

Nucleus Software announces Q3 FY 2015 Results

Charting new territories with strategic investments in Sales, Marketing & New Products

New Delhi, 28 January, 2015: Nucleus Software Exports Limited (NSE: NUCLEUS, BSE: 531209), the leading provider of mission critical lending and transaction banking solutions to the global financial services industry, today announced its financial results for the quarter ending 31st December, 2014. Consolidated revenue for the third quarter of FY 15 is at Rs. 86 crore in comparison to Rs. 90 crore in the corresponding quarter previous year. Revenue for the first nine months of FY 2015 is at Rs. 252.2 crore, against Rs. 258.5 crore in the corresponding period of FY 2014.

Commenting on the Company's performance, **Mr. Vishnu R. Dusad, CEO, Nucleus Software**, said, "The last quarter ended on a positive note for us. We ventured into new strategic markets, creating opportunities for the Company to increase its client base and initiatives. Building new customer relationships and strengthening the old ones has been key to our growth and that's what we focused on in the last few quarters. We are very positive about the upcoming year and the opportunities it brings along. We are looking forward to an exciting year ahead."

The last quarter has seen Nucleus Software bring in additions to the senior management team as part of its transformation journey. Rahul Krishna has joined the company as Global Head of Human Resources with a proven record of success in implementing HR strategies supporting transformation across varied industries. Mohammad Shamim joined Nucleus Software with 25 years of deep experience and insights in growing and managing large business teams. As Senior Vice President of Sales for India, Middle East and Africa, Shamim will drive customer experience and satisfaction in these growing regions. Daragh O'Byrne joins as Global Head of Marketing with over 20 years of in-depth product and global markets expertise to strengthen Nucleus Software's global marketing activities.

FINANCIAL HIGHLIGHTS

Consolidated results for the quarter ended 31st December, 2014

- **Revenue at Rs. 86 crore** from software products and software development services in comparison to Rs. 90 crore in the corresponding Q3 of the previous year.
- **Product business revenue at Rs. 62 crore** in comparison to Rs. 61.4 crore in the corresponding Q3 of the previous year.
- **EBIDTA at Rs. 15 crore** in comparison to Rs. 19.4 crore in the corresponding Q3 of the previous year.
- **Net Profit after Tax (PAT) at Rs. 19.6 crore** in comparison to Rs. 23.4 crore in the corresponding Q3 of the previous year.
- **Earnings Per Share at Rs. 6.0** in comparison to Rs. 7.2 in the corresponding Q3 of the previous year.

Consolidated results for the Nine month period ended 31st December, 2014

- **Revenue at Rs. 252.2 crore** from software products and software development services in comparison to Rs. 258.5 crore in the corresponding period of the previous year.
- **Product business revenue at Rs.180.2 crore** in comparison to Rs. 178.8 crore in the

For NUCLEUS SOFTWARE EXPORTS LIMITED


Company Secretary





corresponding period of the previous year.

- **EBIDTA at Rs. 40.7 crore** in comparison to Rs. 46.5 crore in the corresponding period of the previous year.
- **Net Profit after Tax (PAT) at Rs. 44.1 crore** in comparison to Rs. 45.5 crore in the corresponding period of the previous year.
- **Earnings Per Share at Rs. 13.6** in comparison to Rs. 14.0 in the corresponding period of the previous year.

LIQUIDITY

Cash and cash equivalents, including investments in debt schemes of mutual funds, fixed deposits with banks and tax free PSU bonds are at **Rs. 327.1 crore as on 31st December, 2014**, as against **Rs. 299.4 crore on 31st December, 2013**.

BUSINESS HIGHLIGHTS

For the quarter ended 31st December, 2014:

- The third quarter of FY 2015 saw a total of 2 product module implementations successfully going live across the globe
- The Company won 1 new product order worldwide

For the Nine months ended 31st December, 2014:

- Won 7 new product orders worldwide
- 1 new customer added
- 10 product modules successfully implemented across geographies

The global strength of employees at Nucleus Software as on 31st December, 2014 stands at 1513 against 1532 as on 31st December, 2013.

EVENTS HIGHLIGHTS

- Nucleus Software exhibited at Financial Information Technology 2014 to share insights on 'Leveraging technology in banking to deliver value to customers' in a session and showcased its Global No.1 Lending Solution, FinnOne™ and Integrated Transaction Banking Product Suite, FinnAxia™ at the event in Tokyo on October 9 -10, 2014
- Nucleus Software hosted a customer meet to showcase its Integrated Transaction Banking Product Suite, FinnAxia™ to the banking and financial services industry in Indonesia on December 3, 2014. To find out more about transaction banking product suite, please visit the following page: <http://www.nucleussoftware.com/corweb/FinnAxia.jsp>

To find out more about the company's participation at global events, please visit the following page: <http://www.nucleussoftware.com/corweb/events.jsp>

INVESTOR CONFERENCE CALL INFORMATION

On **January 28, 2015**, the management team at Nucleus Software including Chief Executive Officer, Mr. Vishnu R Dusad will participate in a conference call for Investors and Analysts at **4:00 PM IST**.

For NUCLEUS SOFTWARE EXPORTS LIMITED

Company Secretary





Details of the Earnings Conference Call are given below:

Date	January 28, 2015	
Time	4:00 PM IST	
Conference ID	78079442#	
All India Toll Free Number	1800 419 2425	
Dial In Access Numbers	Delhi/ NCR:	011- 6675 4500 /3940 6000
	Mumbai:	022- 6000 5900/3940 6000
	Kolkata:	033- 6000 5900/3940 6000
	Chennai:	044- 6000 5900/3940 6000

The audio and transcript of this conference call will be made available at the Investor section of the website www.nucleussoftware.com

About Nucleus Software Exports Limited

Nucleus Software is the leading provider of mission critical lending and transaction banking products to the global financial services industry. Its software powers the operations of more than 150 companies in 50 countries, supporting retail banking, corporate banking, cash management, internet banking, automotive finance and other business areas.

Nucleus Software is known for its world-class expertise and innovation in lending and transaction banking technology. It has two flagship products, built on the latest technology:

- FinnOne™, named the World's Best Selling Lending System for 6 years running (IBS Publishing).
- FinnAxia™, an integrated global transaction banking solution used by banks worldwide to offer efficient and innovative global payments and receivables, liquidity management and business internet banking services.

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

For NUCLEUS SOFTWARE EXPORTS LIMITED


Company Secretary





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.

For further information, please contact:

For Investor queries	For media queries
Meenakshi Sharma, Nucleus Software Exports Limited Email: meenakshi.sharma@nucleussoftware.com Phone number: +91-120-4031400	Puja Bhattacharjee, Nucleus Software Exports Limited Email: puja.bhattacharjee@nucleussoftware.com Phone number: +91-120-4031400 Aastha Taneja Genesis Burson Marsteller Email: aastha.taneja@bm.com Phone number: +91- 9711311662

For NUCLEUS SOFTWARE EXPORTS LIMITED

Company Secretary



CONSOLIDATED PROFIT AND LOSS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER, 2014

₹ In Lakhs

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013	March 31, 2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. INCOME FROM OPERATIONS						
Income from Software Products and Services	8,597.87	8,683.47	8,996.15	25,224.00	25,853.62	34,622.21
Total Income from operations (net)	8,597.87	8,683.47	8,996.15	25,224.00	25,853.62	34,622.21
2. EXPENSES						
a) Changes in inventories of stock-in-trade	-	-	-	-	494.86	494.86
b) Employee benefit expense	4,992.17	4,948.50	4,579.87	14,770.43	13,475.63	18,077.51
c) Travel expense	512.66	477.73	495.48	1,419.33	1,472.26	1,990.08
d) Finance cost (Bank Charges)	11.99	14.74	13.96	40.37	38.99	51.48
e) Other expenses	1,577.71	1,688.39	1,962.16	4,923.69	5,722.96	7,349.84
Total Expenses	7,094.53	7,129.36	7,051.47	21,153.82	21,204.70	27,963.77
3. PROFIT FROM OPERATIONS BEFORE DEPRECIATION (1-2)	1,503.34	1,554.11	1,944.68	4,070.18	4,648.92	6,658.44
4. Depreciation and amortisation expense	308.17	293.62	193.10	887.98	528.06	793.56
5. PROFIT FROM OPERATIONS AFTER DEPRECIATION (3-4)	1,195.17	1,260.49	1,751.58	3,182.20	4,120.86	5,864.88
6. Other Income	1,225.50	683.66	764.92	2,584.33	1,706.88	2,455.34
7. PROFIT BEFORE TAXES (5+6)	2,420.67	1,944.15	2,516.50	5,766.53	5,827.74	8,320.22
8. Tax expense	463.92	659.24	177.87	1,359.43	1,278.10	1,886.34
9. PROFIT AFTER TAXES (7-8)	1,956.75	1,284.91	2,338.63	4,407.10	4,549.64	6,433.88
10. Earnings Per Share (Rs.) (Par value Rs.10 each) (not annualised)						
Basic	6.04	3.97	7.22	13.61	14.05	19.87
Diluted	6.04	3.97	7.22	13.61	14.05	19.87

For NUCLEUS SOFTWARE EXPORTS LIMITED


Company Secretary





CONSOLIDATED SEGMENT INFORMATION													
											₹	In Lakhs	
REVENUE BY	Quarter Ended						Nine Month Ended				Year Ended		
	December 31, 2014	% of Revenue	September 30, 2014	% of Revenue	December 31, 2013	% of Revenue	December 31, 2014	% of Revenue	December 31, 2013	% of Revenue	March 31, 2014	% of Revenue	
	Unaudited		Unaudited		Unaudited		Unaudited		Unaudited		Audited		
GEOGRAPHICAL SEGMENTS													
INDIA	1,293.92	15.05	1,266.77	14.59	1,487.26	16.53	3,930.62	15.58	5,325.53	20.60	6,985.31	20.18	
FAR EAST	1,449.79	16.86	1,531.61	17.64	1,696.13	18.85	4,399.70	17.44	5,343.18	20.67	6,929.99	20.02	
SOUTH EAST ASIA	2,108.36	24.52	1,926.46	22.19	2,090.23	23.23	5,717.05	22.67	5,692.79	22.02	7,799.46	22.53	
EUROPE/U.K.	974.41	11.33	839.99	9.67	741.34	8.24	2,511.54	9.96	1,585.04	6.13	2,179.61	6.30	
AMERICAS	33.94	0.39	26.19	0.30	633.75	7.04	382.44	1.52	1,806.28	6.99	2,550.80	7.37	
MIDDLE EAST	1,529.96	17.79	1,760.80	20.28	1,162.17	12.92	4,862.17	19.28	3,640.04	14.08	4,978.71	14.38	
AFRICA	437.06	5.09	779.90	8.98	781.30	8.68	1,642.07	6.51	1,708.37	6.61	2,028.22	5.86	
REST OF THE WORLD	770.43	8.97	551.75	6.35	403.96	4.51	1,778.41	7.05	752.39	2.91	1,170.11	3.36	
TOTAL	8,597.87	100.00	8,683.47	100.0	8,996.15	100.00	25,224.00	100.00	25,853.62	100.00	34,622.21	100.00	
BUSINESS SEGMENTS													
PRODUCTS	6,189.54	71.99	6,195.40	71.35	6,141.26	68.27	18,023.76	71.45	17,883.81	69.17	23,795.98	68.73	
Own	6,120.58	71.19	6,098.78	70.23	5,876.91	65.33	17,613.89	69.83	16,461.07	63.67	22,139.03	63.94	
Traded	68.96	0.80	96.62	1.11	264.35	2.94	409.87	1.62	1,422.74	5.50	1,656.95	4.79	
PROJECTS & SERVICES	2,408.33	28.01	2,488.07	28.65	2,854.88	31.73	7,200.24	28.55	7,969.80	30.83	10,826.23	31.27	
TOTAL	8,597.87	100.00	8,683.47	100.00	8,996.15	100.00	25,224.00	100.00	25,853.62	100.00	34,622.21	100.00	

For NUCLEUS SOFTWARE EXPORTS LIMITED

Company Secretary

