



## Nucleus Software Announces Q2 Results

- **Major Highlights:**
- Total number of clients stands at 74 .
- 3 New product Orders received.

### FINANCIAL RESULTS OF NUCLEUS SOFTWARE GROUP (CONSOLIDATED) FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30,2003

| Particulars   | Rs. in lacs   |              |                 |              |               |
|---|---------------|--------------|-----------------|--------------|---------------|
|   | Quarter Ended |              | Half Year Ended |              | Year Ended    |
|   | Sept 30,2003  | Sept 30,2002 | Sept 30,2003    | Sept 30,2002 | March 31,2003 |
|   | Unaudited     | Unaudited    | Unaudited       | Unaudited    | Audited       |
| 1 Net Sales/Income from Operations                          | 2,033.71      | 2,091.20     | 3,851.34        | 4,342.93     | 8,882.79      |
| 2 Other Income  | 26.31         | 19.32        | 52.93           | 36.32        | 96.25         |
| 3 Total Income  | 2,060.02      | 2,110.52     | 3,904.27        | 4,379.25     | 8,979.04      |
| 4 Total Expenditure   | 1,671.14      | 1,928.67     | 3,226.95        | 3,662.77     | 7,300.52      |
| (a)Personnel Expenses                                       | 1,013.48      | 1,013.39     | 1,989.57        | 1,965.61     | 4,029.68      |
| (b) Travelling  | 197.20        | 392.74       | 431.03          | 737.28       | 1,542.80      |
| (c) Other Expenditure                                       | 460.46        | 522.54       | 806.35          | 959.88       | 1,728.04      |
| 5 Interest  | -             | 2.52         | 0.14            | 14.26        | 17.17         |
| 6 Depreciation  | 79.95         | 56.91        | 170.73          | 104.56       | 369.90        |
| 7 Withholding Taxes   | 75.13         | (45.22)      | 129.08          | 152.18       | 277.40        |
| 8 Profit before Tax and Prior Period Adjustment (3-4-5-6-7) | 233.80        | 167.64       | 377.37          | 445.48       | 1,014.05      |
| 9 Prior Period Adjustments                                  |               |              |                 |              |               |
| -Withholding Taxes  | -             | -            | -               | 148.98       | 148.98        |
| -Others   | -             | -            | -               | (38.91)      | (38.91)       |
| 10 Provision for Taxation                                   |               |              |                 |              |               |
| -Current  | 13.80         | 22.77        | 31.00           | 61.80        | 151.40        |
| -Deferred   | 9.84          | (29.45)      | (18.22)         | (53.14)      | (88.43)       |
| 11 Net profit (8-9-10)                                      | 210.16        | 174.32       | 364.59          | 326.75       | 841.01        |
| 12 Paid up Equity Share Capital                             | 794.14        | 791.27       | 794.14          | 791.27       | 791.27        |
| 13 Reserves excluding Revaluation Reserves                  |               |              |                 |              | 5,182.20      |
| 14 Total Number of Equity Shares                            | 7,939,950     | 7,911,150    | 7,939,950       | 7,911,150    | 7,911,150     |
| 15 Earnings Per Share ( Rs.)                                |               |              |                 |              |               |
| Basic   | 2.65          | 2.20         | 4.60            | 4.13         | 10.63         |
| Diluted   | 2.61          | 2.17         | 4.53            | 4.07         | 10.46         |

**AUDITED FINANCIAL RESULTS OF NUCLEUS SOFTWARE EXPORTS LTD. FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30,2003**

|  |               |              |                 |              |               | Rs. in lacs |
|--|---------------|--------------|-----------------|--------------|---------------|-------------|
|  | Quarter Ended |              | Half Year Ended |              | Year Ended    |             |
| Particulars  | Sept 30,2003  | Sept 30,2002 | Sept 30,2003    | Sept 30,2002 | March 31,2003 |             |
|  | Audited       | Audited      | Audited         | Audited      | Audited       |             |
| 1 Net Sales/Income from Operations                           | 1,380.07      | 1,350.38     | 2,561.27        | 2,883.26     | 6,072.17      |             |
| 2 Other Income   | 22.06         | 16.30        | 55.12           | 33.04        | 73.16         |             |
| 3 Total Income   | 1,402.13      | 1,366.68     | 2,616.39        | 2,916.30     | 6,145.33      |             |
| 4 Total Expenditure  | 1,015.34      | 1,280.52     | 1,933.18        | 2,358.67     | 4,661.57      |             |
| (a)Personnel Expenses  | 491.58        | 479.31       | 931.62          | 907.95       | 1,909.29      |             |
| (b) Travelling   | 186.48        | 372.69       | 409.56          | 699.24       | 1,460.75      |             |
| (c) Other Expenditure  | 337.28        | 428.52       | 592.00          | 751.48       | 1,291.53      |             |
| 5 Interest   | -             | 2.52         | 0.14            | 14.26        | 17.16         |             |
| 6 Depreciation   | 64.67         | 44.29        | 140.79          | 80.28        | 316.29        |             |
| 7 Withholding Taxes  | 75.13         | (45.22)      | 129.08          | 152.18       | 277.40        |             |
| 8 Profit before Tax and Prior Period Adjustments (3-4-5-6-7) | 246.99        | 84.57        | 413.20          | 310.91       | 872.91        |             |
| 9 Prior Period Adjustments                                   |               |              |                 |              |               |             |
| -Withholding Taxes   | -             | -            | -               | 148.98       | 148.98        |             |
| -Others  | -             | -            | -               | (38.91)      | (38.91)       |             |
| 10 Provision for Taxation                                    |               |              |                 |              |               |             |
| -Current   | 5.00          | 2.50         | 20.00           | 39.50        | 108.22        |             |
| -Deferred  | 9.84          | (26.25)      | (18.23)         | (49.94)      | (80.91)       |             |
| 11 Net profit (8-9-10)                                       | 232.15        | 108.32       | 411.43          | 211.28       | 735.53        |             |
| 12   |               |              |                 |              |               |             |
| Paid up Equity Share Capital                                 | 794.14        | 791.27       | 794.14          | 791.27       | 791.27        |             |
| 13 Reserves excluding Revaluation Reserves                   |               |              |                 |              | 4,986.33      |             |
| 14 Total Number of Equity Shares                             | 7,939,950     | 7,911,150    | 7,939,950       | 7,911,150    | 7,911,150     |             |
| 15 Earnings Per Share (Rs.)                                  |               |              |                 |              |               |             |
| Basic  | 2.93          | 1.37         | 5.19            | 2.67         | 9.30          |             |
| Diluted  | 2.88          | 1.35         | 5.11            | 2.63         | 9.15          |             |
| 16 Aggregate of Non-Promoter shareholding                    |               |              |                 |              |               |             |
| -Number of Shares  | 2,353,024     | 2,348,774    | 2,353,024       | 2,348,774    | 2,334,424     |             |
| -Percentage of Shareholding                                  | 29.64         | 29.69        | 29.64           | 29.69        | 29.51         |             |

**Segment Reporting**

|  | <b>Rs. In lacs</b>             |                               |                                 |                                 |                             |
|--|--------------------------------|-------------------------------|---------------------------------|---------------------------------|-----------------------------|
|  | Quarter Ended Sept<br>30, 2003 | Quarter Ended Sept<br>30,2002 | Half Year Ended Sept<br>30,2003 | Half Year Ended<br>Sept 30,2002 | Year Ended<br>March 31,2003 |
| <b>Revenue by Geographical Segment</b>                       |                                |                               |                                 |                                 |                             |
| India  | 350.86                         | 222.80                        | 721.53                          | 429.35                          | 1,104.46                    |
| Far East   | 562.55                         | 428.95                        | 1,037.00                        | 1,112.47                        | 1,888.98                    |
| Singapore  | 112.72                         | 634.37                        | 366.81                          | 1,149.94                        | 2,286.93                    |
| Others   | 353.94                         | 64.26                         | 435.93                          | 191.50                          | 791.80                      |
| Total  | 1,380.07                       | 1,350.38                      | 2,561.27                        | 2,883.26                        | 6,072.17                    |
| Less:- Inter Segment Revenue                                 | -                              | -                             | -                               |                                 |                             |
| Net Revenue From Operations                                  | 1,380.07                       | 1,350.38                      | 2,561.27                        | 2,883.26                        | 6,072.17                    |
| <b>Segment Profit / (Loss) before tax and interest</b>       |                                |                               |                                 |                                 |                             |
| India  | 7.72                           | (40.19)                       | 64.67                           | (85.58)                         | 40.49                       |
| Far East   | 287.14                         | 120.64                        | 417.38                          | 230.69                          | 442.36                      |
| Singapore  | 42.43                          | 178.41                        | 112.18                          | 410.32                          | 768.35                      |
| Others   | 44.60                          | 5.04                          | 61.70                           | 32.27                           | 220.97                      |
| Total  | 381.89                         | 263.90                        | 655.93                          | 587.70                          | 1,472.17                    |
| Add:- Other Income   | 22.06                          | 16.30                         | 55.12                           | 33.04                           | 73.16                       |
| Less:- Interest  | -                              | 2.52                          | 0.14                            | 14.26                           | 17.16                       |
| Less:- Other Unallocable Expenditure                         | 156.96                         | 193.11                        | 297.71                          | 295.57                          | 655.26                      |
| Operating Profit before Tax                                  | 246.99                         | 84.57                         | 413.20                          | 310.91                          | 872.91                      |
| Less :Prior Period Adjustments on account of Withholding tax | -                              | -                             | -                               | 148.98                          | 148.98                      |
| Other Prior period Adjustments                               | -                              | -                             | -                               | (78.56)                         | (78.56)                     |
| Other Unallocated Prior Period Adjustments                   | -                              | -                             | -                               | 39.65                           | 39.65                       |
| Provision for Taxation                                       |                                |                               |                                 |                                 |                             |
| -Current   | 5.00                           | 2.50                          | 20.00                           | 39.50                           | 108.22                      |
| -Deferred  | 9.84                           | (26.25)                       | (18.23)                         | (49.94)                         | (80.91)                     |
| Operating Profit After Tax                                   | 232.15                         | 108.32                        | 411.43                          | 211.28                          | 735.53                      |
| <b>Capital Employed (Refer Note 9 below)</b>                 | 6,231.53                       | 5,420.58                      | 6,231.53                        | 5,420.58                        | 5,791.29                    |

Notes: 1) The above quarterly and half year ended results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 18, 2003.

2) The Company has revised the estimated useful life of certain classes of fixed assets during the year ended March 31,2003. Since the effect of this revision in the books of account of the Company was given in last quarter of the year ended March 31,2003, the depreciation for the quarter and half year ended September 30,2002 was calculated based on old estimated useful lives of respective assets. However, if the effect of change in estimated useful life of the assets would have been given in the quarter and half year ended September 30,2002, the depreciation of that quarter and half year then ended would have been higher by Rs. 44.56 lacs and Rs. 117.77 lacs respectively.

- 3) During the quarter the paid up capital of the Company increased by Rs.288, 000 on allotment of 28,800 Equity Shares of Rs.10/- each, pursuant to exercise of stock options by employees.
- 4) While there were no investor complaints pending at the beginning of the quarter, 11 investor complaints were received during the current quarter and all these complaints have been resolved.
- 5) The Company has utilized the funds raised through preferential issue of equity shares in June 2001 in accordance with the objects stated in offer document.
- 6) The Company has got its Securities delisted from The Delhi Stock Exchange Association Ltd., The Stock Exchange Ahmedabad and The Jaipur Stock Exchange under applicable provisions of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003. Delisting application is pending with The Madras Stock Exchange Ltd.
- 7) These Accounts have been prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India ( ICAI).
- 8) Previous year/quarter's 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 currently not practicable to provide segment-wise disclosures relating to total assets and liabilities since a meaningful segregation of the available data is not possible.

**By order of the Board**

**Date: Oct 18, 2003**

**Place: NOIDA**

**Vishnu R Dusad  
Managing Director**