

Date: October 23, 2018

BSE Limited

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Scrip ID: ZENSARTECH

Scrip Code: 504067

The National Stock Exchange of India Ltd.

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Mumbai 400 051

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Symbol: ZENSARTECH

Series: EQ

Dear Sir(s),

Subject: Press Release

We have enclosed press release related to financial results of the Company (Standalone as well as Consolidated) for the quarter ended September 30, 2018.

This is for your information and dissemination purpose.

For **Zensar Technologies Limited**



Gaurav Tongia
Company Secretary



Encl.: As above

Zensar reports 36.7% YoY increase in PAT and 16.5% increase in Revenue during Q2FY19
Digital at 44.2% of overall revenues

Pune, India, October 23, 2018: [Zensar Technologies](#), a leading digital solutions and technology services company that specialises in partnering with global organisations on their Digital transformation journey, announced its audited consolidated financial results for its second Quarter ending September 30, 2018 of the fiscal year 2018-2019.

Financial Highlights: The Company reported QoQ revenue growth of 2.3% and YoY growth of 16.5% in USD terms. In constant currency the QoQ growth was at 4.1% and YoY growth at 17.5%. PAT grew by 8.6% QoQ and 36.7% YoY. Digital services continue to grow and have moved up 5.2% sequentially and 39.8% on yearly basis. Digital now contributes 44.2% of Q2FY19 revenue.

Sandeep Kishore, Chief Executive Officer and Managing Director, Zensar Technologies said, "We have remained focused on our digital strategy resulting in the consistent growth in our digital revenues which are now at 44.2% of our total business in Q2. With our recent acquisition of Indigo Slate, Zensar is well poised to offer differentiated digital solutions to global enterprises. After great success of our Return on Digital® platforms, we have now launched RoD NeXT, Return on Digital with New and Exponential Technologies; platform for our clients."

Navneet Khandelwal, Chief Financial Officer, Zensar Technologies said, "We have seen sequential growth in constant currency terms across all geographies. We have taken initiatives through H1FY19 to optimize costs and deliver on our digital capabilities. This has resulted in H1FY19 EBITDA to be at 13.3% in comparison to 11.1% in H1FY18 which is a 40.5% YoY growth in absolute terms."

Business Updates: The company had total bookings of \$290m+ in H1FY19, including more than \$120m in Q2FY19. Significant among these were -

- End to end infrastructure management requirements for Ruffer, a leading UK investment management company
- Cloud computing infrastructure implementation for a large US based medical company
- JD Edwards implementation for a US company that develops aesthetic medical products
- Warehouse Management System (WMS) Upgrade project for a leading supermarket chain in the United States
- Big Data and Customer Analytics for a large US based hi-tech global company
- End-user computing and data-center services for a leading UK oil and gas company
- Testing mandate for a leading British multinational life insurance and financial services company

Corporate Excellence Snapshot in Q1 FY 19:

- Zensar is mentioned in Gartner 'Competitive Landscape: Consulting and System Integration Service Providers for Robotic Process Automation'
- Zensar Recognized as an Aspirant in Enterprise QA Services by Everest Group PEAK Matrix™
- Zensar recognized as a leader in Zinnov Zones - Retail Digital Services Ratings
- Zensar mentioned in Gartner Hype Cycle for Enterprise Architecture, 2018
- Foolproof, a Zensar Company featured in a Nelson Hall Report - UX/UI Consulting and Implementation Services Vendor Assessment
- Zensar mentioned in Nelson Hall report for IT Services: Cognitive IT Infrastructure Management
- Foolproof, a Zensar company has been placed in the Top 10 Design and Build Agencies category by Econsultancy-one of the most respected digital marketing and e-commerce industry authorities in the UK

Corporate Initiatives:

- Zensar acquires US West Coast based Indigo Slate, a digital marketing focused customer experience agency
- Zensar Partners with Ocean Discovery Institute on Youth STEM Programs
- Zensar Joins Oracle Cloud Managed Service Provider Program

Note: All numbers are as per the Ind-AS reporting standard

Please refer to the next page for numerical tables

Q2 FY 19 Revenue and profitability snapshot (US\$)

Particulars	Q2 FY19		Growth					
	USD Mn	INR Cr	Q-o-Q			Y-o-Y		
			USD	INR	CC	USD	INR	CC
Revenue	\$ 138.1	₹ 968.7	2.3%	7.1%	4.1%	16.5%	27.0%	17.5%
EBITDA	\$ 17.8	₹ 125.0	(3.1%)	1.4%		27.1%	38.7%	
EBIT	\$ 14.6	₹ 102.6	(6.7%)	(2.4%)		28.8%	40.5%	
PAT	\$ 13.3	₹ 93.4	8.6%	13.7%		36.7%	49.1%	

Q2 FY 19 Revenue Growth in Constant Currency

Particulars	Segments	Q2 FY19
		QoQ
Consolidated	For the Company	4.1%
Geography	US	2.8%
	Europe	10.9%
	Africa	5.6%
	RoW	0.4%
Services	Digital and Application Services, DAS	4.1%
	Digital Services	7.0%
	Core Application Services	1.7%
	Cloud and Infrastructure Services, CIS	4.2%
	Cloud, Digital Led next gen CIS	6.6%
	Core Infrastructure Services	3.2%
	Third Party Maintenance	2.8%
	Total Digital Services	7.0%
Industry	Hitech and Manufacturing	8.4%
	Hitech	7.7%
	Mfg.	10.2%
	Retail and Consumer Services	(8.7%)
	Financial Services	5.0%
	Insurance	1.2%
	Banking	22.8%
	Emerging	56.2%

[About Zensar \(www.zensar.com\)](http://www.zensar.com)

Zensar is a leading digital solutions and technology services company that specialises in partnering with global organisations across industries on their Digital Transformation journey. A technology partner of choice, backed by strong track-record of innovation; credible investment in Digital solutions; assertion of commitment to client's success, Zensar's comprehensive range of digital and technology services and solutions enable its customers to achieve new thresholds of business performance. Zensar, with its experience in delivering excellence and superior client satisfaction through myriad technology solutions, is uniquely positioned to help them surpass challenges around running their existing business most efficiently, helping in their legacy transformation, and planning for business expansion and growth through innovative and digital ways.

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Catch our refreshed new website at: www.zensar.com

[About RPG Enterprises \(www.rpggroup.com\)](http://www.rpggroup.com)

RPG Enterprises, established in 1979, is one of India's fastest growing business groups with a turnover of Rs 23000 Cr. The group has diverse business interests in the areas of Infrastructure, Tyres, Pharma, IT and Specialty as well as in emerging innovation led technology businesses.

For any queries please feel reach out:

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Safe Harbor

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. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorised use of our intellectual property and general economic conditions affecting our industry. 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.