

For Immediate Release

Majesco Q1 – FY 2017

Consolidated Revenue up 46.6% year on year

EBITDA margin improved to 3.5% over previous quarter

Mumbai, 10th August, 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 2017 **first quarter ended 30th June, 2016**.

Review of consolidated financial performance for the quarter ended 30th June, 2016

On a quarter-on-quarter basis:

- The operating revenue was Rs 220.1 crore during the quarter under review as compared to Rs 221.6 crore during the previous quarter reflecting a drop of 0.7% in rupee terms. The operating revenue in constant currency reflected an increase of 0.7%.
- Total income was Rs 222.3 crore during the quarter under review as compared to Rs 223.8 crore during the previous quarter; down 0.7% on Q-o-Q basis.
- The Company reported EBITDA of Rs 7.7 crore (3.5% of operating income) in Q1FY17 as compared to EBITDA (before exceptional items) of Rs 2.7 crore (1.2% of operating income) in Q4FY16.
- Net Profit stood at Rs 1.5 crore in Q1FY17 as against Net loss of Rs 2.0 crore in Q4FY16 reflecting a growth of 174.0%
- The product research & development spends during the quarter stood at Rs 30.7 crore (13.8% of total income) as compared to Rs 31.5 crore (14.1% of total income) in Q4FY16.

On a year-on-year basis:

- Q1FY17 operating revenue was Rs 220.1 crore compared to Rs 150.2 crore in Q1FY16 reflecting an increase of 46.6% on Y-o-Y basis. The Y-o-Y organic growth was 14.6% in rupee terms and 11.4% in dollar terms.
- Total income was Rs 222.3 crore compared to Rs 154.4 crore during the corresponding period of previous year; up 44.0% on Y-o-Y basis.
- The Company reported EBITDA of Rs 7.7 crore (3.5% of operating income) in Q1FY17 as compared to EBITDA (before exceptional items) of Rs 8.5 crore (5.7% of operating income) in Q1FY16.
- Net Profit stood at Rs 1.5 crore during the quarter under review compared to Rs 1.6 crore during the previous year same quarter; down 9.8% on Y-o-Y basis.

- The product research & development spends during the quarter stood at Rs 30.7 crore (13.8% of total income) as compared to Rs 20.0 crore (13.0% of total income) in Q1FY16.

Other Operating highlights

- **Active clients during the quarter:** The company continued to expand its relationship with the existing clients. Total active client count (including India clients) as of 30th June, 2016 was 164.
- **Order Booking and 12 month Order Backlog:** The 12-month order backlog stood at Rs 434.5 crore (\$64.3mn) as on 30th June, 2016 and in constant currency stood at Rs 427.6 crore as compared to Rs 485.0 crore (\$73.1mn) at the end of Q4FY16, reflecting a drop of 10.4% Q-o-Q in rupee terms. The order book for the trailing twelve month (TTM) period was Rs.1,035.8 crore (\$154.5mn) as on 30th June, 2016 as compared to Rs.1,037.8 crore (\$158.1mn) as on 31st March, 2016.
- **Employees:** As on 30th June, 2016, the company had a total of 2,487 employees, of which 2,014 employees were based offshore in India while the rest were at various onsite locations outside India. Employee count at the end of 31st March, 2016 was 2,465.
- **Cash & Cash Equivalents:** The total cash & cash equivalent in Consolidated Majesco Group stands at Rs 205.8 crore as on 30th June, 2016 as compared to Rs 127.2 crore at the end of 31st March, 2016.
- **Debt:** Total debt at Consolidated Majesco Group as on 30th June, 2016 was Rs 138.2 crore as compared to Rs 91.9 crore as at 31st March, 2016.

Mr. Ketan Mehta, Founder and CEO, Majesco., said: *"We continued to see good growth momentum during the quarter demonstrated by 46% increase in revenue over the same quarter last year. The growth was primarily driven by the addition of the Cover-All business and expanding relationships with our current P&C and L&A customer base."*

He further added, "During the quarter we have launched CloudInsurer platform, which provides an out-of-the-box repeatable, scalable cloud platform for all insurers. We expect our cloud platform will become an important growth driver for new deals in the future."

Mr. Farid Kazani, Managing Director, Majesco Ltd., said: *"The performance for the quarter ended was in line with our expectations. The highlights for the quarter was the improvement in the EBITDA margins by 226 basis point to 3.5% and an increase in our net cash balance by Rs 32.3 crore aided by improved collections."*

About Majesco

Majesco enables insurance business transformation for over 150 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

For further information, please contact:

Nishant Shirke Majesco Ltd. Ph: +91 22 6695 2222 Email: Nishant.Shirke@majesco.com	Asha Gupta Christensen Investor Relations Tel: +91 22 4215 0210 Email: agupta@christensenir.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, 2016.

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.