

# Nucleus Software Exports Limited: Results for quarter and year ending March 2006

**Nucleus Software Revenues surge to an all time high of Rs. 148 crore**

**Nucleus increases client portfolio & Global footprint.**

**India, New Delhi, April 27th, 2006** -- Nucleus Software Exports Limited (NSE: NUCLEUS), a leading global provider of next generation software products for banking and financial sector, today announced its Q4 and year ended March 31, 2006 results. For the year ended March 31, 2006, Consolidated revenue has increased by 43.54% to Rs. 148.05 crore from Rs. 103.14 crore in the previous year. Net profit after tax (PAT) increased to Rs. 37.09 crore as compared to Rs. 20.75 crore in the previous year.

Consolidated revenue for the quarter ending 31st March 2006 increased by 35.69 % to Rs 42.09 crore as compared to Rs. 31.02 crore for the corresponding quarter of the previous year. Net Profit after Tax (PAT) increased to Rs. 10.90 crore as compared to Rs. 8.54 crore for the corresponding quarter in the previous year.

## **Highlights: Results for year ending March 31, 2006**

- Consolidated revenue from software products and software development services up by 43.54 % in comparison to the corresponding year
- Net Profit After Tax (PAT) for the year increased by 78.75 % in comparison to previous year
- Earning per share for the year increased to Rs 23.04 against Rs12.90 for the previous year
- Dividend recommended at 35 % (Rs 3.50 per share)

## **Other Key Information**

- 24 customers added this year, taking the total number to 120
- Won 18 new product orders for 38 modules
- Added 150 employees taking the total to 1068

### Highlights: Results for quarter ending March 31, 2006

- Consolidated revenue increased by 35.69 % as compared to corresponding quarter of the previous year.
- Net Profit after Tax increased by 27.78 % as compared to corresponding quarter of the previous year.
- Earning per share for the quarter increased to Rs 6.77 against Rs 5.31 for the corresponding quarter of the previous year.

### Key Highlights

- 24 new clients added to the portfolio this year taking the total to 120. Total number of product modules are 250 implemented till date in over 20 countries. Orders in hand for product business will see implementations of another 100 modules in over 50 countries. Total coverage by 2008 to be 350 modules in over 80 countries with existing orders in hand.
- Successful run on product business. 18 new product orders won for implementing 38 modules of FinnOne™ and Cash@Will product range. Orders are from Australia / UAE / Nigeria / Philippines / Japan / Indonesia / Malaysia / India.
- Leading banks in UAE / Philippines and India chose Nucleus Software FinnOne™.
- Leading banks in Malaysia / Singapore and India chose [Cash@Will](#).
- FinnOne™ ranked No 8 in Global Sales by IBS Publishing, London.
- Received an 'Award for Excellence in Financial Reporting ', by the Institute of Chartered Accountants of India (ICAI), based on the Annual Report and Accounts for the year ended March 31, 2005.
- Increased headcount by 150 people in the year.
- Inaugurated the second phase of campus.
- Netherlands subsidiary launched.

"This year's solid results, highlighted by record net income and continued order growth across our software banking solutions indicates our continued product leadership and solid market momentum," said Vishnu R. Dusad, Managing Director, Nucleus Software Exports Limited.

## Significant Investment Plans

- Investment of Rs 20 crores in infrastructure is proposed with the launch of the third phase in the Noida Campus. The facility will be a 800 + seat state of the art complex.
- Aggressively increasing headcount by 500 people in the coming year. 100 people to be added to in product management group to enhance products to leadership position.

## Expansion of services & significant Projects :

- FinnOne™ lending now covers almost 70% of the Retail Business in India . One of the implementations has created a benchmark by volumes. (6 million cutomers /3500 concurrent users).
- FinnOne™ has made significant gains in Middle East. Four of the top10 banks in UAE have chosen to implement FinnOne™ Lending for Retail Operations.
- FinnOne™ Loan and Customer Aquisition System has made significant win in Middle East, Philippines and India.
- [Cash@will](#) - Cash management System made gains in Malaysia, Singapore and India.
- Project Business with our leading relationships grew significantly and expanded into many more new areas. Some of the projects implemented with a leading bank now cover 100+ countries.
- Japan business continues to grow and expand into new customers /domains and areas.

## Partnerships and Alliances:

In Year 05 - 06, Nucleus Software continued to enrich its strategic relationships with key partners across industry verticals and geographies and adding new members to the Partner's family.

Nucleus Software successfully maintained the highest level of global worldwide partnerships with technology giants like HP, IBM, Intel & Oracle. Nucleus Software attained the Principal Partner status of Sun Microsystems. It is the penultimate level of partnership with Sun on a global level. Nucleus Software inked the global alliance with Red Hat Enterprise Ltd. for Linux enablement. This Strategic Alliance fuelled the vision of "Establishing Nucleus Software as an end-to-end service provider for banking & financial services industry. This year saw a lot of marketing initiatives in terms of Lead **generation campaigns, Events, PR, Advertising create a huge mindshare & demand for Nucleus products**

**worldwide.** Nucleus Software FinnOne™ suite of product was certified & tested on latest Sun, HP, IBM & Oracle platforms. In terms of technology enablement, Nucleus was termed the most innovative ISV to test & adopt novel technologies like Oracle's Fusion Middleware, Sun's Niagara processors, IBM P5 processors, HP's Integrity & Itanium processors. Nucleus Software was felicitated by Oracle Corporation for developing Outstanding Middleware Solution on Oracle Platform.

This year also saw unfolding of Nucleus Partnership Program for channel partners & associate partners. Nucleus added a slew of channel partners to expand its reach globally in APAC, Europe & Middle East.

### **Achievements & Recognitions:**

This year Nucleus Software' flagship product FinnOne™ got a significant ranking amongst World's Top 8th Back office Banking Solutions as per the new report released by International Banking Systems (IBS)\*, UK for the year 2005. The ranking is based on the number of sales of the product during the calendar year.

FinnOne™ has the distinction of being one of the leading universal banking solution and has 120 customers spanning 4 continents, many of which are leading financial institutions, including GE Capital, Citibank N.A, American Express Bank, Bank of America, BNP Paribas, Standard Chartered Bank, Shinsei Bank, HDFC Bank, General Motors Acceptance Corporations (GMAC), Tokyo Star Bank amongst others.

"This recognition bears testimony to our commitment of empowering financial institutions globally, the immense faith of our customers, partners and employees. Such acknowledgements strengthen our belief in our own capability to continuously redefine performance standards", said Vishnu R. Dusad, Managing Director, Nucleus Software Exports Limited.

### **Outlook**

Nucleus Software will continue to focus on development of its niche banking solutions. Nucleus has established itself as a leading provider of Retail banking and Cash management solutions. Going by the market trend, the company sees immense demand for such niche products in the global banking industry.

Nucleus Software today has expanded its footprint in all continents securing new client engagements. The company will continue to focus on globalization and broad-basing its business in various geographies of the world, by creating partners and alliances.

### Primary objective in coming fiscal:

Nucleus Software will continue to focus on development of its niche banking solutions. The company will also continue to focus on globalization and broad-basing its business in various geographies, by creating adequate infrastructure/capacity and talent.

### About Nucleus Software Exports Limited

Nucleus Software, established in 1986, has been providing innovative & pioneering Products & Customized Software Solutions with focus on the Banking & Financial services Sector. With Global Presence & development centers, Nucleus Software has developed solutions in Retail banking, Corporate banking, Credit Card, CRM, ATM, FX Trading, Credit Appraisal, Cash Management, Trade Finance, Workflow, EAI, Relationship Banking, E-Commerce, M-Commerce.

Nucleus Products:

- The FinnOne™ Suite
  - Loan Origination System (Application Processing System)
  - CAS (Customer Acquisition System)
  - Lending (Loan Management System)
  - LiquiDeposits (Deposits Management System)
  - FAS (Finance Against Securities)
  - Collections (Delinquency Management)
  - General Ledger (Financial Accounting System)

Other products

- Cash@Will (Cash Management System)
- ccAPS (Credit Card Application Processing System)
- FMS (Fraud Management System)
- PowerCARD® (Credit Card System)

**Some of the recent accolades won by Nucleus Software are:**

- **IBS Publishing**, London, ranks Nucleus Software as the 8th highest seller in Global Banking Back office Systems for the Year **2005**.
- Nucleus Software received the award for "**Excellence in Financial Reporting**" by the **Institute of Chartered Accountants of India (ICAI)** for the year **2005**.

- Nucleus Software received Asia Pacific Level Technology Award from Oracle for developing “Outstanding Oracle Fusion Middleware Solution”(2005).

Nucleus Software is a Level 5 SEI – CMM Company & enjoys strong business relationships with leading multinational players. Nucleus list of clients include General Motors Acceptance Corporation, American Express Bank, Bank of America, Arab National Bank, GE Capital, Standard Chartered Bank, Citibank, BNP Paribas, Citifinancials, ICICI Bank, RAK Bank to name a few.

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\*About International Banking Systems (IBS)

The IBS Sales League Table is compiled by IBS Publishing, UK based on a worldwide survey of sales of banking solutions to new named banking wins in the calendar year including Commercial, Retail and Private banking solutions. IBS is an independent research and publishing house dedicated to the wholesale, retail and private banking systems market. This survey is increasingly recognized globally as the only one of its kind that independently tracks the financial products marketplace. IBS is known for their objective coverage of the financial services systems market, cutting through supplier hype, with investigative news, features and surveys.

