



Press Release  
October 17<sup>th</sup>, 2005

## Nucleus Software's Revenue for Q 2 Up by 48.10%

Revenue for the half year increases by 52.21%

**INDIA, New Delhi, October 17<sup>th</sup>, 2005** -- Nucleus Software Exports Limited (NSE: NUCLEUS), a leading global provider of next generation software products for banking and financial sector, today announced its Q2 results. Consolidated revenue for the quarter ending 30th September 2005 increased by 48.10 % to Rs 35.72 crore as compared to Rs. 24.12 crore for the corresponding quarter of the previous year. Net Profit after Tax (PAT) increased to Rs 8.78crore as compared to Rs.3.39 crore for the corresponding quarter in the previous year.

For the half year ending September 30, 2005, consolidated revenue has increased by 52.21 % to Rs. 68.56 crore from Rs.45.04 crore in the corresponding half-year period in the previous year. Net Profit after tax (PAT) increased to Rs. 17.36 crore as compared to Rs.6.33 crore in the corresponding half-year period in the previous year

### Major Highlights:

#### Quarter ended 30th September 2005

- Consolidated revenue increased by 48.10% as compared to corresponding quarter of the previous year.
- Net Profit after Tax increased by 159.19% as compared to corresponding quarter of the previous year.
- EPS for the quarter increased to Rs 5.45 from Rs. 2.11

#### Half Year ended 30th September 2005

- Consolidated revenue increased by 52.21 % as compared to corresponding quarter of the previous year.
- Net Profit after Tax increased by 174.49 % as compared to corresponding half year of the previous year.
- EPS for the half year increased to Rs 10.79 from Rs 3.94 for the corresponding half year of the previous year

### Other Key Information

- 6 customers added this quarter, taking the total number to 105.
- Won 5 new product orders for flagship product FinnOne™ and [Cash@will](#).
- Added 54 employees taking the total to 989.

**Commenting on the company's results, Vishnu Dusad, Managing Director, Nucleus Software Exports Limited** said, "Our undivided focus on creating Intellectual property for BF sector is establishing Nucleus Software as a leading global player in the products area. We have had substantial wins in the products business from Japan, South East Asia, India and Middle East in this quarter. Our products are now implemented in over 20 countries and with the orders in hand we would see this figure cross 50 countries over the next 3 years. We are committed to creating shareholder value on a sustained basis with the highest level of customer satisfaction index."

### Expansion of services and significant projects:

Nucleus Software has established itself as a leading global end to end provider of banking products and solutions with strong domain niche in Retail Finance / Cash Management and Credit cards area. With 200 plus products successfully implemented, Nucleus Software has attained significant market acceptance globally. The Company is optimistic on its products business and foresees increasing demand for such niche products. The company continues to focus and invest on development of niche banking products.

The following press announcements were made on products business during the quarter.

Nucleus announced a major global deal with **Arab Bank, Jordan** to implement Nucleus' Loan Originating System (LOS), Collections and Lending Solution for Retail and Corporate Customers. The bank has chosen Nucleus Software's flagship product for a **global implementation, across five continents and 400 branches**. Based on a web-based module, LOS will act as a front end to lending systems of Arab bank.

Nucleus also announced its foray into the home finance market by signing an agreement to implement complete end-to-end, housing finance solution at **BHW Birla Home Finance Ltd**. The FinnOne™ suite (Los, Lending, Collections, General Ledger, Deposits) would be implemented across 42 offices plus it's satellite reach within India. FinnOne™ will offer BHW Birla a comprehensive business solution for it's pan India operations in the housing finance space.

### New Client orders

During the quarter Nucleus added 6 clients in and further strengthened its' relationship with 105 clients worldwide.

Nucleus bagged significant product orders from two of the **top leading Banks in UAE for FinnOne™ Retail – LOS / Lending and Collections**.

Nucleus also announced two major wins in India for cash management Business; **the first from one of India's largest public sector bank**, where Nucleus will be deploying its cash management solution. The second is from one of India's largest private sector banks for implementing the complete Cash management system (Cash@Will). Both these banks control substantial market share in India. These were announced in earlier quarters but the scope of the project has been increased substantially to implement the full Cash management solution.

**One of the leading Private bank in India** will be implementing Nucleus' FinnOne™ Collections product to automate debt collection for retail banking operations.

One of the World's largest bank will be implementing "Finance Against Securities" product for loans against shares.

A leading mortgage company in Japan will be implementing "FinnOne™ Housing / Mortgage and General Ledger".

### Achievements & Recognitions:

FinnOne™ has the distinction of being one of the leading universal banking solution and has 105 customers spanning 5 continents, many of which are leading financial institutions, including GE Capital, Citibank N.A, American Express Bank, Bank of America, BNP Paribas, Development Bank of Singapore, ICICI Bank, Standard Chartered Bank, Shinsei Bank, HDFC Bank, General Motors Acceptance Corporations (GMAC), Tokyo Star Bank ,Salomon Smith Barney ,UBS amongst others.

Nucleus' flagship product FinnOne™ got a significant ranking amongst World's Top 10 Back office Banking Solutions as per the report released by International Banking Systems (IBS)\*, UK for the year 2004. The ranking is based on the number of sales of the product during the calendar year. Other accolades received by Nucleus are:

- Nucleus Software received Asia Pacific Level Technology Award from Oracle for developing **Outstanding Oracle Fusion Middleware Solution**.
- Nucleus Software has been awarded amongst the **fastest growing companies** in top 250 fastest growing technology companies in **Asia Pacific** by Deloitte for the third consecutive year.
- Nucleus Software received the award for "**Outstanding Contribution in Tech Adoption**" by Sun Microsystems.
- Nucleus Software received the award for "**Most Innovative ISV to build scalable solutions on Oracle platform**".
- Nucleus Software received the award for "**Building World Class Loan Management Solution**" by Oracle Corporation.
- Nucleus ranked amongst the "**Top 5 product companies**" by NASSCOM (National Association of Software and Service companies, India).

### About Nucleus Software Export 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 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

- CAS (Customer Acquisition System)
- LOS (Loan Origination system)
- ccAPS (Credit Card Application Processing System)
- Lending (Loan Management System)
- LiquiDeposits (Deposits Management System)

- FAS (Finance Against Securities)
- Collections (Delinquency Management)
- General Ledger (Financial Accounting System)

**Other Products**

- ReQueST (Query Logging & Tracking System)
- Integrator (Middleware Solution)
- @ware (Alert Management and Mobile Banking System)
- Cash@Will (Cash Management System)
- FMS (Fraud Management System)

**FOR FURTHER INFORMATION, PLEASE CONTACT**

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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.

