

For Immediate Release

Majesco Q2FY17 Total Income at Rs 213.1 Crore

- **PAT up 257% to Rs 5.2 crore**
- **EBITDA margin up by 240 bps to 5.9%**

Mumbai, 1st November, 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 **second quarter** and **six months period** ended on 30th September, 2016.

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

On a quarter-on-quarter basis:

- The operating revenue was Rs 211.1 crore during the quarter under review as compared to Rs 220.1 crore during the previous quarter reflecting a drop of 4.1% in rupee terms. The operating revenue in constant currency reflected a de-growth of 3.6% impacted by pound depreciation during the quarter.
- Total income was Rs 213.1 crore during the quarter under review as compared to Rs 222.3 crore during the previous quarter; down 4.2% on Q-o-Q basis.
- The Company reported EBITDA of Rs 12.4 crore (5.9% of operating revenue) in Q2FY17 as compared to EBITDA of Rs 7.7 crore (3.5% of operating revenue) in Q1FY17.
- Profit Before Tax was Rs 7.1 crore during the quarter under review as compared to Rs 1.5 crore during the previous quarter reflecting an increase of 371.3% on Q-o-Q basis.
- Net Profit stood at Rs 5.2 crore in Q2FY17 as against Rs 1.5 crore in Q1FY17 reflecting a growth of 256.8% on Q-o-Q basis.
- The product research & development spends during the quarter stood at Rs 30.5 crore (14.3% of total revenue) as compared to Rs 30.7 crore (13.8% of total revenue) in Q1FY17.

For the half year ended 30th September, 2016:

- The operating revenue was Rs 431.2 crore for the half year ended 30th September, 2016 compared to Rs 337.6 crore in the corresponding period of previous year reflecting a growth of 27.7% in rupee terms.

- Total income was Rs 435.4 crore during the six month period under review as compared to Rs 343.3 crore during the corresponding period in the previous year, an increase of 26.8% in rupee terms.
- The company reported an EBITDA of Rs 20.1 crore (4.7% of operating revenue) in H1FY17 as compared to an EBITDA of Rs 6.0 crore (1.8% of operating revenue) in H1FY16.
- Profit Before Tax for the half year ended 30th September, 2016 was Rs 8.6 crore compared to Rs 0.3 crore during the corresponding period in the previous year.
- Net profit stood at Rs 6.7 crore for H1FY17 as against Rs 0.9 crore during the corresponding period in the previous year reflecting a growth of 608.1% in rupee terms.
- The product research & development spends was at Rs 61.2 crore (14.1.% of total revenue) in H1FY17 as compared to Rs 48.4 crore (14.1% of total revenue) in H1FY16.

Other Operating highlights

- **Active clients during the quarter:** The Company added 4 new clients in Q2FY17. Total client count as of 30th September, 2016 was 165.
- **Order Booking and 12 month Order Backlog:** The 12-month order backlog stood at Rs 440.8 crore (\$66.2mn) as on 30th September, 2016 and in constant currency stood at Rs 448.0 crore as compared to Rs 434.5 crore (\$64.3mn) at the end of Q1FY17, reflecting a growth of 3.1 Q-o-Q in rupee terms. The order book for the trailing twelve month (TTM) period was Rs 1,175.1 crore (\$176.4mn) as on 30th September, 2016 as compared to Rs 1,043.3 crore (\$154.5mn) as on 30th June, 2016 reflecting a growth of 12.6%.
- **Employees:** As on 30th September, 2016, the company had a total of 2,355 employees, of which 1,915 employees were based offshore in India while the rest were at various onsite locations outside India. Employee count at the end of 30th June, 2016 was 2,487.
- **Cash & Cash Equivalents:** The total cash & cash equivalent in Consolidated Majesco Group stands at Rs 179.8 crore as on 30th September, 2016 as compared to Rs 205.8 crore at the end of 30th June, 2016.
- **Debt:** Total debt at Consolidated Majesco Group as on 30th September, 2016 was Rs 113.4 crore as compared to Rs 138.2 crore as at 30th June, 2016.

Mr. Ketan Mehta, Founder and CEO, Majesco., said: “I am pleased with the overall performance in the first half with a 27.7% growth in revenue and a significant improvement in profitability on Y-o-Y basis.”

He further added, “I am particularly excited by our new partnership with IBM. IBM has selected Majesco’s core platform to jointly offer a new cognitive, cloud based platform to help insurance carriers worldwide create new services on IBM Cloud. The integration of IBM Cloud and cognitive capabilities with Majesco’s market leading core systems will allow for new innovative products and services for insurers. We also launched a new partnership in Canada with Symcor Inc. This strategic relationship adds Majesco’s software to Symcor’s cloud and outsourcing capabilities to provide an Insurance as a Service solution, enabling Symcor to expand its solution and service offerings to Canadian Property and Casualty, Life and Annuity and Group insurers. Both of these partnerships along with our Majesco CloudInsurer offering further strengthens Majesco’s leadership position in the fast growing cloud market segment

Mr. Farid Kazani, Managing Director, Majesco Ltd., said: “The Q2FY17 performance was in line with our expectations. Our EBITDA margin improved by 240bps mainly due to the combination of a change in revenue mix, the transition of outsourced services to in house resources and an emphasis on operating efficiencies which is beginning to show results. We continue to remain focussed on improving the profitability in the second half of FY 2017.”

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

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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.