



Nucleus Software announces Q1 FY 11 Results

Signs up 15 new product orders for 48 modules

New Delhi, India, August 2, 2010: Nucleus Software Exports Limited (NSE: NUCLEUS, BSE: 531209), has announced Q1 results for the financial year 2010-11

Nucleus Software consolidated revenue for the quarter ending June 30, 2010, is at Rs. **66.14 crore** in comparison to Rs. **80.54** crore in the corresponding quarter of the previous year. With total expenses at Rs. **61.43** crore in comparison to Rs. **64.53** crore in the corresponding quarter of the previous year, the consolidated EBITDA is at Rs. **4.71** crore in comparison to Rs. **16.01** crore in the previous year. Net Profit after Tax (PAT) is at Rs. **5.29 crore** in comparison to Rs. **10.13** crore in the corresponding quarter of the previous year.

Highlights

Quarter Ended June 30, 2010

- **Consolidated revenue** at Rs. **66.14 crore** from software products and software development services in comparison to Rs. **80.54** crore in the corresponding quarter of the previous year.
- **Product business revenue** for the quarter at Rs. **42.95 crore** in comparison to Rs. **47.31** crore in the corresponding quarter of the previous year.
- **EBITDA** at Rs. **4.71 crore** in comparison to Rs. **16.01** crore in the corresponding quarter of the previous year.
- **Net Profit after Tax (PAT)** at Rs. **5.29 crore** in comparison to Rs. **10.13** crore in the corresponding quarter of the previous year.
- **Earning Per Share** for the quarter at Rs. **1.63** in comparison to Rs. **3.13** in the corresponding quarter of the previous year.

Other Key Information

For the Quarter Ended June 30, 2010

- Won **15** new product orders worldwide
- **14** new customers added in the quarter
- Won orders for **48** product modules of FinnOne™ and CASH@Will™ Suite

- **6** product modules successfully implemented across the globe
- Global strength of employees as on June 30, 2010 is **1528**.

Vishnu R Dusad, CEO and Managing Director, Nucleus Software said, “This has been a difficult quarter with both revenue and profitability declining on a year on year and sequential basis. The decline in revenue is a consequence of the weak order book at the beginning of the quarter. At the end of the quarter, with the improvement in the economic environment and 15 new order wins, there is an improvement in the order book and we are on course to improve performance in the coming quarters.”

Niraj Vedwa, COO, Nucleus Software said, “Our investments into Sales, marketing and new geographies have started generating results with 15 new product orders to implement 48 modules in 22 countries. We have bagged a large order from Europe from one of the Top 10 banks to implement our Cash management product in 14 countries. With increase in business in hand, high visibility on prospects and high focus on quality and timely delivery besides operational efficiency, we are confident of delivering better results going forward.”

Expansion of services and significant projects

- **New Client Wins**

Nucleus bagged **15** new product orders and acquired **14** new customers for implementing **48** product modules of the FinnOne™ and CASH@Will™ Suite in the first quarter of year 2010-2011.

- **Successful Global Implementations**

This quarter **6** product modules went live in various markets across the globe. Some of the implementations were completed in record time. This further gave increased visibility to Nucleus in the global markets, and reaffirmed its standing in the global lending and cash management space.

About Nucleus Software Exports Limited

Nucleus Software is a leading software powerhouse providing innovative and pioneering software solutions for Banks and Financial organizations globally. Nucleus Software offers a host of competitive IT solutions and consultancy services designed to support the whole spectrum of business offerings across retail banking, corporate banking, cards and cash management. With over 150 customers across the globe, the company is consistently innovating with cutting edge and industry driven products in the domain. Nucleus Software is listed on the National Stock

Exchange and Bombay Stock Exchange in India. For more information, visit www.nucleussoftware.com

Safe Harbor:

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the success of our investments, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, our ability to successfully implement our strategy, our research and development efforts, changes in the value of the Rupee and other currency changes, intense competition in IT and consulting services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Nucleus may, from time to time, make additional written and oral forward-looking statements, including statements contained in the company's filings with the Securities and Exchange Board of India, stock exchange and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.

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