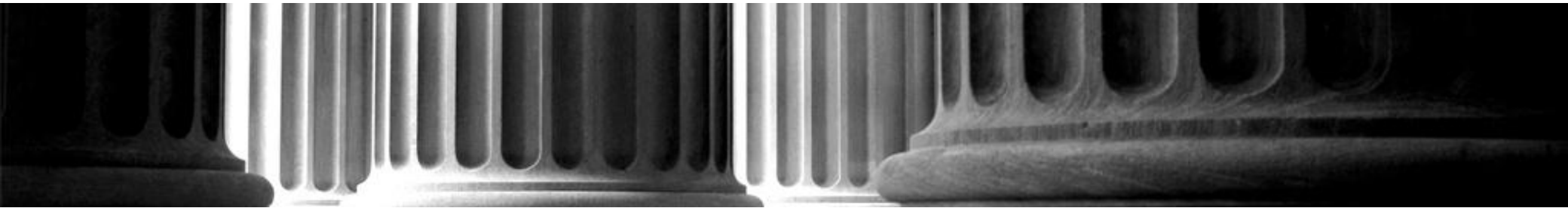




Polaris Financial Technology Limited

Products Business



Earnings Announcement - Third Quarter FY 13-14
January 29, 2014

Disclaimer

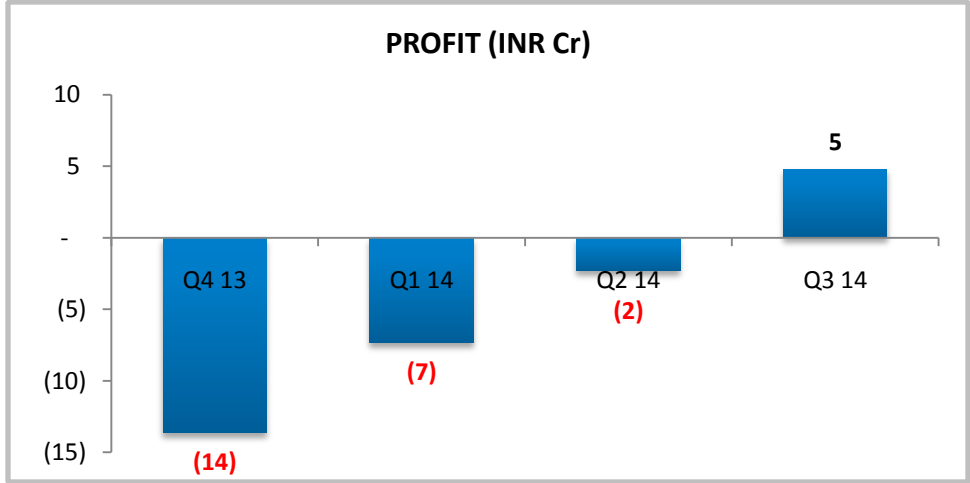
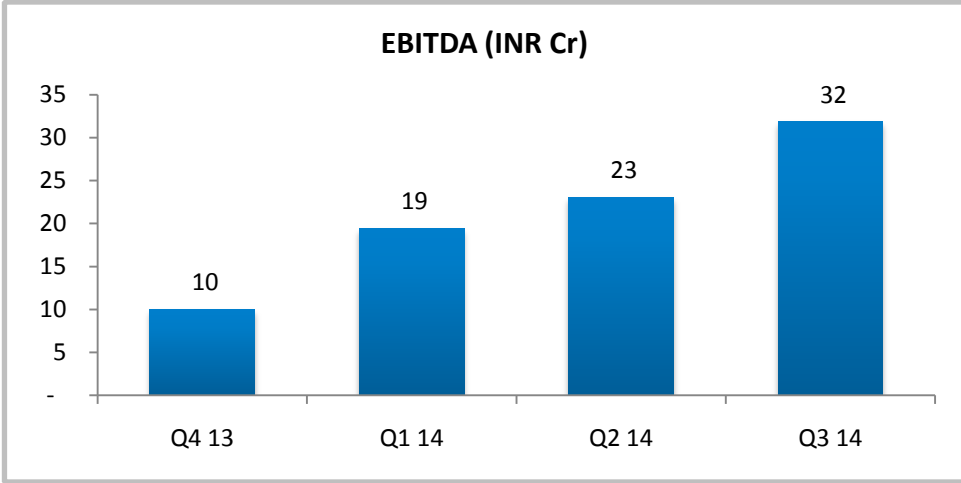
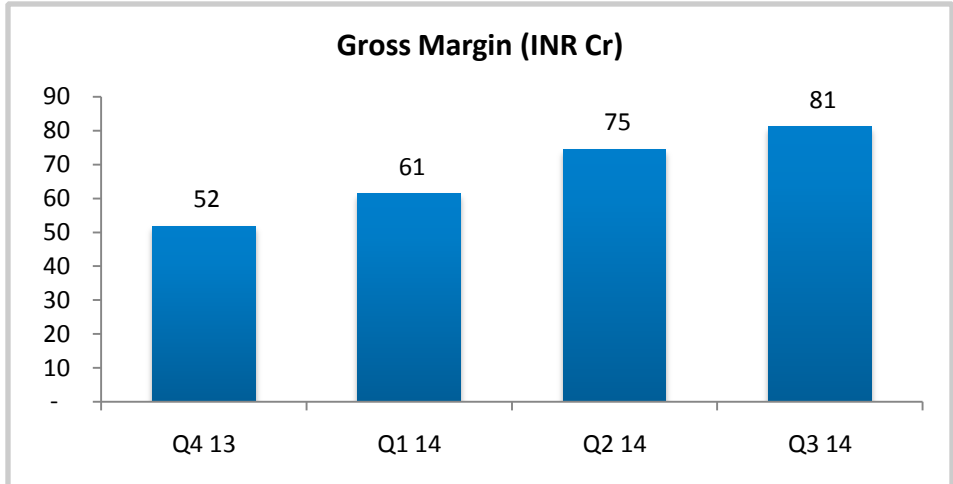
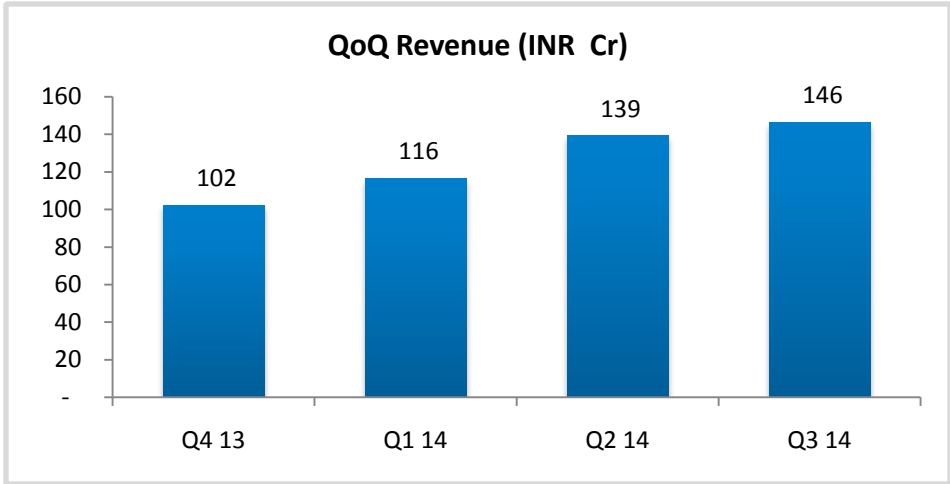


Certain statements in this release concerning our future prospects are forward-looking statements. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. These risks and uncertainties include, but are not limited to our ability to manage growth, intense competition among Indian and overseas IT Products companies, various factors which may affect our cost advantage, such as wage increases or an appreciating Rupee, 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, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Polaris FT has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. Polaris FT may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.



- Intellect is the world's most sophisticated & comprehensive suite of products for Banking & Insurance. It's full spectrum product suite for banking encompasses Consumer Banking, Transaction Banking, Risk & Treasury Management and Capital Markets, while for the Insurance business, it includes Life, Annuities, Property & Casualty and Specialty lines
- With deep design differentiation, the next generation product suite brings in life-cycle assurance and the efficiency of a Truly Services Oriented Architecture
- The products focus on the right architecture design in order to drive serious complexity reduction and unprecedented productivity by connecting Business, Technology and Operations
- Intellect has been featured in over 50 Analyst Reports in 2013 & records annualized revenues of over Rs 600 Cr
- The company set up FT8012 - the world's first Design Center dedicated to Financial Technology, as it strongly believes that Design must be taken very seriously, as the next level of value creation can be accelerated through collaborative design

Products Business – Grows to Annualized Run rate of INR 600 Cr





- EBITDA grows to **INR 32Cr** in Q3 14 from INR 8 Cr in Q3 13
- **Revenue** stands at **INR 146 Cr** -- up **5%** QoQ ; **30%** YoY
- **Operating Margin** at **55%** - - Stable @ **53%** over the last 4 quarters
- **8** new client wins during the quarter

Products Business – Key Wins



- A leading European multinational financial services holding company from Switzerland chose [Intellect Liquidity Risk Management solution](#) for Risk Visualization
- A leading French multinational banking and financial services company chose [Intellect Payments](#) for payables functionality
- A leading bank headquartered in the Middle East with an asset base of over USD 50 billion chose [Corporate CBX solution](#) for their Salary upload requirements
- A leading financial institution in the Middle East providing financial services to around 500,000 employees in the UAE chose [Corporate CBX](#) for back and front-end applications
- One of the largest private sector lenders in Egypt chose [Intellect Custody Management Solutions](#) for their Domestic and International Operations
- One of the leading European banks providing wholesale banking products and services in China chose [Intellect Liquidity Management solution](#)
- A Hong Kong-based leading securities firm chose Polaris to implement the [Intellect Universal Banking solution](#), including [Core Banking](#), [Lending](#), [Trade Finance](#) and [Treasury](#) for their Banking operations in Cambodia
- India's leading private sector bank chose [Intellect Wealth](#), [FABX](#) and [iFABX](#) to expand its footprint in international private banking

Product Business – Q3 FY14 Financials

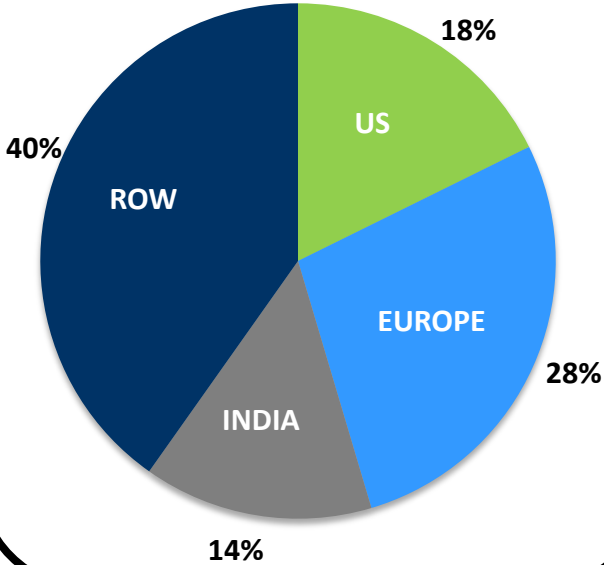


INR Cr	Q3 FY14	Q2 FY14	Q1 FY14	Q3 FY13
Revenue (USD)	23.61	22.42	20.81	20.77
Revenue	146.36	139.12	116.48	112.48
Software Dev Exp	65.28	64.60	55.17	60.38
SDE%	44.6%	46.4%	47.4%	53.6%
Gross Margin	81.09	74.52	61.30	52.10
Gross Margin%	55.4%	53.6%	52.6%	46.3%
S&M Costs	33.87	34.99	27.03	26.64
G&A Costs	15.35	16.49	14.80	17.03
EBITDA	31.87	23.04	19.46	8.43
EBITDA%	21.8%	16.6%	16.7%	7.5%
R&D Costs	22.06	20.17	22.18	19.41
Dep & Fin charges	5.01	5.17	4.61	4.77
Profit	4.80	-2.29	-7.33	-15.75

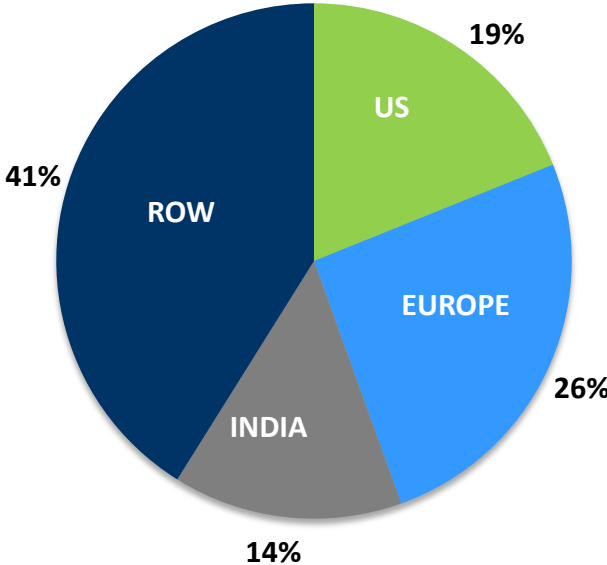
Product Business – Strong Acceptance in Advanced Markets



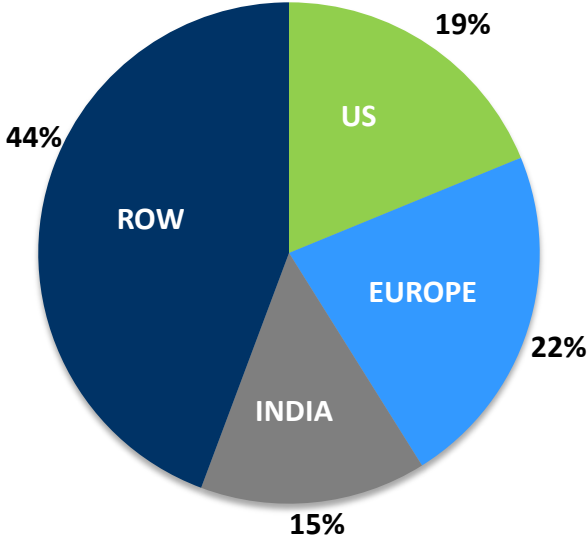
LTM Q3 FY14



LTM Q2 FY14



LTM Q3 FY13

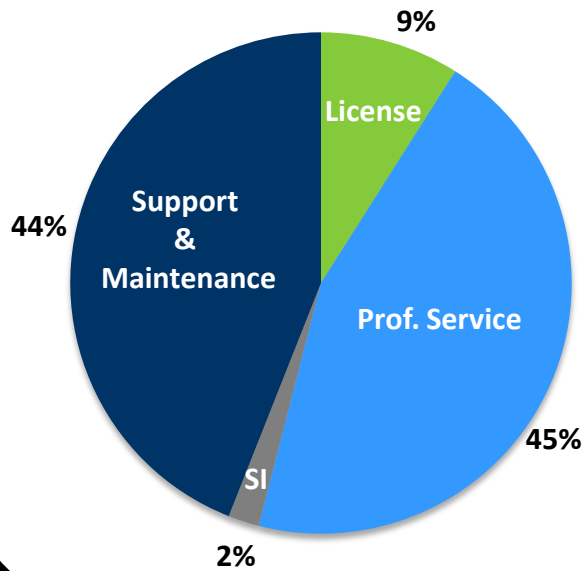


• LTM – Last Twelve Months
• RoW – Rest of the World

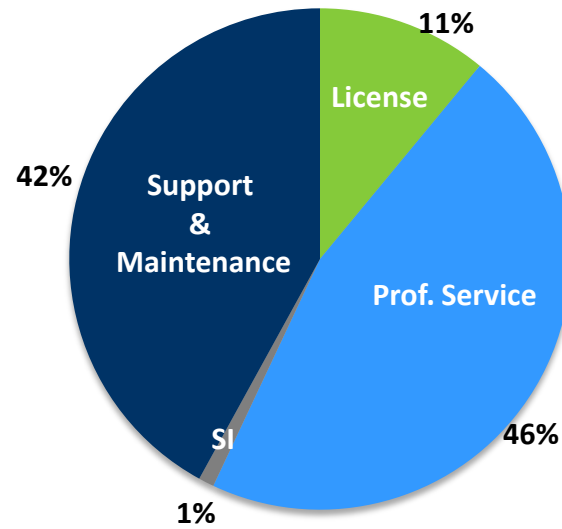
Product Business – Steady recurrent revenue streams



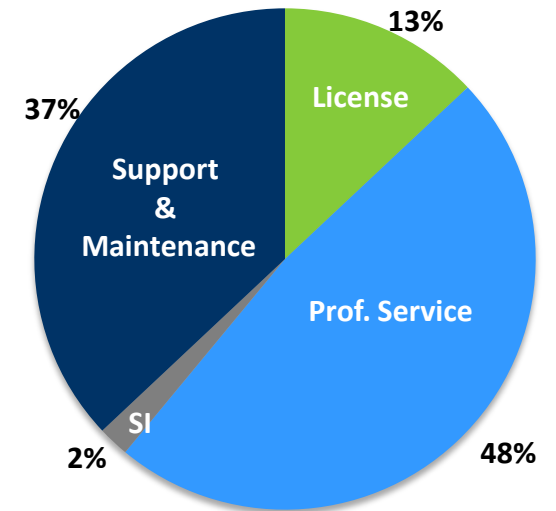
LTM Q3 FY14



LTM Q2 FY14



LTM Q3 FY13

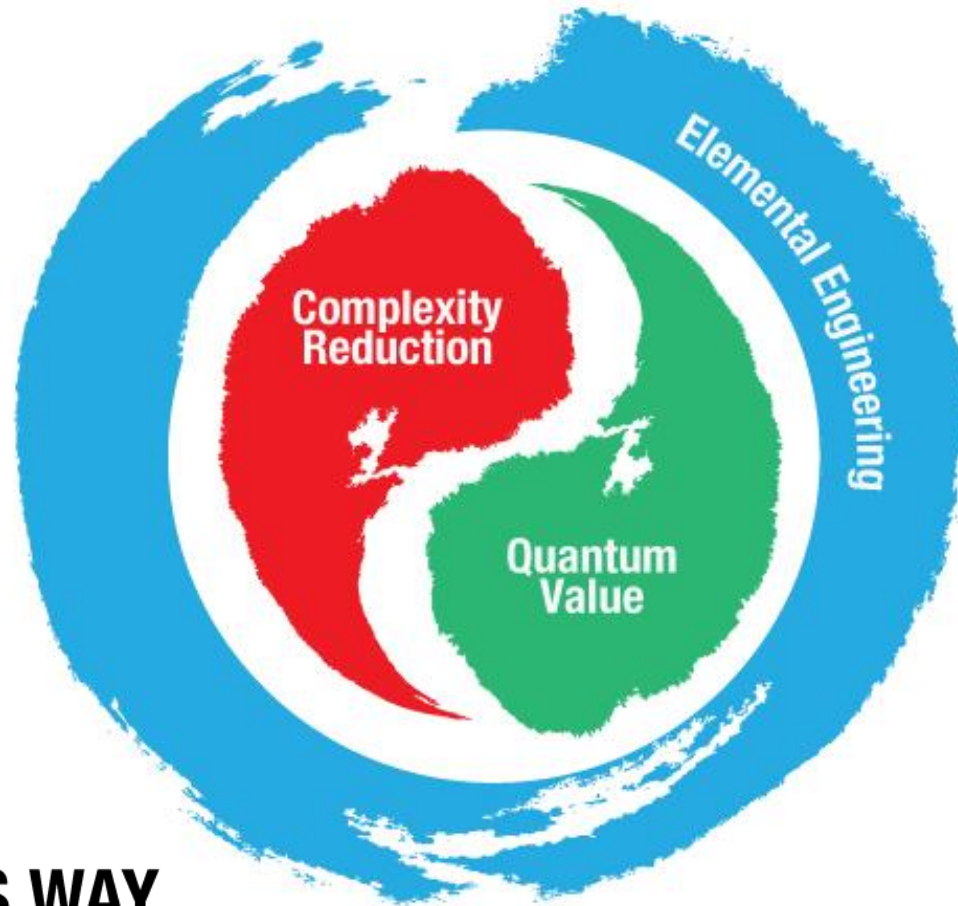


• LTM – Last Twelve Months

• SI – System Integration



- Revenue grows 30% YoY, Annualized Revenues of INR 600 Cr
- Consistent growth in EBITDA and Profits
- Strong acceptance of Intellect product suite in advanced markets
- Steady recurrent revenue stream at 45%
- Consistent investments in R&D yielding results



THE POLARIS WAY... High Performance FT

Thank You

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