Sonata Software - Consolidated Q2 FY18 PAT at `45 Crores; 19%YoY growth, declares interim dividend of ` 3.75 per share

Bangalore, November 13, 2017

Sonata Software, a global IT services and technology solutions company, today reported its unaudited financial results for its 2nd quarter ended 30th September, 2017.

								in ` Crores	
Description	**For the Quarter ended**					**For the half year ended**			
	30-Sep-17	**30-Jun-17**	**30-Sep-16**	**QoQ**	**YoY**	**30-Sep-17**	**30-Sep-16**	**YoY**	
Revenues									
International IT Services	234.6	211.3	209.1	11%	12%	445.8	404.9	10%	
Domestic- Products & Services	199.7	428.1	295.5	-53%	-32%	627.8	716.4	-12%	
Consolidated	426.9	634.5	500.5	-33%	-15%	1,061.4	1,109.9	-4%	
EBITDA									
International IT Services	52.7	49.8	46.4	6%	14%	102.6	97.5	5%	
Domestic- Products & Services *	14.0	15.1	14.2	-7%	-1%	29.1	29.4	-1%	
Consolidated *	66.1	64.5	59.8	3%	11%	130.6	125.5	4%	
PAT									
International IT Services	37.0	34.5	30.1	7%	23%	71.5	63.1	13%	
Domestic- Products & Services	8.4	8.6	8.2	-2%	2%	16.9	17.0	0%	
Consolidated	45.4	43.0	38.2	5%	19%	88.4	80.2	10%	

* Includes "exceptional Item" Interest income received on Income-Tax refund of ` 1.14 crore in HY of FY2017-18 (of which Domestic relates to ` 0.65 crore and balance ` 0.49 crore relates to International), and ` 1.11 crores in Q2 of FY2016-17 (relating to Domestic).

Speaking on the results Mr. Srikar Reddy, Managing Director & CEO of the Company said "Strong growth in the International IT services business, based on our proprietary Platformation solutions approach which leverages our platform IP and capability to enable digital transformation for our customers, powered our first half performance. This is a huge endorsement of our strategy focussed on digital transformation of clients businesses in retail, travel distribution and ISV segments though deployment of digital technologies and IP powered by strong alliances".

Sonata also announced the appointment of Mr. Vikas Gurugunti as the Chief Operating Officer. Vikas joins Sonata from DXC Technologies and was heading their Retail and CPG business in the US. He will be based out of the US.

Commenting on the appointment, Mr. Srikar Reddy, Managing Director & CEO said "This is a strategic addition to the top management team and will be a huge boost to our growth objectives which focus on Digital Transformation through Platformation."

Performance Highlights for the quarter:

- *Consolidated:*

  ➢ Revenues at `427 Crores : decline of 33% QoQ;
  ➢ EBITDA at `66 Crores : growth of 3% QoQ;
  ➢ PAT at `45 Crores : growth of 5% QoQ;
  ➢ Cash and equivalents of approximately `268 Crores (net of borrowings).

- *International IT Services:*

  ➢ Revenues at `235 crores; growth of 11% QoQ;
  ➢ EBITDA at `53 Crores : growth of 6% QoQ;
  ➢ PAT at `37 Crores : growth of 7% QoQ;
  ➢ Addition of 10 new customers.

- *Domestic Products& Services :*

  ➢ Revenues at `200 crores : decline of 53% QoQ;
  ➢ EBITDA at `14 Crores : decline of 7% QoQ;
  ➢ PAT at `8 Crores : decline of 2% QoQ;

About Sonata Software
Sonata Software is a global IT solutions firm focused on catalysing business transformation initiatives of its clients through deep domain knowledge, technology expertise and customer commitment. The company delivers strategic technology solutions for Travel, Retail & Distribution and Software Product companies to drive enhanced customer engagement, operations efficiency and return on IT investments. Sonata brings its own proprietary platforms, products and services in digital technology areas such as Omni-channel commerce, Mobility, Analytics, Cloud and ERP to enable speed and reliability of IT led innovation. 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 to those who want to make an impact on their businesses, with IT.

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