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**Year on year Revenues up 39%; Profits up 113%**  
**Sequential quarter revenues up 13%; profits up 79%; EPS up 78.4%**  
**Second consecutive quarter with record EPS growth**

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**Bangalore, October 16, 2008**

The Mphasis Group consolidated revenues were at Rs 836.1 crores in the current quarter ended 30 September 2008 and have increased by 39% over the same quarter last year. During the same period net profit increased by 112.8% from Rs 66.3 crores to Rs 141.1 crores. In keeping with these results, Mphasis reported the highest ever EPS in the group's history of Rs. 6.76 beating the earlier highest in the last quarter by 78.4%.

Operating profit during the quarter ended 30 September 2008 was Rs 132.4 crores compared with Rs 73.9 crores in the same quarter a year ago – a growth of 79.2%.

Sequential quarter revenues grew 12.6% compared to revenues of Rs 742.2 crores in the quarter ended 30 June 2008. Operating profit for the quarter increased by 58.5% to Rs 132.4 crores. Net profit for the quarter increased to Rs 141.1 crores for the quarter ended 30 September 2008 compared with Rs 79.0 crores in the quarter ended 30 June 2008 – a growth of 79%.

For the half year ended 30 September 2008 the Group recorded revenues of Rs 1,578.3 crores, a growth of 39.3% over the Rs 1,133.3 crores recorded in the same period last year. Net Profit for the half year ended 30 September 2008 grew by 87.1% to Rs 220.1 compared to Rs 117.6 crores during the first half of the previous fiscal.

"We have completed another good quarter retaining our existing accounts and actively pursuing new business. Our efforts to maintain operational efficiencies are continuing as planned. We are leveraging technology at the workplace and accelerating the pace of customer innovation to create our next growth wave. Having two consecutive quarters of record EPS growth comes through alignment, focus and relentless execution by our team and support from our valued customers. With the merger of EDS into HP, Mphasis has a stronger partner to go to market and create larger opportunities." said Jeya Kumar, CEO Mphasis

During the quarter the Group added 20 new clients including 15 relationships through EDS, an HP Company. These include clients in Manufacturing & Retail and Banking & Financial Service verticals. The Group's client relationships have not only grown in size but also become more broad-based and it now has 98 clients with an annualized run rate of more than a million dollars including 9 clients in excess of \$ 20 million.

**Change in Accounting period**

Mphasis Board has approved change in Financial year from April to March to November to October effective 1 Nov 2008. This would mean that Mphasis will close at the end of October 08 for a one month quarter and a seven months year.

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