PERSISTENT SYSTEMS Q1 FY18 REVENUE GREW 3.6% AND PAT 3.2% QoQ. ACQUIRES EUROPEAN SALESFORCE CERTIFIED PLATINUM PARTNER

Pune, India and Santa Clara, US – July 21, 2017

News Summary:

Persistent Systems (BSE & NSE: PERSISTENT), today announced the Company's audited financial results for the first quarter ended June 30, 2017, as approved by the Board of Directors.

The Company also announced the acquisition of PARX, a Salesforce Certified Platinum Partner in Europe that focuses on its customers' business models, strategic and operational objectives. This marks a continuing global expansion for Persistent, which includes the recent openings of development centers in Mexico, Israel and new locations in the U.S. The acquisition of PARX follows last year's acquisition by Persistent of Australia's leading Salesforce consulting partner, PRM Cloud Solutions. Persistent is a Salesforce Certified Platinum Partner.

Consolidated Financial Highlights for the Quarter ended June 30, 2017:

	Q1 FY18	QoQ growth	YoY growth
Revenue (USD Million)	112.97	3.6%	7.8%
Revenue (INR Million)	7,280.15	0.1%	3.7%
EBITDA (INR Million)	1,043.58	-12.1%	-1.3%
PBT (INR Million)	1,019.40	8.9%	5.3%
PAT (INR Million)	750.89	3.2%	2.5%

Dr. Anand Deshpande, Chairman and Managing Director, Persistent Systems:

"Aggressive deployment of new technology is creating new opportunity for us as every business is exploring ways to become software driven. They are deploying IoT, Machine Learning, Bots, and Intelligent Process Automation which is evident from our recent wins.

Our focus on data, digital, and IoT is helping us establish leadership in new technologies. We are deploying our Software 4.0 methods to help our customers compete with digital natives.

We are delighted to welcome the PARX team to Persistent. They bring deep business domain understanding that complements our technology expertise and strengthens our presence in Europe."

Key Wins during the Quarter:

Adoption of IoT & new technologies

- Building a robotic concierge using IBM Watson to engage customers in real estate showrooms for a Malaysian property developer
- Leveraging artificial intelligence and machine learning to develop a global regulatory science and policy (GRSP) intelligence application based on IBM Watson that will respond to inquiries using a chatbot service for a pharma company
- Leveraging cognitive computing and machine learning to improve efficiency of the trade operations group for a large global bank
- Global deployment and configuration of IBM Watson IoT tools for a global automotive supplier
- Developing an IoT based automation solution using Concert IoT platform from Accelerite for a US based lighting and electric company

Business programs based on data and digital

- Agreement with Madhya Pradesh Vidhan Sabha (The Legislative Assembly of the State of Madhya Pradesh) to transform the state legislature proceedings through a multi-lingual digital platform for content discovery and integrated analytics
- Implementing an API based integration with global financial institutions for a US based business and financial software company
- Developing a digital platform to transform customer experience and legacy processes of a US based technology provider of electronic payment transactions
- Building a patient engagement application based on Salesforce for a Fortune 500 healthcare company
- Building digital workflows to improve multi-department sales and service using Salesforce for a large US based home furnishing company
- Building a digital solution to transform the experience for front line retail store associates and call center representatives for a large US based wireless telecommunications network

Business Highlights and Awards:

- Acquires PARX, a Salesforce Certified Platinum Partner in Europe
- Rebranded Aepona Software Lanka to Persistent Systems Lanka and established Center of Excellence for IoT and advanced technologies
- Recognized by the Association for Talent Development in the 2017 BEST Awards for demonstrating enterprise-wide success through talent development
- Awarded for the 'Most Innovative Solution in APAC on Watson' at the IBM Analytics sales academy meet in Bangkok

About Persistent Systems:

<u>Persistent Systems</u> (BSE & NSE: PERSISTENT) builds software that drives the business of our customers; serving software product companies and enterprises with software at the core of their digital transformation.

Forward-looking and Cautionary Statements: For risks and uncertainties relating to forward-looking statements, please visit:
http://content.persistent.com/Pslweb/forward_looking_cautionary_statement.shtml

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