SONATA

SONATA SOFTWARE LIMITED

9th February, 2016

The Listing Manager
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

Dear Sir/Madam,

SUB : UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015

With reference to the above, we wish to inform you that the unaudited financial results for the above period were considered and adopted by the Board in their meeting held on 9th February, 2016.

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose a copy of the Unaudited Financial Results (Standalone and Consolidated) together with Limited Review Report from our Statutory Auditors for the quarter and nine months ended December 31, 2015. The meeting of the Board of Directors of the Company commenced at 1.00 p.m. and concluded at 2.15 p.m.

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

Also note that the aforesaid information will be available on our website www.sonata-software.com

Kindly take the same on record.

Thanking you,

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

PRIYA MANOJ JASWANI
COMPANY SECRETARY

CC to : The National Stock Exchange Ltd – Mumbai

Deloitte
Haskins & Sells

Chartered Accountants
Deloitte Centre
Anchorage II
100/2 Richmond Road
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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SONATA SOFTWARE LIMITED

1. We have reviewed the accompanying Statement of standalone unaudited financial results of **SONATA SOFTWARE LIMITED** ("the Company") for the quarter and nine months ended December 31, 2015 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Srikumar
Partner
(Membership No. 84494)

BENGALURU, February 9, 2016
VS/UB/ 2016

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
CIN - L72200MH1994PLC082110
www.sonata-software.com, Tel : +91-080-67781999 Fax : +91-080-26601387, investor@sonata-software.com

Part I (₹ in lakhs)

Statement of standalone unaudited financial results for the quarter and nine months ended December 31, 2015

Sr #	Particulars	Three months ended December 31, 2015	Preceding three months ended September 30, 2015	Corresponding three months ended in the previous year December 31, 2014	Year to date figures for current period ended December 31, 2015	Year to date figures for the previous year ended December 31, 2014	Previous year ended March 31, 2015
		Unaudited	*Unaudited*	*Unaudited*	*Unaudited*	*Unaudited*	*Audited*
1	**Income from operations**						
	(a) Net sales/income from operations	12,455.64	11,861.02	12,433.29	36,078.35	34,010.20	46,613.20
	(b) Other operating income	9.70	11.05	26.64	27.51	58.23	74.55
	Total income from operations (net)	**12,465.34**	**11,872.07**	**12,459.93**	**36,105.86**	**34,068.43**	**46,687.75**
2	**Expenses**						
	(a) Purchase of stock-in-trade	-	-	-	142.87	-	25.82
	(b) Employee benefits expense	7,042.85	7,386.79	6,887.37	21,553.25	18,888.65	25,757.10
	(c) Depreciation and amortisation expense	104.61	93.07	123.37	297.78	411.76	522.27
	(d) Other expenses	2,177.55	2,192.10	2,006.35	6,485.35	6,105.74	8,051.88
	(e) Net exchange loss/(gain)	(154.86)	(186.17)	(202.66)	(716.79)	(710.53)	(1,058.98)
	Total expenses	**9,170.15**	**9,485.79**	**8,814.43**	**27,762.46**	**24,695.62**	**33,298.09**
3	**Profit from operations before other income, finance costs and exceptional item**	**3,295.19**	**2,386.28**	**3,645.50**	**8,343.40**	**9,372.81**	**13,389.66**
4	Other income	748.10	585.50	660.62	1,933.23	1,550.76	2,105.26
5	**Profit from ordinary activities before finance costs and exceptional item**	**4,043.29**	**2,971.78**	**4,306.12**	**10,276.63**	**10,923.57**	**15,494.92**
6	Finance costs	67.02	13.99	49.95	111.39	90.09	114.30
7	**Profit from ordinary activities after finance costs but before exceptional item**	**3,976.27**	**2,957.79**	**4,256.17**	**10,165.24**	**10,833.48**	**15,380.62**
8	Exceptional item	-	-	-	-	-	-
9	**Profit from ordinary activities before tax**	**3,976.27**	**2,957.79**	**4,256.17**	**10,165.24**	**10,833.48**	**15,380.62**
10	Tax expense	1,009.53	714.74	1,042.34	2,591.60	2,528.10	3,633.64
11	**Net profit from ordinary activities after tax**	**2,966.74**	**2,243.05**	**3,213.83**	**7,573.64**	**8,305.38**	**11,746.98**
12	Paid-up equity share capital (Face Value ₹ 1/-)	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59
13	Reserve excluding revaluation reserves as per balance sheet of previous accounting year						34,678.23
14	**Earnings per share (of ₹ 1/- each) (not annualised):** Basic and Diluted	2.82	2.13	3.06	7.20	7.90	11.17
	See accompanying notes to the financial results						

Notes:

1 The above unaudited financial results of the Company has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 09, 2016.

2 The Statutory Auditors have carried out a 'Limited Review' of the Standalone financial results for the quarter and nine months ended December 31, 2015.

3 During the quarter, Sonata Software North America Inc. (a wholly owned subsidiary of the Company) has acquired 100% of the equity interest in Interactive Business Information Systems, Inc. (IBIS), a Georgia company which has strategic partnership with Microsoft for the Dynamics solution and delivers world-class supply chain solutions, including its proprietary Advanced Supply Chain Software solution.

4 Segment results have not been disclosed in the Standalone financial results since the Company operates in only one Segment viz International (Software Service exports).

5 Previous period figures have been regrouped/reclassified wherever necessary to confirm to current period classification.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

P SRIKAR REDDY
MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER

Place : Bangalore
Date : 09th February, 2016

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * BANGALORE *

Deloitte
Haskins & Sells

Chartered Accountants
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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SONATA SOFTWARE LIMITED

1. We have reviewed the accompanying Statement of consolidated unaudited financial results of **SONATA SOFTWARE LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and nine months ended December 31, 2015 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3(i). The Statement includes the results of the following subsidiaries:

a. Sonata Information Technology Limited
b. Sonata Software North America Inc.
c. Sonata Software GmbH
d. Sonata Europe Limited
e. Sonata Software FZ- LLC
f. Sonata Software (Qatar) LLC
g. Rezopia Inc.
h. Halosys Technologies Inc. (w.e.f. September 11, 2015)
i. Interactive Business Information System Inc. (w.e.f. November 18, 2015)

3(ii). We did not review the interim financial information of 3 subsidiaries whose interim financial information reflect total revenues of ₹ 383 lakh and ₹ 1,100 lakh for the quarter and nine months ended December 31, 2015, respectively, and total profit/ (loss) after tax of (₹ 48 lakh) and ₹ 1 lakh for the quarter and nine months ended December 31, 2015, respectively, as considered in the

consolidated financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

4. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 3(ii) above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Srikumar
Partner
(Membership No. 84494)

BENGALURU, February 9, 2016
VS/UB/ 2016

SONATA SOFTWARE LIMITED

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Part I

(₹ in lakhs)

Statement of consolidated unaudited financial results for the quarter and nine months ended December 31, 2015

Sr #	Particulars	Three months ended December 31, 2015	Preceding three months ended September 30, 2015	Corresponding three months ended in the previous year December 31, 2014	Year to date figures for current period ended December 31, 2015	Year to date figures for the previous year ended December 31, 2014	Previous year ended March 31, 2015
		Unaudited	*Unaudited*	*Unaudited*	*Unaudited*	*Unaudited*	*Audited*
1	**Income from operations**						
	(a) Net sales/income from operations	52,155.99	39,774.27	46,636.59	139,808.01	128,825.58	168,051.14
	(b) Other operating income	41.90	67.40	48.83	147.63	122.10	161.67
	Total income from operations (net)	**52,197.89**	**39,841.67**	**46,685.42**	**139,955.64**	**128,947.68**	**168,212.81**
2	**Expenses**						
	(a) Purchase of stock-in-trade	33,562.58	21,330.94	29,510.34	84,645.40	80,436.92	102,381.00
	(b) Changes in inventories of stock-in-trade	(1,596.85)	(455.18)	16.11	(1,932.91)	(117.59)	(612.52)
	(c) Employee benefits expense	10,152.85	10,082.14	9,183.29	29,946.19	25,977.88	35,271.95
	(d) Depreciation and amortisation expense	152.37	120.98	144.76	397.87	474.26	607.15
	(e) Other expenses	4,423.57	4,126.87	3,608.28	12,721.77	10,541.85	14,408.82
	(f) Net exchange loss/(gain)	89.87	(334.70)	(148.40)	(894.27)	(418.86)	(334.52)
	Total expenses	**46,784.39**	**34,871.05**	**42,314.38**	**124,884.05**	**116,894.46**	**151,721.88**
3	**Profit from operations before other income, finance costs and exceptional item**	**5,413.50**	**4,970.62**	**4,371.04**	**15,071.59**	**12,053.22**	**16,490.93**
4	Other income	701.01	691.26	517.54	1,881.17	1,190.99	1,652.96
5	**Profit from ordinary activities before finance costs and exceptional item**	**6,114.51**	**5,661.88**	**4,888.58**	**16,952.76**	**13,244.21**	**18,143.89**
6	Finance costs	173.60	94.79	86.66	368.82	221.02	275.81
7	**Profit from ordinary activities after finance costs but before exceptional item**	**5,940.91**	**5,567.09**	**4,801.92**	**16,583.94**	**13,023.19**	**17,868.08**
8	Exceptional item						
	Interest income on income tax refund	-	96.01	139.91	368.04	321.76	321.76
9	**Profit from ordinary activities before tax**	**5,940.91**	**5,663.10**	**4,941.83**	**16,951.98**	**13,344.95**	**18,189.84**
10	Tax expense	1,918.03	1,730.05	1,391.87	5,175.93	3,504.89	4,861.70
11	**Net profit from ordinary activities after tax**	**4,022.88**	**3,933.05**	**3,549.96**	**11,776.05**	**9,840.06**	**13,328.14**
12	Minority interest	-	-	20.85	-	46.41	41.53
13	**Net profit after taxes and minority interest**	**4,022.88**	**3,933.05**	**3,570.81**	**11,776.05**	**9,886.47**	**13,369.67**
14	Paid-up equity share capital (Face Value ₹ 1/-)	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59
15	Reserve excluding revaluation reserves as per balance sheet of previous accounting year						41,791.47
16	**Earnings per share (of ₹ 1/- each) (not annualised):**						
	Basic and Diluted	3.83	3.74	3.40	11.20	9.40	12.71

See accompanying notes to the Consolidated financial results

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * BANGALORE

Notes:

1 The above consolidated unaudited financial results of the Group has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 09, 2016.

2 Consolidated financial results include subsidiaries i.e, Sonata Information Technology Limited, Sonata Software North America Inc., Rezopia, Inc. (w.e.f August 22, 2014), Halosys Technologies Inc. (w.e.f September 11, 2015),Interactive Business Information Systems, Inc. (IBIS) (w.e.f November 18, 2015), Sonata Software GmbH, Sonata Europe Limited, Sonata Software FZ-LLC and Sonata Software (Qatar) LLC.

3 Exceptional item for nine months ended December 31, 2015 represents interest on Income Tax refund of ₹ 368.04 lakhs in Sonata Information Technology Limited.

4 During the quarter, the Group has acquired 100% of the equity interest in Interactive Business Information Systems, Inc. (IBIS), a Georgia company which has strategic partnership with Microsoft for the Dynamics solution and delivers world-class supply chain solutions, including its proprietary Advanced Supply Chain Software solution. From the date of acquisition of control, assets, liabilities, income and expenses are consolidated on a line by line basis. The figures of current period are inclusive of Interactive Business Information Systems, Inc. (IBIS), and hence figures of the current period and of the previous periods are not comparable.

5 The consolidated segment wise revenue and results for the quarter and nine months ended December 31, 2015 are as follows :

(₹ in lakhs)

Particulars	Three months ended December 31, 2015	Preceding three months ended September 30, 2015	Corresponding three months ended in the previous year December 31, 2014	Year to date figures for current period ended December 31, 2015	Year to date figures for the previous year ended December 31, 2014	Previous year ended March 31, 2015
	Unaudited	*Unaudited*	*Unaudited*	*Unaudited*	*Unaudited*	*Audited*
1. Segment revenue						
a. India	35,249.42	24,171.73	31,938.21	92,591.78	87,949.27	112,260.54
b. Other than India	17,279.20	16,061.81	15,097.13	48,638.98	42,357.48	57,695.45
Total	**52,528.62**	**40,233.54**	**47,035.34**	**141,230.76**	**130,306.75**	**169,955.99**
Less : Inter segment revenue	330.73	391.87	349.92	1,275.12	1,359.07	1,743.18
Net sales/income from operations	**52,197.89**	**39,841.67**	**46,685.42**	**139,955.64**	**128,947.68**	**168,212.81**
2. Segment results						
Profit before tax and interest						
a. India	1,742.56	1,749.34	1,116.28	4,587.96	2,926.81	4,184.13
b. Other than India	3,670.94	3,221.28	3,254.76	10,483.63	9,126.41	12,306.80
Total	**5,413.50**	**4,970.62**	**4,371.04**	**15,071.59**	**12,053.22**	**16,490.93**
Less: Finance costs	173.60	94.79	86.66	368.82	221.02	275.81
Unallocable income net of unallocable expenditure	701.01	691.26	517.54	1,881.17	1,190.99	1,652.96
3. Profit before tax and exceptional item	**5,940.91**	**5,567.09**	**4,801.92**	**16,583.94**	**13,023.19**	**17,868.08**
Exceptional item Interest Income on income tax refund	-	96.01	139.91	368.04	321.76	321.76
Profit before tax and minority interest	**5,940.91**	**5,663.10**	**4,941.83**	**16,951.98**	**13,344.95**	**18,189.84**
4. Capital employed						
(Segment assets - Segment liabilities)						
a. India	11,818.04	18,548.83	6,601.82	11,818.04	6,601.82	6,181.32
b. Other than India	31,802.53	24,698.40	25,098.39	31,802.53	25,098.39	24,527.64
c. Unallocated	6,121.93	6,431.29	12,139.78	6,121.93	12,139.78	12,134.10
Total	**49,742.50**	**49,678.52**	**43,839.99**	**49,742.50**	**43,839.99**	**42,843.06**

6 Previous period figures have been regrouped/reclassified wherever necessary to confirm to current period classification.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

P SRIKAR REDDY
MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER

Place : Bangalore
Date : 09th February, 2016

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * BANGALORE

SONATA SOFTWARE

Sonata Software - Consolidated Q3 FY15 Revenues at ₹522 Crores and PAT of ₹40 Crores, YoY growth of 12% and 13% respectively.

Bangalore, Feb 9, 2016

Sonata Software, a global IT services and technology solutions company, today reported its unaudited financial results for its 3rd quarter and Nine months ended December 31, 2015.

in ₹ Crores

Description	*For the Quarter ended*			*For the nine months ended*		
	31-Dec-15	*31-Dec-14*	*YoY*	*31-Dec-15*	*31-Dec-14*	*YoY*
Revenues						
International IT Services	181.5	156.2	16%	517.8	444.8	16%
Domestic- Products & Services	343.8	314.3	9%	894.5	858.6	4%
Consolidated	522.0	467.1	12%	1,399.6	1,289.8	9%
EBITDA						
International IT Services	48.8	41.0	19%	136.3	111.9	22%
Domestic- Products & Services	15.0	11.5	30%	43.5	29.7	47%
Consolidated	62.7	51.7	21%	177.2	140.2	26%
PAT						
International IT Services	31.6	28.9	9%	92.4	80.6	15%
Domestic- Products & Services	8.6	6.8	26%	25.4	18.2	39%
Consolidated	40.2	35.7	13%	117.8	98.9	19%

The above results for the period ended December 31, 2015 includes results of the recently acquired company: IBIS Inc., a Georgia Company, USA from the date of acquisition - November 18, 2015.

Speaking on the results Mr. Srikar Reddy, Managing Director & CEO of the Company said last quarter was significant with our acquisition of Ibis Inc., Atlanta based Microsoft Dynamics Ax partner with industry leading IP - for distributors. This is aligned to our strategy of becoming a digital transformation partner for our clients in the retail, travel, distribution and ISV space, through unique domain led products and platforms and combined with digital services in mobility, cloud, analytics and omni channel commerce.

SONATA SOFTWARE

Highlight for Q3

Consolidated:

- Revenues at ₹522 Crores - growth of 12% YoY;
- EBIDTA at ₹63 Crores - growth of 21% YoY;
- PAT is at ₹40 Crores - growth of 13% YoY;
- Cash reserves (net of borrowings) is ₹258 Crores.

International IT Services:

- Revenue at ₹181 Crores - growth of 16% YoY;
- EBITDA of ₹49 Crores - growth of 19% YoY;
- PAT of ₹32 Crores - growth of 9% YoY;
- Addition of 6 new customers during the quarter.

Domestic Products & Services:

- Revenue of ₹344 Crores - growth of 9% YoY;
- EBITDA of ₹15 Crores - growth of 30% YoY;
- PAT of ₹9 Crores - growth of 26% YoY.

About Sonata Software

Sonata Software is a global IT services firm focused on catalysing transformational IT initiatives of its clients through deep domain knowledge, technology expertise and customer commitment. The company delivers innovative new solutions for Travel, Retail & Consumer Goods and Software Product Companies by integrating technologies such as Omni-channel commerce, Mobility, Analytics, Cloud and ERP, to drive enhanced customer engagement, operations efficiency and return on IT investments. A trusted long-term service provider to Fortune 500 companies across both the software product development and enterprise business segments, Sonata seeks to add differentiated value to leadership who want to make an impact on their businesses, with IT.

For further information, please contact:

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