



Nucleus Software Exports Limited

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

Financial Results for the Quarter and Year ended March 31, 2008

Amt. (In Rs. lacs)

Particulars	Consolidated				Standalone			
	Quarter Ended		Year Ended		Quarter Ended		Year Ended	
	March 31, 2008 UNAUDITED	March 31, 2007 UNAUDITED	March 31, 2008 AUDITED	March 31, 2007 AUDITED	March 31, 2008 AUDITED	March 31, 2007 AUDITED	March 31, 2008 AUDITED	March 31, 2007 AUDITED
1 Income from Software Products and Services	7,805.69	6,015.71	28,871.75	22,118.73	5,303.09	4,202.49	19,695.18	14,653.05
2 Software Development Expenses	4,617.94	3,218.12	17,451.44	12,510.60	2,767.26	1,949.90	10,992.84	7,353.79
3 Gross Profit (1-2)	3,187.75	2,797.59	11,420.31	9,608.13	2,535.83	2,252.59	8,702.34	7,299.26
4 Selling and Marketing Expenses	502.27	517.46	2,062.82	1,792.97	332.77	335.01	1,411.84	1,207.02
5 General and Administration Expenses	596.94	564.10	2,016.33	1,487.25	418.98	458.67	1,560.96	1,159.39
6 Operating Profit before Depreciation and Withholding Taxes (3-4-5)	2,088.54	1,716.03	7,341.16	6,327.91	1,784.08	1,458.91	5,729.54	4,932.85
7 Depreciation	323.69	206.53	1,184.64	687.68	222.65	143.65	810.18	519.82
8 Withholding Taxes	218.45	126.06	414.98	468.07	219.74	125.91	414.97	467.49
9 Operating Profit after Depreciation and Withholding Taxes (6-7-8)	1,546.40	1,383.44	5,741.54	5,172.16	1,341.69	1,189.35	4,504.39	3,945.54
10 Other Income	111.34	84.65	704.72	562.12	1,070.07	117.18	1,701.51	466.17
11 Profit before Tax (9+10)	1,657.74	1,468.09	6,446.26	5,734.28	2,411.76	1,306.53	6,205.90	4,411.71
12 Provision for Taxation	56.10	73.20	272.34	219.56	5.88	51.66	128.96	121.54
13 Profit after Tax (11-12)	1,601.64	1,394.89	6,173.92	5,514.72	2,405.88	1,254.87	6,076.94	4,290.17
14 Paid-up Equity Share Capital	3,236.85	1,616.18	3,236.85	1,616.18	3,236.85	1,616.18	3,236.85	1,616.18
15 Reserves excluding Revaluation Reserves	18,295.07	14,903.13	18,295.07	14,903.13	15,593.62	12,156.97	15,593.62	12,156.97
16 Earning Per Share* (Rs.) (Par value Rs.10/- each)								
Basic	4.95	4.32	19.08	17.09	7.43	3.89	18.78	13.29
Diluted	4.91	4.30	18.93	16.99	7.37	3.84	18.63	13.22
17 Public Shareholding								
- Number of Shares	13,092,834	6,499,602	13,092,834	6,499,602	13,092,834	6,499,602	13,092,834	6,499,602
- Percentage of Shareholding	40.45%	40.22%	40.45%	40.22%	40.45%	40.22%	40.45%	40.22%

* Adjusted for Bonus Shares in the ratio of 1:1 allotted on 8th August 2007 as per Accounting Standard 20 (AS-20) on Earning per share.

Segment Reporting (Standalone)

Amt. (In Rs. lacs)

Particulars	Amt. (In Rs. lacs)			
	Quarter Ended March 31, 2008	Quarter Ended March 31, 2007	Year Ended March 31, 2008	Year Ended March 31, 2007
a) Revenue by Geographical Segment				
India	778.23	827.93	3,370.00	2,547.84
Far East	2,517.94	1,335.88	8,177.35	4,813.73
Singapore	292.48	348.19	1,297.47	1,320.93
Europe	374.95	328.40	1,541.01	1,373.88
USA	11.35	84.22	116.43	466.79
Others	1,328.14	1,277.87	5,192.92	4,129.88
Total	5,303.09	4,202.49	19,695.18	14,653.05
Less:- Inter Segment Revenue	-	-	-	-
Net Revenue From Operations	5,303.09	4,202.49	19,695.18	14,653.05
b) Segment Profit / (Loss) before Tax and Interest				
India	60.09	27.00	387.40	42.69
Far East	1,085.05	519.17	3,590.38	1,760.36
Singapore	16.89	168.14	110.05	614.05
Europe	191.62	158.57	903.38	635.95
USA	8.41	40.67	(23.83)	211.21
Others	483.59	617.07	1,403.89	1,904.10
Total	1,845.65	1,530.62	6,371.27	5,168.36
Add:- Other Income	1,070.07	117.18	1,701.51	466.17
Less:- Other Unallocable Expenditure	503.96	341.27	1,866.88	1,222.82
Operating Profit before Tax	2,411.76	1,306.53	6,205.90	4,411.71
c) Capital Employed (Refer Note 15 below)	18,708.68	13,845.28	18,708.68	13,845.28

NOTES:

- The above financial statements were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on April 26, 2008 and April 27, 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. 8 new investor complaints/requests were received and resolved during the current quarter and there was no investor complaint pending at the end of quarter.
- During the year ended March 31, 2008, the Company allotted 24,400 fully paid up equity shares of Rs. 10/- each in pursuance of the stock options exercised in July 2007 and October 2007. Out of 24,400 shares 2,700 shares were allotted to the employees and 21,700 shares were allotted to the Non-Executive Directors in pursuance of the stock options exercised.
- The Board of Directors recommended a Final Dividend of Rs. 3/- per share (30% on equity share of par value of Rs. 10/-) at their Board meeting held on April 27, 2008. The payment is subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.
- The Finance Act, 2007 included Fringe Benefit Tax ("FBT") on Employee Stock Options Plan (ESOPs). FBT liability crystallizes on the date of exercise of stock options. During the year ended March 31, 2008, 2,700 equity shares were issued pursuant to the exercise of stock options by employees under ESOP 2002 Scheme. FBT on exercise of stock options has been paid by the company and subsequently recovered from the employees. Consequently, there is no impact on the profit and loss account.
- At the Annual General Meeting held on July 6, 2007, the shareholders approved 1:1 bonus issue for all shareholders, i.e. one additional equity share for every one existing share held by the members by capitalising a part of the reserves. The bonus shares were subsequently issued.
- The Company received Interim dividend of Rs. 10 crore from Virstra - I Technology Services Limited, a wholly owned subsidiary, on February 9, 2008.
- Pursuant to the Institute of Chartered Accountants of India ("ICAI") Announcement "Accounting for Derivatives" on the early adoption of Accounting Standard (AS) 30 "Financial Instruments: Recognition and Measurement", the Company has early adopted the standard for the year under review, to the extent that the adoption does not conflict with existing mandatory accounting standards and other authoritative pronouncements, Company Law and other regulatory requirements.
- Nucleus Software Solutions Pte. Ltd. Singapore; Nucleus Software Inc., USA; Nucleus Software Japan Kabushiki Kaiga, Japan; Nucleus Software (Australia) Pty Ltd., Australia; Nucleus Software (HK) Ltd., Hongkong; VirStra i-Technology Services Ltd., India; Nucleus Software Netherlands BV, Netherlands and VirStra i-Technology (Singapore) Pte. Ltd. are subsidiary companies and their results are consolidated. These Financial Statements have been prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as prescribed in the Accounting Standard on consolidated financial statement prescribed in the Companies (Accounting Standard) Rules 2006.
- In the month of April 2008, the Company has incorporated a wholly-owned subsidiary, Nucleus Software Limited in India, as a part of expansion plans.
- The Company has entered into a MOU with a renowned developer for 17 acres of land in a notified SEZ in Jaipur.
- Pursuant to the changes in the Indian Income Tax Act, 1961, the Company has calculated its tax liability after considering Minimum Alternate Tax (MAT). A sum of Rs.541 Lacs is carried forward and shown under Loans and Advances in the Balance Sheet as at March 31, 2008 to be set off against future tax liabilities.
- Provision for taxation includes current tax, deferred tax, fringe benefit tax and income tax for earlier years.
- 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
CEO & Managing Director

Date: April 27, 2008

Place: NOIDA