

PARTICULARS	QUARTER ENDED			YEAR ENDED
	June 30, 2012	March 31, 2012	June 30, 2011	March 31, 2012
INCOME				
Income from Operations	569,31.26	520,27.52	450,18.87	2,052,73.12
	569,31.26	520,27.52	450,18.87	2,052,73.12
EXPENDITURE				
Employees cost	416,47.27	375,50.63	320,85.57	1,445,22.57
Depreciation	12,91.74	13,42.71	9,56.35	47,23.07
Other expenditure	85,31.28	79,05.73	72,51.43	326,53.92
Total	514,70.29	467,99.07	402,93.35	1,818,99.56
Profit from Operations before Other Income, Interest & Tax	54,60.97	52,28.45	47,25.52	233,73.56
Other Income	23,43.90	18,41.97	14,43.91	51,42.38
Profit before Interest and Tax	78,04.87	70,70.42	61,69.43	285,15.94
Finance cost	75.44	64.32	22.73	1,70.55
Profit before tax	77,29.43	70,06.10	61,46.70	283,45.39
Tax expenses	16,28.08	8,98.36	16,92.48	63,02.19
Net Profit after tax	61,01.35	61,07.74	44,54.22	220,43.20
Minority interest / Share of profit / (loss) of Associate companies	15.40	6.37	1.81	27.65
Net Profit for the period	61,16.75	61,14.11	44,56.03	220,70.85
Earning Per Share (EPS) of Rs.5 each (Rs.)				
Basic	6.15	6.15	4.49	22.22
Diluted	6.13	6.13	4.46	22.15

POLARIS FINANCIAL TECHNOLOGY LIMITED

(Formerly known as Polaris Software Lab Limited)

Regd Office : Carex Centre, 244 (Old No. 713) Anna Salai, Chennai 600 006.

UNAUDITED FINANCIAL (STANDALONE) RESULTS FOR THE QUARTER ENDED JUNE 30, 2012 PREPARED AS PER INDIAN GAAP

PARTICULARS	QUARTER ENDED			YEAR ENDED
	June 30, 2012	March 31, 2012	June 30, 2011 (Audited)	March 31, 2012
INCOME				
Income from Operations	469,39.88	426,91.85	391,49.30	1,757,47.40
	469,39.88	426,91.85	391,49.30	1,757,47.40
EXPENDITURE				
Employees cost	362,10.75	326,62.08	290,14.23	1,282,81.63
Depreciation	10,46.64	10,86.35	7,46.53	37,75.23
Other expenditure	52,40.53	51,39.17	51,47.01	232,13.80
Total	424,97.92	388,87.60	349,07.77	1,552,70.66
Profit from Operations before Other Income, Interest & Tax	44,41.96	38,04.25	42,41.53	204,76.74
Other Income	20,40.37	12,15.16	13,65.50	35,25.43
Profit before Interest and Tax	64,82.33	50,19.41	56,07.03	240,02.17
Finance cost	61.89	53.05	4.15	1,09.11
Profit before tax	64,20.44	49,66.36	56,02.88	238,93.06
Tax expenses	12,60.03	6,88.04	15,33.39	55,51.67
Net Profit after tax	51,60.41	42,78.32	40,69.49	183,41.39
Paid-up Equity share Capital				
Equity shares of Rs 5 each	49,73.46	49,72.10	49,63.83	49,72.10
Reserves excluding revaluation reserves	951,13.79	1,038,95.34	908,93.32	1,038,95.34
Earning Per Share (EPS) of Rs.5 each (Rs.)				
Basic	5.19	4.30	4.10	18.47
Diluted	5.17	4.29	4.07	18.40
Public Shareholding				
Number of shares	70,479,638	70,452,538	70,484,138	70,452,538
Percentage of shareholding	70.86%	70.85%	71.00%	70.85%
Promoters and Promoter group shareholding				
a) Pledged / Encumbered	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
- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil
b) Non - encumbered				
- Number of shares	28,989,559	28,989,559	28,792,559	28,989,559
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	29.14%	29.15%	29.00%	29.15%

SEGMENT INFORMATION

SEGMENT INFORMATION	QUARTER ENDED			YEAR ENDED
	June 30, 2012	March 31, 2012	June 30, 2011 (Audited)	March 31, 2012
A) Segment Revenue				
Banking, Financial Services and Insurance	446,01.45	403,37.47	373,02.59	1,670,20.00
Emerging verticals	23,38.43	23,54.38	18,46.71	87,27.40
Total Revenues	469,39.88	426,91.85	391,49.30	1,757,47.40
B) Segment profit before depreciation, interest and tax				
Banking & Financial Services	121,67.94	84,38.84	88,97.42	430,24.00
Emerging Verticals	5,07.82	5,73.82	4,12.67	16,70.56
Total	126,75.76	90,12.66	93,10.09	446,94.56
a) Finance Charges	(61.89)	(53.05)	(4.15)	(1,09.11)
b) Other unallocable expenditure net of unallocable income	(61,93.43)	(39,93.25)	(37,03.05)	(206,92.39)
Profit before tax	64,20.44	49,66.36	56,02.89	238,93.06
C) Capital employed:**	1,000,87.25	1,088,67.44	958,57.15	1,088,67.44

**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: 3

- The above results were reviewed by the Audit committee and approved by the Board of Directors at its meeting held on July 24, 2012.
- The Stand-alone financial results of the Company for the Quarter ended June 30, 2012 were subject to limited review by the Statutory Auditors of the Company.
- 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 6
No. of Complaints disposed off during the quarter 6
No. of Complaints lying unresolved at the end of the quarter Nil
- The Company has allotted 27,100 shares under Associate Stock Option Plan 2003 of the Company during the Quarter ended June 30, 2012.
- The Board of Directors and shareholders of the Company have approved 'A Scheme of Arrangement' to de-merge the Information Technology Enabled Services business of its subsidiary, Optimus Global Services Limited (Optimus) into the Company. Accordingly the Company is awaiting receipt of the approval of the High Court and completing other necessary legal requirements. As at June 30, 2012, the Company has investments aggregating to Rs.4,684 lakhs in Optimus. Optimus has accumulated losses of Rs.3,426 lakhs as on June 30, 2012 and loss for the quarter ended June 30, 2012 Rs.161 lakhs. The above stand-alone financial results do not include adjustments, if any, that may be required on account of the proposed scheme of de-merger. However, the effect of the de-merger has been considered in the unaudited Group financials.
- Effective April 1, 2012, the Company early adopted AS 30, 'Financial Instruments: Recognition and Measurement', to the extent that the adoption did not conflict with existing accounting standards and other authoritative pronouncements of the Company Law and other regulatory requirements. In accordance with the transitional provisions, the Company has debited its general reserve for Rs.7,276 lakhs representing the impact as of April 01, 2012 on account of such adoption. Consequently, the Company follows hedge accounting for forward covers entered into to hedge highly probable forecast transactions which qualify as cash flow hedges. An amount of Rs.7,675 lakhs representing the effective portion of fair value of the derivative instruments as of June 30, 2012 has been debited to hedge fluctuating reserve and the ineffective portion has been expensed in the profit and loss account.
- IdeaTrust, a company in which Polaris Financial Technologies Limited has investments, comes under CFIUS (Committee for Foreign Investment in United States) compliance regime. As a part of this compliance it is expected that IdeaTrust will be independently managed through an appropriate Board Composition. Mr. Doyle L Arnold has been appointed as a Chairman of the Board of IdeaTrust. Mr. Doyle L Arnold is the Vice Chairman, Chief Financial Officer & Executive Vice President, Zions Bancorp.
- Figures of the earlier periods, wherever necessary, have been regrouped to confirm with those of the current period.
- Function wise classification of unaudited statement of Profit and Loss for the Group.

Rs. Lakhs

PARTICULARS	QUARTER ENDED			YEAR ENDED
	June 30, 2012	March 31, 2012	June 30, 2011	March 31, 2012
INCOME				
Income from software services, products and Business Process Management	569,31.26	520,27.52	450,18.87	2,052,73.12
Other operating Income / (Loss)	7,98.12	(2,14.80)	5,60.11	(3,37.49)
	577,29.38	518,12.72	455,78.98	2,049,35.63
EXPENDITURE				
Software development expenses	365,90.09	331,09.10	288,94.78	1,295,70.55
Selling and marketing expenses	70,90.03	64,15.44	50,77.31	225,07.74
General and Administrative expenses	34,34.99	34,73.84	33,23.79	135,90.99
Total Expenditure	471,15.11	429,98.38	372,95.88	1,656,69.28
Profit before interest, depreciation & amortisation	106,14.27	88,14.34	82,83.10	392,66.35
Research & development expenses	28,82.01	25,59.00	19,59.00	106,57.00
Depreciation / Amortisation	12,91.74	13,42.71	9,56.35	47,23.07
Finance Charges	75.44	64.32	22.73	1,70.55
Profit after interest, depreciation & amortisation	63,65.08	48,48.31	53,45.02	237,15.73
Other Income	13,64.35	21,57.79	8,01.68	46,29.66
Minority Interest / Share of profit / (loss) of Associate Companies	15.40	6.37	1.81	27.65
Profit before tax	77,44.83	70,12.47	61,48.51	283,73.04
Provision for taxation	16,28.08	8,98.36	16,92.48	63,02.19
Profit after tax	61,16.75	61,14.11	44,56.03	220,70.85

Place : Chennai
Date : July 24, 2012

For Polaris Financial Technology Limited