CONSOLIDATED FINANCIAL RESULTS OF NUCLEUS SOFTWARE EXPORTS LTD. AND SUBSIDIARIES
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2007

Amt in Rs. lacs

	Particulars	Quarter Ended		Nine Months Ended		Year Ended
		Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006	March 31, 2007
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Income from Software Products and Services**	**7,363.82**	**5,618.45**	**21,066.06**	**16,103.02**	**22,118.73**
2	Software Development Expenses	4,346.75	3,168.13	12,833.50	9,292.48	12,510.60
3	**Gross Profit (1-2)**	**3,017.07**	**2,450.32**	**8,232.56**	**6,810.54**	**9,608.13**
4	Selling and Marketing Expenses	633.12	553.38	1,560.55	1,275.51	1,792.97
5	General and Administration Expenses	533.36	329.24	1,419.39	923.15	1,487.25
6	**Operating Profit before Interest, Depreciation and Withholding Taxes (3-4-5)**	**1,850.59**	**1,567.70**	**5,252.62**	**4,611.88**	**6,327.91**
7	Depreciation	314.95	170.84	860.95	481.15	687.68
8	Withholding Taxes	86.52	125.02	196.53	342.01	468.07
9	**Operating Profit after Interest, Depreciation and Withholding Taxes (6-7-8)**	**1,449.12**	**1,271.84**	**4,195.14**	**3,788.72**	**5,172.16**
10	Other Income	131.99	159.13	593.38	477.48	562.12
11	**Profit before Tax (9+10)**	**1,581.11**	**1,430.97**	**4,788.52**	**4,266.20**	**5,734.28**
12	Provision for Taxation	28.45	37.21	216.24	146.36	219.56
13	**Profit after Tax (11-12)**	**1,552.66**	**1,393.76**	**4,572.28**	**4,119.84**	**5,514.72**
14	Paid-up Equity Share Capital (Par value Rs.10 each)	3,236.85	1,611.78	3,236.85	1,611.78	1,616.18
15	Reserves excluding Revaluation Reserves		-		-	14,903.13
16	**Earnings Per Share* (Rs.) (Par value Rs.10 each)**					
	Basic	4.80	4.32	14.13	12.78	17.09
	Diluted	4.74	4.27	13.97	12.65	16.99
17	**Public shareholding**					
	-Number of Shares	13,091,834	6,423,556	13,091,834	6,423,556	6,499,602
	-Percentage of Shareholding	40.45%	39.86%	40.45%	39.86%	40.22%

* Adjusted for Bonus Shares in the ratio of 1:1 allotted on 8th August 2007 as per Accounting Standard 20 (AS-20) on Earnings per share.

AUDITED FINANCIAL RESULTS OF NUCLEUS SOFTWARE EXPORTS LTD.
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2007

Amt in Rs. lacs

	Particulars	Quarter Ended		Nine Months Ended		Year Ended
		Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006	March 31, 2007
		Audited	Audited	Audited	Audited	Audited
1	**Income from Software Products and Services**	**4,838.19**	**3,830.34**	**14,392.09**	**10,450.56**	**14,653.05**
2	Software Development Expenses	2,743.74	1,952.03	8,225.58	5,403.89	7,353.79
3	**Gross Profit (1-2)**	**2,094.45**	**1,878.31**	**6,166.51**	**5,046.67**	**7,299.26**
4	Selling and Marketing Expenses	459.83	410.26	1,079.06	872.01	1,207.02
5	General and Administration Expenses	436.32	255.04	1,141.98	700.72	1,159.39
6	**Operating Profit before Interest, Depreciation and Withholding Taxes (3-4-5)**	**1,198.30**	**1,213.01**	**3,945.47**	**3,473.94**	**4,932.85**
7	Depreciation	221.49	131.69	587.53	376.17	519.82
8	Withholding Taxes	91.39	133.59	195.24	341.58	467.49
9	**Operating Profit after Interest, Depreciation and Withholding Taxes (6-7-8)**	**885.42**	**947.73**	**3,162.70**	**2,756.19**	**3,945.54**
10	Other Income	96.03	139.93	631.44	348.99	466.17
11	**Profit before Tax (9+10)**	**981.45**	**1,087.66**	**3,794.14**	**3,105.18**	**4,411.71**
12	Provision for Taxation	(21.85)	20.85	123.07	69.88	121.54
13	**Profit after Tax (11-12)**	**1,003.30**	**1,066.81**	**3,671.07**	**3,035.30**	**4,290.17**
14	Paid-up Equity Share Capital (Par value Rs.10 each)	3,236.85	1,611.78	3,236.85	1,611.78	1,616.18
15	Reserves excluding Revaluation Reserves	-	-	-	-	12,156.97
16	**Earnings Per Share* (Rs.) (Par value Rs.10 each)**					
	Basic	3.10	3.31	11.35	9.42	13.29
	Diluted	3.06	3.26	11.21	9.32	13.22
17	**Public shareholding**					
	-Number of Shares	13,091,834	6,423,556	13,091,834	6,423,556	6,499,602
	-Percentage of Shareholding	40.45%	39.86%	40.45%	39.86%	40.22%

* Adjusted for Bonus Shares in the ratio of 1:1 allotted on 8th August 2007 as per Accounting Standard 20 (AS-20) on Earnings per share.

	Segment Reporting (Standalone)					Amt in Rs. lacs
		Quarter Ended		Nine Months Ended		Year Ended
		Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006	March 31, 2007
a)	**Revenue by Geographical Segment**					
	India	871.52	610.89	2,591.76	1,719.91	2,547.84
	Far East	2,158.67	1,294.52	5,659.41	3,477.85	4,813.73
	Singapore	255.82	339.78	1,004.99	972.74	1,320.92
	Europe	214.60	231.95	1,166.06	1,045.48	1,373.88
	USA	34.39	80.41	105.08	382.57	466.79
	Others	1,303.18	1,272.79	3,864.79	2,852.01	4,129.89
	Total	**4,838.18**	**3,830.34**	**14,392.09**	**10,450.56**	**14,653.05**
	Less:- Inter Segment Revenue	-	-	-	-	-
	Net Revenue From Operations	**4,838.18**	**3,830.34**	**14,392.09**	**10,450.56**	**14,653.05**
b)	**Segment Profit / (Loss) before Tax and Interest**					
	India	136.16	6.72	313.03	15.69	42.69
	Far East	662.76	441.05	1,906.95	1,241.19	1,760.36
	Singapore	89.37	150.83	378.21	445.91	614.05
	Europe	74.97	102.96	439.62	477.38	635.96
	USA	12.01	35.69	39.20	170.54	211.21
	Others	455.27	564.99	1,448.61	1,287.04	1,904.10
	Total	**1,430.54**	**1,302.24**	**4,525.62**	**3,637.75**	**5,168.37**
	Add:- Other Income	96.03	139.93	631.44	348.99	466.17
	Less:- Other Unallocable Expenditure	545.12	354.51	1,362.92	881.56	1,222.83
	Operating Profit before Tax	**981.45**	**1,087.66**	**3,794.14**	**3,105.18**	**4,411.71**
c)	Capital Employed (Segment Assets less Segment Liabilities) (Refer Note 8 below)	17,616.30	13,135.92	17,616.30	13,135.92	13,845.28

	Other Information (Standalone)					Amt in Rs. lacs
		Quarter Ended		Nine Months Ended		Year Ended
		Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006	March 31, 2007
	Staff Cost	2,247.15	1,681.79	6,813.31	4,583.51	6,226.37
	Items exceeding 10% of aggregate expenditure					
	Travel Expenditure	454.60	359.03	1,242.53	937.79	1,352.38
	Details of other income:					
	Dividend received from non-trade investments	47.54	19.65	100.12	47.35	99.15
	Gain on foreign exchange fluctuation (net)	15.90	18.85	246.16	14.33	67.97
	Profit on sale of investments (net)	12.56	91.47	246.25	232.33	232.70
	Miscellaneous Income	20.03	9.96	38.91	54.98	66.35
	Total	**96.03**	**139.93**	**631.44**	**348.99**	**466.17**

otes:

1. The above financial statements were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 19, 2008 and January 20, 2008. There are no qualifications in the Auditors' Report on these financial statements.
2. The Board of Directors have formally approved entering into a Memorandum of Understanding with a renowned developer for 16 acres of land in a notified SEZ in Rajasthan.
3. During the current quarter, the Company allotted 2,400 equity shares to an employee, in pursuance of the stock options exercised in October 2007.
4. There were nil investor complaints pending at the beginning of the quarter. 16 new investor complaints were received and resolved during the current quarter.
5. Pursuant to the changes in the Indian Income Tax Act, 1961, the Company has calculated its tax liability after considering Minimum Alternate Tax (MAT). A sum of Rs.345 Lacs is carried forward and shown under Loans and Advances in the Balance Sheet as at December 31, 2007 to be set off against future tax liabilities.
6. Provision for taxation includes current tax, deferred tax, fringe benefit tax and income tax for earlier years.
7. These accounts have been prepared in accordance with applicable Accounting Standards as specified in the Companies (Accounting Standard) Rules, 2006.
8. Previous period/year figures have been regrouped /reclassified, wherever necessary.
9. Fixed assets used in the Company's business cannot be specifically identified with any of the reportable segments, as these are used interchangeably between various segments. The Management believes that it is not practicable to provide segment-wise disclosures relating to total assets and liabilities since a meaningful segregation of the available data is not possible.
10. During the quarter, the Company has exercised put option (subject to regulatory approval) on investments in equity shares of GMAC Financial Services India Limited.The investment of Rs.1368.83 Lacs was made in October 2004.

For Nucleus Software Exports Ltd.

By order of the Board

Sd/-

Date: January 20, 2008 **Vishnu R Dusad**

Place: NOIDA **Managing Director**