

PRESS RELEASE

Newgen Software reports 21% YoY growth in Revenues and 40% YOY increase in Profit after Tax in FY'19

- *Delivers consistent revenue, profit and cash flow growth*

New Delhi, India – 15 May 2019

The management of Newgen Software Technologies Ltd. announced results for the Quarter and Financial Year ended 31 March 2019 at its Board Meeting held on 15 May 2019.

Speaking about the results, Mr. Diwakar Nigam, Chairman & Managing Director, Newgen Software Technologies Ltd. said – “FY'19 has been an eventful year in various aspects bringing in new opportunities for the organization including expanded product capabilities, a stronger management team and addition of new markets. During the year, we have continued with our strong growth, profitability and cash generation momentum. We are focused on driving innovation and adopting solutions in line with the rapidly evolving technological trends and were granted 6 patents during the year.

Our notable achievements during the year include addition of 81 new logos, taking the active customer base to 540+ clients. Today, our clients run their businesses and critical operations on our platforms in 66 countries.”

**Revenues up 21%
YoY in FY'19**

**EBIDTA* up 31% YoY
PAT up 40% YoY**

**81 new wins during
the year**

**Strong US & APAC
market growth; SaaS
revenues up 111%**

*adjusted for Other Income

Key Financial Highlights (FY'19)

- **Total Income (Consolidated) up by 23% YoY to reach Rs 641.0 crores** compared to Rs 520.0 crores in FY'18. **Revenue from operations (Consolidated) witnessed strong growth momentum and was up by 21% YoY to reach Rs 620.6 crores** as compared to Rs 512.4 crores in FY'18 with broad based growth across all key geographies and favourable foreign currency movement.
 - Revenue from Sale of Products/ License were at Rs 153.8 crores
 - Annuity Revenue streams (ATS/AMC, Support and Cloud/SaaS) were at Rs 303.0 crores. Cloud/SaaS continues to be our fastest growing revenue component.
 - Implementation & Digitization revenues were at Rs 163.9 crores
- EBITDA was at Rs 127.7 crores up by 31% compared to Rs 97.5 crores in FY'18. EBITDA Margins (EBIDTA/Revenue from operations) were at 20.6% compared to 19.0% in FY'18
- Profit after tax was Rs 102.2 crores up by 40% compared to Rs 72.9 crores in FY'18. PAT Margins (PAT/Total income) were at 15.9% compared to 14.0% in FY'18.
- Basic Earnings per shares was at Rs 15.01 in FY'19 compared to Rs 11.44 in FY'18.

Key Financial Highlights (Q4 FY'19) – [Y-o-Y Comparison]

- **Revenue from operations (Consolidated) was up by 11% YoY to reach Rs 204.0 crores** as compared to Rs 183.8 crores in Q4 FY'18. Seasonality variations across quarters are tending towards normalization.
 - Revenue from Sale of Products/ License were at Rs 47.5 crores
 - Annuity Revenue streams (ATS/AMC, Support and Cloud/SaaS) were at Rs 86.8 crores. Cloud/SaaS continues to be our fastest growing revenue component.
 - Implementation & Digitization revenues were at Rs 69.6 crores
- **EBITDA was at Rs 79.6 crores** compared to Rs 76.8 crores in Q4 FY'18.
- Profit after tax was Rs 62.5 crores compared to Rs 59.5 crores in Q4 FY'18.

Key Business Highlights (Q4 FY'19)

- **Business growth across key markets** especially APAC and US regions which witnessed a YoY growth of 55% and 37% respectively.
- **Prestigious customer wins:** 30 new customer additions in Q4 FY'19 including an order from the National Records and Archives Authority (NRAA) of the Sultanate of Oman, a large government defence organization in India and a privately owned bank in Greece. Focus on larger deal sizes.
- **Strong Industry Recognition continues:** Gartner has cited Newgen as a 'Niche Player' in the Gartner Magic Quadrant for Intelligent Business Process Management Suites (iBPMS) 2019*
Positioned as a 'Strong Performer' in The Forrester Wave™: Digital Process Automation For Wide Deployments, Q1 2019**
- **Continued focus on product and innovation:** Granted 3 patents during the quarter. As of March 2019, Newgen has filed for 44 patents, out of which 11 have been granted. 3 patents under examination in the US.
- **Company continues to strengthen the horizontal product platform with vertical service accelerators:** Robust growth across all key verticals especially Healthcare, BPO/IT, Insurance and Banking verticals.
- **Cloud/ SaaS business model strengthening annuity revenues:** In Q4 FY'19, SaaS revenues were at Rs 6.6 crores, up by 88% YoY.

- **Improved positioning through global alliance:** Announced a global strategic alliance with Kodak Alaris providing customers and channel partners with access to best-in-class solutions to help organizations drive digital business.
- **Key Awards: Winner in the Medium Enterprises - Service Industry** category for the ‘FE CFO of the year’ award which recognizes excellence and best practices amongst organisations and individuals.
- **Use of IPO proceeds:** Executed an Agreement for purchase of office premises in Noida (Uttar Pradesh), total admeasuring 4,067 sq. mtrs. Total utilization of IPO proceeds Rs 51.45 crores out of net proceeds of Rs 84.59 crores

*Gartner Magic Quadrant for Intelligent Business Process Management Suites (iBPMS) 2019 by Rob Dunie, Derek Miers, Jason Wong, Marc“Kerremans, Kimihiko Iijima and Paul Vincent, published on January 30, 2019.

**The Forrester Wave™: Digital Process Automation For Wide Deployments, Q1 2019, authored by Rob Koplowitz and John Rymer et al.

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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.

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