

Philippines Banks go live with “out of the box” FinnOne™ solution from Nucleus Software

First Valley Bank and Bank of Florida deploy the award winning solution for seamless customer experience

Philippines, January 22, 2013: Nucleus Software Exports Limited (NSE: NUCLEUS, BSE: 531209), a leading global provider of integrated software products for banks and financial institutions announced going live of **First Valley Bank and Bank of Florida** on its FinnOne solution for enhanced banking experience in the Philippines market. Nucleus implemented the “out of the box” version of its award winning solution FinnOne™ in record time-to-market which has delivered significant operational benefits across all branches for both the banks.

FinnOne™’s capabilities of enabling faster decision making and managing the day to-day operational challenges faced by banks in Deposits, Lending and CASA Management, effectively and efficiently, will establish a new level of credibility among the bank’s rural customers. Available with innovative pricing options, the “out of the box” FinnOne is targeted primarily at the Rural and Thrift segments of the Philippines banking market.

FinnOne™ suite will allow First Valley Bank and Bank of Florida to ensure anytime- anywhere access, ease in operations and instant information for its sales, credit and operations teams. The solution further automates and manages the complete application processing flow for retail banking. This will also allow First Valley Bank and Bank of Florida to integrate different touch-points in their supply chain, enabling efficient and timely services to customers.

Atty Sonny Lim, President, First Valley Bank, said, “FinnOne™ was a clear choice for us owing to the product’s success across regions along with the speed and scalability it offers. We are confident that FinnOne™ will provide us a strong, secure and technologically advanced platform for enhanced customer service across branches.”

Teresa David-Carlos, President, Bank of Florida said, “After evaluating FinnOne™ past successes across geographies and especially in Philippines, we selected this flagship product to efficiently manage our retail customers. FinnOne™ will help us to build a centralized automated system that allows us to simplify the current processes and better serve our customers across regions.”

r. Vishnu R. Dusad, Chief Executive Officer and Managing Director, Nucleus Software Exports Limited, said, “Constant innovation and upgradation of banks’ internal systems and processes is

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Company Secretary

imperative in today's times. We are glad to be partnering with First Valley Bank and Bank of Florida and are confident that our solutions will help build a secure and scalable retail banking infrastructure and enhance customer experience. We look forward to a long term business association with the banks and a continued flow of great opportunities in the Philippines market for our products and services."

FinnOne™'s capabilities of enabling faster decision-making and managing the complete Assets and Liabilities portfolio will help First Valley Bank and Bank of Florida establish a new level of credibility with its customers. The product modules spanning across Deposits, CASA, Loans and GL along with value-added features like real-time payment acknowledgement, mobile extension and enhanced security, will streamline processes and reduce the turnaround time.

This implementation reinforces Nucleus Software's focus in the Philippines market. The company is working closely with customers in Philippines through its local office in Manila. In the South East Asian region, the company has offices in Singapore, South Korea and Philippines and is a leader in the banking software space in South-East Asia.

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About First Valley Bank

The Company has its roots on Rural Bank of Kapatagan Valley, Inc., a stock corporation founded on September 11, 1956. It became the 75th rural bank in the country after the grant of its license to operate on November 24, 1956. From its modest beginnings, the bank enjoyed an upsurge in growth and popularity as Kapatagan Valley Bank (KVB) becoming a byword to the communities where it operates. After its consolidation with the Rural Bank of Sinacaban on September 1, 2005, the Company has taken on a new name as 1st Valley Bank ready to chart another lifetime of excellent services.

For more information, visit www.1stvalleybank.com

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About Bank of Florida

The history of Bank of Florida is as colorful and vibrant as the very reason for its conception. For more than four decades, its mandate remains eternal and perpetual: to spur and pursue at all costs, in whatever situation, Philippine countryside development by proactively lifting the status of the Small and Medium Entrepreneurs and the country's economy as a whole. With this burning desire, fuelled by a genuine concern for their cabalens became The bank's first, small edifice in Del Carmen, Floridablanca which opened on November 10, 1964 became the catalyst that moved the town's industrial and agricultural wheels to motion, with the banks President Teresa David-Carlos, spearheading the team of First Generation and Second Generation Davids and Non-Family Members, rolled out a series of professionalization and transition processes, reengineering the bank from top to bottom.

Bank of Florida's commitment is to be "a Caring Bank that is Deeply Rooted in the Communities that We Serve!" With this, we embark on a journey of culture cultivation, preservation and providing utmost quality of service in the communities being served.

About Nucleus Software Exports Limited

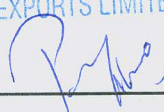
Nucleus Software is a leading software powerhouse providing innovative and pioneering software solutions for Banks and Financial organizations globally. Nucleus Software offers a host of competitive IT solutions and consultancy services designed to support the whole spectrum of business offerings across 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

FinnOne™, the flagship product of Nucleus Software, is a powerhouse of seamlessly integrated applications, designed to provide operational support, risk management and decision-making support to banks and financial services companies. The FinnOne™ suite provides solutions for the asset as well as liability sides of business in addition to account management, core financial accounting, risk management, document management, and customer services. FinnOne™ also supports multi-branch, multi-currency, multi-product and multi-lingual implementations. FinnOne™ focuses on both, retail and corporate loans, thereby emerging as a comprehensive solution to back any line of the lending business. It has been ranked as the No.1 selling Lending Software Product across the globe by IBS Publishing, UK, for the fourth consecutive year in 2012.

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

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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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