



POLARIS SOFTWARE LAB - GROUP
 UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2009
 PREPARED AS PER INDIAN GAAP

Rs. Lakhs

PARTICULARS	QUARTER ENDED		NINE MONTHS ENDED		YEAR ENDED
	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008	March 31, 2009 Audited
Income from software services, products and Business Process Management	338,88.55	372,57.80	1,002,71.92	1,040,69.93	1,377,94.54
Software development expenses	218,46.50	232,34.77	646,97.61	676,18.93	885,40.10
Gross Profit	120,42.05	140,23.03	355,74.31	364,51.00	492,54.44
Selling and marketing expenses	36,10.04	35,04.45	106,36.09	101,20.07	136,76.09
General and Administrative expenses	29,54.39	29,78.35	85,50.11	91,58.08	122,25.91
Operating Profit before interest, depreciation & amortisation	54,77.62	75,40.23	163,88.11	171,72.85	233,52.44
Depreciation / Amortisation	8,64.57	8,80.01	25,82.37	30,22.90	38,78.16
Finance Charges	21.62	17.77	56.12	54.99	73.54
Operating Profit after interest, depreciation & amortisation	45,91.43	66,42.45	137,49.62	140,94.96	194,00.74
Exchange Gain / (Loss)	(4,20.38)	(28,54.15)	(26,08.98)	(36,79.58)	(56,38.40)
Other Income	4,99.56	4,66.09	13,33.56	7,46.18	11,75.31
Share of profit / (loss) of Associate Companies	-	23.63	(41.61)	1,01.11	91.09
Profit on sale of Investments	-	-	-	13,01.37	13,01.37
Intangible Assets - Amortised fully	-	-	-	(11,73.27)	(11,73.27)
Profit before tax	46,70.61	42,78.02	124,32.59	113,90.77	151,56.84
Provision for taxation	6,63.22	5,61.29	17,22.06	15,30.16	20,85.58
Profit after tax	40,07.39	37,16.73	107,10.53	98,60.61	130,71.26
Earnings per share of Rs.5 each (Rs.)					
Basic	4.06	3.77	10.85	9.99	13.25
Diluted	4.02	3.77	10.76	9.99	13.24

POLARIS SOFTWARE LAB LIMITED
 AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2009 PREPARED AS PER INDIAN GAAP

PARTICULARS	QUARTER ENDED		NINE MONTHS ENDED		YEAR ENDED
	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008	March 31, 2009
Income from Software services and products	292,62.71	317,28.33	849,82.86	884,71.61	1,171,34.43
Software development expenses	194,37.66	207,19.31	584,55.80	611,70.20	795,42.87
Gross Profit	98,25.05	110,09.02	265,27.06	273,01.41	375,91.56
Selling and marketing expenses	17,77.30	16,73.58	52,77.83	48,30.26	63,67.51
General and Administrative expenses	28,12.80	27,00.93	79,60.44	83,61.63	106,68.36
Operating Profit before interest, depreciation & amortisation	52,34.95	66,34.51	132,88.79	141,09.52	205,55.69
Depreciation / Amortisation	6,32.11	6,79.21	19,24.83	24,45.85	30,96.78
Finance Charges	11.81	11.47	34.31	39.40	55.29
Operating Profit after interest, depreciation & amortisation	45,91.03	59,43.83	113,29.65	116,24.27	174,03.62
Exchange Gain / (Loss)	(3,34.56)	(33,13.88)	(20,26.42)	(43,91.42)	(65,94.85)
Other Income	4,81.40	4,34.13	12,92.37	6,77.93	10,77.73
Provision for diminution in value of Investments	-	-	-	(71.13)	(71.13)
Profit on sale of Investments	-	-	-	19,79.45	19,79.45
Intangible Assets - Amortised fully	-	-	-	(11,73.27)	(11,73.27)
Profit before tax	47,37.87	30,64.08	105,95.60	86,45.83	126,21.55
Provision for taxation	4,19.72	3,76.35	12,28.97	10,61.65	15,02.88
Profit after tax	43,18.15	26,87.73	93,66.63	75,84.18	111,18.67
Paid-up equity share capital	49,42.80	49,33.81	49,42.80	49,33.81	49,33.81
Reserves excluding revaluation reserves	714,75.24	621,54.58	714,75.24	621,54.58	644,67.95
Earnings per share of Rs 5 each (Rs)					
Basic	4.37	2.72	9.49	7.69	11.27
Diluted	4.34	2.72	9.41	7.69	11.27

Public Shareholding					
Number of shares	70,077,938	69,897,588	70,077,938	69,897,588	69,897,588
Percentage of shareholding	70.89	70.84	70.89	70.84	70.84
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)	29.11%	NA	29.11%	NA	29.16%

SEGMENT INFORMATION	QUARTER ENDED		NINE MONTHS ENDED		YEAR ENDED
	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008	March 31, 2009
A) Segment revenue:					
Banking & Financial services	273,42.93	285,77.91	788,85.43	797,12.14	1,061,04.18
Emerging verticals	19,19.78	31,50.42	60,97.43	87,59.47	110,30.25
Total revenues	292,62.71	317,28.33	849,82.86	884,71.61	1,171,34.43
B) Segment results:					
Profit before interest and tax					
Banking & Financial services	72,95.09	77,41.07	196,91.13	228,61.77	319,64.41
Emerging verticals	3,72.74	9,14.13	10,29.33	24,84.55	29,56.92
Total	76,67.83	86,55.20	207,20.46	253,46.32	349,21.33
a) Finance Charges	(11.81)	(11.47)	(34.31)	(39.40)	(55.29)
b) Other unallocable expenditure net of unallocable income	(29,18.15)	(55,79.65)	(100,90.55)	(166,61.09)	(222,44.49)
Profit before tax	47,37.87	30,64.08	105,95.60	86,45.83	126,21.55
C) Capital employed:**	764,18.04	670,88.39	764,18.04	670,88.39	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 January 20, 2010.
- The Stand alone financial statements of the Company for the Quarter and nine months ended Dec 31, 2009 was audited by the Statutory Auditors of the Company.
- The Board of Directors has recommended an Interim Dividend of 35% (Rs.1.75 per equity share of Rs.5 each on equity share capital of the Company).
- Staff Costs for the quarter ended Dec 31,2009 was Rs 20,725.54 Lakhs, (Quarter ended Dec 31, 2008 was 21,948.48 lakhs).
- Provision for taxation includes current tax, deferred tax, MAT and FBT wherever applicable.
- No. of Complaints pending at the beginning of the quarter Nil
 No. of Complaints received during the quarter 127
 No. of Complaints disposed off during the quarter 127
 No. of Complaints lying unresolved at the end of the quarter Nil
- The Company has allotted 1,67,600 shares under Associate Stock option Plans of the Company during the Quarter ended Dec 31,2009 .
- The Group has acquired Laser Soft Infosystems Ltd, a Banking Software Company ,in an all- cash deal during the quarter and accordingly the Group results for the quarter includes revenue of Rs.390.71 lakhs and net profit Rs. 5.77 lakhs of the said Company.
- During the quarter ended December 2009 Mr Anil Nagu was inducted as a director in the Board w.e.f. 15.10.09.
- Figures of the earlier periods, wherever necessary, have been regrouped to conform with those of the current period.

Place : Chennai
 Date : January 20, 2010

For Polaris Software Lab Limited

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

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