

31 January 2017

**Manager-Listing
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, MUMBAI -400 001**

Dear Sir,

Announcement of financial results for the quarter and nine months ended 31 December 2016

We wish to inform you that the Board of Directors of the Company, at its meeting held today at 11:30 am, which concluded at 7:30 pm, at Bengaluru, have considered and approved the following:

- a. Audited consolidated Financial Results of Mphasis Group for the quarter and nine months ended 31 December 2016 in the prescribed format;
- b. Audited Financial Results of Mphasis Limited for the quarter and nine months ended 31 December 2016 in the prescribed format;
- c. Statement of Consolidated Audited Financial Results of Mphasis Group for the quarter and nine months ended 31 December 2016, being the extract of the financial results in the prescribed format, as being published in the Newspapers;
- d. Report of the Auditors on the consolidated and standalone Financial Results; and
- e. Related Press Release

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the aforesaid financial results together with the report of the Auditors and the Press Release are being uploaded on the Stock Exchanges through <https://www.connect2nse.com/LISTING/> and <http://listing.bseindia.com/> . Further, the financial results are also being uploaded on the Company's website: www.mphasis.com .

We request you to kindly take the above on record as per the provisions of the Listing Regulations.

Thanking You,

Yours faithfully,
For Mphasis Limited


A. Sivaram Nair
EVP, Company Secretary, General Counsel & Ethics Officer
Encl: As above 

Mphasis Limited

Registered Office: Bagmane World Technology Centre, Marathahalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bangalore 560 048, India.
T: +91 080 3352 5000 F: +91 080 6695 9943 I CIN: L30007KA1992PLC025294

12/11



Mphasis Group
 Registered Office : Bagmane World Technology Center, Marathalli Ring Road, Doddanahundi 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 unless otherwise stated

Sl. No.	Particulars	Statement of Consolidated Audited Financial Results for the quarter and nine months ended 31 December 2016				Year ended 31 March 2016 (refer note 11)
		Quarter ended 31 December 2016	30 September 2016	31 December 2015 (refer note 11)	Nine months ended 31 December 2016	
1	Net Sales / Income from operations	15,361.03	15,176.47	15,150.76	45,704.26	60,907.81
2	Expenses					
	(a) Purchases of stock-in-trade	-	0.24	146.36	0.24	421.57
	(b) Changes in inventories of stock-in-trade	-	-	31.57	40.99	(40.99)
	(c) Employee benefits expense	9,308.12	9,161.51	9,365.73	27,681.41	37,304.93
	(d) Depreciation and amortisation expense	130.89	140.05	167.67	408.32	744.20
	(e) Software development charges	967.24	933.12	926.18	2,858.53	3,610.80
	(f) Other expenses	2,689.81	2,619.35	2,502.12	7,819.55	10,524.73
	Total expenses	13,096.06	12,854.27	13,139.63	38,809.04	52,565.24
3	Profit from operations before other income, finance costs and exceptional item (1-2)	2,264.97	2,322.20	2,011.13	6,895.22	8,242.57
4	Other income	616.85	711.55	368.51	1,901.17	1,913.21
5	Profit before finance costs and exceptional item (3+4)	2,881.82	3,033.75	2,379.64	8,796.39	10,155.78
6	Finance costs	22.52	45.80	52.76	121.47	241.64
7	Profit before tax and exceptional item (5-6)	2,859.30	2,987.95	2,326.88	8,674.92	9,914.14
8	Exceptional item (net of tax)	-	-	-	-	23.78
	Expected loss on proposed sale of domestic BPO business (refer note 5)	-	-	-	-	92.04
	Expected loss on exit from other domestic BPO business (refer note 6)	-	-	-	-	63.59
	Restructuring expenses	-	-	-	-	52.60
	Provision for impairment of intangible assets under development	-	-	-	-	316.28
	Provision for loss on long-term contract (refer note 9)	-	-	-	-	-
	Accelerated cost due to change in control (refer note 8)	-	58.52	-	58.52	-
9	Profit before tax (7-8)	2,859.30	2,929.43	2,326.88	8,616.40	9,365.85
10	Tax expense	815.76	822.17	639.10	2,422.17	2,688.04
11	Net profit after tax (9-10)	2,043.54	2,107.26	1,687.78	6,194.23	6,677.81
12	Other comprehensive income, net of tax	350.86	(386.37)	(0.39)	387.07	1,247.07
13	Total comprehensive income	2,394.40	1,720.89	1,687.39	6,581.30	7,924.88
14	Paid-up equity share capital	2,103.91	2,102.34	2,101.77	2,103.91	2,101.94
15	Reserve excluding revaluation reserves as per the balance sheet	62,336.54	64,959.15	58,816.56	62,336.54	60,612.81
16	Earnings per share (before exceptional item) (of ₹10/- each) (not annualised):					
	(a) Basic (₹)	9.73	10.32	8.04	28.78	34.43
	(b) Diluted (₹)	9.70	10.28	8.02	28.70	34.38
17	Earnings per share (after exceptional item) (of ₹10/- each) (not annualised):					
	(a) Basic (₹)	9.73	10.04	8.04	28.50	31.82
	(b) Diluted (₹)	9.70	10.01	8.02	28.42	31.77

20/11

Mphasis Group
Registered Office : Begmans World Technology Center, Marathalli Ring Road, Doddanahundi Village, Mahadevpura, Bengaluru - 560 048.
Telephone: 91 80 3352 6000, **Fax:** 91 80 8695 9943, **Website:** www.mphasis.com, **E-mail:** investor.relations@mphasis.com
CIN: L30007KA1992PLC026294
 Amounts in ₹ millions unless otherwise stated

Sl. No.	Segment wise Revenues, Results and Capital employed	Quarter ended			Nine months ended			Year ended	
		31 December 2016	30 September 2016	31 December 2015 (refer note 1)	31 December 2016	31 December 2015 (refer note 1)	31 March 2016 (refer note 1)	31 March 2015 (refer note 1)	
1	Segment revenue	7,419.74	7,538.34	7,506.54	22,334.38	21,378.62	28,714.79		
	Banking and Capital Market	2,274.55	2,167.91	2,368.62	6,739.80	7,016.41	9,461.10		
	Insurance	1,473.92	1,436.43	1,511.14	4,458.62	5,621.12	7,247.06		
	Information Technology, Communication and Entertainment	3,986.27	3,852.81	3,719.10	11,711.00	11,466.20	15,245.94		
	Emerging Industries	205.55	178.98	45.36	462.46	146.28	138.92		
	Unallocated - Hedge	15,361.03	15,176.47	15,180.76	45,704.36	45,648.63	60,907.81		
2	Segment results (including exceptional item)	1,650.66	1,841.89	1,560.04	5,252.46	3,957.04	5,136.10		
	Banking and Capital Market	595.59	406.34	499.85	1,566.69	1,630.17	2,220.26		
	Insurance	467.46	465.87	506.28	1,400.34	1,662.84	2,282.85		
	Information Technology, Communication and Entertainment	1,284.86	1,217.82	1,130.91	3,729.52	3,849.95	5,075.03		
	Emerging Industries	206.55	178.98	45.36	462.46	146.28	138.92		
	Unallocated - Hedge	4,165.12	4,110.30	3,742.44	12,413.47	11,266.28	14,853.16		
	Interest income	96.06	164.95	150.92	382.40	581.51	715.09		
	Finance costs	(22.52)	(45.80)	(52.76)	(121.47)	(195.07)	(241.64)		
	Other unallocable expenditure, net of unallocable income	(1,359.36)	(1,300.62)	(1,513.72)	(4,059.00)	(4,612.99)	(5,980.76)		
	Profit before tax	2,859.30	2,929.43	2,326.88	8,616.40	7,039.78	9,385.86		
3	Segment assets	8,988.37	9,862.36	10,366.29	8,988.37	10,366.29	10,302.27		
	Banking and Capital Market	2,269.45	2,394.30	2,215.55	2,269.45	2,215.55	2,649.90		
	Insurance	1,570.30	1,381.08	1,788.60	1,570.30	1,788.60	1,926.45		
	Information Technology, Communication and Entertainment	3,922.01	3,681.42	4,364.61	3,922.01	4,364.61	4,283.15		
	Emerging Industries	62,436.29	63,681.98	57,932.45	62,436.29	57,932.45	59,812.27		
	Unallocated	79,186.42	81,201.14	75,767.50	79,186.42	75,767.50	78,974.04		
4	Segment liabilities	4,597.08	5,651.48	4,566.73	4,597.08	4,566.73	4,872.53		
	Banking and Capital Market	1,693.66	1,421.36	1,693.66	1,693.66	1,693.66	1,897.14		
	Insurance	881.37	750.38	1,154.51	881.37	1,154.51	1,128.61		
	Information Technology, Communication and Entertainment	2,217.51	1,860.76	2,232.44	2,217.51	2,232.44	2,300.89		
	Emerging Industries	5,356.55	4,455.67	5,089.58	5,356.55	5,089.58	5,060.12		
	Unallocated	14,745.97	14,139.65	14,849.17	14,745.97	14,849.17	16,295.29		
5	Capital employed	4,391.29	4,210.88	5,796.56	4,391.29	5,796.56	5,429.74		
	Banking and Capital Market	575.79	972.84	412.64	575.79	412.64	752.76		
	Insurance	688.93	630.70	634.09	688.93	634.09	797.84		
	Information Technology, Communication and Entertainment	1,704.50	2,020.66	2,132.17	1,704.50	2,132.17	1,982.26		
	Emerging Industries	57,079.94	59,226.31	51,942.87	57,079.94	51,942.87	53,752.15		
	Unallocated	64,440.45	67,061.49	60,916.33	64,440.45	60,916.33	62,714.76		

Notes:

- The above results were taken on record at the Board Meeting held on 31 January 2017.
- Audited Financial Results of Mphasis Limited (Standalone Information)

Sl. No.	Particulars	Quarter ended			Nine months ended			Year ended	
		31 December 2016	30 September 2016	31 December 2015 (refer note 1)	31 December 2016	31 December 2015 (refer note 1)	31 March 2016 (refer note 1)	31 March 2015 (refer note 1)	
1	Net Sales / Income from operations	7,808.90	7,637.06	7,319.07	22,579.85	22,256.93	29,236.44		
2	Profit before tax and exceptional item	2,429.16	2,070.54	1,594.37	6,178.83	5,070.85	6,492.23		
3	Profit after tax and exceptional item	1,766.09	1,536.62	1,188.43	4,585.67	3,739.36	4,571.36		

3 of 11



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

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 financial statements as stated.

3) The Group adopted Indian Accounting Standards ("Ind AS") from 1 April 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.

4) Equity reconciliation between previous GAAP (Indian GAAP) and Ind AS.

	31 March 2016	31 December 2015	1 April 2015
Equity under previous GAAP	62,930.51	61,077.01	54,797.72
Fair valuation of investments [refer note 4(a)]	105.28	71.11	213.74
Fair valuation of forward contracts [refer note 4(b)]	(3.44)	(0.35)	4.49
Effect of income tax	(157.73)	(61.02)	(157.72)
Proposed dividend and tax on dividend [refer note 4(c)]	(135.35)	(139.05)	4,046.73
Effect of consolidation of Employee Welfare Trusts [refer note 4(d)]	(24.52)	(29.36)	(109.93)
Others	62,714.75	60,918.33	58,773.68
Equity as per Ind AS	62,714.75	60,918.33	58,773.68
	Quarter ended	Nine months ended	Year ended
	31 December 2015	31 December 2015	31 March 2016
Total comprehensive income reconciliation between previous GAAP (Indian GAAP) and Ind AS	1,738.38	5,146.19	6,693.76
Profit for the period after exceptional item under previous GAAP	(53.78)	(142.63)	(108.46)
Fair valuation of investments [refer note 4(a)]	(52.24)	(4.84)	(7.93)
Fair valuation of forward contracts [refer note 4(b)]	30.64	41.20	94.31
Employee benefits [refer note 4(c)]	27.14	37.39	(2.46)
Effect of income tax	(0.36)	(2.99)	8.59
Profit for the period after exceptional item under Ind AS	1,687.78	5,074.32	6,677.81
Other comprehensive income (net of taxes)	(0.39)	1,091.09	1,247.07
Total comprehensive income	1,687.39	6,165.41	7,924.88

- Fair valuation of investments**
 Under previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, financial assets other than those valued at amortized cost are subsequently measured at fair value.
 Investment in Mutual Funds have been classified as fair value through statement of profit and loss and fair value changes are recognized in the statement of profit and loss.
- Fair valuation of forward contracts**
 Under previous GAAP, in relation to the forward contracts entered into, to hedge the foreign currency risk of the underlying outstanding at the balance sheet date, the exchange difference is calculated and recorded in accordance with paragraphs 36 and 37 of AS 11. Under Ind AS, the aforementioned forward contracts are fair valued through statement of profit and loss and fair value changes are recognized in statement of profit and loss.
 Dividend and tax on dividend
- Under previous GAAP, dividend payable was recorded as a liability in the period to which it relates. Under Ind AS, dividend to holders of equity instruments is recognised as a liability in the period in which the obligation to pay is established.**
- Effect of Consolidation of Employee Welfare Trusts**
 Under previous GAAP, Employee Welfare Trusts were not required to be consolidated considering that these trusts were constituted as irrecoverable trusts. Under Ind AS all the employee welfare trusts have been consolidated.
 Employee benefits
- Under previous GAAP, actuarial gains and losses were recognized in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability/asset which is recognized in other comprehensive income in the respective periods.**
 During the quarter ended 30 June 2015, the Board of Directors of Mphasis Limited and Misource (India) Private Limited had approved sale and transfer of some contracts of the domestic BPO business, which is not a separate major line of Group's business and amounting to ₹ 170.00 and ₹ 27.50 respectively. The Group had estimated losses of ₹ 23.78 (net of tax of ₹ 12.59) arising on the proposed sale and accounted for the same as an exceptional item. The Competition Commission of India had approved the transaction and the Group has complied with all the pre-conditions on 01 September 2015.
- During the quarter ended 30 June 2015, the Group had formalized a plan to early exit / ramp down operations in respect of certain domestic BPO contracts. On account of the proposed early closure of the said contracts, the management had provided for ₹ 92.04 (net of tax of ₹ 48.67) towards expected loss as an exceptional item.**
 Pursuant to the Share Purchase Agreement executed on 4 April 2016, Hewlett Packard Enterprise Company the erstwhile ultimate holding company has transferred its entire stake in the Company to Marble II Pte. Limited a company in Blackstone group. Further, acquisition and Open Offer, is 127,108,444 equity shares representing 60.47% of the paid up equity share capital of the Company. Further to the above, the Group forms part of Blackstone group of companies.
 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 ₹ 88.52 (net of tax of ₹ 33.03) and has accounted the same as exceptional item.
 The management had re-assessed the future profitability of long term revenue contract as at 31 March 2016 and accordingly provided for ₹ 316.28 (net of tax of ₹ 167.38) towards expected loss as an exceptional item during the year ended 31 March 2016. The loss incurred during the nine months ended 31 December 2016 under this contract has been adjusted against the said provision.
- The Board of Directors, in its meeting held on 27 September 2016 has proposed the final dividend of ₹ 20 per share for the year ended 31 March 2016 and the same has been approved in the Annual General Meeting held on 4 November 2016.**
 The Ind AS financial results and other financial information as of and for the year ended 31 March 2016, three months ended 31 December 2015 and nine months ended 31 December 2015, have been compiled after making necessary adjustments to give a true and fair view of the results in accordance with Ind AS.

By Order of the Board,
 Mphasis Limited

 Nitin Rakesh
 Chief Executive Officer

Bengaluru
 31 January 2017

11 for



Mphasis Limited
 Registered Office: Bagmane World Technology Centre, Resonance Ring Road, Doddanahundi Village, Hebbal, Bengaluru - 560 048.
 Telephone: 91 80 3352 5000, Fax: 91 80 6959 9943, Website: www.mphasis.com, E-mail: investor.relations@mphasis.com

CIN: L30007KA1902PLC025294
 Amounts in ₹ millions unless otherwise stated

Sl. No.	Particulars	Quarter ended			Nine months ended			Year ended	
		31 December 2016	30 September 2016	31 December 2015 (refer note 10)	31 December 2016	31 December 2015 (refer note 10)	31 March 2016 (refer note 10)	31 March 2016 (refer note 10)	
1	Net Sales / Income from operations	7,808.90	7,637.06	7,319.07	22,579.95	22,256.93	29,236.44		
2	Expenses								
	(a) Purchases of stock-in-trade	-	0.24	146.36	0.24	406.02	421.57		
	(b) Changes in inventories of stock-in-trade	-	3,438.29	31.57	40.99	(103.19)	(40.99)		
	(c) Employee benefits expense	3,362.01	66.03	3,488.21	10,166.59	10,466.23	13,901.84		
	(d) Depreciation and amortisation expense	66.03	69.92	64.21	192.83	205.60	287.61		
	(e) Software development charges	1,022.53	1,102.08	763.02	3,092.28	2,519.94	3,335.82		
	(f) Other expenses	1,450.68	1,484.05	1,431.84	4,364.50	4,834.40	6,356.02		
	Total expenses	5,901.25	6,094.58	6,025.21	17,877.53	18,329.00	24,261.87		
3	Profit from operations before other income, finance costs and exceptional item (1-2)	1,907.65	1,542.48	1,293.86	4,702.32	3,927.93	4,974.57		
4	Other income	526.79	530.18	310.95	1,498.84	1,203.97	1,581.93		
5	Profit before finance costs and exceptional item (3+4)	2,434.44	2,072.66	1,604.81	6,201.16	5,131.90	6,556.50		
6	Finance costs	5.28	2.12	10.44	22.33	61.05	64.27		
7	Profit before tax and exceptional item (5-6)	2,429.16	2,070.54	1,594.37	6,178.83	5,070.85	6,492.23		
8	Exceptional item (net of tax)	-	-	-	-	12.40	12.40		
	Expected loss on proposed sale of domestic BPO business (refer note 4)	-	-	-	-	92.04	92.04		
	Expected loss on exit from other domestic BPO business (refer note 5)	-	-	-	-	316.28	316.28		
	Provision for loss on long-term contract (refer note 6)	-	-	-	-	-	-		
	Accelerated cost due to change in control (refer note 9)	-	36.77	-	39.77	-	-		
9	Profit before tax (7-8)	2,429.16	2,030.77	1,594.37	6,139.06	4,966.41	6,071.51		
10	Tax expense	663.07	494.25	405.94	1,553.39	1,227.05	1,500.15		
11	Net profit after tax (9-10)	1,766.09	1,536.52	1,188.43	4,585.67	3,739.36	4,571.36		
12	Other comprehensive income, net of tax	(59.94)	165.07	40.56	89.93	(117.89)	9.19		
13	Total comprehensive income	1,706.15	1,704.59	1,228.99	4,675.60	3,621.47	4,580.55		
14	Paid-up equity share capital	2,103.91	2,102.34	2,101.77	2,103.91	2,101.77	2,101.94		
15	Reserve excluding revaluation reserves as per the balance sheet	42,756.62	46,067.48	41,942.74	42,756.62	41,942.74	42,938.61		
16	Earnings per share (before exceptional item) (of ₹10/- each) (not annualised):	8.41	7.51	5.65	22.03	18.32	23.79		
	(a) Basic (₹)	8.38	7.48	5.65	21.97	18.28	23.75		
	(b) Diluted (₹)								
17	Earnings per share (after exceptional item) (of ₹ 10/- each) (not annualised):	8.41	7.32	5.66	21.84	17.82	21.78		
	(a) Basic (₹)	8.38	7.30	5.65	21.78	17.78	21.75		
	(b) Diluted (₹)								

1185



Mphasis Limited
 Registered Office: Bagmane World Technology Center, Marathalli Ring Road, Doodnankundi Village, Mahadevapura, Bengaluru - 560 040.
 Telephone: 91 80 3352 5000, Fax: 91 80 6685 9843, Website: www.mphasis.com, E-mail: Investor.relations@mphasis.com

CIN: L30007KA1992PLC025294
 Amounts in ₹ millions unless otherwise stated

Sl. No.	Segment wise Revenue, Results and Capital employed	Quarter ended			Nine months ended			Year ended	
		31 December 2016	30 September 2016	31 December 2015 (refer note 10)	31 December 2016	31 December 2015 (refer note 10)	31 March 2016 (refer note 10)	31 March 2016 (refer note 10)	
1	Segment revenue	2,599.27	2,669.30	2,244.82	7,558.88	6,554.96	8,795.41	8,795.41	
	Banking and Capital Market	1,887.61	1,793.00	1,783.17	5,440.50	5,093.89	7,003.16	7,003.16	
	Insurance	986.18	923.28	1,010.94	2,859.64	3,643.17	4,702.71	4,702.71	
	Information Technology, Communication and Entertainment	2,161.51	2,143.64	2,254.86	6,290.04	6,831.49	8,599.47	8,599.47	
	Emerging Industries	194.33	185.04	45.28	430.79	143.42	137.69	137.69	
	Unallocated - hedge	7,808.90	7,657.06	7,315.07	22,979.65	22,256.93	29,236.44	29,236.44	
2	Segment results (including exceptional item)	533.61	523.71	143.82	1,359.97	436.05	105.52	105.52	
	Banking and Capital Market	381.27	381.27	519.96	1,468.54	1,468.54	2,108.88	2,108.88	
	Insurance	830.15	783.41	814.60	2,319.05	2,520.99	1,475.76	1,475.76	
	Information Technology, Communication and Entertainment	194.33	185.04	45.28	430.79	143.42	137.69	137.69	
	Emerging Industries	68.13	142.14	146.47	309.12	554.16	671.67	671.67	
	Unallocated - hedge	(153.59)	(2.12)	(10.44)	(22.33)	(64.27)	(64.27)	(64.27)	
	Other unallocable expenditure, net of unallocable income	(257.65)	(433.28)	(1,157.28)	(707.14)	(1,157.28)	(1,352.66)	(1,352.66)	
	Profit before tax	2,428.16	2,030.77	1,594.37	6,139.06	4,966.41	6,071.51	6,071.51	
3	Segment assets	6,795.77	6,157.89	6,271.66	6,795.77	6,271.66	5,755.79	5,755.79	
	Banking and Capital Market	2,157.91	2,403.79	2,235.84	2,157.91	2,235.84	2,695.92	2,695.92	
	Insurance	1,342.34	1,132.29	1,261.20	1,342.34	1,261.20	1,380.92	1,380.92	
	Information Technology, Communication and Entertainment	3,720.56	3,161.21	4,119.12	3,720.56	4,119.12	3,275.02	3,275.02	
	Emerging Industries	39,789.05	42,608.37	37,073.05	39,789.05	37,073.05	40,187.35	40,187.35	
	Unallocated	53,805.64	55,463.55	50,860.88	53,805.64	50,860.88	53,283.01	53,283.01	
4	Segment liabilities	2,845.50	2,794.49	2,512.20	2,845.50	2,512.20	2,584.26	2,584.26	
	Banking and Capital Market	2,467.56	1,879.85	1,433.36	2,467.56	1,433.36	1,578.83	1,578.83	
	Insurance	844.30	794.62	862.78	844.30	862.78	935.53	935.53	
	Information Technology, Communication and Entertainment	1,943.03	1,476.70	1,674.49	1,943.03	1,674.49	1,641.43	1,641.43	
	Emerging Industries	1,244.82	345.07	307.53	1,244.82	307.53	1,511.41	1,511.41	
	Unallocated	9,945.11	7,293.73	6,916.37	9,945.11	6,916.37	9,252.46	9,252.46	
5	Capital employed	3,950.27	3,363.40	3,755.46	3,950.27	3,755.46	3,169.53	3,169.53	
	Banking and Capital Market	(309.65)	523.94	795.48	(309.65)	795.48	1,116.09	1,116.09	
	Insurance	497.94	337.67	276.41	497.94	276.41	445.39	445.39	
	Information Technology, Communication and Entertainment	2,177.53	1,694.51	2,444.63	2,177.53	2,444.63	1,633.59	1,633.59	
	Emerging Industries	38,544.44	42,260.30	36,765.53	38,544.44	36,765.53	38,675.95	38,675.95	
	Unallocated	44,960.53	48,169.92	44,044.51	44,960.53	44,044.51	45,040.55	45,040.55	

6 of 11



Mphasis Limited
 Registered Office: Bagmane World Technology Center, Hanumanthi Ring Road, Doddanahalli Village, Hishadevepura, Bengaluru - 560 040.
 Telephone: 91 80 3352 5000, Fax: 91 80 6885 9943, Website: www.mphasis.com, E-mail: Investor.relations@mphasis.com

CIN:L30007KA1992PLC035294
 Amounts in ₹ millions unless otherwise stated

Notes:

1) The above results were taken on record at the Board Meeting held on 31 January 2017.
 2) The Company adopted Indian Accounting Standards ("Ind AS") from 1 April 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.

3) Equity reconciliation between previous GAAP (Indian GAAP) and Ind AS.

	31 March 2016	31 December 2015	1 April 2015
Equity (under previous GAAP)	45,274.83	44,212.37	40,485.05
Fair valuation of investments [refer note 3(a)]	53.13	34.32	155.58
Fair valuation of Forward contracts [refer note 3(b)]	(4.89)	(0.02)	2.62
Effect of Income tax	(132.95)	(44.00)	(137.24)
Proposed dividend and tax on dividend [refer note 3(c)]	(135.35)	(139.06)	4,046.73
Effect of consolidation of Employee Welfare Trusts [refer note 3(d)]	(14.49)	(19.10)	(109.93)
Others	45,040.55	44,044.51	44,443.80
Equity as per Ind AS			
	Quarter ended	Nine months ended	Year ended
	31 December 2015	31 December 2015	31 March 2016
Total comprehensive income reconciliation between previous GAAP (Indian GAAP) and Ind AS.	3,797.12	4,583.65	
Profit for the period after exceptional item under previous GAAP	(27.55)	(124.26)	(105.45)
Fair valuation of investments [refer note 3(a)]	(52.60)	(2.64)	(4.89)
Employee benefits [refer note 3(b)]	27.50	40.35	93.03
Others	18.49	30.86	(1.78)
Effect of Income tax	(0.31)	(2.07)	6.90
Profit for the period after exceptional item under Ind AS	1188.43	3739.36	4,874.36
Other comprehensive income (net of taxes)	40.56	(117.89)	9.19
Total comprehensive income	1,228.99	3,621.47	4,580.55

- a Fair valuation of investments**
 Under previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, financial assets other than those valued at amortized cost are measured at fair value. Investment in Mutual Funds, have been classified as fair value through statement of profit and loss and fair value changes are recognized in the statement of profit and loss.
- b Fair valuation of forward contracts**
 Under previous GAAP, in relation to the forward contracts entered into, to hedge the foreign currency risk of the underlying outstanding at the balance sheet date, the exchange difference is calculated and recorded in accordance with paragraphs 36 and 37 of AS 11. Under Ind AS, the aforementioned forward contracts are fair valued through statement of profit and loss and fair value changes are recognized in statement of profit and loss.
- c Dividend and tax on dividend**
 Under previous GAAP, dividend payable was recorded as a liability in the period to which it relates. Under Ind AS, dividend to holders of equity instruments is recognised as a liability in the period in which the obligation to pay is established.
- d Effect of Consolidation of Employee welfare trusts**
 Under previous GAAP Employee welfare trusts were not required to be consolidated considering that these trusts were constituted as irrecoverable trusts. Under Ind AS all the employee welfare trusts have been consolidated.
- e Employee benefits**
 Under the previous GAAP, actuarial gains and losses were recognized in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability/asset which is recognized in other comprehensive income in the respective periods.
- 4) During the quarter ended 30 June 2015, the Board of Directors of the Company had approved sale and transfer of some contracts of the domestic BPO business, which is not a separate major line of Company's business and accordingly the Company had entered into definitive agreements with Hinduja Global Solutions Limited and Kavya Data Management Services Limited for sale of a portion of domestic BPO business as a going concern on slump sale basis for a lump sum consideration amounting to ₹ 140.00 and ₹ 27.50 respectively. The Company had estimated losses of ₹ 12.40 (net of tax of ₹ 6.57) arising on the proposed sale and accounted for the same as an exceptional item. The Competition Commission of India had approved the transaction and the Company had complied with all the pre-conditions on 01 September 2015.
- 5) During the quarter ended 30 June 2015, the Company had formalized a plan to early exit / ramp down operations in respect of certain domestic BPO contracts. On account of the proposed early closure of the said contracts, the management had provided for ₹ 92.04 (net of tax of ₹ 48.67) towards expected loss as an exceptional item.
- 6) The management had re-assessed the future profitability of long term revenue contract as at 31 March 2016 and accordingly provided for ₹ 316.28 (net of tax of ₹ 167.38) towards expected loss as an exceptional item during the year ended 31 March 2016. The loss incurred during the nine months ended 31 December 2016 under this contract has been adjusted against the said provision.
- 7) Pursuant to the Share Purchase Agreement executed on 4 April 2016, Hewlett Packard Enterprise Company the erstwhile ultimate holding company has transferred its entire stake in the Company to Marble II Plc. Limited, a company in Blackstone group. Further, Marble II Plc. Limited has acquired 2,178 Equity Shares, from the Public Shareholders, under the Open Offer as per the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The shareholding of the Marble II Plc. Limited, post the acquisition and Open Offer, is 127,109,444 equity shares representing 60.47% of the paid up equity share capital of the Company. Further to the above, the Company forms part of Blackstone group of companies.
- 8) 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 Company has provided for deferred employee compensation cost on an accelerated basis over the remaining vesting period amounting to ₹ 39.77 (net of tax of ₹ 21.45) and has accounted the same as exceptional item.
- 9) The Board of Directors, in its meeting held on 27 September 2016 has proposed the final dividend of ₹ 20 per share for the year ended 31 March 2016 and the same has been approved in the Annual General body Meeting held on 4 November 2016.
- 10) The Ind AS financial results and other financial information as of and for the year ended 31 March 2016, three months ended 31 December 2015 and nine months ended 31 December 2015, have been compiled after making necessary adjustments to give a true and fair view of the results in accordance with Ind AS.

Bengaluru
 31 January 2017

By Order of the Board
 Mphasis Limited
 Nitin Rajesh
 Chief Executive Officer

7 of 11



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 unless otherwise stated

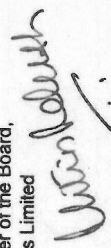
Sl.No	Particulars	Statement of Consolidated Audited Financial Results for the quarter and nine months ended 31 December 2016	
		Quarter ended 31 December 2016	Quarter ended 31 December 2015
1	Total income from operations	15,361.03	15,150.76
2	Net profit for the period (before tax, exceptional items)	2,859.30	2,326.88
3	Net profit for the period before tax (after exceptional items)	2,859.30	2,326.88
4	Net profit for the period after tax (after exceptional items)	2,043.54	1,687.78
5	Total comprehensive income for the period (comprising profit for the period after tax and other comprehensive income after tax)	2,394.40	1,687.39
6	Equity Share capital	2,103.91	2,101.77
7	Reserves excluding Revaluation Reserve	62,336.54	58,816.56
8	Earning Per Share (before exceptional items) (of ₹ 10/- each) (not annualised)	9.73	8.04
	Diluted (₹)	9.70	8.02
9	Earning Per Share (after exceptional items) (of ₹ 10/- each) (not annualised)	9.73	8.04
	Diluted (₹)	9.70	8.02

Notes:

- The above results were taken on record at the Board Meeting held on 31 January 2017.
- Audited Financial Results of Mphasis Limited (Standalone Information).

Sl.No	Particulars	Statement of Consolidated Audited Financial Results for the quarter and nine months ended 31 December 2016	
		Quarter ended 31 December 2016	Quarter ended 31 December 2015
1	Total income from operations	7,808.90	7,319.07
2	Net profit for the period (before tax, exceptional items)	2,429.16	1,594.37
3	Net profit for the period after tax (after exceptional items)	1,766.09	1,188.43

- The Group adopted Indian Accounting Standards ("Ind AS") from 1 April 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34. Due to the said change, the net profits for the quarter ended 31 December 2015 has decreased by ₹ 48.60 and Equity for the year ended 31 March 2016 has decreased by ₹ 215.76 as compared with financial results prepared under previous GAAP ("Indian GAAP").
- The Ind AS financial results and other financial information as of and for the year ended 31 March 2016 and three months ended 31 December 2015, have been compiled after making necessary adjustments to give a true and fair view of the results in accordance with Ind AS.
- The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The full format of the Quarterly Financial Results is available on the Stock Exchange websites, www.nseindia.com and www.bseindia.com and on the Company's website www.mphasis.com.

By Order of the Board,
 Mphasis Limited

 Nitiin Rakesh
 Chief Executive Officer

Bengaluru
 31 January 2017

Auditor's Report on Statement of Quarterly Consolidated Financial Results and Consolidated Year-to-Date Financial Results of Mphasis Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of Mphasis Limited

1. We have audited the accompanying statement of quarterly consolidated financial results of Mphasis Limited (the 'Company') and its subsidiaries (collectively referred to as the 'Mphasis Group') for the quarter ended 31 December 2016 and year-to-date consolidated financial results for the period 01 April 2016 to 31 December 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016. These consolidated quarterly financial results as well as the consolidated year-to-date financial results have been prepared from interim condensed consolidated financial statements, which are the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such interim condensed consolidated financial statements, which have been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly financial results as well as the consolidated year-to-date financial results:
 - (i) include the quarterly financial results and year-to-date financial results of the following entities:
 - Mphasis Limited
 - Mphasis Corporation
 - Mphasis Deutschland GmbH
 - Mphasis Australia Pty Limited
 - Mphasis (Shanghai) Software & Services Company Limited
 - Mphasis Consulting Limited
 - Mphasis Ireland Limited
 - Mphasis Belgium BVBA
 - Mphasis Europe BV
 - Mphasis Pte Limited
 - Mphasis UK Limited
 - Mphasis Software and Services (India) Private Limited
 - Msource Mauritius Inc.
 - Msource (India) Private Limited
 - Mphasis Lanka (Private) Limited
 - Mphasis Poland s.p.z.o.o.
 - Mphasis Infrastructure Services Inc.
 - PT. Mphasis Indonesia



9 of 11

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- Mphasis Wyde Inc.
- Wyde Corporation Inc.
- Mphasis Wyde SASU
- Wyde Solutions Canada Inc.
- Mphasis Philippines Inc.
- Digital Risk, LLC
- Digital Risk Valuation Services, LLC
- Investor Services, LLC
- Digital Risk Mortgage Services, LLC
- Digital Risk Analytics, LLC
- Digital Risk Compliance Services, LLC
- Digital Risk Europe, OOD
- Mphasis Employees Benefit Trust
- Mphasis Employees Equity Reward Trust

(ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, in this regard; and

(iii) give a true and fair view of the consolidated net profit and other financial information for the quarter ended 31 December 2016 as well as the consolidated year-to-date results for the period from 01 April 2016 to 31 December 2016

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Adarsh Ranka

Partner

Membership No.: 209567

Place: Bengaluru

Date: 31 January 2017



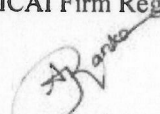
10 of 11

Auditor's Report on Statement of Quarterly Standalone Financial Results and Year-to-Date Standalone Financial Results of Mphasis Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of Mphasis Limited

1. We have audited the accompanying statement of quarterly standalone financial results of Mphasis Limited (the 'Company') for the quarter ended 31 December 2016 and year-to-date financial results for the period 01 April 2016 to 31 December 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016. These quarterly standalone financial results as well as the year-to-date standalone financial results have been prepared from interim condensed standalone financial statements, which are the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to express an opinion on these financial results based on our audit of such interim condensed standalone financial statements, which have been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly standalone financial results as well as the year-to-date results:
 - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, in this regard; and
 - ii. give a true and fair view of the standalone net profit and other financial information for the quarter ended 31 December 2016 as well as the standalone year-to-date financial results for the period from 01 April 2016 to 31 December 2016.

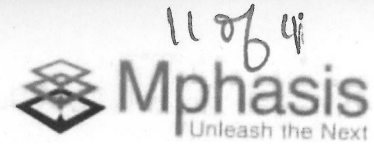
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004


per Adarsh Ranka
Partner
Membership No.: 209567



Place: Bengaluru
Date: 31 January 2017

Mphasis' Net Profit Grows 21.2% YoY in Q3 FY17
Board approves buyback of shares at ₹ 635 per Share



Bengaluru, 31 January 2017: Mphasis Limited (BSE - 526299; NSE - MPHASIS), a leading Information Technology (IT) services provider today announced its financial results for the third quarter ended 31st December 2016. Recently, Mphasis announced the appointment of Mr. Nitin Rakesh as its Chief Executive Officer and Additional Director on the Board with effect from 29 January 2017.

Highlights for Q3 FY17

- Direct Core revenues grew 1.2% QoQ and 8.4% YoY
- Robust new deal wins with \$ 96 million TCV in Direct International business of which 51% in new generation services
- HP business grew 1.8% QoQ
- Operating margins expanded 140 bps YoY to 14.7%
- Net profit margin improved 220 bps YoY to 13.3%
- DSO improves by 7 days QoQ to 60 days resulting in strong operating cash generation of ₹2,601 million during the quarter
- Board has approved a buy-back at maximum price of ₹ 635 per share, aggregating to ₹ 11,030 million, pending shareholder and regulatory approval.

“We are pleased with the performance this quarter, especially with strong TCV wins. We will continue to build on these and position the company for greater acceleration.” said **Nitin Rakesh, Chief Executive Officer and Director, Mphasis.**

About Mphasis

Mphasis enables chosen customers to meet the demands of an evolving market place. Recently named by American Banker and BAI as one of the top companies in FinTech and as the “Most Distinguished Digital Company in 2015” by The Economic Times, Mphasis fuels this by combining superior human capital with cutting edge solutions in hyper-specialized areas. Click [here](#) to know more.

Safe Harbor:

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in our earnings, revenue and profits, our ability to generate and manage growth, intense competition in IT services, wage increases in India, our ability to attract and retain highly skilled professionals, our ability to manage our international operations, reduced demand for technology in our key focus areas, withdrawal of fiscal governmental incentives, political instability, war, legal restrictions on raising capital or acquiring companies, and general economic conditions affecting our business and industry. We may, from time to time, make additional written and oral forward-looking statements. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.

For further information please contact:

Corporate Communications Deepa Nagaraj Mphasis Limited Phone: + 91 080 4004 1091 Mobile: +91 98452 56283 Email : Deepa.Nagaraj@mphasis.com; investor.relations@mphasis.com	Investor Relations Varun Divadkar/Shiv Muttoo CDR India Phone : +91 22 6645 1234/07 E-mail : varun@cdr-india.com shiv@cdr-india.com
--	---

Nitin Rakesh