

Polaris registers FY 15 Revenues of Rs.1894 Cr, Digital strategy gains momentum with 24 new wins

***Declares Dividend of Rs. 10 per share in addition to the interim dividend
of Rs. 5 per share***

Chennai (India), April 30, 2015: Polaris Consulting & Services Ltd (NSE and BSE: POLARIS), a leader in digital transformation solutions and services, announced its fourth quarter and annual results for FY 2014-15 today.

“We have been able to maintain our revenues and sustain margin levels despite FY 15 being the year of restructuring and demerger. We realigned our organisation around a core digital strategy in order to drive transformation programs for our clients. 24 new clients during a challenging year has energized the organization and validated our strategy. The green shoots of digital led growth are now visible and we are confident that FY 16 would be a growth year” said **Jitin Goyal, CEO and Executive Director, Polaris Consulting & Services Limited**

Highlights for Year ended 31 March, 2015

- Revenues stood at Rs. 1894 crore. In dollar terms, annual revenues were \$ 310 Mn.
- EBITDA stood at Rs. 225 crore
- Profit After Tax (PAT) stood at Rs. 167 crore
- Encouraging new client acquisitions with 24 logos in the year, compared to 11 in FY 14.
- The company has a talent strength of 7220 (excluding BPO division)

Highlights for Quarter ended 31 March, 2015

- Revenues stood at Rs. 468 crore. In dollar terms, revenues stood at \$ 75 Mn.
- EBITDA sustained at Rs. 51 crore despite adverse cross-currency movements & increased contribution towards CSR initiatives
- Profit After Tax (PAT) stood at Rs. 37 crore
- 5 New clients were added reflecting client confidence in our digital strategy
- DSO days improved to 44 days, indicating delivery efficiencies.
- Polaris Consulting and Saïd Business School, University of Oxford, launched an executive education program, Oxford Polaris Digital Academy aimed to educate executives across industries on how to thrive in today’s complex world of digital transformation

The Board of Directors have recommended a dividend of Rs. 10 per equity share, in addition to the interim dividend of Rs. 5 per equity share for the financial year ended 31st March 2015.

"We were able to sustain EBITDA levels despite adverse cross-currency movements, as well as increased contribution to CSR. Reduction in DSO by 5 days during the quarter helped us generate and grow cash reserves from Rs. 273 crore to Rs. 314 crore. The Board's recommendation of a dividend of Rs 10 per share, over and above the interim of Rs. 5 per share, is a reflection of confidence in the company's financial position and future outlook." said, **NM Vaidyanathan, Chief Financial Officer, Polaris Consulting & Services Limited**

Awards and Recognitions

1. Polaris Consulting featured amongst Top IT Services Vendors in Celent report on Banking in North America for 2014
2. Everest Group rated Polaris as a "Major Contender" in IT Outsourcing Banking - Service Provider Landscape with PEAK Matrix Assessment 2014 report
3. Polaris Consulting featured amongst Top Global IT Services Vendors in Celent's IT Services Report - EMEA & LATAM
4. 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"
5. Forrester featured two case studies from Polaris on Risk Management & Regulatory Compliance for Functional Solutions in its report titled 'Big Data in Banking: It's time to Act'. The feature highlighted that the improved access to global data enables global managers of business lines to make faster and better decisions.
6. Polaris Consulting & Services' Capital Markets COE rated as "Major Contenders" by Everest Group

Financial Results for the Fourth Quarter Ended March 31, 2015

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

Audited consolidated financial results for the fourth quarter ended March 31, 2015 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	
	March 31, 2015	December 31, 2014	March 31, 2014	March 31, 2015	March 31, 2014**
INCOME					
Gross Income from software services, and Business Process Management	46,765.87	47,556.41	64,549.22	189,368.67	249,906.65
Income from Operations	46,765.87	47,556.41	64,549.22	189,368.67	249,906.65
EXPENDITURE					
Software development expenses	34,691.61	35,135.67	41,761.95	139,964.80	159,088.85
Selling & Marketing and General & Administrative expenses	6,981.82	6,958.80	11,924.40	26,860.97	47,142.13
Total Expenditure	41,673.43	42,094.47	53,686.35	166,825.77	206,230.98
Profit before interest, depreciation & amortisation	5,092.44	5,461.94	10,862.87	22,542.90	43,675.67
Research & development expenses			2,545.67		8,702.70
Depreciation/ Amortisation	670.65	665.82	1,332.81	2,790.87	5,292.18
Finance Charges		-	15.53		123.85
Profit after interest, depreciation & amortisation	4,421.79	4,796.12	6,968.86	19,752.03	29,556.94
Forex impact on Hedge accounting (AS30)	(64.30)	(80.80)	(2,609.80)	(34.13)	(10,439.89)
Other Income including exceptional items	874.83	897.12	402.63	3,425.05	4,759.38
Minority Interest/ Share of profit/(loss) of Associate Companies	6.31	-	175.38	6.31	11.55
Profit before tax	5,238.63	5,612.44	4,937.07	23,149.26	23,887.98
Provision for taxation	1,530.12	1,686.58	395.22	6,422.28	3,968.78
Profit after tax	3,708.51	3,925.86	4,541.85	16,726.98	19,919.20

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, 2015 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.

Q4 and Annual Results FY 2014-2015 INR



Investor Conference Call

The Board of Directors of Polaris Consulting & Services Limited met on 30th April 2015, to take on record the financial results of the company for the Fourth quarter and year ended March 31, 2015.

Polaris Consulting & Services Ltd. will host an Investors Conference Call on 30th April 2015, where the Senior Management of Polaris will comment on the company's performance during the Fourth quarter and year ended March 31, 2015 and respond to questions from participants. The conference call will take place at 16:00 Hrs IST on Thursday, 30th April 2015.

The dial-in numbers to join the conference call:

Conference Name : **Q4 FY15 Investors earnings call**
Date : **30th April 2015**
Time : **16:00 HRS IST**
Conference ID : **33870196**

ACCESS NUMBERS

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 & Services Limited

Polaris Consulting & Services Ltd is an innovator in digital transformation, offering solutions that result in performance breakthroughs where incremental improvements are not sufficient. The goal of our Digital 360 approach is to simplify, digitize, and automate internal processes; while enabling seamless omni-channel access for our client's external ecosystem of customers, suppliers and partners. Polaris has specialized practice areas in: mobile, user experience, data & analytics, systems integration, testing, infrastructure management and business process outsourcing; along with specialized vertical practices in consumer and corporate banking, capital markets, and insurance. For more details, please visit www.polarisft.com

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