

PARTICULARS	QUARTER ENDED		HALF YEAR ENDED		YEAR ENDED
	September 30, 2007	September 30, 2006	September 30, 2007	September 30, 2006	March 31, 2007 (Audited)
	Rs. Lakhs				
Income from Software services and products	273,55.08	255,56.94	531,00.13	487,61.76	1,032,36.96
Other Income	4,11.04	(1,61.90)	12,69.92	(1,27.27)	6,23.77
Total Income	277,66.12	253,95.04	543,70.05	486,34.49	1,038,60.73
Expenditure					
Software development expenses	184,69.20	158,10.64	362,18.32	308,06.79	658,27.61
Selling and marketing expenses	31,50.01	26,52.01	62,52.99	48,52.53	110,67.00
General and Administrative expenses	27,19.99	25,19.74	54,21.03	49,29.85	102,14.84
Total Expenditure	243,39.20	209,82.39	478,92.34	405,89.17	871,09.45
Profit before interest, depreciation & amortization	34,26.92	44,12.65	64,77.71	80,45.32	167,51.28
Finance Charges	18.85	17.19	36.37	35.60	83.93
Depreciation / Amortisation	11,89.43	11,83.45	23,47.20	23,54.58	48,11.39
Profit after interest, depreciation & amortization	22,18.64	32,12.01	40,94.14	56,55.14	118,55.96
Provision for diminution in value of Investments	--	(3.80)	--	(3.80)	--
Share of Profit / Loss of Associate Companies	(21.52)	92.21	(58.34)	145.78	241.56
Profit before tax	21,97.12	33,00.42	40,35.80	57,97.12	120,97.52
Provision for taxation	3,74.77	5,90.04	7,71.53	10,59.25	19,91.03
Profit after tax	18,22.35	27,10.38	32,64.27	47,37.87	101,06.49
Earnings per share - of Rs.5 each (Rs.)					
Basic	1.85	2.76	3.31	4.82	10.28
Diluted	1.83	2.74	3.29	4.80	10.17
POLARIS SOFTWARE LAB LIMITED					
AUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED SEPTEMBER 30, 2007 PREPARED AS PER INDIAN GAAP					
Rs. Lakhs					
PARTICULARS	QUARTER ENDED		HALF YEAR ENDED		YEAR ENDED
	September 30, 2007 Audited	September 30, 2006 Audited	September 30, 2007 Audited	September 30, 2006 Audited	March 31, 2007 Audited
Income from Software services and products	236,43.28	238,42.51	459,34.36	425,47.16	904,30.01
Other Income	501.05	(2,99.84)	13,79.50	(43.56)	4,73.15
Total Income	241,44.33	235,42.67	473,13.86	425,03.60	909,03.16
Expenditure					
Software development expenses	173,77.83	168,05.64	339,52.15	295,92.37	626,88.45
Selling and marketing expenses	15,55.00	14,14.97	31,09.52	27,49.05	61,00.35
General and Administrative expenses	25,52.01	20,02.33	49,90.67	37,36.77	83,24.53
Total Expenditure	214,84.84	202,22.94	420,52.34	360,78.19	771,13.33
Profit before interest, depreciation & amortization	26,59.49	33,19.73	52,61.52	64,25.41	137,89.83
Finance Charges	11.24	12.91	22.04	24.08	56.68
Depreciation / Amortisation	10,35.38	10,68.31	20,50.03	21,32.51	43,30.05
Profit after interest, depreciation & amortisation	16,12.87	22,38.51	31,89.45	42,68.82	94,03.10
Provision for diminution in value of investments	(69.77)	(18.71)	(69.77)	(22.09)	(18.30)
Profit before tax	15,43.10	22,19.80	31,19.68	42,46.73	93,84.80
Provision for taxation	2,86.50	3,69.93	5,56.55	6,47.91	14,25.98
Profit after tax	12,56.60	18,49.87	25,63.13	35,98.82	79,58.82
Paid-up equity share capital	49,32.44	49,12.04	49,32.44	49,12.04	49,29.11
Reserves excluding revaluation reserves	542,00.98	502,09.73	542,00.98	502,09.73	520,56.02
Earnings per share of Rs 5 each (Rs.)					
Basic	1.27	1.88	2.60	3.66	8.09
Diluted	1.26	1.87	2.58	3.65	8.01
Total Public Shareholding as defined under clause 40A of the Listing Agreement.					
Number of shares	7,11,71,380	7,08,52,444	7,11,71,380	7,08,52,444	7,11,90,049
Percentage of shareholding	72.15	72.12	72.15	72.12	72.22
Face value per share (Rs.)	5.00	5.00	5.00	5.00	5.00
SEGMENT INFORMATION					
	September 30, 2007 Audited	September 30, 2006 Audited	September 30, 2007 Audited	September 30, 2006 Audited	March 31, 2007 Audited
A) Segment revenue:					
Banking & Financial services	208,82.66	211,16.06	406,71.23	378,03.90	803,84.73
Emerging verticals	27,60.62	27,26.45	52,63.13	47,43.26	100,45.28
Total Revenues	236,43.28	238,42.51	459,34.36	425,47.16	904,30.01
B) Segment results:					
Profit before interest and tax					
Banking & Financial services	50,65.13	76,90.27	104,21.54	131,76.73	296,75.00
Emerging verticals	4,66.48	5,58.15	7,13.52	10,69.52	18,21.91
Total	55,31.61	82,48.42	111,35.06	142,46.25	314,96.91
a) Finance Charges	(11.24)	(12.91)	(22.04)	(24.08)	(56.68)
b) Other unallocable expenditure net of unallocable income	(39,77.27)	(60,15.71)	(79,93.34)	(99,75.44)	(220,55.43)
Total profit before tax	15,43.10	22,19.80	31,19.68	42,46.73	93,84.80
C) Capital employed:**	591,33.42	551,21.77	591,33.42	551,21.77	569,85.13
** 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 :					
a) The above results were reviewed by the Audit committee and approved by the Board at its meeting held on October 17, 2007.					
b) The Stand alone financial statements of the Company for the quarter & half year ended Sept.30, 2007 were audited by the Statutory Auditors of the Company.					
c) Staff Costs for the Quarter ended Sept.30, 2007 was Rs.178,08.13 Lakhs (Quarter ended Sept.30, 2006 was Rs.170,65.98 Lakhs).					
d) Provision for taxation includes current tax, deferred tax and fringe benefit tax.					
e) No. of Complaints pending at the beginning of the quarter Nil					
No. of Complaints received during the quarter 15					
No. of Complaints disposed off during the quarter 15					
No. of Complaints lying unresolved at the end of the quarter Nil					
f) The Company has allotted 66,655 Equity Shares of Rs.5/- each on exercise of options by the employees and directors under ASOP 2000, ASOP 2001 & ASOP 2003 schemes during the quarter ended September 30, 2007.					
g) During the quarter, the Company has transferred Unclaimed & Unpaid Dividend for the Financial Year 1999-2000 to the Investor Education and Protection Fund.					
h) The Company, during the quarter, has made following additional investments in the subsidiary / associate companies:					
1. Optimus Global Services Limited Rs.340 lakhs (a subsidiary company, towards subscription money for optionally convertible redeemable preference shares)					
2. NMS Works Software Private Limited Rs. 65 lakhs (an associate company, towards subscription money for equity share capital)					
3. Adrenalin eSystems Limited Rs.30 lakhs (an associate company, towards subscription money for equity share capital)					
i) Figures of the earlier periods, wherever necessary, have been regrouped to conform with those of the current periods.					
Place : Chennai			for Polaris Software Lab Limited		
Date : October 17, 2007					
POLARIS SOFTWARE LAB LIMITED			R. Srikanth		Arun Jain
Regd. Office: Polaris House, 244, Anna Salai, Chennai-600006. INDIA www.polaris.co.in			Executive Vice President & Chief Financial Officer		Chairman & Managing Director