GO DEEPER
Transform business with IT

Investor Presentation

Q2 FY 16

Product Engineering
Enterprise IT Services
Technology Infrastructure

SONATA
SONATA SOFTWARE

DEPTH MAKES A DIFFERENCE

Sonata Vision

A world class firm
that is a benchmark for
Catalyzing Business
Transformation for our Clients,
Fulfilling Employee Aspirations &
Caring for our wider Community

through Depth of:
Thought Leadership
Customer Centricity
Execution Excellence

For the Customers
IT Partner of choice for transformation thru deeper industry, technology & customer focus

For the Employee
A fun & fearless environment where the potential & passion for work flourishes

For the Community
CSR initiatives to support IT needs of projects with Social impact

Sonata Software – Corporate Structure

Sonata Software Limited

Reporting Segment	International IT Services							Domestic Products & Services
Legal Entities	Sonata Software Ltd	Sonata Europe Ltd	Sonata Software GmbH	Sonata FZ LLC	Sonata Software North America	**Sonata Software Qatar**	**Rezopia Inc.**	**Halosys**	Sonata Information Technology Ltd
Geography	India	UK	Germany	Dubai	USA	Qatar	USA	USA	India
Nature of Business	• IT Consulting • RIM • Offshore IT Software Development	• Software Service & Devp.	• Program Mgmt. for TUI	• Sales & Marketing • Account Mgmt. • Program Mgmt.	• Sales & Marketing • Account Mgmt. • Program Mgmt. • Onsite IT Services	• Sales & Marketing • Account Mgmt. • Program Mgmt. • Onsite IT Services	• Cloud based PaaS travel IT solutions platform	• single Unified Enterprise Mobile Enablement platform	• Distribution of Packaged Software Products • Domestic IT Services • Account Mgmt. • Program Mgmt. • Onsite IT Services

Operating Business Lines

International Services

- Product Engineering & Enterprise IT solutions
- International footprint
- 43% of Co Revenues
- 79% of Co PAT

Technology Infrastructure

- IT Infrastructure Consulting, Licensing & Deployment
- Primary India footprint
- 57% of Co Revenues
- 21% of Co PAT

International IT Services

Industry, Business Process & Technology Focus
Transforming strategic business processes

Industry

Process

CUSTOMER ENGAGEMENT

- Omni-Channel Commerce
- Analytics & Personalization
- CRM, Loyalty
- Mobile Consumer Apps

ENTERPRISE EFFICIENCY

- ERP
- Business Intelligence
- SCM, HR, Finance
- Mobile & Social B2E

IT COST MANAGEMENT

- Managed Services & Infrastructure
- Cloud & Virtualization
- Licensing Optimization

Tech.

hybris software
AN SAP COMPANY

Microsoft Dynamics

appcelerator®

hadoop

Windows Azure

Sonata : Footprint in IT Services

Travel
31% of Revenue

hybris software AN SAP COMPANY
rezopia FROM SONATA SOFTWARE

Most Innovative Partner 2012

Strategic Customers

- World leading Tour Operator
- Top NA Corporate Travel Co

Retail & CPG
19% of Revenue

Microsoft Dynamics
hybris software AN SAP COMPANY

Most Innovative Partner 2012

Strategic Customers

- World leading Retailer
- Global F&B CPG Leader

ISV
31% of Revenue

Windows Azure
Java

Strategic Customers

- Global Software Leader
- Top SMB ERP Co

Transformational Partner to Customers

Enabling a World Leader in Travel Retail stay ahead of the digital business shift

Evolution from brick and click to Omni-Channel business
- 20%+ YoY digital sales growth, 50%+ digital revenue

Front Office to Back Office IT systems services
- 300+ team of On-site and Off-shore mix; 30% saving in IT costs, est > 50Mn E p.a.; 50+ core applications transitioned, modernized; >80% Managed Services

10 Year Partnership Milestone
*"Sonata is a very important extension of the team and over the years has made a **significant contribution to our success in serving our customers better than anyone else** in our business sector." Director IT*

Transformational Partner to Customers

Partnering launch of a new ERP by a Global Software leader

Engineering Excellence
- Beta One thru to global roll-out stages with ERP & engineering skills
- Vertical solutions partner – industry specific offering of core ERP

Value Added Services
- Engineering and integration services to partner eco-system globally
- Managed support with SLA adherence improved by over 30% to > 90%
- Go-to-Market partner with marquee Fortune 500 clients wins and project implementations

10 Year Partnership Milestone

*"Sonata has been an **important partner** in our … journey for over a decade. The expertise they bring to the table makes **them a valuable part of the ecosystem..**, its partners and customers who seek to get more out of our enterprise class business solution. This 10 year anniversary is a significant milestone in our relationship with Sonata and we look to newer horizons ahead." VP Engineering*

Way Forward : Platforms + Services for digital business

Consumer

IT Connected world - Seamless, Personalized, Social Commerce

Customer

Transform business to remain competitive with new technologies

Solutions that keep your business ready for a digital future

Travel : the future of Travel Experience

Retail : grow with Brick & Click

ISV : future ready software

Competition

Large multi industry multi service providers, Niche technology specialist

Sonata

Digital Engagement: Integrated Omni-Comm. + Mobility + Analytics + Cloud based solutions

Industry specific IP led platforms + services

Turnkey partner for mid size (USD 500M+) customers in Travel, Retail & CPG, ISV vertical

Strategic acquisitions to enable 'the Future'

rezopia FROM SONATA SOFTWARE
TRAVEL SAAS

Unified Enterprise Mobility Platform

halosys

- Reservation, Distribution, Contracts & Operations on one single Cloud Platform
- Search & Book across Web, Mobile, Shop & Call Centre channels
- On the fly packaging across Air, Rail, Hotel & ancillary service inventory
- Integration to leading GDS and ERP applications

- Core features of MADP, MAM, MBaaS & APIs on a single, unified platform
- Manage Apps + Data + Devices + Users
- OOB connectivity to all leading ERP
- Enterprise App Store

Building, integrating, looking to acquire platforms across Ecommerce, Analytics & DevOps to complete portfolio for 'Future Ready' IP led solutions.

The Future – Industry specific Platform solutions

Next Gen Travel Experience

Rezopia Travel SaaS

- Travel Distribution, Reservations, Contracts & Operations on one Cloud enabled SaaS platform
- Multi-channel search, book, call features
- Industry standard PCI DSS compliant multi-currency payment systems
- Companion Apps for assisted travel
- Social media sharing features

Omni Channel Retailer

Brick & Click Retail Platform

- Fully unified end to end platform from Engagement to Fulfillment
- Transformed Omni Channel Personalized Experience – In Store, On The Go, Online
- IOT Enabled & Pre-Integrated
- Complete Operations & Financial management capabilities
- Retina - Deep insights into Customers, Products & Purchase Patterns

Increasing impact on customer's digital solution needs

Top SMB ERP Company

Cloud & Mobile engineering ERP for SaaS enablement

World Leading Retailer

Engineering Omni Channel retail systems on a new technology stack

Top ANZ Rail Company

Enabling next-gen Rail reservation & ancillary services

Next Generation Rail Reservation system

A large rail network wanted to replace their legacy rail passenger reservation system with next-gen core IT system, capable of catering to multiple channels and revenue sources. The legacy system had limited features, long lead-time and costly developments.

Sonata's Solution encompassed:
- Rail segment specific customization of proprietary Rezopia Travel SaaS solution
- Distribution and booking across multiple channels such as web, mobile, reservation kiosk and call center
- Scheduling, packaging and notifications across revenue streams such as core rail tickets and ancillary services
- Integration to existing financial and accounting systems for head office functions

The new solution brought significant benefits by providing enhanced consumer experience as well as business capability with cloud based core rail ERP application which is feature rich, fast and easy to maintain.

Global Service & Delivery Footprint

UK

Netherlands

Germany

Singapore

Redmond - US Development Center

North America

Qatar, UAE

Australia
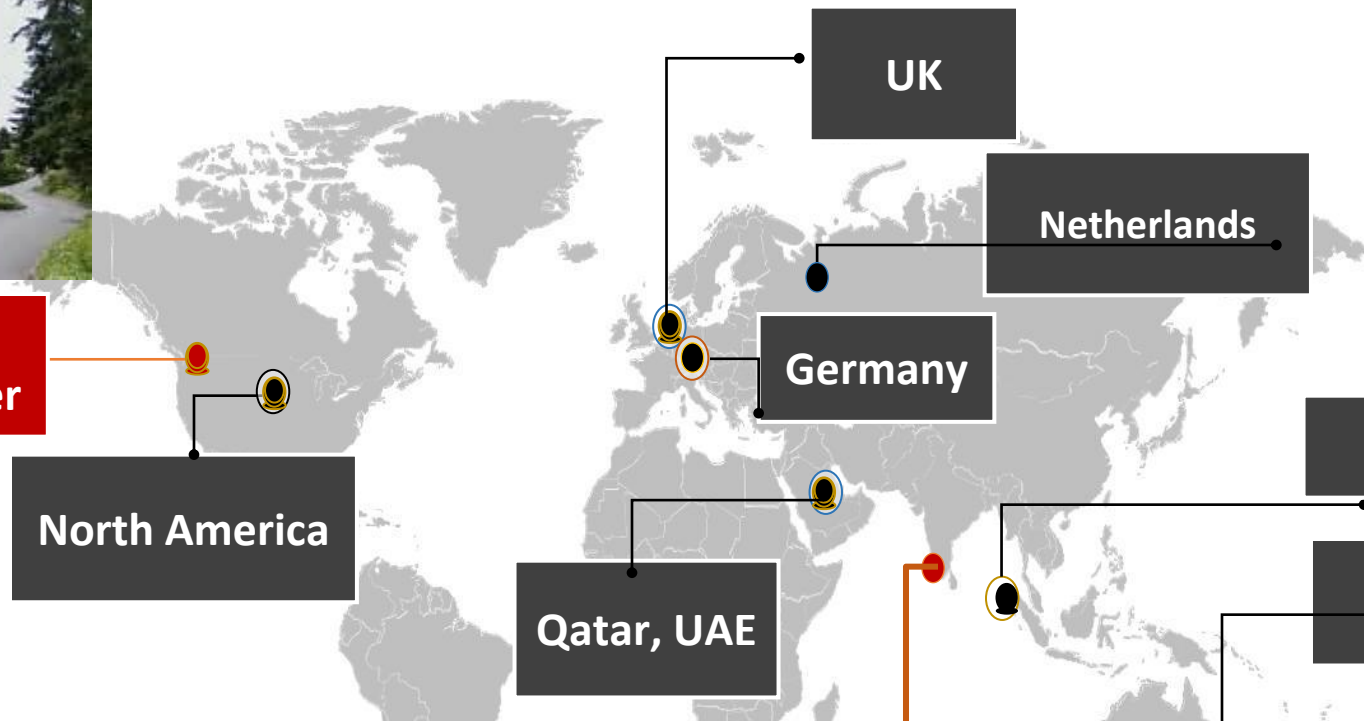
India
Bangalore, Hyderabad

Technology Infrastructure

TIS : Strategic fit to overall Sonata business

- Strategic partnerships with leading technology providers – Microsoft, SAP, Oracle, Appcelerator

- Relationships act an advantage in accessing emerging technology solutions

- High RoNW at >35% levels

- 360 degree footprint across Engineering, Implementation, Go to Market in IT value chain in key technologies – e.g. Dynamics AX

Wide portfolio of technology solutions
with leading and emerging partners

PORTFOLIO OF WORLD-CLASS ALLIANCES

Microsoft · SAP · ORACLE · hp · IBM

Adobe · Symantec · redhat · vmware

intel · INFORMATICA · paloalto NETWORKS · appcelerator

360 DEGREE CORPORATE FOOTPRINT
PE | PDS Implement | GTM

End to End Capability
on Technology Needs

IN-HOUSE SOLUTION CENTRE OF EXCELLENCE
Expert Deployment Team |
Customer POC | Best
Practices Templates

NEW TECHNOLOGY ADOPTION
SMAC| Platforms| Appliances

Cloud, MoovWeb,
Exadata

EXPERTISE | RELIABILITY | SPEED
in accessing technology solutions

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Keeping business prepared to compete…
with up to date technology infrastructure

CORE IT INFRASTRUCTURE

- OS, Servers, Cloud & Virtualization
- Security, Identity & Access
- Infrastructure Management, Optimization & Support

EMPLOYEE PRODUCTIVITY

- Communication & Collaboration
- Work Tools & Applications
- Onboarding & Support

BUSINESS APPLICATIONS

- E. Comm, Digital Marketing, CRM, BI, Mobility, ERP, SCM
- IT Appliances
- Consulting & Support

Core Enterprise Infrastructure migration to Cloud for cost optimization
Leading Brewery Company

Patient care enhancement thru collaborative work tools for doctors
Leading Hospital Chain

Enhanced business responsiveness thru next gen IT Appliances
Leading Bank
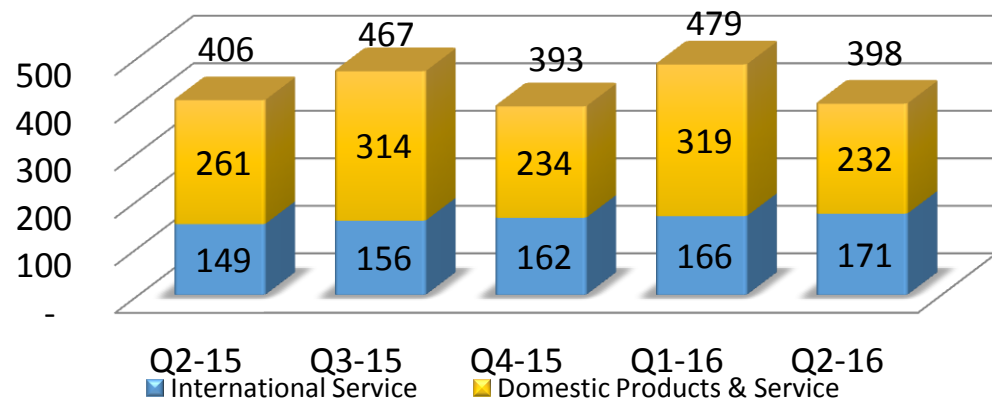
Financials

Result Snapshot – Q2 FY 16

INR Crores

Description	For the Quarter ended					For the half year ended		
	30-Sep-15	30-Jun-15	30-Sep-14	QoQ	YoY	30-Sep-15	30-Sep-14	YoY
Revenues								
International IT Services	170.7	165.6	148.8	3%	15%	336.3	288.5	17%
Domestic- Products & Services	231.6	319.1	260.7	-27%	-11%	550.7	544.3	1%
Consolidated	398.4	479.2	405.5	-17%	-2%	877.6	822.7	7%
EBITDA								
International IT Services	45.3	42.3	35.6	7%	27%	87.5	71.1	23%
Domestic- Products & Services *	14.2	14.4	9.4	-2%	51%	28.6	18.2	57%
Consolidated *	58.8	55.7	44.5	5%	32%	114.5	88.7	29%
PAT								
International IT Services	31.0	29.8	25.4	4%	22%	60.8	51.7	18%
Domestic- Products & Services	8.4	8.4	5.7	0.1%	46%	16.7	11.4	46%
Consolidated	39.3	38.2	31.1	3%	26%	77.5	63.2	23%

Includes "exceptional Item" Interest income of ₹2.7 crores & ₹0.96 crores received in Q1 & Q2 of FY2015-16 respectively and ₹1.6 crores received during Q1 of FY2014-15 on Income-Tax refund received.
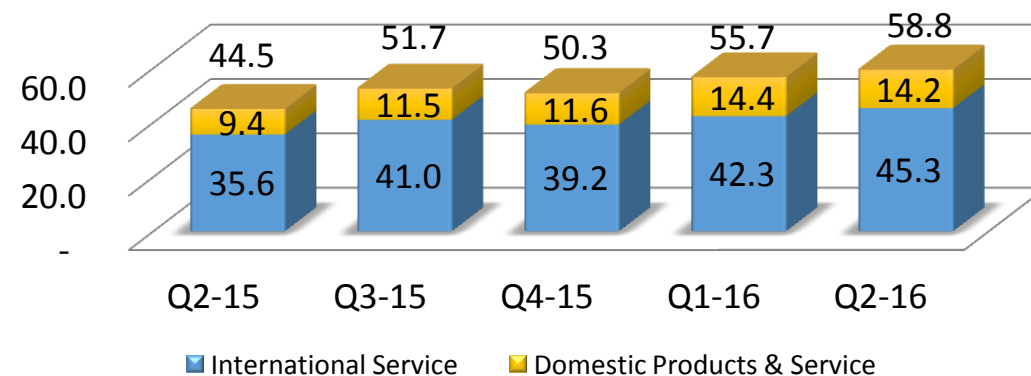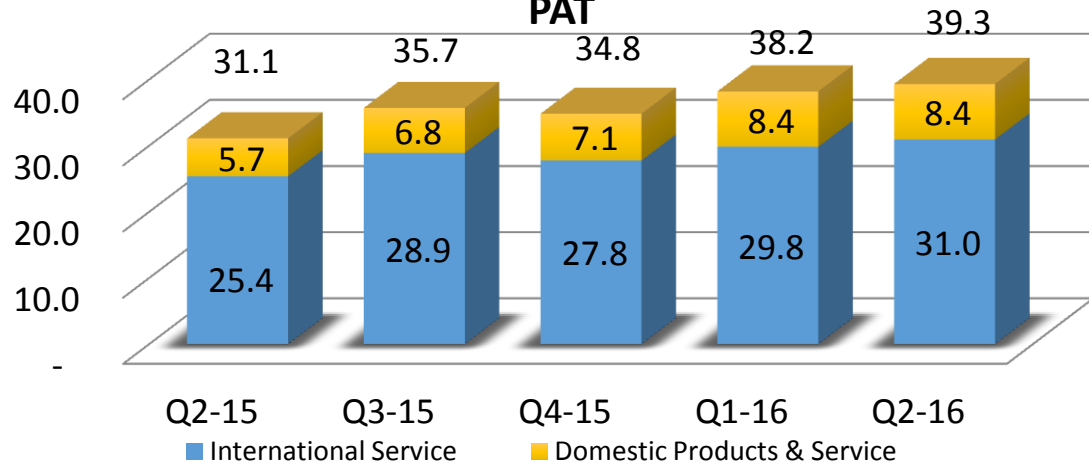
Consolidated - by Quarter

Revenue

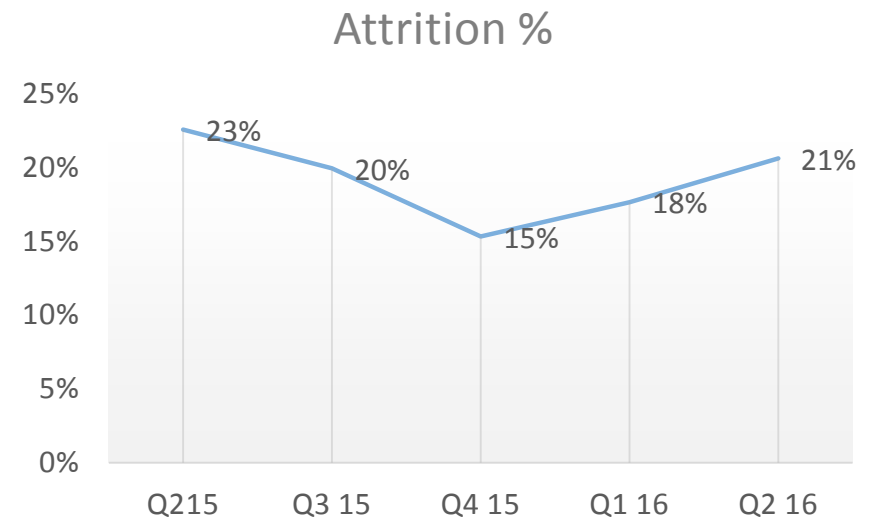|	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
Total	406	467	393	479	398
Domestic Products & Service	261	314	234	319	232
International Service	149	156	162	166	171

EBIDTA

	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
Total	44.5	51.7	50.3	55.7	58.8
Domestic Products & Service	9.4	11.5	11.6	14.4	14.2
International Service	35.6	41.0	39.2	42.3	45.3

PAT

	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
Total	31.1	35.7	34.8	38.2	39.3
Domestic Products & Service	5.7	6.8	7.1	8.4	8.4
International Service	25.4	28.9	27.8	29.8	31.0

	QoQ	YoY
Revenue	-2%	-17%
EBIDTA	5%	32%
PAT	3%	26%

Note : Q1-16 & Q2-16 EBITDA and PAT includes exceptional income of Interest on IT Refund
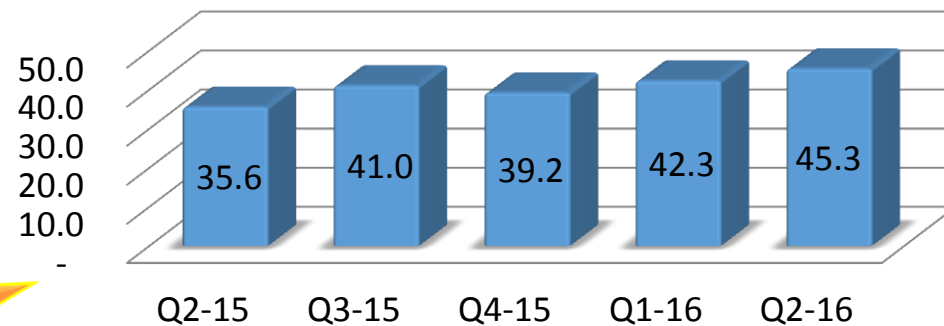
Headcount

Q2-15: 2,856 — International Service 2,746, Domestic Products & Service 110
Q3-15: 2,951 — International Service 2,837, Domestic Products & Service 114
Q4-15: 3,018 — International Service 2,896, Domestic Products & Service 122
Q1-16: 3,019 — International Service 2,889, Domestic Products & Service 130
Q2-16: 3,050 — International Service 2,908, Domestic Products & Service 142

■ International Service ■ Domestic Products & Service

Diversity

	Q215	Q3 15	Q4 15	Q1 16	Q2 16
Women	22.4%	22.6%	23.4%	23.5%	23.4%
Men	77.6%	77.4%	76.6%	76.5%	76.6%

■ Men ■ Women

Attrition %

Q215	Q3 15	Q4 15	Q1 16	Q2 16
23%	20%	15%	18%	21%

23

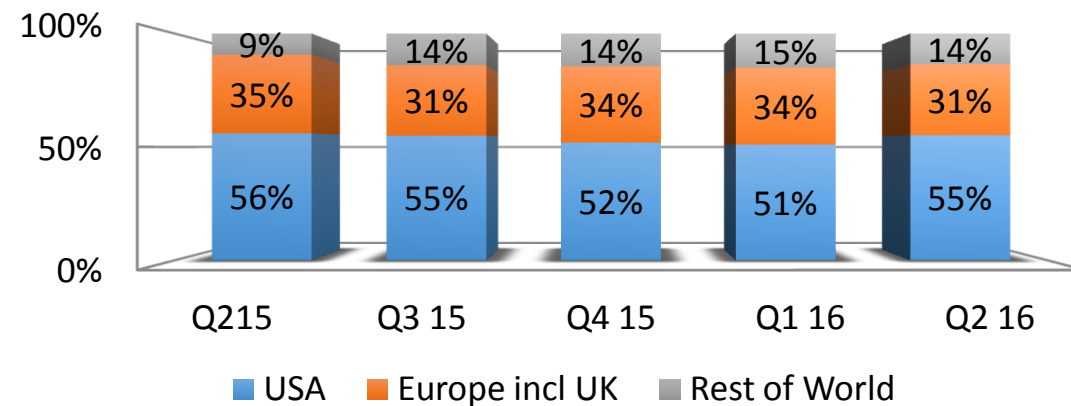# International IT services – by Quarter

INR Crores

Revenue

	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
	149	156	162	166	171

EBIDTA

	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
	35.6	41.0	39.2	42.3	45.3

PAT

	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
	25.4	28.9	27.8	29.8	31.0
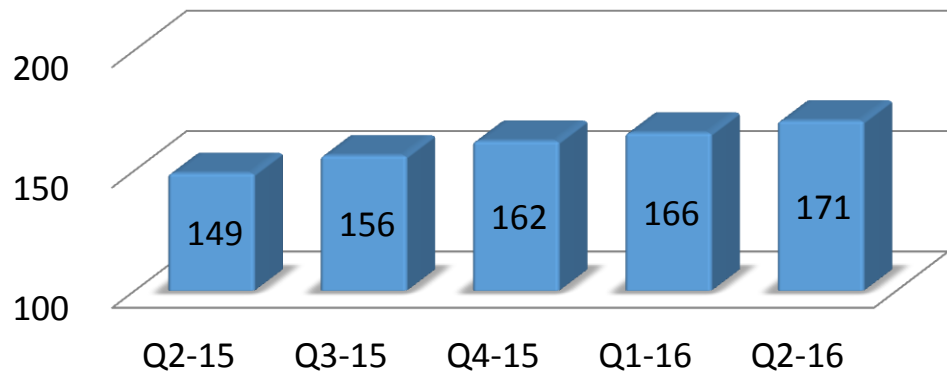
Record Revenue & PAT
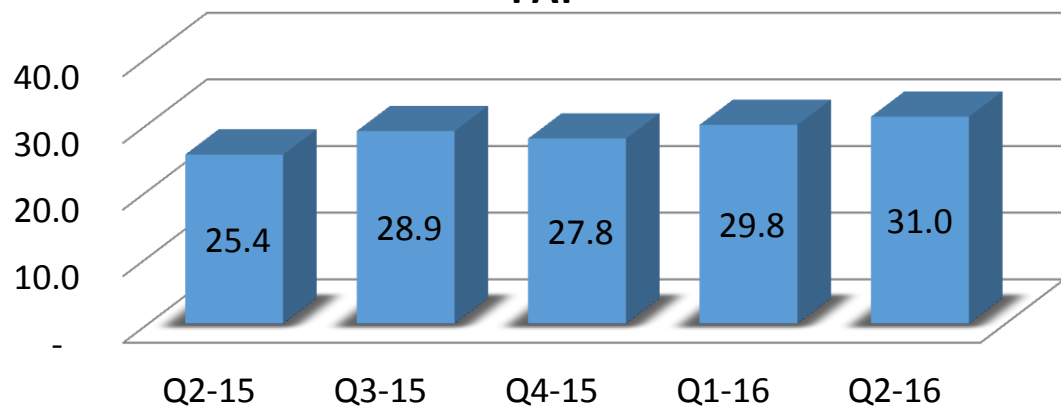
	QoQ	YoY
Revenue	3%	15%
EBIDTA	7%	27%
PAT	4%	22%

Revenue Mix

Revenue $ mn

Quarter	Revenue $ mn
Q2-15	24.3
Q3-15	25.0
Q4-15	25.9
Q1-16	25.9
Q2-16	26.0

Geography

	Q215	Q3 15	Q4 15	Q1 16	Q2 16
Rest of World	9%	14%	14%	15%	14%
Europe incl UK	35%	31%	34%	34%	31%
USA	56%	55%	52%	51%	55%

Onsite / Offshore

	Q215	Q3 15	Q4 15	Q1 16	Q2 16
Offshore	68%	70%	67%	66%	62%
Onsite	32%	30%	33%	34%	38%

Vertical

	Q215	Q3 15	Q4 15	Q1 16	Q2 16
Others	19%	17%	17%	18%	19%
CPG & Retail	16%	16%	15%	16%	19%
TTL	27%	30%	33%	32%	31%
OPD	38%	38%	35%	34%	31%

25
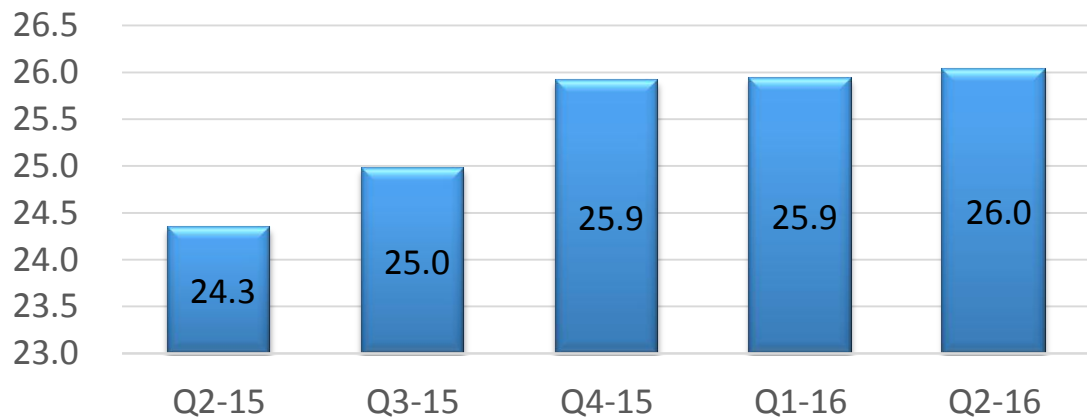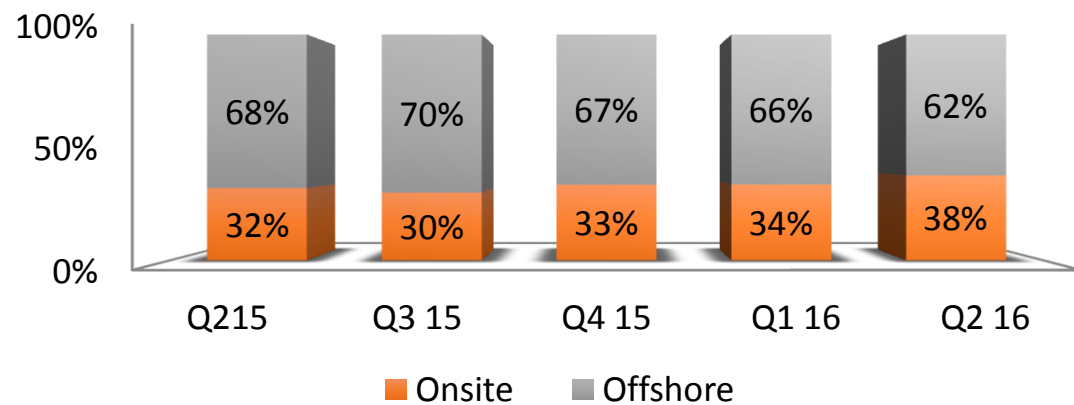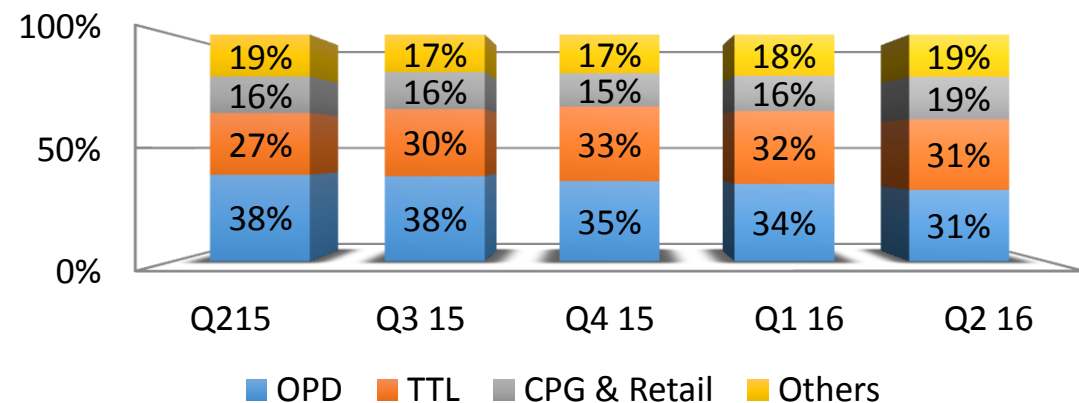
Revenues by Service Line

	Q215	Q3 15	Q4 15	Q1 16	Q2 16
Rezopia	0%	2%	3%	3%	2%
Cloud	3%	3%	3%	4%	1%
Mobility	3%	3%	3%	3%	2%
E-Commerce	8%	8%	10%	9%	9%
BI	7%	7%	7%	6%	7%
IMS	9%	8%	9%	10%	12%
ERP	4%	4%	5%	5%	6%
AX	14%	13%	13%	15%	14%
Test	17%	17%	18%	19%	19%
ADM	35%	35%	29%	26%	26%

28% from Digital

Legend: ADM, Test, AX, ERP, IMS, BI, E-Commerce, Mobility, Cloud, Rezopia
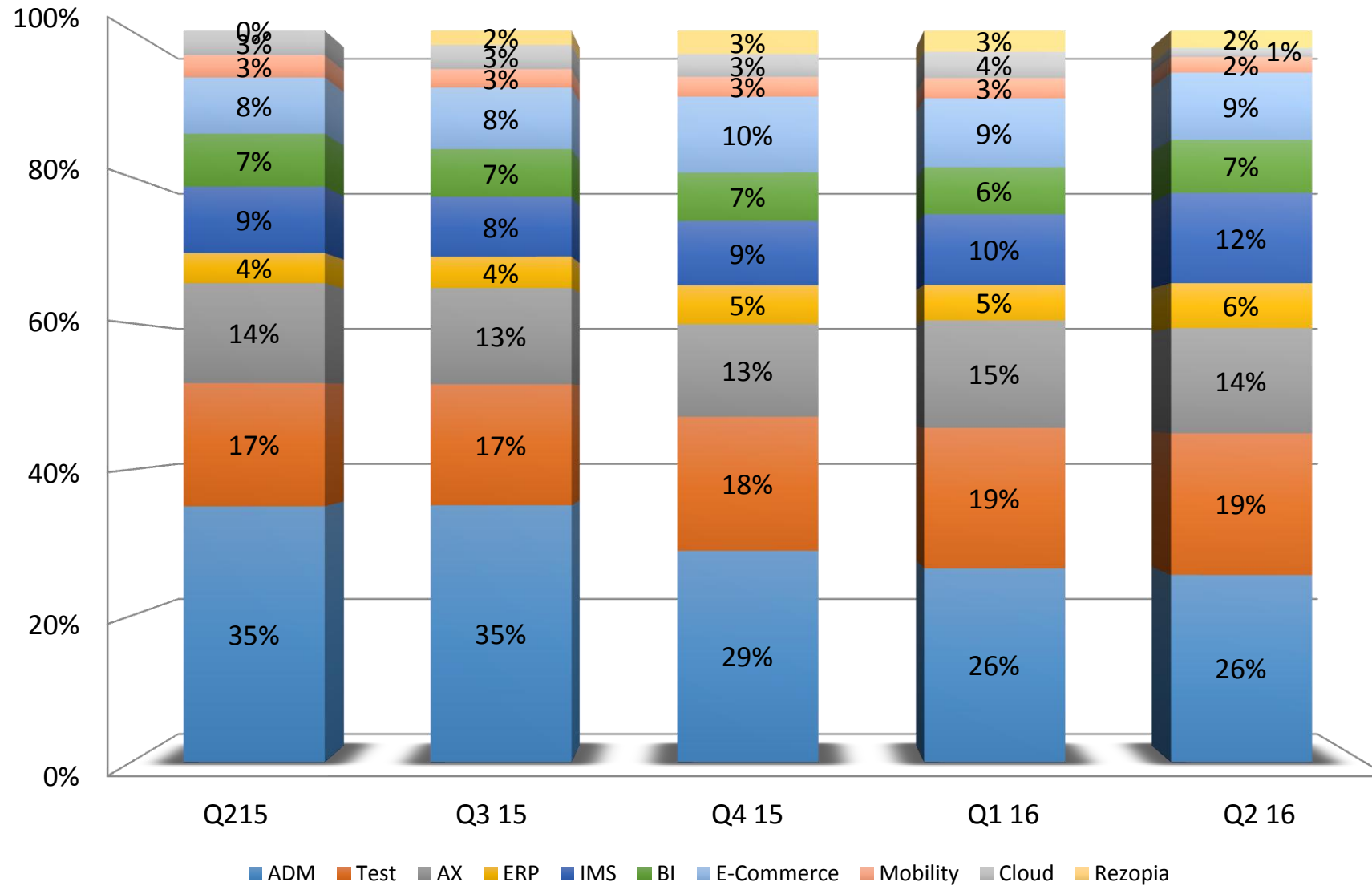
Note:- Digital components includes revenue **from** BI, E-commerce, Mobility, Cloud, Rezopia
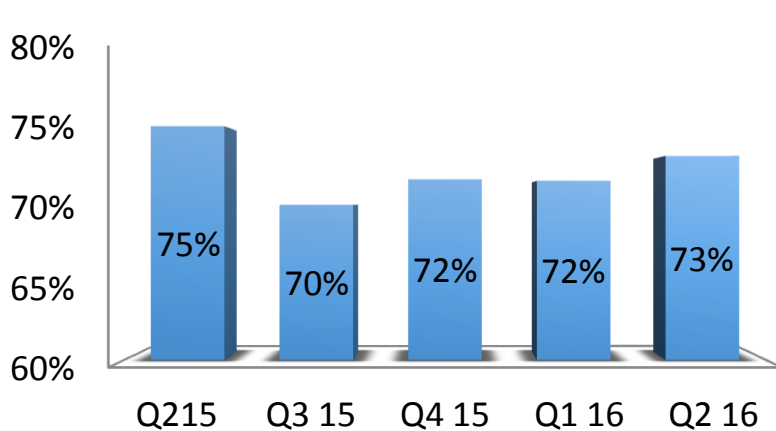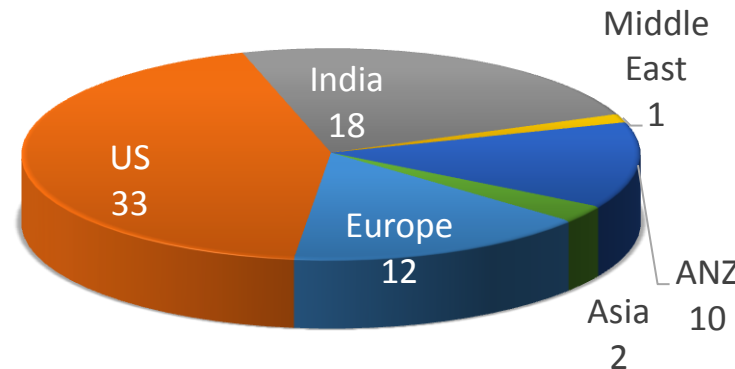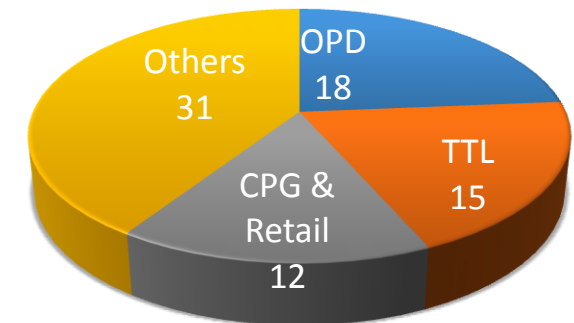
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Revenue by Customers

Customer Category

Legend:
- # of Fortune 500 accounts
- # of million dollar clients

Quarter	# of Fortune 500 accounts	# of million dollar clients
Q215	18	18
Q3 15	18	19
Q4 15	18	19
Q1 16	18	20
Q2 16	18	20

New Customers

Quarter	New Customers
Q215	4
Q3 15	1
Q4 15	8
Q1 16	2
Q2 16	8
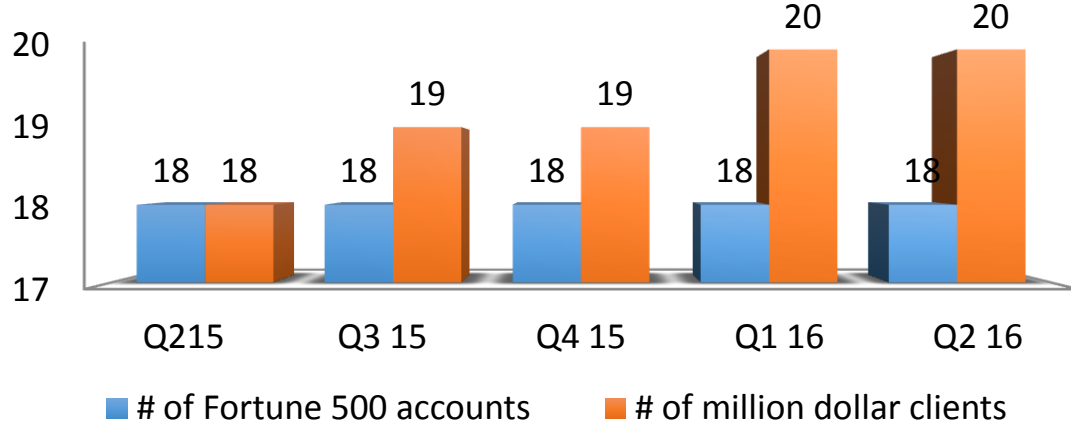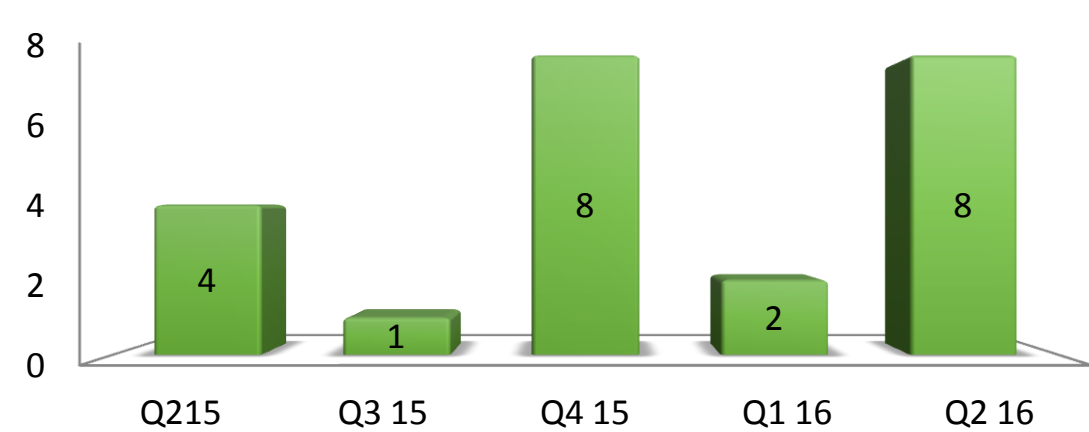
Revenue from Top 10 customers

Quarter	Revenue
Q215	75%
Q3 15	70%
Q4 15	72%
Q1 16	72%
Q2 16	73%

No. of customers by Geo

- US 33
- India 18
- Middle East 1
- Europe 12
- Asia 2
- ANZ 10

No. of customers by Vertical

- Others 31
- OPD 18
- TTL 15
- CPG & Retail 12

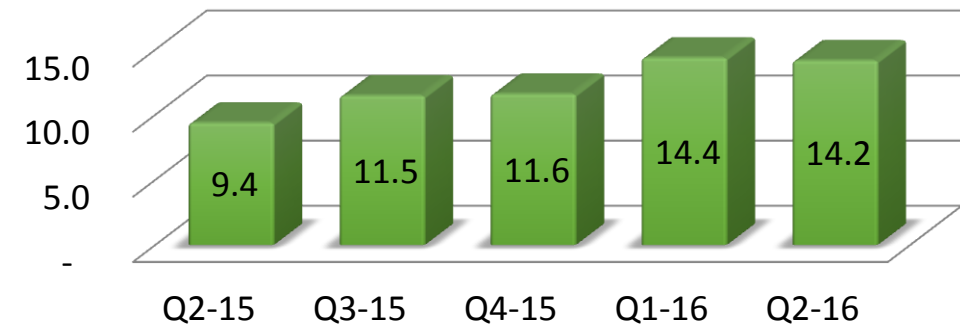# Domestic Product & Services – by Quarter

INR Crores

Revenue

Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
261	314	234	319	232

EBIDTA

Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
9.4	11.5	11.6	14.4	14.2

PAT

Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
5.7	6.8	7.1	8.4	8.4
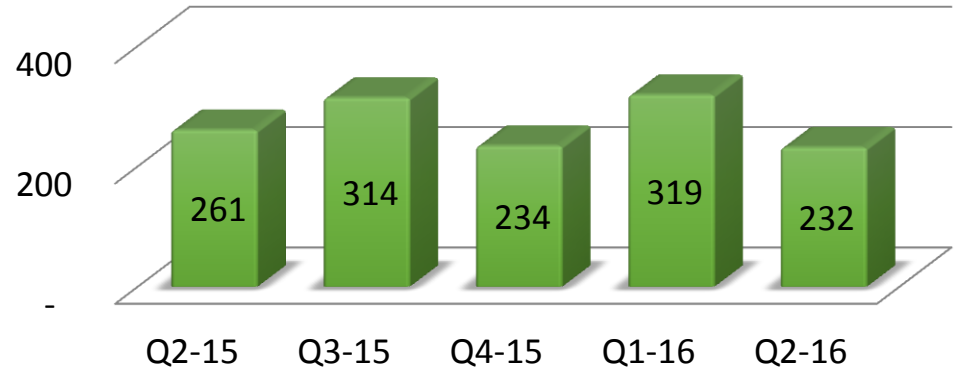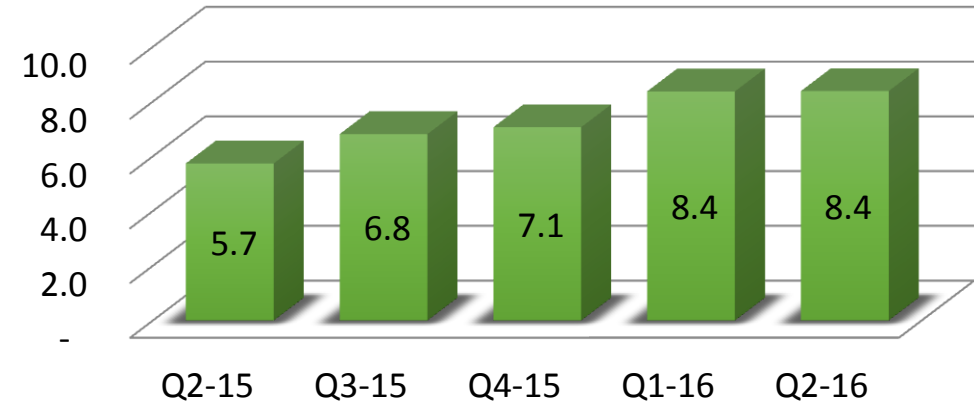
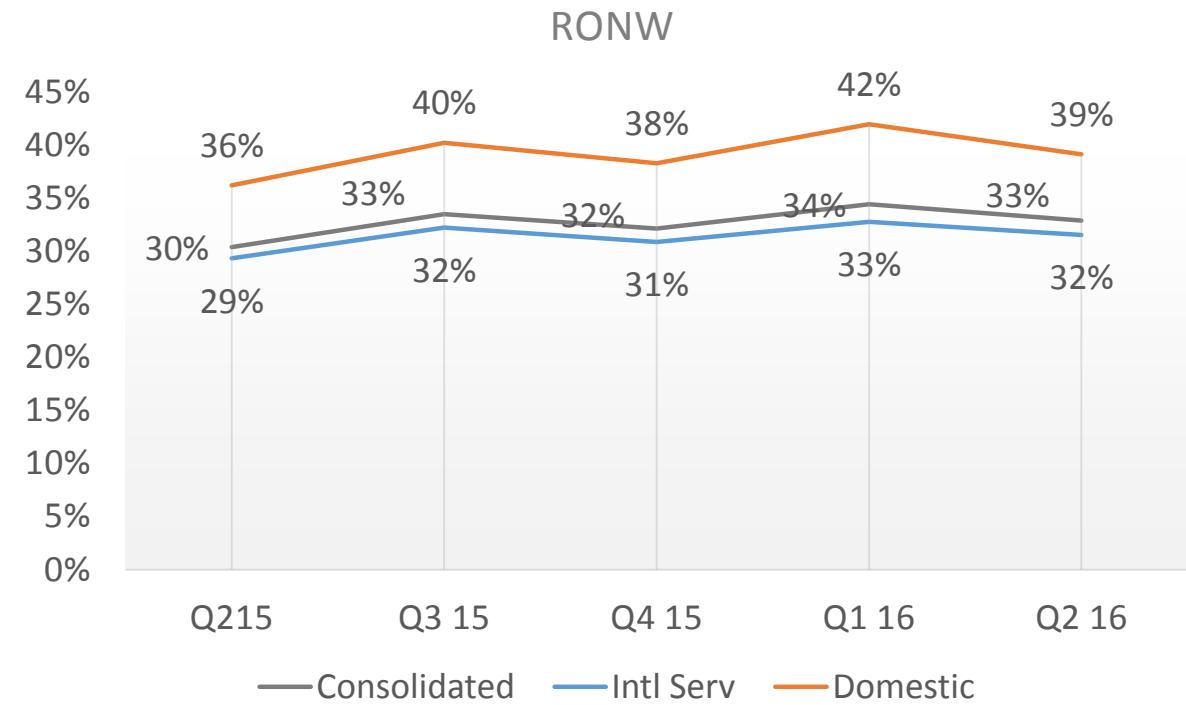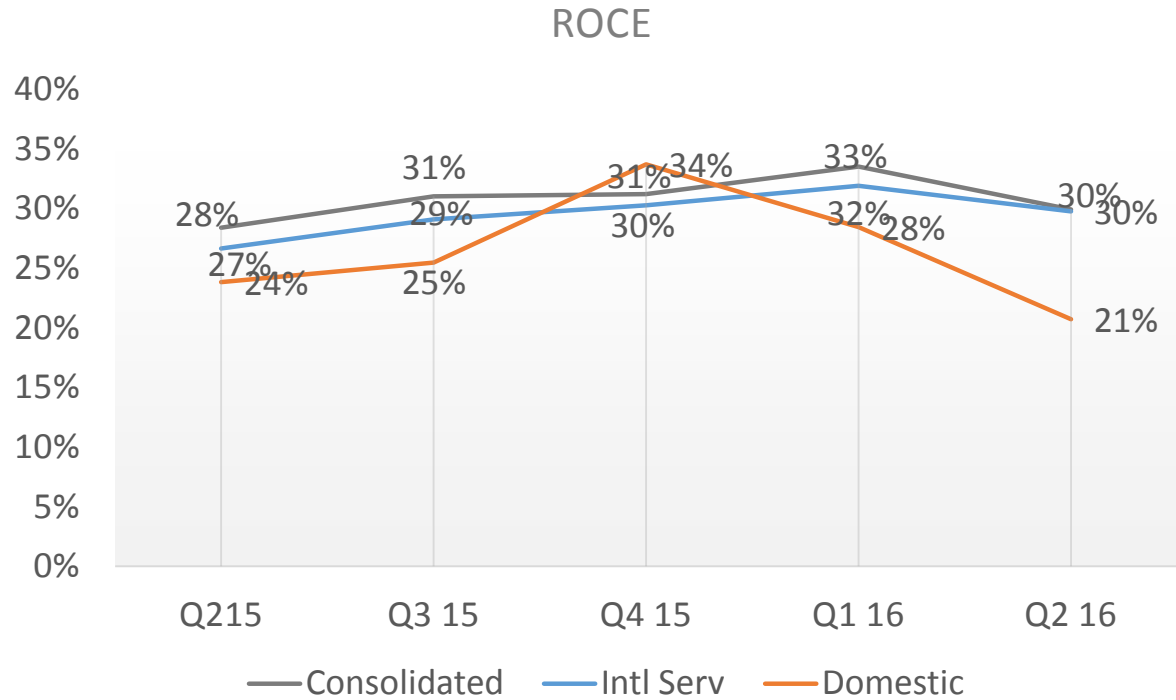|	QoQ	YoY
Revenue	-27%	-11%
EBIDTA	-2%	51%
PAT	0%	46%

Note : Q1 FY 14-15 & Q1 FY 15-16 EBITDA and PAT includes exceptional income of Interest on IT Refund
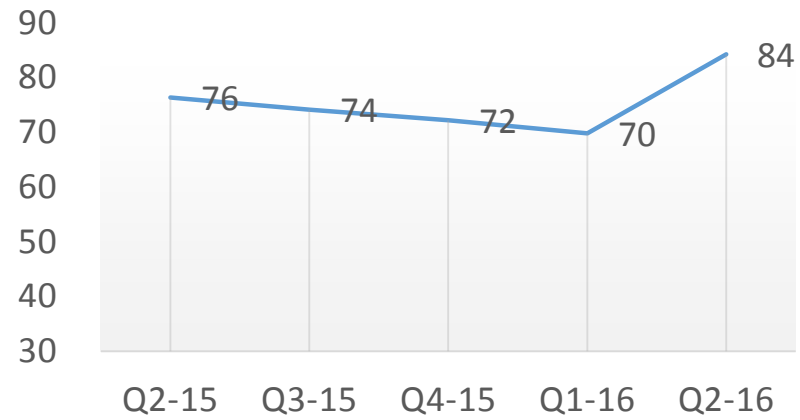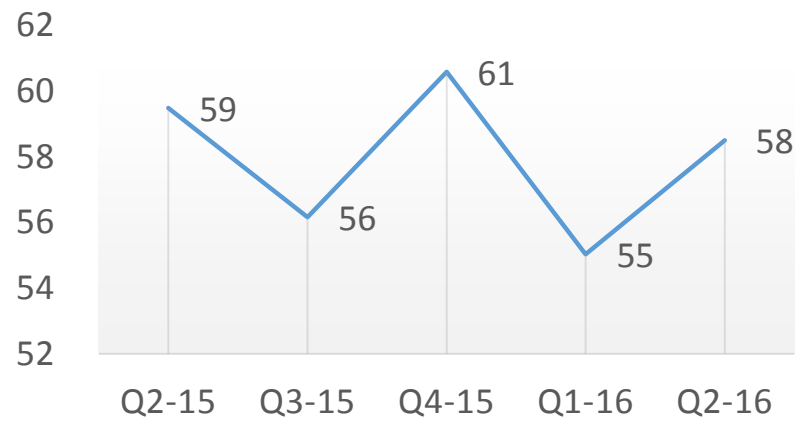
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ROCE

	Q215	Q3 15	Q4 15	Q1 16	Q2 16
Consolidated	28%	31%	34%	33%	30%
Intl Serv	27%	29%	31%	32%	30%
Domestic	24%	25%	31%	28%	21%

RONW

	Q215	Q3 15	Q4 15	Q1 16	Q2 16
Consolidated	30%	33%	32%	34%	33%
Intl Serv	29%	32%	31%	33%	32%
Domestic	36%	40%	38%	42%	39%
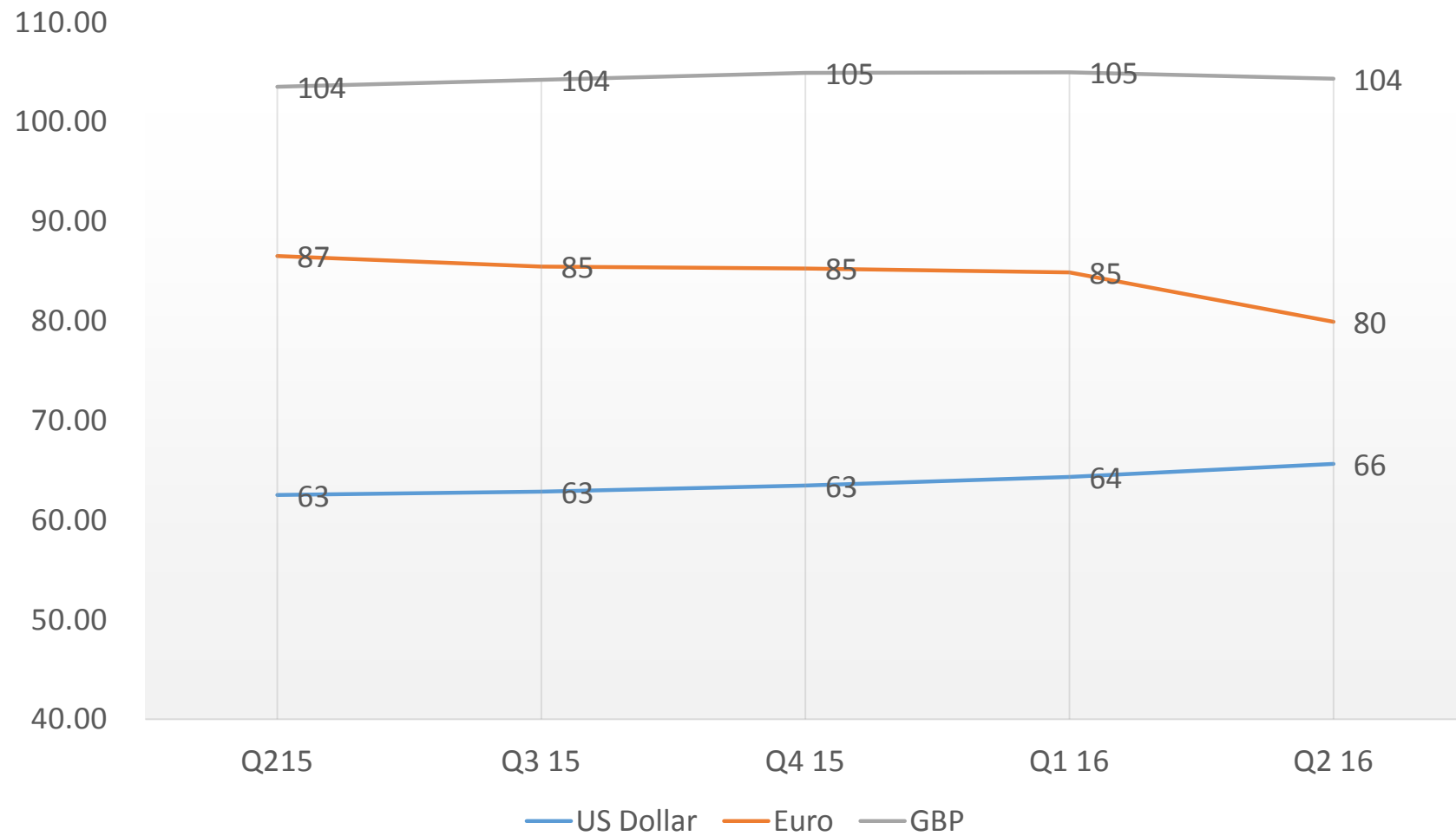
Day Sales Outstanding

Consolidated

	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
	76	74	72	70	84

International Services

	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
	59	56	61	55	58

Domestic

	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
	85	82	79	76	101
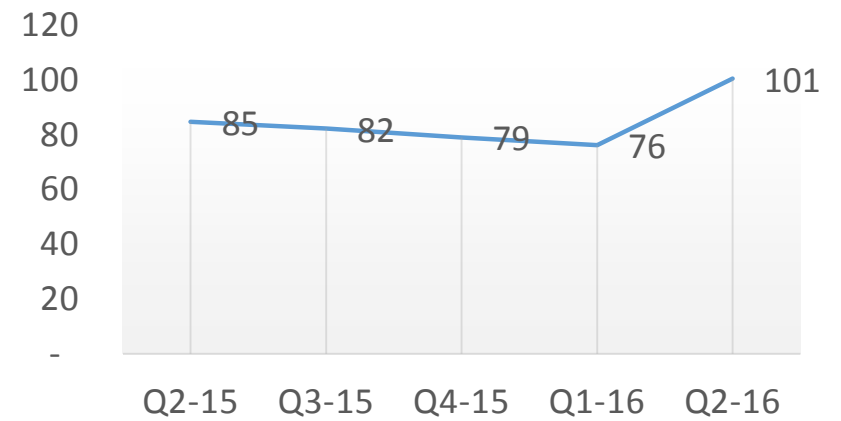
Utilization
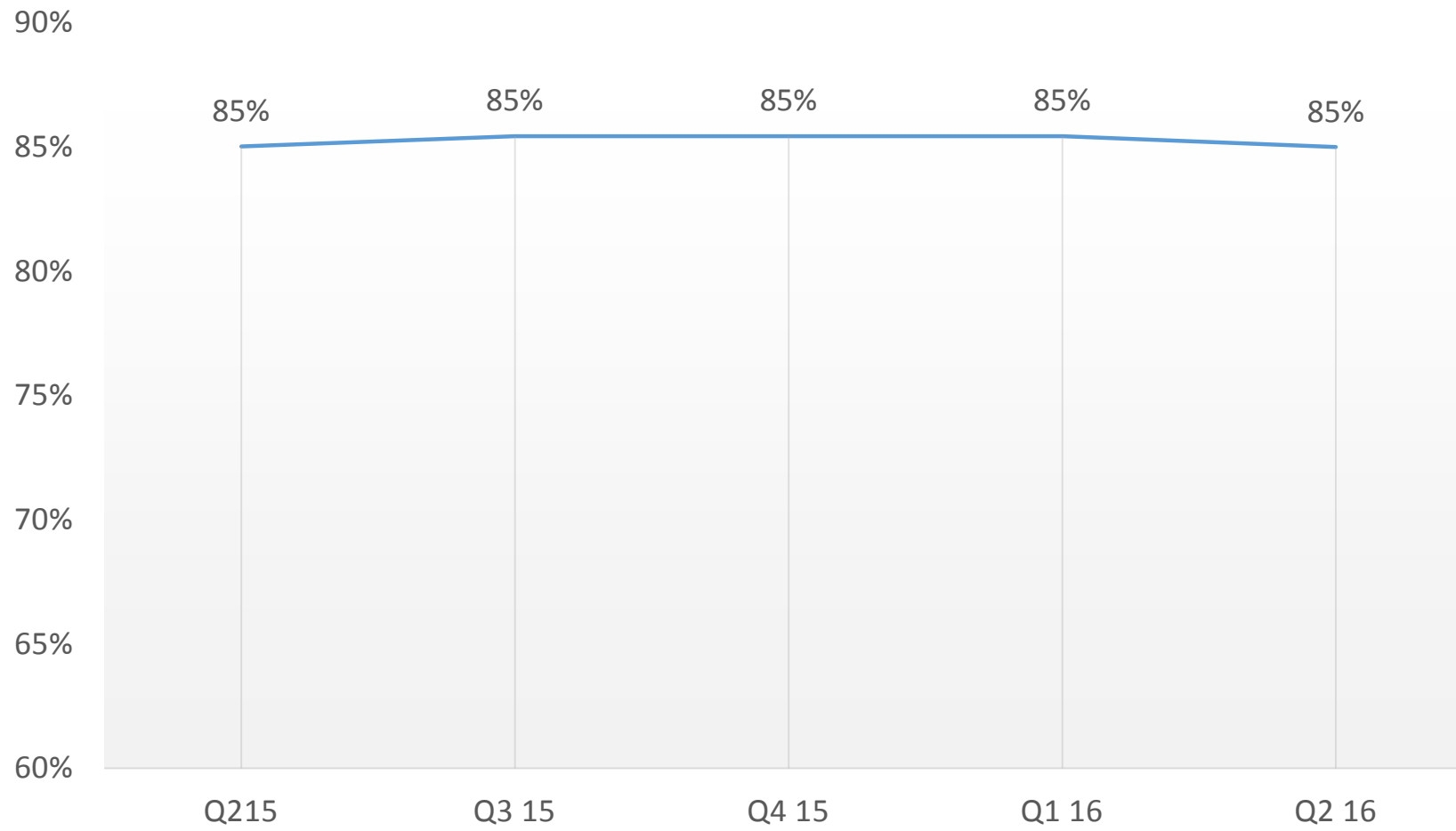
GO DEEPER
Transform business with IT

Thank You!

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t www.twitter.com/sonata_software

www.sonata-software.com