

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2008

(Rs. in Lakhs except share data)

Sl. No.		For the Quarter ended Sept. 30, 2008	For the Quarter ended Sept. 30, 2007	For the Half Year ended Sept. 30, 2008	For the Half Year ended Sept. 30, 2007	For the Year ended March 31, 2008
1	Revenue from Telecom Software Services, Telecom Software Products & Network Engineering Services	17,630.86	14,323.31	34,444.33	27,160.54	57,017.71
2	Cost of Revenue	11,299.79	8,960.73	21,895.19	17,434.93	37,392.93
3	Research & Development Expenses (including Product Engineering Expenses)	93.85	500.26	236.22	1,400.36	2,163.32
4	Gross Profit	6,237.22	4,862.32	12,312.92	8,325.25	17,461.46
5	Selling and Marketing Expenses	592.87	751.70	1,356.67	1,459.70	2,994.12
6	Administrative and General Expenses	1,530.51	1,764.76	3,179.70	3,529.39	6,547.97
7	Profit from operations before Interest, Depreciation and Amortisation	4,113.84	2,345.86	7,776.55	3,336.16	7,919.37
8	Amortisation	313.53	354.57	658.51	725.64	1,436.86
9	Interest	99.03	101.09	210.14	202.27	402.58
10	Depreciation	719.45	677.34	1,411.97	1,350.75	2,741.64
11	Other Income	136.92	84.13	259.46	196.52	542.73
12	Exchange Gain / (loss) (net)**	(1,358.40)	702.94	(2,059.99)	1,649.27	1,799.93
13	Profit before Tax	1,760.35	1,999.93	3,695.40	2,903.29	5,680.95
14	Provision for Income Tax (Current & Deferred)	687.04	524.94	1,209.33	747.00	1,557.98
15	Fringe Benefit Tax	36.40	41.87	77.74	84.58	184.54
16	Profit After Taxes	1,036.91	1,433.12	2,408.33	2,071.71	3,938.43
17	Paid-up equity share capital (at par value of Rs.10 each)	2,801.58	2,850.01	2,801.58	2,850.01	2,856.08
18	Reserves excluding revaluation reserves	45,943.91	40,600.70	45,943.91	40,600.70	43,027.73
19	Basic and diluted EPS for the period, for the year to date and for the previous year after exceptional items (not annualised) (par value of Rs.10 each)					
	Basic EPS	3.64	5.03	8.45	7.27	13.80
	Diluted EPS	3.64	4.98	8.44	7.20	13.80
20	Dividend	-	-	-	-	1,142.43
21	Aggregate of Public Shareholding*					
	- Number of shares	20,463,818	20,981,737	20,463,818	20,981,737	21,008,818
	- Percentage of shareholding	73.04%	73.62%	73.04%	73.62%	73.56%

* Public shareholding as classified under category B in the shareholding pattern in Clause 35/40A of the Listing Agreement.

**Please refer to Note 11 in the notes appended.

Other Information :

(in Rs. Lakhs)

	For the Quarter ended Sept. 30, 2008	For the Quarter ended Sept. 30, 2007	For the Half Year ended Sept. 30, 2008	For the Half Year ended Sept. 30, 2007	For the Year ended March 31, 2008
Staff Cost	10,270.59	8,983.06	19,963.92	17,818.23	36,762.91
Items exceeding 10% of aggregate expenditure	-	-	-	-	-
Details of Other Income:					
Miscellaneous income	5.93	7.07	6.85	8.40	47.70
Dividend received on current investments (non trade)	57.45	30.09	99.12	76.67	183.15
Net gain on sale of current investments (non trade)	-	(0.17)	0.26	49.38	49.91
Interest income on Bank Deposits (Gross)	21.78	16.54	50.51	24.60	64.85
Write back of advance from customer	-	29.45	-	29.45	30.36
Research and Technology tax incentive	13.70	-	64.61	-	158.01
Profit on sale of Fixed Assets	2.40	0.40	2.45	7.27	7.55
Other interest income	5.39	0.75	5.40	0.75	1.20
Asset recovery charges	30.27	-	30.27	-	-
Total	136.92	84.13	259.46	196.52	542.73

(Rs. in Lakhs)

Sl. No.		For the Quarter ended Sept. 30, 2008	For the Quarter ended Sept. 30, 2007	For the Half Year ended Sept. 30, 2008	For the Half Year ended Sept. 30, 2007	For the Year ended March 31, 2008
1	Segment Revenue					
a.	Telecom Software Services	14,448.73	12,595.12	28,553.18	23,932.22	48,958.06
b.	Telecom Software Products	2,074.45	1,004.55	3,907.64	1,869.88	4,597.19
c.	Automotive, Utilities and Industrial	17.54	1.49	20.26	1.49	23.74
d.	Network Engineering Services	1,090.14	722.15	1,963.25	1,356.95	3,438.72
	Total	17,630.86	14,323.31	34,444.33	27,160.54	57,017.71
	Less Inter segment revenue	-	-	-	-	-
	Net Sales/Income from Operations	17,630.86	14,323.31	34,444.33	27,160.54	57,017.71
2	Segment Results (Profit+/-) before tax and interest from each segment					
a.	Telecom Software Services	4,388.06	4,108.71	8,875.41	7,203.08	14,104.80
b.	Telecom Software Products	547.47	(364.30)	1,063.81	(1,039.26)	(917.69)
c.	Automotive, Utilities and Industrial	(85.98)	(31.60)	(182.80)	(99.27)	(251.59)
d.	Network Engineering Services	420.46	232.79	638.45	444.90	804.33
	Total	5,270.01	3,945.60	10,394.87	6,509.45	13,739.85
	Less: i) Interest	99.03	101.09	210.14	202.27	402.58
	ii) Other un-allocable expenditure net off un-allocable Income	2,052.23	2,547.52	4,429.34	5,053.16	9,456.25
	iii) Exchange gain/(loss) (net)*	(1,358.40)	702.94	(2,059.99)	1,649.27	1,799.93
	Total Profit before tax	1,760.35	1,999.93	3,695.40	2,903.29	5,680.95
3	Capital Employed - (Segment Assets - Segment Liabilities)					
a.	Telecom Software Services	32,397.35	25,366.08	32,397.35	25,366.08	28,322.33
b.	Telecom Software Products	3,696.23	4,090.57	3,696.23	4,090.57	4,337.14
c.	Automotive, Utilities and Industrial	143.49	483.06	143.49	483.06	303.87
d.	Network Engineering Services	2,415.92	1,241.22	2,415.92	1,241.22	2,283.66
	Sub total	38,652.99	31,180.93	38,652.99	31,180.93	35,247.00
e.	Unallocable Corporate Assets	17,615.86	15,022.33	17,615.86	15,022.33	15,359.18
	Less: Corporate Liabilities	(7,523.36)	(2,672.02)	(7,523.36)	(2,672.02)	(4,722.37)
	Total Capital Employed	48,745.49	43,531.24	48,745.49	43,531.24	45,883.81

*Please refer to Note 11 in the notes appended.

NOTES :

- The above audited results were taken on record by the Board of Directors of the Company at its meeting held on October 16, 2008. There are no qualifications in the Auditors' Reports for these periods.
- The quarterly and year to date consolidated results are based on the consolidated financial statements which have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements and Accounting Standard (AS) 27 - Financial Reporting of Interests in Joint Ventures issued by the Institute of Chartered Accountants of India.
- The Company believes that presenting consolidated financial results has greater value, since it depicts the total financial position and results of operations of the parent company and its subsidiaries as if they were one economic unit. Clause 41 of the amended listing agreement requires companies to publish only consolidated financial results in the newspapers and this choice has been exercised during the first quarter of the financial year. The Company, in compliance with this provision, has opted to publish the consolidated financial results. The standalone financial results will, however, be made available to the Stock Exchanges where the company's securities are listed and will also be posted on the Company's website www.sasken.com.
- Regarding Subsidiaries and Joint-Venture Companies**
The results of the following companies are consolidated in the above results: Sasken Network Engineering Limited (SNEL) and its subsidiary Sasken Network Solutions Inc, USA (SNSI), Sasken Communication Technologies Mexico S.A. De C.V. (Sasken Mexico), Sasken Communication Technologies (Shanghai) Limited (Sasken China), Sasken Japan KK (Sasken Japan), Sasken Communication Technologies Oy, Finland (Sasken Oy) and its subsidiary Sasken Finland Oy (Sasken Finland), Sasken Inc, USA - all wholly owned subsidiaries; TACO Sasken Automotive Electronics Limited (TSAE) and ConnectM Technology Solutions Pvt. Ltd.(ConnectM) - Joint-Venture companies. TSAE has since become a public limited company.
- The financial results of Sasken Inc, USA for the quarter and half year ended September 30, 2008 are unaudited.
- Sasken Japan and Sasken China have begun operations in the previous quarter while SNSI has begun operations in the current quarter. Sasken Inc is yet to commence operations.
- During the current quarter, the Company made the following Investments in its Subsidiaries and Joint Ventures:

Investee Company	Details	Amount (Rs. in lakhs)
Sasken Japan KK	Share Application Money	4.85
TACO Sasken Automotive Electronics Ltd.	Share Application Money	70.00

- As at the end of the quarter, the following amounts are due from/payable to subsidiaries:

Company	Advances (Net) (Rs. in lakhs)	Loans (Rs. in lakhs)
Sasken Network Engineering Limited	656.96	230.00
Sasken Communication Technologies Mexico S.A. De C.V.	522.72	317.96
Sasken Communication Technologies Oy	118.26	-
Sasken Finland Oy	(69.45)	-
Sasken Communication Technologies (Shanghai) Limited	75.85	-
Sasken Inc	7.75	-
Sasken Network Solutions Inc	58.00	-
Sasken Japan KK	195.33	-

- Provision for diminution in the value of investments in the books of the Company for the quarter and half year ended September 30, 2007 pertains to Sasken China.

Other Notes

- No Stock Options have been granted to employees under the ESOP Scheme 2006 during the quarter. No shares have been allotted under ESOP Scheme 2000 and 2006 respectively during the quarter.
- Pursuant to The Institute of Chartered Accountants of India's (ICAI) Announcement dated March 29, 2008 on "Accounting for Derivatives", the Company has, based on the principles of prudence enunciated in Accounting Standard-1 on "Disclosure of Accounting Policies", recognized mark to market losses on derivative contracts outstanding, (forward contracts for highly probable collections), as on September 30, 2008 to the extent the losses are not offset by the fair value gain on the underlying hedge items. For the purpose of arriving at the net losses, the group has considered foreign currency derivative contracts as one portfolio and accordingly, loss amounting to Rs.705.85 lakhs and Rs.1195.82 lakhs has been recognized in profit and loss account during the quarter ended and half year ended September 30, 2008 respectively.

12) Buy back of Equity Shares

In terms of decision of the Board of Directors dated April 18, 2008, the Company offered to buy back its equity shares of face value of Rs.10/- each, upto a maximum amount of Rs.4,000.00 lakhs at a maximum price of Rs.260/- per share from open market. After completion of regulatory formalities the Company commenced the buy back on September 15, 2008.

As at September 30, 2008, the Company has bought back 545,000 equity shares at an average price of Rs.125.81 per share, utilizing a sum of Rs. 685.64 lakhs. The amount paid towards buy back of shares, in excess of the face value, has been apportioned out of General Reserve account.

On account of buy back of shares, the Company has created Capital Redemption Reserve of Rs.54.50 lakhs towards the face value of 545,000 shares of Rs.10/- each by way of appropriation against General Reserve.

In terms of the provisions of section 77A of the Companies Act, 1956 and SEBI (Buy Back of Securities) Regulations 1998, the Company has extinguished the above mentioned 545,000 shares in the following manner: as on September 30, 2008, 325,918 shares and as on October 7, 2008 the remaining 219,082 shares.

- Previous period figures have been re-grouped/re-arranged, wherever necessary to conform to the current period presentation.

- Information on Investor Complaints for the quarter:

Nature of complaints received	Opening Balance	Additions	Disposal	Closing Balance
Non receipt of Dividend / refund amount in IPO	Nil	8	8	Nil

For Sasken Communication Technologies Ltd.

Place : Bangalore
Date : October 16, 2008

Rajiv C. Mody
Chairman & Managing Director