Nucleus Software Exports Limited

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

Financial Results for the Quarter and Nine Months Ended December 31, 2008

Amt. (in Rs. Lacs)

	Particulars	Consolidated					Standalone				
		Quarter Ended December 31		Nine Months Ended December 31		Year Ended March 31	Quarter Ended December 31		Nine Months Ended December 31		Year Ended March 31
		2008 Unaudited	2007 Unaudited	2008 Unaudited	2007 Unaudited	2008 Audited	2008 Audited	2007 Audited	2008 Audited	2007 Audited	2008 Audited
1	**Income from Software Products and Services**	**8,423.72**	**7,363.82**	**24,259.10**	**21,066.06**	**28,871.75**	**5,181.67**	**4,838.19**	**15,421.86**	**14,392.10**	**19,695.18**
2	Software Development Expenses	5,417.39	4,346.75	16,317.42	12,833.50	17,451.44	3,101.13	2,743.74	9,570.61	8,225.58	10,992.84
3	**Gross Profit (1-2)**	**3,006.33**	**3,017.07**	**7,941.68**	**8,232.56**	**11,420.31**	**2,080.54**	**2,094.45**	**5,851.25**	**6,166.52**	**8,702.34**
4	Selling and Marketing Expenses	660.65	633.12	2,083.35	1,560.55	2,095.12	425.45	459.83	1,377.07	1,079.07	1,411.84
5	General and Administration Expenses	824.62	533.36	2,078.47	1,419.39	1,984.03	590.99	436.32	1,606.00	1,141.98	1,560.96
6	**Operating Profit before Interest, Depreciation and Withholding Taxes (3-4-5)**	**1,521.06**	**1,850.59**	**3,779.86**	**5,252.62**	**7,341.16**	**1,064.10**	**1,198.30**	**2,868.18**	**3,945.47**	**5,729.54**
7	Depreciation	318.82	314.95	1,013.63	860.95	1,184.64	264.48	221.49	742.79	587.53	810.18
8	Withholding Taxes	247.38	86.52	617.41	196.53	414.98	247.38	91.39	617.41	195.24	414.97
9	**Operating Profit after Interest, Depreciation and Withholding Taxes (6-7-8)**	**954.86**	**1,449.12**	**2,148.82**	**4,195.14**	**5,741.54**	**552.24**	**885.42**	**1,507.98**	**3,162.70**	**4,504.39**
10	Foreign Exchange Gain/(Loss)	(107.40)	53.09	(901.44)	90.60	(20.68)	(128.33)	15.90	(1,062.71)	246.17	213.78
11	Other Income	386.85	78.91	1,168.32	502.78	725.40	291.04	80.13	1,435.23	385.27	1,487.73
12	**Profit before Tax (9+10+11)**	**1,234.31**	**1,581.12**	**2,415.70**	**4,788.52**	**6,446.26**	**714.95**	**981.45**	**1,880.50**	**3,794.14**	**6,205.90**
13	Provision for Taxation	179.05	28.45	150.19	216.24	272.34	133.58	(21.85)	114.20	123.07	128.96
14	**Profit after Tax (12-13)**	**1,055.26**	**1,552.67**	**2,265.51**	**4,572.28**	**6,173.92**	**581.37**	**1,003.30**	**1,766.30**	**3,671.07**	**6,076.94**
15	Paid-up Equity Share Capital (Par value Rs.10 each)	3,237.15	3,236.85	3,237.15	3,236.85	3,236.85	3,237.15	3,236.85	3,237.15	3,236.85	3,236.85
16	Reserves excluding Revaluation Reserves	–	–	–	–	18,295.07	–	–	–	–	15,593.62
17	**Earnings Per Share (Rs.) (Par value Rs.10 each)**										
	Basic	3.26	4.80	7.00	14.13	19.08	1.80	3.10	5.46	11.35	18.78
	Diluted	3.26	4.74	6.99	13.97	18.93	1.80	3.06	5.45	11.21	18.63
18	**Public Shareholding**										
	– Number of Shares	13,093,034	13,091,834	13,093,034	13,091,834	13,092,834	13,093,034	13,091,834	13,093,034	13,091,834	13,092,834
	– Percentage of Shareholding	40.45%	40.45%	40.45%	40.45%	40.45%	40.45%	40.45%	40.45%	40.45%	40.45%

Segment Reporting (Standalone)

Amt. (in Rs. Lacs)

	Particulars	Quarter Ended December 31		Nine Months Ended December 31		Year Ended March 31
		2008	2007	2008	2007	2008
a)	**Revenue by Geographical Segment**					
	India	932.89	871.52	2,713.45	2,591.76	3,370.00
	Far East	1,961.85	2,158.67	6,317.54	5,659.41	8,177.35
	Singapore	388.27	255.82	980.83	1,005.00	1,297.47
	Europe	551.30	214.60	1,662.38	1,166.06	1,541.01
	USA	4.37	34.39	13.30	105.08	116.43
	Others	1,342.99	1,303.19	3,734.36	3,864.79	5,192.92
	Total	**5,181.67**	**4,838.19**	**15,421.86**	**14,392.10**	**19,695.18**
	Less:- Inter Segment Revenue	–	–	–	–	–
	Net Revenue From Operations	**5,181.67**	**4,838.19**	**15,421.86**	**14,392.10**	**19,695.18**
b)	**Segment Profit / (Loss) before Tax and Interest**					
	India	176.59	136.16	373.74	313.03	387.40
	Far East	262.34	662.76	1,090.95	1,906.95	3,590.38
	Singapore	63.11	89.37	222.91	378.21	110.05
	Europe	305.54	74.97	838.29	439.62	903.38
	USA	2.71	12.01	0.59	39.20	(23.83)
	Others	156.39	455.28	369.63	1,448.61	1,403.89
	Total	**966.68**	**1,430.55**	**2,896.11**	**4,525.62**	**6,371.27**
	Add:- Foreign Exchange Gain/(Loss)	(128.33)	15.90	(1,062.71)	246.17	213.78
	Add:- Other Income	291.04	80.13	1,435.23	385.27	1,487.73
	Less:- Other Unallocable Expenditure	414.44	545.13	1,388.13	1,362.92	1,866.88
	Operating Profit before Tax	**714.95**	**981.45**	**1,880.50**	**3,794.14**	**6,205.90**
c)	Capital Employed (Refer Note 7 below)	20,495.18	17,616.30	20,495.18	17,616.30	18,898.01

Other Information (Standalone)

Amt. (in Rs. Lacs)

Particulars	Quarter Ended December 31		Nine Months Ended December 31		Year Ended March 31
	2008	2007	2008	2007	2008
Staff Cost	2,834.52	2,247.15	8,513.65	6,813.31	9,282.62
Items exceeding 10% of aggregate expenditure					
Travel Expenditure	399.61	454.60	1,300.00	1,242.53	1,650.87
Details of other income:					
Interest received	134.53	1.57	139.18	5.50	9.29
Dividend received from non-trade investments	47.59	47.54	135.85	100.12	164.31
Dividend received from Subsidiary Company	–	–	425.00	–	1,000.00
Profit on sale of investments (net)	104.34	12.56	669.89	246.25	248.33
Provisions written back	–	–	53.00	–	–
Miscellaneous Income	4.58	18.46	12.31	33.40	65.80
Total	**291.04**	**80.13**	**1,435.23**	**385.27**	**1,487.73**

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 January 17, 2009 & January 18, 2009. There are no qualifications in the Auditors' Report on these financial statements.

2) There were nil investor complaints / requests pending at the beginning of the quarter. 23 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) Mr. Janki Ballabh has been appointed as an Additional Director on the Board with effect from November 15, 2008. He takes over the Chairmanship from Lt. Gen. T. P. Singh (Retd.), who relinquished office on November 15, 2008, consequent to his resignation from Directorship of the Company due to his advancing age.

4) The Company has calculated its tax liability after considering Minimum Alternate Tax (MAT). A sum of Rs. 593 Lacs is carried forward and shown under Loans and Advances in the Balance Sheet as at December 31, 2008 to be set off against future tax liabilities.

5) Provision for taxation includes current tax, deferred tax, fringe benefit tax and wealth tax.

6) Previous period / year figures have been regrouped / reclassified, wherever necessary.

7) 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 the meaningful segregation of the available data is not possible.

For Nucleus Software Exports Ltd.

By order of the Board

Sd/-

Date: January 18, 2009

Place: NOIDA

VISHNU R. DUSAD

CEO & Managing Director