



NUCLEUS
SOFTWARE

Nucleus Software Investor Presentation Q2 FY18

The Lending & Transaction Banking Solution Experts

31.10.2017

Disclaimer

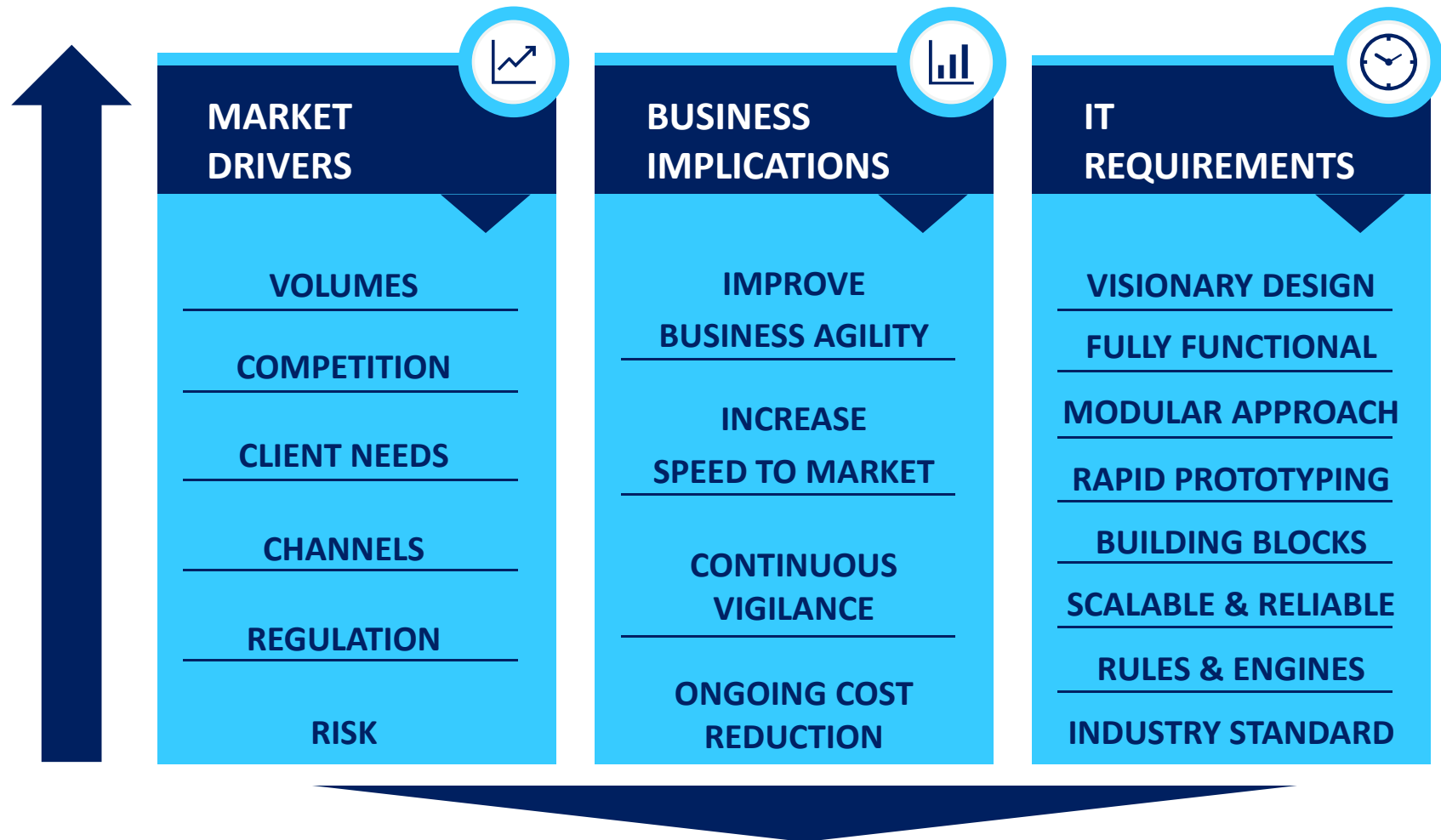
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Challenges & Opportunities

Rapidly Changing Market Dynamics Are Creating Opportunities



Does your I.T. infrastructure help you achieve your business ambitions?

Nucleus Software will.....

A person in a red shirt and dark shorts is climbing a steep, dark rock face. The person is positioned on the right side of the frame, reaching up with their right arm. The background is a clear blue sky with some light clouds. The overall image conveys a sense of challenge and achievement.

HELP YOU
TRANSFORM
CHALLENGES INTO
OPPORTUNITIES

Three Decades of Customer Transformation

Worldwide Presence, Global Knowledge, Local Focus



3 DECADES

DECADES OF BANKING
DOMAIN EXPERTISE



150

BANKS & FINANCIAL INSTITUTION
CUSTOMERS ACROSS 50 COUNTRIES



26 M

TRANSACTIONS
PROCESSED PER DAY



10 TIME WINNER

WORLD'S BEST-SELLING
LENDING SOLUTION



300,000

USERS LOG IN DAILY
ON OUR SYSTEMS



\$200 B

VALUE OF LOANS
MANAGED



3 OF TOP 10
AUTOMOTIVE FINANCE
COMPANIES ARE OUR
CUSTOMERS

Helping Customers Succeed

Making Technology Work For Business Growth

“ We enjoy **EXCELLENT RELATIONSHIP** with Nucleus. All discussions have been conducted with **UTMOST PROFESSIONALISM** and **DEEP UNDERSTANDING** to our objectives”

Bank of Queensland, Australia

“As **SPECIALIST** in lending, Nucleus brings in **BEST PRACTICES** to the table.”

UBank, South Africa

“ I am associated with FinnOne since 2003. The response time and the skill set from your team is too good. **EXCELLENT SUPPORT AND IN-DEPTH KNOWLEDGE** in terms of production support “

ICICI Bank, India

“Nucleus has a **STATE OF THE ART PRODUCT** and offers **very fast implementation**”

bob finance, Switzerland

“Our overall relationship with Nucleus is **GOOD** and we would like to continue. We believe **OUR VOICES ARE HEARD** in Nucleus”

Emirates NBD, UAE

“We chose FinnOne as it enjoys an **EXCELLENT TRACK RECORD** for comprehensive functionality”

Bank Muscat, Oman

Continuous Industry Recognition

Awards For Our Customers, Very Positive Analyst Reviews



TECHNOLOGY
IMPLEMENTATION AWARD
ICICI BANK, 2014

THE ASIAN BANKER



MODEL BANK VENDOR
AWARD 2016

CELENT



MARKET LEADER & SPECIALIST
VENDOR WITH STRONG
TECHNOLOGY CAPABILITY

OVUM



TRAIL BLAZER AWARD
RELIANCE CAPITAL, 2015
DCB BANK, 2015
CIMB, MALAYSIA, 2013

RETAIL BANKER



5 MOST SIGNIFICANT
MOBILE BANKING
SOFTWARE VENDORS

FORRESTER



IDC INSIGHTS AWARD
DCB BANK, 2016
EXCELLENCE IN
TRANSFORMATION

IDC



MODEL BANK AWARD
ICICI BANK, 2014, 2009
VIETNAM PROSPERITY BANK, 2013
HDFC BANK, 2010

CELENT

More Customers in More Countries with More Products



Total Focus on Lending & Transaction Banking

Leveraging Advanced Technology & Three Decades Of Experience

BILL DISCOUNTING
BUSINESS LOAN
COLLECTIONS INVENTORY FUNDING
PERSONAL LOAN WORKING CAPITAL
AUTO LOAN
FLEET FINANCE
EDUCATION VEHICLE FINANCE ISLAMIC
GOLD LOAN
SERVICING AGRI LOAN CREDIT CARDS
CONSUMER DURABLE LOAN MORTGAGES
VALUE ADDED PRODUCTS
LENDING
ORIGINATION
FINANCE AGAINST SECURITIES

GLOBAL PAYMENTS ACH
GLOBAL RECEIVABLES
FINANCIAL SUPPLY CHAIN MGT
TRANSACTION
DIRECT DEBITS
POOLING
BANKING
FUND TRANSFER CHEQUES
GLOBAL LIQUIDITY MGT
SWEEPS FACTORING

Omni Channel

Flexible Rules

BPEL Driven

Analytics

Fees & Prices

Lifecycle Mgt

Virtual A/Cs

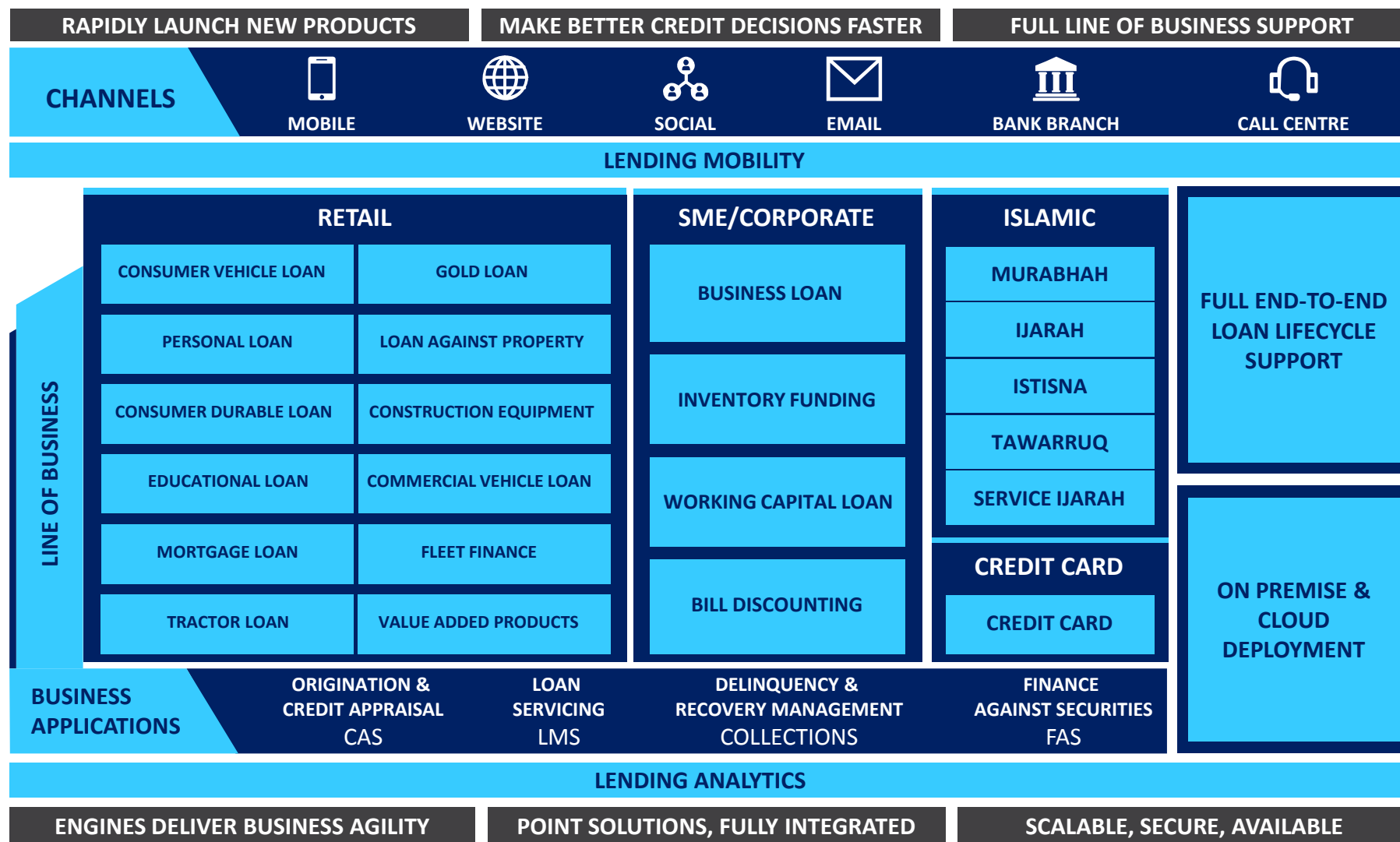
Formatting

Alerts

Commissions

FinnOne Neo Supports The Complete Loan Lifecycle

Modular, Scalable & Flexible



FinnOne Neo Cloud Deployment

Aligned to help you achieve your goals for IT Investment

Gartner reports that 50% of Banks choose cloud investments for Agility followed by Optimised Cost & Innovation*. We help deliver much more with FinnOne Neo Cloud deployment.



AGILITY

- Faster go to market
- Quicker implementation
- Enhanced business reach



SCALABILITY

- Pay-per-use model
- Scalability as per need
- Platform agnostic setup



REDUCED COST

- Reduced initial investment
- Lower operational & maintenance costs



SECURITY

- Best in class security with leading cloud providers such as Microsoft Azure, Amazon and IBM

*Gartner Report: Best practices for cloud adoption, March 2014

Give your business an edge

Make data driven decisions seamlessly throughout the lending value chain

CUSTOMER ACQUISITION

Identify and Reach the right set of customers through the right channels for an effective marketing campaign with accurate segmentation & targeted marketing

ORIGINATION

Acquire customers faster and enhance loan book quality with better decisioning by automated credit scoring

SERVICING

Retain the profitable customers and increase Cross-selling/Up-selling opportunities through improved insight into customer behaviour

COLLECTIONS

Maximize collections and avoid delinquencies with efficient behavioral scorecard and pre delinquency management strategies



Lending analytics delivers value at each stage of customer and loan lifecycle

Mobile Solutions For The Complete Loan Lifecycle

Simple, Scalable & Flexible

ORIGINATION

Loan Origination Via Sales
Agent Or Customer

Loan Underwriting & Approval

Instant Credit Check

Real Time Field Investigation

SERVICING

Customer self service channel

Register service requests

Simulate foreclosure /
pre-Payment report

Cross selling mechanism



DELINQUENCY

Debt Recovery

Status Recordings

Statement Deliveries

Skip Tracing

OPERATIONS

Loan Summary

EMI Schedule and Statement of
account report

Instant access to loan
transaction details

EOD Process Monitor

\$2.15
billion+

VALUE OF LOAN
APPLICATIONS
INITIATED VIA mCAS

7.69
million+

TRANSACTIONS
PROCESSED
VIA mServe

\$1.32
Billion+

LOAN AMOUNT
COLLECTED
VIA mCollect

FinnAxia Integrated Transaction Banking Solution

Solutions Across The Entire Business Value Chain



**OPTIMIZE
WORKING
CAPITAL**

**REAL TIME,
CONSOLIDATED
VIEW**

**SUPPORT WHITE
LABELLING**

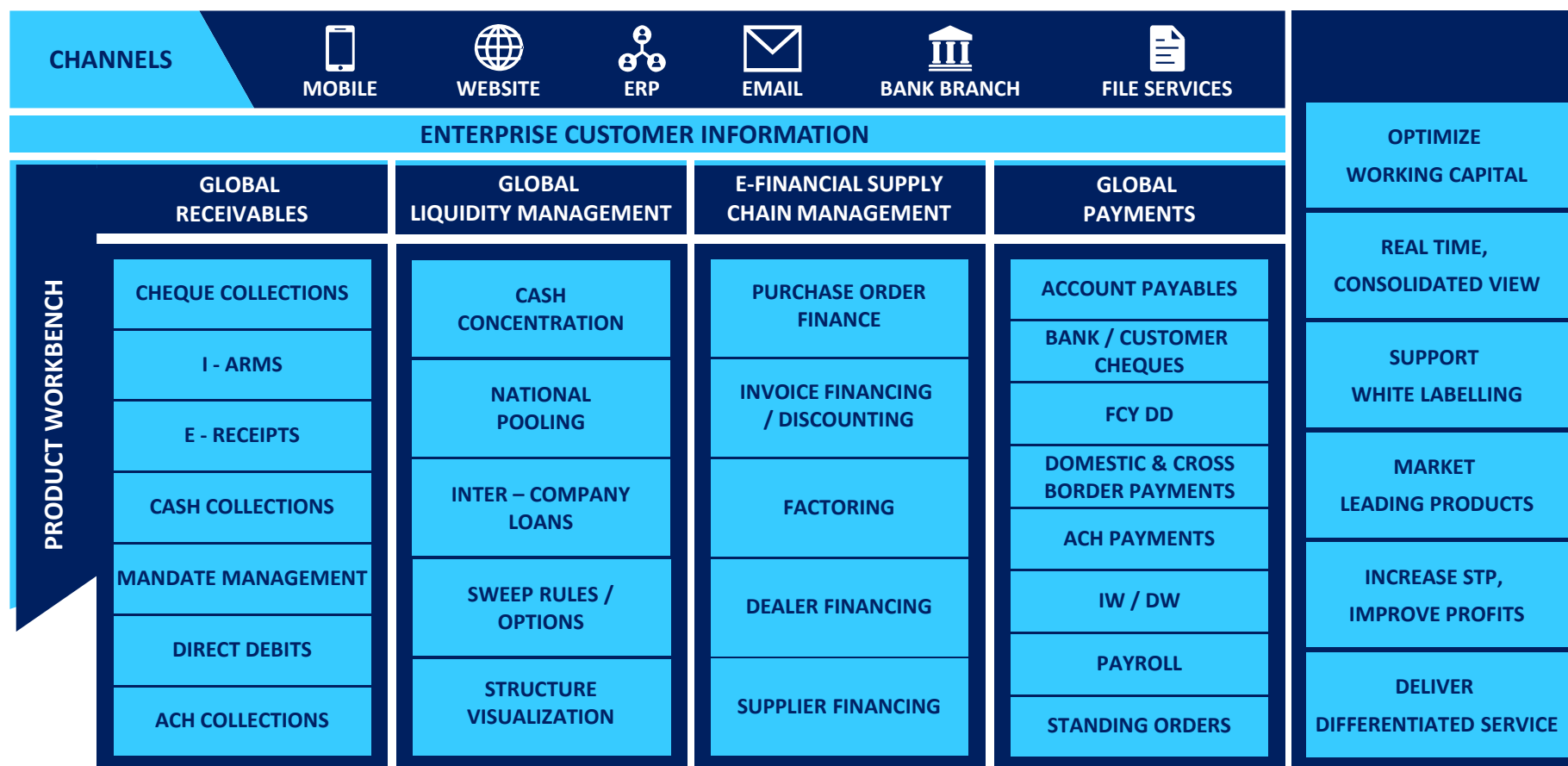
**DELIVER
DIFFERENTIATED
SERVICE**

**INCREASE STP,
IMPROVE PROFITS**

**REGULATORY
COMPLIANCE**

FinnAxia For Unified Working Capital Finance Management

Tap Into The Growth Of Transaction Banking



Well Positioned

Expanding Worldwide

\$15.5million

Q2 FY 2017-18 Revenue

Public Company, Zero Debt

Public ownership, with original founder still very active. Zero debt, strong cash reserves

Profitable & Self Funding

Continuously profitable, with multiple revenue sources. Strong recurring revenue business model provides certainty of funding

Target Market

Banks – T1 to T4, Local, Regional & Global.

Auto Lending – in-bank and captive.

Non Bank Financial Companies

Q2 FY 2017-18 Key Highlights

+5%
Revenue YoY

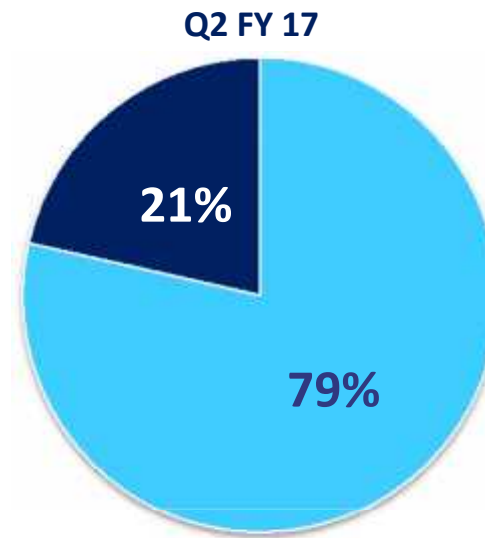
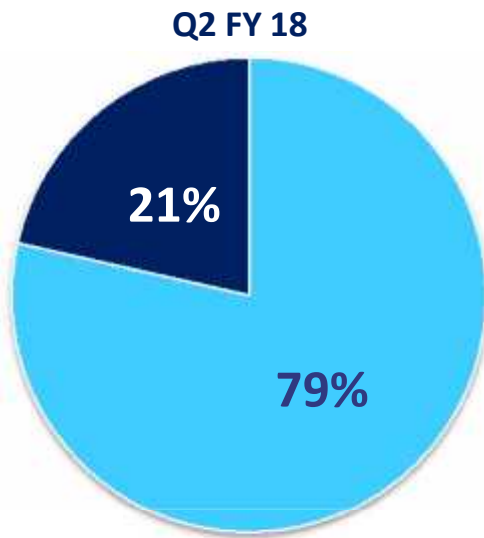
-7%
EBITDA YoY

+1%
PAT YoY

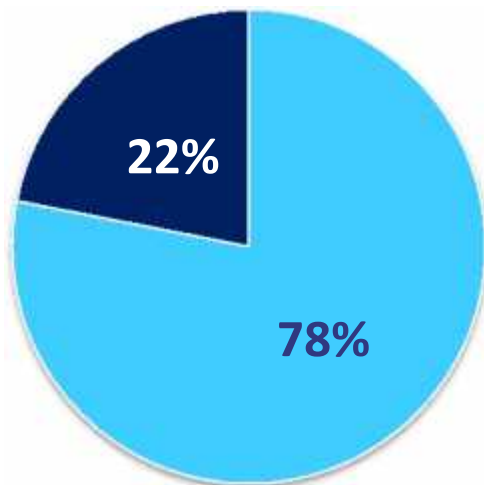
Financial Highlights

	Q2 FY 18	Q2 FY 17
REVENUE	RS. 100.4 CRORE	RS. 95.6 CRORE
PRODUCT	RS.78.9 CRORE	RS. 75.1 CRORE
EBITDA	RS. 13.7 CRORE	RS. 14.6 CRORE
PAT	RS. 15.7 CRORE	RS. 15.4 CRORE
EPS	RS. 4.93	RS. 4.77

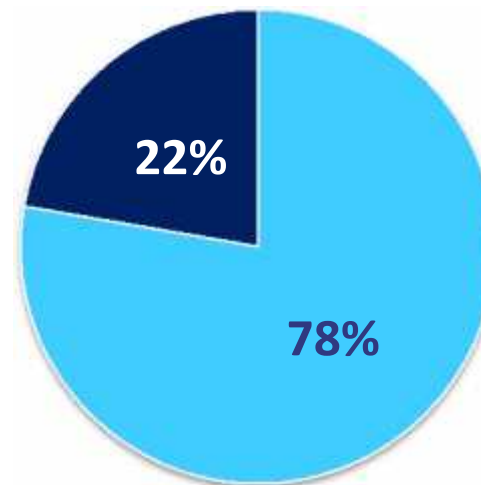
Revenue Breakdown - Business Segment-wise



Half Year Ended Sep 30, 2017

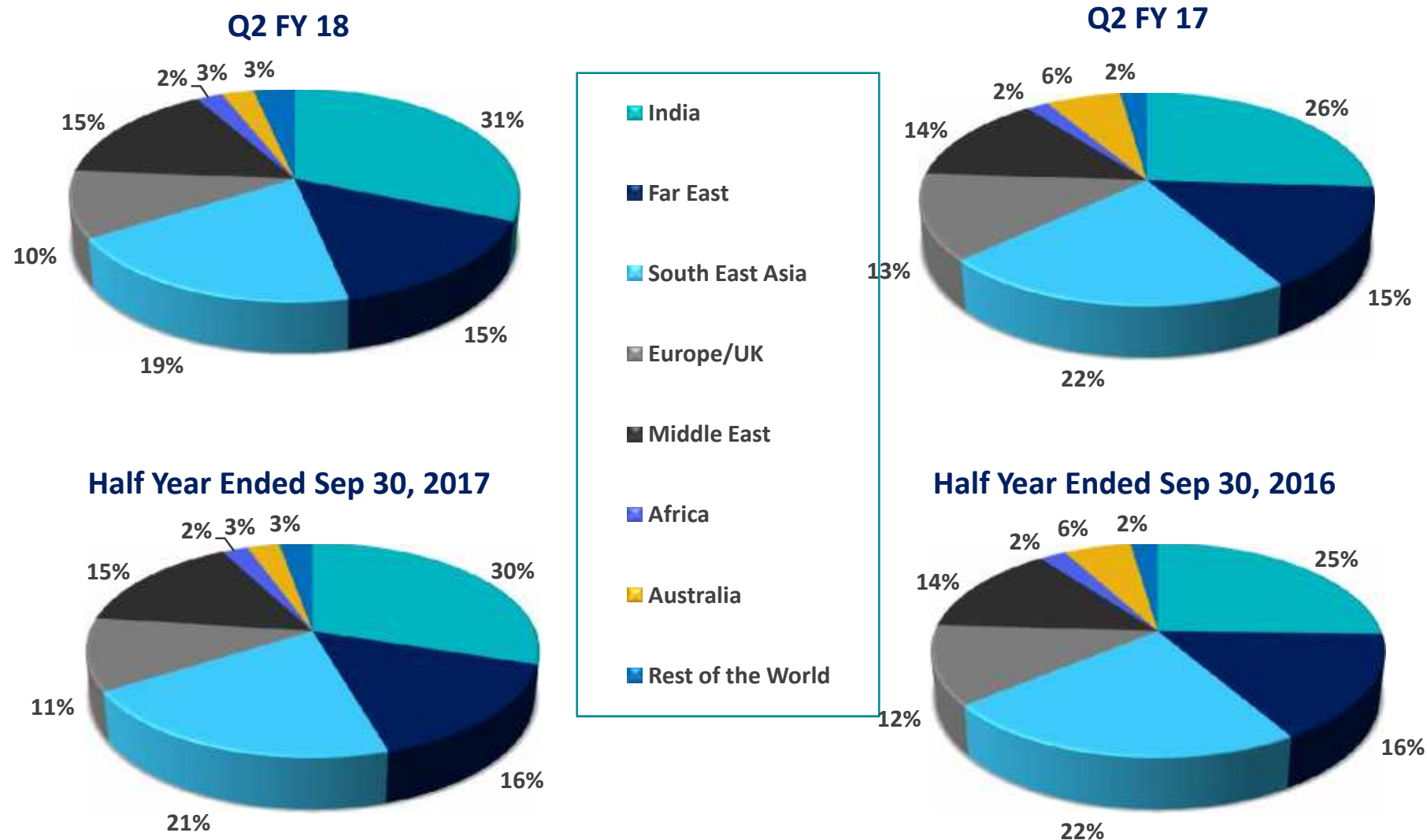


Half Year Ended Sep 30, 2016



■ PRODUCT REVENUE
■ PROJECTS & SERVICES

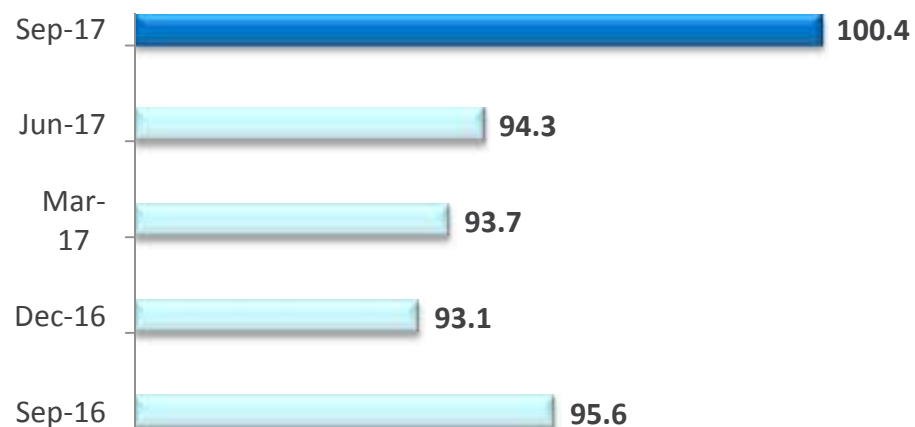
Revenue Breakdown - Geography Segment-wise



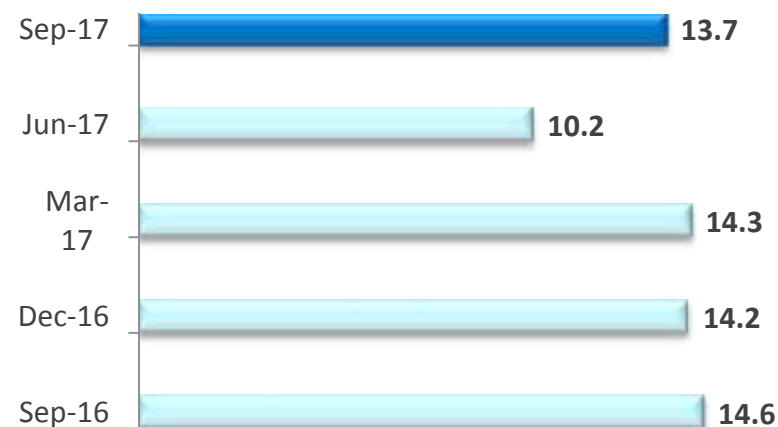
Graphs

Quarterly

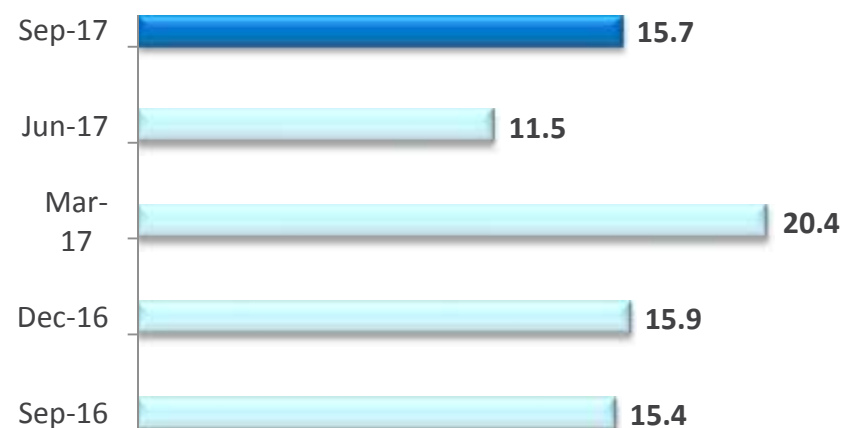
Revenue (in Rs crore)



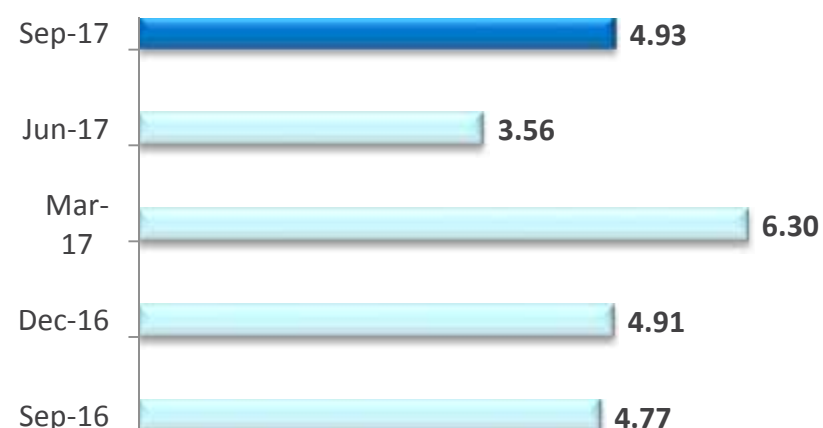
EBITDA (in Rs crore)



PAT (in Rs crore)



EPS (in Rs)



Financials at Glance

Quarterly

In Rs. crores

	QUARTER ENDED							
	Sep-17	%	QoQ	YoY	June-17	%	Sep-16	%
REVENUE	100.4	100%	6%	5%	94.3	100%	95.6	100%
Software Dev. Exp.	67.9	68%	3%	11%	66.0	70%	61.1	64%
GROSS PROFIT	32.6	32%	15%	-5%	28.3	30%	34.5	36%
Selling & Marketing .Exp.	9.3	9%	13%	-18%	8.2	9%	11.3	12%
General & Admin Exp.	9.6	10%	-3%	13%	9.9	11%	8.5	9%
EBITDA	13.7	14%	34%	-7%	10.2	11%	14.6	15%
Other Income	8.2	8%	8%	8%	7.6	8%	7.7	8%
Depreciation	1.7	2%	-2%	-44%	1.8	2%	3.1	3%
PBT	20.2	20%	26%	5%	16.0	17%	19.2	20%
Taxation	4.5	4%	0%	20%	4.5	5%	3.8	4%
PAT	15.7	16%	36%	1%	11.5	12%	15.4	16%

Financials at Glance

Half Yearly

In Rs. crores

	HALF YEAR ENDED				
	Sep-17	%	YoY	Sep-16	%
REVENUE	194.8	100%	5%	185.6	100%
Software Dev. Exp.	133.8	69%	11%	120.7	65%
GROSS PROFIT	60.9	31%	-6%	64.8	35%
Selling & Marketing .Exp.	17.5	9%	-24%	23.1	12%
General & Admin Exp.	19.6	10%	14%	17.2	9%
EBITDA	23.8	12%	-3%	24.5	13%
Other Income	15.8	8%	6%	15.0	8%
Depreciation	3.5	2%	-42%	6.1	3%
PBT	36.2	19%	8%	33.4	18%
Taxation	9.0	5%	61.5%	5.6	3%
PAT	27.2	14%	-3%	27.9	15%



**NUCLEUS
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Thank you



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