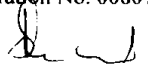


INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF SONATA SOFTWARE LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **SONATA SOFTWARE LIMITED** ("the Company") for the Quarter Ended June 30, 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. 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 Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter Ended June 30, 2014 of the Statement, from the details furnished by the Management/Registrars.

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



V. Srikumar
Partner
(Membership No. 84494)

MUMBAI, August 11, 2014
VS/VBA/UB/2014

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

Part I		(₹ in lakhs)			
Standalone - Unaudited Financial Results for the Quarter Ended June 30, 2014					
Sr #	Particulars	Three months ended June 30, 2014	Preceding three months ended March 31, 2014	Corresponding three months ended June 30, 2013	Year to date figures for Previous Year ended March 31, 2014
		Unaudited	Audited (Refer Note 5)	Unaudited	Audited
1	Income from operations				
	(a) Net sales/income from operations	10,117.22	9,392.22	6,559.41	33,282.78
	(b) Other operating income	21.12	31.41	9.79	87.67
	Total income from operations (net)	10,138.34	9,423.53	6,569.20	33,370.45
2	Expenses				
	(a) Employee benefits expense	5,816.00	5,346.90	4,026.58	18,627.21
	(b) Depreciation and amortisation expense	182.59	130.13	220.56	739.22
	(c) Other expenses	2,038.80	1,710.74	1,916.43	7,803.39
	(d) Net exchange loss/(gain)	(391.12)	223.89	191.53	1,038.60
	Total expenses	7,646.27	7,411.66	6,315.10	28,208.42
3	Profit from operations before other income, finance costs and exceptional items	2,492.07	2,011.87	254.10	5,162.03
4	Other income	438.09	784.99	198.30	1,739.06
5	Profit from ordinary activities before finance costs and exceptional items	2,930.16	2,796.86	452.40	6,901.09
6	Finance costs	3.07	0.13	11.47	16.64
7	Profit from ordinary activities after finance costs but before exceptional items	2,927.09	2,796.73	440.93	6,884.45
8	Exceptional items				
9	Profit before tax	2,927.09	2,796.73	440.93	6,884.45
10	Tax expense	684.84	614.28	115.99	1,500.25
11	Net Profit for the period after tax	2,242.25	2,182.45	324.94	5,384.20
12	Paid-up equity share capital (Face Value ₹ 1/-)	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				30,879.94
14(i)	Earnings per share (before extraordinary items) (of ₹ 1/- each) (not annualised):				
	(a) Basic	2.13	2.08	0.31	5.12
	(b) Diluted	2.13	2.08	0.31	5.12
14(ii)	Earnings per share (after extraordinary items) (of ₹ 1/- each) (not annualised):				
	(a) Basic	2.13	2.08	0.31	5.12
	(b) Diluted	2.13	2.08	0.31	5.12

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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

Part II					
Select Information - for the Quarter Ended June 30, 2014					
Sr #	Particulars	Three months ended June 30, 2014	Preceding three months ended March 31, 2014	Corresponding three months ended June 30, 2013	Year ended March 31, 2014
		Unaudited	Audited (Refer Note 5)	Unaudited	Audited
A	PARTICULARS OF SHAREHOLDING				
1	Public Shareholding				
	- Number of shares	70,674,145	70,674,145	70,674,145	70,674,145
	- Percentage of shareholding	67.11%	67.21%	67.21%	67.21%
2	Promoters and Promoter Group Shareholding				
	a) Pledged / Encumbered:				
	- Number of shares	1,875,000	1,875,000	1,198,614	1,875,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	5.44%	5.44%	9.28%	5.44%
	- Percentage of shares (as a % of the total share capital of the company)	1.78%	1.78%	3.04%	1.78%
	b) Non-encumbered:				
	- Number of shares	32,610,161	32,610,161	31,286,547	32,610,161
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	94.56%	94.56%	90.72%	94.56%
	- Percentage of shares (as a % of the total share capital of the company)	31.01%	31.01%	29.75%	31.01%

	Particulars	Quarter ended June 30, 2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	
	Received during the quarter	8
	Disposed of during the quarter	8
	Remaining unresolved at the end of the quarter	

Notes:

- The above audited financial results of the Company has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 11, 2014
- In accordance with Clause 41 of the Listing Agreement the Statutory Auditors have carried out a 'Limited Review' of the Standalone financial results for the quarter ended June 30, 2014
- Consequent to the applicability of the Companies Act, 2013 with effect from April 1, 2014, depreciation for the quarter ended June 30, 2014 has been calculated based on the useful life as specified under Schedule II of the said Act

On account of the above, the depreciation for the quarter ended June 30, 2014 debited to the statement of profit and loss is higher by ₹ 83.63 lakhs.

In terms of Schedule II of the Companies Act, 2013 an amount of ₹ 113.53 lakhs (net of tax) has been debited to the opening retained earnings as at April 1, 2014 towards the carrying amount of assets, where the remaining useful life of the asset is Nil
- Segment results have not been disclosed in the Standalone results since the Company operates in only one Segment viz International (Software Service exports)
- The figures for the three months ended March 31, 2014 are the balancing figures arrived at based on audited figures of the year ended March 31, 2014 and published year to date unaudited figures for nine months ended December 31, 2013
- Previous period figures have been regrouped/reclassified wherever necessary to conform to current period's classification

Place : Mumbai
Date : August 11, 2014

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

P. SHRIKANT REDDY
MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
SONATA SOFTWARE LIMITED**

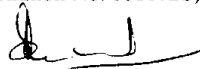
1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **SONATA SOFTWARE LIMITED** ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group") for the Quarter Ended June 30, 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. 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(i). The Statement includes the results of the following entities:
- a. Sonata Information Technology Limited
 - b. Sonata Technology Solutions India Limited
 - c. Sonata Software North America Inc.
 - d. Sonata Software GmbH
 - e. Sonata Europe Limited
 - f. Sonata Software FZ- LLC
 - g. Sonata Software (Qatar) LLC
- 3(ii). We did not review the interim financial information of 3 subsidiaries included in the Statement, whose interim financial information reflect total revenues of Rs. 483.35 lakhs for the Quarter ended June 30, 2014 and total profit after tax of Rs. 53.17 lakhs for the Quarter ended June 30, 2014, as considered in the Statement. 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.

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**Deloitte
Haskins & Sells**

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 Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter Ended June 30, 2014 of the Statement, from the details furnished by the Management/Registrars.

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



V. Srikumar
Partner
(Membership No. 84494)

MUMBAI, August 11, 2014
VS/VBA/UB/2014

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

Part I Consolidated - Unaudited Financial Results for the Quarter Ended June 30, 2014 (₹ in lakhs)					
Sr #	Particulars	Three months ended June 30, 2014	Preceding three months ended March 31, 2014	Corresponding three months ended June 30, 2013	Year ended March 31, 2014
		Unaudited	Audited (Refer Note 5)	Unaudited	Audited
1	Income from operations				
	(a) Net sales/income from operations	41,679.11	34,067.72	41,291.79	156,458.95
	(b) Other operating income	39.21	2.79	24.82	138.18
	Total income from operations (net)	41,718.32	34,070.51	41,316.61	156,597.13
2	Expenses				
	(a) Purchases of stock-in-trade	31,484.10	19,029.50	29,080.39	100,617.01
	(b) Changes in inventories of stock-in-trade	(4,963.48)	98.88	(1.24)	(41.59)
	(c) Employee benefits expense	8,154.18	8,172.82	7,218.38	30,980.07
	(d) Depreciation and amortisation expense	204.76	146.80	232.65	796.37
	(e) Other expenses	3,474.89	3,365.42	3,850.86	14,615.94
	(f) Net exchange loss/(gain)	(340.87)	404.06	(324.47)	457.85
	Total expenses	38,013.58	31,217.48	40,056.57	147,425.65
3	Profit from operations before other income, finance costs and exceptional items	3,704.74	2,853.03	1,260.04	9,171.48
4	Other income	339.17	502.61	197.85	1,064.55
5	Profit from ordinary activities before finance costs and exceptional items	4,043.91	3,355.64	1,457.89	10,236.03
6	Finance costs	54.55	32.04	71.41	243.48
7	Profit from ordinary activities after finance costs but before exceptional items	3,989.36	3,323.60	1,386.48	9,992.55
8	Exceptional items				
	Interest income on income tax refund	163.65	-	683.75	715.17
9	Profit before tax	4,153.01	3,323.60	2,070.23	10,707.67
10	Tax expense	948.88	968.06	618.28	2,935.34
11	Net Profit after tax	3,204.13	2,355.54	1,451.95	7,772.33
12	Minority interest	0.43	1.12	0.87	4.36
13	Net Profit after taxes, minority interest	3,204.56	2,356.66	1,452.82	7,776.69
14	Paid-up equity share capital (Face Value ₹ 1/-)	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				36,387.94
16(i)	Earnings per share (before extraordinary items) (of ₹ 1/- each) (not annualised):				
	(a) Basic	3.05	2.24	1.38	7.40
	(b) Diluted	3.05	2.24	1.38	7.40
16(ii)	Earnings per share (after extraordinary items) (of ₹ 1/- each) (not annualised):				
	(a) Basic	3.05	2.24	1.38	7.40
	(b) Diluted	3.05	2.24	1.38	7.40

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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

Part II					
Select Information for the Quarter Ended June 30, 2014					
Sr #	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended	Year ended
		June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
		Unaudited	Audited (Refer Note 5)	Unaudited	Audited
A	PARTICULARS OF SHAREHOLDING				
1	Public Shareholding				
	- Number of shares	70,674,145	70,674,145	70,674,145	70,674,145
	- Percentage of shareholding	67.21%	67.21%	67.21%	67.21%
2	Promoters and Promoter Group Shareholding				
a)	Pledged / Encumbered				
	- Number of shares	1,875,000	1,875,000	3,198,614	1,875,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	5.44%	5.44%	9.28%	5.44%
	- Percentage of shares (as a % of the total share capital of the company)	1.78%	1.78%	3.04%	1.78%
b)	Non-encumbered				
	- Number of shares	32,610,161	32,610,161	31,286,947	32,610,161
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	94.56%	94.56%	90.72%	94.56%
	- Percentage of shares (as a % of the total share capital of the company)	31.01%	31.01%	29.75%	31.01%

	Particulars	Quarter ended
		June 30, 2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	
	Received during the quarter	8
	Disposed of during the quarter	8
	Remaining unresolved at the end of the quarter	

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Note

- 1 The above Audited financial results of the Company has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 11, 2014
- 2 Consolidated financials include subsidiaries i.e. Sonata Information Technology Limited, Sonata Software North America Inc., Sonata Software GmbH, Sonata Europe Limited, Sonata Software IZ Ltd. and Sonata Software (Qatar) LLC. Consolidated financials also includes results of a subsidiary, Sonata Technology Solutions India Limited, upto the date of dissolution (June 18, 2014)
- 3 The consolidated segment wise revenue and results for the quarter ended June 30, 2014, as required under Clause 41 of the Listing Agreement are as follows

Particulars	(₹ in lakhs)			
	Quarter ended			Year ended
	Three months ended June 30, 2014	Preceding three months ended March 31, 2014	Corresponding three months ended June 30, 2013	Year ended March 31, 2014
	Unaudited	Audited (Refer Note 5)	Unaudited	Audited
1. Segment revenue				
a. India	28,565.61	21,409.12	40,217.61	108,404.00
b. Others	13,754.77	17,661.58	11,109.45	48,577.68
Total	42,320.38	34,070.70	41,327.06	156,981.68
Less: Inter segment revenue	607.06	0.19	10.45	244.55
Net sales/income from operations	41,713.32	34,070.51	41,316.61	156,597.13
2. Segment results				
Profit before tax & interest				
a. India	418.16	1,108.87	399.35	2,908.00
b. Others	2,886.58	1,744.16	860.69	6,264.48
Total	3,704.74	2,853.03	1,260.04	9,172.48
Less: Finance costs	54.55	41.04	71.41	44.48
Net of unallocable income	339.17	507.61	197.85	1,084.95
3. Profit before tax and exceptional item	3,989.36	3,323.60	1,386.48	9,992.55
Exceptional item:				
Interest income on income tax refund	163.65		683.75	215.12
Profit before tax and minority interest	4,153.01	3,323.60	2,070.23	10,707.67
4. Capital employed				
(Segment assets - Segment liabilities)				
a. India	1,608.20	2,018.40	1,542.85	2,018.40
b. Others	23,203.05	24,527.35	16,640.93	24,527.35
c. Unallocated	15,596.59	10,898.88	16,521.04	10,898.88
Total	40,407.84	37,439.53	34,694.82	37,439.53

4. Consequent to the applicability of the Companies Act, 2013 with effect from April 1, 2014, depreciation for the quarter ended June 30, 2014 has been calculated based on the useful life as specified under Schedule II of the said Act

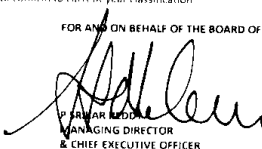
On account of the above, the depreciation for the quarter ended June 30, 2014 debited to the statement of profit and loss is higher by ₹ 86.11 lakhs.

In terms of Schedule II of the Companies Act, 2013 an amount of ₹ 115.02 lakhs (net of tax) has been debited to the opening retained earnings as at April 1, 2014 towards the carrying amount of assets, where the remaining useful life of the asset is Nil.

5. The figures for the three months ended March 31, 2014 are the balancing figures arrived at based on audited figures of the year ended March 31, 2014 and published year to date unaudited figures for nine months ended December 31, 2013.
6. Previous period figures have been regrouped/reclassified wherever necessary to conform to current year classification.

Place : Mumbai
Date : August 11, 2014

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


ANWAR M. DURRANI
MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER



Sonata Software - Consolidated Q1 FY15 Revenues at ₹417 Crores and PAT of ₹32 Crores. Grows 36% YoY in International services revenues and 121% in YoY Consolidated PAT.

Mumbai, Aug 11, 2014

Sonata Software, an IT consulting and software services provider, today reported its unaudited financial results for its 1st quarter ended June 30, 2014.

Description	For the Quarter ended				YoY
	30-Jun-14	31-Mar-14	QoQ	30-Jun-13	
<i>in ₹ Crores</i>					
Revenues					
International IT Services	139.61	133.93	4%	102.33	36%
Domestic- Products & Services	283.59	206.78	37%	310.93	-9%
Consolidated	417.18	340.71	22%	413.17	1%
EBITDA					
International IT Services	35.49	27.16	31%	12.23	190%
Domestic- Products & Services *	8.83	8.12	9%	11.98	-26%
Consolidated *	44.12	35.02	26%	23.74	86%
PAT					
International IT Services	26.35	18.54	43%	8.24	219%
Domestic- Products & Services	5.70	5.03	13%	6.28	-9%
Consolidated	32.05	23.57	36%	14.52	121%
* Includes "exceptional Item" Interest income received on Income-Tax refund of ₹1.64 crores in Q1 of FY2014-15 and ₹6.83 crores during the quarter Q1 of FY2013-14.					



Speaking on the results Mr. Srikar Reddy, Managing Director & CEO of the Company said "We are happy to report another quarter of significant financial growth. More importantly, it reflects the fundamental strength of our strategy in terms of technologies, verticals and marketing which offer a differentiated value proposition for our customers. We are continuing to invest on all important aspects of our business and believe that they will lead to continued future growth."



Highlights for the quarter:

- **Consolidated results:**

- Revenues at ₹417 Crores - growth of 22% QoQ and 1% YoY;
- EBITDA at ₹44 Crores - growth of 26% QoQ and 86% YoY;
- PAT is at ₹32 Crores - growth of 36% QoQ and 121% YoY;
- Cash reserves (net of borrowings) is ₹247 Crores.

- **International IT Services:**

- Highest ever Revenues & PAT
- Revenue at ₹140 Crores - growth of 4% QoQ and 36% YoY;
- EBITDA of ₹35 Crores - growth of 31% QoQ and 190% YoY;
- PAT of ₹26 Crores - growth of 43% QoQ and 219% YoY;
- 7 new customers added.

- **Domestic Products & Services :**

- Revenue of ₹284 Crores - growth of 37% QoQ;
- EBITDA of ₹9 Crores - growth of 9% QoQ;
- PAT of ₹6 Crores - growth of 13% QoQ.

About Sonata Software

Sonata Software is a global IT services company that focuses on enabling businesses win value with strategic IT initiatives. Sonata has deep technology expertise gained from multi-faceted relationships spanning Product Engineering, Professional Consulting Services, Early Adopter Programs, Implementation and Alliances status with leaders such as Microsoft, SAP, Oracle, IBM, HP, Hybris, and TIBCO across Multi-Channel Commerce, ERP, CRM, Supply Chain Management, Analytics & Business Intelligence, Cloud, Social and Mobile technologies, enabling innovation, reliability and faster time to market in implementing the best IT solutions. Sonata leverages this expertise through a service line spanning Consulting, Application Development, Testing, Maintenance and Infrastructure Support, to deliver business critical outcomes across Customer Engagement & Growth, Enterprise Efficiency & Collaboration and strategic IT Cost Management needs for consumer facing enterprises in Travel, Retail and Consumer Goods industries. A unique delivery model built on dedicated customer specific Centers of Excellence, strong Governance and Value Co-creation, over decade plus relationships, underline the even deeper commitment Sonata seeks to bring to make a transformational impact on the clients critical business metrics. Sonata seeks to add differentiated value to leadership who want to drive strategic change with IT, for their businesses.

For further information, please contact:

Alia Abreo
Sonata Software Limited
A.P.S. Trust Building,
Bull Temple Road, N.R. Colony
Bangalore 560019, India
Tel: +91 80 6778 1999
alia.a@sonata-software.com