



SONATA SOFTWARE LIMITED

Dear Shareholders,

I hope all is well with you. As we continue to build on our momentum, we remain grateful for your confidence and commitment.

We are pleased to share with you the report for Q3'26.

Commenting on the Q3 performance, Mr. Samir Dhir, MD & CEO of Sonata Software, said:

International IT Services delivered steady progress during the quarter, with consolidated PAT improving significantly in the last two quarters. Following a 10% PAT growth in the previous quarter, we achieved a further 6.1% quarter-on-quarter growth in the current quarter. The business secured a large deal in the BFSI vertical with a Fortune 500 fintech client, reinforcing our strategy of driving growth through large deals backed by disciplined execution. Our continued strategic investments in Artificial Intelligence contributed approximately 14% of the overall order book for the quarter.

Mr. Sujit Mohanty, MD & CEO of Sonata Information Technology Limited, added:

We delivered a seasonally strong quarter in our domestic business. Our three-pillar strategy to diversify the business is in motion, focused on building a scaled and resilient operating model. We remain confident that this strategic direction will drive a more diversified, scalable, and future-ready business.

With Best Wishes,

Samir Dhir
Managing Director & CEO
DIN- 03021413

Jagannathan C N
Chief Financial Officer



Quarterly Report to Shareholders.

Performance Highlights for Q3'26:

- **International IT Services:**

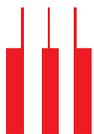
- In USD terms, Q3'26 revenue stood at \$82.3 million, growth of 0.4% QoQ and 0.3% in CC.
- In Rupee terms, Q3'26 revenue stood at ₹738.6 crores, growth of 1.1% QoQ.
- EBITDA (before other income and forex) for Q3'26 stood at 19.5%, 220bps accretion QoQ.
- PAT before exceptional item for Q3'26 stood at ₹80.4 crores, growth of 3.0% QoQ.
- PAT post exceptional item for Q3'26 stood at ₹59.8 crores.
- DSO stood at 71 days in Q3'26, compared to 68 days in Q2'26.
- ROCE stood at 18.7% in Q3'26, compared to 17.8% in Q2'26.
- RONW stood at 23.1% in Q3'26, compared to 22.6% in Q2'26.
- 3 new customers were added during the quarter.

- **Domestic Products & Services:**

- Revenue for Q3'26 stood at ₹2,345.9 crores, growth of 68.6% QoQ.
- Gross contribution for Q3'26 stood at ₹76.1 crores, growth of 10.8% QoQ.
- EBITDA (before other income and forex) for Q3'26 stood at ₹56.2 crores, 20.9% QoQ.
- PAT before exceptional item for Q3'26 stood at ₹47.1 crores, growth of 11.6% QoQ.
- PAT post exceptional item for Q3'26 stood at ₹44.6 crores.
- DSO stood at 42 days in Q3'26, Same as compared to Q2'26.
- ROCE stood at 43.1% in Q3'26, compared to 43.8% in Q2'26.
- RONW stood at 41.8% in Q3'26, compared to 42.5% in Q2'26.

- **Consolidated:**

- Revenue for Q3'26 stood at ₹3,080.6 crores, growth of 45.4% QoQ.
- EBITDA (before other income and forex) for Q3'26 stood at ₹200.2 crores, growth of 15.9% QoQ.
- PAT before exceptional item for Q3'26 stood at ₹127.5 crores, growth of 6.1% QoQ and 21.4% YoY.
- PAT post exceptional item for Q3'26 stood at ₹104.4 crores.
- Cash and cash equivalents (gross) stood at INR 564 Crores.
- Cash and cash equivalents (net) stood at negative ₹ 12 Crores.
- ROCE stood at 23.3% in Q3'26, compared to 22.1% in Q2'26.
- RONW stood at 27.7% in Q3'26, compared to 27.1% in Q2'26.
- The Company has declared its third interim dividend for the financial year at ₹1.25 per share. This is in line with the commitment made during the Q1'26 earnings call to implement a quarterly interim dividend payout policy starting this year.
- ~ 6400+ Sonatians as of December 31, 2025.



Key Financial Metrics & Ratios

International IT Services

(₹ Crore)	Q3 FY2026	Q2 FY2026	Q3 FY2025	Q-o-Q	Y-o-Y
Revenue	738.6	730.3	731.7	1.1%	0.9%
EBITDA*	144.0	126.3	107.1	14.0%	34.5%
Net profit before exceptional item	80.4	78.0	56.9	3.0%	41.2%
Net profit post exceptional item	59.8	78.0	56.9	-23.3%	5.1%

Key Ratios	Q3 FY2026	Q2 FY2026	Q3 FY2025
Effective Tax Rate (%)	26.0%	27.0%	21.1%
Net Profit Margin^ (%)	10.9%	10.6%	7.7%
DSO (Days)	71	68	64

Domestic- Products & Services

(₹ Crore)	Q3 FY2026	Q2 FY2026	Q3 FY2025	Q-o-Q	Y-o-Y
Revenue	2345.9	1391.3	2111.1	68.6%	11.1%
EBITDA	56.2	46.5	56.4	20.9%	-0.5%
Net profit before exceptional item	47.1	42.2	48.1	11.6%	-2.1%
Net profit post exceptional item	44.6	42.2	48.1	5.7%	-7.2%

Key Ratios	Q3 FY2026	Q2 FY2026	Q3 FY2025
Effective Tax Rate (%)	25.8%	25.7%	25.8%
Net Profit Margin (%)	1.9%	3.0%	2.3%
DSO (Days)	42	42	51



Consolidated

(₹ Crore)	Q3 FY2026	Q2 FY2026	Q3 FY2025	Q-o-Q	Y-o-Y
Revenue	3080.6	2119.3	2842.8	45.4%	8.4%
EBITDA	200.2	172.7	163.6	15.9%	22.4%
Net profit before exceptional item	127.5	120.2	105.0	6.1%	21.4%
Net profit post exceptional item	104.4	120.2	105.0	-13.2%	-0.6%
Diluted EPS* (Rs.)	3.8	4.3	3.8	-	-

*EBITDA (Before Other income)

^ Net profit margin before exceptional item.

Note:

*EPS is not annualized



SONATA SOFTWARE LIMITED
Registered Office: 208, T.V. Industrial Estate, S.K. Ahire Marg, Worli, Mumbai - 400 030
Corporate Office: Sonata Towers, Global Village, RVCE Post, Mysore Road, Bengaluru - 560 059
CIN - LY2200MH1934PLC082110
www.sonata-software.com, Tel : +91 080 67781000, investor@sonata-software.com

Part I		₹ in lakhs, except per share data					
Statement of unaudited consolidated financial results for the quarter and nine months period ended December 31, 2025							
Sl No.	Particulars	Quarter ended			Nine months ended		
		December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024	Year ended March 31, 2025
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	308,058	211,930	284,279	816,506	754,605	1,015,725
2	Other income	1,140	3,136	2,149	6,697	5,955	2,115
3	Total income (1 + 2)	309,198	215,066	286,428	823,202	759,560	1,022,840
4	Expenses						
	(a) Purchase of stock-in-trade (traded goods)	243,130	134,966	201,522	600,855	514,148	703,106
	(b) Changes in inventories of stock-in-trade	(3,074)	2,880	1,710	(2,097)	7,712	5,076
	(c) Employee benefits expense	37,121	42,250	40,428	121,175	117,830	159,767
	(d) Finance costs	1,299	1,421	1,597	3,228	5,515	6,525
	(e) Depreciation and amortization expense	2,654	2,626	3,227	7,888	9,846	12,149
	(f) Other expenses	10,861	14,564	24,262	43,316	62,617	78,851
	Total expenses	291,991	198,707	272,746	774,365	717,669	965,474
5	Profit before exceptional item and tax (3 - 4)	17,207	16,359	13,682	48,837	42,291	57,366
6	Exceptional item						
	Statutory impact of new labour codes (Refer Note 6)	3,128	-	-	3,128	-	-
7	Profit before tax (5 - 6)	14,079	16,359	13,682	45,709	42,291	57,366
8	Tax expense						
	(1) Current tax	5,066	3,758	4,253	14,139	13,558	17,285
	(2) Deferred tax	(1,423)	582	(3,072)	(1,819)	(2,981)	(2,386)
	Total tax expense	3,643	4,340	3,181	12,320	10,577	14,899
9	Profit for the period (7 - 8)	10,436	12,019	10,501	33,389	31,714	42,467
10	Other comprehensive income						
	(1) Items that will not be reclassified to profit/(loss)						
	(a) Remeasurement of the defined benefit plans	(52)	145	(474)	(100)	118	(56)
	(b) Equity instruments through other comprehensive income	-	-	(15)	-	(289)	(938)
	(c) Income tax relating to items that will not be reclassified to profit/(loss)	23	(37)	119	25	(30)	14
	(2) Items that will be reclassified to profit or (loss)						
	(a) Exchange differences in translating the financial statements of foreign operations	552	1,080	(202)	1,683	411	488
	(b) The effective portion of gains/ (losses) on hedging instruments in a cash flow hedge	(191)	(1,179)	(152)	(716)	(916)	(389)
	(c) Income tax relating to items that will be reclassified to profit/(loss)	(91)	25	89	(241)	127	(25)
	Total	201	34	(635)	641	(579)	(906)
11	Total comprehensive income for the period (9 + 10)	10,637	12,053	9,866	34,030	31,135	41,561
	Of the total comprehensive income above, profit for the period attributable to:						
	Owners of the Company	10,436	12,019	10,501	33,389	31,714	42,467
	Non - controlling interest	-	-	-	-	-	-
		10,436	12,019	10,501	33,389	31,714	42,467
	Of the total comprehensive income above, other comprehensive income for the period attributable to:						
	Owners of the Company	201	34	(635)	641	(579)	(906)
	Non - controlling interest	-	-	-	-	-	-
		201	34	(635)	641	(579)	(906)
	Of the total comprehensive income above, total comprehensive income attributable to:						
	Owners of the Company	10,637	12,053	9,866	34,030	31,135	41,561
	Non - controlling interest	-	-	-	-	-	-
		10,637	12,053	9,866	34,030	31,135	41,561
12	Paid-up equity share capital (Face Value ₹ 1/-)	2,773	2,774	2,776	2,773	2,776	2,776
13	Other equity (Refer Note 5)	167,818	167,818	137,854	167,818	137,854	167,818
14	Earnings / (loss) per equity share (of ₹ 1/- each) (Refer Note 4)						
	(a) Basic (in ₹)	3.76	4.33	3.78	12.03	11.42	15.30
	(b) Diluted (in ₹)	3.76	4.33	3.78	12.03	11.41	15.28
	See accompanying notes to the consolidated financial results						

Note: This report is for information purposes. Green Initiative is an effort of the Government of India which aims at reducing paper consumption thereby contributing to a greener environment. In harmony with that we are circulating this over email to shareholders who have updated their e-mail addresses with the Depository Participant.

You are requested to update/intimate the email address (E-mail ID) and any change in the email address with the Depository Participant.



SONATA SOFTWARE LIMITED
(CIN No. L72200MH1994PLC082110)

Registered Office:

208, T V Industrial Estate, 2nd Floor, S K
Ahire Marg,
Worli, Mumbai – 400 030

Corporate Office

Tower-A, Sonata Towers, Global Village (Sattva Global City),
RVCE Post, Kengeri Hobli, Mysore Road,
Bengaluru 560059, India

Tel: 91-80-6778 1000

E-mail: investor@sonata-software.com

Website: www.sonata-software.com