

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

Particulars	Quarter ended			Six months ended		Year ended
	30 September 2017 Audited	30 June 2017 Audited	30 September 2016 Audited	30 September 2017 Audited	30 September 2016 Audited	31 March 2017 Audited
Revenue from operations	16,046.87	15,359.70	15,176.47	31,406.57	30,343.23	60,763.57
Other income	375.64	469.06	711.55	844.70	1,284.32	2,386.06
Total income (I)	16,422.51	15,828.76	15,888.02	32,251.27	31,627.55	63,149.63
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	9,285.13	9,137.19	9,161.51	18,422.32	18,373.29	37,095.61
Finance costs	37.43	20.57	45.80	58.00	98.95	138.75
Depreciation and amortization expense	180.45	181.14	205.89	361.59	409.34	791.49
Other expenses	4,269.27	3,927.43	3,552.47	8,196.70	7,021.03	13,938.77
Total expenses (II)	13,772.28	13,266.33	12,965.91	27,038.61	25,943.84	52,005.85
Profit before exceptional item and tax (III) [(I)-(II)]	2,650.23	2,562.43	2,922.11	5,212.66	5,683.71	11,143.78
Exceptional item (net of tax) (IV)	-	-	58.52	-	58.52	151.68
Profit before tax (III)-(IV)	2,650.23	2,562.43	2,863.59	5,212.66	5,625.19	10,992.10
Tax expenses						
Current tax	679.36	727.19	723.55	1,406.55	1,501.50	2,861.11
Deferred tax	(6.03)	(36.69)	72.58	(42.72)	52.24	215.23
Total tax expenses	673.33	690.50	796.13	1,363.83	1,553.74	3,076.34
Profit before exceptional item	1,976.90	1,871.93	2,125.98	3,848.83	4,129.97	8,067.44
Profit after exceptional item (A)	1,976.90	1,871.93	2,067.46	3,848.83	4,071.45	7,915.76
Other comprehensive income ('OCI')						
OCI to be reclassified to profit or loss in subsequent periods						
Exchange differences on translation of foreign operations	426.86	(128.60)	(479.97)	298.26	(139.96)	(641.65)
Net change in fair value of derivatives designated as cash flow hedges	(582.52)	(208.52)	283.88	(791.04)	246.18	784.54
Income tax effect on cash flow hedges	201.59	72.17	(98.25)	273.76	(85.20)	(271.51)
Net OCI to be reclassified to profit or loss in subsequent periods (B)	45.93	(264.95)	(294.34)	(219.02)	21.02	(128.62)
OCI not to be reclassified to profit or loss in subsequent periods						
Re-measurement gains / (losses) on defined benefit plans	(21.04)	(9.37)	0.77	(30.41)	0.61	(34.02)
Income tax effect on the above	7.29	3.24	(0.27)	10.53	(0.21)	11.77
Net OCI not to be reclassified to profit or loss in subsequent periods (C)	(13.75)	(6.13)	0.50	(19.88)	0.40	(22.25)
Total OCI, net of tax (D) [B+C]	32.18	(271.08)	(293.84)	(238.90)	21.42	(150.87)
Total comprehensive income (A+D)	2,009.08	1,600.85	1,773.62	3,609.93	4,092.87	7,764.89
Profit attributable to:						
Equity owners of the Company	1,976.90	1,871.93	2,067.46	3,848.83	4,071.45	7,915.76
Non-controlling interests	-	-	-	-	-	-
Total comprehensive income attributable to:	1,976.90	1,871.93	2,067.46	3,848.83	4,071.45	7,915.76
Equity owners of the Company	2,009.08	1,600.85	1,773.62	3,609.93	4,092.87	7,764.89
Non-controlling interests	-	-	-	-	-	-
Total comprehensive income (A+D)	2,009.08	1,600.85	1,773.62	3,609.93	4,092.87	7,764.89
Equity share capital	1,931.72	1,930.72	2,102.34	1,931.72	2,102.34	2,104.24
Other equity	48,285.98	50,183.87	60,700.67	48,285.98	60,700.67	59,419.82
Earnings per equity share before exceptional item (par value ₹ 10 per share)						
Basic (₹)	10.24	9.09	10.13	19.30	19.68	38.41
Diluted (₹)	10.22	9.08	10.09	19.28	19.61	38.35
Earnings per equity share after exceptional item (par value ₹ 10 per share)						
Basic (₹)	10.24	9.09	9.85	19.30	19.40	37.69
Diluted (₹)	10.22	9.08	9.82	19.28	19.33	37.63



Mphasis Group

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CIN:L30007KA1992PLC025294

Amounts in ₹ millions except share and per share data, unless otherwise stated

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	7,603.04	7,301.62	7,538.34	14,904.66	14,914.64	29,520.50
Insurance	2,023.66	2,009.16	2,167.91	4,032.82	4,465.25	8,893.30
Information Technology, Communication and Entertainment	2,206.03	1,855.31	1,438.43	4,061.34	2,982.70	6,032.35
Emerging Industries	3,817.11	3,710.20	3,852.81	7,527.31	7,724.73	15,527.64
Unallocated - Hedge	397.03	483.41	178.98	880.44	255.91	789.78
Total segment revenue	16,046.87	15,359.70	15,176.47	31,406.57	30,343.23	60,763.57
Segment result (including exceptional item)						
Banking and Capital Market	1,840.19	1,657.69	1,841.89	3,497.88	3,601.80	6,945.17
Insurance	455.47	439.46	406.34	894.93	973.10	2,058.27
Information Technology, Communication and Entertainment	400.76	331.65	465.87	732.41	932.88	1,922.95
Emerging Industries	1,163.78	1,137.21	1,217.82	2,300.99	2,494.66	4,939.89
Unallocated - Hedge	397.03	483.41	178.98	880.44	255.91	789.78
Total segment result	4,257.23	4,049.42	4,110.90	8,306.65	8,258.35	16,656.06
Interest income	66.55	66.32	164.95	132.87	286.34	516.58
Finance costs	(37.43)	(20.57)	(45.80)	(58.00)	(98.95)	(138.75)
Other unallocable expenditure, net of unallocable income	(1,636.12)	(1,532.74)	(1,366.46)	(3,168.86)	(2,820.55)	(6,041.79)
Profit before taxation	2,650.23	2,562.43	2,863.59	5,212.66	5,625.19	10,992.10
Segment assets						
Banking and Capital Market	9,263.11	9,821.65	10,013.80	9,263.11	10,013.80	9,169.58
Insurance	2,102.59	2,116.76	2,394.30	2,102.59	2,394.30	2,325.59
Information Technology, Communication and Entertainment	2,828.78	2,226.69	1,381.08	2,828.78	1,381.08	1,825.21
Emerging Industries	4,382.27	4,667.41	3,881.42	4,382.27	3,881.42	4,512.76
Total segment assets	18,576.75	18,832.51	17,670.60	18,576.75	17,670.60	17,833.14
Unallocated assets	46,119.93	45,953.43	58,478.85	46,119.93	58,478.85	55,337.75
Total assets	64,696.68	64,785.94	76,149.45	64,696.68	76,149.45	73,170.89
Segment liabilities						
Banking and Capital Market	4,146.47	4,067.09	5,651.48	4,146.47	5,651.48	3,800.98
Insurance	1,437.42	1,489.84	1,421.36	1,437.42	1,421.36	1,459.26
Information Technology, Communication and Entertainment	1,336.12	1,190.71	750.38	1,336.12	750.38	759.28
Emerging Industries	2,074.69	2,009.18	1,860.76	2,074.69	1,860.76	1,890.90
Total segment liabilities	8,994.70	8,756.82	9,683.98	8,994.70	9,683.98	7,910.42
Unallocated liabilities	5,484.28	3,914.53	3,662.46	5,484.28	3,662.46	3,736.41
Total liabilities	14,478.98	12,671.35	13,346.44	14,478.98	13,346.44	11,646.83
Capital employed						
Banking and Capital Market	5,116.64	5,754.56	4,362.32	5,116.64	4,362.32	5,368.60
Insurance	665.17	626.92	972.94	665.17	972.94	866.33
Information Technology, Communication and Entertainment	1,492.66	1,035.98	630.70	1,492.66	630.70	1,065.93
Emerging Industries	2,307.58	2,658.23	2,020.66	2,307.58	2,020.66	2,621.86
Unallocated	40,635.65	42,038.90	54,816.39	40,635.65	54,816.39	51,601.34
Total capital employed	50,217.70	52,114.59	62,803.01	50,217.70	62,803.01	61,524.06



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Amounts in ₹ millions except share and per share data, unless otherwise stated

Consolidated Statement of Assets and Liabilities	As at 30 September 2017	As at 31 March 2017
ASSETS		
Non-current assets		
Property, Plant and Equipment	1,004.34	1,040.84
Capital work-in-progress	-	7.24
Goodwill	14,186.99	14,068.99
Other Intangible assets	1,075.23	1,192.65
Intangible assets under development	4.80	3.53
Financial assets		
Investments	1,255.17	1,255.17
Trade receivables	10.60	31.32
Loans and advances	1,151.95	1,110.59
Other financial assets	1.64	110.79
Deferred tax assets (Net)	3,790.74	3,527.06
Income tax assets (Net)	4,388.48	4,352.88
Other non-current assets	1,749.85	1,977.80
Sub total	28,619.79	28,678.86
Current assets		
Financial assets		
Investments	15,400.64	22,701.28
Trade receivables	7,403.22	6,278.71
Cash and cash equivalents	3,233.32	6,132.66
Bank balances other than cash and cash equivalents	1,193.86	11.46
Loans and advances	704.39	707.00
Other financial assets	5,588.71	5,965.91
Other current assets	2,552.75	2,695.01
Sub total	36,076.89	44,492.03
TOTAL ASSETS	64,696.68	73,170.89
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,931.72	2,104.24
Other equity		
Securities premium	47.52	1,654.10
General reserve	19.19	6,596.04
Retained earnings	42,883.36	45,835.25
Other reserves	5,335.91	5,334.43
Total equity	50,217.70	61,524.06
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Other financial liabilities	11.53	11.03
Net employee defined benefit liabilities	439.97	543.53
Deferred tax liabilities (Net)	74.35	158.30
Other non-current liabilities	51.34	48.02
Sub total	577.19	760.88
Current liabilities		
Financial liabilities		
Borrowings	3,927.00	2,601.60
Trade payables	5,380.05	3,878.22
Other financial liabilities	1,653.46	1,600.76
Net employee defined benefit liabilities	717.96	783.98
Provisions	172.73	373.20
Other current liabilities	1,043.54	997.39
Income tax liabilities (Net)	1,007.05	650.80
Sub total	13,901.79	10,885.95
TOTAL EQUITY AND LIABILITIES	64,696.68	73,170.89



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Notes:

1 The above results were taken on record at the Board Meeting held on 26 October 2017.

2 Audited Financial Results of Mphasis Limited (Standalone Information).

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
Revenue from operations	8,056.96	7,859.93	7,637.06	15,916.89	14,770.95	30,185.54
Profit before tax and exceptional item	2,310.76	2,188.85	2,070.54	4,499.61	3,749.67	8,311.51
Profit after tax and exceptional item	1,726.72	1,647.99	1,536.52	3,374.71	2,819.58	6,250.10

The audited results of Mphasis Limited for the above mentioned periods, financials summary, detailed Management Discussion & Analysis, results of operations and financial condition including detailed analysis of revenues, client concentration and human resources are available on our website www.mphasis.com. The information above has been extracted from the audited condensed financial statements as stated.

3 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.

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 Group has provided for deferred employee compensation cost on an accelerated basis over the remaining vesting period amounting to ₹ 58.52 (net of tax of ₹ 33.03) and had accounted the same as exceptional item.

5 The Group had previously prepared its financial results for period through 31 December 2016, in accordance with the recognition and measurement principles of IND AS, based on its preliminary assessment and selection of exemptions and accounting policies. During the year ended 31 March 2017, the Group has opted to apply the optional exemption provided in Ind AS 101, with regard to business combinations wherein the Group has considered 1 August 2011 as the effective date, rather than the date of transition opted till 31 December 2016, for applying business combinations retrospectively and has restated all business combinations as per IND AS 103 post effective date. This has resulted in the Group recognising certain items of intangibles (License, Customer relationship, Technology and Non-Compete agreement) and related amortisation earlier subsumed within goodwill in previous GAAP. Accordingly, the Group has recognised amortisation charges (before related deferred tax adjustment) towards the same amounting to ₹ 246.42, ₹ 65.84 and ₹ 131.91 during the year ended 31 March 2017, quarter and six months ended 30 September 2016 respectively. Accordingly, financial results for the quarter and six months ended 30 September 2016 has now been restated effecting the above change in exemption option as per IND AS 103.

6 The Board of Directors, in its meeting held on 25 May 2017 has 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.

7 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**