

Media Release - FOR IMMEDIATE RELEASE

Sasken Expands Business Portfolio

Inducts New Business Leaders, Strengthens Current Management Team

Sasken Q4 FY 14 Consolidated PAT up 29.2% YoY, Revenues up 2.6% YoY

Bangalore, 25 April 2014: Sasken Communication Technologies Limited (BSE: 532663, NSE: SASKEN) today announced its consolidated results according to Indian GAAP for the fourth quarter and financial year ended March 31, 2014.

Performance Snapshot for the Quarter: Q4 FY 14

- Consolidated Revenues for Q4 FY 14 at ₹. 116.32 Crore
 - Up 2.8 % sequentially over the previous quarter
 - Up 2.6 % YoY from Q4 FY 13
- Consolidated EBIDTA for Q4 FY 14 at ₹. 11.74 Crore
 - Down 13.7 % sequentially over the previous quarter
 - Down 6.7 % YoY from Q4 FY 13
- Consolidated PAT for Q4 FY 14 at ₹. 9.07 Crore
 - Down 18.4 % sequentially over the previous quarter
 - Up 29.2 % YoY from Q4 FY 13
 - PAT Margins for the quarter at 7.8 %

Performance Snapshot for the Financial Year 2014

- Consolidated Revenues for FY 14 at ₹. 458.03 Crores
 - Down 3.5 % YoY from FY 13
- Consolidated EBIDTA for FY 14 at ₹. 53.39 Crores
 - Up 27.4 % from FY 13
 - Consolidated EBIDTA Margins at 11.7 %
- Consolidated PAT for FY 14 at ₹. 51.47 Crores
 - Up 61.1 % from FY 13
 - PAT Margins are at 11.2 % for the year

Key Business metrics for the Quarter: Q4 FY 14

- Software services revenues for Q4 FY 14 at ₹. 110.96 Crore
 - Up 2.5 % sequentially over the previous quarter
 - Up 3.3 % YoY from Q4 FY 13
- Products group revenues for Q4 FY 14 at ₹.4.74 Crore
 - Up 8.0 % sequentially over the previous quarter
 - Down 15.0 % YoY from Q4 FY 13
- Consolidated EBIDTA margins were at 10.1 %.
 - Services EBIDTA margins were at 12.6 %
 - Products EBIDTA margins were at -44.4 %
- Revenue contribution from
 - the Top five customers stood at 41.4 % and
 - from Top 10 customers at 62.7 %
- Consolidated EPS was at ₹. 4.27 for the quarter
- 4 new customers added during the quarter making the total of active customers to 133

Key Business Metrics for the year: FY 14

- Software services revenues for FY 14 at ₹. 436.65 Crores
 - Down 1.9 % YoY from FY 13
- Products group revenues for FY 14 at ₹. 19.23 Crores
 - Down 29.9 % YoY from FY 13
- Consolidated EBIDTA margins were at 11.7 %.
 - Services EBIDTA margins for the year was 13.6 %.
 - Products EBIDTA margins were at -27.0 %.
- PAT margins for the year were at 11.2 %
- Consolidated EPS was at ₹. 24.36 for the year

Speaking on the results, Sasken CEO Mr. Anjan Lahiri said, “After two quarters of flat revenues in Q2 and Q3 (on dollar terms) we are pleased to have registered a quarter of revenue growth. However, we are in the middle of a transformation and are adding new services and addressing new segments. The results of these changes will take time to show. The new team is in place and we are on our way to remaking of our business model based on the tremendous strengths of the past 25 years of great customer delivery”.

A fact sheet providing the operating metrics for the company and a presentation for analysts can be downloaded from the investor section of the corporate website www.sasken.com

Sasken Expands Business Portfolio:

Sasken has reorganized its business unit structure to better align with the market. It will now focus on two key business segments, Communication & Devices and IT Services and four practices consisting of ErND Practice, Testing Practice, Applications and Data Services Practice and the Infrastructure Practice.

The Communication & Devices Business Unit will not only continue to focus on its traditional business of embedded communications through the ErND practice capability, but expand the addressable market by bringing the capabilities of the new practices to this customer segment. This business unit will work with Tier 1 Device OEMs, Network OEMs, Semiconductor vendors and other enterprises in the communications and devices ecosystem.

The IT Services Business Unit will leverage Sasken’s deep entrenchment in building products and devices and bring product development capability to the enterprise IT customers with cutting edge technology capabilities, particularly the tremendous depth in mobile technologies, combined with industry domain knowledge. This business unit will focus on the BFSI and Retail industry segments.

“With this new business structure in place, Sasken has embarked on a turn around. We aim to consolidate our position in the coming quarters by delivering consistent performance and being the vehicle of bringing competitive advantage to our customers, said Anjan.



On Sasken’s new strategic initiatives, Rajiv C Mody, Chairman & Managing Director said, “Augmenting our deep knowledge of mobility and embedded solutions with Applications & Data, Infrastructure and Testing, will give us a much better capability to meet the needs of our customer base and help them achieve their business objectives”.

About Sasken:

Sasken is a global leader in providing embedded R&D services, comprehensive testing services, IT infrastructure services and application development & data services to device OEMs, network OEMs, semiconductor vendors, operators and retail & insurance enterprises across the world. Global Fortune 500 and Tier 1 companies in these segments are part of Sasken's customer profile.

Sasken's solutions are backed by ISO 9001:2000, ISO 27001 and TL 9000 certifications. Sasken’s proprietary quality management systems strengthen our business offerings and ensure client satisfaction. Sasken’s commitment to environment is highlighted by its ISO 14001 certification.

For further information please visit www.sasken.com

Disclaimer on Forward Looking Statements:

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to successfully implement our strategy and our growth and expansion plans, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, changes in the laws and regulations that apply to the Indian IT services industry, including with respect to tax incentives and export benefits, adverse changes in foreign laws, including those relating to outsourcing and immigration, increasing competition in and the conditions of the Indian and global IT services industry, the prices we are able to obtain for our services, wage levels in India for IT professionals, the loss of significant customers the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in the information technology/ telecommunication industries. Additional risks that could affect our future operating results are more fully described in our Red herring filing. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

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