



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 YEAR ENDED MARCH 31, 2006

Particulars	Nine Months Ended	Quarter Ended		Year Ended	
	Dec. 31, 2005 UNAUDITED	March 31, 2006 UNAUDITED	March 31, 2005 UNAUDITED	March 31, 2006 AUDITED	March 31, 2005 AUDITED
1 Income from Software Services and Products	10,596.02	4,209.16	3,102.06	14,805.18	10,314.09
2 Software Development Expenses	5,866.84	2,183.21	1,522.62	8,050.05	5,971.31
3 Gross Profit	4,729.18	2,025.95	1,579.44	6,755.13	4,342.78
4 Selling and Marketing Expenses	870.15	304.45	256.56	1,174.60	822.40
5 General and Administration Expenses	694.42	373.19	254.13	1,067.61	813.54
6 Operating Profit before Interest, Depreciation and Withholding Taxes (3-4-5)	3,164.61	1,348.31	1,068.75	4,512.92	2,706.84
7 Depreciation	352.00	123.90	100.59	475.90	354.08
8 Withholding Taxes	230.93	92.83	104.69	323.76	392.20
9 Operating Profit after Interest, Depreciation and Withholding Taxes (6-7-8)	2,581.68	1,131.58	863.47	3,713.26	1,960.56
10 Other Income	261.00	45.66	56.46	306.66	259.40
11 Profit before Tax	2,842.68	1,177.24	919.93	4,019.92	2,219.96
12 Provision for Taxation					
- Current	185.46	84.26	51.67	269.72	130.13
- Fringe Benefit	29.60	13.11	-	42.71	-
- Deferred	9.54	4.80	14.69	14.34	14.86
- Earlier year tax	-	(15.21)	-	(15.21)	-
13 Profit after Tax	2,618.08	1,090.28	853.57	3,708.36	2,074.97
14 Paid-up Equity Share Capital	1,610.63	1,610.63	1,609.23	1,610.63	1,609.23
15 Reserves excluding Revaluation Reserves	-	-	-	9,940.61	6,815.37
16 Earnings Per Share (Rs.) (Par value Rs.10/- each)					
Basic	16.27	6.77	5.31	23.04	12.90
Diluted	16.23	6.75	5.30	22.98	12.88
17 Aggregate of Non-Promoter shareholding (Unaudited)					
- Number of Shares	5,803,850	5,812,186	5,424,468	5,812,186	5,424,468
- Percentage of Shareholding	36.04%	36.09%	33.71%	36.09%	33.71%

Amt. (in Rs. lacs)

AUDITED FINANCIAL RESULTS OF NUCLEUS SOFTWARE EXPORTS LIMITED FOR THE QUARTER AND YEAR ENDED MARCH 31, 2006

Particulars	Nine Months Ended	Quarter Ended		Year Ended	
	Dec. 31, 2005 AUDITED	March 31, 2006 AUDITED	March 31, 2005 AUDITED	March 31, 2006 AUDITED	March 31, 2005 AUDITED
1 Income from Software Services and Products	6,748.86	2,687.92	2,217.83	9,436.78	6,703.23
2 Software Development Expenses	3,161.53	1,175.95	873.50	4,337.48	3,505.55
3 Gross Profit	3,587.33	1,511.97	1,344.33	5,099.30	3,197.68
4 Selling and Marketing Expenses	535.32	195.40	152.00	730.72	505.01
5 General and Administration Expenses	516.36	269.30	224.87	785.66	658.31
6 Operating Profit before Interest, Depreciation and Withholding Taxes (3-4-5)	2,535.65	1,047.27	967.46	3,582.92	2,034.36
7 Depreciation	291.57	101.36	90.86	392.93	304.85
8 Withholding Taxes	227.98	93.16	86.79	321.14	374.30
9 Operating Profit after Interest, Depreciation and Withholding Taxes (6-7-8)	2,016.10	852.75	789.81	2,868.85	1,355.21
10 Other Income	167.62	84.93	66.98	252.55	310.15
11 Profit before Tax	2,183.72	937.68	856.79	3,121.40	1,665.36
12 Provision for Taxation					
- Current	131.51	61.00	39.00	192.51	65.18
- Fringe Benefit	29.60	13.11	-	42.71	-
- Deferred	9.54	(0.95)	17.17	8.59	17.34
- Earlier year tax	-	(15.21)	-	(15.21)	-
13 Profit after Tax	2,013.07	879.73	800.62	2,892.80	1,582.84
14 Paid-up Equity Share Capital	1,610.63	1,610.63	1,609.23	1,610.63	1,609.23
15 Reserves excluding Revaluation Reserves	-	-	-	8,456.13	6,184.17
16 Earnings Per Share (Rs.) (Par value Rs.10/- each)					
Basic	12.51	5.46	4.98	17.97	9.84
Diluted	12.48	5.45	4.96	17.93	9.82
17 Aggregate of Non-Promoter shareholding (Unaudited)					
- Number of Shares	5,803,850	5,812,186	5,424,468	5,812,186	5,424,468
- Percentage of Shareholding	36.04%	36.09%	33.71%	36.09%	33.71%

Amt. (in Rs. lacs)

Segment Reporting

Particulars	Nine Months Ended	Quarter Ended		Year Ended	
	Dec. 31, 2005	March 31, 2006	March 31, 2005	March 31, 2006	March 31, 2005
a) Revenue by Geographical Segment					
India	1,446.45	632.93	416.93	2,079.38	1,137.09
Far East	1,116.60	503.73	428.57	1,620.33	1,833.48
Singapore	1,906.71	510.50	703.65	2,417.21	2,227.06
Europe	1,175.63	424.62	320.11	1,600.25	447.82
Others	1,103.47	616.14	348.57	1,719.61	1,057.78
Total	6,748.86	2,687.92	2,217.83	9,436.78	6,703.23
Less:- Inter Segment Revenue	-	-	-	-	-
Net Revenue From Operations	6,748.86	2,687.92	2,217.83	9,436.78	6,703.23
b) Segment Profit / (Loss) before Tax and Interest					
India	408.45	84.37	154.59	492.82	(17.42)
Far East	288.33	175.21	137.73	463.54	397.94
Singapore	901.33	271.34	368.62	1,172.67	970.69
Europe	547.34	223.51	164.84	770.85	210.18
Others	512.78	321.20	182.61	833.98	471.56
Total	2,658.23	1,075.63	1,008.39	3,733.86	2,032.95
Add:- Other Income	167.62	84.93	66.98	252.55	310.15
Less:- Other Unallocable Expenditure	642.13	222.88	218.58	865.01	677.74
Operating Profit before Tax	2,183.72	937.68	856.79	3,121.40	1,665.36
c) Capital Employed (Refer Note 8 below)	9,832.54	10,074.34	7,796.65	10,074.34	7,796.65

Amt. (in Rs. lacs)

Other Information (Nucleus Software Exports Limited)

Particulars	Nine Months Ended	Quarter Ended		Year Ended	
	Dec. 31, 2005	March 31, 2006	March 31, 2005	March 31, 2006	March 31, 2005
Staff Cost	2,326.67	908.00	641.35	3,234.67	2,395.95
Item exceeding 10% of aggregate expenditure					
Travel Expenditure	971.96	289.41	293.56	1,261.37	1,084.55

Notes :

- The above financial statements were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on April 26, 2006 and April 27, 2006. There are no qualifications in the auditors' report on these financial statements.
- There were nil investor complaints pending at the beginning of the quarter. 5 new investor complaints were received and resolved during the current quarter and there was no investor complaint pending at the end of quarter.
- During the year ended March 31, 2006, the Company allotted 14,000 fully paid up equity shares of Rs. 10/- each to its employees in pursuance of the stock options exercised in July 2005 and October 2005. The Company has also granted 167,000 options on April 14, 2006 to eligible employees under ESOP Scheme 2005.
- The Board of Directors recommended a dividend of Rs. 3.50 Per share (35 % on par value of Rs. 10 per share) for fiscal 2006 amounting to Rs.563.67 lacs. This recommendation is subject to the approval of the members at the forthcoming Annual General Meeting.
- During the year the Company formed a wholly-owned subsidiary in Netherlands, to address business opportunities in Netherlands and other European countries. The Company has invested an amount of Euro 100,000 (Rs. 53.65 lacs) in the subsidiary, Nucleus Software Netherlands B.V., incorporated on February 3, 2006.
- 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 practicable 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: April 27, 2006

Place: NOIDA