

Media Release - FOR IMMEDIATE RELEASE

Bangalore, 20 January 2016: Sasken Communication Technologies Limited (BSE: 532663, NSE: SASKEN) today announced its consolidated results according to Indian GAAP for the quarter ended December 31, 2015.

“This is the third consecutive quarter where we have posted a growth in our services business. This is a result of the sharp operational focus and concerted investment in developing expertise that is best-in-class and spans from embedded to the physical to digital space. Our revenues for the comparable quarter Q3 of FY15 included those received on account of the successful litigation” Rajiv Mody, Chairman, Managing Director and CEO, Sasken Communication Technologies said.

“Our continued focus on all levers to contain cost has started showing results and is seen in a sharp increase in our EBIDTA margins. Going forward we will continue to work toward improving our operational efficiency and hope to deliver similar or better margins in the coming quarters. As was the case in the previous quarter, our legal expense continues to be high. We expect our ongoing litigation to conclude within the next six to nine months” added Mr. Mody.

Performance Snapshot for the Quarter: Q3 FY 16

- Consolidated Revenues for Q3 FY 16 at ₹. 126.25 Crore
 - Down 1.2 % over the previous quarter
 - Up 17.7 % YoY from Q3 FY 15
- Consolidated EBIDTA for Q3 FY 16 at ₹. 14.99 Crore
 - Up 21.1 % sequentially over the previous quarter
 - Up 137.2 % YoY from Q3 FY 15
- Consolidated PAT for Q3 FY 16 at ₹. 11.25 Crore
 - Up 6.7 % sequentially over the previous quarter
 - Down 30.3 % YoY from Q3 FY 15
 - PAT Margins for the quarter at 8.9 %

Key Business metrics for the Quarter: Q3 FY 16

- Software services revenues for Q3 FY 16 at ₹ 120.22 Crore
 - Up 2.6 % sequentially over the previous quarter
 - Up 15.6 % YoY from Q3 FY 15
- Products group revenues for Q3 FY 16 at ₹ 5.28 Crore
 - Down 46.8 % sequentially over the previous quarter
 - Up 83.2 % YoY from Q3 FY 15
- Consolidated EBIDTA margins were at 11.9 %.
 - Services EBIDTA margins were at 14.3 %
 - Products EBIDTA margins were at (43.9) %
- Revenue contribution from
 - the Top five customers stood at 45.7 % and
 - from Top 10 customers at 63.7 %
- Consolidated EPS was at ₹ 6.35 for the quarter
- Added 11 new customers during the quarter taking the total number of active customers to 126

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



**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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	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15	Q2 FY 15	Q1 FY 15
Employee Metrics							
Employees, period end							
Total Employees (Consolidated)	2,084	1,968	1,925	1,919	1,916	1,889	1,858
Services S/W, Product S/W and technical professionals	1,833	1,714	1,675	1,706	1,704	1,687	1,658
Corporate	251	254	250	213	212	202	200
Hiring Metrics							
Gross Adds	259	199	151	150	161	151	103
Net Adds	116	43	6	3	27	31	(48)
Attrition % Annualized (Based on Voluntary attrition only)	20.9%	25.1%	25.0%	25.0%	24.0%	21.8%	25.5%
Attrition % LTM (Based on Voluntary attrition only)	22.9%	24.4%	23.7%	23.8%	24.8%	26.7%	29.3%
Revenue by geography - Consolidated (In %)							
North America	33%	30%	31%	34%	35%	34%	38%
EMEA	29%	35%	35%	32%	36%	36%	34%
India	26%	26%	24%	22%	20%	20%	20%
APAC	13%	9%	10%	12%	9%	10%	8%
Client Concentration (In %)							
Top 5 client contribution to revenues	45.7%	49.0%	50.2%	50.6%	49.0%	46.4%	40.8%
Top 10 client contribution to revenues	63.7%	69.0%	67.1%	67.2%	65.9%	64.7%	56.1%
Relationships with Tier 1 Customers - Services+Products							
< 1 Million dollar customers - Trailing 12 months	12	12	12	13	10	9	12
1 < >3 Million dollar customers - Trailing 12 months	5	6	6	5	7	7	7
3 < >10 Million dollar customers - Trailing 12 months	6	5	5	6	6	7	7
10 < >20 Million dollar customers - Trailing 12 months	1	1	1				
> 20 Million dollar customers - Trailing 12 months							
Utilization, including trainees (Services Only - In %)*	83.2%	82.0%	78.1%	74.9%	74.2%	72.1%	70.3%
Revenue Split (Products Only) (In ₹ Million)							
License fees			-	2	-	-	1
Royalties	13	14	17	15	16	13	17
Customization	40	86	-	13	12	22	6
Revenue Split (Services Only) (In ₹ Million)							
Onsite	459	468	432	422	465	473	514
Offshore	743	711	637	585	575	568	537
Revenue by Project Type (Services Only) (In ₹ Million)							
Time and Material (including compensation)	996	997	918	881	936	928	930
Fixed Price	206	182	151	126	104	113	121

*Note: Services Utilization rehased including Management numbers for Utilization calculations retrospectively; excludes exceptional item unless explicitly stated