



Nucleus Software Exports Ltd.

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

Amt. (in Rs. lacs)

CONSOLIDATED FINANCIAL RESULTS OF NUCLEUS SOFTWARE EXPORTS LIMITED AND SUBSIDIARIES FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2006

Particulars	Quarter Ended		Nine Months Ended		Year Ended
	Dec. 31, 2006 UNAUDITED	Dec. 31, 2005 UNAUDITED	Dec. 31, 2006 UNAUDITED	Dec. 31, 2005 UNAUDITED	Dec. 31, 2006 AUDITED
1 Income from Software Services and Products	5,618.45	3,739.58	16,103.02	10,596.02	14,805.18
2 Software Development Expenses	3,168.13	2,185.96	9,292.48	5,866.84	8,050.05
3 Gross Profit	2,450.32	1,553.62	6,810.54	4,729.18	6,755.13
4 Selling and Marketing Expenses	553.38	278.14	1,275.51	870.15	1,174.60
5 General and Administration Expenses	329.24	268.81	923.15	694.42	1,067.61
6 Operating Profit before Interest, Depreciation and Withholding Taxes (3-4-5)	1,567.70	1,006.67	4,611.88	3,164.61	4,512.92
7 Depreciation	170.84	87.16	481.15	352.00	475.90
8 Withholding Taxes	125.02	98.61	342.01	230.93	323.76
9 Operating Profit after Interest, Depreciation and Withholding Taxes (6-7-8)	1,271.84	820.90	3,788.72	2,581.68	3,713.26
10 Other Income	159.13	136.04	477.47	261.00	306.66
11 Profit before Tax	1,430.97	956.94	4,266.19	2,842.68	4,019.92
12 Provision for Taxation					
- Current	20.00	57.38	93.37	185.46	269.72
- Fringe Benefit	21.84	12.60	44.94	29.60	42.71
- Deferred	(4.63)	5.37	7.19	9.54	14.34
- Earlier Year	-	-	0.86	-	(15.21)
13 Profit after Tax	1,393.76	881.59	4,119.83	2,618.08	3,708.36
14 Paid-up Equity Share Capital	1,611.78	1,610.63	1,611.78	1,610.63	1,610.63
15 Reserves excluding Revaluation Reserves	-	-	-	-	9,940.61
16 Earnings Per Share (Rs.) (Par value Rs.10/- each)					
Basic	8.65	5.47	25.57	16.27	23.04
Diluted	8.57	5.46	25.46	16.23	22.98
17 Aggregate of Non-Promoter shareholding (Unaudited)					
- Number of Shares	6,423,556	5,803,850	6,423,556	5,803,850	5,812,186
- Percentage of Shareholding	39.86%	36.04%	39.86%	36.04%	36.09%

Amt. (in Rs. lacs)

AUDITED FINANCIAL RESULTS OF NUCLEUS SOFTWARE EXPORTS LIMITED FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2006

Particulars	Quarter Ended		Nine Months Ended		Year Ended
	Dec. 31, 2006 AUDITED	Dec. 31, 2005 AUDITED	Dec. 31, 2006 AUDITED	Dec. 31, 2005 AUDITED	March 31, 2006 AUDITED
1 Income from Software Services and Products	3,830.34	2,249.31	10,450.56	6,748.86	9,436.78
2 Software Development Expenses	1,952.03	1,148.13	5,403.89	3,161.52	4,337.48
3 Gross Profit	1,878.31	1,101.18	5,046.67	3,587.34	5,099.30
4 Selling and Marketing Expenses	410.26	161.80	872.01	535.32	730.72
5 General and Administration Expenses	255.04	205.03	700.72	554.07	785.66
6 Operating Profit before Interest, Depreciation and Withholding Taxes (3-4-5)	1,213.01	734.35	3,473.94	2,497.95	3,582.92
7 Depreciation	131.69	65.73	376.17	291.57	392.93
8 Withholding Taxes	133.59	98.61	341.58	227.98	321.14
9 Operating Profit after Interest, Depreciation and Withholding Taxes (6-7-8)	947.73	570.01	2,756.19	1,978.40	2,868.85
10 Other Income	139.93	116.20	348.99	205.33	252.55
11 Profit before Tax	1,087.66	686.21	3,105.18	2,183.73	3,121.40
12 Provision for Taxation					
- Current	3.64	42.51	18.64	131.51	192.51
- Fringe Benefit	21.84	12.60	44.94	29.60	42.71
- Deferred	(4.63)	5.37	5.44	9.54	8.59
- Earlier Year	-	-	0.86	-	(15.21)
13 Profit after Tax	1,066.81	625.73	3,035.30	2,013.08	2,892.80
14 Paid-up Equity Share Capital	1,611.78	1,610.63	1,611.78	1,610.63	1,610.63
15 Reserves excluding Revaluation Reserves	-	-	-	-	8,456.13
16 Earnings Per Share (Rs.) (Par value Rs.10/- each)					
Basic	6.62	3.89	18.84	12.51	17.97
Diluted	6.56	3.88	18.76	12.48	17.93
17 Aggregate of Non-Promoter shareholding (Unaudited)					
- Number of Shares	6,423,556	5,803,850	6,423,556	5,803,850	5,812,186
- Percentage of Shareholding	39.86%	36.04%	39.86%	36.04%	36.09%

Segment Reporting

Amt. (in Rs. lacs)

Particulars	Quarter Ended		Nine Months Ended		Year Ended
	Dec. 31, 2006	Dec. 31, 2005	Dec. 31, 2006	Dec. 31, 2005	March 31, 2006
a) Revenue by Geographical Segment					
India	610.89	554.72	1,719.91	1,446.45	2,079.38
Far East	1,294.52	474.83	3,477.85	1,116.60	1,620.33
Singapore	339.78	620.17	972.74	1,906.71	2,417.21
Europe	231.95	285.01	1,045.48	1,175.63	1,600.25
USA	80.41	-	382.57	6.77	10.73
Others	1,272.79	314.58	2,852.01	1,096.70	1,708.88
Total	3,830.34	2,249.31	10,450.56	6,748.86	9,436.78
Less:- Inter Segment Revenue	-	-	-	-	-
Net Revenue From Operations	3,830.34	2,249.31	10,450.56	6,748.86	9,436.78
b) Segment Profit / (Loss) before Tax and Interest					
India	6.72	137.09	15.69	408.45	492.82
Far East	441.05	111.73	1,241.19	288.33	463.54
Singapore	150.83	274.73	445.91	901.33	1,172.67
Europe	102.96	123.53	477.38	547.34	770.85
USA	35.69	-	170.54	3.25	5.36
Others	564.99	129.67	1,287.03	509.54	828.62
Total	1,302.24	776.75	3,637.74	2,658.23	3,733.86
Add:- Other Income	139.93	116.20	348.99	205.33	252.55
Less:- Other Unallocable Expenditure	354.51	206.74	881.55	679.83	865.01
Operating Profit before Tax	1,087.66	686.21	3,105.18	2,183.73	3,121.40
c) Capital Employed (Refer Note 7 below)	13,135.92	9,832.54	13,135.92	9,832.54	10,074.34

Other Information (Nucleus Software Exports Limited)

Amt. (in Rs. lacs)

Particulars	Quarter Ended		Nine Months Ended		Year Ended
	Dec. 31, 2006	Dec. 31, 2005	Dec. 31, 2006	Dec. 31, 2005	March 31, 2006
Staff Cost	1,681.79	827.70	4,583.51	2,326.67	3,234.67
Item exceeding 10% of aggregate expenditure					
Travel Expenditure	359.03	332.49	937.79	971.96	1,261.37

Notes

- The above financial statements were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on January 22, 2007. There are no qualifications in the Auditors' report on these financial statements.
- During the quarter ended December 31, 2006, the Company granted 215,360 options to the eligible employees of the Company under ESOP Scheme (2002) and ESOP Scheme (2006). The Company also granted 150,000 options to Non-Executive Directors under ESOP (2006)
- There was no investor complaint pending at the beginning of the quarter. 8 new investor complaints were received and resolved during the current quarter and there was no investor complaint pending at the end of quarter.
- Effective April 1, 2006, the Company adopted the revised Accounting Standard 15 'Employee Benefits' issued by the Institute of Chartered Accountants India. Pursuant to the adoption, the transitional obligations of the Company amounted to Rs.99.81 lacs. As required by the Accounting Standard, this obligation has been recorded with the transfer of Rs.99.81 lacs from general reserves.
- These accounts have been prepared in accordance with applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).
- 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.

For Nucleus Software Exports Ltd.

By order of the Board

Sd/-

VISHNU R. DUSAD

Managing Director

Date: January 22, 2006

Place: NOIDA