



**Results Q4 FY 2019**

NSE: NUCLEUS, BSE: 531209

## **Nucleus Software announces FY19 Financial Results**

***With continuous focus on digital, supporting Banks and other Financial Institutions to stay ahead of competitive landscape and accelerate growth***

**New Delhi, April 24, 2019:** [Nucleus Software](#), the leading provider of lending and transaction banking solutions to the global financial services industry, announced its financial results for the financial year ended March 31, 2019.

Consolidated revenue for the fourth quarter of FY 19 is at **Rs. 127.0 crore** compared to **Rs 111.0 crore** in the corresponding quarter of the previous year. Revenue for FY19 is at **Rs. 484.0 crore**, against **Rs. 411.8 crore** in FY18.

**Commenting on the results, Mr. R P Singh (CEO, Nucleus Software) said,** “During the year, we have had growth across all geographies, driven by our market leading value proposition which is resonating with financial institutions around the globe. We have added **19** new customers, won **26** product orders across APAC, India, Africa and The Middle East and also implemented **69** product modules successfully. Our transaction banking solution – FinnAxia – continued to gain solid traction in the International markets. Our cloud lending business reached a significant milestone of **30** customers in the current financial year. With more of our customers embarking on a digital journey, the quality of discussions plus our deal pipeline, we remain confident in our ability to deliver long term value to all our customers”.

### **Financial highlights:**

#### **Consolidated results for the Quarter ended 31<sup>st</sup> March, 2019**

- Consolidated revenue at Rs. 127.0 crore in comparison to Rs. 111.0 crore in the corresponding quarter of the previous year
- Product business revenue for the quarter at Rs. 100.4 crore in comparison to Rs. 89.0 crore in the corresponding quarter of the previous year
- EBIDTA for the quarter at Rs. 21.5 crore in comparison to Rs. 15.7 crore in the corresponding quarter of the previous year
- Net Profit after Tax (PAT) stood at Rs. 17.1 crore in comparison to Rs. 17.3 crore in the corresponding quarter 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



- Earnings Per Share (EPS) for the quarter at Rs. 5.88 in comparison to Rs. 5.94 in the corresponding quarter of the previous year

#### **Consolidated results for the Year ended 31<sup>st</sup> March, 2019**

- Consolidated revenue for FY 2019 stood at Rs. 484.0 crore, in comparison to Rs. 411.8 crore in the previous year
- Product business revenue for the year at Rs. 383.3 crore in comparison to Rs. 326.1 crore in the previous year
- EBIDTA for the year at Rs. 84.8 crore in comparison to Rs. 58.2 crore in the previous year
- Net Profit after Tax (PAT) stood at Rs. 74.5 crore in comparison to Rs. 62.5 crore in the previous year
- Earnings Per Share (EPS) for the year at Rs. 25.67 in comparison to Rs. 20.47 in the previous year

#### **Liquidity:**

- Cash and cash equivalents, including investments in debt schemes of mutual funds, fixed deposits with banks and tax free bonds, etc. are at Rs. 498.5 crore as on 31st March, 2019 as against Rs. 455.9 crore on 31st March, 2018.

#### **Board Updates:**

- Mr. Narayanan Subramaniam, joined the Board of Directors of the Company in July 2012 and was appointed as an Independent Director at the Annual General Meeting held on July 8, 2014 for a term of 5 years. Accordingly, the tenure of Mr. Narayanan Subramaniam as an Independent Director of the Company, came to end on 31st March, 2019. Mr. Narayanan Subramaniam, has conveyed his desire not to seek re-appointment as Independent Director of the Company for the second term. The Board thanked him for his immense contribution and guidance in framing a strategic roadmap of the company during his tenure.
- The Board of Directors in their meeting held on 23<sup>rd</sup> April 2019 recommended the final dividend of Rs. 9 per Share (on Equity share of Par Value of Rs. 10 each) for the Year ended March 31, 2019. The payment is subject to approval of the shareholders at the ensuing Annual General Meeting.

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### **Business highlights:**

- During the year, **69** product module implementations successfully went live. In Q4, 14 product module implementations were completed worldwide
- In Q4 FY19, we won **6** product orders including **02** in Middle East and **04** in India
- Added **4** new customers during the quarter from various geographies
- Gained over 30 new customers, including 13 in FY2019, for its revolutionary cloud lending solution - [FinnOne Neo Cloud](#). Leading Non-Banking Finance Companies (NBFCs) and Housing Finance Companies (HFCs) across a wide range of industry sectors have selected the solution to power their innovative businesses
- [CRDB Bank](#), a leading financial services provider in Tanzania with current presence in Tanzania and Burundi [has gone live](#) with Nucleus [FinnOne Collections](#) and [Lending Analytics](#)
- Won award for '[Best Cloud Lending Solution](#)' at the [BFSI Innovative Technology Awards 2018](#) for FinnOne Neo Cloud. In addition to this, one of our implementation also won the "Best Lending Technology Implementation of the Year". These [awards](#) reinforce Nucleus Software's proven leadership in the lending technology segment for the financial services industry.
- Ranked second in "Corporate Governance and Sustainability Vision Awards 2019" as held by Indian Chamber of Commerce, for the Best Practices followed in the Industry.
- Our Annual Report FY17-18 won a Gold award for excellence within the Industry - Technology-Software and a ranking of # 33 amongst the top 100 Annual Reports worldwide by League of American Communications Professionals LLC (LACP)
- The global strength of employees at Nucleus Software as on March 31<sup>st</sup> 2019 stands at 2,054 as compared to 1,851 as on March 31<sup>st</sup> 2018.

### **Participation in Industry Forums:**

During the year, we participated in number of leading Industry forums globally in order to showcase our expertise and product offerings. Key forums include:

- **Australia:** Attended the 10th annual Australian Mortgage Innovation Summit 2019, being hosted by the RFI Group. Presented views on "Transforming Lending for Tomorrow - Going Beyond Digital" at the 10th annual Australian Mortgage Innovation Summit 2019 in Australia
- **SEA:** Attended the 8<sup>th</sup> Edition Innovation and New Technology in Cash Management, being hosted by GFMI. Conducted an exclusive Masterclass workshop on 'Chasing Digital - A Digitization Playbook for Wholesale Banking'

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- **Middle East:** Showcased its digital lending solutions at the Middle East Banking Innovation Summit 2018, (MEBIS) and addressed the session on “Transforming Financial Services Beyond Digital”. Organized the largest global Government event, the GCC Smart Government & Smart Cities. The Conference is a global platform dedicated to shaping the future of governments worldwide in Dubai
- **Africa:** Attended the 61st RBAP Charter Anniversary Symposium 2018 in Philippines and showcased expertise on how the unique combination of advanced lending technology and cloud can help Rural banks in the Philippines in providing end-to-end digitized loan services, making better credit decisions faster, quickly scaling operations and ensuring faster compliance to regulatory requirements. Participated in The New Age Banking Summit (NABS 2018) in Lagos, Nigeria. Demonstrated how banks in Malaysia can leverage technologies such as artificial intelligence and analytics in payments to enable added security, speed and convenience for their corporate customers at the IDC Financial Insights’ FinTech Innovation Summit 2018 in Malaysia. Participated in the Seamless East Africa 2018 and showcased expertise on how our solutions can help you become the digital corporate bank of tomorrow – today. Presented views on the topic - “Artificial Intelligence for Risk Mitigation in an era of Faster Payments” at the Asian Banker Future of Finance Summit in Indonesia.
- **India:** Showcased expertise on how our advanced technology solution, FinnOne Neo Cloud is helping NBFCs and HFCs drive innovation in lending by enabling faster launch of personalized products, customer centric loan services, making better credit decisions faster and on-demand scalability at the 5<sup>th</sup> NBFC100 Tech Summit in Mumbai. Nucleus team attended the 5<sup>th</sup> Microfinance & NBFCs Exhibition (MiNE 2018) in Kolkata and demonstrated how the use of advanced technology can help them in reducing their time to market, making better credit decisions faster, scaling up quickly as per need and incorporating data driven insights easily. Hosted an online, interactive roundtable webinar on ‘Driving Innovation in lending with cloud’ in association with Dun & Bradstreet. Attended the 3<sup>rd</sup> NBFC100 Tech Summit in Delhi. Organized an industry roundtable, for banks & NBFCs, on ‘Lending with Analytics & AI: Profitable, Smarter & Customer-oriented’ in Mumbai in association with Dun & Bradstreet.

#### **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

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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.
- PaySe™, the world's first online & offline digital payment solution designed and created with an aim to democratize money.

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

**Media Relations:**

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**CONSOLIDATED PROFIT AND LOSS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019**

₹ in Lakhs

Particulars	Quarter Ended			Year Ended	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1. INCOME FROM OPERATIONS</b>					
Income from Software Products and Services	12,700	12,293	11,103	48,403	41,181
<b>Total Income from operations (net)</b>	<b>12,700</b>	<b>12,293</b>	<b>11,103</b>	<b>48,403</b>	<b>41,181</b>
<b>2. EXPENSES</b>					
a) Employee benefit expense	8,332	7,816	7,856	31,353	27,697
b) Operating and other expenses	2,209	2,247	1,664	8,524	7,615
c) Finance cost (Bank Charges)	12	12	12	51	51
<b>Total Expenses</b>	<b>10,554</b>	<b>10,076</b>	<b>9,532</b>	<b>39,928</b>	<b>35,363</b>
<b>3. PROFIT FROM OPERATIONS BEFORE DEPRECIATION (1-2)</b>	<b>2,146</b>	<b>2,218</b>	<b>1,571</b>	<b>8,475</b>	<b>5,818</b>
4. Depreciation, amortisation and impairment expense	185	441	173	993	704
<b>5. PROFIT FROM OPERATIONS AFTER DEPRECIATION (3-4)</b>	<b>1,960</b>	<b>1,776</b>	<b>1,398</b>	<b>7,482</b>	<b>5,114</b>
6. Other Income	481	594	749	2,147	2,872
<b>7. PROFIT BEFORE TAXES (5+6)</b>	<b>2,442</b>	<b>2,370</b>	<b>2,147</b>	<b>9,629</b>	<b>7,986</b>
8. Tax expense	734	297	421	2,175	1,731
<b>9. PROFIT AFTER TAXES (7-8)</b>	<b>1,708</b>	<b>2,073</b>	<b>1,726</b>	<b>7,454</b>	<b>6,255</b>
<b>10. OTHER COMPREHENSIVE INCOME</b>	<b>76</b>	<b>227</b>	<b>80</b>	<b>26</b>	<b>(150)</b>
<b>11. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (9+10)</b>	<b>1,784</b>	<b>2,300</b>	<b>1,806</b>	<b>7,480</b>	<b>6,105</b>
<b>12. Earnings Per Share (Rs.) (Par value Rs.10 each) (not annualised)</b>					
Basic	5.88	7.14	5.94	25.67	20.47
Diluted	5.88	7.14	5.94	25.67	20.47

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CONSOLIDATED SEGMENT INFORMATION										
										₹ In Lakhs
REVENUE BY	Quarter Ended						Year Ended			
	March 31, 2019	% of Revenue	December 31, 2018	% of Revenue	March 31, 2018	% of Revenue	March 31, 2019	% of Revenue	March 31, 2018	% of Revenue
	Unaudited		Unaudited		Unaudited		Audited		Audited	
<b>GEOGRAPHICAL SEGMENTS</b>										
INDIA	4,018	31.6	3,405	27.7	3,521	31.7	14,898	30.8	12,666	30.8
FAR EAST	1,645	13.0	1,607	13.1	1,596	14.4	6,315	13.0	6,216	15.1
SOUTH EAST ASIA	2,767	21.8	2,960	24.1	2,767	24.9	11,289	23.3	8,990	21.8
EUROPE	1,337	10.5	1,373	11.2	1,111	10.0	5,047	10.4	4,211	10.2
MIDDLE EAST	1,916	15.1	2,142	17.4	1,495	13.5	7,627	15.8	6,211	15.1
AFRICA	807	6.4	530	4.3	294	2.6	2,154	4.5	1,104	2.7
AUSTRALIA	187	1.5	253	2.0	277	2.5	941	1.9	1,072	2.6
REST OF THE WORLD	23	0.2	23	0.2	42	0.4	132	0.3	711	1.7
<b>TOTAL</b>	<b>12,700</b>	<b>100.0</b>	<b>12,293</b>	<b>100.0</b>	<b>11,103</b>	<b>100.0</b>	<b>48,403</b>	<b>100.0</b>	<b>41,181</b>	<b>100.0</b>
<b>BUSINESS SEGMENTS</b>										
<b>PRODUCTS</b>	<b>10,036</b>	<b>79.0</b>	<b>9,672</b>	<b>78.7</b>	<b>8,897</b>	<b>80.1</b>	<b>38,327</b>	<b>79.2</b>	<b>32,609</b>	<b>79.2</b>
Own	9,962	78.4	9,612	78.2	8,810	79.3	38,027	78.6	32,288	78.4
Traded	74	0.6	60	0.5	87	0.8	300	0.6	321	0.8
<b>PROJECTS &amp; SERVICES</b>	<b>2,664</b>	<b>21.0</b>	<b>2,621</b>	<b>21.3</b>	<b>2,206</b>	<b>19.9</b>	<b>10,076</b>	<b>20.8</b>	<b>8,572</b>	<b>20.8</b>
<b>TOTAL</b>	<b>12,700</b>	<b>100.0</b>	<b>12,293</b>	<b>100.0</b>	<b>11,103</b>	<b>100.0</b>	<b>48,403</b>	<b>100.0</b>	<b>41,181</b>	<b>100.0</b>

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