

## Polaris' Q2 FY 15 revenues at Rs. 477 Cr

*Profit After Tax Registers 18% QoQ Growth*

**Chennai (India), November 7, 2014:** Polaris Consulting & Services Ltd (formerly known as Polaris Financial Technology Limited), a leader in solutions and services that enable unprecedented operational productivity for the global Financial Services industry, announced today its results for the second quarter of FY15 post the demerger of the products business.

### Performance Highlights

**For the quarter ended 30<sup>th</sup> September, 2014:**

- Quarter revenues stood at Rs. 477 crore
- EBITDA for the Quarter stood at Rs. 60 crore
- Profit After Tax (PAT) was at Rs. 49 crore, registering 18% QoQ growth
- 9 new clients added in the quarter

### Board Announcements

**1. Theodore Roosevelt Malloch, Chairman and CEO, The Global Fiduciary Governance LLC inducted as a Director on the Board of Polaris and elected Vice Chairman**

Ted Malloch has served on the Executive Board of the World Economic Forum, which hosts the annual WEF meetings in Davos, Switzerland; held ambassadorial level position in the United Nations in Geneva, Switzerland; headed consulting at Wharton-Chase Econometrics; worked in international capital markets at Salomon Brothers, Inc., a leading investment bank; and served in senior policy positions at the U.S. Senate Committee on Foreign Relations and in the U.S. State Department. He was a Research Professor for the Spiritual Capital Initiative at Yale University. He is currently Professor and Fellow in Management Practice at the Saïd Business School, The University of Oxford;. Malloch also chairs the Spiritual Enterprise Institute funded by the John M. Templeton Foundation which he founded in 2005.

He has authored several bestsellers including: *Trade and Development Policy; Beyond Reductionism, Unleashing the Power of Perpetual Learning, The Global Century, with Scott Massey, Renewing American Culture: The Pursuit of Happiness, Being Generous, Thrift:*

*Rebirth of a forgotten Virtue, and Doing Virtuous Business.* He is currently working on a book on Prudent Business. He has also been Executive producer of four PBS documentaries, most recently, *Renewing American Culture* and *Spiritual Enterprise: Doing Virtuous Business.*

As Vice Chairman, Ted Malloch brings significant experience, business insight, management acumen and global perspective to Polaris Consulting & Services Ltd.

2. **Arun Jain, Founder and Chairman, Polaris Consulting & Services Limited, relinquished his position as Managing Director and will focus on mentoring its growth as Chairman.**
  
3. **Jitin Goyal, CEO, Polaris Consulting & Services Limited has been inducted on to the Board of Polaris and appointed as Executive Director.**

## Management Statement

**Arun Jain, Founder and Chairman, Polaris Consulting & Services Limited** said, “It gives me great pleasure to welcome Ted Malloch to the Board of Polaris. Publishing independent Accounts after a very well designed demerger reflects the stability and maturity of the new management team who withstood market pressure and sustained the business. Now with the demerger behind us and with a new identity, I am confident of the company restarting its growth journey. At this juncture, I am happy to handover the leadership responsibility to Jitin Goyal and look forward to mentoring the growth of the company.”

**Jitin Goyal, CEO and Executive Director, Polaris Consulting & Services Limited, said,** “As a stand-alone company, our PAT and EPS have improved, but we need to continue to improve our top line. Our strategy, as outlined last quarter, is to focus on Digitization, Data Analytics, Risk and Compliance and Payments Transformation. This strategy is beginning to yield results with the new wins for the quarter all being in these areas”.

## Financial Results for the Second Quarter Ended September 30, 2014

POLARIS CONSULTING & SERVICES LIMITED (Formerly known as Polaris Financial Technology Ltd)

Unaudited consolidated financial results for the second quarter ended September 30, 2014 prepared as per Indian GAAP

**\*\*Previous year financials are not comparable with the current year financials consequent to demerger of Product business during the current year.**

Rs. Lakhs

Particulars	QUARTER ENDED			YEAR ENDED
	September 30, 2014	June 30, 2014	September 30, 2013**	March 31, 2014**
<b>INCOME</b>				
Gross Income from software services and Business Process Management	47,674.48	47,371.40	64,337.31	249,906.65
<b>Income from Operations</b>	<b>47,674.48</b>	<b>47,371.40</b>	<b>64,337.31</b>	<b>249,906.65</b>
<b>EXPENDITURE</b>				
Software development expenses	35,103.42	35,034.10	40,121.23	159,088.85
Selling & Marketing and General & Administrative expenses	6,529.15	6,391.20	12,451.61	47,142.13
<b>Total Expenditure</b>	<b>41,632.57</b>	<b>41,425.30</b>	<b>52,572.84</b>	<b>206,230.98</b>
<b>Profit before interest, depreciation &amp; amortisation</b>	<b>6,041.91</b>	<b>5,946.10</b>	<b>11,764.47</b>	<b>43,675.67</b>
Research & Development expenses			2,016.76	8,702.70
Depreciation/ Amortisation	690.46	763.94	1,355.41	5,292.18
Finance Charges		-	41.69	123.85
<b>Profit after interest, depreciation &amp; amortisation</b>	<b>5,351.45</b>	<b>5,182.16</b>	<b>8,350.61</b>	<b>29,556.94</b>
Forex impact on Hedge accounting (AS30)	15.31	96.18	(3,329.40)	(10,439.89)
Other Income including exceptional items	1,358.14	294.95	1,904.67	4,759.38
Minority Interest/ Share of profit/(loss ) of Associate Companies		-	(58.80)	11.55
<b>Profit before tax</b>	<b>6,724.90</b>	<b>5,573.29</b>	<b>6,867.08</b>	<b>23,887.98</b>
Provision for taxation	1,809.67	1,395.90	885.69	3,968.78
<b>Profit after tax</b>	<b>4,915.23</b>	<b>4,177.39</b>	<b>5,981.39</b>	<b>19,919.20</b>

The function wise classification results for the year 2013-14 are not comparable with the audited Consolidated financial results for the year ended March 31, 2014 as the net impact of the financial results of IdenTrust Inc. up to the date of divestment and the profit on divestment of the IdenTrust business had been disclosed under "Other income including exceptional items" in the above functionwise results.

## Business Highlights

Polaris' second quarter revenues were distributed across all geographies with the Americas contributing 55%, Europe 20%, India 7% and Rest of the World 18%.

There were nine new clients added during the Quarter:

- Polaris to transform the Payments & Corporate Banking Portal of a leading government-owned bank in Malaysia with more than 7 million customers.
- Polaris to provide Testing Services, both manual and automation testing, for front, middle and back office applications for the Indian division of a global investment and technology development firm.
- A Tier 1 global Consulting and Auditing firm approached Polaris to develop the state governance model for its Infrastructure Services organization. To develop a comprehensive services catalogue for all Infrastructure Services being provided by them, along with consulting and implementing services.
- Polaris to develop a multi-platform mobile application for an Italian organization developing a social media website and application similar to Facebook.
- A global leader in secure electronic transactions, point-of-sale payment terminals, complete payment solutions and related services partnered with Polaris for regression testing services to certify devices at deployment, after every upgrade or customization, and to make them compliant to regulations.
- A UK headquartered company with a focus on Retail, Financial Services, Utilities & the Public Sector plans to undertake projects in the Middle East. However, as they lack local presence and offshore execution capabilities, they signed an agreement with Polaris to assist them in their projects, primarily in Oracle E-Business and Data warehousing technologies, in a dual-shore mode.
- A leading European renewable energy company, a niche provider with focus primarily on Strategy & Advisory Services, Program & Project Management and IT Delivery to select verticals, subscribes to many Cloud service providers. Polaris will be their Cloud Aggregator, and will provide services on a 24x7 basis from India to the global offices of the company.
- A leading US based multi-national company that manufactures and markets high specialty coatings, sealants and building material uses Infor LN as their ERP solution for one of their premier brands with operations in India. Polaris to implement the Infor LN ERP solution leveraging its expertise Infor LN solution, its implementation and localization.

Polaris is well-recognized as a specialist Financial Technology Services major. It is characterized by deep domain expertise, a strong solutions mindset and a signature competency in designing, developing and supporting mission critical applications for banks, financial institutions and insurance majors across the globe.

For over two decades, the company has delivered serious value to its clients by enabling them to unravel the complexities resulting from rapid innovation, global ambitions, disparate legacy technology, dynamically evolving regulations and requirements.

Polaris is now poised to leverage a wide canvas of opportunities available in four critical areas – Digital Banking, Payments, Risk & Compliance and Analytics. Polaris' Services business is evangelizing the High Performance Outsourcing (HPO) model, with an unmatched combination of vertical specialization, client-centric innovation labs and a performance guarantee.

### Awards and Recognitions

Polaris continues to be recognized and awarded by analysts and other industry influencers worldwide:

- Everest Group rated Polaris as a “Major Contender” in IT Outsourcing Banking - Service Provider Landscape with PEAK Matrix Assessment 2014 report
- Everest Report featured Polaris among leading providers of regulatory compliance services in its report “Regulatory Compliance in Banking and Capital Markets - All About Good Data Governance”

### Investor Conference Call

The Board of Directors of Polaris Consulting & Services Limited met on **7<sup>th</sup> November 2014**, to take on record the financial results of the company for the Second Quarter ended September 30, 2014.

Polaris Consulting & Services Ltd. will host an Investors Conference Call on **7<sup>th</sup> November 2014**, where the Senior Management of Polaris will comment on the company's performance during the Second Quarter ended September 30, 2014 and respond to questions from participants. **The conference call will take place at 17:00 Hrs IST on Friday, 7<sup>th</sup> November, 2014.**

The dial-in numbers to join the conference call:

<b>Conference Name</b>	:	<b>Polaris Investor Earnings call for Q2 FY 2014-15</b>	
<b>Date</b>	:	<b>7<sup>th</sup> November 2014</b>	
<b>Time</b>	:	<b>17:00 HRS IST</b>	
<b>Conference ID</b>	:	<b>31875680</b>	
<b>ACCESS NUMBERS</b>			
MUMBAI	:	Primary Access Toll Number	: 02230360400
BANGALORE	:	Primary Access Toll Number	: 08030360400
DELHI	:	Primary Access Toll Number	: 01130360400
CHENNAI	:	Primary Access Toll Number	: 04430360400
INDIA	:	Primary Access Toll free Number	: 180030131313
HONG KONG	:	Primary Access Toll free Number	: 800901420
SINGAPORE	:	Primary Access Toll free Number	: 8001011906
US and Canada	:	Primary Access Toll free Number	: 18663944523
UK	:	Primary Access Toll free Number	: 08081681758
UAE	:	Primary Access Toll free Number	: 8000174397

**About Polaris Consulting and Services Ltd**

Polaris Consulting & Services Ltd. is a leader in solutions and services that enable unprecedented operational productivity for the global Financial Services industry. With a strong strategic consulting focus backed with high performance delivery in Digital Enterprise, Payments, Risk & Compliance and Data & Analytics, Polaris' services are strongly differentiated, with a formidable reputation in Global Consumer Banking, Treasury & Capital Markets, Global Transaction Banking, Insurance and Enterprise Commerce.

The company's services include process engineering, solution consulting, system integration, ADM, production support, testing, infrastructure management and BPO. To deliver these services, the company has invested heavily in building deep functional & domain-specific models, tools and accelerators, which enable it to deliver higher productivity and better quality to its discerning and demanding BFSI clientele.

The High Performance Outsourcing (HPO) model with aggressive performance-based outcome metrics also leverages highly domain specialized horizontal practices like High Performance Testing, Infrastructure Management, Mainframe Practice, CRM Practice and Business Process Outsourcing. Digital enterprise solutions extend across retail, logistics, manufacturing and enterprise commerce. With six client-centric units and multiple solution-centric units across the world, Polaris Consulting & Services is represented by over 8,300 solution architects, domain and technology experts. For more details, please visit [www.polarisft.com](http://www.polarisft.com)

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