

HSBC Private Equity Asia invests in Newgen Software

HSBC Private Equity Asia, a subsidiary of HSBC Asian Ventures Fund, on Monday said it pumped \$7.5 million into New Delhi, India-based Newgen Software Technologies, a company that focuses on document imaging and work flow management systems.

Newgen Software Technologies Limited, a New Delhi based product company today announced a significant investment of INR 300 million for a minority stake in the company, by a wholly owned subsidiary of The HSBC Asian Ventures Fund Limited advised by HSBC Private Equity Technology (Asia) Limited,. The funds raised will be used to facilitate Newgen's expansion of sales and marketing activities in new markets across the globe.

Newgen is a provider of enterprise solutions for Business Process Management and Content Management in Banking, Financial Services and Insurance (BFSI), Business Process Outsourcing (BPO), and the Telecom and Government segments. The company has a substantial market share in emerging economies, viz. India, the Middle East, Africa, and South East Asia. Newgen is now looking at tapping new markets in North America, Latin America, Western & Central Europe, Central Asia and the Far East.

Speaking on this investment by the HSBC fund, Mr. Diwakar Nigam, MD & CEO of Newgen said, "Our Company has been growing at the rate of 50-60 per cent in products and solutions business over the last three years. We have been working with more than 30 large BFSI customers on a continual basis. With HSBC on board, we look forward to replicating our success in new markets and maximizing shareholder value through our highly scalable product-based business model."

According to James Savage, Investment Director of HSBC Private Equity Asia, "Newgen is one of a few sizeable software product companies in India, which has established a blue chip client base. Newgen is able to deliver outstanding value to its customers based on the intellectual property it has developed. The worldwide market for business process management and content management solutions is expected to experience strong growth over the medium term. We believe that Newgen is well positioned to benefit from this opportunity. HSBC Private Equity Asia will assist Newgen in its business development through our extensive network and reach in overseas markets."

"India represents a core market for private equity investments for our funds. We will continue to look for other attractive investment opportunities here." He added

About Newgen Software Technologies

Newgen Software Technologies Limited is a market leader in Business Process Management (BPM) and Enterprise Content Management (ECM), with impeccable track record of implementing mission-critical Workflow and Document Imaging solutions. The company has a global footprint, with an installation base of more than 700 customers in over 25 countries. With domain expertise in industry verticals such as Banking, Financial Services, Insurance, BPO, Telecom, and e-Governance, Newgen is in a unique position to help customers make best use of their resources and bring agility in product/service delivery. Newgen is also known as one of the fastest implementers of document-intensive BPM solutions.

Newgen's sales and support offices span across major cities in Asia, North America, Europe, Africa and the Middle East. The company is a winner of several awards such

as "Frost and Sullivan's Market Leadership Award for Document Management and Workflow Software & Services" and "NASSCOM Distinguished Application Product Company". Newgen is a certified ISO 9001:2000, ISO 27001 and CMM Level 4 company.

About HSBC Private Equity Asia

HSBC's Asian private equity operations were established in 1988 in the Hong Kong SAR by HSBC Private Equity (Asia) Limited (HPEA), the Asian private equity arm of the HSBC Group. HPEA advises both expansion capital and mid-sized buyout private equity funds as well as technology-oriented venture funds. Over its history, HPEA has advised five private equity funds and two venture funds. These funds seek to achieve long-term capital appreciation for investors. The private equity funds focus on mid-size expansion capital and buy-out transactions in Asia with investment sizes ranging from approximately US\$30 million to US\$100 million. The venture funds focus on transactions ranging from approximately US\$5 million to US\$20 million involving small and mid-sized technology companies with significant interests in Asia.