

**Chairman's Speech**

Good Morning Ladies and Gentlemen. Welcome to the Eighteenth Annual General Meeting of MphasiS Limited. Thank you for your presence here today.

2009 has been a very significant year for us. Despite the economic crisis, MphasiS delivered strong results. Change was perhaps the only constant and we saw a truly 'Different' MphasiS. 'Different' because we succeeded in a difficult year, steered beyond competition, strengthened client relationships and served the community as well.

Our numbers are testimony to our resilience. We posted record profits and EPS quarter on quarter. Our success came from our partnership with HP; a clear advantage while we covenant with global customers. This partnership combines our speed, agility and flexibility with the technology and depth that HP brings.

I trust you have gone through the detailed financials. I would, however, like to take this opportunity to reiterate the highlights:

- Our consolidated revenue was at Rs.42,639 million for the twelve month period ended 31 October 2009 recording a 43.2% growth over the same period last year
- Net profit increased by 121.2% to Rs. 9,087 million
- Gross Profit grew by 96.6% to Rs. 13,846 million
- EPS increased to Rs. 43.45 from Rs. 19.69 over the same period, recording a growth of 120.7%
- Our cash balance increased from \$12 million to \$200 million.

We recorded growth across towers as well...Our Applications and ITO business grew substantially while our BPO business continued to be steady.

Our growth rate as well as EPS was much higher than that of our strategic peer group over last several quarters. We also outperformed in delivering both long term and short term Total Shareholder Returns. Our long term returns are at 27.74% and short term at 20.48 %.

Our success is attributed to our design of doing things differently. We adopted new and innovative business practices with our various stakeholders. Firstly, we partnered with our customers. With the economic downturn, our client's marketplace began to change. This meant changing the way we worked with them. Partnership was the cornerstone of the engagement model we practised with our clients. We listened to them and tweaked our working and solution according to their changing needs. I am pleased to tell you that we retained all our clients!

Secondly, we grew capabilities by the acquisition of AIG Systems Solutions Pvt. Ltd. (AIGSS)-part of American International Group Inc. The AIGSS entity was an India-based provider of information technology services and solutions to AIG companies worldwide. This further strengthened our offerings in the insurance vertical.

Thirdly, we energized our Revenues...we added more sales personnel in key regions and renewed our focus on markets such as EMEA and India. In addition, we also boosted our sales presence in the US. We actively pursued clients through our own sales channel, as well as jointly with HP. We continued to transform our solutions as well as Go-To-Market activities.

Last but not the least; we reached out to our people with a wider variety of courses and certifications for their career enhancement. Professional growth and job specific training is crucial for building a talent pool for the Company and we have put in considerable investment to accomplish tangible outcomes. Manager level mentorship and development is paramount and we have made this pivotal to our training programs.

Our employees have always been our heroes! They not only made a difference to their own lives but also to the lives of others. Our Corporate Social Responsibility Program is deeply embedded in the MphasiS culture. 'Employee volunteering' and 'employee giving' formed the backbone of our activities around enriching, enabling and empowering the community in which we live and work.

We also received appreciation from the industry through various honors bestowed on us such as:

- The Shell Helen Keller Award for being the best employer in India for people with disabilities and for Promotion of Employment for Disabled People
- Dataquest recognizing us as one of the Top 20 IT companies in the country with the highest growth percentage
- National Association of Software and Services Company India (NASSCOM) ranking us #7 among the top software exporters

Looking ahead at 2010, our entire focus is on delivering FY10. Execution excellence will remain the cornerstone of our success. Some of the building blocks for our success would be:

- Excellence in Service Delivery
- Growing our footprint within HP and with HP
- Expanding our global delivery footprint beyond India (we recently announced a global delivery center in Sri Lanka) and
- Building our direct business with customers, bringing them an array of solutions by leveraging our three lines of business.

People are the core of MphasiS. Our achievements are a testimony of the hard work put in by each of them. As we progress, the journey through 2010 will be thrilling and one full of exciting challenges! Our aim will be to go BEYOND. We believe that SPEED, AGILITY and SUSTAINABILITY will be the rallying theme for us through 2010.

**Chairman – 18<sup>th</sup> Annual General Meeting**  
**Davinder Singh Brar**