

CONSOLIDATED FINANCIAL RESULTS OF NUCLEUS SOFTWARE EXPORTS LTD. AND SUBSIDIARIES
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2010

Amt in Rs. lacs

| Particulars | Quarter Ended | | Year Ended | |
|--|-----------------|-----------------|------------------|------------------|
| | March 31, 2010 | March 31, 2009 | March 31, 2010 | March 31, 2009 |
| | Unaudited | Unaudited | Audited | Audited |
| 1 Income from Software Products and Services | 7,225.11 | 8,581.18 | 29,178.27 | 32,840.28 |
| 2 Software Development Expenses | 4,802.81 | 5,962.10 | 19,616.60 | 22,254.52 |
| 3 Gross Profit (1-2) | 2,422.30 | 2,619.08 | 9,561.67 | 10,585.76 |
| 4 Selling and Marketing Expenses | 494.52 | 671.50 | 2,266.60 | 2,779.85 |
| 5 General and Administration Expenses | 544.46 | 811.94 | 1,887.22 | 2,845.40 |
| 6 Operating Profit before Interest, Depreciation and Withholding Taxes (3-4-5) | 1,383.32 | 1,135.64 | 5,407.85 | 4,960.51 |
| 7 Depreciation | 236.16 | 314.08 | 1,133.46 | 1,327.70 |
| 8 Withholding Taxes | 33.85 | 108.83 | 42.56 | 726.25 |
| 9 Operating Profit after Interest, Depreciation and Withholding Taxes (6-7-8) | 1,113.31 | 712.73 | 4,231.83 | 2,906.56 |
| 10 Foreign Exchange Gain/(Loss) | (242.75) | 109.48 | (802.60) | (791.96) |
| 11 Other Income | 205.79 | 247.52 | 962.03 | 1,370.84 |
| 12 Profit before Tax (9+10+11) | 1,076.35 | 1,069.73 | 4,391.26 | 3,485.44 |
| 13 Provision for Taxation | 157.53 | 109.42 | 551.18 | 259.61 |
| 14 Profit after Tax (12-13) | 918.82 | 860.31 | 3,840.08 | 3,225.83 |
| 15 Paid-up Equity Share Capital (Par value Rs.10 each) | 3,237.15 | 3,237.15 | 3,237.15 | 3,237.15 |
| 16 Reserves excluding Revaluation Reserves | 23,869.80 | 20,793.46 | 23,869.80 | 20,793.46 |
| 17 Earnings Per Share (Rs.) (Par value Rs.10 each) | | | | |
| Basic | 2.84 | 2.97 | 11.86 | 9.97 |
| Diluted | 2.84 | 2.97 | 11.86 | 9.96 |
| 18 Public shareholding | | | | |
| -Number of Shares | 13,093,034 | 13,093,034 | 13,093,034 | 13,093,034 |
| -Percentage of Shareholding | 40.45% | 40.45% | 40.45% | 40.45% |
| 19 Promoters and Promoter Group Shareholding | | | | |
| a) Pledged / Encumbered | | | | |
| - Number of shares | - | - | - | - |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | - | - | - | - |
| - Percentage of shares (as a % of the total share capital of the company) | - | - | - | - |
| b) Non - encumbered | | | | |
| - Number of shares | 19,276,990 | 19,276,990 | 19,276,990 | 19,276,990 |
| - Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group) | 100% | 100% | 100% | 100% |
| - Percentage of shares (as a % of the total share capital of the company) | 59.55% | 59.55% | 59.55% | 59.55% |

For NUCLEUS SOFTWARE EXPORTS LTD. and Subsidiaries

Company Secretary

**AUDITED FINANCIAL RESULTS OF NUCLEUS SOFTWARE EXPORTS LTD.
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2010**

| Particulars | Quarter Ended | | Year Ended | | Amt in Rs. lacs |
|--|-----------------|-----------------|------------------|------------------|-----------------|
| | March 31, 2010 | March 31, 2009 | March 31, 2010 | March 31, 2009 | |
| | Audited | Audited | Audited | Audited | |
| 1 Income from Software Products and Services | 4,776.71 | 5,521.60 | 19,414.74 | 20,943.48 | |
| 2 Software Development Expenses | 3,162.35 | 3,527.05 | 12,547.85 | 13,072.68 | |
| 3 Gross Profit (1-2) | 1,614.36 | 1,994.55 | 6,866.89 | 7,870.78 | |
| 4 Selling and Marketing Expenses | 299.77 | 471.40 | 1,411.66 | 1,873.45 | |
| 5 General and Administration Expenses | 395.45 | 571.40 | 1,495.33 | 2,177.40 | |
| 6 Operating Profit before Interest, Depreciation and Withholding Taxes (3-4-5) | 919.14 | 951.75 | 3,869.80 | 3,819.93 | |
| 7 Depreciation | 225.19 | 268.98 | 980.34 | 1,011.77 | |
| 8 Withholding Taxes | 33.86 | 108.83 | 42.56 | 726.25 | |
| 9 Operating Profit after Interest, Depreciation and Withholding Taxes (6-7-8) | 660.09 | 573.94 | 2,937.00 | 2,081.91 | |
| 10 Foreign Exchange Gain/(Loss) | (209.98) | 181.74 | (571.01) | (880.97) | |
| 11 Other Income | 199.88 | 221.21 | 1,563.06 | 1,656.45 | |
| 12 Profit before Tax (9+-10+-11) | 649.99 | 976.89 | 3,929.05 | 2,857.39 | |
| 13 Provision for Taxation | 152.46 | 128.30 | 555.42 | 242.50 | |
| 14 Profit after Tax (12-13) | 497.53 | 848.59 | 3,373.63 | 2,614.89 | |
| 15 Paid-up Equity Share Capital (Par value Rs.10 each) | 3,237.15 | 3,237.15 | 3,237.15 | 3,237.15 | |
| 16 Reserves excluding Revaluation Reserves | 20,024.46 | 17,272.90 | 20,024.46 | 17,272.90 | |
| 17 Earnings Per Share (Rs.) (Par value Rs.10 each) | | | | | |
| Basic | 1.54 | 2.62 | 10.42 | 8.08 | |
| Diluted | 1.54 | 2.62 | 10.42 | 8.07 | |
| 18 Public shareholding | | | | | |
| -Number of Shares | 13,093,034 | 13,093,034 | 13,093,034 | 13,093,034 | |
| -Percentage of Shareholding | 40.45% | 40.45% | 40.45% | 40.45% | |
| 19 Promoters and Promoter Group Shareholding | | | | | |
| a) Pledged / Encumbered | | | | | |
| - Number of shares | - | - | - | - | |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | - | - | - | - | |
| - Percentage of shares (as a % of the total share capital of the company) | - | - | - | - | |
| b) Non - encumbered | | | | | |
| - Number of shares | 19,276,990 | 19,276,990 | 19,276,990 | 19,276,990 | |
| - Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group) | 100% | 100% | 100% | 100% | |
| - Percentage of shares (as a % of the total share capital of the company) | 59.55% | 59.55% | 59.55% | 59.55% | |

Company Secretary

| Segment Reporting (Standalone) | | | | Amt In Rs. lacs | |
|---|------------------|------------------|------------------|------------------|--|
| | Quarter Ended | | Year Ended | | |
| | March 31, 2010 | March 31, 2009 | March 31, 2010 | March 31, 2009 | |
| a) Revenue by Geographical Segment | | | | | |
| India | 816.52 | 1,109.27 | 3,830.07 | 3,822.72 | |
| Far East | 2,006.01 | 1,495.85 | 6,063.26 | 7,813.39 | |
| Singapore | 213.55 | 508.09 | 1,529.24 | 1,488.92 | |
| Europe | 383.47 | 498.76 | 1,690.24 | 2,161.15 | |
| Middle East | 644.17 | 1,214.60 | 3,789.47 | 3,202.28 | |
| Others | 712.99 | 695.03 | 2,512.46 | 2,455.01 | |
| Total | 4,776.71 | 5,521.60 | 19,414.74 | 20,943.46 | |
| Less:- Inter Segment Revenue | - | - | - | - | |
| Net Revenue From Operations | 4,776.71 | 5,521.60 | 19,414.74 | 20,943.46 | |
| b) Segment Profit / (Loss) before Tax and Interest | | | | | |
| India | (80.62) | 160.69 | 0.34 | 534.44 | |
| Far East | 816.89 | (122.27) | 2,000.37 | 936.21 | |
| Singapore | 29.26 | 63.56 | 322.94 | 286.47 | |
| Europe | 153.57 | 190.47 | 771.51 | 1,028.76 | |
| Middle East | 21.86 | 538.12 | 1,038.43 | 779.55 | |
| Others | 116.01 | 288.49 | 769.97 | 449.73 | |
| Total | 1,056.97 | 1,119.08 | 4,903.58 | 4,015.16 | |
| Add:- Foreign Exchange Gain/(Loss) | (209.97) | 181.74 | (571.02) | (880.97) | |
| Add:- Other Income | 199.88 | 221.21 | 1,563.06 | 1,656.45 | |
| Less:- Other Unallocable Expenditure | 396.86 | 545.12 | 1,966.55 | 1,933.25 | |
| Operating Profit before Tax | 649.89 | 976.89 | 3,929.05 | 2,867.39 | |
| c) Capital Employed (Refer Note 11 below) | 23,296.13 | 20,570.04 | 23,296.13 | 20,570.04 | |

| Other Information (Standalone) | | | | Amt in Rs. lacs | |
|---|----------------|----------------|-----------------|-----------------|--|
| | Quarter Ended | | Year Ended | | |
| | March 31, 2010 | March 31, 2009 | March 31, 2010 | March 31, 2009 | |
| Staff Cost | 2,257.09 | 2,710.12 | 10,036.24 | 11,223.77 | |
| Items exceeding 10% of aggregate expenditure | | | | | |
| Travel Expenditure | 438.14 | 461.32 | 1,605.61 | 1,761.32 | |
| Software Development Expenses | 216.56 | 530.75 | 762.66 | 793.06 | |
| Details of other income: | | | | | |
| Interest Received | 76.30 | 208.51 | 513.29 | 347.69 | |
| Dividend received from non-trade investments | 67.15 | 3.31 | 154.66 | 139.16 | |
| Dividend received from Subsidiary Company | - | - | 700.00 | 425.00 | |
| Profit on sale of fixed assets | 24.03 | - | 24.86 | - | |
| Profit on sale of investments (net) | - | - | 0.09 | 669.89 | |
| Provisions written back | 2.17 | 2.11 | 107.77 | 55.12 | |
| Reversal of employees' stock compensation expenses | 22.68 | 0.16 | 41.80 | 0.16 | |
| Miscellaneous Income | 7.55 | 7.12 | 20.79 | 19.43 | |
| Total | 199.88 | 221.21 | 1,563.06 | 1,656.45 | |

For AUDITORS SOFTWARE AND CONSULTING

Company Secretory

NOTES:

- 1) The above financial statements were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on April 24, 2010 and April 25, 2010. There are no qualifications in the Auditors' report on these financial statements.
- 2) There were nil investor complaints pending at the beginning of the quarter. 24 new investor complaints/requests were received and resolved during the current quarter and there was no investor complaint pending at the end of quarter.
- 3) During the year, the Company offered 1,00,000 options to employees of the Company and its Subsidiary companies under Employees Stock Option Plan (2006), out of which 40,000 options were accepted by the employees and the same were granted thereafter.
- 4) The Board of Directors recommended a Final Dividend of Rs2.50/- per share (on equity share of per value of Rs. 10/-) at their Board meeting held on April 25, 2010. The payment is subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.
- 5) During the year, the Company made an additional investment of ₹100,000 in Nucleus Software Netherlands B. V., its wholly owned subsidiary, by way of subscription to its equity share capital.
- 6) During the year, the Company received interim dividend of Rs.7 crore from Virstra-1 Technology Services Limited, a wholly owned subsidiary.
- 7) During the year, Nucleus Software (HK) Ltd., Hongkong, a wholly owned subsidiary was de-registered as per the applicable laws of that country.
- 8) As reported in earlier quarters of the year, one of the major customers of an overseas subsidiary of the Company, had on July 25, 2009 given a notice to this subsidiary of partial cancellation of the contracts. During the current quarter, the subsidiary and the customer have fully closed a settlement without any liability on the subsidiary or on the parent Company.
- 9) Provision for taxation includes current tax, deferred tax, fringe benefit tax and income tax for earlier years.
- 10) Previous period/year figures have been regrouped/reclassified, wherever necessary.
- 11) 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.

RECEIVED 2010 APR 26 PM 11:10

Date: April 26, 2010
Place: Noida

Company Secretary

For Nucleus Software Exports Ltd.

By order of the Board

Sd/-

Vishnu R Dusat

CEO & Managing Director