

Mphasis Group

Audited Consolidated Financial Results
for the quarter and six months ended 30 April 2011 prepared as per Indian GAAP

Amounts in ₹ Lakhs unless otherwise indicated

Profit and Loss Account	Quarter ended		Six months ended		Year ended
	30 April 2011	30 April 2010	30 April 2011	30 April 2010	31 October 2010
Revenues	125,706	122,050	249,057	241,206	503,652
Cost of Sales/Services [refer note 3]	91,852	80,768	179,539	158,705	335,195
Gross Profit	33,854	41,282	69,518	82,501	168,457
General Administrative Expenses [refer note 4]	4,659	4,651	8,175	10,011	19,932
Selling and Distribution Expenses [refer note 5]	5,124	5,129	11,525	9,602	22,006
Depreciation	3,379	4,021	6,972	8,598	16,378
Provision for doubtful debts	-	(1)	-	30	30
Operating Profit before interest and foreign exchange gain / (loss), net	20,692	27,482	42,846	54,260	110,111
Foreign exchange gain, net	1,242	1,569	3,265	3,967	5,808
Interest income/(expenses), net	140	13	136	103	80
Operating Profit after interest	22,074	29,064	46,247	58,330	115,999
Other income, net	3,590	1,164	5,034	1,973	4,992
Profit before tax	25,664	30,228	51,281	60,303	120,991
Tax expense	3,932	3,500	6,882	6,748	11,916
Net Profit after tax	21,732	26,728	44,399	53,555	109,075
Paid-up equity share capital of ₹ 10 each	21,001	20,973	21,001	20,973	20,993
Reserves excluding Revaluation Reserves	350,003	272,313	350,003	272,313	308,867
Earnings per share - Basic (₹)	10.35	12.73	21.15	25.54	52.00
Earnings per share - Diluted (₹)	10.32	12.66	21.08	25.41	51.76
Public share holding					
Number of Shares	82,895,790	82,620,939	82,895,790	82,620,939	82,818,447
Percentage of shareholding	39.47%	39.39%	39.47%	39.39%	39.45%
Promoters and promoter group shareholding					
Pledged/Encumbered					
Number of Shares	-	-	-	-	-
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
Non-Encumbered					
Number of Shares	127,106,266	127,106,266	127,106,266	127,106,266	127,106,266
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage of shares (as a % of the total share capital of the company)	60.53%	60.61%	60.53%	60.61%	60.55%
For Mphasis Limited stand-alone financials summary and detailed Management Discussion & Analysis of results of operations and financial condition, including detailed analysis of revenues, client concentration and human resources, please visit our website www.mphasis.com					
Segment Results	Quarter ended		Six months ended		Year ended
	30 April 2011	30 April 2010	30 April 2011	30 April 2010	31 October 2010
Segment Revenues					
Banking and Capital Market	33,706	27,578	65,079	56,268	124,580
Insurance	12,359	10,477	23,916	20,966	44,723
Information Technology, Communication and Entertainment	32,702	35,350	66,675	67,590	137,238
Emerging Industries	45,838	45,269	90,577	89,445	185,356
Unallocated - Hedge	1,101	3,376	2,810	6,937	11,755
	125,706	122,050	249,057	241,206	503,652
Segment Results					
Banking and Capital Market	7,841	6,600	14,411	14,935	31,330
Insurance	3,375	2,728	6,216	5,577	11,892
Information Technology, Communication and Entertainment	8,433	8,901	18,030	15,199	35,238
Emerging Industries	9,950	16,012	21,595	32,031	63,370
Unallocated - Hedge	1,101	3,376	2,810	6,937	11,755
	30,700	37,617	63,062	74,679	153,585
Interest income/(expenses), net	140	13	136	103	80
Other unallocable expenditure, net of unallocable income	5,176	7,402	11,917	14,479	32,674
Profit before tax	25,664	30,228	51,281	60,303	120,991
Capital Employed (Segment Assets-Segment Liabilities)					
Banking and Capital Market	32,564	23,153	32,564	23,153	23,703
Insurance	6,319	5,761	6,319	5,761	6,840
Information Technology, Communication and Entertainment	22,367	22,719	22,367	22,719	24,355
Emerging Industries	30,626	24,199	30,626	24,199	27,741
Unallocated	279,468	217,518	279,468	217,518	247,275
	371,344	293,350	371,344	293,350	329,914

Balance Sheet	As at 30 April 2011	As at 30 April 2010
Shareholders' Funds		
Share Capital	21,001	20,973
Reserves and Surplus	350,003	272,313
Employee stock options outstanding	340	64
	371,344	293,350
Loan Funds	4,471	4,625
Deferred Tax Liability	197	16
Total	376,012	297,991
Fixed Assets	25,417	28,605
Goodwill	39,071	25,728
Investments	165,982	116,430
Deferred Tax Assets	7,902	7,658
Current Assets, Loans and Advances		
Debtors	58,868	47,086
Unbilled Revenue	66,689	52,707
Cash and Bank balances	20,437	13,308
Interest receivable	18	18
Loans and Advances	104,398	98,411
	250,410	211,530
Less: Current Liabilities and Provisions		
Current Liabilities	81,189	69,869
Provisions	31,581	22,091
	112,770	91,960
Net Current Assets	137,640	119,570
Total	376,012	297,991
Notes : 1) The above results were taken on record at the Board Meeting held on 26 May 2011. 2) Total staff costs for the quarter and six months ended 30 April 2011 were ₹ 68,729 and ₹ 134,534 (quarter and six months ended 30 April 2010 were ₹ 58,567 and ₹ 116,768). 3) Cost of revenues ("COR") for the quarter and six months ended 30 April 2011 are net of reversal of certain provisions which are no longer required amounting to ₹ 3,229 and ₹ 5,805 (quarter and six months ended 30 April 2010: ₹ Nil and ₹ Nil) respectively. 4) General and Administrative expenses ("GA") for the quarter and six months ended 30 April 2011 are net of reversal of certain provisions which are no longer required amounting to ₹ 840 and ₹ 2,595 (quarter and six months ended 30 April 2010: ₹ Nil and ₹ 2,061) respectively. 5) Selling expenses ("SE") for the quarter and six months ended 30 April 2011 are net of reversal of certain provisions which are no longer required amounting to ₹ 1,345 (quarter and six months ended 30 April 2010: ₹ Nil). 6) There were Nil investor complaints pending at the beginning of the quarter and no complaints were received during the quarter. 7) Effective 1 February 2011, the Company has adopted the policy of accounting employee stock-based compensations using fair-value method in place of intrinsic value method. Had the Company adopted the intrinsic value method of accounting, the employee compensation cost would have been higher by ₹ 2 for the quarter and six months ended 30 April 2011 and Profit would have been lower by that extent. 8) The Company has obtained approval from Accounting and Corporate Regulatory Authority (ACRA), Singapore for closure of BFL Software Asia Pacific Pte Ltd, a wholly owned subsidiary of the Company. Accordingly, the name of the subsidiary was struck off from the register on 8 December 2010. 9) The Group was reporting Applications Services, Infrastructure Outsourcing Services and Business Process Outsourcing Services as its primary business segments till 31 October 2010. Effective 1 November 2010, the Group has redefined its Organisational Structure and accordingly has identified Banking and Capital Market, Insurance, Information Technology, Communication and Entertainment and Emerging Industries as primary business segments of the Group. The comparative figures have been restated to reflect information for these new segments. 10) Mphasis FinSolutions Private Limited ("Mphasis FinSolutions"), a wholly owned subsidiary of the Company, was merged with the Company effective 1 November 2009, pursuant to the merger scheme approved by the Hon'ble High Court of Karnataka and the Hon'ble High Court of Judicature at Madras. The merger related procedures were completed on 8 October 2010. Accordingly the Company had given effect to the merger in the consolidated financial statements of the Company for the year ended 31 October 2010 with effect from 1 November 2009. Since the merger was effective 1 November 2009, the consolidated financial statements for the quarter and six months ended 30 April 2010 have been adjusted to include the impact of the merger. 11) PT. Mphasis Indonesia was incorporated as a wholly owned subsidiary of the Company on 25 April 2011. 12) The figures of the previous period have been regrouped/ reclassified, wherever necessary, to conform with the current period classification.		
Registered Office: Bagmane Technology Park Byrasandra, C V Raman Nagar, Bangalore 560093. Bangalore, 26 May 2011	By order of the Board Mphasis Limited  Balu Ganesh Ayyar, Chief Executive Officer	