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CONTACT:
Jared Landaw
Barington Capital Group, L.P.
(212) 974-5713

Dan Burch/Bob Marese
MacKenzie Partners, Inc.
(800) 322-2885

BARINGTON CAPITAL GROUP SENDS LETTER TO THE CHAIRMAN AND CEO OF EBIX, INC.

Calls for the Addition of New Independent Directors to the Ebix Board

New York, NY, November 11, 2014 – Barington Capital Group, L.P. announced today that it has sent the attached letter to the Chairman and CEO of Ebix, Inc. (Nasdaq: EBIX). In the letter, Barington states that it believes that the Company's strong market position and track record of profitable growth is not being recognized by the marketplace. The Company's common stock is currently trading at a low price to earnings ratio that is well below that of the Company's peers and the market as whole. The Company's stock has also dramatically underperformed its peers and the market over the past five years.

Barington believes that the Company's disappointing share price performance is attributable to questions and uncertainty regarding the Company that have been weighing heavily on its stock price. During the last two years alone, Ebix has been the subject of an investigation by the U.S. Securities and Exchange Commission, an audit by the Internal Revenue Service, an investigation by the U.S. Attorney for the Northern District of Georgia, and class action and derivative lawsuits brought by shareholders.

Barington believes that it is imperative that Ebix promptly take action to improve its board oversight in order to ensure that shareholder interests are protected and to enhance the Company's credibility with investors, regulators and the marketplace. Barington is convinced that the addition of new independent directors to the Ebix Board is a necessary first step to remove the overhang weighing on the Company's stock price, thereby permitting shareholder value to increase for the benefit of all of the Company's shareholders. Barington would therefore like to discuss with the Company a number of highly qualified director candidates that it believes would add significant value to the Ebix Board. This group of candidates – which consists of individuals with exceptional backgrounds in accounting, government, finance, international business and corporate governance – includes:

Noel Spiegel – Mr. Spiegel, 66, served as a partner with Deloitte & Touche, LLP where he practiced from September 1969 until his retirement in May 2010. In his over 40 year career at Deloitte, he held a number of senior management positions, including serving as Managing Partner of Deloitte's Technology, Media and Telecommunications practice (Northeast Region), Partner-in-Charge of Audit Operations at Deloitte's New York Office, Deputy Managing Partner and a member of Deloitte's Executive Committee. Mr. Spiegel also has significant experience serving as a director of public traded companies and as an audit committee chairman.

Joseph R. Wright, Jr. – Mr. Wright, 76, has had a distinguished career as a senior executive and in government service. Mr. Wright has served as Chairman of Intelsat, Chief Executive Officer of PanAmSat, Chairman of GRC International, Chief Executive Officer of Scientific Games Corporation, Co-Chairman of Baker & Taylor Holdings and Executive Vice President/Vice Chairman of W. R. Grace & Company. In the 1980s, Mr. Wright was a member of President Reagan's Cabinet and served as a Director and Deputy Director of the White House Office of Management and Budget and as Deputy Secretary of the Department of Commerce. In 2003, President George W. Bush appointed Mr. Wright to the President's Commission on the U.S. Postal Service Reform and the National Security Telecommunications Advisory Committee. Mr. Wright presently serves on President Obama and Secretary Hagel's Defense Business Board, which provides advice on the overall management and governance of the Department of Defense. Mr. Wright is also an experienced public company director, having served on the boards of numerous publicly traded companies. He is currently the Executive Chairman of the Board of MTN Satellite Communications as well as a director of the Cowen Group, Inc.

Javier Perez – Mr. Perez, 57, is a former partner at McKinsey & Company, a management consulting firm, with substantial experience working with international companies. He has also held senior strategy positions at The Estee Lauder Companies and The McGraw-Hill Companies. Mr. Perez was a director of Gerber Scientific, Inc., a diversified manufacturing company, from 2009 until the sale of the company in August 2011, and served as Chair of its Audit and Finance Committee.

James A. Mitarotonda – As the Chairman and Chief Executive Officer of Barington Capital Group, Mr. Mitarotonda, 60, has extensive experience assisting undervalued companies improve shareholder value. He has served as a director of more than a dozen companies, and is experienced in improving corporate governance and representing shareholder interests on public company boards. Mr. Mitarotonda currently serves as a director of A. Schulman, Inc. and The Pep Boys - Manny, Moe & Jack.

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November 11, 2014

Mr. Robin Raina
Chairman and CEO
Ebix, Inc.
Five Concourse Parkway, Suite 3200
Atlanta, GA 30328

Dear Mr. Raina:

Barington Capital Group, L.P. represents a group of shareholders, including affiliates of Barington and Ancora Advisors, LLC, that collectively owns a significant stake in Ebix, Inc. ("Ebix" or the "Company"). Ebix has an impressive track record of profitable growth as a provider of software and services to the insurance industry. The Company generates high margins and strong free cash flow, and benefits from having a "sticky" customer base due to its strong competitive position in attractive niche markets. Numerous customers have told us that Ebix's products are critical to their operations.

During the five years from 2009 to 2013, the Company generated over $285 million of cash flow from operations. Ebix's ongoing capital spending requirements are modest – averaging approximately $2 million per year over the past five years – resulting in strong free cash flow generation. The Company has invested over $150 million of its free cash flow over the past five years in acquisitions which have fueled the Company's growth. From 2009 to 2013, revenues have more than doubled from $98 million to $205 million, operating income has grown from $39 million to $75 million, net income has increased from $39 million to $59 million, and earnings per share have grown from $1.03 to $1.53. The Company managed to achieve this growth without accumulating a significant net debt position and without considerably increasing its diluted shares outstanding. The Company repurchased over $95 million of stock in the past five years, nearly fully offsetting the issuances of shares in connection with acquisitions. The Company has continued to repurchase shares in 2014, recently announcing that it has repurchased 1.64 million shares between August 1st and October 16, 2014.

While these and other attractive characteristics of Ebix's business should command a premium market valuation, the Company's common stock is currently trading at a high free cash flow yield and a low price to earnings multiple of only 9.5 – well below the 17.3 multiple for the S&P 500 and the median P/E multiple of 19.9 for the Company's peers.[1] The Company's stock has also significantly underperformed its peers over the past two, three and five year periods as shown in the table below:

	2 Years (11/9/12- 11/10/14)	**3 Years** (11/10/11-11/10/14)	**5 Years** (11/10/09-11/10/14)
Ebix	-10.9%	-5.1%	-12.1%
Insurance & Finance Group Peers[2]	88.9%	97.2%	103.5%
Growth Group Peers[3]	67.2%	37.4%	68.9%
S&P 500 Index[4]	53.6%	74.8%	106.5%
Russell 2000 Index[4]	51.6%	68.5%	113.7%

We believe that the Company's disappointing share price performance is attributable to questions and uncertainty regarding the Company that have been weighing heavily on the Company's stock price. While we have followed many public companies in our 14-year history, we cannot recall one that has been the subject of so many investigations and lawsuits. During the last two years alone, Ebix has been the subject of an investigation by the U.S. Securities and Exchange Commission, an audit by the Internal Revenue Service, an investigation by the U.S. Attorney for the Northern District of Georgia, and class action and derivate lawsuits brought by shareholders.

We believe that insufficient public disclosure has been provided on the status of the investigations, and it does not appear to us that the Board of Directors of Ebix has been taking adequate steps to protect shareholder interests and promptly resolve the concerns that exist with respect to the Company. We therefore believe that it is imperative that board oversight be improved in order to ensure that shareholder interests are protected and to enhance the Company's credibility with investors, regulators and the marketplace.

Corporate Governance and Board Composition

It is our belief that the Company's poor corporate governance has hindered effective Board oversight and that the Ebix Board is composed of directors that are not well suited to protect the interests of the Company's public shareholders.

Ebix has received Institutional Shareholder Services' lowest corporate governance rating. Among its numerous governance weaknesses, the Company has failed to separate the roles of Chairman and CEO, which we believe has reduced the ability of the Board to effectively oversee and act independently of management. Inexplicably, the Board hasn't even appointed an independent lead or presiding director, and only recently agreed to do so in order to settle a shareholder derivative action. The average tenure of the current directors is ten years, with no new director being added to the Board since 2005. According to the latest GMI analysis report on the Company, "a collection of directors with long, coinciding tenure can sometimes form a subgroup in which collegiality takes precedence over rigorous oversight of a company's affairs," which appears to be the case at Ebix. The Board has also failed to add a "clawback" provision to the Company's incentive plans. Such a provision would not only serve as a deterrent to fraud, it would permit an improperly granted bonus award to be recouped in the event of misconduct or a restatement of the Company's financial statements. We are also disappointed that the Board maintains a plurality voting standard for uncontested elections of directors. The Counsel of Institutional Investors, among others, has noted that this standard can lead to entrenched boards, and GMI has stated that it greatly limits the ability of the Company's shareholders to hold members of the Board accountable in uncontested elections.

The Ebix Board currently includes five non-management directors. While each may be "independent" pursuant to the NASDAQ Marketplace Rules, we question their effectiveness in protecting shareholder interests. Each of these directors resides and works outside of the country, despite the fact Ebix is headquartered in Atlanta, Georgia and reports the majority of its revenues in the United States. We also understand that three of these directors have ties to the Company's largest outside shareholder. One of these directors is Rolf Herter, the managing partner of Streichenberg, a mid-sized commercial law firm located in Zurich. While the Company's proxy statement discloses that Mr. Herter is a director of two companies and serves as the supervisor of investments for several foreign companies, it fails to mention that he is also a director of the Rennes Foundation, a Lichtenstein-based foundation that does not disclose its beneficiaries. We have also been told that two other directors of the Company – Hans U. Benz and Hans Ueli Keller – were suggested by the Rennes Foundation. While the Rennes Foundation is the largest outside shareholder of the Company, and we are always pleased to see significant shareholders represented on boards, it does not appear that their interests are aligned with other shareholders. As noted by Glass Lewis in its December 2013 proxy report, "… we think shareholders should be wary that [Mr. Raina and the Rennes Foundation], which collectively own more than 20% of the outstanding float, may maintain interests with respect to the Company that conflict with those of outside shareholders."

We believe that the composition of the Board and the Company's poor corporate governance have contributed to the approval by the Board of two controversial and interrelated transactions that have not been in the best interests of the Company's public shareholders. The first was the execution of the Acquisition Bonus Agreement, a change of control agreement which we find to be extraordinarily excessive. The second was the Goldman Sachs transaction, which, if consummated, would have transferred a disproportionate ownership percentage in the Company to you and the Rennes Foundation. For the reasons discussed below, these transactions have caused us to question whether the independent directors have been more concerned with protecting your interests and the interests of the Rennes Foundation than fulfilling their fiduciary duties to shareholders.

The Acquisition Bonus Agreement

In 2009, the independent directors unanimously approved the Company entering into an Acquisition Bonus Agreement with you as its Chairman and CEO. The agreement, which has a single trigger, provides for you to receive a cash payment upon the occurrence of a change in control regardless of whether you continue to remain employed by the Company. The payment would be equal to (i) the spread between the acquisition price of a transaction and a base price of $7.95 per share multiplied by (ii) the number of shares that is 20% of the Company's outstanding shares less what you own personally. In addition, the agreement entitles you to receive gross up payments to cover any applicable excise taxes. Since you already beneficially own approximately 10% of the Company's outstanding shares, this agreement grants you an economic benefit akin to an option on another 10% of the Company. The agreement was signed in July 2009, close to market lows, and uses, in our opinion, an extremely depressed base price.

In the Company's 2012 proxy statement, it was disclosed that this agreement would entitle you to receive a payment of $92.2 million in the event of a $24 per share transaction. This payment would be a staggering 27x multiple of your total 2011 compensation of $3.4 million, and would be paid regardless of whether or not you remained employed by Ebix. We have never seen a change-of-control arrangement that is as generous (or should we say egregious) as this one, and believe that it was inappropriate for the Board not to submit this agreement to shareholders for their approval.

The Board has sought to justify the agreement by stating that it would ensure that you will be appropriately rewarded for your contributions to Ebix prior to an acquisition event. In our opinion, you have already been very well compensated for your contributions to the Company. When you became CEO in 1999, you owned a negligible stake in the Company. Over the next 15 years, you have been paid over $18 million in cash compensation. In addition, you have been granted nearly four million shares of restricted stock and options and have beneficially owned as much as 16.8% of the Company. Such grants should be more than sufficient to align your interests with those of other shareholders.

The Board also sought to justify this agreement by claiming that it would dissuade a potentially hostile acquisition attempt at an unacceptable price, and that it would motivate you to maximize the value received by all shareholders of Ebix. Certainly the agreement can be used to dissuade acquisition offers – both hostile and friendly. Unfortunately, it does that by functioning as your own personal veto, permitting you to hinder any transaction that does not receive your approval, regardless of the price offered. We fail to see how a huge windfall payment to you in the event of an acquisition will help maximize the value received by other shareholders. In fact, we believe the reverse is true – the larger the windfall to you, the less value remains to be distributed to the public shareholders. Furthermore, we believe that the large payment you would receive pursuant to the Acquisition Bonus Agreement could give you an incentive to support an acquisition at a price that does not necessarily maximize value for all other shareholders. As noted by Glass Lewis, "we believe that this sort of provision may lower the chances of a deal, lower the premium paid to shareholders in a takeover transaction or both."

Frankly, we are astounded that the Board could claim that the Acquisition Bonus Agreement is in the best interests of shareholders. We strongly believe that this agreement should be terminated as promptly as possible and at no cost to the Company.

The Goldman Sachs Transaction

On May 1, 2013, Ebix announced that it had entered into an agreement to be acquired by an affiliate of Goldman Sachs for $20 per share. The Company, which had not conducted an auction sale process, entered into this deal at a per share price that represented a modest premium of only 7.5% over the previous day's closing price. The deal price was well below the stock's 52-week high at the time of $24.90 reached in September 2012. It was also lower than the prices at which the Company had repurchased shares in both the third quarter of 2012 and the first quarter of 2011. In connection with the announcement of the transaction, it was disclosed that you and the Rennes Foundation were given the right to roll a large portion of your equity into the deal and would obtain significant ownership interests in the private company. You were to obtain a 29% interest in the private company and the Rennes Foundation was to receive an ownership interest of 15% – significantly higher than the 19% interest in the public company that you and the Rennes Foundation collectively owned prior to the transaction.

A feature of the Goldman transaction that is extremely troubling to us was that you agreed to forego an Acquisition Bonus in the event that the Goldman transaction closed. It appears to us that the Acquisition Bonus Agreement enabled you to negotiate a larger ownership position in the private company for you and the Rennes Foundation than your equity contributions would have otherwise entitled you to receive. In addition, since you didn't publicly waive the Acquisition Bonus Agreement for other potential suitors, it likely served as a deterrent to other bidders potentially willing to pay a higher price than Goldman, as any topping offer would have needed to exceed the Goldman offer by at least the amount of the Acquisition Bonus in order to yield a higher value for the Company's public shareholders. Given the foregoing, we question whether you and the other members of the Board did all you could to obtain the highest and best price for the Company's public shareholders when negotiating the Goldman deal.

Ebix's Financial Reporting

Ebix's financial reporting is complex given its international operations, cross border transactions and sophisticated tax structure. The Company has provided shareholders with limited visibility regarding its tax structure. It is also troubling that Ebix had four different auditors between 2003 and 2008 and that its current auditor, Cherry Bekaert, is a regional accounting firm that appears to have limited experience auditing public companies with extensive international operations.

We believe that the Company should transition to an internationally recognized accounting firm with greater resources and international accounting experience to cover Ebix's global operations. We also believe that the Company should add an independent financial expert to its Board with unquestioned integrity and the highest level of accounting expertise. In addition to being an asset to the management team, such a director could help the Board conduct an effective assessment of the validity of the Company's tax accounting, the adequacy of its internal controls and the accuracy of its financial reporting.

Disclosure Regarding Investigations

As a significant shareholder of Ebix, the ongoing investigations into the Company are concerning to us, and we do not believe that shareholders have been sufficiently informed of the details and status of these investigations. Given that the current enterprise value of Ebix is approximately $220 million lower than the $820 million valuation of the Goldman Sachs transaction, we believe that the marketplace is applying a large uncertainty discount to the outcome of these investigations. We strongly believe that there is a need for more clarity and better disclosure concerning these matters.

Ebix's Organic Revenue Growth

We believe that the Company could do a much better job growing its revenues organically. The Company operates in large and growing markets and offers valuable products to its customers, but its organic revenue growth has been modest in recent years, with most of the reported revenue growth being fueled by acquisitions. Furthermore, during 2013 and 2014, the Company's pace of acquisitions has slowed and revenue growth has stalled. Reported revenues declined sequentially in the second and third quarters of 2013, and sequential growth since then has been tepid. We believe that more effective investment in sales and marketing by the Company would help improve its organic revenue growth, and that the resolution of investigations concerning the Company would allow the sales force to achieve greater success with customers.

Share Repurchases

As you discussed in your quarterly earnings conference call on November 7, the Company has available cash balances of $47.4 million and borrowing capacity of $137 million which can be used to support business growth as well as share repurchase initiatives. We support the Company's recent share repurchases and believe that the Company should complete the $100 million share repurchase program which it announced in June 2013, which we believe would be highly accretive and add approximately $0.25 to the Company's earnings per share. In light of the Company's current depressed stock price as well as its ample liquidity, we also recommend that the Company consider meaningfully increasing the size of its share repurchase program as well as utilizing a tender offer for a portion of the buyback.

Need for New Independent Directors

We believe that adding new, truly independent directors to the Ebix Board is necessary to help protect shareholder interests and improve the Company's credibility with investors, regulators and the marketplace at this critical time. Among other things, such directors can ensure that an independent assessment is made of the issues being investigated by the government, that all necessary remedial actions are promptly taken and that the outcome is clearly communicated to shareholders. We would therefore like to discuss with you a number of highly qualified director candidates that we believe would add significant value to the Ebix Board. This group of candidates, which consists of individuals with exceptional backgrounds in accounting, government, finance, international business and corporate governance, includes:

Noel Spiegel – Mr. Spiegel, 66, served as a partner with Deloitte & Touche, LLP where he practiced from September 1969 until his retirement in May 2010. In his over 40 year career at Deloitte, he held a number of senior management positions, including serving as Managing Partner of Deloitte's Technology, Media and Telecommunications practice (Northeast Region), Partner-in-Charge of Audit Operations at Deloitte's New York Office, Deputy Managing Partner and a member of Deloitte's Executive Committee. Mr. Spiegel also has significant experience serving as an independent director, serving as a director and a member of the audit committee of Radian Group, Inc., a provider of private mortgage insurance and related risk mitigation products and services to mortgage lenders; a director and chairman of the audit committee of American Eagle Outfitters, a specialty retailer of clothing and accessories; and a director and chairman of the audit committee of Vringo, Inc., a company engaged in the innovation, development and monetization of intellectual property and mobile technologies.

Joseph R. Wright, Jr. – Mr. Wright, 76, has had a distinguished career in government and in the private sector. He has served as Chairman of Intelsat, Chief Executive Officer of PanAmSat, Chairman of GRC International, Chief Executive Officer of Scientific Games Corporation, Co-Chairman of Baker & Taylor Holdings and Executive Vice President/Vice Chairman of W. R. Grace & Company. In the 1980s, Mr. Wright was a member of President Reagan's Cabinet and served as a Director and Deputy Director of the White House Office of Management and Budget and as Deputy Secretary of the Department of Commerce. He also received the Distinguished Citizens Award from President Reagan in 1988. In 2003, President George W. Bush appointed Mr. Wright to the President's Commission on the U.S. Postal Service Reform and the National Security Telecommunications Advisory Committee. He presently serves on President Obama and Secretary Hagel's Defense Business Board, which provides advice on the overall management and governance of the Department of Defense. Mr. Wright is also an experienced public company director, having served on the boards of numerous public companies. He is currently the Executive Chairman of the Board of MTN Satellite Communications as well as a director of the Cowen Group, Inc. He also serves as an advisor to two private equity funds.

Javier Perez – Mr. Perez, 57, is a former partner at McKinsey & Company, a management consulting firm, with substantial experience working with international companies. He has also held senior strategy positions at The Estee Lauder Companies and The McGraw-Hill Companies. Mr. Perez, who is a Senior Advisor to Barington Capital Group, was a director of Gerber Scientific, Inc., a diversified manufacturing company, from 2009 until the sale of the company in August 2011, and served as Chair of its Audit and Finance Committee.

James A. Mitarotonda – As the Chairman and Chief Executive Officer of Barington Capital Group, Mr. Mitarotonda, 60, has extensive experience assisting undervalued companies improve shareholder value. He has also served as a director of more than a dozen companies, and is experienced in improving corporate governance and representing shareholder interests on public company boards. Mr. Mitarotonda currently serves as a director of A. Schulman, Inc. and The Pep Boys - Manny, Moe & Jack.

Conclusion

While we strongly believe in the long-term prospects of Ebix, we are struck by what we believe have been substantial corporate governance and boardroom deficiencies in recent years. We are convinced that the addition of new independent directors to the Board is a necessary first step to remove the overhang weighing on the Company's stock price, thereby permitting shareholder value to increase for the benefit of all of Ebix's public shareholders. Barington has a 14-year track record of assisting publicly traded companies improve their operations, profitability and corporate governance, and we hope that we can work together with you to help improve shareholder value for the benefit of all of the owners of the Company. Please advise us at your earliest convenience when you are available to speak with us to discuss our suggestions and director recommendations.

Sincerely yours,

/s/ James A. Mitarotonda

James A. Mitarotonda

About Barington Capital Group, L.P.

Barington Capital Group, L.P. is an investment firm that, through its affiliates, manages a value-oriented, activist investment fund that was established by James A. Mitarotonda in January 2000. The Fund invests in undervalued publicly traded companies that Barington believes could appreciate significantly in value as a result of a change in corporate strategy or from various operational, financial or corporate governance improvements. Barington's investment team, senior advisors and industry contacts are seasoned operating specialists, experienced in working with companies to design and implement initiatives to improve their financial and share price performance.

Important Disclosures

Any views expressed in the above letter represent the opinion of Barington, whose analysis is based solely on publicly available information. No representation or warranty, express or implied, is made as to the accuracy or completeness of any information contained therein. Barington expressly disclaims any and all liability based, in whole or in part, on such information, any errors therein or omissions therefrom. Barington also reserves the right to modify or change its views or conclusions at any time in the future without notice.

The information contained in the letter does not recommend the purchase or sale of any security nor is it an offer to sell or a solicitation of an offer to buy any security. Furthermore, the information contained in the letter is not intended to be, nor should it be construed or used as, investment, tax or legal advice. No representation or warranty is made that Barington's investment process or investment objectives will or are likely to be achieved or successful or that Barington's investments will make any profit or will not sustain losses. Past performance is not indicative of future results.

Nothing contained in the letter should be taken as any form of commitment on the part of Barington to take any action in connection with any particular security. Barington and its affiliates are in the business of buying and selling securities. They have, and may in the future, buy, sell or change the form of their position in any security for any or no reason whatsoever.

Barington has neither sought nor obtained the consent from any third party to use any statements or information contained in the letter that have been obtained or derived from statements made or published by such third parties. Any such statements or information should not be viewed as indicating the support of such third parties for the views expressed herein.

Please see http://www.barington.com/press-releases.html for additional disclosures concerning the letter.

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[1] Based on Ebix's stock price of $15.60 on November 10, 2014 and consensus EPS for 2014 of $1.64. The price to earnings (P/E) ratio of the S&P 500 for 2014 was 17.3 as of November 10, 2014. The median 2014 P/E ratio of the Company's Insurance & Finance Group Peers was 14.4 as of November 10, 2014. The median 2014 P/E ratio of the Company's Growth Group Peers was 25.7 as of November 10, 2014. The median 2014E P/E ratio of the Company's Insurance & Finance Group and Growth Group Peers was 19.9 as of November 10, 2014. Source: Capital IQ.

[2] Insurance & Finance Group Peers per the Company's 2013 Proxy Statement consist of Universal Insurance Holdings; Safety Insurance Group, Inc.; RLI Corp.; The Hanover Insurance Group, Inc.; The Navigators Group, Inc.; and Evercore Partners, Inc.

[3] Growth Group Peers per the Company's 2013 Proxy Statement consist of Digital Generation, Inc.; K12 Inc.; Blackbaud Inc.; DealerTrack Holdings Inc.; Limelight Networks, Inc.; Blucora Inc.; CSG Systems International, Inc.; Comscore, Inc.; LogMeIn, Inc.; Epiq Systems, Inc.; Digital River, Inc.; and Willis Lease Finance Corporation. Note the Proxy Statement lists K2 Inc. which we assume is a typographical error – we have included K12 Inc. instead.

[4] Source: Capital IQ. Index returns calculated assuming the reinvestment of dividends.