



Nucleus Software Exports Ltd.

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

Amt. (in Rs. lacs)

CONSOLIDATED FINANCIAL RESULTS OF NUCLEUS SOFTWARE EXPORTS LIMITED AND SUBSIDIARIES FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2005

Particulars	Quarter Ended		Nine Months Ended		Year Ended
	Dec. 31, 2005 UNAUDITED	Dec. 31, 2004 UNAUDITED	Dec. 31, 2005 UNAUDITED	Dec. 31, 2004 UNAUDITED	March 31, 2005 AUDITED
1 Income from Software Services and Products	3,739.58	2,707.66	10,596.02	7,212.02	10,314.09
2 Software Development Expenses	2,185.96	1,555.57	5,866.84	4,448.68	5,971.31
3 Gross Profit	1,553.62	1,152.09	4,729.18	2,763.34	4,342.78
4 Selling and Marketing Expenses	278.14	193.92	870.15	565.84	822.40
5 General and Administration Expenses	268.81	228.12	694.42	559.42	813.54
6 Operating Profit before Interest, Depreciation and Withholding Taxes (3-4-5)	1,006.67	730.05	3,164.61	1,638.08	2,706.84
7 Depreciation	87.16	113.48	352.00	253.48	354.08
8 Withholding Taxes	98.61	96.60	230.93	287.51	392.20
9 Operating Profit after Interest, Depreciation and Withholding Taxes (6-7-8)	820.90	519.97	2,581.68	1,097.09	1,960.56
10 Other Income	136.04	105.69	261.00	202.94	259.40
11 Profit before Tax	956.94	625.66	2,842.68	1,300.03	2,219.96
12 Provision for Taxation					
- Current	57.38	38.87	185.46	78.46	130.13
- Fringe Benefit	12.60	-	29.60	-	-
- Deferred	5.37	(2.02)	9.54	0.17	14.86
13 Profit after Tax	881.59	588.81	2,618.08	1,221.40	2,074.97
14 Paid-up Equity Share Capital	1,610.63	1,609.23	1,610.63	1,609.23	1,609.23
15 Reserves excluding Revaluation Reserves	-	-	-	-	6,815.37
16 Earnings Per Share (Rs.) (Par value Rs.10/- each)					
Basic	5.47	3.66	16.27	7.60	12.90
Diluted	5.46	3.65	16.23	7.59	12.88
17 Aggregate of Non-Promoter shareholding (Unaudited)					
- Number of Shares	5,803,850	5,346,800	5,803,850	5,346,800	5,424,468
- Percentage of Shareholding	36.04%	33.22%	36.04%	33.22%	33.71%

Amt. (in Rs. lacs)

AUDITED FINANCIAL RESULTS OF NUCLEUS SOFTWARE EXPORTS LIMITED FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2005

Particulars	Quarter Ended		Nine Months Ended		Year Ended
	Dec. 31, 2005 AUDITED	Dec. 31, 2004 AUDITED	Dec. 31, 2005 AUDITED	Dec. 31, 2004 AUDITED	March 31, 2005 AUDITED
1 Income from Software Services and Products	2,249.31	1,697.97	6,748.86	4,485.41	6,703.23
2 Software Development Expenses	1,148.13	895.43	3,161.53	2,632.05	3,505.55
3 Gross Profit	1,101.18	802.54	3,587.33	1,853.36	3,197.68
4 Selling and Marketing Expenses	161.80	129.80	535.32	353.01	505.01
5 General and Administration Expenses	205.03	168.30	554.07	433.45	658.31
6 Operating Profit before Interest, Depreciation and Withholding Taxes (3-4-5)	734.35	504.44	2,497.94	1,066.90	2,034.36
7 Depreciation	65.73	97.33	291.57	213.99	304.85
8 Withholding Taxes	98.61	96.60	227.98	287.51	374.30
9 Operating Profit after Interest, Depreciation and Withholding Taxes (6-7-8)	570.01	310.51	1,978.39	565.40	1,355.21
10 Other Income	116.20	163.17	205.33	243.17	310.15
11 Profit before Tax	686.21	473.68	2,183.72	808.57	1,665.36
12 Provision for Taxation					
- Current	42.51	12.18	131.51	26.18	65.18
- Fringe Benefit	12.60	-	29.60	-	-
- Deferred	5.37	(2.02)	9.54	0.17	17.34
13 Profit after Tax	625.73	463.52	2,013.07	782.22	1,582.84
14 Paid-up Equity Share Capital	1,610.63	1,609.23	1,610.63	1,609.23	1,609.23
15 Reserves excluding Revaluation Reserves	-	-	-	-	6,184.17
16 Earnings Per Share (Rs.) (Par value Rs.10/- each)					
Basic	3.89	2.88	12.51	4.86	9.84
Diluted	3.88	2.87	12.48	4.85	9.82
17 Aggregate of Non-Promoter shareholding (Unaudited)					
- Number of Shares	5,803,850	5,346,800	5,803,850	5,346,800	5,424,468
- Percentage of Shareholding	36.04%	33.22%	36.04%	33.22%	33.71%

Segment Reporting

Amt. (in Rs. lacs)

Particulars	Quarter Ended		Nine Months Ended		Year Ended
	Dec. 31, 2005	Dec. 31, 2004	Dec. 31, 2005	Dec. 31, 2004	March 31, 2005
a) Revenue by Geographical Segment					
India	554.72	278.61	1,446.45	720.16	1,137.09
Far East	474.83	453.76	1,116.60	1,404.91	1,833.48
Singapore	620.17	567.69	1,906.71	1,523.42	2,227.06
Europe	285.01	84.56	1,175.63	127.71	447.82
Others	314.58	313.35	1,103.47	709.21	1,057.78
Total	2,249.31	1,697.97	6,748.86	4,485.41	6,703.23
Less:- Inter Segment Revenue	-	-	-	-	-
Net Revenue From Operations	2,249.31	1,697.97	6,748.86	4,485.41	6,703.23
b) Segment Profit / (Loss) before Tax and Interest					
India	137.09	6.47	408.45	(101.59)	(17.42)
Far East	111.73	99.87	288.33	235.64	397.94
Singapore	274.73	245.80	901.33	576.02	970.69
Europe	123.53	33.57	547.34	43.23	210.18
Others	129.67	135.68	512.78	271.26	471.56
Total	776.75	521.39	2,658.23	1,024.56	2,032.95
Add:- Other Income	116.20	163.17	205.33	243.17	310.15
Less:- Other Unallocable Expenditure	206.74	210.87	679.83	459.17	677.74
Operating Profit before Tax	686.21	473.69	2,183.73	808.56	1,665.36
c) Capital Employed (Refer Note 6 below)	9,832.54	7,450.10	9,832.54	7,450.10	7,796.65

Other Information (Nucleus Software Exports Limited)

Amt. (in Rs. lacs)

Particulars	Quarter Ended		Nine Months Ended		Year Ended
	Dec. 31, 2005	Dec. 31, 2004	Dec. 31, 2005	Dec. 31, 2004	March 31, 2005
Staff Cost	827.70	613.09	2,326.67	1,754.60	2,395.95
Item exceeding 10% of aggregate expenditure					
Travel Expenditure	332.49	283.82	971.96	790.98	1,084.55

Notes:

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 16, 2006 and January 17, 2006.
- During the nine months ended December 31, 2005, the Company has allotted 14,000 fully paid up equity shares of Rs.10/-each pursuant to the exercise of stock options by certain employees under the 1999 stock option plan.
- There was no investor complaint pending at the beginning of the quarter. 17 new investor complaints were received and resolved during the current quarter and there was no investor complaint pending at the end of quarter.
- These accounts have been prepared in accordance with applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).
- Previous period/year figures have been regrouped/reclassified, wherever necessary.
- 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 practical to provide segment-wise disclosures relating to total assets and liabilities since a meaningful segregation of the available data is not possible.

For Nucleus Software Exports Ltd.

By order of the Board

Sd/-

VISHNU R. DUSAD

Managing Director

Date: January 17, 2006

Place: NOIDA