



PRESS RELEASE

Newgen Software reports 28% YoY increase in Total Income

New Delhi, India - 2 August 2018

The management of Newgen Software Technologies Ltd. announced results for the Quarter ended 30 June 2018 [Q1 FY'19] at its Board Meeting held on 2 August 2018.

Key Financial Highlights (Q1 FY'19)

- **Total Income (Consolidated) up by 28% YoY to reach Rs 114.27 crores** in Q1 FY'19 compared to Rs 89.55 crores in Q1 FY'18. **Revenue from operations (Consolidated) witnessed strong growth momentum and was up by 20% YoY to reach Rs 106.47 crores** as compared to Rs 88.59 crores in Q1 FY'18 with broad based growth especially across US, APAC and EMEA region.
 - Revenue from Sale of Products/ License were at Rs 12.7 crores
 - Annuity Revenue streams (ATS/AMC and Support) were at Rs 59.5 crores
 - Cloud/SaaS continues to be our fastest growing revenue component. Cloud/ SaaS revenues were at Rs 4.9 crores
 - Implementation & Digitization revenues were at Rs 29.4 crores
- Profit after tax was at Rs 3.87 crores compared to a net loss of Rs (-) 1.50 crores in Q1 FY'18
- Basic Earnings per shares was at Rs 0.57 in Q1 FY'19
- Software license business is usually seasonal in nature primarily given the large enterprise account buying patterns leading to substantial revenues and profits booked in the second half of the financial year.
- The Group adopted Ind AS 115, Revenue from Contracts with Customers using cumulative catch-up transition method. The date of the initial application is 1 April 2018 and the impact of the same on revenues is not material.

Key Business Highlights

- **Strengthening global presence:** Strong broad based growth (YoY) in USA (46%), APAC (25%) and EMEA (17%).
- **Prestigious customer wins made during the year:** 17 new customer additions in Q1 FY'19 including 4 in US with enhanced average deal sizes.

- **Company continues to strengthen the horizontal product platform with vertical service accelerators:** Banking & Financial Services vertical comprised 51% of revenues; Government/ PSU comprised 13% and Healthcare comprised 9% of revenues during the quarter
- **Scaling Cloud/ SaaS product business:** SaaS revenues were at Rs 4.9 crores, contributing 5% to revenue from operations compared to Rs 1.9 crores in the corresponding quarter last year
- **Continued focus on product and innovation:** Company released product updates - **OmniDocs V10.0, Omni OMS V8.3 and OmniScan V4.1 during the quarter** in order to provide advanced features & functionality, enhanced user experience to customers, improved information security and easier integration
- Newgen & Bank Muscat, Sultanate of Oman together were the winner of The Asian Banker Award for **“Best Retail Payment Initiative, Application or Programme in the Middle East”**, 2018 for automating financial processes, including outward remittance, standing orders, speed transfers overseas and inward enquiries using Newgen’s solutions
- Newgen & one of the world’s largest banking and financial services organizations together were the Gold Stevie Winner for Asia Pacific Stevie Awards for **“The Innovative Use of Technology in Customer Service”**, 2018 for delivering premium customer experience with digitization of credit card on-boarding using Newgen’s solutions
- **Demonstrated Technologies to Drive Digital Transformation at Customer Conference 2018, Orlando:** The Customer Conference in June 2018 in Orlando, US concluded on a high note and brought together industry leaders, influencers, and analysts from leading organizations across the US, Canada, Caribbean and South America. Newgen’s customers, across verticals, presented their digital transformation stories through interesting case studies.

Speaking about the results, Mr. Diwakar Nigam, Chairman & Managing Director, Newgen Software Technologies Ltd. said – *“We are off to a good start in Q1 FY’19. We witnessed robust growth momentum with 28% YoY increase in consolidated total income and added 17 new customer logos during the quarter, despite the seasonality in business. Our Cloud revenues grew by 157% YoY though on a smaller base. The participation at our Customer Conference in US also reaffirms our direction for growth across geographies. We also strive to continuously innovate our products and keep them state-of-the-art in order to keep our customers ahead of the curve.”*

About Newgen

Newgen Software Technologies Limited (listed In India on National Stock Exchange [Script code: NEWGEN] and BSE Ltd. [Script code: 540900]), is a provider of Business Process Management, Enterprise Content Management and Customer Communication Management platforms with large, mission-critical solutions deployed at world's leading banks, Governments, BPO's & IT Companies, Insurance firms and Healthcare Organizations.

Disclaimer

This press release may contain certain forward looking statements concerning Newgen Software Technologies' future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ 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 and new business opportunities, competition (both domestic and international), economic growth in India and the target countries for business, ability to attract and retain highly skilled professionals, time and cost over runs on projects, our ability to manage our international operations, government policies, interest and other fiscal costs generally prevailing in the economy. Past performance may not be indicative of future performance. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.

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