Leading Indian software solutions company, Sonata Software Ltd. today reported its audited financial results for the quarter and nine months ended 31st December 2010.

Highlights:

Nine Months

Sonata Software Ltd. – Stand Alone

- o Revenue at US\$ 41.82 Mn (US\$ 37.48 Mn) up 12% YoY
- o Revenue at Rs. 189.65 Cr (Rs.177.32 Cr) up 7% YoY
- o EBIDTA at Rs. 55.89 Cr (Rs. 52.60 Cr) up 6% YoY
- o Net profit at Rs. 45.75 Cr (Rs.44.42 Cr) up 3% YoY
- o Earnings per share (Annualised) at Rs.5.80 (Rs.5.63) up 3% YoY
- o RONW and ROCE (Annualised) at 20%
- o Cash Reserves : Rs. 58.48 Cr (Rs.46.49 Cr)

Sonata Software Ltd. – Consolidated

- o Revenue at Rs. 1072.46 Cr (Rs. 1061.35 Cr)
- o Net profit at Rs. 62.56 Cr (Rs. 61.09 Cr)
- o Earnings per share (Annualized) at Rs. 7.93 (Rs. 7.75)
- o RONW & ROCE (Annualised) at 22%
- o Consolidated Cash Reserves : Rs.183.76 Cr (Rs. 157.13 Cr)

Quarter

Sonata Software Ltd. – Stand Alone

- o Revenue at US\$ 13.95 Mn (US\$ 13.15 Mn) up 6% YoY
- o Revenue at Rs. 61.57 Cr (Rs. 60.51 Cr)
- o EBIDTA at Rs. 19.11 Cr (Rs. 18.89 Cr)
- o Net profit at Rs. 15.68 Cr (Rs. 16.36 Cr)
- o Earnings per share (Annualised) at Rs.5.97 (Rs.6.22)
- o RONW and ROCE (Annualised) at 20%

Sonata Software Ltd. – Consolidated

- o Revenue at Rs. 348.01 Cr (Rs. 336.00 Cr) up 4% YoY
- o Net profit at Rs. 19.28 Cr (Rs. 21.98 Cr)
- o Earnings per share (Annualized) at Rs. 7.33 (Rs. 8.36)
- o RONW (Annualised) at 20% & ROCE (Annualised) at 19%

** Figures shown in brackets pertains to Q3 09-10*



Significant Projects:

For a scientific, nonprofit, standards-setting organization that advances public health through public standards and related programs, Sonata is involved in setting up the IT infrastructure at their new facility. As a part of the engagement, Sonata will provide IT Consultancy Services, Project Management Services and Post Implementation Support (Managed Services) to the customer. The state of the art IT setup will help the customer to enhance their office productivity and laboratory efficiency. It will provide them a consolidated storage management system for better administration of their Building Management System which is critical for their laboratory. This will also help in saving communication costs (through VoIP) besides providing them better global connectivity.

Sonata is helping a leading airport and aviation service provider enhance the functionalities of their existing security solution. As a part of the engagement, Sonata has helped the customer analyze the scope of the application and select the right technology platform to automate processes and meet the future business requirements.

For a company providing online financial services in the US, Sonata is building applets that consumers can buy from the company's web store or from financial institutions. This will enable the customer to provide personalized experience to the web-based consumers and bring in features with a faster time-to-market.

A large central air-conditioning company has partnered with Sonata for the implementation of a robust Call Management System (CMS) on IBM WebSphere Portal. This Call Management System will replace the legacy Customer Relationship Management (CRM) module being used by the Call Center for managing breakdown service related calls. It will also help to reduce the Average Hold Time of a customer call and generate call management related Management Information System (MIS) reports for improving business processes.



Sonata Software Ltd Financial results - Consolidated

(In Rs. Cr.)

Revenues	Quarter 3 10-11	Quarter 3 09-10	Nine months 10-11	Nine months 09-10
International				
- IT Services	72.04	68.73	217.75	200.93
-TUI InfoTec	120.26	154.20	375.23	469.27
Domestic - Sonata Information Technology Ltd.	155.72	113.08	479.48	391.15
Consolidated	348.01	336.00	1,072.46	1,061.35

EBIDTA	Quarter 3 10-11	Quarter 3 09-10	Nine months 10-11	Nine months 09-10
International				
- IT Services	18.95	18.25	56.93	52.18
-TUI InfoTec	13.70	24.07	46.15	68.92
Domestic - Sonata Information Technology Ltd.	5.30	4.09	15.75	10.07
Consolidated	37.96	46.42	118.83	131.17

PAT	Quarter 3 10-11	Quarter 3 09-10	Nine months 10-11	Nine months 09-10
International				
- IT Services	16.02	16.04	47.96	45.38
-TUI InfoTec	0.66	3.77	6.48	10.62
Domestic - Sonata Information Technology Ltd.	2.60	2.17	8.11	5.09
Consolidated	19.28	21.98	62.56	61.09

Notes :

- 1) Consolidated Revenue, EBIDTA and PAT are after elimination of inter company transactions
- 2) Consolidated includes Sonata Software Limited, Sonata Information Technology Limited, TUI InfoTec, Sonata Software Noth America Inc. (Formerly known as Offshore Digital Services Inc.), Sonata Software GmbH, Sonata Europe Limited and Sonata Software FZ LLC.
- 3) IT Services comprises of Sonata Software Limited, Sonata Software Noth America Inc. (Formerly known as Offshore Digital Services Inc.), Sonata Software GmbH, Sonata Europe Limited and Sonata Software FZ LLC
- 4) Consolidated PAT is after minority interest
- 5) Intercompany revenues between IT Services and TUI Infotec have been adjusted
- 6) Translation loss / gain on account of TUI Consolidation is adjusted in TUI Infotec



INVESTOR UPDATE FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER 2010 FINANCIALS

Sonata Software Ltd Financial results - Consolidated

(In Rs. Cr.)

Revenues	Quarter 3 10-11	Quarter 3 09-10	Nine months 10-11	Nine months 09-10
International				
- IT Services	72.04	68.73	217.75	200.93
-TUI InfoTec	120.26	154.20	375.23	469.27
Domestic - Sonata Information Technology Ltd.	155.72	113.08	479.48	391.15
Consolidated	348.01	336.00	1,072.46	1,061.35

EBIDTA	Quarter 3 10-11	Quarter 3 09-10	Nine months 10-11	Nine months 09-10
International				
- IT Services	18.95	18.25	56.93	52.18
-TUI InfoTec	13.70	24.07	46.15	68.92
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Performance Metrics

Particulars		Q1 2010-11	Q2 2010-11	Q3 2010-11	Nine Months 2010-11	Nine Months 2009-10
Revenue Metrics						
<i>Geography split</i>	International services					
USA		56.35%	55.54%	53.79%	54.82%	44.29%
Europe incl UK		36.35%	36.11%	35.59%	36.70%	49.50%
Rest of World		7.30%	8.35%	10.62%	8.48%	6.21%
<i>Onsite/Offshore mix</i>	International services					
Onsite		27.17%	26.35%	29.15%	27.91%	25.28%
Offshore		72.83%	73.65%	70.85%	72.09%	74.72%
<i>New clients added</i>	International services	9	9	8	26	13
<i>Concentration - Top 10 customers</i>	International services	79.41%	77.61%	77.59%	78.12%	75.51%
<i># of Fortune 500 accounts</i>	International services	8	8	8	8	9
<i># of million dollar clients</i>	International services	14	13	14	14	14
<i>Split by service offering and industry</i>	International services					
Travel & Tourism		33.29%	33.48%	33.90%	33.52%	44.34%
IT /ISV (S/w Product Co.)		40.80%	38.30%	37.95%	38.82%	27.84%
Others		25.91%	28.22%	28.15%	27.66%	27.83%
<i>Effective realization rates in Rupees</i>	Stand alone					
US Dollar		47.64	46.79	47.72	47.38	45.57
Euro		67.98	68.09	68.22	68.10	65.94
GBP		79.30	78.04	78.65	78.63	77.89
People Metrics						
<i># of employees</i>	Consolidated	2,835	2,902	2,864	2,864	2,710
	Stand alone	2,160	2,220	2,181	2,181	2,041
<i>Employee Utilization %</i>	Stand alone	77%	80%	79%	79%	74%
Balance Sheet						
<i>Return on net worth (RONW)</i>	Consolidated	19.71%	26.30%	19.57%	21.77%	26.35%
<i>(Annualised)</i>						
<i>Return on Capital employed (ROCE)</i>	Consolidated	19.53%	24.88%	19.41%	21.62%	28.21%
<i>(Annualised)</i>						
<i>Debtors no. of days sales</i>	Stand alone	84	86	103	100	72

Stand alone relates to Sonata Software Limited.

International Services comprises of Sonata Software Limited, Sonata Software North America Inc.(Formerly known as Offshore Digital Services Inc.) , Sonata Software GmbH, Sonata Europe Limited and Sonata Software FZ LLC.

Consolidated includes Sonata Software Limited, Sonata Information Technology Limited, TUI InfoTec, Sonata Software North America Inc. (Formerly known as Offshore Digital Services Inc.), Sonata Software GmbH, Sonata Europe Limited and Sonata Software FZ LLC.



About Sonata Software Limited

Sonata Software (www.sonata-software.com), headquartered in Bangalore, India, is a leading IT consulting and services company. Sonata's customers are located across the US, Europe, Middle East and the Asia-Pacific region. Its key business segments include Product Engineering (ISV), Enterprise IT and Travel, Transportation and Logistics. As per the industry rankings released by NASSCOM for FY 2009-10, Sonata Software figured among the Top 20 IT Software Services Exporters in India for the third consecutive year. Sonata has been ranked among Top 10 R&D Services players globally by Zinnov Management Consulting Pvt. Ltd. Zinnov has rated Sonata 6th in the Software Products segment.

Sonata's subsidiaries include (1) TUI InfoTec – Sonata's Joint Venture with TUI, Europe's largest tourism group, (2) Sonata North America Inc (formerly Offshore Digital Services Inc) – Sonata's arm in the US, which provides development and consulting services to clients, using an Onsite-Offshore Delivery Model, (3) Sonata Software FZ LLC – Sonata's fully-owned subsidiary that provides value-based IT solutions to customers in the Middle East and (4) Sonata Information Technology Limited, which is a premier software services and product distribution company with India-focused business operations.

For further information, please contact :

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