

Zylog Systems Ltd.**Q3 FY13 Revenue at Rs 687 crore; up 17.8% on Y-o-Y basis**

Chennai, 12 February 2013 Zylog Systems Ltd., a leading Chennai based technology Solutions and software service provider announced its Third quarter and Nine Months results ended on 31st December 2012.

Performance Highlights**Consolidated Quarterly Review**

- Consolidated revenues stood at Rs 686.7 cr; up by 12% on Q-o-Q basis & up 17.8% on YoY basis
- Consolidated Net Profit for the Q3FY13 stands at Rs 37.3 cr, an increase of 73.6% on Q-o-Q basis but down 31.6% on Y-o-Y basis.
- EBITDA Margin stood at 11.4% in Q3FY13, down 430 bps from Q2FY13 & down 470 bps from Q3 FY12, primarily on account of increase in salary costs & product development costs.
- Basic EPS stood at Rs 11.33 during the quarter under review Vs Rs 6.53 for the previous quarter.

Consolidated 9m Review

- Consolidated revenues stood at Rs 1,938.4 cr; up by 21.4%. on YoY basis
- Consolidated Net Profit for the 9M FY13 stands at Rs 114.7 cr, a decrease of 22.8%. on YoY basis primarily on account of increase in direct costs
- EBITDA Margin stood at 14.1% in 9M FY13.
- Basic EPS stood at Rs 34.87 in 9M FY13.

Commenting on the results, **Mr. Sudarshan Venkatraman, Chairman & CEO, Zylog Systems Limited**, said *"We have had a solid quarter with revenues increasing 17.8% on a Y-o-Y basis. Favourable currency movement resulted in a forex gain of Rs 24.2 cr in Q3FY13 compared to a loss of Rs 7.9 cr in Q2FY13. EBITDA margin came down by 430 bps compared to previous quarter mainly due to increase in Salary costs and directly attributable product development cost and partly due to higher onsite activity. This we see as a purely temporary phenomenon as there is an adjustment of technical resources vis-à-vis onsite and offshore conditions in their respective locations. During the quarter there has been a significant number of marquee client wins across all the geographic regions where we operate. We see this positive trend accelerating in the*

forthcoming quarters due to the burgeoning footprint made by our products and solutions capabilities.”

Zylog Systems– the growth story continues....

Products and Solutions Company exhibits strong growth in 2012.

- Major customer wins across industry segments.
- Increases outreach to global clientele.

The company continued to add clientele across the globe for various solutions highlighting the relevance of its innovative solutions in a highly dynamic environment enabling it staying ahead of the competition.

Key customer announcements for 2012

Zylog Systems announced a number of customer wins in 2012. The clientele was spread across industry segments ranging from diverse industries of Banking, Healthcare, Government, Telecom to Oil and Gas. Some of the key wins in 2012 were:-

- ✓ **SF Cellular, USA** selected Silvanus360 for e-scrap in mobile industry
- ✓ **Singtel, Singapore** selected Fieldpower for Work Force management
- ✓ **Earthlink, USA** signed Zylog Systems for FieldPower solution to automate Field Service Management.
- ✓ Zylog's TalentFlow was selected by **Wellness Coaches, Inc.** for better management of applicants to Talent sourcing programmes.
- ✓ **Singapore Home Team** awarded Zylog to develop its complete Integrated Web Enabled System
- ✓ **Bank Dhofar, Oman & National Bank of Bahrain** select Zylog's mobile banking solution
- ✓ **Astra Industrial Group, Saudi Arabia** awarded a 5 year contract to Zylog for SAP support
- ✓ **ING** selected Zylog to implement its mobile banking solution
- ✓ **First Gulf Bank, UAE** awarded wealth management solution to Zylog
- ✓ **Emagination, USA** deployed a Share Point solution to enhance content creation and usage for the medical industry.

Key product developments for 2012

- ✓ Zylog developed Hull Cell Ruler, USA a consumer productivity app replacing the need of a physical ruler
- ✓ To eliminate the need to have a separate physical bar code scanner, Guard Trax Mobile USA was developed integrating bar code scanning and reading into a smartphone
- ✓ Zylog implemented a Share Point Migration Solution for HedgeFund Compliance that migrated content from Other Systems/Applications into Sharepoint

- ✓ Zylog was awarded a Mobile Application and Management multi-year contract with Sensors for developing mobile applications for the healthcare industry

Some of the leading companies that selected Zylog Systems include:

- ✓ Standard Chartered Bank
- ✓ IDBI Bank
- ✓ Bank of India
- ✓ Indian Overseas Bank
- ✓ Karnataka Bank
- ✓ RTO, Gujarat
- ✓ Panasonic, Singapore
- ✓ Western Regional Development Council, Abu Dhabi, UAE
- ✓ Botswana Bureau of Standards (BOBS), South Africa

About Zylog Systems Limited:

Zylog Systems Limited (BSE Code: 532883, NSE Code: ZYLOG.NS) is an ISO 9001 certified & CMM Level 3 assessed provider of Onshore, Offshore & nearShore technology services, Zylog Systems, promoted by industry veterans having vast technology and business exposure, has been offering a range of IT products and solutions to its global customers across multiple verticals since 1995 to BFSI, Telecom, Retail, Pharma, Manufacturing and Government organizations globally.

The Company presents substantial cost savings and enhanced performance associated with a secure and effectively managed global development model. The Company has strong presence in USA, Canada, Europe, Middle East, Singapore, Malaysia and India.

With over 5100 workforce and development centres in Chennai, Bangalore, Hyderabad, New Jersey, Canada, Singapore, and Dubai, the company serves clientele across the globe. The company has strengthened the global service delivery by acquisitions in UK, US, Canada and Dubai.

For further information, please contact:

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