



Nucleus Software announces a 33.96% increase in Q1 revenue

INDIA, New Delhi, July 25, 2007 -- Nucleus Software Exports Limited (NSE: NUCLEUS), today announced its Q1 results for financial year 2007-2008. Nucleus Software's consolidated revenue for the quarter ending 30th June 2007 increased by 33.96 % to Rs. 66.66 crore as compared to Rs 49.76 crore for the corresponding quarter of the previous year. Net Profit after Tax (PAT) increased by 4.54 % to Rs. 14.01 crore as compared to Rs. 13.40 crore for the corresponding quarter in the previous year.

Major Highlights:

Quarter ended 30th June 2007

- Consolidated revenue at Rs. 66.66 crore from software products and software development services increased by 33.96 % in comparison to Rs. 49.76 crore in the corresponding quarter of the previous year.
- Product business revenue for the quarter at Rs. 44.17 crore increased by 82.67 % in comparison to Rs. 24.18 crore in the corresponding quarter of the previous year.
- Projects & Services business revenue for the quarter at Rs. 22.48 crore decreased by 12.12% in comparison to Rs. 25.58 crore in the corresponding quarter of the previous year.
- EBIDTA at Rs. 14.82 crore increased by 2.84% in comparison to Rs. 14.42 crore in the corresponding quarter of the previous year.
- Net Profit After Tax (PAT) at Rs. 14.01 crore increased by 4.54 % as compared to Rs. 13.40 crore for the corresponding quarter of the previous year.
- Earning Per Share for the quarter increased to Rs. 8.67 from Rs. 8.32 as compared to corresponding quarter of the previous year.
- **Other Key Information**
- 6 customers added this quarter
- Won 8 new product orders for flagship product FinnOne™ Suite

- Added 39 new employees taking the total global strength of employees to 1571

Vishnu R Dusad, CEO & Managing Director, Nucleus Software Exports Limited said " Our first quarter results this year showcases our consistent growth and expansion across the globe."

Expansion of services and significant projects:

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.

New Client Orders:

During the quarter, we won 8 new product orders for 23 product modules as well as added 6 new customers. Orders for product business were bagged from a leading financial institution in Dubai; a leading bank in South East Asia and from other banking and financial institutions in India.

"Growing world economy continues to boost the growth of Retail Banking market. All banks including the large as well as small banks understand the need of investment in technology and this provides a great scope for banking software solution providers like us to explore and capture new banking markets across the globe." added Mr. Dusad.

Outlook

As per market trends available, the company sees immense demand for niche products in the global banking industry. The new and replacement market for retail banking systems is gaining momentum globally as consumer demand surges and Nucleus has a wide array of products to cater to this market. Also, Cash Management area is seeing a very large demand in Asia Pacific and Nucleus Software is well positioned to address this market.

Nucleus will continue to focus and strive to gain increase in market share in retail lending and cash management area globally with focus on sales / marketing / quality delivery /speedy implementation and focus on R&D.

Accolades/Awards

- Nucleus Software' flagship FinnOne™ was ranked as the **No. 1 best selling lending software** for year 2006 by IBS publishing, the UK based financial consultant reporting on banks, their advisors and other financial institutions.
- Nucleus selected amongst the top 25 companies adopting “**Good Corporate Governance Practices**” by the Institute of Company Secretaries of India for 2006.
- Nucleus Software was conferred as **Partner of the year, 2007**- Fastest Growth in ISV by Oracle Corporation
- Nucleus Software is ranked **13th best employer** by IDC – Dataquest survey (2006)
- Annual Report for the financial year 2005 received 'Merit Award' for “Best Presented Accounts Award”, in January 2007 by the South Asian Federation of Accountants for the year 2005 in the Category of 'Communication and Information Technology Sector’.
- Nucleus Software received Asia Pacific Level Technology **Award from Oracle for developing Outstanding Oracle Fusion Middleware Solution**”(2005).

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 Cards, CRM, ATM, FX, Credit Appraisal, Cash Management, Workflow, EAI, Relationship Banking, E-Commerce, M-Commerce, MIS ,BASEL II, Management dashboards etc. Nucleus Software is a Level 5 SEI – CMM Company & enjoys strong business relationships with leading multinational players.

The FinnOne™ Suite

- FinnOne™ Customer Acquisition System (CAS)
- FinnOne™ Loan management System (LMS)
- FinnOne™ Collections
- FinnOne™ General Ledger
- FinnOne™ Deposits
- FinnOne™ Finance Against Securities (FAS)

Other products

- Cash@Will (Cash Management System)

- BankONet (Internet & Mobile Banking)

About FinnOne™ Suite:

FinnOne™ is an integrated suite of applications designed to support the whole spectrum of business offerings of Banks and Financial Solutions companies. **FinnOne™ CAS** automates and manages the complete application processing flow for Retail/ Corporate Financing as well as Cards, allowing banks to integrate the different touch-points in their supply chain for acquisition prospecting and pre-disbursal processing. **FinnOne™ LMS**, a software module of the **FinnOne™ suite**, built with the objective of providing operational and decision-making support to all the asset side business lines assists in introducing new product offerings and tailor made schemes, reducing time-to-market and automating processes within the retail loan space. The **FinnOne™ Collections** system managing the entire collections focuses on tracking and managing delinquent customers; helping organizations in minimizing delinquencies through a series of proactive actions and tighter supervision. A unique platform that comes loaded with add-on modules, supporting any phase of distressed receivables lifecycle and enabling powerful recovery management.

FOR FURTHER INFORMATION, PLEASE CONTACT

Niraj Vedwa

Head – Global Sales & Marketing

Nucleus Software

Phone – 91-9810071075

niraj@nucleussoftware.com

Ruchika Rana

Strategic Alliances & Global PR

Nucleus Software

Phone: -91-9810500330

Ruchika.rana@nucleussoftware.com

Kinara D'Souza

Account Executive

20:20 MEDIA

Phone: +91-11- 26933291

E-mail: kinara@2020india.com

*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.

