

For Immediate Release

## **Majesco Q3FY16 Consolidated Total Income at Rs. 199 crore**

- **Revenue up by 5.6% sequentially**
- **Order Backlog up by 17.4% sequentially**

**Mumbai, 2<sup>nd</sup> February, 2016:** Majesco Ltd. (MJCO), (BSE: 539289), (NSE: MAJESCO), a global provider of software, consulting and services for insurance business transformation, announced today its financial results for the fiscal 2016 **third quarter ended 31<sup>st</sup> December, 2015**.

### **Review of consolidated financial performance for the quarter ended 31<sup>st</sup> December, 2015**

On a quarter-on-quarter basis:

- The operating income was Rs 198.0 crore during the quarter under review as compared to Rs 187.4 crore during the previous quarter reflecting an increase of 5.6% in rupee terms and a growth of 5.3% in constant currency terms.
- Total income was Rs 199.2 crore during the quarter under review as compared to Rs 188.8 crore during the previous quarter, up 5.5% on Q-o-Q basis.
- The Company reported EBITDA loss (before exceptional items) of Rs 2.7 crore (-1.4% of operating income) in Q3FY16 as compared to EBITDA gain of Rs 1.3 crore (0.7% of operating income) in Q2FY16.
- Net profit stood at Rs 7.9 crore in Q3FY16 as against Net loss of Rs 0.6 crore in Q2FY16 mainly due to tax credit related to prior period and creation of deferred tax asset .
- The product research & development spends during the quarter stood at Rs 28.5 crore (14.3% of total income) as compared to Rs 28.1 crore (14.9% of total income) in Q2FY16.

### **For the Nine Months ended 31<sup>st</sup> December, 2015:**

- The operating income was Rs 535.6 crore for the nine months period ended on 31<sup>st</sup> December, 2015.
- Total income was Rs 542.4 crore during the period of nine months ended on 31<sup>st</sup> December, 2015.
- The company reported EBITDA (before exceptional items) of Rs 7.2 crore (1.3 % of operating income) for the nine month period under review.

- Net profit stood at Rs 8.9 crore for the nine months period ended on 31<sup>st</sup> December, 2015.
- The product research & development spends was at Rs 77.0 crore (14.2% of total income) during the nine months period under review.

### Operating highlights

- **New Accounts and Active clients during the quarter:** The Company added 4 new clients during Q3FY16 and also expanded relationship with existing clients that included two Tier -1 accounts. One Tier 1 customer went live on the Majesco Digital-Connect platform. Total active client count (including India clients) as of 31<sup>st</sup> December, 2015 was 159 as compared to 155 as on 30<sup>th</sup> September, 2015.
- **12m Order Backlog:** Majesco's 12-month order backlog was Rs 422.1 crore (\$63.8mn) as on 31<sup>st</sup> December, 2015 and in constant currency stood at Rs 418.5 crore as compared to Rs 359.6 crore (\$54.8mn) at the end of Q2FY16, reflecting an increase of 17.4% QoQ in rupee terms.
- **Employees:** As on 31<sup>st</sup> December, 2015, the company had a total of 2,242 employees, of which 1,669 employees were based offshore in India while the rest were at various onsite locations outside India. Employee count at the end of 30<sup>th</sup> September, 2015 was 2,164.
- **Cash & Cash Equivalents:** The total cash & cash equivalent in Consolidated Majesco Group stands at Rs 151.3 crore as on 31<sup>st</sup> December, 2015 as compared to Rs 122.4 crore at the end of 30<sup>th</sup> September, 2015.
- **Debt:** Total debt at Consolidated Majesco Group on 31<sup>st</sup> December, 2015 was Rs 80.5 crore as compared to Rs 64.1 crore as at 30<sup>th</sup> September, 2015.

**Mr. Ketan Mehta, Founder and CEO, Majesco., said:** *"I am pleased with the continued momentum of Majesco business. We continued to execute our growth oriented business plan, as we announced new wins, successful implementations, expanding customer relationships, enhancements to our partner ecosystem, new talent additions, additional product launches, and new product releases. The momentum with tier 1 carriers, cloud, digital and data businesses has been quite encouraging and satisfactory."*

**Mr. Farid Kazani, Managing Director, Majesco Ltd., said:** *"The quarter reflected strong momentum with sequential revenue growth of 5.6% and the order backlog growth of 17.4%. While the growth was led by P & C business there has also been good pick up of the L&A business. We continue to make strategic investments in product R&D and SG&A which are expected to create a strong foundation for accelerating our growth plans in the next two years."*

## About Majesco

Majesco enables insurance business transformation for over 142 global customers by providing technology solutions which include software products, consulting and IT services. Our customers are carriers from the Property and Casualty, Life, Annuity and Group insurance segments worldwide. Majesco delivers proven software solutions and IT services in the core insurance areas such as policy administration, billing, claims, distribution and analytics. For more information, please visit us on the web at [www.majesco.com](http://www.majesco.com)

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### **Cautionary Language Concerning Forward-Looking Statements**

*This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act. These forward-looking statements are made on the basis of the current beliefs, expectations and assumptions of management, are not guarantees of performance and are subject to significant risks and uncertainty. These forward-looking statements should, therefore, be considered in light of various important factors, including those set forth in Majesco's reports that it files from time to time with the Securities and Exchange Commission and which you should review, including those statements under "Item 1A – Risk Factors" in Majesco's Annual Report on Form 10-K for the year ended March 31, 2015.*

*Important factors that could cause actual results to differ materially from those described in forward-looking statements contained in this press release include, but are not limited to: integration risks; changes in economic conditions, political conditions, trade protection measures, licensing requirements and tax matters; technology development risks; intellectual property rights risks; competition risks; additional scrutiny and increased expenses as a result of being a public company; the financial condition, financing requirements, prospects and cash flow of Majesco; loss of strategic relationships; changes in laws or regulations affecting the insurance industry in particular; restrictions on immigration; the ability and cost of retaining and recruiting key personnel; the ability to attract new clients and retain them and the risk of loss of large customers; continued compliance with evolving laws; customer data and cybersecurity risk; and Majesco's ability to raise capital to fund future growth.*

*These forward-looking statements should not be relied upon as predictions of future events and Majesco cannot assure you that the events or circumstances discussed or reflected in these statements will be achieved or will occur. If such forward-looking statements prove to be inaccurate, the inaccuracy may be material. You should not regard these statements as a representation or warranty by Majesco or any other person that we will achieve our objectives and plans in any specified timeframe, or at all. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Majesco disclaims any obligation to publicly update or release any revisions to these forward-looking statements, whether as a result of new information, future events or otherwise, after the date of this press release or to reflect the occurrence of unanticipated events, except as required by law.*