



POLARIS SOFTWARE LAB - GROUP

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2009
PREPARED AS PER INDIAN GAAP

Rs. Lakhs

PARTICULARS	QUARTER ENDED		HALF YEAR ENDED		YEAR ENDED
	Sept. 30, 2009	Sept. 30, 2008	Sept. 30, 2009	Sept. 30, 2008	March 31, 2009 Audited
Income from software services, products and Business Process Management	338,30.55	351,14.14	663,83.38	668,12.13	1,377,94.54
Software development expenses	220,65.44	229,16.99	428,51.12	443,84.16	885,40.10
Gross Profit	117,65.11	121,97.15	235,32.26	224,27.97	492,54.44
Selling and marketing expenses	35,51.65	34,35.30	70,26.04	66,15.62	136,76.09
General and Administrative expenses	28,26.01	30,11.40	55,95.73	61,79.73	122,25.91
Operating Profit before interest, depreciation & amortisation	53,87.45	57,50.45	109,10.49	96,32.62	233,52.44
Depreciation/Amortisation	8,73.67	10,79.45	17,17.80	21,42.90	38,78.16
Finance Charges	17.27	16.50	34.50	37.22	73.54
Operating Profit after interest, depreciation & amortisation	44,96.51	46,54.50	91,58.19	74,52.50	194,00.74
Exchange Gain / (Loss)	(8,58.16)	(7,70.02)	(21,88.60)	(8,25.43)	(56,38.40)
Other Income	4,04.94	97.31	8,34.00	2,80.09	11,75.31
Share of profit / (loss) of Associate Companies	(41.61)	(68.44)	(41.61)	77.48	91.09
Profit on sale of Investments	-	13,01.37	-	13,01.37	13,01.37
Intangible Assets - Amortised fully	-	(11,73.27)	-	(11,73.27)	(11,73.27)
Profit before tax	40,01.68	40,41.45	77,61.98	71,12.74	151,56.84
Provision for taxation	4,82.06	5,98.72	10,58.84	9,68.86	20,85.58
Profit after tax	35,19.62	34,42.73	67,03.14	61,43.88	130,71.26
Earnings per share of Rs.5 each (Rs.)					
Basic	3.57	3.49	6.79	6.22	13.25
Diluted	3.55	3.48	6.76	6.21	13.24

POLARIS SOFTWARE LAB LIMITED
AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2009 PREPARED AS PER INDIAN GAAP

PARTICULARS	QUARTER ENDED		HALF YEAR ENDED		YEAR ENDED
	Sept. 30, 2009	Sept. 30, 2008	Sept. 30, 2009	Sept. 30, 2008	March 31, 2009
Income from Software services and products	286,44.41	300,31.56	557,20.15	567,43.28	1,171,34.43
Software development expenses	199,48.85	210,10.65	390,18.14	404,50.88	795,42.87
Gross Profit	86,95.56	90,20.91	167,02.01	162,92.40	375,91.56
Selling and marketing expenses	17,71.54	16,81.99	35,00.53	31,56.69	63,67.51
General and Administrative expenses	26,24.40	27,06.68	51,47.64	56,60.70	106,68.36
Operating Profit before interest, depreciation & amortisation	42,99.62	46,32.24	80,53.84	74,75.01	205,55.69
Depreciation / Amortisation	6,59.02	8,94.00	12,92.72	17,66.64	30,96.78
Finance Charges	13.39	13.68	22.50	27.93	55.29
Operating Profit after interest, depreciation & amortisation	36,27.21	37,24.56	67,38.62	56,80.44	174,03.62
Exchange Gain / (Loss)	(8,86.25)	(10,75.14)	(16,91.86)	(10,77.54)	(65,94.85)
Other Income	3,76.15	76.66	8,10.97	2,43.80	10,77.73
Provision for diminution in value of Investments	-	(39.66)	-	(71.13)	(71.13)
Profit on sale of Investments	-	19,79.45	-	19,79.45	19,79.45
Intangible Assets - Amortised fully	-	(11,73.27)	-	(11,73.27)	(11,73.27)
Profit before tax	31,17.11	34,92.60	58,57.73	55,81.75	126,21.55
Provision for taxation	3,57.75	4,95.70	8,09.25	6,85.30	15,02.88
Profit after tax	27,59.36	29,96.90	50,48.48	48,96.45	111,18.67
Paid-up equity share capital	49,34.42	49,33.81	49,34.42	49,33.81	49,33.81
Reserves excluding revaluation reserves	692,38.39	610,86.72	692,38.39	610,86.72	644,67.95
Earnings per share of Rs 5 each (Rs)					
Basic	2.80	3.04	5.12	4.96	11.27
Diluted	2.78	3.03	5.09	4.95	11.27
Total Public Shareholding as defined under clause 40A of the Listing Agreement					
Number of shares	69,910,338	69,902,588	69,910,338	69,902,588	69,897,588
Percentage of shareholding	70.84	70.84	70.84	70.84	70.84
Face value per share (Rs)	5.00	5.00	5.00	5.00	5.00
Promoters and Promoter group shareholding					
a) Pledged / encumbered					
Number of shares	Nil	NA	Nil	NA	Nil
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	NA	Nil	NA	Nil
percentage of shares (as a % of the total share capital of the company)	Nil	NA	Nil	NA	Nil
b) Non - encumbered					
Number of shares	28,778,159	NA	28,778,159	NA	28,778,609
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	NA	100%	NA	100%
percentage of shares (as a % of the total share capital of the company)	29.16%	NA	29.16%	NA	29.16%

SEGMENT INFORMATION

SEGMENT INFORMATION	QUARTER ENDED		HALF YEAR ENDED		YEAR ENDED
	Sept. 30, 2009	Sept. 30, 2008	Sept. 30, 2009	Sept. 30, 2008	March 31, 2009
A) Segment revenue:					
Banking & Financial services	266,06.34	271,78.21	515,42.50	511,34.23	1,061,04.18
Emerging verticals	20,38.07	28,53.35	41,77.65	56,09.05	110,30.25
Total revenues	286,44.41	300,31.56	557,20.15	567,43.28	1,171,34.43
B) Segment results:					
Profit before interest and tax					
Banking & Financial services	66,59.97	82,91.77	123,96.04	151,20.70	319,64.41
Emerging verticals	3,56.74	7,20.13	6,56.59	15,70.42	29,56.92
Total	70,16.71	90,11.90	130,52.63	166,91.12	349,21.33
a) Finance Charges	(13.39)	(13.68)	(22.50)	(27.93)	(55.29)
b) Other unallocable expenditure net of unallocable income	(38,86.21)	(55,05.62)	(71,72.40)	(110,81.44)	(222,44.49)
Profit before tax	31,17.11	34,92.60	58,57.73	55,81.75	126,21.55
C) Capital employed:**	741,72.81	660,20.53	741,72.81	660,20.53	694,01.76

**The assets & liabilities of the Company cannot be classified under any specific segment as they are used / contracted interchangeably, hence segment wise capital employed is not disclosed.

NOTES:

- The above results were reviewed by the Audit committee and approved by the Board of Directors at its meeting held on October 20, 2009.
- The Stand alone financial statements of the Company for the Quarter ended Sept. 30, 2009 was audited by the Statutory Auditors of the Company.
- Staff Costs for the quarter ended Sept. 30,2009 was Rs 207,67.15 Lakhs, (Quarter ended Sept. 30, 2008 was 21,737.85 lakhs).
- Provision for taxation includes current tax, deferred tax, MAT & fringe benefit tax wherever applicable.
- No. of Complaints pending at the beginning of the quarter Nil
No. of Complaints received during the quarter 31
No. of Complaints disposed off during the quarter 31
No. of Complaints lying unresolved at the end of the quarter Nil
- The Company has allotted 12,300 shares under Associate Stock option Plans of the Company during the Quarter ended Sept 30, 2009.
- The Company has signed a definitive agreement to acquire 100% Equity shares of Laser Soft Infosystems Ltd, a leading banking software product Company in the month of October 2009.
- Figures of the earlier periods, wherever necessary, have been regrouped to conform with those of the current periods.

Place : Curgaon
Date : October 20, 2009

For Polaris Software Lab Limited

POLARIS SOFTWARE LAB LIMITED
Regd. Office: Polaris House, 244, Anna Salai, Chennai - 600 006. INDIA www.polaris.co.in

R. Srikanth Executive Vice President & Chief Financial Officer
Arun Jain Chairman & Managing Director