



**Results Q3 FY 2017**

NSE: NUCLEUS, BSE: 531209

## **Nucleus Software reports Q3 FY17, Revenue grew at 7.7% YoY**

**New Delhi, January 24, 2017:** [Nucleus Software](#), the leading provider of lending and transaction banking solutions to the global financial services industry, today announced its financial results for the quarter and nine month ending 31<sup>st</sup> December, 2016.

Consolidated revenue for the third quarter of FY 17 is at **Rs. 93.1 crore** compared to **Rs 86.5 crore** in Q3 of the previous year. Revenue for the first nine months of FY 17 is at **Rs. 278.7 crore**, against **Rs.256.0 crore** in the corresponding period of FY 16.

**Commenting on the results, Vishnu R Dusad (CEO, Nucleus Software) said:**

“In Q3 we built on the strong performance that we saw in Q2. Our newer solutions are continuing to gain good traction – our cloud-based lending solution has gained the third customer since it was launched in the middle of last year, and our newly launched lending analytics solution has gained its second customer.”

“More than a decade ago we had a vision to make 100 rupee loans possible and profitable. Our ongoing investment has enabled us to understand the challenges at the grass roots level and that’s why we invented PaySe – our digital cash solution. The recent demonetization initiative by Hon. Prime Minister Shri Narendra Modi and our successful pilot of the PaySe platform where around 60 million rupees worth of transactions have been processed has provided the impetus. The stage is set for banks, micro finance institutions (MFIs) and non-banking financial companies (NBFCs) to rapidly extend these capabilities to their customers. We are talking to a number of organisations about the strategic possibilities. “

### **Financial highlights:**

#### **Consolidated results for the Quarter ended 31<sup>st</sup> December, 2016**

- Consolidated revenue for the quarter stood at Rs. 93.1 crore in comparison to Rs. 86.5 crore in the corresponding Q3 of the previous year
- Product business revenue for the quarter was at Rs. 71.8 crore in comparison to Rs. 65.1 crore in the corresponding Q3 of the previous year

#### **Corporate Office**

Nucleus Software Exports Ltd.  
A-39, Sector 62, Noida - 201307

#### **Registered Office**

33-35 Thyagraj Nagar Mkt, New Delhi - 110003  
CIN : L74899DL1989PLC034594



- EBIDTA for the quarter stood at Rs. 14.2 crore in comparison to Rs. 5.8 crore in the corresponding Q3 of the previous year
- Net Profit after Tax (PAT) stood at Rs. 15.9 crore in comparison to Rs. 7.0 crore in the corresponding Q3 of the previous year
- Earnings per Share for the quarter is at Rs. 4.91 in comparison to Rs. 2.16 in the corresponding Q3 of the previous year

#### **Consolidated results for the nine months ended 31<sup>st</sup> December, 2016**

- Consolidated revenue for the period stood at Rs. 278.7 crore in comparison to Rs. 256.0 crore in the corresponding period of the previous year
- Product business revenue for the period was at Rs. 216.0 crore in comparison to Rs. 189.9 crore in the corresponding period of the previous year
- EBIDTA for the period stood at Rs. 37.5 crore in comparison to Rs. 11.8 crore in the corresponding period of the previous year
- Net Profit after Tax (PAT) stood at Rs. 40.4 crore in comparison to Rs. 18.3 crore in the corresponding period of the previous year
- Earnings per Share for the period is at Rs. 12.49 in comparison to Rs. 5.66 in the corresponding period of the previous year.

#### **Liquidity:**

- Cash and cash equivalents, including investments in debt schemes of mutual funds, fixed deposits with banks and tax free PSU bonds are at Rs. 429.8 crore as on 31st December, 2016, as against Rs. 372.1 crore on 31st December, 2015

#### **Business highlights:**

- Continued with our expansion strategy, we have added 2 new customers and won 5 new product orders, during the quarter
- 8 product module implementations were completed worldwide, in this quarter
- Won an order in the Middle East for latest product offering in Lending Analytics
- Won the third deal for cloud based FinnOne Neo lending solution deployment for a leading Non-Banking Finance company (NBFC) in India

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- Announced the availability of [PaySe Digital Cash solution in 3 new form factors](#): smart watch, band and micro SD card. By increasing the form factors supported, beyond the original hardware wallet and Near Field Communication (NFC) card, PaySe has now opened a range of new use cases for digital cash
- Selected by Five-Star Business Finance Limited, India based NBFC [for implementing FinnOne Neo](#), the award winning loan life cycle management solution in cloud
- Empowered [bob Finance AG](#) to win 'The Banking Technology Award 2016 - Highly Commended for the Best Use of IT in Lending'. bob Finance AG, a financial service company in Switzerland deployed Nucleus FinnOne to automate and digitize their lending processes, reduce service time, design and launch innovative financial products quickly
- Sponsored a Roundtable for leading Bankers in Sydney on the theme 'The pace of change' to discuss how banks can harness the latest technologies and compete against the disruptors as new innovations continue to impact financial services
- Hosted an exclusive industry roundtable discussion for NBFCs and Housing Finance Companies (HFCs) on '[Shaping the future of lending](#)' in Mumbai in collaboration with Dun & Bradstreet and Amazon Web Services
- Participated in the CEO roundtable discussion on 'Digital Transformation' organized by Forbes India and Microsoft in Delhi
- The global strength of employees at Nucleus Software as on 31<sup>st</sup> December 2016 stands at 1669

#### **About Nucleus Software :**

[Nucleus Software](#) (BSE & NSE: NUCLEUS) is the leading provider of lending and transaction banking products to the global financial services industry. Its software powers the operations of more than 150 companies in 50 countries, supporting retail banking, corporate banking, cash management, internet banking, automotive finance and other business areas.

Nucleus Software is known for its world-class expertise and innovation in lending and transaction banking technology. It has two flagship products, built on the latest technology:

- FinnOne™ 10 time winner - World's Best Selling Lending Solution

- FinnAxia™, an integrated global transaction banking solution used by banks worldwide to offer efficient and Innovative global payments and receivables, liquidity management and business internet banking services.

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**NUCLEUS  
SOFTWARE**



**Forward-looking and Cautionary Statements:** For risks and uncertainties relating to forward-looking statements, please visit: <http://www.nucleussoftware.com/safe-harbor?preview=true>

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**CONSOLIDATED PROFIT AND LOSS FOR THE QUARTER ENDED DECEMBER 31, 2016**

₹ In Lakhs

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015	March 31, 2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. INCOME FROM OPERATIONS</b>						
Income from Software Products and Services	9,314.33	9,560.37	8,646.25	27,870.18	25,596.76	34,870.19
<b>Total Income from operations (net)</b>	<b>9,314.33</b>	<b>9,560.37</b>	<b>8,646.25</b>	<b>27,870.18</b>	<b>25,596.76</b>	<b>34,870.19</b>
<b>2. EXPENSES</b>						
a) Employee benefit expense	5,960.02	6,197.41	5,777.13	18,397.45	17,519.40	22,683.82
b) Travel expense	314.69	310.88	501.38	979.62	1,619.24	2,098.71
c) Finance cost (Bank Charges)	12.57	12.08	13.88	40.17	45.95	61.66
d) Other expenses	1,604.01	1,625.07	1,771.80	4,699.11	5,233.49	7,006.66
<b>Total Expenses</b>	<b>7,891.29</b>	<b>8,145.44</b>	<b>8,064.19</b>	<b>24,116.36</b>	<b>24,418.08</b>	<b>31,850.85</b>
<b>3. PROFIT FROM OPERATIONS BEFORE DEPRECIATION (1-2)</b>	<b>1,423.04</b>	<b>1,414.93</b>	<b>582.06</b>	<b>3,753.82</b>	<b>1,178.68</b>	<b>3,019.34</b>
4. Depreciation and amortisation expense	323.78	308.48	305.41	932.26	923.97	1,222.47
<b>5. PROFIT FROM OPERATIONS AFTER DEPRECIATION (3-4)</b>	<b>1,099.26</b>	<b>1,106.45</b>	<b>276.65</b>	<b>2,821.56</b>	<b>254.71</b>	<b>1,796.87</b>
6. Other Income	850.84	607.80	566.65	2,115.69	2,041.61	2,590.69
<b>7. PROFIT BEFORE TAXES (5+6)</b>	<b>1,950.10</b>	<b>1,714.25</b>	<b>843.30</b>	<b>4,937.24</b>	<b>2,296.32</b>	<b>4,387.56</b>
8. Tax expense	358.45	345.78	142.44	894.08	461.84	1,141.03
<b>9. PROFIT AFTER TAXES (7-8)</b>	<b>1,591.65</b>	<b>1,368.47</b>	<b>700.86</b>	<b>4,043.16</b>	<b>1,834.48</b>	<b>3,246.53</b>
<b>10. Earnings Per Share (Rs.) (Par value Rs.10 each) (not annualised)</b>						
Basic	4.91	4.23	2.16	12.49	5.66	10.03
Diluted	4.91	4.23	2.16	12.49	5.66	10.03

CONSOLIDATED SEGMENT INFORMATION												
												₹ In Lakhs
REVENUE BY	Quarter Ended						Nine Month Ended				Year Ended	
	December 31, 2016	% of Revenue	September 30, 2016	% of Revenue	December 31, 2015	% of Revenue	December 31, 2016	% of Revenue	December 31, 2015	% of Revenue	March 31, 2016	% of Revenue
	Unaudited		Unaudited		Unaudited		Unaudited		Unaudited		Audited	
<b>GEOGRAPHICAL SEGMENTS</b>												
INDIA	2,593.26	27.84	2,486.74	26.01	1,898.90	21.96	7,305.23	26.21	4,595.32	17.95	6,792.25	19.48
FAR EAST	1,474.14	15.83	1,479.09	15.47	1,496.55	17.31	4,468.51	16.03	4,116.47	16.08	5,759.71	16.52
SOUTH EAST ASIA	1,843.81	19.80	2,061.23	21.56	1,757.33	20.32	6,017.87	21.60	5,885.93	23.00	7,843.58	22.49
EUROPE	1,234.63	13.25	1,246.40	13.04	895.02	10.35	3,451.41	12.38	3,248.53	12.69	4,149.34	11.90
MIDDLE EAST	1,308.93	14.05	1,291.83	13.51	1,470.18	17.00	3,862.32	13.86	4,160.47	16.25	5,688.28	16.31
AFRICA	179.81	1.93	178.35	1.87	268.68	3.11	597.67	2.14	977.34	3.82	1,358.28	3.90
AUSTRALIA	465.70	5.00	602.71	6.30	636.91	7.37	1,522.87	5.47	2,080.26	8.13	2,461.54	7.06
REST OF THE WORLD	214.05	2.30	214.02	2.24	222.68	2.58	644.30	2.31	532.44	2.08	817.21	2.34
<b>TOTAL</b>	<b>9,314.33</b>	<b>100.00</b>	<b>9,560.37</b>	<b>100.00</b>	<b>8,646.25</b>	<b>100.00</b>	<b>27,870.18</b>	<b>100.00</b>	<b>25,596.76</b>	<b>100.00</b>	<b>34,870.19</b>	<b>100.00</b>
<b>BUSINESS SEGMENTS</b>												
<b>PRODUCTS</b>	<b>7,178.45</b>	<b>77.07</b>	<b>7,506.35</b>	<b>78.52</b>	<b>6,514.65</b>	<b>75.35</b>	<b>21,600.17</b>	<b>77.50</b>	<b>18,993.40</b>	<b>74.20</b>	<b>26,169.55</b>	<b>75.05</b>
Own	7,108.77	76.32	7,436.73	77.79	6,457.14	74.68	21,386.24	76.74	18,815.56	73.51	25,924.55	74.35
Traded	69.68	0.75	69.62	0.73	57.51	0.67	213.93	0.77	177.84	0.69	245.00	0.70
<b>PROJECTS &amp; SERVICES</b>	<b>2,135.88</b>	<b>22.93</b>	<b>2,054.02</b>	<b>21.48</b>	<b>2,131.60</b>	<b>24.65</b>	<b>6,270.01</b>	<b>22.50</b>	<b>6,603.36</b>	<b>25.80</b>	<b>8,700.64</b>	<b>24.95</b>
<b>TOTAL</b>	<b>9,314.33</b>	<b>100.00</b>	<b>9,560.37</b>	<b>100.00</b>	<b>8,646.25</b>	<b>100.00</b>	<b>27,870.18</b>	<b>100.00</b>	<b>25,596.76</b>	<b>100.00</b>	<b>34,870.19</b>	<b>100.00</b>