

Mphasis' Revenues at ₹ 1,257 Crore in Q1 FY2013

Operating margins expand 60 bps YoY in Q1 to 15.5%

Net profit for the quarter at ₹ 184 Crore

Bangalore, 28 February 2013: Mphasis, a leading IT Services Company, today announced its financial results for the first quarter ended 31st January 2013.

Consolidated revenues for the first quarter were at ₹ 1,257 crore, down by 3.8% sequentially primarily on account of annual holiday shutdown at various clients. Direct business revenues grew 1.1% QoQ and 7% YoY to ₹ 621 crore. The Direct vs. HP business mix shifted from 42:58 in Q1 FY12 and 46:54 in Q4 FY12 to 48:52 in Q1 FY13 further reducing client concentration risk. The Direct business saw a healthy addition of 14 new logos out of the 22 additions in the quarter.

Operating margins expanded 60 bps during the quarter to 15.5% as against 14.9% during the same period last year. Net profit for the quarter stood at ₹ 184 crore. Cost containment measures coupled with strong focus on productivity and quality of revenue stream led to net margins expanding 120 bps YoY to 14.7%. EPS for the quarter remained almost flat at ₹ 8.8 as against the same period last year.

Cash and cash equivalents increased by ₹ 170 crore during the quarter to reach ₹ 3,110 crore on 31st January 2013.

Further, the acquisition of Digital Risk LLC, a corporate headquartered in Florida USA, was consummated on 11th February, 2013.

"Direct business is gaining traction and we are seeing pipeline building in the US and India. Digital Risk has joined our family and that further enhances our hyperspecialization." **said Ganesh Ayyar, Chief Executive Officer, Mphasis.**

Change in Directors

Mr. Balu Doraisamy and Mr. Francesco Serafini have resigned as Directors of the Company with effect from February 14, 2013. Mr. James Mark Merritt has been appointed as additional director of the Company and Mr. Narayanan Kumar has been appointed as an Independent additional director of the Company effective February 15, 2013. In addition, Mr. Lakshmikanth K Ananth has been appointed as an additional director effective February 28, 2013.

Press Release



About Mphasis

Mphasis is a \$1 billion global service provider, delivering technology based solutions to clients across the world. With currently over 36,000 employees, Mphasis services clients in Banking and Capital Markets, Insurance, Manufacturing, Communications, Media & Entertainment, Healthcare & Life Sciences, Transportation & Logistics, Retail & Consumer Packaged Goods, Energy & Utilities and Governments around the world. Our competency lies in our ability to offer integrated service offerings in Applications, Infrastructure Services and Business Process Outsourcing capabilities. We are uniquely positioned to offer our clients the highest level of expertise and competitive costs. To know more about Mphasis, log on to www.mphasis.com.

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