



**Kellton Tech Q3FY18 Total Revenue at Rs 2,107.8 Million;
Up 32.7% on Y-o-Y basis**

Clarification Note

With respect to the financial results for the third quarter ended 31st December, 2017 (Q3FY18), for Kellton Tech Solutions Limited, please note that the Company has transitioned to Indian Accounting Standard (IND AS) with effect from April 1, 2017. Accordingly, the quarter and nine month ended December, 2017 have been restated. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of IND AS 34, Interim Financial Reporting.

Hyderabad, India – 6th February, 2018 : Kellton Tech Solutions Ltd. (BSE & NSE: KELLTONTEC), a global leader in digital transformation with strong expertise in enterprise solutions, announced today its financial results for **Third quarter and Nine Months FY18** ended on 31st December, 2017.

Review of financial performance for the quarter ended 31st December, 2017

On a quarter-on-quarter basis:

- Total revenue was Rs 2,107.8 million during the quarter under review as compared to Rs 1,848.4 million during the previous quarter reflecting a growth of 14.0% on Q-o-Q basis.
- The Company reported an EBITDA of Rs 316.0 million in Q3FY18 as compared to Rs 276.0 million in Q2FY18, an increase of 14.5% on Q-o-Q basis.
- The EBITDA margin for the quarter under review was 15.0% as compared to 14.9% in Q2FY18.
- Net profit stood at Rs 170.5 million in Q3FY18 as compared to Rs 145.6 million, reflecting a growth of 17.1% on Q-o-Q basis.
- EPS stood at Rs 3.40 for Q3FY18 as compared to Rs 3.17, registering 7.3% increase on Q-o-Q basis.

On a year-on-year basis:

- Total revenue was Rs 2,107.8 million during the quarter under review as compared to Rs 1,588.2 million in the corresponding period of previous year reflecting a growth of 32.7% on Y-o-Y basis.
- The Company reported an EBITDA of Rs 316.0 million for the quarter under review as compared to Rs 218.7 million in the corresponding period of previous year, an increase of 44.5% on Y-o-Y basis.
- The EBITDA margin for the quarter under review was 15.0% as compared to 13.8% in Q3FY17.
- Net profit stood at Rs 170.5 million for the quarter under review as compared to Rs 137.9 million in the corresponding period of previous year, up by 23.6% on Y-o-Y basis.

- EPS stood at Rs 3.40 for the quarter under review as compared to Rs 2.63 in the corresponding period of previous year, up by 29.3% on Y-o-Y basis.

Review of financial performance for 9M FY18 ended 31st December, 2017

- Total Revenue was Rs 5,713.2 million during the nine month period under review as compared to Rs 4,514.6 million during the corresponding period of previous year, an increase of 26.5% on Y-o-Y basis.
- The Company reported an EBITDA of Rs 846.2 million for the nine month period under review as compared to an EBITDA of Rs 619.3 million during the corresponding period of previous year reflecting a growth of 36.6% on Y-o-Y basis.
- The EBITDA margin for 9M FY18 stood at 14.8% as compared to 13.7% in 9M FY17.
- Net profit stood at Rs 460.8 million for the nine month period under review as compared to Rs 389.3 million during the corresponding period of previous year, an increase of 18.4% on Y-o-Y basis.
- EPS stood at Rs 9.67 for 9M FY18 as compared to Rs 8.01 in 9M FY17, up by 20.7% on Y-o-Y basis.

Business Highlights of Q3 FY18

- Kellton Tech drives innovation in the Energy Sector with its IoT enabled AI Platform. The Platform enables remote monitoring of real-time data from various energy assets and resources at multiple locations. Leveraging predictive and prescriptive analytics it allows clients to make smarter, faster, and informed decisions.
- Kellton Tech continues to blaze new paths in innovation with SAP Qualified “Analytics for Professional Services” a cloud based solution with pre-built integration to S/4HANA which offers customers with actionable business insights.
- We were the mobile app partner at NASSCOM BPM Strategy Summit 2017. Our powerful IoT-enabled app helped NASSCOM build an efficient communication channel and offer endless possibilities for app users.

New Client Wins during Q3 FY18

We acquired Seven new clients during the quarter. Some of the big wins are:

- Developing an enterprise-wide Digital Transformation strategy and modernizing legacy systems for a leading MSO & cable broadband services provider in India.
- Implementing an end-to-end, customer-centric digital transformation solution to enhance online corporate identity of a market-leading manufacturer of innovative optical and photonic products in the US.

- Redefining the business process models for a leading insurance company in India with our end-to-end digital transformation solution.
- Developing a robust performance measurement SaaS platform for a Fortune 500 facility services company.
- Enabling high-performance with an innovative digital strategy for one of the fastest growing media agency in the US.

Commenting on the results, Mr. Niranjan Chintam, Chairman & Whole-time Director, Kellton Tech, said: "We continue to make good progress on our journey of transformation. Our topline grew by 32.7%, EBITDA up 44.5% and PAT up 23.6% on Y-o-Y basis. These good results also reflect our leadership in Digital which continues to strengthen with over 70% of our revenues from next-generation Digital transformation. We expect the momentum to continue going forward."

About Kellton Tech Solutions

Kellton Tech Solutions Limited is a publicly listed (BSE & NSE: KELLTONTEC), CMMi Level 5 and ISO 9001:2015 certified global IT services organization. It is headquartered in Hyderabad, India and has development centers in the United States and India. For two innovative decades, Kellton Tech has put into practice the vision upon which it was founded viz. "to offer infinite possibilities with technology". The company is committed to providing end-to-end IT solutions, strategic technology consulting, and offshore product development services. Kellton Tech serves the full gamut of customers including startups, SMBs, enterprises, and Fortune 500 businesses. The organization has serviced customers representing a wide range of verticals including retail, travel, e-commerce, education, hospitality, advertising, market research, manufacturing, consumer goods, logistics, SCM, and non-profits. Kellton Tech is also a global leader in providing Digital Transformation, Enterprise Mobility, Augmented Reality (AR)/ Virtual Reality (VR), Analytics, Internet of Things and Artificial Intelligence (AI) . For more information and past results & conference call transcripts, please visit our web site www.kelltontech.com

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Note: Except for the historical information and discussion contained herein, statements included in this release may constitute forward looking statements. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from those that be projected by these forward looking statements. These risks and uncertainties include, but not limited to such factors as competition, growth, pricing environment, recruitment and retention, technology, wage inflation, law and regulatory policies etc. Such risks and uncertainties are detailed in the Annual Report of the company which is available on the website www.kelltontech.com. Kellton Tech Solutions Ltd. undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof.