

POLARIS FINANCIAL TECHNOLOGY - GROUP

(Formerly known as Polaris Software Lab - Group)

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2011 PREPARED AS PER INDIAN GAAP
Rs. Lakhs

PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
	Dec 31, 2011	Sep 30, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	March 31, 2011 Audited
INCOME						
Income from software services, products and Business Process Management	572,53.05	509,73.68	399,89.50	1,532,45.60	1,148,79.86	1,586,33.14
Other Operating Income / (Loss)	(20,20.96)	13,38.17	11,52.29	(1,22.69)	19,91.36	25,38.28
	552,32.09	523,11.85	411,41.79	1,531,22.91	1,168,71.22	1,611,71.42
EXPENDITURE						
Software development expenses	376,60.46	360,45.21	272,16.23	1,045,59.45	770,21.23	1,072,39.25
Selling and marketing expenses	55,99.18	54,15.80	43,27.16	160,92.30	123,26.71	173,47.75
General and Administrative expenses	34,41.34	32,97.28	32,07.13	100,36.96	94,11.12	126,56.45
Total Expenditure	467,00.98	447,58.29	347,50.52	1,306,88.71	987,59.06	1,372,43.45
Profit before interest, depreciation & amortisation	85,31.11	75,53.56	63,91.27	224,34.20	181,12.16	239,27.97
Depreciation/Amortisation	13,05.56	11,18.45	8,73.84	33,80.36	24,97.30	33,65.86
Finance Charges	81.40	56.85	27.59	1,86.42	76.86	1,14.87
Profit after interest, depreciation & amortisation	71,44.15	63,78.26	54,89.84	188,67.42	155,38.00	204,47.24
Other Income	7,81.09	8,89.09	5,33.70	24,71.87	16,17.02	33,68.67
Minority Interest / Share of profit / (loss) of Associate Companies	8.39	11.08	(2.62)	21.28	26.01	18.16
Profit before tax	79,33.63	72,78.43	60,20.92	213,60.57	171,81.03	238,34.07
Provision for taxation	18,26.53	18,84.82	10,08.03	54,03.83	26,92.81	35,88.10
Profit after tax	61,07.10	53,93.61	50,12.89	159,56.74	144,88.22	202,45.97
Earnings per share of Rs.5 each (Rs.)						
Basic	6.15	5.43	5.06	16.07	14.62	20.43
Diluted	6.12	5.40	5.02	16.00	14.52	20.28

POLARIS FINANCIAL TECHNOLOGY LIMITED

(Formerly known as Polaris Software Lab Limited)

AUDITED FINANCIAL (STANDALONE) RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2011 PREPARED AS PER INDIAN GAAP

PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
	Dec 31, 2011	Sep 30, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	March 31, 2011 Audited
INCOME						
Income from software services and products	492,77.10	446,29.14	348,27.80	1,330,55.54	997,23.45	1,375,96.45
Other Operating Income / (Loss)	(24,53.99)	10,46.86	11,54.33	(7,89.19)	24,21.11	31,91.37
	468,23.11	456,76.00	359,82.13	1,322,66.35	1,021,44.56	1,407,87.82
EXPENDITURE						
Software development expenses	334,42.30	328,80.33	242,92.02	944,41.24	701,92.20	980,20.65
Selling and marketing expenses	30,39.64	30,60.64	25,85.04	91,50.00	70,70.57	100,90.63
General and Administrative expenses	31,61.44	31,37.86	29,18.78	92,70.80	85,02.25	114,56.70
Total Expenditure	396,43.38	390,78.83	297,95.84	1,128,62.04	857,65.02	1,195,67.98
Profit before interest, depreciation & amortisation	71,79.73	65,97.17	61,86.29	194,04.31	163,79.54	212,19.84
Depreciation / Amortisation	10,57.28	8,85.06	6,83.97	26,88.87	19,05.76	26,43.66
Finance Charges	55.46	30.43	5.39	99.02	18.13	34.21
Profit after interest, depreciation & amortisation	60,66.99	56,81.68	54,96.93	166,16.42	144,55.65	185,41.97
Other Income	7,45.42	8,29.71	4,65.59	23,10.27	13,98.49	30,75.80
Profit before tax	68,12.41	65,11.39	59,62.52	189,26.69	158,54.14	216,17.77
Provision for taxation	16,33.87	16,96.36	8,32.77	48,63.63	22,56.40	29,14.99
Profit after tax	51,78.54	48,15.03	51,29.75	140,63.06	135,97.74	187,02.78
Paid-up equity share capital	49,68.98	49,66.50	49,58.71	49,68.98	49,58.71	49,59.78
Reserves excluding revaluation reserves	999,61.91	964,35.89	868,27.81	999,61.91	868,27.81	867,51.03
Earnings per share of Rs.5 each (Rs.)						
Basic	5.21	4.85	5.17	14.17	13.73	18.87
Diluted	5.18	4.82	5.14	14.08	13.62	18.74

PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
	Dec 31, 2011	Sep 30, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	March 31, 2011 Audited
Public Shareholding						
Number of shares	70,392,944	70,437,438	70,396,038	70,392,944	70,396,038	70,417,438
Percentage of shareholding	70.83%	70.91%	70.98%	70.83%	70.98%	70.99%
Promoters and Promoter group shareholding						
a) Pledged / encumbered	Nil	Nil	Nil	Nil	Nil	Nil
- Number of shares						
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil
b) Non - encumbered						
- Number of shares	28,986,753	28,892,559	28,778,159	28,986,753	28,778,159	28,778,159
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	29.17%	29.09%	29.02%	29.17%	29.02%	29.01%

SEGMENT INFORMATION	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
	Dec 31, 2011	Sep 30, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	March 31, 2011 Audited
A) Segment revenue:						
Banking & Financial services	470,20.59	423,59.35	326,99.07	1,266,82.53	935,12.77	1,292,47.19
Emerging verticals	22,56.51	22,69.79	21,28.73	63,73.01	62,10.68	83,49.26
Total revenues	492,77.10	446,29.14	348,27.80	1,330,55.54	997,23.45	1,375,96.45
B) Segment results:						
Profit before interest and tax						
Banking & Financial services	148,42.37	108,45.37	80,51.81	345,85.16	221,54.57	288,13.69
Emerging verticals	4,21.40	2,62.68	3,33.93	10,96.74	9,62.36	13,24.86
Total	152,63.77	111,08.05	83,85.74	356,81.90	231,16.93	301,38.55
a) Finance Charges	(55.46)	(30.43)	(5.39)	(99.02)	(18.13)	(34.21)
b) Other unallocable expenditure net of unallocable income	(83,95.90)	(45,66.23)	(24,17.83)	(166,56.19)	(72,44.66)	(84,86.57)
Profit before tax	68,12.41	65,11.39	59,62.52	189,26.69	158,54.14	216,17.77
C) Capital employed:**	1,049,30.89	1,014,02.39	917,86.52	1,049,30.89	917,86.52	917,10.81

**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, 2012.
 - The Standalone financial statements of the Company for the Quarter and nine months ended Dec 31, 2011 was audited by the Statutory Auditors of the Company.
 - Stand alone staff Costs for the quarter ended Dec 31, 2011 was Rs. 34,187.24 lakhs (Quarter ended Dec 31, 2010 was Rs 25,494.58 lakhs).
 - Provision for taxation includes current tax, deferred tax and MAT, wherever applicable.
 - No. of Complaints pending at the beginning of the quarter Nil
No. of Complaints received during the quarter 18
No. of Complaints disposed off during the quarter 18
No. of Complaints lying unresolved at the end of the quarter Nil
 - The Company has allotted 49,700 shares under Associate Stock Option Plans of the Company during the Quarter ended Dec 31, 2011 .
 - With effect from 16th November 2011, the name of the Company has been changed to Polaris Financial Technology Limited.
 - The Board of Directors of the Company have approved in-principle the proposal to de-merge the Information Technology Enabled Services business of its subsidiary, Optimus Global Services Limited (Optimus) into the Company. Accordingly, the Company is in the process of obtaining approval of the High Court and complete other necessary legal requirements. As at December 31, 2011, the Company has investments aggregating Rs 4,684 lakhs in Optimus. Optimus has accumulated losses of Rs 3,148 Lakhs as at December 31, 2011 (unaudited). The above financial results do not include adjustments, if any, that may be required on the stand-alone financial results on account of the proposed scheme of de-merger. However, this has no effect on the consolidated financial results of the Company.
 - During the quarter ended December 31, 2011, the Board of Directors has declared an interim dividend of Rs 2/- per equity share (40% on par value of Rs 5/- per share).
 - Figures of the earlier periods, wherever necessary, have been regrouped to conform with those of the current periods.

Place : Chennai
Date : January 20, 2012

For Polaris Financial Technology Limited