



Mphasis Group

Registered Office : Bagmane World Technology Center, Marathalli Ring Road, Doddanakhundi Village, Mahadevapura, Bengaluru - 560 048.
Telephone: 91 80 3352 5000, Fax: 91 80 6695 9943, Website: www.mphasis.com, E-mail: Investor.relations@mphasis.com

CIN:L30007KA1992PLC025294

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

Statement of Consolidated Audited Financial Results for the quarter and nine months ended 31 December 2017

Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2017 Audited	30 September 2017 Audited	31 December 2016 Audited	31 December 2017 Audited	31 December 2016 Audited	31 March 2017 Audited
Revenue from operations	16,606.91	16,046.87	15,361.03	48,013.48	45,704.26	60,763.57
Other income	353.62	375.64	616.85	1,198.32	1,901.17	2,386.06
Total income (I)	16,960.53	16,422.51	15,977.88	49,211.80	47,605.43	63,149.63
Expenses						
Purchase of stock-in-trade	-	-	-	-	0.24	0.24
Changes in inventories of stock-in-trade	-	-	-	-	40.99	40.99
Employee benefits expense	9,634.42	9,285.13	9,308.12	28,056.74	27,681.41	37,095.61
Finance costs	28.81	37.43	22.52	86.81	121.47	138.75
Depreciation and amortization expense	175.55	180.45	197.58	537.14	606.92	791.49
Other expenses	4,231.01	4,269.27	3,657.05	12,427.71	10,678.08	13,938.77
Total expenses (II)	14,069.79	13,772.28	13,185.27	41,108.40	39,129.11	52,005.85
Profit before exceptional item and tax (III) [(I)-(II)]	2,890.74	2,650.23	2,792.61	8,103.40	8,476.32	11,143.78
Exceptional item (net of tax) (IV)	-	-	-	-	58.52	151.68
Profit before tax (III)-(IV)	2,890.74	2,650.23	2,792.61	8,103.40	8,417.80	10,992.10
Tax expenses						
Current tax	750.37	679.36	766.19	2,156.92	2,267.69	2,861.11
Deferred tax	(9.07)	(6.03)	22.89	(51.79)	75.13	215.23
Total tax expenses	741.30	673.33	789.08	2,105.13	2,342.82	3,076.34
Profit before exceptional item	2,149.44	1,976.90	2,003.53	5,998.27	6,133.50	8,067.44
Profit after exceptional item (A)	2,149.44	1,976.90	2,003.53	5,998.27	6,074.98	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	(447.30)	426.86	308.40	(149.04)	168.44	(641.65)
Net change in fair value of derivatives designated as cash flow hedges	608.98	(582.52)	(86.68)	(182.06)	159.50	784.54
Income tax effect on cash flow hedges	(210.75)	201.59	30.00	63.01	(55.20)	(271.51)
Net OCI to be reclassified to profit or loss in subsequent periods (B)	(49.07)	45.93	251.72	(268.09)	272.74	(128.62)
OCI not to be reclassified to profit or loss in subsequent periods						
Re-measurement gains / (losses) on defined benefit plans	6.66	(21.04)	(1.16)	(23.75)	(0.55)	(34.02)
Income tax effect on the above	(2.30)	7.29	0.40	8.23	0.19	11.77
Net OCI not to be reclassified to profit or loss in subsequent periods (C)	4.36	(13.75)	(0.76)	(15.52)	(0.36)	(22.25)
Total OCI, net of tax (D) [B+C]	(44.71)	32.18	250.96	(283.61)	272.38	(150.87)
Total comprehensive income (A+D)	2,104.73	2,009.08	2,254.49	5,714.66	6,347.36	7,764.89
Profit attributable to:						
Equity owners of the Company	2,149.44	1,976.90	2,003.53	5,998.27	6,074.98	7,915.76
Non-controlling interests	-	-	-	-	-	-
Total comprehensive income attributable to:	2,149.44	1,976.90	2,003.53	5,998.27	6,074.98	7,915.76
Equity owners of the Company	2,104.73	2,009.08	2,254.49	5,714.66	6,347.36	7,764.89
Non-controlling interests	-	-	-	-	-	-
Total comprehensive income (A+D)	2,104.73	2,009.08	2,254.49	5,714.66	6,347.36	7,764.89
Equity share capital	1,931.95	1,931.72	2,103.91	1,931.95	2,103.91	2,104.24
Other equity	50,441.58	48,285.98	57,938.16	50,441.58	57,938.16	59,419.82
Earnings per equity share before exceptional item (par value ₹ 10 per share)						
Basic (₹)	11.13	10.24	9.54	30.39	29.21	38.41
Diluted (₹)	11.08	10.22	9.51	30.33	29.14	38.35
Earnings per equity share after exceptional item (par value ₹ 10 per share)						
Basic (₹)	11.13	10.24	9.54	30.39	28.94	37.69
Diluted (₹)	11.08	10.22	9.51	30.33	28.86	37.63



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Segment reporting	Quarter ended			Nine months ended		Year ended
	31 December 2017	30 September 2017	31 December 2016	31 December 2017	31 December 2016	31 March 2017
Segment revenue						
Banking and Capital Market	7,731.86	7,603.04	7,419.74	22,636.52	22,334.38	29,520.50
Insurance	2,079.30	2,023.66	2,274.55	6,112.12	6,739.80	8,893.30
Information Technology, Communication and Entertainment	2,333.44	2,206.03	1,473.92	6,394.78	4,456.62	6,032.35
Emerging Industries	4,072.08	3,817.11	3,986.27	11,599.39	11,711.00	15,527.64
Unallocated - Hedge	390.23	397.03	206.55	1,270.67	462.46	789.78
Total segment revenue	16,606.91	16,046.87	15,361.03	48,013.48	45,704.26	60,763.57
Segment result (including exceptional item)						
Banking and Capital Market	1,775.95	1,840.19	1,650.66	5,273.83	5,252.46	6,945.17
Insurance	540.70	455.47	595.59	1,435.63	1,568.69	2,058.27
Information Technology, Communication and Entertainment	485.89	400.76	467.46	1,218.30	1,400.34	1,922.95
Emerging Industries	1,242.76	1,163.78	1,234.86	3,543.75	3,729.52	4,939.89
Unallocated - Hedge	390.23	397.03	206.55	1,270.67	462.46	789.78
Total segment result	4,435.53	4,257.23	4,155.12	12,742.18	12,413.47	16,656.06
Interest income	64.50	66.55	96.06	197.37	382.40	516.58
Finance costs	(28.81)	(37.43)	(22.52)	(86.81)	(121.47)	(138.75)
Other unallocable expenditure, net of unallocable income	(1,580.48)	(1,636.12)	(1,436.05)	(4,749.34)	(4,256.60)	(6,041.79)
Profit before taxation	2,890.74	2,650.23	2,792.61	8,103.40	8,417.80	10,992.10
Segment assets						
Banking and Capital Market	9,250.26	9,263.11	9,079.62	9,250.26	9,079.62	9,169.58
Insurance	2,338.18	2,102.59	2,269.45	2,338.18	2,269.45	2,325.59
Information Technology, Communication and Entertainment	2,339.45	2,828.78	1,570.30	2,339.45	1,570.30	1,825.21
Emerging Industries	5,064.34	4,382.27	3,922.01	5,064.34	3,922.01	4,512.76
Total segment assets	18,992.23	18,576.75	16,841.38	18,992.23	16,841.38	17,833.14
Unallocated assets	47,979.60	46,119.93	57,085.63	47,979.60	57,085.63	55,337.75
Total assets	66,971.83	64,696.68	73,927.01	66,971.83	73,927.01	73,170.89
Segment liabilities						
Banking and Capital Market	4,199.41	4,146.47	4,597.08	4,199.41	4,597.08	3,800.98
Insurance	1,648.08	1,437.42	1,693.66	1,648.08	1,693.66	1,459.26
Information Technology, Communication and Entertainment	1,431.19	1,336.12	881.37	1,431.19	881.37	759.28
Emerging Industries	2,238.61	2,074.69	2,217.51	2,238.61	2,217.51	1,890.90
Total segment liabilities	9,517.29	8,994.70	9,389.62	9,517.29	9,389.62	7,910.42
Unallocated liabilities	5,081.01	5,484.28	4,495.32	5,081.01	4,495.32	3,736.41
Total liabilities	14,598.30	14,478.98	13,884.94	14,598.30	13,884.94	11,646.83
Capital employed						
Banking and Capital Market	5,050.85	5,116.64	4,482.54	5,050.85	4,482.54	5,368.60
Insurance	690.10	665.17	575.79	690.10	575.79	866.33
Information Technology, Communication and Entertainment	908.26	1,492.66	688.93	908.26	688.93	1,065.93
Emerging Industries	2,825.73	2,307.58	1,704.50	2,825.73	1,704.50	2,621.86
Unallocated	42,898.59	40,635.65	52,590.31	42,898.59	52,590.31	51,601.34
Total capital employed	52,373.53	50,217.70	60,042.07	52,373.53	60,042.07	61,524.06



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Notes:

1 The above results were taken on record at the Board Meeting held on 24 January 2018.

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

Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2017	30 September 2017	31 December 2016	31 December 2017	31 December 2016	31 March 2017
Revenue from operations	8,278.70	8,056.96	7,808.90	24,195.59	22,579.85	30,185.54
Profit before tax and exceptional item	2,352.85	2,310.76	2,429.16	6,852.46	6,178.83	8,311.51
Profit after tax and exceptional item	1,832.60	1,726.72	1,766.09	5,207.31	4,585.67	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 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.

4 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, ₹ 66.69 and ₹ 198.60 during the year ended 31 March 2017, quarter and nine months ended 31 December 2016 respectively. Accordingly, financial results for the quarter and nine months ended 31 December 2016 has now been restated effecting the above change in exemption option as per IND AS 103.

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**

**Bengaluru
24 January 2018**

**Nitin Rakesh
Chief Executive Officer**