



# Nucleus Software Exports Limited

33-35, Thyagraj Nagar Market, Near Lodhi Colony, New Delhi-110003.

## Financial Results for the Quarter and Half Year Ended September 30, 2008

Amt. (in Rs. Lacs)

| Particulars   | Consolidated                |                             |                             |                             |                           | Standalone                |                           |                           |                           |                           |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|   | Quarter Ended               |                             | Half Year Ended             |                             | Year Ended                | Quarter Ended             |                           | Half Year Ended           |                           | Year Ended                |
|   | Sept. 30, 2008<br>UNAUDITED | Sept. 30, 2007<br>UNAUDITED | Sept. 30, 2008<br>UNAUDITED | Sept. 30, 2007<br>UNAUDITED | March 31, 2008<br>AUDITED | Sept. 30, 2008<br>AUDITED | Sept. 30, 2007<br>AUDITED | Sept. 30, 2008<br>AUDITED | Sept. 30, 2007<br>AUDITED | March 31, 2008<br>AUDITED |
| 1 <b>Income from Software Products and Services</b>                                   | <b>7,545.67</b>             | <b>7,036.57</b>             | <b>15,835.38</b>            | <b>13,702.24</b>            | <b>28,871.75</b>          | <b>5,014.83</b>           | <b>4,831.23</b>           | <b>10,240.19</b>          | <b>9,553.91</b>           | <b>19,695.18</b>          |
| 2 Software Development Expenses   | 5,293.94                    | 4,331.31                    | 10,900.03                   | 8,486.75                    | 17,451.44                 | 3,173.01                  | 2,775.83                  | 6,469.48                  | 5,481.84                  | 10,992.84                 |
| 3 <b>Gross Profit (1-2)</b>   | <b>2,251.73</b>             | <b>2,705.26</b>             | <b>4,935.35</b>             | <b>5,215.49</b>             | <b>11,420.31</b>          | <b>1,841.82</b>           | <b>2,055.40</b>           | <b>3,770.71</b>           | <b>4,072.07</b>           | <b>8,702.34</b>           |
| 4 Selling and Marketing Expenses  | 723.66                      | 445.43                      | 1,422.70                    | 927.44                      | 2,095.12                  | 511.15                    | 288.35                    | 951.62                    | 619.23                    | 1,411.84                  |
| 5 General and Administration Expenses   | 688.08                      | 465.10                      | 1,253.84                    | 882.13                      | 1,984.03                  | 564.42                    | 380.34                    | 1,015.01                  | 705.66                    | 1,560.96                  |
| 6 <b>Operating Profit before Interest, Depreciation and Withholding Taxes (3-4-5)</b> | <b>839.99</b>               | <b>1,794.73</b>             | <b>2,258.81</b>             | <b>3,405.92</b>             | <b>7,341.16</b>           | <b>766.25</b>             | <b>1,386.71</b>           | <b>1,804.08</b>           | <b>2,747.18</b>           | <b>5,729.54</b>           |
| 7 Depreciation  | 357.44                      | 297.70                      | 694.81                      | 545.99                      | 1,184.64                  | 247.71                    | 204.98                    | 478.32                    | 366.05                    | 810.18                    |
| 8 Withholding Taxes   | 152.02                      | 75.99                       | 370.03                      | 110.01                      | 414.98                    | 152.02                    | 71.14                     | 370.03                    | 103.85                    | 414.97                    |
| 9 <b>Operating Profit after Interest, Depreciation and Withholding Taxes (6-7-8)</b>  | <b>330.53</b>               | <b>1,421.04</b>             | <b>1,193.97</b>             | <b>2,749.92</b>             | <b>5,741.54</b>           | <b>366.52</b>             | <b>1,110.59</b>           | <b>955.73</b>             | <b>2,277.28</b>           | <b>4,504.39</b>           |
| 10 Foreign Exchange Gain/(Loss)   | (45.87)                     | 168.41                      | (794.05)                    | 37.51                       | (20.68)                   | (139.13)                  | 296.14                    | (934.38)                  | 226.37                    | 213.78                    |
| 11 Other Income   | 148.90                      | 149.84                      | 781.47                      | 419.97                      | 725.40                    | 533.70                    | 87.43                     | 1,144.20                  | 309.04                    | 1,487.73                  |
| 12 <b>Profit before Tax (9+10+11)</b>   | <b>433.56</b>               | <b>1,739.29</b>             | <b>1,181.39</b>             | <b>3,207.40</b>             | <b>6,446.26</b>           | <b>761.09</b>             | <b>1,494.16</b>           | <b>1,165.55</b>           | <b>2,812.69</b>           | <b>6,205.90</b>           |
| 13 Provision for Taxation   | 26.19                       | 120.83                      | (28.86)                     | 187.80                      | 272.34                    | 37.46                     | 86.03                     | (19.38)                   | 144.92                    | 128.96                    |
| 14 <b>Profit after Tax (12-13)</b>  | <b>407.37</b>               | <b>1,618.46</b>             | <b>1,210.25</b>             | <b>3,019.60</b>             | <b>6,173.92</b>           | <b>723.63</b>             | <b>1,408.13</b>           | <b>1,184.93</b>           | <b>2,667.77</b>           | <b>6,076.94</b>           |
| 15 Paid-up Equity Share Capital (Par value Rs.10 each)                                | 3,237.15                    | 3,236.61                    | 3,237.15                    | 3,236.61                    | 3,236.85                  | 3,237.15                  | 3,236.61                  | 3,237.15                  | 3,236.61                  | 3,236.85                  |
| 16 Reserves excluding Revaluation Reserves  | -                           | -                           | -                           | -                           | 18,295.07                 | -                         | -                         | -                         | -                         | 15,593.62                 |
| 17 <b>Earnings Per Share (Rs.) (Par value Rs.10 each)</b>                             |                             |                             |                             |                             |                           |                           |                           |                           |                           |                           |
| Basic   | 1.26                        | 5.00                        | 3.74                        | 9.33                        | 19.08                     | 2.24                      | 4.35                      | 3.66                      | 8.25                      | 18.78                     |
| Diluted   | 1.26                        | 4.98                        | 3.73                        | 9.25                        | 18.93                     | 2.23                      | 4.33                      | 3.65                      | 8.18                      | 18.63                     |
| 18 <b>Public Shareholding</b>   |                             |                             |                             |                             |                           |                           |                           |                           |                           |                           |
| - Number of Shares  | 13,093,034                  | 13,090,434                  | 13,093,034                  | 13,090,434                  | 13,092,834                | 13,093,034                | 13,090,434                | 13,093,034                | 13,090,434                | 13,092,834                |
| - Percentage of Shareholding  | 40.45%                      | 40.45%                      | 40.45%                      | 40.45%                      | 40.45%                    | 40.45%                    | 40.45%                    | 40.45%                    | 40.45%                    | 40.45%                    |

### Segment Reporting (Standalone)

Amt. (in Rs. Lacs)

| Particulars   | Quarter Ended   |                 | Half Year Ended  |                 | Year Ended       |
|---|-----------------|-----------------|------------------|-----------------|------------------|
|   | Sept. 30, 2008  | Sept. 30, 2007  | Sept. 30, 2008   | Sept. 30, 2007  | March 31, 2008   |
| a) <b>Revenue by Geographical Segment</b>               |                 |                 |                  |                 |                  |
| India   | 967.26          | 716.46          | 1,780.55         | 1,720.24        | 3,370.00         |
| Far East  | 2,162.96        | 1,889.90        | 4,355.69         | 3,500.74        | 8,177.35         |
| Singapore   | 273.17          | 397.08          | 592.57           | 749.17          | 1,297.47         |
| Europe  | 441.53          | 549.68          | 1,111.08         | 951.46          | 1,541.01         |
| USA   | 4.27            | 38.87           | 8.93             | 70.69           | 116.43           |
| Others  | 1,165.64        | 1,239.24        | 2,391.37         | 2,561.61        | 5,192.92         |
| <b>Total</b>  | <b>5,014.83</b> | <b>4,831.23</b> | <b>10,240.19</b> | <b>9,553.91</b> | <b>19,695.18</b> |
| Less:- Inter Segment Revenue                            | -               | -               | -                | -               | -                |
| <b>Net Revenue From Operations</b>                      | <b>5,014.83</b> | <b>4,831.23</b> | <b>10,240.19</b> | <b>9,553.91</b> | <b>19,695.18</b> |
| b) <b>Segment Profit/(Loss) before Tax and Interest</b> |                 |                 |                  |                 |                  |
| India   | 150.39          | 142.81          | 197.15           | 176.87          | 387.40           |
| Far East  | 506.51          | 614.72          | 828.61           | 1,244.19        | 3,590.38         |
| Singapore   | 75.47           | 144.10          | 159.81           | 288.84          | 110.05           |
| Europe  | 140.19          | 199.48          | 532.74           | 364.65          | 903.38           |
| USA   | (0.32)          | 14.11           | (2.11)           | 27.19           | (23.83)          |
| Others  | 35.40           | 449.73          | 213.23           | 993.33          | 1,403.89         |
| <b>Total</b>  | <b>907.64</b>   | <b>1,564.95</b> | <b>1,929.43</b>  | <b>3,095.07</b> | <b>6,371.27</b>  |
| Add:- Foreign Exchange Gain/(Loss)                      | (139.13)        | 296.14          | (934.38)         | 226.37          | 213.78           |
| Add:- Other Income                                      | 533.70          | 87.43           | 1,144.20         | 309.04          | 1,487.73         |
| Less:- Other Unallocable Expenditure                    | 541.12          | 454.36          | 973.70           | 817.79          | 1,866.88         |
| <b>Operating Profit before Tax</b>                      | <b>761.09</b>   | <b>1,494.16</b> | <b>1,165.55</b>  | <b>2,812.69</b> | <b>6,205.90</b>  |
| c) Capital Employed (Refer Note 7 below)                | 19,926.60       | 16,596.26       | 19,926.60        | 16,596.26       | 18,898.01        |

### NOTES:

- The above financial statements were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 19, 2008. There are no qualifications in the Auditors' report on these financial statements.
- There were nil investor complaints pending at the beginning of the quarter. 15 new investor complaints were received and resolved during the current quarter and there was no investor complaint pending at the end of quarter.
- During the current quarter, the Company allotted 3,000 equity shares to an employee, in pursuance of the stock options exercised in July 2008.
- The Company has calculated its tax liability after considering Minimum Alternate Tax (MAT). A sum of Rs.601 Lacs is carried forward and shown under Loans and Advances in the Balance Sheet as at September 30, 2008 to be set off against future tax liabilities.
- Provision for taxation includes current tax, deferred tax and fringe benefit tax.
- Previous period / year figures have been regrouped / reclassified, wherever necessary.
- 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.

### Other Information (Standalone)

Amt. (in Rs. Lacs)

| Particulars   | Quarter Ended  |                | Half Year Ended |                | Year Ended      |
|---|----------------|----------------|-----------------|----------------|-----------------|
|   | Sept. 30, 2008 | Sept. 30, 2007 | Sept. 30, 2008  | Sept. 30, 2007 | March 31, 2008  |
| Staff Cost  | 2,847.50       | 2,342.67       | 5,679.13        | 4,566.16       | 9,282.62        |
| <b>Items exceeding 10% of aggregate expenditure</b> |                |                |                 |                |                 |
| Travel Expenditure                                  | 455.24         | 381.49         | 900.39          | 787.93         | 1,650.87        |
| <b>Details of other income:</b>                     |                |                |                 |                |                 |
| Dividend received from non-trade investments        | 51.54          | 37.42          | 88.25           | 52.58          | 164.31          |
| Dividend received from Subsidiary Company           | 425.00         | -              | 425.00          | -              | 1,000.00        |
| Profit on sale of investments (net)                 | 55.03          | 38.84          | 565.55          | 233.69         | 248.33          |
| Miscellaneous Income                                | 2.13           | 11.17          | 65.40           | 22.77          | 75.09           |
| <b>Total</b>  | <b>533.70</b>  | <b>87.43</b>   | <b>1,144.20</b> | <b>309.04</b>  | <b>1,487.73</b> |

For Nucleus Software Exports Ltd.

By order of the Board

Sd/-

VISHNU R. DUSAD

CEO & Managing Director

Date: October 19, 2008

Place: NOIDA