



Sonata Consolidated Q2 FY10 Net Profit at Rs. 21.35 Cr up by 20% QoQ

Bangalore, October 14, 2009

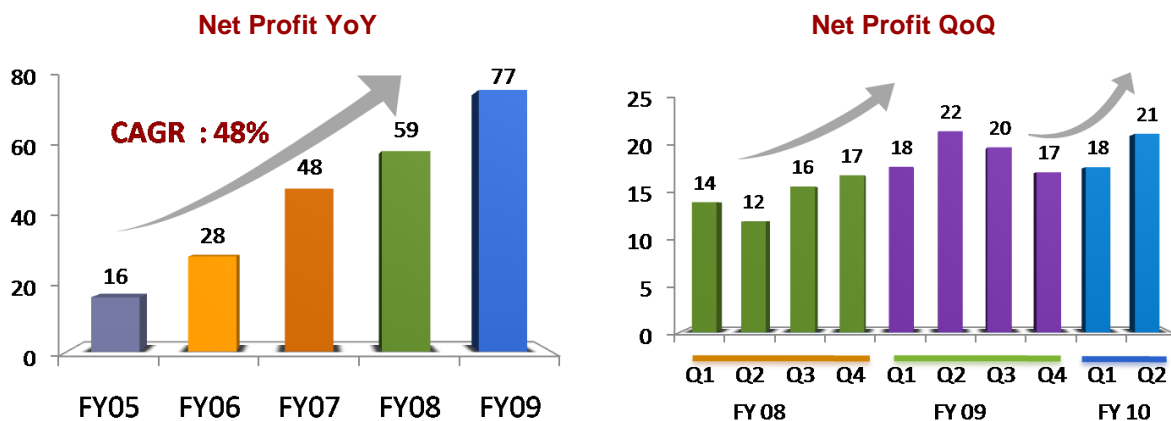
Leading Indian software solutions company, Sonata Software Ltd. today reported its audited financial results for the quarter and half year ended 30th September, 2009.

Highlights:

Sonata Software Ltd. - Consolidated

- Revenue for the quarter at Rs. 347.33 Cr
- EBIDTA for the quarter at Rs. 46.44 Cr up 21% QoQ
- Net profit for the quarter at Rs. 21.35 Cr up 20% QoQ
- Earnings per share annualized at Rs. 8.12 up 20% QoQ
- RONW and ROCE for the quarter at 28%
- Consolidated Cash Reserves (net) : Rs. 33.45 Cr

Interim Dividend of Re. 0.90 per share (90% on par value of Re. 1) has been declared.



Management Comments:

Commenting on the results, Mr. B. Ramaswamy, President and Managing Director, Sonata Software Limited said, "We are extremely pleased with the growth and all-round improvement in our operational metrics. Over the last few months the challenging business environment has put to test the resilience of the organization and its business model. That we have been able to emerge positively, provides us a strong impetus."



Significant Projects:

For a leading national provider of integrated data, voice and wireless communications in the US, Sonata is setting up a Business Intelligence (BI) Center of Excellence. This center will enable the customer to provide responsive, optimum and cost effective services using Business Intelligence as a tool to drive organizational efficiencies and sales. The engagement involves building a BI roadmap, handling enhancements and identifying right-fit BI tools for the organization.

Sonata has established a 1st line Support Helpdesk for a UK-based global F&B major. Through this Helpdesk, Sonata will provide remote IT operations including handling customer calls, monitoring batch overnight jobs and logging them into service desk. This will ensure improved service quality standards for the customer.

For a fashion industry enterprise, Sonata is building a social networking application. The application will run on iPhone and other such high-end mobile devices supported by a backend server. The application will enable prospective buyers to solicit opinions, from their network of friends and associates, on specific products prior to their purchase.

Sonata is assisting a leading Independent Software Vendor (ISV) in the Supply Chain Management industry to build a powerful Planning Dashboard, which will allow the company to analyze their operations and take appropriate actions.

For a large supply chain and logistics ISV, Sonata was engaged to integrate their Transportation Optimization Planning System with SAP Order Processing and Execution System. This will result in seamless and reliable operations for the customer, and will support process-centric collaboration between SAP and non-SAP components.

Sonata is partnering a large components manufacturer to implement SAP as part of their integration project connecting the Head Office with 50 Sales Offices. The modules include Finance & Controlling, Materials Management, Production & Planning, and Sales & Distribution.

For a leading battery manufacturer in the automobile sector, Sonata is implementing Oracle E-Business Complete Suite Release 12 for process automation at the customer's Corporate Office and manufacturing unit. The implementation will subsequently cover the company's 20+ branches.

A pioneer organization in the field of dredging and maritime development, providing dredging services to major ports, has partnered with Sonata to provide ERP implementation for its dredging site. The solution will be on Microsoft's latest ERP platform, Microsoft Dynamics AX 2009. In the first phase of the engagement, Sonata will implement solutions for the customer's financial and material management functions and will subsequently cover other business functions as well.

For a major realtor with diversified business interests that include Finance, Infrastructure & Housing, Media & Entertainment, Consumer Products, Manufacturing, Services & Trading, Sonata will implement an ERP Solution on SonnetCONSTRUCT framework specifically designed for the Construction Industry. The initial implementation will be carried out at the customer's Corporate Office and will subsequently be augmented to cover 120+ project sites.

**Sonata Software Ltd Financial results - Consolidated****(In Rs. Cr.)**

Revenues	Quarter 2 09-10	Quarter 2 08-09	Half Year 09-10	Half Year 08-09
International	231.08	252.96	448.84	494.53
Domestic - Sonata Information Technology Ltd.*	116.25	170.68	276.50	337.14
Consolidated	347.33	423.64	725.34	831.67

EBIDTA	Quarter 2 09-10	Quarter 2 08-09	Half Year 09-10	Half Year 08-09
International	43.60	42.22	78.86	75.35
Domestic - Sonata Information Technology Ltd.*	2.84	4.27	5.90	8.78
Consolidated	46.44	46.49	84.76	84.13

PAT	Quarter 2 09-10	Quarter 2 08-09	Half Year 09-10	Half Year 08-09
International	19.65	19.25	35.77	34.25
Domestic - Sonata Information Technology Ltd.*	1.70	2.38	3.34	5.20
Consolidated	21.35	21.63	39.11	39.45

Notes :

- 1) Consolidated Revenue, EBIDTA and PAT are after elimination of inter company transactions
- 2) Sonata Software Limited Consolidated includes Sonata Software Limited, Sonata Information Technology Limited, TUI InfoTec, Offshore Digital Services Inc., Sonata Software GmbH, Sonata Europe Limited and Sonata Software FZ LLC.
- 3) International comprises of Sonata Software Limited, Offshore Digital Services Inc. , Sonata Software GmbH, TUI Infotec, Sonata Europe Limited and Sonata Software FZ LLC.
- 4) *Domestic - Sonata Information Technology Ltd. Is after elimination of inter company transactions
- 5) Consolidated PAT is after minority interest

About Sonata Software Limited

Sonata Software, 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 portfolio of services includes IT Consulting, Product Engineering Services, Travel Solutions, Application Development, Application Management, Managed Testing, Business Intelligence, Infrastructure Management and Packaged Applications. As per the industry rankings released by NASSCOM for FY08-09, Sonata Software figured among the Top 20 IT Software and Service Exporters in India. Sonata Software has also been ranked global #2 in the 2008 Top Ten ESO: Outsourced Software Development in The Black Book of Outsourcing.

Sonata's subsidiaries include (1) TUI InfoTec – Sonata's Joint Venture with TUI, Europe's largest tourism group, (2) 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 premier software services and product distribution company with India-focused business operations.

For further information, please contact :

Swati Sengupta
 Sonata Software Limited
 APS Trust Building,
 Bull Temple Road, N.R. Colony,
 Bangalore 560019, India
 Tel : 91 80 26610330
swati.sengupta@sonata-software.com