MphasiS Limited

Audited Financial Results

for the quarter ended 31 January 2010 prepared as per Indian GAAP

Amounts in Rupees Lakhs unless otherwise indicated

	Quarter ended		Year Ended
	31 January 2010	31 January 2009	31 October 2009
Revenues	**96,032**	**76,816**	**340,502**
Cost of Sales/Services	63,117	47,704	214,074
Gross Profit	**32,915**	**29,112**	**126,428**
General Administrative Expenses	3,121	4,470	18,463
Selling and Distribution Expenses	3,503	2,674	11,984
Depreciation	3,134	3,133	13,703
Provision for doubtful debts	-	147	227
Operating Profit before interest and foreign exchange gain / (loss), net	**23,157**	**18,688**	**82,051**
Foreign exchange gain/(loss), net	2,636	(185)	3,640
Interest income/(expense), net	(105)	187	(223)
Operating Profit	**25,688**	**18,690**	**85,468**
Other income/(expense), net	719	157	1,613
Profit before tax	**26,407**	**18,847**	**87,081**
Tax expense	2,555	110	3,394
Net Profit after tax	**23,852**	**18,737**	**83,687**
Paid-up equity share capital of Rs 10 each	20,966	20,894	20,958
Reserves excluding Revaluation Reserves	206,866	115,776	181,450
Earnings per share - Basic (Rs)	11.38	8.97	40.02
Earnings per share - Diluted (Rs)	11.32	8.93	39.76
Public share holding			
Number of Shares	82,548,279	81,831,467	82,464,555
Percentage of shareholding	39.37%	39.17%	39.35%
Promoters and promoter group shareholding			
Pledged/Encumbered			
Number of Shares	-	-	-
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-
Percentage of shares (as a % of the total share capital of the company)	-	-	-
Non-Encumbered			
Number of Shares	127,106,266	127,106,266	127,106,266
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%
Percentage of shares (as a % of the total share capital of the company)	60.63%	60.83%	60.65%

	Quarter ended		Year Ended
	31 January 2010	31 January 2009	31 October 2009
Segment Revenue			
Application Services	69,048	53,361	232,340
BPO Services	7,312	6,960	29,770
ITO Services	19,672	16,495	78,392
	96,032	**76,816**	**340,502**
Segment Results			
Application Services	21,428	16,668	72,230
BPO Services	1,572	2,875	8,894
ITO Services	7,056	6,572	32,436
	30,056	**26,115**	**113,560**
Interest income / (expense), net	(105)	187	(223)
Other unallocable expenditure, net of unallocable income	3,544	7,455	26,256
Profit before tax	**26,407**	**18,847**	**87,081**
Capital Employed (Segment Assets-Segment Liabilities)			
Application Services	36,865	39,820	34,904
BPO Services	4,378	5,448	2,791
ITO Services	12,968	17,415	14,494
Unallocated	173,687	74,107	150,289
	227,898	**136,790**	**202,478**

Notes :

1) The above results were taken on record at the Board Meeting held on 24 February 2010.

2) The Company had Nil investor complaints pending at the beginning of the quarter; received and resolved Nil complaints during the quarter and has Nil complaints unresolved as at the end of the quarter.

3) Total staff costs for the quarter ended 31 January 2010 were Rs 27,372 lakhs (quarter ended 31 January 2009 were Rs 22,787 lakhs).

4) During November 2009, the Board of Directors of the Company approved the merger of MphasiS FinSolutions Private Limited with the Company. Accordingly, the Company filed the merger application with the Hon'ble High Court of Karnataka and the Hon'ble High Court of Judicature at Madras on 28 January 2010 and 15 February 2010 respectively. If approved, the merger will be with retrospective effect from 1 November 2009. Pending High Court and requisite approvals, the merger has not been given effect to, in the financial statements.

5) As part of its overall strategy, the Company decided to set up an offshore development centre in Sri Lanka. In pursuance of this objective, MphasiS Lanka (Private) Limited was incorporated as a wholly owned subsidiary of MphasiS Limited on 12 February 2010.

6) Effective 01 November 2009, the Company changed hedge accounting methodology for its new hedges from spot discounted to forward discounted method. As a result of this change, net profit for the quarter is higher by Rs. 62 lakhs.

7) The figures of previous period have been regrouped/ reclassified, wherever necessary, to conform with the current period classification.

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

By order of the Board
MphasiS Limited

Bangalore, 24 February 2010

Balu Ganesh Ayyar, *Chief Executive Officer*