

Q1 Results, July 18 2008

Coverage – Mainlines

Times of India

Polaris board okays foray into real estate

TIMES NEWS NETWORK

Chennai: The board of directors of Polaris Software Lab has cleared the company's proposed foray into the real estate business, subject to regulatory approvals.

R Srikanth, CFO of Polaris told The Times of India that they planned to "monetise the real estate assets to give the benefit to the shareholders."

Meanwhile, the board also took on record the first quarter results for FY 2008-09.

The company reported a 87% increase in net profit to Rs 27.01 crore, up from Rs 14.42 crore for the same period last year. Revenues grew to Rs 316.98 crore (consolidated), up 23% from Rs 257.45 crore for the same period last year. Revenues from Optimus, a wholly-owned BPO subsidiary of Polaris, grew by 80% on a year-on-year basis.

According to a company release, revenues grew 21% to \$76 million from 62.72 million last year, in dollar terms. Profit after tax grew 85% to \$6.48 million from \$3.51 million on a year-on-year basis. The board has also appointed Arup Gupta, the COO of the company as an executive director.

Polaris added 200 people this quarter and plans to hire only on an 'on demand' basis. Utilisation grew by 357 basis points this quarter, the release said.

Asian Age

Polaris to enter into real estate

BY OUR CORRESPONDENT,
CHENNAI

July 17: Polaris Software Lab Ltd will foray into real estate business subject to the regulatory proceedings, the company said in a filing to the BSE after announcing its Q1 results for FY 2008-09.

Despite market fluctuations Polaris reported a growth of 87 per cent in its profit for the quarter ended June 30, 2008. Reading the results Polaris Software chairman and CEO Arun Jain said the company's consolidated revenue stood at Rs 317 crore and profit after was Rs 27.01 crore.

During the year the company's BPO subsidiary grew by 76 per cent.

DNA



Financials

The Economic Times

Polaris to get into realty to monetise its land bank

First Quarter Revenues Up By 23% To Rs 316.98 Cr

Our Bureau
CHENNAI

MID-TIER IT firm Polaris Software Labs on Thursday got board approval to set up a real estate business. But a senior official said it was just a way to sell or lease the land it owns in Chennai and Gurgaon at the right time.

The software company informed BSE that the board has approved commencement of the real estate business activity subject to the regulatory proceedings.

Polaris CFO R Srikanth said: "It's not that we are going to get into buying and selling land. The intention is to monetise our land assets, and unlock its value for our shareholders."

Going through the process of setting up a separate business would help it leverage its land assets best, rather than selling them straightaway, he said. He did not disclose the size of its land holdings nor the possible structure of its real estate business. "These details will be worked out after we get shareholders approval," he said.

The company also announced an 87% jump in its first quarter net profits to Rs 27.01 crore. Its share price at BSE went up 15.47%, closing at Rs 78.75 a share from the previous close of Rs 68.20 a share.

The software company, which develops applications primarily for banking, financial and insurance sectors, posted a net profit of Rs 27.01 crore during the quarter ended 30 June 2008, from Rs 14.42 crore during the same period last year.

The company's first quarter revenues rose by 23% to Rs 316.98 crore (Rs 257.45 crore). End of first quarter, the company's headcount, including its BPO business, was 10,397 against 8820 a year ago.



LANDING GAIN

The co feels a separate business would help it leverage its land assets best, rather than selling them straightaway

The Hindu Business Line

Polaris net up 87%

Our Bureau
Chennai, July 17

Polaris Software Ltd reported an 87-per cent growth in net profit to Rs 27.01 crore for the first quarter ended June 30, 2008 compared with Rs 14.42 crore in the corresponding quarter last year. Revenues went up by 23 per cent to Rs 316.98 crore (Rs 257.45 crore).

In dollar terms, net profit grew by 85 per cent to \$6.48 million (\$3.51 million) and revenues grew by 21 per cent to \$76 million (\$62.72 million).

Mr Arun Jain, Chairman and CEO, Polaris, in a release said, "We are better positioned to expand business beyond G7 markets. We have built over 40 reference sites for our Intellect Product and completed critical implementations in Tier 1 banks. Now, we are ready to market the product to Tier 2 banks."

Mr R. Srikanth, Executive Vice-President and Chief Financial Office, Polaris, on higher profitability said since February all business centres were asked to work on higher profit targets and this has worked out well. Further 'cost rationalisation and better employee utilisation' (utilisation in the quarter improved by 357 basis points) increased the profits.

CITI REVENUE

Citi Group's share to Polaris's total revenues increased to 40.66 per cent during the quarter compared with 38.92 per cent in the previous quarter.

Onlines

Business Standard

Polaris Software spurts on rise in net profits

July 18, Bangalore: Polaris Software Lab shot up by 15.47 per cent to close at Rs 78.75, partly because of the impressive results posted by the company. The company reported a consolidated net profit of Rs 27.01 crore for Q1 FY09, up 83 per cent compared with the same period last year, and 26 per cent qoq.

The announcement that its board has approved commencement of real estate business activity, would have further fueled Thursday's gains. Total quantity traded in the counter was 18,34,076 shares, about five times its two week average.



Polaris reports 87 p.c. growth in Q1 profits; Arup Gupta joins the Board

July 18, Bangalore: Polaris Software Lab Limited today announced the first quarter results for FY 2008-2009.

For the quarter ended 30th June 2008, consolidated revenue was Rs. 316.98 crore and Profit after Tax (PAT) was Rs. 27.01 crore.

Compared to the same quarter last year, revenues grew 23 per cent from Rs. 257.45 crore and Profits grew by 87 per cent from Rs. 14.42 crore.

On a sequential quarter on quarter basis, revenues grew by 11 per cent from Rs. 286.16 cr to Rs 316.98 cr and profits grew by 26 per cent from Rs. 21.45 cr to Rs. 27.01 cr. In dollar terms, revenues grew 21 per cent to \$76 million from 62.72 million; PAT grew 85 per cent to \$6.48 million from 3.51 million on a year on year basis.

On a sequential quarter on quarter basis, revenues grew by 6 per cent and PAT grew 20 per cent in dollar terms.

The Board has appointed Arup Gupta as Executive Director. The revenues contribution from Americas grew to 37 per cent of total revenues, up by 300 basis points, Polaris said.

Revenues from Optimus, a wholly owned BPO subsidiary of Polaris, grew by 80 per cent on a YoY basis and utilization in the quarter improved by 357 basis points.

During the quarter, the company expanded its customer base, by winning 15 new customers, including 5 that were Intellect-led.

Arun Jain, chairman and CEO, Polaris, said, "With our integrated business model, we are better positioned to expand business beyond G7 markets. We have diligently built over 40 reference sites for the Intellect Product and have completed critical implementations in Tier 1 banks. Now, we are ready to market the product to Tier 2 banks".