



**POLARIS SOFTWARE LAB - GROUP**  
UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE  
QUARTER ENDED JUNE 30, 2010 PREPARED AS PER INDIAN GAAP

Rs. Lakhs

PARTICULARS	QUARTER ENDED		YEAR ENDED
	June 30, 2010	June 30, 2009	March 31, 2010 Audited
<b>INCOME</b>			
Income from software services, products and Business Process Management	360,56.50	325,52.82	1,353,75.62
Other Operating Income / (Loss)	7,39.70	(13,30.44)	(26,41.96)
	<b>367,96.20</b>	<b>312,22.38</b>	<b>1,327,33.66</b>
<b>EXPENDITURE</b>			
Software development expenses	242,95.35	207,85.67	870,09.58
Selling and marketing expenses	38,96.27	34,74.40	145,03.20
General and Administrative expenses	30,45.39	27,69.71	116,61.02
<b>Total Expenditure</b>	<b>312,37.01</b>	<b>270,29.78</b>	<b>1,131,73.80</b>
<b>Profit before interest, depreciation &amp; amortisation</b>	<b>55,59.19</b>	<b>41,92.60</b>	<b>195,59.86</b>
Depreciation/Amortisation	7,80.81	8,44.13	35,01.53
Finance Charges	23.70	17.23	91.09
<b>Profit after interest, depreciation &amp; amortisation</b>	<b>47,54.68</b>	<b>33,31.24</b>	<b>159,67.24</b>
Other Income	6,84.04	4,29.06	19,11.88
Minority Interest / Share of profit / (loss) of Associate Companies	6.93	-	(41.61)
<b>Profit before tax</b>	<b>54,45.65</b>	<b>37,60.30</b>	<b>178,37.51</b>
Provision for taxation	7,85.56	5,76.78	25,53.27
<b>Profit after tax</b>	<b>46,60.09</b>	<b>31,83.52</b>	<b>152,84.24</b>
Earnings per share of Rs.5 each (Rs.)			
Basic	4.71	3.23	15.48
Diluted	4.66	3.22	15.34

**POLARIS SOFTWARE LAB LIMITED**

**AUDITED FINANCIAL (STANDLONE) RESULTS FOR THE QUARTER ENDED JUNE 30, 2010 PREPARED AS PER INDIAN GAAP**

PARTICULARS	QUARTER ENDED		YEAR ENDED
	June 30, 2010	June 30, 2009	March 31, 2010
<b>INCOME</b>			
Income from software services and products	309,62.01	270,75.74	1,143,47.69
Other Operating Income / (Loss)	8,32.71	(8,05.61)	(21,06.71)
	<b>317,94.72</b>	<b>262,70.13</b>	<b>1,122,40.98</b>
<b>EXPENDITURE</b>			
Software development expenses	222,44.74	190,69.29	783,33.74
Selling and marketing expenses	21,24.38	17,28.98	71,71.12
General and Administrative expenses	27,36.98	25,23.25	108,61.64
<b>Total Expenditure</b>	<b>271,06.10</b>	<b>233,21.52</b>	<b>963,66.50</b>
<b>Profit before interest, depreciation &amp; amortisation</b>	<b>46,88.62</b>	<b>29,48.61</b>	<b>158,74.48</b>
Depreciation / Amortisation	5,79.93	6,33.70	25,44.59
Finance Charges	5.58	9.11	47.42
<b>Profit after interest, depreciation &amp; amortisation</b>	<b>41,03.11</b>	<b>23,05.80</b>	<b>132,82.47</b>
Other Income	6,13.80	4,34.82	17,28.35
<b>Profit before tax</b>	<b>47,16.91</b>	<b>27,40.62</b>	<b>150,10.82</b>
Provision for taxation	6,45.69	4,51.50	19,46.50
<b>Profit after tax</b>	<b>40,71.22</b>	<b>22,89.12</b>	<b>130,64.32</b>
Paid-up equity share capital	49,51.27	49,33.81	49,48.06
Reserves excluding revaluation reserves	773,86.48	664,49.14	730,60.37
Earnings per share of Rs.5 each (Rs.)			
Basic	4.11	2.32	13.23
Diluted	4.08	2.32	13.11

Public Shareholding			
Number of shares	70,247,338	69,898,038	70,182,988
Percentage of shareholding	70.94	70.84	70.92
Promoters and Promoter group shareholding			
a) Pledged / encumbered			
- Number of shares	Nil	Nil	Nil
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil
- percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil
b) Non - encumbered			
- Number of shares	28,778,159	28,778,159	28,778,159
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%
- percentage of shares (as a % of the total share capital of the company)	29.06%	29.16%	29.08%

SEGMENT INFORMATION	QUARTER ENDED		YEAR ENDED
	June 30, 2010	June 30, 2009	March 31, 2010
<b>A) Segment revenue:</b>			
Banking & Financial services	290,60.52	249,96.78	1,058,48.06
Emerging verticals	19,01.49	20,78.96	84,99.63
<b>Total revenues</b>	<b>309,62.01</b>	<b>270,75.74</b>	<b>1,143,47.69</b>
<b>B) Segment results:</b>			
<b>Profit before interest and tax</b>			
Banking & Financial services	67,73.16	57,36.07	265,83.91
Emerging verticals	3,30.31	2,99.85	15,23.63
<b>Total</b>	<b>71,03.47</b>	<b>60,35.92</b>	<b>281,07.54</b>
a) Finance Charges	(5.58)	(9.11)	(47.42)
b) Other unallocable expenditure net of unallocable income	(23,80.98)	(32,86.19)	(130,49.30)
<b>Profit before tax</b>	<b>47,16.91</b>	<b>27,40.62</b>	<b>150,10.82</b>
<b>C) Capital employed:**</b>	<b>823,37.75</b>	<b>713,82.95</b>	<b>780,08.43</b>

\*\*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 July 15, 2010
- The Stand alone financial statements of the Company for the quarter ended June 30, 2010 were audited by the Statutory Auditors of the Company
- Staff Cost for the quarter ended June 30,2010 was Rs 22,638.34 Lakhs (Quarter ended June 30,2009 was Rs. 20,130.26 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 27  
No. of Complaints disposed off during the quarter 27  
No. of Complaints lying unresolved at the end of the quarter Nil
- The Company has allotted 64,350 shares under Associate Stock option Plans of the Company during the Quarter ended June 30,2010
- The Company has acquired 51 % Equity stake in Indigo TX Software Private Limited, a leading share broker software (SAAS) solution provider on May 10, 2010 and the Group results for the quarter includes revenue of Rs 25.57 lakhs and loss of Rs 7.22 lakhs of Indigo TX Software Private Limited
- Figures of the earlier periods, wherever necessary, have been regrouped to conform with those of the current period

Place : Chennai  
Date : July 15, 2010

For Polaris Software Lab Limited

**POLARIS SOFTWARE LAB LIMITED**

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**R. Srikanth**  
President & Chief Financial Officer

**Arun Jain**  
Chairman & Managing Director