NEWGEN

Newgen Software Technologies Limited
CIN: L72200DL 1992PLC049074
E-44/13, Okhla Phase-II, New Delhi-110 020, INDIA
Tel: +91-11-4653 3200 Fax : +91-11-2638 3963
Email: corpmktg@newgensoft.com URL: http://www.newgensoft.com

Date: May 17, 2018

To, **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	**To,** **National Stock Exchange of India Limited** Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex Bandra (E), Mumbai – 400051
Ref.: Newgen Software Technologies Limited (NEWGEN/INE619B01017) Scrip Code - 540900	**Ref.: Newgen Software Technologies Limited (NEWGEN/INE619B01017)**

Sub.: Intimation under regulation 30 of SEBI (Listing Obligations and Disclosures Requirement), Regulation, 2015

Ref.: Press Release & Investor Presentation

Dear Sir/ Ma'am

Please find enclosed the Press Release and Investor Presentation in respect of Financial Results of the Company for the quarter and the Financial Year ended on 31st March 2018.

This is for your kind information and record.

Thanking you.

For Newgen Software Technologies Limited

Aman Mourya

Newgen Software Technologies Limited

Aman Mourya
Company Secretary & Compliance Officer

Encl.: Press release/ Investor Presentation

NEWGEN

PRESS RELEASE

New Delhi, India - 17 May 2018

The management of Newgen Software Technologies Ltd. announced results for the Quarter and Year ended 31 March 2018 [Q4 FY'18] at its Board Meeting held on 17 May 2018.

Key Financial Highlights (FY'18)

- **Consolidated Revenue from operations up by 20% YoY to reach Rs 512.43 crores as compared to Rs 427.10 crores in FY'17 on the back of broad based growth and customer acquisitions across geographies.**
  - **Revenue from Sale of Products/ License witnessed a growth of 17% YoY to reach Rs 136.95 crores**
  - **Annuity Revenue streams (ATS/AMC and Support) witnessed a growth of 25% YoY to reach Rs 209.58 crores**
  - **SaaS revenues witnessed a robust growth of 3X to reach Rs 11.35 crores and contributed 2% to the revenue from operations**
  - **Implementation & Digitization revenues witnessed an increase of 11% to reach Rs 154.54 crores**

- **EBIDTA(adjusted for other income) up by 39% YoY to Rs 97.54 crores. EBIDTA Margin improved to 19.0% compared to 16.4% in FY'17**
- **Profit after tax up by 42% YoY to reach Rs 72.89 crores due to increase in scale and operational efficiencies. PAT Margin improved to 14.2% compared to 12.0% in FY'17**
- **Cash from operations increased to Rs 60.11 crores as on 31 March 2018 compared to Rs 36.20 crores as on 31 March 2017 due to improvement in working capital cycles**
- **Basic Earnings per shares improved to Rs. 11.44 in FY'18 compared to Rs 8.26 in FY'17**

Key Financial Highlights (Q4 FY'18)

- **Consolidated Revenue from operations were Rs 183.83 crores**
- **EBIDTA (adjusted for other income) was Rs 76.82 crores with EBIDTA Margins of 41.8%. The business is seasonal in nature with substantial revenues booked in the second half of the year**
- **Profit after tax at Rs 59.46 crores with PAT Margins of 32.3%**

Newgen Software Technologies Limited

Key Business Highlights

- **Strengthened global presence:** Strong interest for products witnessed across geographies with broad based growth (YoY) in APAC (47%), EMEA (45%), USA (7%) and India (7%)
- **Substantial customer wins made during the year:** 120 New customers added during FY'18 compared to 98 in FY'17; Total active customers (TTM) were 520+ as of March'18
- **Company continues to strengthen the horizontal product platform with vertical service accelerators:** Banking & Financial Services vertical continued to be a stronghold witnessing 36% YoY growth; Revenue from emerging verticals - Healthcare and Insurance witnessed a growth of 81% and 6% respectively
- **Scaling Cloud/ Saas business by increasing penetration and strengthening the platforms to meet all compliance/ regulatory requirements.** SaaS revenues witnessed robust growth of 3X to reach Rs 11.35 crores, contributing 2% to revenue from operations (; Customer base increased from 8 to 22, over the last one year with large wins in USA
- **Industry Leadership:** Positioned as a 'Leader' in Dynamic Case Management, Digital Process Automation and Enterprise Content Management by Forrester, a leading Independent Research Firm in its WaveTM Reports. It has also been positioned by Gartner in its Magic Quadrants. During the year, the Company has been named as a "Niche Player" in Magic Quadrant for Content Services Platform and a "Visionary" in Magic Quadrant for Intelligent Business Process Management Suites.
- **Delivering growth through constant focus on innovation:** Our new offerings include Mobility (Newgen Enterprise Mobility Framework), Virtual Repository Services, Dynamic Case Management, RPA with BPM, Digital Sensing and Flexible Designing and Authoring
- **Built high level domain expertise and created robust frameworks for Retail and Corporate lending** which are successfully operating across banks and geographies

Speaking about the results, Mr. Diwakar Nigam, Chairman & Managing Director, Newgen Software Technologies Ltd. said – *"We are pleased to present the results of FY'18 and would like to take this opportunity to thank all our investors for showing their faith in us. In FY'18, we have continued our robust growth, profitability and cash generation momentum and witnessed strong interest across all geographies. We have witnessed large customer acquisitions in 'Banking & Financial Services' domain including some Fortune 500 companies. Our focus continues to be on innovation and we have launched new products/ features creating a highly connected and digital workplace".*

Aman Mahajan

Newgen Software Technologies Limited

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.

Aman Mehra

Newgen Software Technologies Limited

NEWGEN

May 2018

NEWGEN SOFTWARE

Reinvent Your Workplace

Q4 FY'18 & FY'18 Investor Update

COPYRIGHT 2016, NEWGEN SOFTWARE

About Newgen

NEWGEN SOFTWARE TECHNOLOGIES: Software products company providing enterprise-wide, mission critical solutions helping organisations drive digital transformation and competitive differentiation

Digitise ⟷ **Process & Adapt** ⟷ **Communicate**

Enterprise Content Management

Deliver contextual content for smarter decision making and improved collaboration

OmniDocs

Business Process Management

Create smarter processes, empower knowledge workers and build responsive business

ibps

Customer Communication Management

Create, personalize and deliver interactive communication to enhance customer experience

OmniCMS

Newgen Today*

520+
Active Customers[1]

60+
countries

5
Core Verticals

FORRESTER®
Gartner®
Strong Industry Recognition

2,600+
Employees

(250+ in R&D)

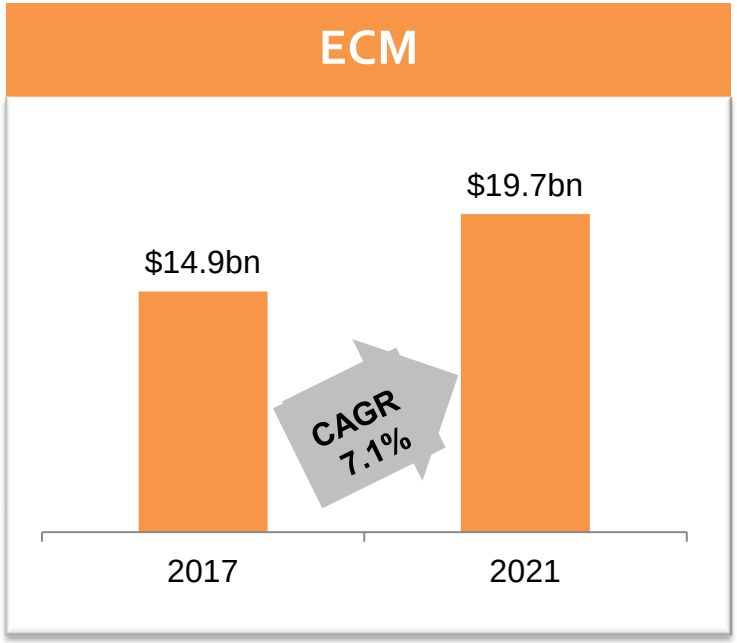
₹ **5,124m**
FY18 Revenue

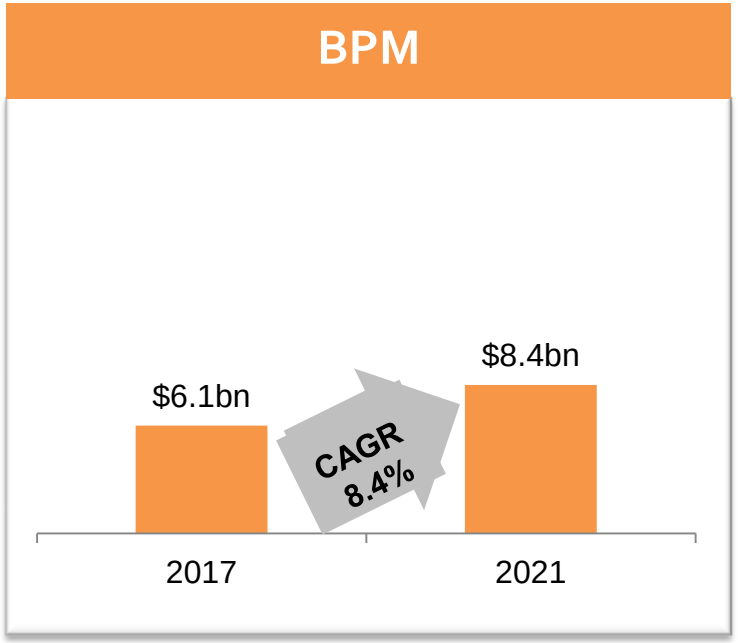
20.0%
YoY Growth

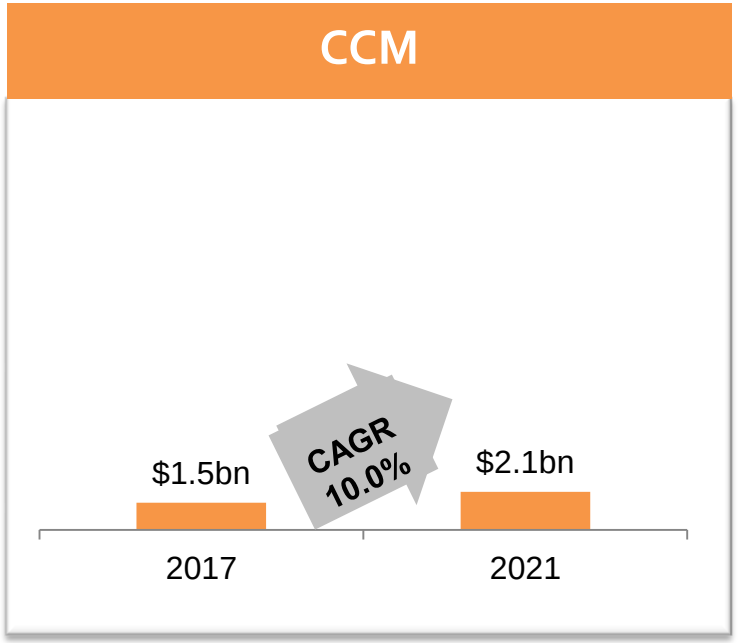
(1) Invoiced in the last 12 months

COPYRIGHT 2016, NEWGEN SOFTWARE

▶Attractive and Dynamic Market with Significant Growth Opportunity







- *Growth in ECM, BPM & CCM to outpace the overall technology market growth (3.3% CAGR 2017-2021)*
- *India software market to grow at a faster pace than the global market (eg. 13.3% CAGR 2017-2021 for ECM)*
- *North America ECM market expected to grow to $6.4 billion in 2021 at 5.4% CAGR (2017-2021)*

COPYRIGHT 2016, NEWGEN SOFTWARE

Source: Ovum – Business Software Industry Report: Digitalisation, IT modernisation and automation are driving market growth" dated August 7, 2017
Note: Figures in charts represent the global market size forecasts

▶ Digital Transformation: Top Priority on Enterprise Business Agenda

"Digitalisation driving major changes in the global business software market; IT leaders looking to adopt new technologies and software platforms to meet critical business needs, including revenue growth driven via new products and services, better customer experience and delivery mechanisms, and growth in top and bottom lines"

Digital Transformation Top Priority on Enterprise Business Agenda

Integral Role of ECM, BPM and CCM			Newgen's Offerings
Enterprise Content Management (ECM)	Content is at the very centre of digital transformation	30% of enterprises plan to make investment in the next 18 months	✓ Mobility / Newgen Enterprise Mobility Framework (NEMF) ✓ Virtual Repository Services
Business Process Management (BPM)	Quick adoption of changing digital business requirements/ processes	25% of enterprises plan to make investment in the next 18 months	✓ Dynamic Case Management ✓ RPA with BPM
Customer Communication Management (CCM)	Opportunities for new ways of sending communications	CCM as an aid for enhancing customer journey	✓ Digital Sensing ✓ Flexible Designing and Authoring

COPYRIGHT 2016, NEWGEN SOFTWARE

▶ Strong Industry Recognition Validates Culture of Innovation

	Gartner® Magic Quadrant Research	FORRESTER® Wave™
ECM	A "Niche Player" in Magic Quadrant for Content Services Platform, 2017, *5 October 2017, Karen A. Hobert et al*	"A Leader" in the Forrester Wave™: Enterprise Content Management – Transactional Content Services, *Q2 2017*
BPM	A "Visionary" in Magic Quadrant for Intelligent Business Process Management Suites, 2017, *24 October 2017, Rob Dunie et al* Critical Capabilities for Intelligent Business Process Management Suites, 2018	"A Leader" in the Forrester Wave™: Digital Process Automation Software, *Q3 2017*
CCM	A "Niche Player" in Magic Quadrant for Customer Communications Management Software 2017, *26 January 2017, Karen M. Shegda, Pete Basiliere*	"A Strong Performer" in the Forrester WaveTM: Customer Communications Management, *Q2 2016*
Case Mgmt	A "Challenger" in Magic Quadrant for BPM-Platform-Based Case Management Frameworks, 2016, *24 October 2016, Rob Dunie, Janelle B. Hill*	"A Leader" in the Forrester WaveTM: Cloud-Based Dynamic Case Management (DCM), *Q1 2018*

Leadership position across segments

COPYRIGHT 2016, NEWGEN SOFTWARE

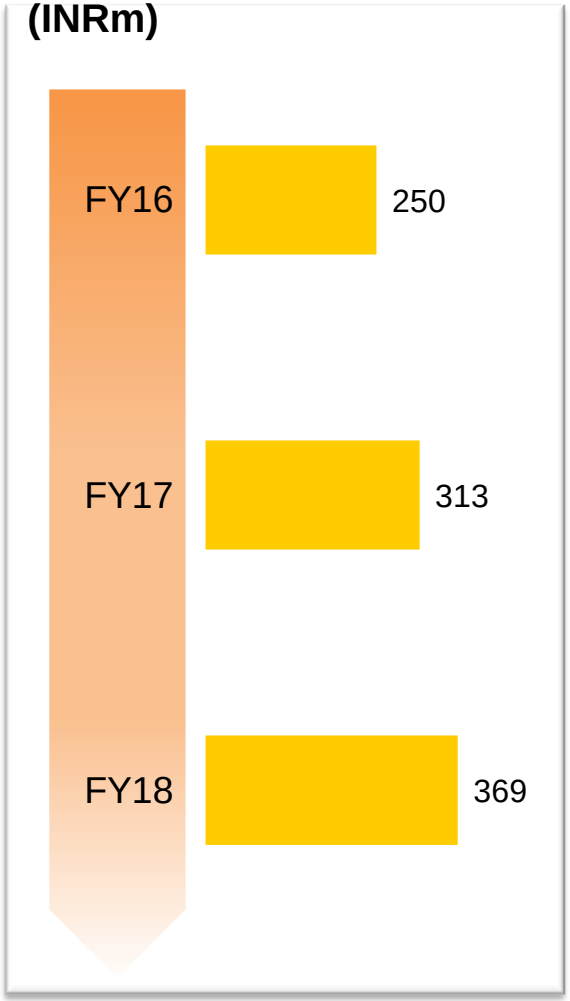
▶Focused on Driving Innovation Through R&D to Expand Product Portfolio

250+
R&D Employees

37
Patents Applied[1]
(with 5 Registrations)

- ✓ **Skilled R&D team with deep product domain expertise**
- ✓ **Expansion of product portfolio to address the digitisation market opportunity**
- ✓ **Continuous investments to develop cloud and SaaS delivery models.**
  - ✓ **Strong traction in business: 3X revenue growth in FY'18**
  - ✓ **Customers increased *from 8 in FY'17 to 22 in FY'18***

R&D Expenses



Product Pipeline

- ECM NXT
- Virtual Repository Services
- Corrus
- Digital Sensing
- BPM NXT
- RPA with BPM

COPYRIGHT 2016, NEWGEN SOFTWARE

(1) 5 patents registered in India and 28 outstanding patent applications in India and 4 outstanding patent application in the USA

▶ Competitive Differentiation Through Multi-Vertical Industry Expertise

Core Product Platforms

- **ECM**
- **BPM**
- **CCM**

Leveraging Core Platform and Domain Expertise to Create SCALABLE, FLEXIBLE and ADAPTABLE Solution Frameworks

Banking

- Account Opening
- Retail Lending
- Commercial and Corporate Lending
- FATCA compliance

Govt / PSUs

- Correspondence Management
- Agenda Management
- Citizen Centric Services

BPO / IT

- Accounts Payable
- Accounts Receivable

Healthcare

- Provider Contract Mgmt
- Complaints, Appeals

Vertical expertise across sales and marketing, sales, framework development and support

COPYRIGHT 2016, NEWGEN SOFTWARE

Note: Slide does not include information on solution frameworks in Insurance vertical

Focused Go-To-Market Strategy

Strategy Across Regions and Verticals is Based on Direct Presence Supported by Partner Ecosystem

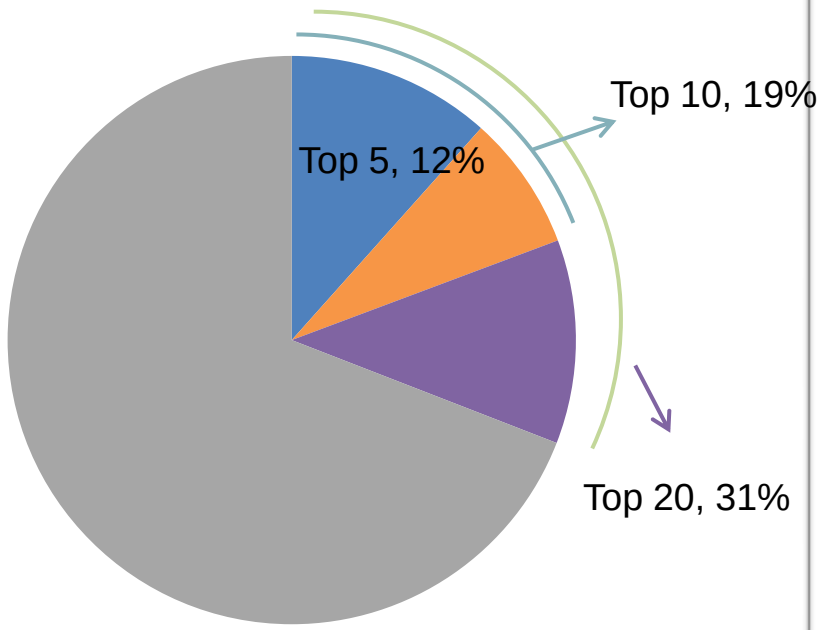
270+ Employees in Sales & Marketing Supported by Large Network of Channel Partners of 300+

- **Differentiated 'land and expand' model**
- **Sale of complete functionality with initial purchase facilitates seamless creation of new applications**
- **Targeting attractive verticals in select mature markets including USA and UK**
- **Exploring new geographies**

COPYRIGHT 2016, NEWGEN SOFTWARE

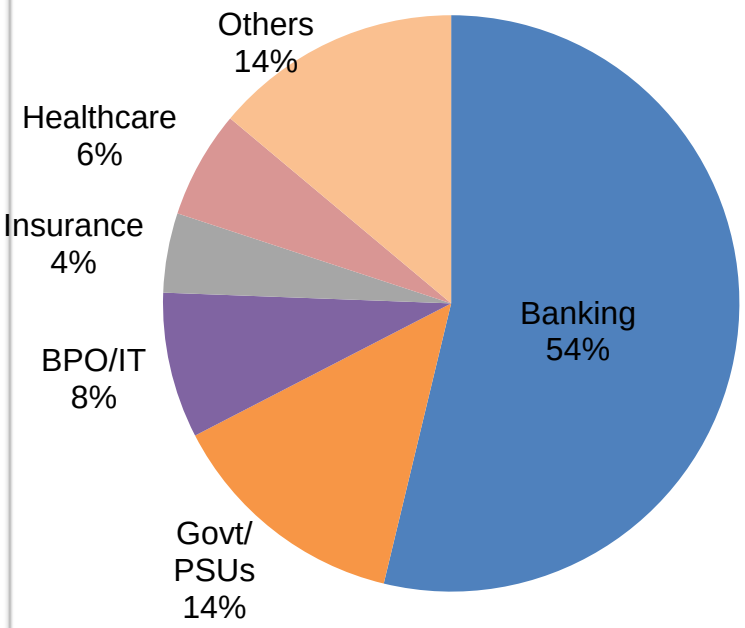
▶Low Concentration with Diversification Across Verticals and Geographies

FY18 Revenue Concentration by Customers



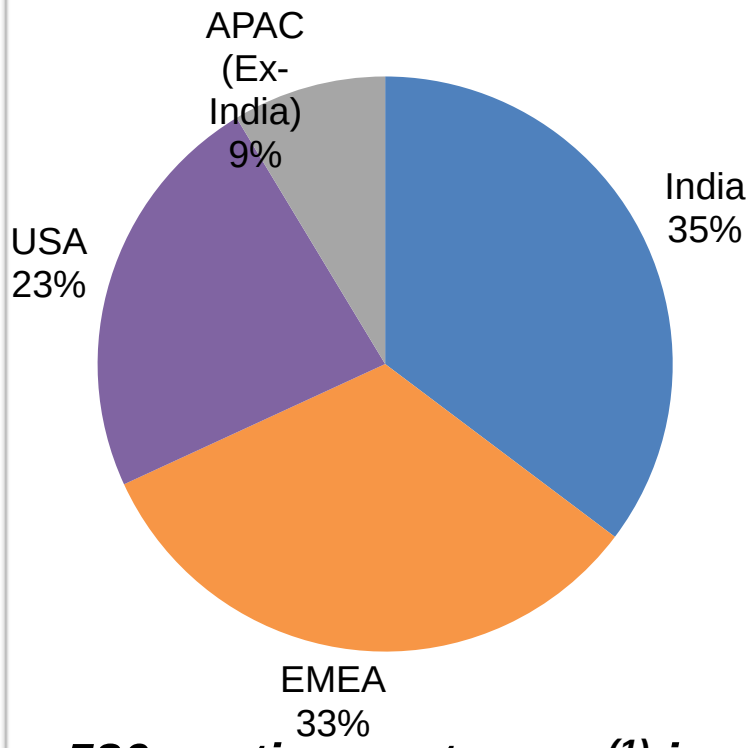
Low revenue concentration

FY18 Revenue Split by Vertical



Multi-vertical industry expertise

FY18 Revenue Split by Geography



520+ active customers(1) in over 60 countries

COPYRIGHT 2016, NEWGEN SOFTWARE

(1) Invoiced in last 12 months

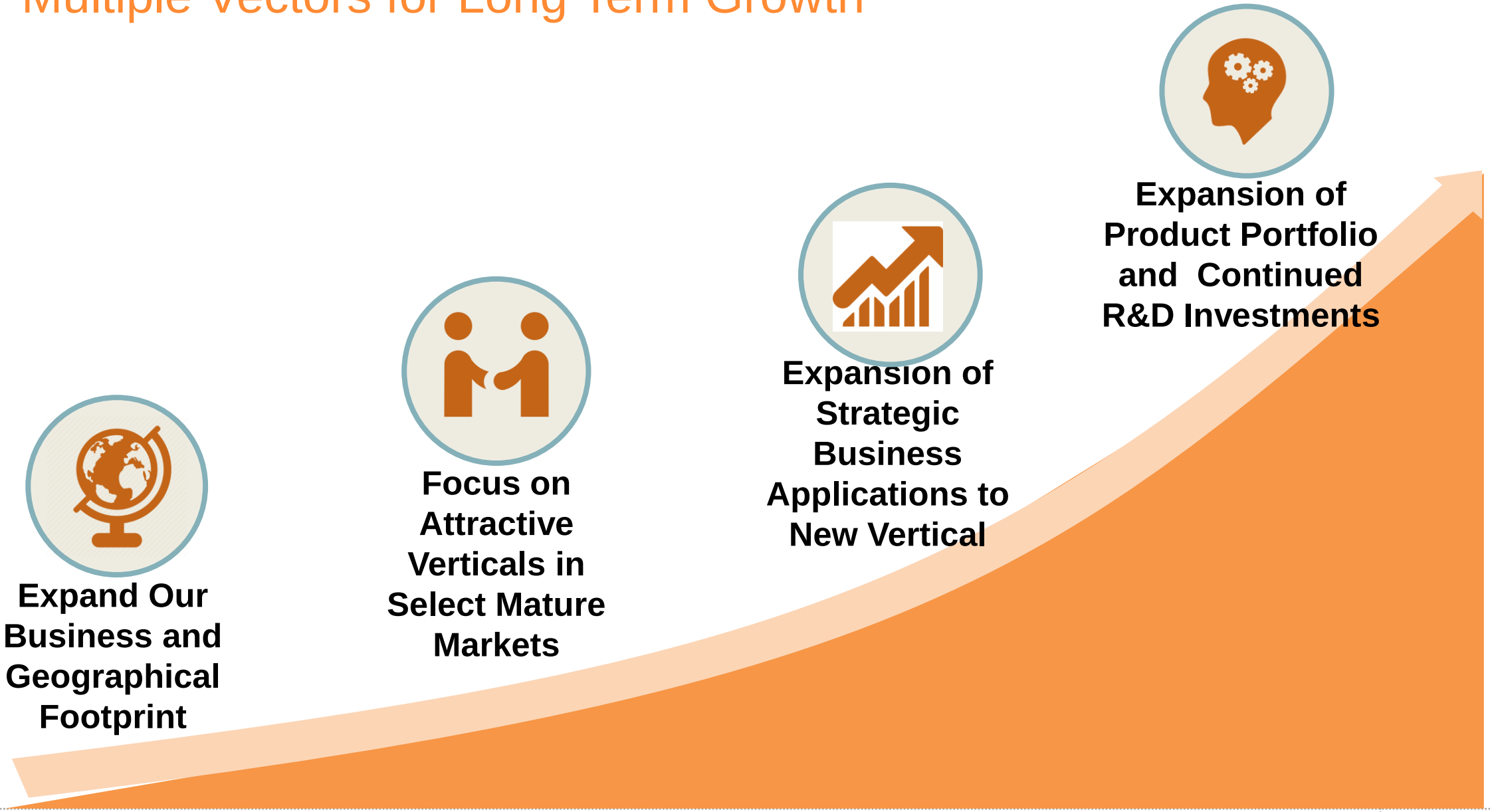
Multiple Revenue Streams

		FY18 Revenue Split		5 year CAGR Growth
	Sale of Products	27%	*Sale of licenses for the software products*	26%
Annuity-based (~43%)	ATS / AMC	17%	*Annual maintenance contracts and technical support*	22%
Annuity-based (~43%)	SaaS	2%	*Cloud functionality with subscription fees on a Per User Per Month model*	96%
Annuity-based (~43%)	Support	24%	*Support/development services charged on a periodic basis*	18%
Sale of Services (30%)	Implementation	26%	*Installing and integrating products with the customer's existing platform or system*	17%
Sale of Services (30%)	Digitisation(1)	4%	*Scanning of documents and archival to document management*	11%

Profitable Track Record of Increasing Business from Existing Clients
77% revenues derived from existing customers in FY'18

(1) Includes scanning

Multiple Vectors for Long Term Growth

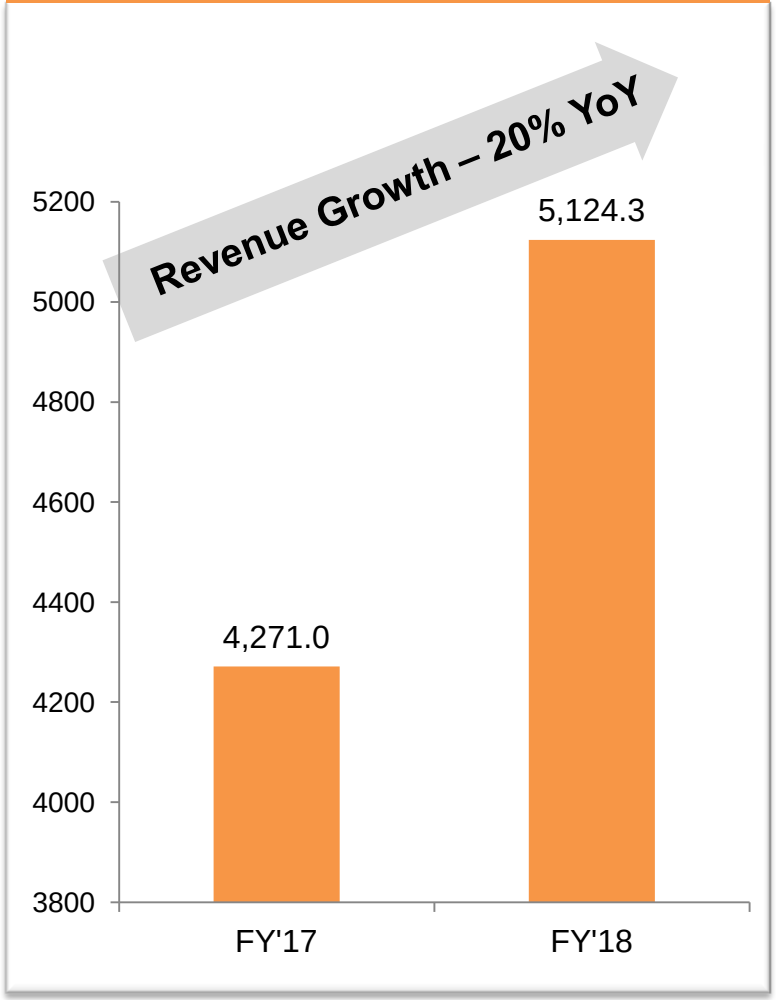


COPYRIGHT 2016, NEWGEN SOFTWARE

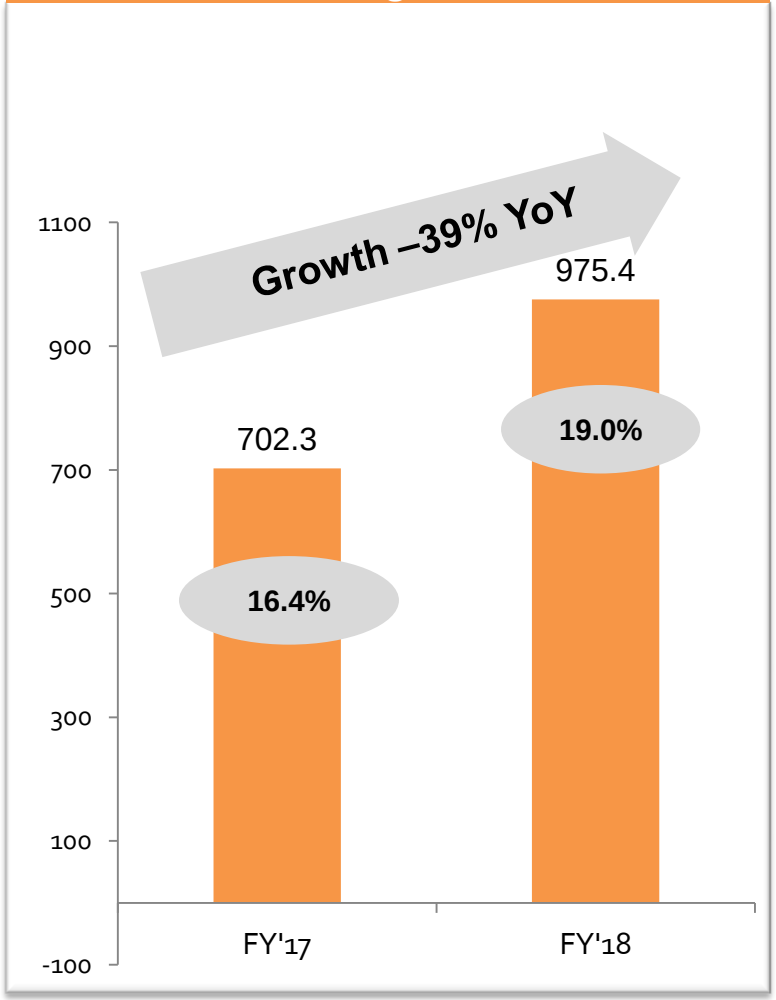
Q4 FY’18 & FY’18 Financial Results

Financials at a Glance – FY'18 v/s FY'17

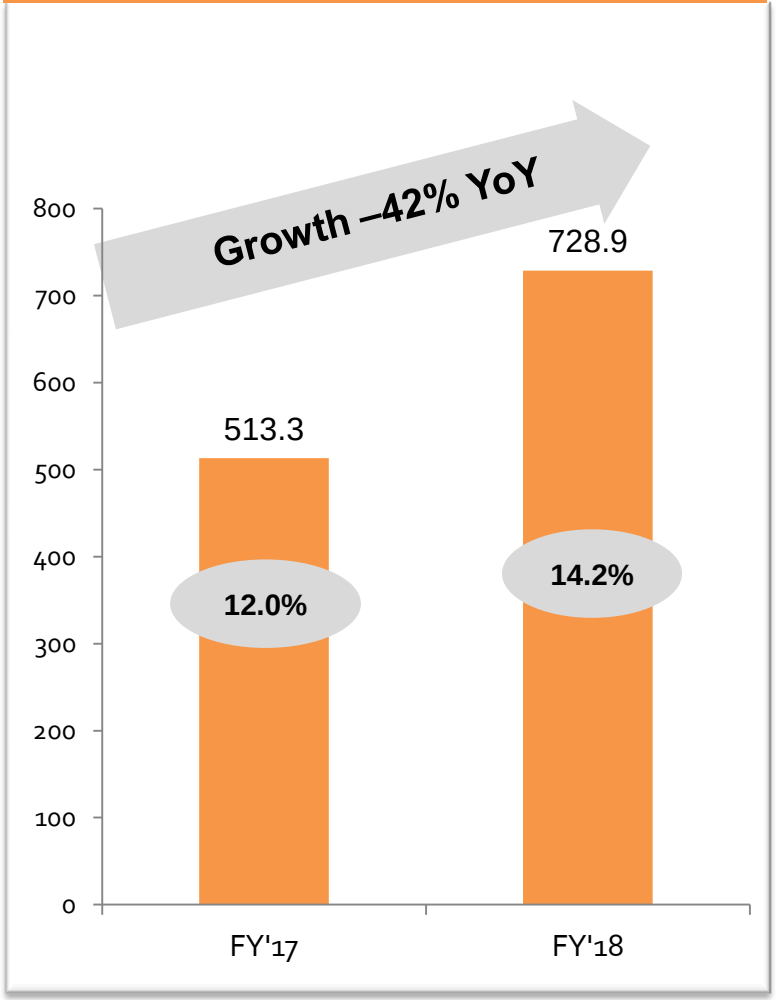
Total Revenue (INRm)



EBITDA(1) (INRm) and EBITDA(1) Margins



PAT (INRm) and PAT Margins



Continued Growth Momentum in Revenues and Profitability

COPYRIGHT 2016, NEWGEN SOFTWARE

(1) EBITDA Adjusted for Other Income. Calculated as 'Profit after tax + Tax expense + Finance costs + Depreciation and amortisation - Other income'

Margins

Financial Summary – Q4FY18 and FY'18 (Consolidated)

Particulars	Metrics	Q4FY18 (Audited)	FY18 (Audited)	FY17 (Audited)	YoY Growth
Revenue (INR Mn)	Revenue from operations	1,838.3	5,124.3	4,271.0	20%
	Other Income	26.7	76.1	82.7	-8%
	Total Income	**1,865.0**	**5,200.4**	**4,353.7**	**19%**
Profits (INR Mn)	EBITDA *(adjusted for other income)*	768.2	975.4	702.3	39%
	Profit before tax	759.4	941.3	683.2	38%
	Profit after tax	594.6	728.9	513.3	42%
Margin (%)	EBITDA *(adjusted for other income)*	41.8%	19.0%	16.4%	
	Profit before tax	41.3%	18.4%	16.0%	
	Profit after tax	32.3%	14.2%	12.0%	
EPS (INR)	Basic		11.4	8.3	
	Diluted		11.2	8.1	

Seasonal nature of business leading to stronger fourth quarter results

COPYRIGHT 2016, NEWGEN SOFTWARE

Business Highlights – FY'18

Strengthened global presence: Strong interest for products witnessed across geographies with broad based growth (YoY) in APAC (47%), EMEA (45%), USA (7%) and India (7%)

Substantial customer wins made during the year: 120 New customers added during FY'18 compared to 98 in FY'17; Total active customers (TTM) were 520+ as of March'18

Company continues to strengthen the horizontal product platform with vertical service accelerators:

✓Banking & Financial Services vertical continued to be a stronghold witnessing 36% YoY growth;

✓Revenue from emerging verticals -Healthcare and Insurance witnessed a growth of 81% and 6% respectively

Scaling Cloud/ Saas business by increasing penetration and strengthening the platforms to meet all compliance/ regulatory requirements.

✓SaaS revenues witnessed robust growth of 3X and comprised 2% of revenue from operations (Rs 113.5Mn);

✓Customer base increased from 8 to 22, over the last one year with large wins in USA

COPYRIGHT 2016, NEWGEN SOFTWARE

Business Highlights – FY'18

Industry Leadership:

✓Positioned as a 'Leader' in Dynamic Case Management, Digital Process Automation and Enterprise Content Management by Forrester, a leading Independent Research Firm in its WaveTM Reports. It has also been positioned by Gartner in its Magic Quadrants.

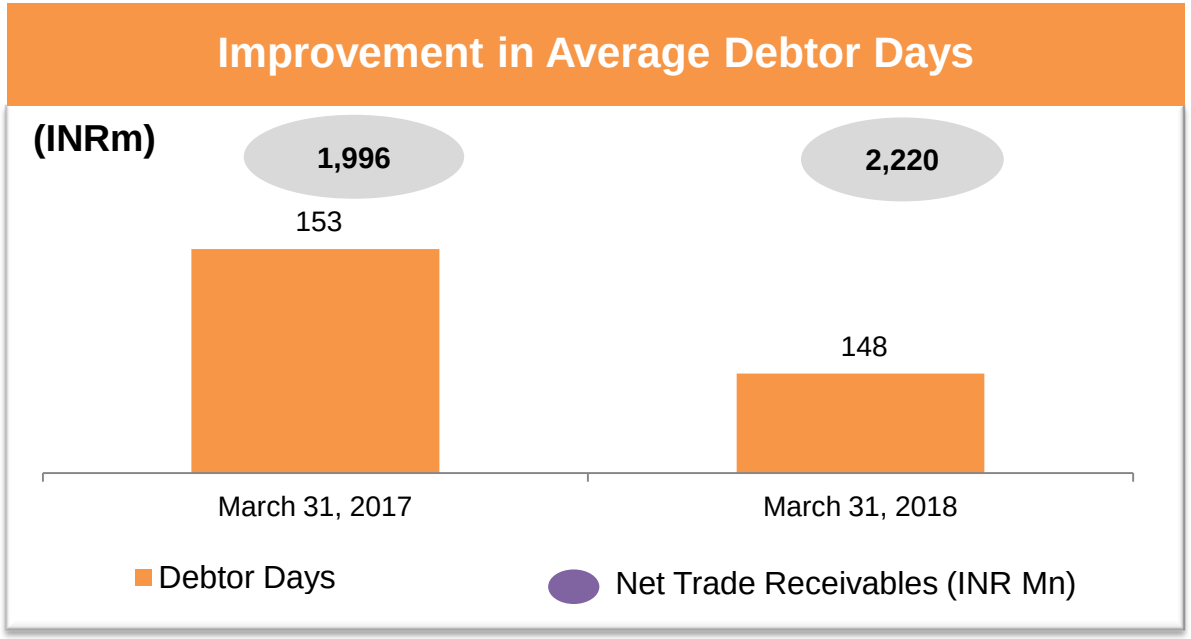
✓During the year, the Company has been named as a "Niche Player" in Magic Quadrant for Content Services Platform and a "Visionary" in Magic Quadrant for Intelligent Business Process Management Suites.

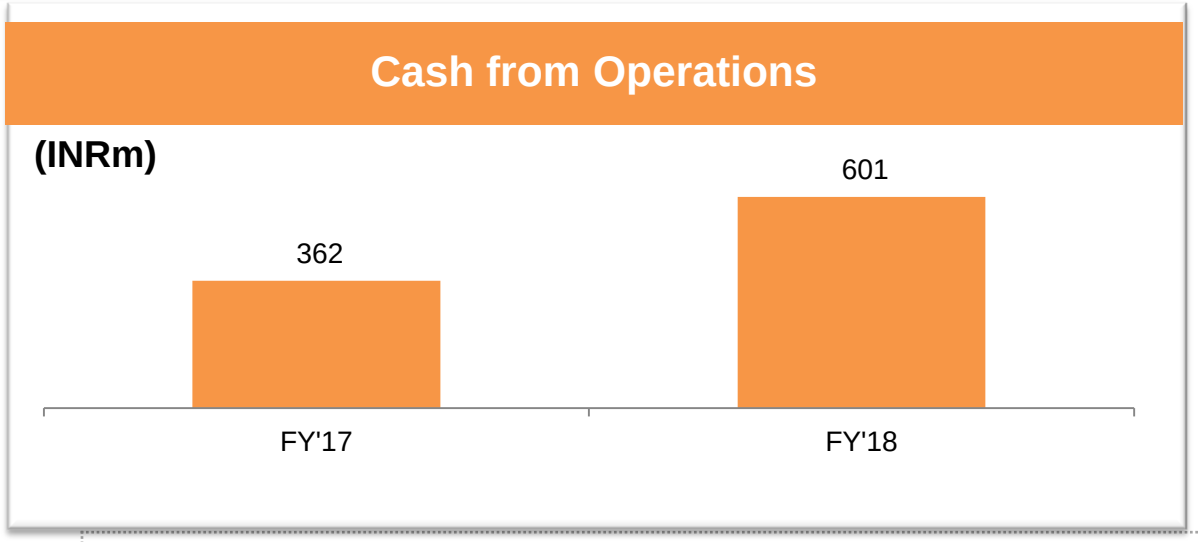
Delivering growth through constant focus on innovation: Our new offerings include Mobility (Newgen Enterprise Mobility Framework), Virtual Repository Services, Dynamic Case Management, RPA with BPM, Digital Sensing and Flexible Designing and Authoring

Built high level domain expertise and created robust frameworks for Retail and Corporate lending which are successfully operating across banks and geographies

COPYRIGHT 2016, NEWGEN SOFTWARE

Improving Debtors Days & Cash from Operations





- **Given the seasonality, higher sales in last quarter leads to higher debtor days at the end of fiscal year**
- **Debtors days (net of allowances) as per Ind AS accounting standards reduced from 171 to 158 as on March'18.**
- **Average Days Sales Outstanding improved from 153 days to 148 days in previous year**
- **Adequate additional provisions taken in the balance sheet as per the Ind AS requirements. However, we do see an improvement in the trend in the last three years**
- **Several measures underway to improve average debtor days:**
  - ✓ **Stringent collection policy and related incentives**
  - ✓ **Improvement in contracting**

COPYRIGHT 2016, NEWGEN SOFTWARE

(1) Trade receivables balance and debtor days at the end of the Fiscal year

Annexure

P&L Statement

(All amounts in INRm, except per share data and unless otherwise stated)	Q4 FY 2018	FY 2018	FY 2017
Revenue			
Revenue from operations	1,838.3	5,124.3	4,271.0
Other income	26.7	76.1	82.7
Total revenue	**1,865.0**	**5,200.4**	**4,353.7**
Expenses			
Employee benefits	654.9	2,488.8	2,100.5
Finance costs	20.1	52.1	52.6
Depreciation and amortisation	15.5	58.1	49.2
Other expenses	415.1	1,660.1	1,468.2
Total expenses	**1,105.6**	**4,259.1**	**3,670.5**
Profit before tax	**759.4**	**941.3**	**683.2**
Tax expenses			
Current tax	80.4	163.0	164.2
MAT credit entitlement	-8.7	-8.7	-
Tax expense for earlier years	-	6.5	12.7
Deferred tax credit	93.1	51.7	-6.9
Profit after tax for the year	**594.6**	**728.9**	**513.3**
Other comprehensive income/(loss) for the year, net of income tax	**1.3**	**8.2**	**-3.7**
Total comprehensive income for the year	**595.9**	**737.1**	**509.6**
Earnings per equity share (face value of Rs. 10 per share)			
Basic earning per share		11.4	8.3
Diluted earning per share		11.2	8.1

COPYRIGHT 2016, NEWGEN SOFTWARE

Balance Sheet

(All amounts in INRm, except per share data and unless otherwise stated)	31-Mar-18	31-Mar-17
Assets		
Non-current assets	**1,288.8**	**1,107.0**
Property, plant and equipment	675.8	610.3
Capital work-in-progress	165.9	110.8
Intangible assets	9.0	7.0
Financial assets		
Loans	29.6	22.7
Other financial assets	55.5	23.3
Deferred tax assets	189.3	237.0
Income tax assets	128.1	85.2
Other non-current assets	35.6	10.5
Current assets	**4,801.4**	**3,167.5**
Financial assets		
Investments	502.2	486.6
Trade receivables	2,220.2	1,995.7
Cash and cash equivalents	1,454.8	349.2
Loans	31.7	7.3
Other financial assets	517.7	254.1
Other current assets	74.8	74.6
Total	**6,090.2**	**4,274.5**

(All amounts in INRm, except per share data and unless otherwise stated)	31-Mar-18	31-Mar-17
Equity & Liabilities		
Equity	**4,052.2**	**2,499.4**
Share capital	678.8	623.1
Other equity		
Securities premium	919.6	60.0
Retained earnings	2,205.6	1,592.8
Others (including items of other comprehensive income)	248.2	223.5
Non-current liabilities	**298.1**	**307.6**
Borrowings	131.7	161.8
Deferred tax liabilites	1.1	1.5
Provisions	165.3	144.3
Current liabilities	**1,739.9**	**1,467.5**
Financial liabilities		
Borrowings	494.6	522.6
Trade payables	229.2	180.5
Other financial liabilities	362.4	290.3
Deferred Income	494.3	386.5
Other current liabilities	137.2	54.6
Short-term provisions	22.1	32.9
Total	**6,090.2**	**4,274.5**

COPYRIGHT 2016, NEWGEN SOFTWARE

NEWGEN

Thank you

www.newgensoft.com

For any Investor Queries please contact:

Deepti Mehra Chugh
Head – Investor Relations
Phone: +91 1--146 533 200
Mail : deepti.chugh@newgen.co.in

COPYRIGHT 2016, NEWGEN SOFTWARE

Disclaimer

This presentation 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.