

# Mphasis Limited

## Audited Financial Results

for the period ended 31 October 2008 prepared as per Indian GAAP

Amounts in Rupees Lakhs unless otherwise indicated

	One month ended 31 October 2008	Quarter ended 30 September 2007	Seven months ended 31 October 2008	Six months ended 30 September 2007	Year ended 31 March 2008
<b>Revenues</b>	<b>25,591</b>	<b>41,334</b>	<b>145,155</b>	<b>76,941</b>	<b>170,356</b>
Cost of Sales/Services	15,356	30,341	100,603	54,719	124,074
<b>Gross Profit</b>	<b>10,235</b>	<b>10,993</b>	<b>44,552</b>	<b>22,222</b>	<b>46,282</b>
General Administrative Expenses	805	2,046	6,775	4,065	8,342
Selling and Distribution Expenses	1,937	1,769	6,121	3,325	6,267
Depreciation	1,008	2,088	6,909	3,797	8,695
Provision for doubtful debts	(18)	84	36	86	106
<b>Operating Profit before interest and foreign exchange gain / (loss), net</b>	<b>6,503</b>	<b>5,006</b>	<b>24,711</b>	<b>10,949</b>	<b>22,872</b>
Foreign exchange gain/(loss), net	658	(94)	1,732	(1,147)	(1,035)
Interest income/(expense), net	-	129	344	350	574
<b>Operating Profit after interest</b>	<b>7,161</b>	<b>5,041</b>	<b>26,787</b>	<b>10,152</b>	<b>22,411</b>
Other income/(expense), net	32	1	79	23	25
<b>Profit before tax</b>	<b>7,193</b>	<b>5,042</b>	<b>26,866</b>	<b>10,175</b>	<b>22,436</b>
Tax expense / (credit)	(192)	115	415	374	359
<b>Net Profit after tax</b>	<b>7,385</b>	<b>4,927</b>	<b>26,451</b>	<b>9,801</b>	<b>22,077</b>
Paid-up equity share capital of Rs 10 each	20,893	20,869	20,893	20,869	20,873
Reserves excluding Revaluation Reserves	95,428	72,435	95,428	72,435	76,786
Earnings per share - Basic (Rs)	3.54	2.37	12.68	4.71	10.60
Earnings per share - Diluted (Rs)	3.52	2.34	12.61	4.66	10.53
Public share holding					
Number of Shares	81,816,898	81,495,826	81,816,898	81,495,826	81,617,506
Percentage of shareholding	39.16%	39.07%	39.16%	39.07%	39.10%
	<b>One month ended 31 October 2008</b>	<b>Quarter ended 30 September 2007</b>	<b>Seven months ended 31 October 2008</b>	<b>Six months ended 30 September 2007</b>	<b>Year ended 31 March 2008</b>
<b>Segment Revenue</b>					
Application Services	18,154	31,090	103,372	57,885	126,073
BPO Services	2,177	3,253	13,221	6,097	14,493
ITO Services	5,260	6,991	28,562	12,959	29,790
	<b>25,591</b>	<b>41,334</b>	<b>145,155</b>	<b>76,941</b>	<b>170,356</b>
<b>Segment Results</b>					
Application Services	6,860	6,480	25,051	14,540	28,248
BPO Services	722	927	5,486	1,729	4,459
ITO Services	1,701	1,752	7,518	2,644	5,799
	<b>9,283</b>	<b>9,159</b>	<b>38,055</b>	<b>18,913</b>	<b>38,506</b>
Interest income / (expense), net	-	129	344	350	574
Other unallocable expenditure, net of unallocable income	2,090	4,246	11,533	9,088	16,644
<b>Profit before tax</b>	<b>7,193</b>	<b>5,042</b>	<b>26,866</b>	<b>10,175</b>	<b>22,436</b>
<b>Capital Employed (Segment Assets-Segment Liabilities)</b>					
Application Services	6,909	21,595	6,909	21,595	30,622
BPO Services	8,448	3,019	8,448	3,019	3,876
ITO Services	16,838	5,706	16,838	5,706	8,660
Unallocated	84,733	63,583	84,733	63,583	55,108
	<b>116,928</b>	<b>93,903</b>	<b>116,928</b>	<b>93,903</b>	<b>98,266</b>

### Notes :

- The above results were taken on record at the Board Meeting held on 26 November 2008.
- The Company has changed its financial year from April-March to November-October with effect from 01 November 2008 to align with its ultimate parent company, Hewlett Packard Company. To enable this transition, the Company has prepared financial statements for a period of one month ended 31 October 2008, since its last closing on 30 September 2008. Accordingly, figures for previous periods / financial year are not comparable.
- Total staff costs for the month and year ended 31 October 2008 were Rs 7,231 and Rs 47,798 (quarter and half year ended 30 September 2007 were Rs 15,966 and Rs 29,081).
- Period ended 31 October 2008 includes accelerated amortization of visa costs amounting to Rs 928 incurred in prior periods owing to a change in accounting treatment. Consequently, the profit of the period ended 31 October 2008 is lower by the same amount.
- The Company has adopted the principles of Accounting Standard 30 relating to cash flow hedge accounting with effect from 1 April 2008 wherein the resultant exchange gain/loss is credited/debited to the hedging reserve included in the Reserves and Surplus instead of the profit and loss account. As at 31 October 2008 hedging reserve has a debit balance of Rs 3,123.
- The Board of Directors at its meeting on 26 November 2008 recommended a final dividend of Rs 2.00/- per share for the period ending 31 October 2008.
- The Company had Nil investor complaints pending at the beginning of the quarter; received and resolved Nil complaint during the period and has Nil complaint unresolved as at the end of the period.

### Registered Office:

Bagmane Technology Park  
 Byrasandra, C V Raman Nagar, Bangalore 560093.

By order of the Board  
 Mphasis Limited

Bangalore, 26 November 2008

**Jeya Kumar**, Chief Executive Officer