

Statement of Standalone Audited Financial Results for the quarter and six months ended 30 September 2017

Particulars	Quarter ended			Six months ended		Year ended
	30 September 2017	30 June 2017	30 September 2016	30 September 2017	30 September 2016	31 March 2017
	Audited	Audited	Audited	Audited	Audited	Audited
Revenue from operations	8,056.96	7,859.93	7,637.06	15,916.89	14,770.95	30,185.54
Other income	292.98	363.82	530.18	656.80	972.05	1,865.83
Total income (I)	8,349.94	8,223.75	8,167.24	16,573.69	15,743.00	32,051.37
Expenses						
Purchase of stock-in-trade	-	-	-	-	0.24	0.24
Changes in inventories of stock-in-trade	-	-	0.24	-	40.99	40.99
Employee benefits expense	3,412.84	3,494.80	3,438.29	6,907.64	6,804.58	13,564.99
Finance costs	19.07	2.13	2.12	21.20	17.05	24.01
Depreciation and amortization expense	80.79	77.95	69.92	158.74	126.90	263.78
Other expenses	2,526.48	2,460.02	2,586.13	4,986.50	5,003.57	9,845.85
Total expenses (II)	6,039.18	6,034.90	6,096.70	12,074.08	11,993.33	23,739.86
Profit before exceptional item and tax (III) [(I)-(II)]	2,310.76	2,188.85	2,070.54	4,499.61	3,749.67	8,311.51
Exceptional item (net of tax) (IV)	-	-	39.77	-	39.77	47.98
Profit before tax (III)-(IV)	2,310.76	2,188.85	2,030.77	4,499.61	3,709.90	8,263.53
Tax expenses						
Current tax	572.97	558.87	489.86	1,131.84	943.43	2,036.31
Deferred tax	11.07	(18.01)	4.39	(6.94)	(53.11)	(22.88)
Total tax expenses	584.04	540.86	494.25	1,124.90	890.32	2,013.43
Profit before exceptional item	1,726.72	1,647.99	1,576.29	3,374.71	2,859.35	6,298.08
Profit after exceptional item (A)	1,726.72	1,647.99	1,536.52	3,374.71	2,819.58	6,250.10
Other comprehensive income ('OCI')						
OCI to be reclassified to profit or loss in subsequent periods						
Net change in fair value of derivatives designated as cash flow hedges	(530.68)	(170.72)	256.94	(701.40)	229.58	727.76
Income tax effect on cash flow hedges	183.66	59.08	(88.91)	242.74	(79.44)	(251.86)
Net OCI to be reclassified to profit or loss in subsequent periods (B)	(347.02)	(111.64)	168.03	(458.66)	150.14	475.90
OCI not to be reclassified to profit or loss in subsequent periods						
Re-measurement gains / (losses) on defined benefit plans	(18.26)	(10.41)	0.07	(28.67)	(0.41)	(33.85)
Income tax effect on the above	6.32	3.60	(0.03)	9.92	0.14	11.72
Net OCI not to be reclassified to profit or loss in subsequent periods (C)	(11.94)	(6.81)	0.04	(18.75)	(0.27)	(22.13)
Total OCI for the period, net of tax (D) [B+C]	(358.96)	(118.45)	168.07	(477.41)	149.87	453.77
Total comprehensive income for the period (A+D)	1,367.76	1,529.54	1,704.59	2,897.30	2,969.45	6,703.87
Equity Share Capital	1,931.72	1,930.72	2,102.34	1,931.72	2,102.34	2,104.24
Other equity	33,002.55	35,541.76	46,067.47	33,002.55	46,067.47	44,849.02
Earnings per equity share (par value of share ₹ 10)						
Basic (₹)	8.94	8.01	7.51	16.92	13.62	29.99
Diluted (₹)	8.93	7.99	7.48	16.90	13.58	29.94
Earnings per equity share (par value of share ₹ 10)						
Basic (₹)	8.94	8.01	7.32	16.92	13.43	29.76
Diluted (₹)	8.93	7.99	7.30	16.90	13.39	29.71

Segment Reporting	Quarter ended			Six months ended		Year ended
	30 September 2017	30 June 2017	30 September 2016	30 September 2017	30 September 2016	31 March 2017
Segment revenue						
Banking and Capital Market	2,889.56	2,806.10	2,669.30	5,695.66	4,959.61	10,126.47
Insurance	1,720.50	1,652.06	1,733.00	3,372.56	3,572.89	7,188.98
Information Technology, Communication and Entertainment	960.86	1,007.46	923.28	1,968.32	1,873.46	3,882.28
Emerging Industries	2,109.77	1,947.10	2,143.44	4,056.87	4,128.53	8,256.75
Unallocated - Hedge	376.27	447.21	168.04	823.48	236.46	731.06
Total segment revenue	8,056.96	7,859.93	7,637.06	15,916.89	14,770.95	30,185.54
Segment result (including exceptional item)						
Banking and Capital Market	617.59	544.49	523.71	1,162.08	826.36	1,989.63
Insurance	482.52	411.64	391.27	894.16	970.97	2,065.18
Information Technology, Communication and Entertainment	307.96	293.64	281.98	601.60	516.82	1,209.84
Emerging Industries	787.82	629.68	783.41	1,417.50	1,488.90	3,009.71
Unallocated - Hedge	376.27	447.21	168.04	823.48	236.46	731.06
Total segment result	2,572.16	2,326.66	2,148.41	4,898.82	4,039.51	9,005.42
Interest income	47.84	64.75	142.14	112.59	240.99	400.37
Finance costs	(19.07)	(2.13)	(2.12)	(21.20)	(17.05)	(24.01)
Other unallocable expenditure, net of unallocable income	(290.17)	(200.43)	(257.66)	(490.60)	(553.55)	(1,118.25)
Profit before taxation	2,310.76	2,188.85	2,030.77	4,499.61	3,709.90	8,263.53
Segment assets						
Banking and Capital Market	6,018.23	6,530.60	6,157.89	6,018.23	6,157.89	6,770.70
Insurance	1,738.44	1,839.16	2,403.79	1,738.44	2,403.79	2,375.43
Information Technology, Communication and Entertainment	1,130.81	1,536.20	1,132.29	1,130.81	1,132.29	1,528.72
Emerging Industries	2,647.99	3,405.81	3,161.21	2,647.99	3,161.21	3,705.65
Total segment assets	11,535.47	13,311.77	12,855.18	11,535.47	12,855.18	14,380.50
Unallocated assets	30,943.95	31,458.30	42,608.37	30,943.95	42,608.37	39,371.45
Total assets	42,479.42	44,770.07	55,463.55	42,479.42	55,463.55	53,751.95
Segment liabilities						
Banking and Capital Market	2,139.00	2,600.02	2,794.50	2,139.00	2,794.50	2,259.45
Insurance	1,241.11	1,609.81	1,879.85	1,241.11	1,879.85	2,142.55
Information Technology, Communication and Entertainment	692.69	853.05	794.62	692.69	794.62	683.37
Emerging Industries	1,284.40	1,519.06	1,476.70	1,284.40	1,476.70	1,201.16
Total segment liabilities	5,357.20	6,581.94	6,945.67	5,357.20	6,945.67	6,286.53
Unallocated liabilities	2,187.95	715.65	348.07	2,187.95	348.07	512.16
Total liabilities	7,545.15	7,297.59	7,293.74	7,545.15	7,293.74	6,798.69
Capital employed						
Banking and Capital Market	3,879.23	3,930.58	3,363.39	3,879.23	3,363.39	4,511.25
Insurance	497.33	229.35	523.94	497.33	523.94	232.88
Information Technology, Communication and Entertainment	438.12	683.15	337.67	438.12	337.67	845.35
Emerging Industries	1,363.59	1,886.75	1,684.51	1,363.59	1,684.51	2,504.49
Unallocated	28,756.00	30,742.65	42,260.30	28,756.00	42,260.30	38,859.29
Total Capital employed	34,934.27	37,472.48	48,169.81	34,934.27	48,169.81	46,953.26

Standalone Statement of Assets and Liabilities	As at 30 September 2017	As at 31 March 2017
ASSETS		
Non-current assets		
Property, Plant and Equipment	609.94	628.54
Other Intangible assets	131.20	146.60
Intangible assets under development	4.80	2.00
Financial assets		
Investments	15,425.68	15,425.72
Trade receivables	10.60	31.32
Loans and advances	1,136.13	1,094.73
Other financial assets	0.17	109.32
Deferred tax assets (Net)	551.04	291.44
Income tax assets (Net)	3,529.30	3,540.58
Other non-current assets	1,707.01	1,962.64
Sub total	23,105.87	23,232.89
Current assets		
Financial assets		
Investments	8,020.16	14,706.52
Trade receivables	5,119.27	7,075.76
Cash and cash equivalents	816.54	2,520.52
Bank balances other than cash and cash equivalents	109.15	-
Loans and advances	1,229.95	1,497.88
Other financial assets	2,600.88	3,011.32
Other current assets	1,477.06	1,707.06
Sub total	19,373.55	30,519.06
TOTAL ASSETS	42,479.42	53,751.95
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,931.72	2,104.24
Other equity		
Securities premium	47.52	1,654.10
General reserve	-	6,576.85
Retained earnings	32,030.35	35,455.23
Other reserves	924.68	1,162.84
Total equity	34,934.27	46,953.26
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Other financial liabilities	11.23	10.73
Net employee defined benefit liabilities	430.91	536.05
Sub total	442.14	546.78
Current liabilities		
Financial liabilities		
Borrowings	1,309.00	-
Trade payables	3,524.67	4,297.74
Other financial liabilities	692.07	536.80
Net employee defined benefit liabilities	375.10	435.96
Provisions	157.03	287.09
Other current liabilities	387.51	241.66
Income tax liabilities (Net)	657.63	452.66
Sub total	7,103.01	6,251.91
TOTAL EQUITY AND LIABILITIES	42,479.42	53,751.95

Notes:

- 1 The above results were taken on record at the Board Meeting held on 26 October 2017.
- 2 During the quarter ended 30 June 2017, the Company has completed the buyback of 17,370,078 fully paid-up equity shares of face value of ₹ 10 each ("equity shares") on 2 June 2017, representing 8.26% of the total paid-up equity share capital of the Company, at a price of ₹ 635 per equity share for an aggregate amount of up to ₹ 11,030.00. The shares accepted by the Company under the buyback has been extinguished on 7 June 2017 and the paid up equity share capital of the Company has been reduced to that extent. Subsequent to completion of buyback, the Company has transferred ₹ 173.70 to Capital Redemption Reserve representing face value of equity shares bought back.
- 3 The Board of Directors, in its meeting held on 25 May 2017 had proposed the final dividend of ₹ 17 per share for the year ended 31 March 2017. The dividend proposed by the Board of Directors is approved by the shareholders' in the Annual General meeting held on 26 July 2017. During the quarter the Company has accounted the same in accordance with Ind AS -10.
- 4 During the quarter ended 30 September 2016, the transfer of control from Hewlett Packard Enterprise Company to Blackstone Group has resulted in accelerated vesting of unvested employee stock options and employee bonus, accordingly the Company has provided for deferred employee compensation cost on an accelerated basis over the remaining vesting period amounting to ₹ 39.77 (net of tax of ₹ 21.45) and had accounted the same as exceptional item.
- 5 Previous period's figures have been reclassified to confirm with the current period's classification, wherever applicable.

**By Order of the Board,
Mphasis Limited**

Mumbai
26 October 2017

Nitin Rakesh
Chief Executive Officer