



**Results Q2 FY 2019**

NSE: NUCLEUS, BSE: 531209

## **Nucleus Software announces Q2 FY 2019 Results**

- ***Nucleus FinnOne Neo Cloud empowers NBFCs and HFCs to drive digital transformation in lending***
- ***Continues to support lenders with digital to extend faster and easy access to financial services***

**New Delhi, India, October 26, 2018:** [Nucleus Software](#), the leading provider of lending and transaction banking solutions to the global financial services industry, announced its financial results for the quarter and half year ended 30<sup>th</sup> September, 2018.

Consolidated revenue for the second quarter of FY19 is at **Rs. 121.5 crore** compared to **Rs.100.4 crore** in Q2 of the previous year. Revenue for the first half year of FY19 is at **Rs. 234.1 crore**, against **Rs. 194.8 crore** in the corresponding half year of FY18.

"I am delighted to report that our business continues to grow, as more customers in more places are seeing the benefits of our revolutionary solutions. In the second quarter, we welcomed 8 new customers, won 10 new product orders and completed 12 product module implementations worldwide. There has been a marked increase in engagement by banks and other financial institutions across all business lines which is reflected in both our signings and pipeline growth. FinnOne Neo Cloud continues to gain tremendous momentum gaining 10 new customers in 2018 alone, bringing the total to 25 today. I expect that many more will soon be using FinnOne Neo Cloud to revolutionize financial services", said **Mr. Vishnu R Dusad (Managing Director, Nucleus Software)**.

### **Financial highlights:**

#### **Consolidated results for the Quarter ended 30<sup>th</sup> September, 2018**

- Consolidated revenue for the quarter stood at **Rs. 121.5 crore** in comparison to **Rs. 100.4 crore** in the corresponding Q2 of the previous year
- Product business revenue for the quarter was at **Rs. 96.0 crore** in comparison to **Rs. 78.9 crore** in the corresponding Q2 of the previous year
- EBIDTA for the quarter stood at **Rs. 22.8 crore** in comparison to **Rs. 13.7 crore** in the corresponding Q2 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



- Net Profit after Tax (PAT) stood at Rs. **19.1** crore in comparison to Rs. **15.7** crore in the corresponding Q2 of the previous year
- Earnings Per Share for the quarter is at Rs. **6.59** in comparison to Rs. **4.93** in the corresponding Q2 of the previous year

#### **Consolidated results for the half-year ended 30<sup>th</sup> September, 2018**

- Consolidated revenue stood at Rs. **234.1** crore in comparison to Rs. **194.8** crore in the corresponding half-year of the previous year
- Product business revenue at Rs. **186.2** crore in comparison to Rs. **152.1** crore in the corresponding half-year of the previous year
- EBIDTA stood at Rs. **41.1** crore in comparison to Rs. **23.8** crore in the corresponding half-year of the previous year
- Net Profit after Tax (PAT) stood at Rs. **36.7** crore in comparison to Rs. **27.2** crore in the corresponding half-year of the previous year
- Earnings Per Share at Rs. **12.65** in comparison to Rs. **8.47** in the corresponding half-year 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. **466.9** crore as on 30<sup>th</sup> September, 2018, as against Rs. **389.9** crore on 30<sup>th</sup> September, 2017.

#### **Business Highlights:**

- We have added **08** new customers this quarter and won **10** new product orders in various geographies such as Africa, The Middle East and India.
- Total **12** product module implementations successfully went live across the globe during the quarter
- Announced the [successful go live of FinnOne Neo](#), Nucleus lending software at VietCredit Finance Joint Stock Company (VietCredit) in Vietnam
- Presented views on how banks in Thailand can leverage technologies such as artificial intelligence and analytics in payments to enable added security, speed and convenience for their corporate customers at the Asian Banker Future of Finance Summit in Bangkok

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- Participated at [FIBAC 2018](#), the Annual Global Banking Conference being organized by Indian Banks' Association (IBA) and Federation of Indian Chambers of Commerce and Industry (FICCI) in Mumbai
- Shared insights on 'Artificial Intelligence for Risk Mitigation in an era of Faster Payments' at the Asian Banker Future of Finance Summit in Indonesia
- Showcased expertise on 'how our solutions can help you become the digital corporate bank of tomorrow - today!' at the Seamless East Africa Event in Kenya
- Demonstrated insights on 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 in Kuala Lumpur
- Addressed the session on '[Transforming Financial Services Beyond Digital](#)'. Nucleus experts shared insights on how to redefine customer experience when everybody goes digital, leverage artificial intelligence (AI), bots and analytics to differentiate offerings and accelerate the digital revenue at the Middle East Banking Innovation Summit 2018, (MEBIS)
- Showcased expertise on how our solutions can help you become the digital corporate bank of tomorrow – today, at the Seamless East Africa Event in Kenya
- Hosted a seminar on 'Retail Finance Seminar in Thailand' in association with NSSOL in Bangkok
- Shared insights on how cloud technology can help Indian NBFCs in providing end-to-end digital loan services for a speedy, cost effective and convenient customer experience at the 5<sup>th</sup> Microfinance & NBFCs Exhibition (MiNE 2018) in Kolkata
- Participated at The New Age Banking Summit (NABS 2018) Nigeria in Lagos, Nigeria and demonstrate [how Nucleus can help you benefit from digital and innovation in lending](#) while serving your customers better
- Attended an exclusive banking and financial services industry event in Indonesia on – 'Driving Innovation in Lending: Jakarta 2018'
- The global strength of employees at Nucleus Software as on 30<sup>th</sup> September, 2018 stands at 2082 against 1802 as on 30<sup>th</sup> September, 2017.

#### **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

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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.
- PaySe™, the world's first offline digital payment solution offering online capabilities, is 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>.

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# CONSOLIDATED PROFIT AND LOSS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018

In Lakhs

Particulars	Quarter Ended			Half Year Ended		Year Ended
	September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. <b>INCOME FROM OPERATIONS</b>						
Income from Software Products and Services	12,149	11,261	10,045	23,410	19,477	41,181
<b>Total Income from operations (net)</b>	<b>12,149</b>	<b>11,261</b>	<b>10,045</b>	<b>23,410</b>	<b>19,477</b>	<b>41,181</b>
2. <b>EXPENSES</b>						
a) Employee benefit expense	7,671	7,534	6,743	15,205	13,164	27,697
b) Operating and other expenses	2,185	1,883	1,922	4,068	3,901	7,615
c) Finance cost (Bank Charges)	13	14	15	27	27	51
<b>Total Expenses</b>	<b>9,869</b>	<b>9,431</b>	<b>8,680</b>	<b>19,300</b>	<b>17,092</b>	<b>35,363</b>
3. <b>PROFIT FROM OPERATIONS BEFORE DEPRECIATION (1-2)</b>	<b>2,280</b>	<b>1,830</b>	<b>1,365</b>	<b>4,110</b>	<b>2,385</b>	<b>5,818</b>
4. Depreciation and amortisation expense	193	174	173	367	351	704
5. <b>PROFIT FROM OPERATIONS AFTER DEPRECIATION (3-4)</b>	<b>2,087</b>	<b>1,656</b>	<b>1,192</b>	<b>3,743</b>	<b>2,034</b>	<b>5,114</b>
6. Other Income	380	693	823	1,073	1,583	2,872
7. <b>PROFIT BEFORE TAXES (5+6)</b>	<b>2,467</b>	<b>2,349</b>	<b>2,015</b>	<b>4,816</b>	<b>3,617</b>	<b>7,986</b>
8. Tax expense	553	590	449	1,143	899	1,731
9. <b>PROFIT AFTER TAXES (7-8)</b>	<b>1,914</b>	<b>1,759</b>	<b>1,566</b>	<b>3,673</b>	<b>2,718</b>	<b>6,255</b>
10. <b>OTHER COMPREHENSIVE INCOME</b>	<b>(308)</b>	<b>32</b>	<b>(61)</b>	<b>(276)</b>	<b>(434)</b>	<b>(150)</b>
11. <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (9+10)</b>	<b>1,606</b>	<b>1,791</b>	<b>1,505</b>	<b>3,397</b>	<b>2,284</b>	<b>6,105</b>
12. <b>Earnings Per Share (Rs.) (Par value Rs.10 each) (not annualised)</b>						
Basic	6.59	6.06	4.93	12.65	8.47	20.47
Diluted	6.59	6.06	4.93	12.65	8.47	20.47

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# CONSOLIDATED SEGMENT INFORMATION

₹ In Lakhs

REVENUE BY	Quarter Ended						Half Year Ended				Year Ended	
	September 30, 2018	% of Revenue	June 30, 2018	% of Revenue	September 30, 2017	% of Revenue	September 30, 2018	% of Revenue	September 30, 2017	% of Revenue	March 31, 2018	% of Revenue
	Unaudited		Unaudited		Unaudited		Unaudited		Unaudited		Audited	
<b>GEOGRAPHICAL SEGMENTS</b>												
INDIA	3,794	31.2	3,681	32.7	3,141	31.3	7,475	31.9	5,827	29.9	12,666	30.8
FAR EAST	1,603	13.2	1,460	13.0	1,547	15.4	3,063	13.1	3,024	15.5	6,216	15.1
SOUTH EAST ASIA	2,804	23.1	2,759	24.5	1,953	19.5	5,563	23.8	4,027	20.7	8,990	21.8
EUROPE	1,193	9.8	1,144	10.2	1,019	10.1	2,337	10.0	2,131	10.9	4,211	10.2
MIDDLE EAST	1,923	15.8	1,646	14.6	1,554	15.5	3,569	15.2	2,960	15.2	6,211	15.1
AFRICA	552	4.5	265	2.3	219	2.2	817	3.5	427	2.2	1,104	2.7
AUSTRALIA	242	2.0	259	2.3	267	2.7	501	2.1	531	2.7	1,072	2.6
REST OF THE WORLD	38	0.3	47	0.4	345	3.4	85	0.4	550	2.8	711	1.7
<b>TOTAL</b>	<b>12,149</b>	<b>100.0</b>	<b>11,261</b>	<b>100.0</b>	<b>10,045</b>	<b>100.0</b>	<b>23,410</b>	<b>100.00</b>	<b>19,477</b>	<b>100.00</b>	<b>41,181</b>	<b>100.0</b>
<b>BUSINESS SEGMENTS</b>												
<b>PRODUCTS</b>	<b>9,600</b>	<b>79.0</b>	<b>9,019</b>	<b>80.1</b>	<b>7,887</b>	<b>78.5</b>	<b>18,619</b>	<b>79.5</b>	<b>15,207</b>	<b>78.1</b>	<b>32,609</b>	<b>79.2</b>
Own	9,522	78.4	8,931	79.3	7,810	77.8	18,453	78.8	15,052	77.3	32,288	78.4
Traded	78	0.6	88	0.8	76	0.8	166	0.7	155	0.8	321	0.8
<b>PROJECTS &amp; SERVICES</b>	<b>2,549</b>	<b>21.0</b>	<b>2,242</b>	<b>19.9</b>	<b>2,158</b>	<b>21.5</b>	<b>4,791</b>	<b>20.5</b>	<b>4,270</b>	<b>21.9</b>	<b>8,572</b>	<b>20.8</b>
<b>TOTAL</b>	<b>12,149</b>	<b>100.0</b>	<b>11,261</b>	<b>100.0</b>	<b>10,045</b>	<b>100.0</b>	<b>23,410</b>	<b>100.0</b>	<b>19,477</b>	<b>100.0</b>	<b>41,181</b>	<b>100.0</b>

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