

Date: August 9, 2018

BSE Limited

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Scrip ID: ZENSARTECH

Scrip Code: 504067

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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 June 30, 2018.

This is for your information and dissemination purpose.

For **Zensar Technologies Limited**



Gaurav Tongia
Company Secretary



Encl.: As above

Zensar reports 18.1% YoY revenue growth and 67.5% YoY Net profit growth in Q1 FY19

Revenue grows for the 5th consecutive quarter. Digital now at 43.0% of revenue

Pune, India, August 9, 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 first Quarter ending June 30, 2018 of the fiscal year 2018-2019.

Financial Highlights: The Company reported sequential revenue growth of 6.6% at close of Q1 FY19 from 126.6M USD to 135.0M USD. The PAT for the quarter is at 9.1% of the revenue and recorded a QoQ growth of 8.6%. Digital revenues continue to grow and have moved up 12.8% sequentially from 40.6% of revenue in Q4 FY18 to 43.0% of Q1 FY19 revenue.

Sandeep Kishore, Chief Executive Officer and Managing Director, Zensar Technologies said, *“The Company has reported a stellar industry- leading Y-on-Y Revenue growth of 18.1% in the first quarter of the fiscal year. Digital continues to grow sequentially, underlining the success of our proprietary ‘Return on Digital®’ strategy. With the acquisition of Indigo Slate, a US based digital customer marketing, experience agency we expect the growth momentum to continue. We also continued to book new business backed by large deals resulting in a comprehensive and impressive performance.”*

Navneet Khandelwal, Chief Financial Officer, Zensar Technologies said, *“All the core businesses of Zensar have shown good growth in constant currency terms. This is reflected in Y-o-Y PAT growth at 67.5% in this quarter highlighting efficient cost management and increased contribution from ZenROD solutions. We have improved profitability with sustained growth both in our Digital and legacy businesses”*

A. Significant Wins Q1 FY19:

- A multi-million-dollar, large deal for custom applications and solutions in the US with a global diversified brand
- Application Management Services win for a large US based hi-tech global company
- A digital application services deal in the UK for an American multinational financial services corporation
- An Oracle EBS deal with a US based developer of global navigation satellite systems
- Application support and management win with one of the largest global diversified corporation in the US
- An Oracle services win for a US based leading video and game entertainment company
- An Oracle Fusion deal for a leading US based hotel and real estate management company
- An Enterprise applications services deal with a leading European online retailer and home shopping company
- A Custom Applications deal with a leading SA based online micro gaming company
- A digital commerce services win for a leading American fashion company
- A digital commerce services deal for a leading South African clothing retail company
- A digital commerce mandate for an American corporation and marketer of automotive replacement tires

B. Corporate Excellence Snapshot in Q1 FY 19:

- Zensar mentioned in the Gartner Market Guide for Sales Force Implementation Services
- Zensar mentioned in the Gartner Market Guide for Blockchain Consulting and Proof of Concept Development Services
- Zensar names in the Everest Enterprise QA Services PEAK Matrix™ Assessment
- Zensar named as Major Contender in Everest Group Digital Workplace Services Market Trends and PEAK Matrix™ Assessment for second consecutive year
- Zensar recognized in ISG Cloud Services Archetype Report as Next-Gen Leader
- Zensar recognized in ISG Infrastructure & Data Center/Private Cloud Archetype Report and noted for our digital transformation and automation initiatives
- Zensar Wins Innovation Award from Skillssoft and SumTotal

C. Corporate Initiatives:

- Zensar launches its First Customer Delivery center in Research Triangle Park (RTP), North America
- Zensar unveils second Zenlabs at Hyderabad, India
- Zensar Joins Oracle Cloud Excellence Implementer Program to Drive Customer Success

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

Please refer to the next two pages for numerical tables

Q1 FY 19 Revenue and profitability snapshot (US\$)

Particulars	Q1 FY19		Growth					
	USD Mn	INR Cr	Q-o-Q			Y-o-Y		
			USD	INR	CC	USD	INR	CC
Revenue	\$ 135.0	₹ 904.7	6.6%	11.0%	7.5%	18.1%	22.8%	16.6%
EBITDA	\$ 18.4	₹ 123.3	18.4%	23.3%		56.4%	62.6%	
EBIT	\$ 15.7	₹ 105.1	17.3%	22.1%		75.0%	81.9%	
PAT	\$ 12.3	₹ 82.2	8.6%	13.1%		67.5%	74.1%	

Q1 FY 19 Revenue Growth in Constant Currency

Particulars	Segments	Q1 FY19
		QoQ
Consolidated	For the Company	7.5%
Geography	US	9.3%
	Europe	5.3%
	Africa	5.7%
	RoW	(17.0%)
Services	Digital and Application Services, DAS	6.6%
	Digital Services	13.5%
	Core Application Services	1.6%
	Cloud and Infrastructure Services, CIS	13.0%
	Cloud, Digital Led next gen CIS	16.7%
	Core Infrastructure Services	6.9%
	Third Party Maintenance	15.8%
	Total Digital Services	13.8%
Industry	Hitech and Manufacturing	4.4%
	Hitech	4.7%
	Mfg.	3.7%
	Retail and Consumer Services	(2.5%)
	Financial Services	26.4%
	Insurance	37.3%
	Banking	(7.8%)
	Emerging	53.9%

[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.