



For Immediate Release

Megasoft Limited announces Q4 & Annual results

PAT at Rs 17.50 crore and consolidated revenues at Rs 150.37 crore

Financial highlights Q4

- Revenues at Rs 35.74 crore
- Net Profit at Rs 2.74 crore
- EDIT at Rs 8.09 Crore

Annual Financial highlights for the year 2011

- Revenues at Rs 150.37 crore (10% decline y-o-y)
- Net Profit at Rs 17.50 crore (19% decline y-o-y)
- EDIT at Rs 40.56 Crore
- Rs 30.40 crores of positive Operational cash flows
- EPS for the year stood at Rs 3.87

Operational Highlights

- Decline in Revenue due to loss of one of the largest clients in Q3. Decline in profitability due to this client loss and higher doubtful debt provisioning
- Over 70% Revenue from Tier 1 Clients
- Prepaid revenues declining while accelerated revenue performance with double digit growth in all other key services segments of Small Carrier Infrastructure and Mobile Commerce
- Incremental revenues from emerging technologies such as mobile touch transaction and mobile advertising
- Major ramp up in R&D staff and Sales team
- Ramp up in Spanish capability for the increasingly important LATAM market
- Up-gradation of US Data Centres
- Strong Pipeline for FY 2012

Industry Trends

- US prepaid market growing
- Telecom growth seen across geographies such as LatAM, Africa, India & Asia
- Mobile commerce & Mobile Enablement to be huge growth engine
- Non-Carrier (Over the top) Services through Mobile on the rise.

Chennai, February 28, 2012: - Megasoft Limited (BSE CODE: 532408 / NSE CODE: MEGASOFT), a transnational Intellectual Property-driven, product-based telecommunications technology company, has reported Rs 35.74 crore revenues for the quarter 31st December 2011. The company which follows a January to December financial year also announced its annual results. For the year ending 31 December 2011, Megasoft reported revenues of Rs 150.37 crore. Earnings per share stood at Rs 3.87.



“2011 Financial Year has been a tough year of operations for the company. In spite of the loss of one of the largest clients and a declining prepaid segment and un-certain economic environment in its key market (USA), the company managed to stay operationally cash & profit positive and also built a good pipeline for its products and solutions. With the launch of MAX-C and additional products in the Mobile commerce / Mobile payments segments, Megasoft continues on its all round growth path with its transaction centric Managed Service model as the primary approach to its contracts.” **GV Kumar, Managing Director & CEO, Megasoft Limited** said “Our long term vision is to enhance shareholder value through a combination of intellectual property (IPR) driven innovation, long term contracts and strong financial discipline.

About XIUS

XIUS enables mobile operators to differentiate their service through innovative and end-to-end managed solutions that ensure seamless mobile transaction management and monetization, optimize operational efficiency and reduce risk while enhancing the end user mobile experience.

XIUS develops flexible, scalable and robust solutions that enable mobile operators rapidly deliver differentiated services and gain first mover advantage, build subscriber loyalty, and sustain leadership.

Pioneers in wireless and signaling technology since 1989, XIUS has an implementation foot-print across five continents with more than 105 patent pending technologies to its credit (27 already granted).

For more information, visit www.xius.com

About Megasoft (BSE: 532408 /NSE: MEGASOFT)

Established in 1994, Megasoft is a transnational technology company, focused on telecom. XIUS, its US based telecom division of Megasoft is a leader in delivering innovative revenue-generating solutions to mobile operators worldwide.

The company has strong product engineering, software and product development capabilities and has operations in the U.S, Singapore, Malaysia, and in Hyderabad and Chennai in India. Additional information about Megasoft is available at www.megasoft.com.

For more information please contact:-

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