

PRESS RELEASE

Institute of Chartered Accountants of India (ICAI) judges Nucleus Software Annual Report 2008 best in “Information Technology, Communication and Entertainment Enterprises” category

New Delhi, January 27, 2009: Nucleus Software Exports Limited (NSE: NUCLEUS, BSE: 531209), a leading global provider of integrated software products for banks and financial institutions, today announced that the Annual Report and Accounts of the Company for year ended March 31, 2008, have been adjudged as **the BEST under the category 'Information Technology, Communication and Entertainment enterprises' of the 'ICAI Awards for Excellence in Financial Reporting'**, by the Institute of Chartered Accountants of India (ICAI).

A **Gold Shield** was awarded to the Company at a ceremony organized by ICAI at Mumbai on January 25, 2009. Mr. Vishnu R Dusad, CEO and Managing Director, Mr. Arun Shekhar Aran, Non-Executive Director and Mr. Pramod K Sanghi, President Finance & CFO of Nucleus Software received the Gold Shield on behalf of the Company.

The selection was made by a panel of judges upon review of the accounting practices adopted by the Company in the preparation of their financial statements without regard to its financial condition and operating performance. **Accordingly, the award signifies that the accounting policies followed by Nucleus Software are the best amongst this category.**

The Company had also won a silver shield in the same category from ICAI for its Annual Report for the year 2005.

Nucleus Software has also been selected for the third consecutive year as one of the "**Top 25 Companies Adopting Good Corporate Governance Practices**" for the year 2008, by the Institute of Company Secretaries of India (ICSI).

The National Award for Excellence in Corporate Governance is given by ICSI every year. Extremely prestigious and a symbol of excellence in itself, ICSI adopts a tough and rigorous process, for selection of the Top 25 companies all over the country. The recognition is based on multiple criteria such as ethical business conduct, transparency, integrity, maintaining sustainable relationships with all stakeholders in its corporate family, corporate social responsibility and future vision.

On this occasion, Vishnu R. Dusad, CEO & Managing Director, Nucleus Software, said, "This is yet another, and important, milestone for Nucleus Software. The award confirms our commitment towards the pursuit of excellence, which is not just limited to our products and services but which also reflects in our business operations. The financial reports are an integral part of our Corporate Governance ethos and the award is a testimony to our commitment towards upholding the highest standards. Nucleus Software has always maintained very quality in financial disclosures and has advocated and practiced best principles of Corporate Governance."

He further added, " We reiterate our commitment to these principles and firmly believe that strong financial disclosures and reporting practices epitomize corporate governance and this will take us closer to our vision of becoming one of the most admired companies not just in India but across the globe."

About Institute of Chartered Accountants (ICAI)

The Institute of Chartered Accountants of India (ICAI) is a statutory body established under the Chartered Accountants Act, 1949 for the regulation of the profession of Chartered Accountancy in India. During its nearly six decades of existence, ICAI has

achieved recognition as a premier accounting body not only in the country but also globally, for its contribution in the fields of education, professional development, maintenance of high accounting, auditing and ethical standards.

About Institute of Company Secretaries of India (ICSI)

The Institute of Company Secretaries of India, a premier professional body has been set up under an Act of Parliament to develop and regulate the profession of Company Secretaries. The Institute functions under the administrative jurisdiction of the Ministry of Corporate Affairs, Government of India. The ICSI National Award for Excellence in Corporate Governance has been established in pursuit of excellence and to identify, foster and reward the culture of globally evolving acceptable standards of corporate governance among Indian companies.

About Nucleus Software Exports Limited

Nucleus Software is a leading software powerhouse providing innovative and pioneering software solutions for Banks and Financial organizations globally. Nucleus Software offers a host of competitive IT solutions and consultancy services designed to support the whole spectrum of business offerings across retail banking, corporate banking, cards and cash management. With over 150 customers across the globe, the Company is consistently innovating with cutting edge and industry driven products in the domain. Nucleus Software is listed on the National Stock Exchange and Bombay Stock Exchange in India. For more information, visit www.nucleussoftware.com

Safe Harbor:

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the success of our investments, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, our ability to successfully implement our strategy, our research and development efforts, changes in

the value of the Rupee and other currency changes, intense competition in IT and consulting services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Nucleus may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Board of India, Stock Exchange and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.

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