

24 January 2019

The Manager, Listing  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
MUMBAI - 400 001

The Manager, Listing  
National Stock Exchange of India Ltd  
Exchange Plaza, Plot No. c/1,  
G-Block, Bandra-Kurla Complex,  
MUMBAI – 400 051

Dear Sirs,

**Sub: Announcement of Outcome of Board Meeting**

We wish to inform you that the Board of Directors of the Company, at their meeting held today at 12.30 PM, which concluded at 5.45 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 2018 in the prescribed format;
- b. Audited Financial Results of Mphasis Limited for the quarter and nine months ended 31 December 2018 in the prescribed format;
- c. Statement of Consolidated Audited Financial Results of Mphasis Group for the quarter and nine months ended 31 December 2018, being the extract of the financial results in the prescribed format, being published in the Newspapers; and
- d. Report of the Auditor's on the consolidated and standalone Financial Results;

The above together with the related Press Release are enclosed.

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](http://www.mphasis.com).

We request you to kindly take the above on record as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

**Thanking you,  
For Mphasis Limited**



**Subramanian Narayan  
Vice President and Company Secretary**

Encl.- As above

# **MACHINE READABLE FORMAT**

**Statement of Standalone Audited Financial Results for the quarter and nine months ended 31 December 2018**

Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	31 March 2018
	Audited	Audited	(refer note 5) Audited	Audited	(refer note 5) Audited	(refer note 5) Audited
Revenue from operations	8,622.95	8,524.20	8,278.70	25,392.52	24,195.59	32,748.71
Other income	355.83	331.87	229.71	969.48	886.51	1,216.16
<b>Total income (I)</b>	<b>8,978.78</b>	<b>8,856.07</b>	<b>8,508.41</b>	<b>26,362.00</b>	<b>25,082.10</b>	<b>33,964.87</b>
<b>Expenses</b>						
Employee benefits expense	3,610.06	3,532.73	3,427.01	10,689.17	10,334.65	13,915.52
Finance costs	9.63	7.90	8.60	45.75	29.80	52.38
Depreciation and amortization expense	99.20	93.25	80.04	281.05	238.78	317.89
Other expenses	2,683.20	2,755.25	2,639.91	8,057.91	7,626.41	10,243.56
<b>Total expenses (II)</b>	<b>6,402.09</b>	<b>6,389.13</b>	<b>6,155.56</b>	<b>19,073.88</b>	<b>18,229.64</b>	<b>24,529.35</b>
<b>Profit before exceptional item and tax (III) [(I)-(II)]</b>	<b>2,576.69</b>	<b>2,466.94</b>	<b>2,352.85</b>	<b>7,288.12</b>	<b>6,852.46</b>	<b>9,435.52</b>
Exceptional item (net of tax) (IV)	-	-	-	-	-	130.78
<b>Profit before tax (III)-(IV)</b>	<b>2,576.69</b>	<b>2,466.94</b>	<b>2,352.85</b>	<b>7,288.12</b>	<b>6,852.46</b>	<b>9,304.74</b>
<b>Tax expenses</b>						
Current tax	374.56	630.93	556.25	1,456.07	1,688.09	2,183.56
Deferred tax	11.61	(53.38)	(36.00)	45.08	(42.94)	(277.73)
<b>Total tax expenses</b>	<b>386.17</b>	<b>577.55</b>	<b>520.25</b>	<b>1,501.15</b>	<b>1,645.15</b>	<b>1,905.83</b>
<b>Profit before exceptional item</b>	<b>2,190.52</b>	<b>1,889.39</b>	<b>1,832.60</b>	<b>5,786.97</b>	<b>5,207.31</b>	<b>7,529.69</b>
<b>Profit after exceptional item (A)</b>	<b>2,190.52</b>	<b>1,889.39</b>	<b>1,832.60</b>	<b>5,786.97</b>	<b>5,207.31</b>	<b>7,398.91</b>
<b>Other comprehensive income / (losses) ('OCI')</b>						
<b>Items to be reclassified to profit or loss in subsequent periods</b>						
Net change in fair value of derivatives designated as cash flow hedges	2,756.38	(1,779.33)	579.90	(703.19)	(121.50)	(715.49)
Income tax effect on the above	(963.19)	621.77	(200.69)	245.72	42.05	246.38
<b>Items not to be reclassified to profit or loss in subsequent periods</b>						
Re-measurement gains / (losses) on defined employee benefit plans	(17.32)	26.22	3.40	28.38	(25.27)	(38.67)
Income tax effect on the above	6.05	(9.16)	(1.17)	(9.92)	8.75	13.94
<b>Total OCI, net of tax (B)</b>	<b>1,781.92</b>	<b>(1,140.50)</b>	<b>381.44</b>	<b>(439.01)</b>	<b>(95.97)</b>	<b>(493.84)</b>
<b>Total comprehensive income (A+B)</b>	<b>3,972.44</b>	<b>748.89</b>	<b>2,214.04</b>	<b>5,347.96</b>	<b>5,111.34</b>	<b>6,905.07</b>
Equity share capital	1,861.04	1,934.24	1,931.95	1,861.04	1,931.95	1,932.67
Other equity	28,189.65	34,031.74	35,267.46	28,189.65	35,267.46	37,141.57
<b>Earnings per equity share before exceptional item (par value ₹ 10 per share)</b>						
Basic (₹)	11.34	9.77	9.49	29.95	26.39	38.35
Diluted (₹)	11.23	9.66	9.45	29.63	26.33	38.29
<b>Earnings per equity share after exceptional item (par value ₹ 10 per share)</b>						
Basic (₹)	11.34	9.77	9.49	29.95	26.39	37.69
Diluted (₹)	11.23	9.66	9.45	29.63	26.33	37.63

**Segment reporting**

The Company publishes the condensed interim standalone financial statements along with the condensed consolidated interim financial statements. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the condensed consolidated interim financial statements.

**Notes:**

- The financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 24 January 2019. The statutory auditors have expressed an unmodified audit opinion on these results.
- The Board of Directors, in its meeting held on 10 May 2018 had proposed the final dividend of ₹ 20 per share for the year ended 31 March 2018. The dividend proposed by the Board of Directors has been approved by
- With effect from 1 April 2018, the Company adopted Ind AS 115 – Revenue from contracts with customers and has transitioned using the cumulative effect method. The standard has been applied retrospectively only to contracts that were ongoing on the date of initial application and the comparative information is not restated in the financial results. The adoption of the standard did not have a material impact on the financial statements of the Company.
- During the quarter ended 31 December 2018, the Company has completed the buyback of 7,320,555 fully paid-up equity shares of face value ₹ 10 each ("equity shares"), representing 3.79% of the total paid-up equity share capital of the Company, at a price of ₹ 1,350 per equity share for an aggregate consideration of ₹ 9,882.75. In line with the requirement of the Companies Act, 2013, an amount of ₹ 176.59, ₹ 743.89 and ₹ 8,962.26 has been utilized from securities premium, general reserve and retained earnings respectively. The shares accepted under the buyback have been extinguished on 28 December 2018 and the paid-up equity share capital of the Company has been reduced to that extent. Subsequent to completion of the buyback, the Company has transferred ₹ 73.20 to the Capital Redemption Reserve representing face value of equity shares bought back.
- The results for the quarter and nine months ended 31 December 2017 and for the year ended 31 March 2018 were audited by the previous statutory auditors.

**By Order of the Board,  
Mphasis Limited**

Bengaluru  
24 January 2019

sd/-  
Nitín Rakesh  
Chief Executive Officer

**Statement of Consolidated Audited Financial Results for the quarter and nine months ended 31 December 2018**

Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	31 March 2018
	Audited	Audited	(refer note 7) Audited	Audited	(refer note 7) Audited	(refer note 7) Audited
Revenue from operations	19,709.57	19,148.41	16,606.91	57,060.21	48,013.48	65,458.36
Other income	506.34	475.89	353.62	1,434.97	1,198.32	1,620.96
<b>Total income (I)</b>	<b>20,215.91</b>	<b>19,624.30</b>	<b>16,960.53</b>	<b>58,495.18</b>	<b>49,211.80</b>	<b>67,079.32</b>
<b>Expenses</b>						
Employee benefits expense	10,885.82	10,603.86	9,634.42	31,863.54	28,056.74	38,179.27
Finance costs	34.54	35.09	28.81	114.52	86.81	129.96
Depreciation and amortization expense	196.15	183.68	175.55	558.87	537.14	708.21
Other expenses	5,518.13	5,215.50	4,231.01	15,361.79	12,427.71	16,655.36
<b>Total expenses (II)</b>	<b>16,634.64</b>	<b>16,038.13</b>	<b>14,069.79</b>	<b>47,898.72</b>	<b>41,108.40</b>	<b>55,672.80</b>
<b>Profit before exceptional item and tax (III) [(I)-(II)]</b>	<b>3,581.27</b>	<b>3,586.17</b>	<b>2,890.74</b>	<b>10,596.46</b>	<b>8,103.40</b>	<b>11,406.52</b>
Exceptional item (net of tax) (IV)	-	-	-	-	-	130.78
<b>Profit before tax (III)-(IV)</b>	<b>3,581.27</b>	<b>3,586.17</b>	<b>2,890.74</b>	<b>10,596.46</b>	<b>8,103.40</b>	<b>11,275.74</b>
<b>Tax expenses</b>						
Current tax	770.34	916.69	750.37	2,399.46	2,156.92	3,159.48
Deferred tax	31.20	(39.77)	(9.07)	124.92	(51.79)	(258.73)
<b>Total tax expenses</b>	<b>801.54</b>	<b>876.92</b>	<b>741.30</b>	<b>2,524.38</b>	<b>2,105.13</b>	<b>2,900.75</b>
<b>Profit before exceptional item</b>	<b>2,779.73</b>	<b>2,709.25</b>	<b>2,149.44</b>	<b>8,072.08</b>	<b>5,998.27</b>	<b>8,505.77</b>
<b>Profit after exceptional item (A)</b>	<b>2,779.73</b>	<b>2,709.25</b>	<b>2,149.44</b>	<b>8,072.08</b>	<b>5,998.27</b>	<b>8,374.99</b>
<b>Other comprehensive income / (losses) ('OCI')</b>						
<b>Items to be reclassified to profit or loss in subsequent periods</b>						
Exchange differences on translation of financial statements of foreign operations	(1,041.70)	1,246.50	(447.30)	1,171.28	(149.04)	249.18
Net change in fair value of derivatives designated as cash flow hedges	2,839.33	(1,831.06)	608.98	(674.13)	(182.06)	(800.62)
Income tax effect on the above	(992.17)	639.84	(210.75)	235.57	63.01	275.85
<b>Items not to be reclassified to profit or loss in subsequent periods</b>						
Re-measurement gains / (losses) on defined employee benefit plans	(18.48)	28.93	6.66	31.52	(23.75)	(33.90)
Income tax effect on the above	6.32	(10.04)	(2.30)	(11.13)	8.23	12.35
<b>Total OCI, net of tax (B)</b>	<b>793.30</b>	<b>74.17</b>	<b>(44.71)</b>	<b>753.11</b>	<b>(283.61)</b>	<b>(297.14)</b>
<b>Total comprehensive income (A+B)</b>	<b>3,573.03</b>	<b>2,783.42</b>	<b>2,104.73</b>	<b>8,825.19</b>	<b>5,714.66</b>	<b>8,077.85</b>
<b>Profit attributable to:</b>						
Equity owners of the Company	2,779.73	2,709.25	2,149.44	8,072.08	5,998.27	8,374.99
Non-controlling interests	-	-	-	-	-	-
<b>Total comprehensive income attributable to:</b>	<b>2,779.73</b>	<b>2,709.25</b>	<b>2,149.44</b>	<b>8,072.08</b>	<b>5,998.27</b>	<b>8,374.99</b>
Equity owners of the Company	3,573.03	2,783.42	2,104.73	8,825.19	5,714.66	8,077.85
Non-controlling interests	-	-	-	-	-	-
Equity share capital	1,861.04	1,934.24	1,931.95	1,861.04	1,931.95	1,932.67
Other equity	47,410.46	53,651.96	50,441.58	47,410.46	50,441.58	52,885.15
<b>Earnings per equity share before exceptional item (par value ₹ 10 per share)</b>						
Basic (₹)	14.40	14.01	11.13	41.77	30.39	43.32
Diluted (₹)	14.26	13.85	11.08	41.33	30.33	43.26
<b>Earnings per equity share after exceptional item (par value ₹ 10 per share)</b>						
Basic (₹)	14.40	14.01	11.13	41.77	30.39	42.66
Diluted (₹)	14.26	13.85	11.08	41.33	30.33	42.59

**Segment reporting**  
Operating segments are defined as components of the Group for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's Chief Operating Decision Maker ("CODM") is the Chief Executive Officer.

The Group has identified business segments as reportable segments. The business segments identified are: Banking and Capital Market, Insurance, Information Technology, Communication and Entertainment and Emerging Industries.

CODM does not review assets and liabilities at reportable segments level, hence segment disclosures relating to total assets and liabilities have not been provided.

	Quarter ended			Nine months ended		Year ended
	31 December 2018	30 September 2018	31 December 2017 (refer note 7)	31 December 2018	31 December 2017 (refer note 7)	31 March 2018 (refer note 7)
<b>Segment revenue</b>						
Banking and Capital Market	8,824.86	8,964.24	7,731.86	26,357.84	22,636.52	30,685.00
Insurance	2,368.86	2,199.27	2,079.30	6,620.07	6,112.12	8,096.16
Information Technology, Communication and Entertainment	3,370.01	3,315.59	2,333.44	9,824.99	6,394.78	9,277.76
Emerging Industries	5,464.25	4,999.70	4,072.08	14,922.14	11,599.39	15,716.42
Unallocated - Hedge	(318.41)	(330.39)	390.23	(664.83)	1,270.67	1,683.02
<b>Total segment revenue</b>	<b>19,709.57</b>	<b>19,148.41</b>	<b>16,606.91</b>	<b>57,060.21</b>	<b>48,013.48</b>	<b>65,458.36</b>
<b>Segment result</b>						
Banking and Capital Market	2,270.53	2,531.84	1,775.95	7,109.75	5,273.83	7,306.15
Insurance	692.51	586.46	540.70	1,790.14	1,435.63	1,916.40
Information Technology, Communication and Entertainment	871.66	799.75	485.89	2,480.87	1,218.30	1,859.16
Emerging Industries	1,813.27	1,608.79	1,242.76	4,908.82	3,543.75	4,800.33
Unallocated - Hedge	(318.41)	(330.39)	390.23	(664.83)	1,270.67	1,683.02
<b>Total segment result</b>	<b>5,329.56</b>	<b>5,196.45</b>	<b>4,435.53</b>	<b>15,624.75</b>	<b>12,742.18</b>	<b>17,565.06</b>
Interest income	107.50	66.66	64.50	258.45	197.37	278.78
Finance costs	(34.54)	(35.09)	(28.81)	(114.52)	(86.81)	(129.96)
Other unallocable expenditure, net of unallocable income	(1,821.25)	(1,641.85)	(1,580.48)	(5,172.22)	(4,749.34)	(6,307.36)
Exceptional item (net of tax)	-	-	-	-	-	(130.78)
<b>Profit before taxation</b>	<b>3,581.27</b>	<b>3,586.17</b>	<b>2,890.74</b>	<b>10,596.46</b>	<b>8,103.40</b>	<b>11,275.74</b>

**Notes:**

- The financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 24 January 2019. The statutory auditors have expressed an unmodified audit opinion on these results.
- Audited Financial Results of Mphasis Limited (Standalone Information).

Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2018	30 September 2018	31 December 2017 (refer note 7)	31 December 2018	31 December 2017 (refer note 7)	31 March 2018 (refer note 7)
Revenue from operations	8,622.95	8,524.20	8,278.70	25,392.52	24,195.59	32,748.71
Profit before tax and exceptional item	2,576.69	2,466.94	2,352.85	7,288.12	6,852.46	9,435.52
Profit after tax and exceptional item	2,190.52	1,889.39	1,832.60	5,786.97	5,207.31	7,398.91

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 standalone interim financial statements as stated.

- The Board of Directors, in its meeting held on 10 May 2018 had proposed the final dividend of ₹ 20 per share for the year ended 31 March 2018. The dividend proposed by the Board of Directors has been approved by the shareholders in the Annual General meeting held on 7 August 2018.
- With effect from 1 April 2018, Mphasis Group ("Group") adopted Ind AS 115 - Revenue from contracts with customers and has transitioned using the cumulative effect method. The standard has been applied retrospectively only to contracts that were ongoing on the date of initial application and the comparative information is not restated in the financial results. The adoption of the standard did not have a material impact on the financial statements of the Group.
- During the quarter ended 31 December 2018, the Company has completed the buyback of 7,320,555 fully paid-up equity shares of face value ₹ 10 each ("equity shares"), representing 3.79% of the total paid-up equity share capital of the Company, at a price of ₹ 1,350 per equity share for an aggregate consideration of ₹ 9,882.75. In line with the requirement of the Companies Act, 2013, an amount of ₹ 176.59, ₹ 743.89 and ₹ 8,962.26 has been utilized from securities premium, general reserve and retained earnings respectively. The shares accepted under the buyback have been extinguished on 28 December 2018 and the paid-up equity share capital of the Company has been reduced to that extent. Subsequent to completion of the buyback, the Company has transferred ₹ 73.20 to the Capital Redemption Reserve representing face value of equity shares bought back.
- On 8 November 2018, the Company through its wholly owned subsidiary, Mphasis Corporation, obtained control of Stelligent Systems LLC (Stelligent), a technology services company that provides DevOps automation on the Amazon Web Services cloud by acquiring 100% of its membership interests. The acquisition seeks to strengthen and expand the Group's cloud service offering to its customers. The acquisition was executed through a membership interest purchase agreement for a cash consideration of USD 24.36 million (₹ 1,700.03). Net assets taken over was ₹ 63.51 and the intangible assets identified as part of purchase price allocation process was ₹ 109.69. The excess of the purchase consideration paid over the fair value of assets acquired amounting to ₹ 1,526.83 has been attributed to goodwill. Net assets acquired include ₹ 2.09 of cash and cash equivalents and trade receivables valued at ₹ 113.87. Trade receivables are expected to be collected in full. Goodwill comprises value of acquired workforce and expected synergies arising from the acquisition. The goodwill is tax-deductible.
- The results for the quarter and nine months ended 31 December 2017 and for the year ended 31 March 2018 were audited by the previous statutory auditors.

**By Order of the Board,  
Mphasis Limited**

sdl-  
**Nitin Rakesh**  
Chief Executive Officer

Bengaluru  
24 January 2019

**Extract of Statement of Consolidated Audited Financial Results for the quarter and nine months ended 31 December 2018**

Sl.No	Particulars	Quarter ended	Nine months ended	Quarter ended
		31 December 2018	31 December 2018	31 December 2017
1	Revenue from operations	19,709.57	57,060.21	16,606.91
2	Net profit (before tax, exceptional items)	3,581.27	10,596.46	2,890.74
3	Net profit before tax (after exceptional items)	3,581.27	10,596.46	2,890.74
4	Net profit after tax (after exceptional items)	2,779.73	8,072.08	2,149.44
5	Total comprehensive income (comprising net profit after tax and other comprehensive income after tax)	3,573.03	8,825.19	2,104.73
6	Equity share capital	1,861.04	1,861.04	1,931.95
7	Reserves excluding revaluation reserve	47,410.46	47,410.46	50,441.58
8	<b>Earnings per equity share before exceptional item (par value ₹ 10 per share)</b>			
	Basic (₹)	14.40	41.77	11.13
	Diluted (₹)	14.26	41.33	11.08
9	<b>Earnings per equity share after exceptional item (par value ₹ 10 per share)</b>			
	Basic (₹)	14.40	41.77	11.13
	Diluted (₹)	14.26	41.33	11.08

**Notes:**

1 The financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 24 January 2019. The statutory auditors have expressed an unmodified audit opinion on these results.

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

Particulars	Quarter ended	Nine months ended	Quarter ended
	31 December 2018	31 December 2018	31 December 2017
Revenue from operations	8,622.95	25,392.52	8,278.70
Net profit for the period (before tax, exceptional items)	2,576.69	7,288.12	2,352.85
Net profit for the period after tax (after exceptional items)	2,190.52	5,786.97	1,832.60

3 The Board of Directors, in its meeting held on 10 May 2018 has proposed the final dividend of ₹ 20 per share for the year ended 31 March 2018. The dividend proposed by the Board of Directors has been approved by the shareholders in the Annual General meeting held on 7 August 2018.

4 During the quarter ended 31 December 2018, the Company has completed the buyback of 7,320,555 fully paid-up equity shares of face value ₹ 10 each ("equity shares"), representing 3.79% of the total paid-up equity share capital of the Company, at a price of ₹ 1,350 per equity share for an aggregate consideration of ₹ 9,882.75. In line with the requirement of the Companies Act, 2013, an amount of ₹ 176.59, ₹ 743.89 and ₹ 8,962.26 has been utilized from securities premium, general reserve and retained earnings respectively. The shares accepted under the buyback have been extinguished on 28 December 2018 and the paid-up equity share capital of the Company has been reduced to that extent. Subsequent to completion of the buyback, the Company has transferred ₹ 73.20 to the Capital Redemption Reserve representing face value of equity shares bought back.

5 On 8 November 2018, the Company through its wholly owned subsidiary, Mphasis Corporation, obtained control of Stelligent Systems LLC (Stelligent), a technology services company that provides DevOps automation on the Amazon Web Services cloud by acquiring 100% of its membership interests. The acquisition seeks to strengthen and expand the Group's cloud service offering to its customers. The acquisition was executed through a membership interest purchase agreement for a cash consideration of USD 24.36 million (₹ 1,700.03). Net assets taken over was ₹ 63.51 and the intangible assets identified as part of purchase price allocation process was ₹ 109.69. The excess of the purchase consideration paid over the fair value of assets acquired amounting to ₹ 1,526.83 has been attributed to goodwill. Net assets acquired include ₹ 2.09 of cash and cash equivalents and trade receivables valued at ₹ 113.87. Trade receivables are expected to be collected in full. Goodwill comprises value of acquired workforce and expected synergies arising from the acquisition. The goodwill is tax-deductible.

6 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](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) and on the Company's website [www.mphasis.com](http://www.mphasis.com).

**By Order of the Board,  
Mphasis Limited**

Bengaluru  
24 January 2019

sd/-  
Nitin Rakesh  
Chief Executive Officer

**Independent Auditors' Report on quarterly consolidated financial results and consolidated year-to-date results of Mphasis Limited, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To Board of Directors of Mphasis Limited**

We have audited the quarterly consolidated financial results of Mphasis Limited ('the Company') and its subsidiaries listed in Annexure I (collectively referred to as 'the Group'), for the quarter ended 31 December 2018 and the year-to-date results for the period from 1 April 2018 to 31 December 2018 ('consolidated financial results'), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

These consolidated financial results have been prepared on the basis of the condensed consolidated interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such condensed consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) for Interim Financial Reporting (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of Listing Regulations.

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 misstatements. 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.

Corresponding figures for the quarter and year-to-date period ended 31 December 2017 and for the year ended 31 March 2018 are based on the quarterly and year-to-date consolidated financial results and the annual consolidated financial statements that were audited by the predecessor auditor, who expressed an unmodified opinion thereon dated 24 January 2018 and 10 May 2018 respectively.

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, these consolidated financial results:

- (i) include the quarterly financial results and year-to-date financial results of Mphasis Limited and its subsidiaries listed in Annexure I;
- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

**Independent Auditors' Report on quarterly consolidated financial results and consolidated year-to-date results of Mphasis Limited, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)**

- (iii) give a true and fair view of the consolidated net profit and other comprehensive income and other financial information for the quarter ended 31 December 2018 as well as the consolidated year-to-date results for the period from 1 April 2018 to 31 December 2018.

*for B S R & Co. LLP*  
*Chartered Accountants*  
Firm's Registration No.: 101248W/W-100022

Bengaluru  
24 January 2019

**Amit Somani**  
*Partner*  
Membership No. 060154



## **Mphasis Limited**

### **Annexure I: List of entities consolidated**

- 1) Mphasis Corporation
- 2) Mphasis Deutschland GmbH
- 3) Mphasis Australia Pty Limited
- 4) Mphasis (Shanghai) Software & Services Company Limited
- 5) Mphasis Consulting Limited
- 6) Mphasis Ireland Limited
- 7) Mphasis Belgium BVBA
- 8) Mphasis Lanka (Private) Limited
- 9) Mphasis Poland s.p.z.o.o.
- 10) PT. Mphasis Indonesia
- 11) Mphasis Europe BV
- 12) Mphasis Infrastructure Services Inc.
- 13) Mphasis Pte Limited
- 14) Mphasis UK Limited
- 15) Mphasis Software and Services (India) Private Limited
- 16) Msource Mauritius Inc.
- 17) Mphasis Wyde Inc.
- 18) Mphasis Philippines Inc.
- 19) Msource (India) Private Limited
- 20) Wyde Corporation Inc.
- 21) Mphasis Wyde SASU
- 22) Wyde Solutions Canada Inc.
- 23) Digital Risk, LLC.
- 24) Digital Risk Mortgage Services, LLC.
- 25) Investor Services, LLC.
- 26) Digital Risk Valuation Services, LLC.
- 27) Digital Risk Europe, OOD.
- 28) Mphasis Employee Benefit Trust
- 29) Mphasis Employees Equity Reward Trust
- 30) Stelligent Systems LLC

**Independent Auditors' Report on quarterly and year-to-date standalone financial results of Mphasis Limited, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To the Board of Directors of Mphasis Limited**

We have audited the quarterly standalone financial results of Mphasis Limited ( 'the Company') for the quarter ended 31 December 2018 and the year-to-date standalone financial results for the period from 1 April 2018 to 31 December 2018 ('standalone financial results'), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

These standalone financial results have been prepared on the basis of the condensed standalone interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such condensed standalone interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) for Interim Financial Reporting (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of Listing Regulation.

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 misstatements. 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.

Corresponding figures for the quarter and year-to-date period ended 31 December 2017 and for the year ended 31 March 2018 are based on the quarterly and year-to-date standalone financial results and the annual standalone financial statements that were audited by the predecessor auditor, who expressed an unmodified opinion thereon dated 24 January 2018 and 10 May 2018 respectively.

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

**Independent Auditors' Report on quarterly and year-to-date standalone financial results of Mphasis Limited, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)**

- (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the quarter ended 31 December 2018 as well as the year-to-date results for the period from 1 April 2018 to 31 December 2018.

*for B S R & Co. LLP*  
*Chartered Accountants*  
Firm's Registration No.: 101248W/W-100022

Bengaluru  
24 January 2019

**Amit Somani**  
*Partner*  
Membership No. 060154

# Mphasis Net Profit and EPS grew ~29% YoY in Q3 FY2019



Gross Revenue grew 3.1% QoQ and 14% YoY in constant currency

**Bengaluru, 24 January 2019:** [Mphasis](#) Limited (BSE - 526299; NSE - MPHASIS), an Information Technology (IT) solutions provider specializing in cloud and cognitive services, today announced its financial results for the quarter ended 31<sup>st</sup> December 2018.

## Highlights of performance for the Quarter ended 31<sup>st</sup> December 2018

- Gross Revenue grew 2.8% QoQ and 23.5% YoY on a reported basis; On constant currency basis, growth was 3.1% QoQ and 14.0% YoY
- Direct core revenue grew 5.9% QoQ and 27.6% YoY on a reported basis; On constant currency basis, growth was 6.0% QoQ and 16.9% YoY
- DXC/HP revenue grew 5.6% QoQ and 37.9% YoY on a reported basis; On constant currency basis, growth was 6.4% QoQ and 28.3% YoY
- New deal wins of USD 122 million in Direct International business; of which 81% are in New-Gen Services
- Deal wins in the Direct International business stands at (YTD) USD 484 million as compared to USD 435 million in YTD FY18, higher by 11% YoY
- Net Profit grew 2.6% QoQ and 29.3% YoY to INR 2,780 million
- EPS grew 2.8% QoQ and 29.4% YoY to INR 14.4
- Completed buy-back of 7.3 million shares with a total outlay of INR 9,937 million
- Completed acquisition of Stelligent Systems LLC. which specializes in DevOps automation in AWS.

“Q3 is proof of our Cloud and Cognitive strategy in action, with the acquisition of Stelligent and launch of multiple client wins in these areas. We are pleased with our overall performance in Q3 and our sustained execution roadmap across the portfolio, especially in New Gen Services. We continue to stay focused on execution of our deal pipeline and supporting the growth momentum,” said **Nitin Rakesh, Chief Executive Officer and Executive Director, Mphasis.**

## About Mphasis

[Mphasis](#) (BSE: 526299; NSE: MPHASIS) applies next-generation technology to help enterprises transform businesses globally. Customer centricity is foundational to Mphasis and is reflected in the Mphasis’ [Front2Back™](#) Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized (C= $X2C^2_{TM}=1$ ) digital experience to clients and their end customers. Mphasis’ Service Transformation approach helps ‘shrink the core’ through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. Mphasis’ core reference architectures and tools, speed and innovation with domain expertise and specialization are key to building strong relationships with marquee clients. 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

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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

**SIGNED COPIES**

Statement of Consolidated Audited Financial Results for the quarter and nine months ended 31 December 2018

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

Particulars	Quarter ended		Nine months ended		Year ended	
	31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	31 March 2018
	Audited	Audited	Audited	Audited	Audited	Audited
Revenue from operations	19,709.57	19,148.41	16,606.91	57,060.21	48,013.48	65,458.36
Other income	506.34	475.89	353.62	1,434.97	1,198.32	1,620.96
<b>Total income (I)</b>	<b>20,215.91</b>	<b>19,624.30</b>	<b>16,960.53</b>	<b>58,495.18</b>	<b>49,211.80</b>	<b>67,079.32</b>
<b>Expenses</b>						
Employee benefits expense	10,885.82	10,603.86	9,634.42	31,863.54	28,056.74	38,179.27
Finance costs	34.54	35.09	28.81	114.52	86.81	129.96
Depreciation and amortization expense	196.15	183.68	175.55	558.87	537.14	708.21
Other expenses	5,518.13	5,215.50	4,231.01	15,361.79	12,427.71	16,655.36
<b>Total expenses (II)</b>	<b>16,634.64</b>	<b>16,038.13</b>	<b>14,069.79</b>	<b>47,898.72</b>	<b>41,108.40</b>	<b>55,672.80</b>
<b>Profit before exceptional item and tax (III) [(I)-(II)]</b>	<b>3,581.27</b>	<b>3,586.17</b>	<b>2,890.74</b>	<b>10,596.46</b>	<b>8,103.40</b>	<b>11,406.52</b>
Exceptional item (net of tax) (IV)	-	-	-	-	-	130.78
<b>Profit before tax (III)-(IV)</b>	<b>3,581.27</b>	<b>3,586.17</b>	<b>2,890.74</b>	<b>10,596.46</b>	<b>8,103.40</b>	<b>11,275.74</b>
<b>Tax expenses</b>						
Current tax	770.34	916.69	750.37	2,399.46	2,156.92	3,159.48
Deferred tax	31.20	(39.77)	(9.07)	124.92	(51.79)	(258.73)
<b>Total tax expenses</b>	<b>801.54</b>	<b>876.92</b>	<b>741.30</b>	<b>2,524.38</b>	<b>2,105.13</b>	<b>2,900.75</b>
<b>Profit after exceptional item (A)</b>	<b>2,779.73</b>	<b>2,709.25</b>	<b>2,149.44</b>	<b>8,072.08</b>	<b>5,998.27</b>	<b>8,374.99</b>
<b>Other comprehensive income / (losses) (OCI)</b>						
Items to be reclassified to profit or loss in subsequent periods						
Exchange differences on translation of financial statements of foreign operations	(1,041.70)	1,246.50	(447.30)	1,171.28	(149.04)	249.18
Net change in fair value of derivatives designated as cash flow hedges	2,839.53	(1,831.06)	608.98	(674.13)	(882.06)	(800.62)
Income tax effect on the above	(992.17)	639.84	(210.75)	235.57	63.01	275.85
Items not to be reclassified to profit or loss in subsequent periods						
Re-measurement gains / (losses) on defined employee benefit plans	(18.48)	28.93	6.66	31.52	(23.75)	(33.90)
Income tax effect on the above	6.32	(10.04)	(2.30)	(11.13)	8.23	12.35
<b>Total OCI, net of tax (B)</b>	<b>793.30</b>	<b>74.17</b>	<b>(44.71)</b>	<b>753.11</b>	<b>(283.61)</b>	<b>(297.14)</b>
<b>Total comprehensive income (A+B)</b>	<b>3,573.03</b>	<b>2,783.42</b>	<b>2,104.73</b>	<b>8,825.19</b>	<b>5,714.66</b>	<b>8,077.85</b>
<b>Profit attributable to:</b>						
Equity owners of the Company	2,779.73	2,709.25	2,149.44	8,072.08	5,998.27	8,374.99
Non-controlling interests	793.30	74.17	(44.71)	753.11	(283.61)	(297.14)
<b>Total comprehensive income attributable to:</b>	<b>2,779.73</b>	<b>2,709.25</b>	<b>2,149.44</b>	<b>8,072.08</b>	<b>5,998.27</b>	<b>8,374.99</b>
Equity owners of the Company	3,573.03	2,783.42	2,104.73	8,825.19	5,714.66	8,077.85
Non-controlling interests	-	-	-	-	-	-
Equity share capital	3,573.03	2,783.42	2,104.73	8,825.19	5,714.66	8,077.85
Other equity	1,861.04	1,934.24	1,931.95	1,861.04	1,931.95	1,932.67
<b>Earnings per equity share before exceptional item (par value ₹ 10 per share)</b>	<b>47,410.46</b>	<b>53,651.96</b>	<b>50,441.58</b>	<b>47,410.46</b>	<b>50,441.58</b>	<b>52,885.15</b>
<b>Basic (₹)</b>	<b>14.40</b>	<b>14.01</b>	<b>11.13</b>	<b>41.77</b>	<b>41.33</b>	<b>43.32</b>
<b>Diluted (₹)</b>	<b>14.26</b>	<b>13.85</b>	<b>11.08</b>	<b>41.33</b>	<b>40.33</b>	<b>43.26</b>
<b>Earnings per equity share after exceptional item (par value ₹ 10 per share)</b>	<b>14.40</b>	<b>14.01</b>	<b>11.13</b>	<b>41.77</b>	<b>41.33</b>	<b>42.66</b>
<b>Basic (₹)</b>	<b>14.26</b>	<b>13.85</b>	<b>11.08</b>	<b>41.33</b>	<b>40.33</b>	<b>42.59</b>
<b>Diluted (₹)</b>	<b>14.26</b>	<b>13.85</b>	<b>11.08</b>	<b>41.33</b>	<b>40.33</b>	<b>42.59</b>

**Segment reporting**

Operating segments are defined as components of the Group for which discrete financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and assessing performance. The Group's Chief Operating Decision Maker (CODM) is the Chief Executive Officer.

The Group has identified business segments as reportable segments. The business segments identified are: Banking and Capital Market, Insurance, Information Technology, Communication and Entertainment and Emerging Industries.

CODM does not review assets and liabilities at reportable segments level, hence segment disclosures relating to total assets and liabilities have not been provided.

Segment	Quarter ended				Nine months ended		Year ended	
	31 December 2018	30 September 2018	31 December 2017	31 December 2017	31 December 2018	31 December 2017	31 March 2018	
<b>Segment revenue</b>								
Banking and Capital Market	8,824.86	8,964.24	7,731.86	7,273.95	26,357.84	22,656.52	30,685.00	
Insurance	2,368.86	2,199.27	2,079.30	540.70	6,620.07	6,112.12	8,096.16	
Information Technology, Communication and Entertainment	3,370.01	3,315.59	2,333.44	4,858.89	9,824.99	9,277.78	9,277.78	
Emerging Industries	5,464.25	4,999.70	4,072.08	1,242.76	14,922.14	11,599.39	15,716.42	
Unallocated - Hedge	(318.41)	(330.39)	390.23	(664.83)	(664.83)	1,270.67	1,683.02	
<b>Total segment revenue</b>	<b>19,709.57</b>	<b>19,148.41</b>	<b>16,606.91</b>	<b>17,775.95</b>	<b>57,060.21</b>	<b>48,013.48</b>	<b>65,458.36</b>	
<b>Segment result</b>								
Banking and Capital Market	2,270.53	2,531.84	1,775.95	1,790.14	7,109.75	5,273.83	7,306.15	
Insurance	692.51	586.46	540.70	1,790.14	1,790.14	1,435.63	1,916.40	
Information Technology, Communication and Entertainment	871.66	799.75	485.89	2,480.87	2,480.87	1,218.30	1,859.16	
Emerging Industries	1,813.27	1,608.79	1,242.76	4,908.82	3,543.75	3,543.75	4,800.33	
Unallocated - Hedge	(318.41)	(330.39)	390.23	(664.83)	1,270.67	1,683.02	1,683.02	
<b>Total segment result</b>	<b>5,329.56</b>	<b>5,196.45</b>	<b>4,432.53</b>	<b>4,432.53</b>	<b>15,624.55</b>	<b>12,742.18</b>	<b>17,565.06</b>	
Finance costs	107.50	66.66	64.50	(28.81)	258.45	197.37	278.78	
Other unallocable expenditure, net of unallocable income	(34.54)	(35.09)	(1,288.11)	(114.52)	(114.52)	(86.81)	(129.96)	
Exceptional item (net of tax)	(1,821.25)	(1,641.85)	(1,580.48)	(1,580.48)	(5,172.22)	(4,749.34)	(6,307.36)	
<b>Profit before taxation</b>	<b>3,581.27</b>	<b>3,586.17</b>	<b>2,890.74</b>	<b>2,890.74</b>	<b>10,596.46</b>	<b>8,103.40</b>	<b>11,275.74</b>	

**Notes:**

1 The financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 24 January 2019. The statutory auditors have expressed an unmodified audit opinion on these results.

2 Audited Financial Results of Mphasis Limited (Standalone Information)

Particulars	Quarter ended				Nine months ended		Year ended	
	31 December 2018	30 September 2018	31 December 2017	31 December 2017	31 December 2018	31 December 2017	31 March 2018	
Revenue from operations	8,622.95	8,524.20	8,278.70	25,392.52	24,195.59	32,748.71	32,748.71	
Profit before tax and exceptional item	2,576.69	2,466.94	2,352.85	7,288.12	6,852.46	9,435.52	9,435.52	
Profit after tax and exceptional item	2,190.52	1,889.39	1,832.60	5,786.97	5,207.31	7,398.91	7,398.91	

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 standalone interim financial statements as stated.

3 The Board of Directors, in its meeting held on 10 May 2018 had proposed the final dividend of ₹ 20 per share for the year ended 31 March 2018. The dividend proposed by the Board of Directors has been approved by the shareholders in the Annual General meeting held on 7 August 2018.

4 With effect from 1 April 2018, Mphasis Group (Group) adopted Ind AS 115 - Revenue from contracts with customers and has transitioned using the cumulative effect method. The standard has been applied retrospectively only to contracts that were ongoing on the date of initial application and the comparative information is not restated in the financial results. The adoption of the standard did not have a material impact on the financial statements of the Group.

5 During the quarter ended 31 December 2018, the Company has completed the buyback of 7,230,555 fully paid-up equity shares of face value ₹ 10 each ("equity shares"), representing 3.79% of the total paid-up equity share capital of the Company, at a price of ₹ 1,350 per equity share for an aggregate consideration of ₹ 9,882.75. In line with the requirement of the Companies Act, 2013, an amount of ₹ 176.59, ₹ 743.89 and ₹ 8,962.26 has been utilized from securities premium, general reserve and retained earnings respectively. The shares accepted under the buyback have been extinguished on 28 December 2018 and the paid-up equity share capital of the Company has been reduced to that extent. Subsequent to completion of the buyback, the Company has transferred ₹ 73.20 to the Capital Redemption Reserve representing face value of equity shares bought back.

6 On 8 November 2018, the Company through its wholly owned subsidiary, Mphasis Corporation, obtained control of Selligent Systems LLC (Selligent), a technology services company that provides DevOps automation on the Amazon Web Services cloud by acquiring 100% of its membership interests. The acquisition seeks to strengthen and expand the Group's cloud service offering to its customers. The acquisition was executed through a membership interest purchase agreement for a cash consideration of USD 24.36 million (₹ 1,700.03). Net assets taken over was ₹ 63.51 and the intangible assets identified as part of purchase price allocation process was ₹ 109.69. The excess of the purchase consideration paid over the fair value of assets acquired amounting to ₹ 1,526.83 has been attributed to goodwill. Net assets acquired include ₹ 2.09 of cash and cash equivalents and trade receivables valued at ₹ 113.87. Trade receivables are expected to be collected in full. Goodwill comprises value of acquired workforce and expected synergies arising from the acquisition. The goodwill is tax-deductible.

7 The results for the quarter and nine months ended 31 December 2017 and for the year ended 31 March 2018 were audited by the previous statutory auditors.

Bengaluru  
24 January 2019

By Order of the Board,  
Mphasis Limited  
  
Nitin Rakesh  
Chief Executive Officer

**Statement of Standalone Audited Financial Results for the quarter and nine months ended 31 December 2018**

Particulars	Quarter ended		31 December 2017 (refer note 5)	Nine months ended		Year ended 31 March 2018 (refer note 5)
	31 December 2018	30 September 2018		31 December 2018	31 December 2017 (refer note 5)	
	Audited	Audited		Audited	Audited	
Revenue from operations	8,622.95	8,524.20	8,278.70	25,392.52	24,195.59	32,748.71
Other income	355.83	331.87	229.71	969.48	886.51	1,216.16
<b>Total income (I)</b>	<b>8,978.78</b>	<b>8,856.07</b>	<b>8,508.41</b>	<b>26,362.00</b>	<b>25,082.10</b>	<b>33,964.87</b>
<b>Expenses</b>						
Employee benefits expense	3,610.06	3,532.73	3,427.01	10,689.17	10,334.65	13,915.52
Finance costs	9.63	7.90	8.60	45.75	29.80	52.38
Depreciation and amortization expense	99.20	93.25	80.04	281.05	238.78	317.89
Other expenses	2,683.20	2,755.25	2,639.91	8,057.91	7,626.41	10,243.56
<b>Total expenses (II)</b>	<b>6,402.09</b>	<b>6,389.13</b>	<b>6,155.56</b>	<b>19,073.88</b>	<b>18,229.64</b>	<b>24,529.35</b>
<b>Profit before exceptional item and tax (III) [(I)-(II)]</b>	<b>2,576.69</b>	<b>2,466.94</b>	<b>2,352.85</b>	<b>7,288.12</b>	<b>6,852.46</b>	<b>9,435.52</b>
Exceptional item (net of tax) (IV)	-	-	-	-	-	130.78
<b>Profit before tax (III)-(IV)</b>	<b>2,576.69</b>	<b>2,466.94</b>	<b>2,352.85</b>	<b>7,288.12</b>	<b>6,852.46</b>	<b>9,304.74</b>
<b>Tax expenses</b>						
Current tax	374.56	630.93	556.25	1,456.07	1,688.09	2,183.56
Deferred tax	11.61	(53.38)	(36.00)	45.08	(42.94)	(277.73)
<b>Total tax expenses</b>	<b>386.17</b>	<b>577.55</b>	<b>520.25</b>	<b>1,501.15</b>	<b>1,645.15</b>	<b>1,905.83</b>
<b>Profit before exceptional item</b>	<b>2,190.52</b>	<b>1,889.39</b>	<b>1,832.60</b>	<b>5,786.97</b>	<b>5,207.31</b>	<b>7,529.69</b>
<b>Profit after exceptional item (A)</b>	<b>2,190.52</b>	<b>1,889.39</b>	<b>1,832.60</b>	<b>5,786.97</b>	<b>5,207.31</b>	<b>7,398.91</b>
<b>Other comprehensive income / (losses) ('OCI')</b>						
<b>Items to be reclassified to profit or loss in subsequent periods</b>						
Net change in fair value of derivatives designated as cash flow hedges	2,756.38	(1,779.33)	579.90	(703.19)	(121.50)	(715.49)
Income tax effect on the above	(963.19)	621.77	(200.69)	245.72	42.05	(715.49)
<b>Items not to be reclassified to profit or loss in subsequent periods</b>						
Re-measurement gains / (losses) on defined employee benefit plans	(17.32)	26.22	3.40	28.38	(25.27)	(38.67)
Income tax effect on the above	6.05	(9.16)	(1.17)	(9.92)	8.75	13.94
<b>Total OCI, net of tax (B)</b>	<b>1,781.92</b>	<b>(1,140.50)</b>	<b>381.44</b>	<b>(439.01)</b>	<b>(95.97)</b>	<b>(493.84)</b>
<b>Total comprehensive income (A+B)</b>	<b>3,972.44</b>	<b>748.89</b>	<b>2,214.04</b>	<b>5,347.96</b>	<b>5,111.34</b>	<b>6,905.07</b>
Equity share capital	1,861.04	1,934.24	1,931.95	1,861.04	1,931.95	1,932.67
Other equity	28,189.65	34,031.74	35,267.46	28,189.65	35,267.46	37,141.57
<b>Earnings per equity share before exceptional item (par value ₹ 10 per share)</b>						
Basic (₹)	11.34	9.77	9.49	29.95	26.39	38.35
Diluted (₹)	11.23	9.66	9.45	29.63	26.33	38.29
<b>Earnings per equity share after exceptional item (par value ₹ 10 per share)</b>						
Basic (₹)	11.34	9.77	9.49	29.95	26.39	37.69
Diluted (₹)	11.23	9.66	9.45	29.63	26.33	37.63

**Segment reporting**

The Company publishes the condensed interim standalone financial statements along with the condensed consolidated interim financial statements. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the condensed consolidated interim financial statements.

**Notes:**

- The financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 24 January 2019. The statutory auditors have expressed an unmodified audit opinion on these results.
- The Board of Directors, in its meeting held on 10 May 2018 had proposed the final dividend of ₹ 20 per share for the year ended 31 March 2018. The dividend proposed by the Board of Directors has been approved by the statutory auditors.
- With effect from 1 April 2018, the Company adopted Ind AS 115 – Revenue from contracts with customers and has transitioned using the cumulative effect method. The standard has been applied retrospectively only to contracts that were ongoing on the date of initial application and the comparative information is not restated in the financial results. The adoption of the standard did not have a material impact on the financial statements of the Company.
- During the quarter ended 31 December 2018, the Company has completed the buyback of 7,320,555 fully paid-up equity shares of face value ₹ 10 each ("equity shares"), representing 3.79% of the total paid-up equity share capital of the Company, at a price of ₹ 1,350 per equity share for an aggregate consideration of ₹ 9,882.75. In line with the requirement of the Companies Act, 2013, an amount of ₹ 176.59, ₹ 743.89 and ₹ 8,962.26 has been utilized from securities premium, general reserve and retained earnings respectively. The shares accepted under the buyback have been extinguished on 28 December 2018 and the paid-up equity share capital of the Company has been reduced to that extent. Subsequent to completion of the buyback, the Company has transferred ₹ 73.20 to the Capital Redemption Reserve representing face value of equity shares bought back.
- The results for the quarter and nine months ended 31 December 2017 and for the year ended 31 March 2018 were audited by the previous statutory auditors.

**By Order of the Board,  
Mphasis Limited**



**Nitin Rakesh  
Chief Executive Officer**

**Bengaluru  
24 January 2019**



## Extract of Statement of Consolidated Audited Financial Results for the quarter and nine months ended 31 December 2018

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

Sl.No	Particulars	Quarter ended		
		31 December 2018	31 December 2018	31 December 2017
1	Revenue from operations	19,709.57	57,060.21	16,606.91
2	Net profit (before tax, exceptional items)	3,581.27	10,596.46	2,890.74
3	Net profit before tax (after exceptional items)	3,581.27	10,596.46	2,890.74
4	Net profit after tax (after exceptional items)	2,779.73	8,072.08	2,149.44
5	Total comprehensive income (comprising net profit after tax and other comprehensive income after tax)	3,573.03	8,825.19	2,104.73
6	Equity share capital	1,861.04	1,861.04	1,931.95
7	Reserves excluding revaluation reserve	47,410.46	47,410.46	50,441.58
8	Earnings per equity share before exceptional item (par value ₹ 10 per share)	14.40	41.77	11.13
	Basic (₹)	14.26	41.53	11.08
	Diluted (₹)	14.40	41.77	11.13
	Basic (₹)	14.40	41.77	11.13
	Diluted (₹)	14.26	41.53	11.08

- Notes:
- The financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS"), 34 Interim Financial Reporting, prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 24 January 2019. The statutory auditors have expressed an unmodified audit opinion on these results.
  - Audited Financial Results of Mphasis Limited (Standalone Information).

Particulars	Quarter ended		
	31 December 2018	31 December 2018	31 December 2017
Revenue from operations	8,622.95	25,392.52	8,278.70
Net profit for the period (before tax, exceptional items)	2,576.69	7,288.12	2,352.85
Net profit for the period after tax (after exceptional items)	2,190.52	5,786.97	1,832.60

- The Board of Directors, in its meeting held on 10 May 2018 has proposed the final dividend of ₹ 20 per share for the year ended 31 March 2018. The dividend proposed by the Board of Directors has been approved by the shareholders' in the Annual General meeting held on 7 August 2018.
- During the quarter ended 31 December 2018, the Company has completed the buyback of 7,320,555 fully paid-up equity shares of face value ₹ 10 each ("equity shares"), representing 3.79% of the total paid-up equity share capital of the Company, at a price of ₹ 1,350 per equity share for an aggregate consideration of ₹ 9,882.75. In line with the requirement of the Companies Act, 2013, an amount of ₹ 176.59 ₹ 743.89 and ₹ 8,962.26 has been utilized from securities premium, general reserve and retained earnings respectively. The shares accepted under the buyback have been extinguished on 28 December 2018 and the paid-up equity share capital of the Company has been reduced to that extent. Subsequent to completion of the buyback, the Company has transferred ₹ 73.20 to the Capital Redemption Reserve representing face value of equity shares bought back.
- On 8 November 2018, the Company through its wholly owned subsidiary, Mphasis Corporation, obtained control of Stelligent Systems LLC (Stelligent), a technology services company that provides DevOps automation on the Amazon Web Services cloud by acquiring 100% of its membership interests. The acquisition seeks to strengthen and expand the Group's cloud service offering to its customers. The acquisition was executed through a membership interest purchase agreement for a cash consideration of USD 24.56 million (₹ 1,700.03). Net assets taken over was ₹ 63.51 and the intangible assets identified as part of purchase price allocation process was ₹ 109.69. The excess of the purchase consideration paid over the fair value of assets acquired amounting to ₹ 1,526.83 has been attributed to goodwill. Net assets acquired include ₹ 2.09 of cash and cash equivalents and trade receivables valued at ₹ 113.87. Trade receivables are expected to be collected in full. Goodwill comprises value of acquired workforce and expected synergies arising from the acquisition. The goodwill is tax-deductible.
- 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 Disclosures Requirements) Regulation, 2015. The full format of the Quarterly Financial Results is available on the Stock Exchange websites, [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) and on the Company's website [www.mphasis.com](http://www.mphasis.com).

By Order of the Board,  
Mphasis Limited



Bengaluru  
24 January 2019

Nitin Rakesh  
Chief Executive Officer

# B S R & Co. LLP

Chartered Accountants

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## **Independent Auditors' Report on quarterly consolidated financial results and consolidated year-to-date results of Mphasis Limited, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To Board of Directors of Mphasis Limited**

We have audited the quarterly consolidated financial results of Mphasis Limited ('the Company') and its subsidiaries listed in Annexure I (collectively referred to as 'the Group'), for the quarter ended 31 December 2018 and the year-to-date results for the period from 1 April 2018 to 31 December 2018 ('consolidated financial results'), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

These consolidated financial results have been prepared on the basis of the condensed consolidated interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such condensed consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) for Interim Financial Reporting (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of Listing Regulations.

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 misstatements. 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.

Corresponding figures for the quarter and year-to-date period ended 31 December 2017 and for the year ended 31 March 2018 are based on the quarterly and year-to-date consolidated financial results and the annual consolidated financial statements that were audited by the predecessor auditor, who expressed an unmodified opinion thereon dated 24 January 2018 and 10 May 2018 respectively.

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, these consolidated financial results:

- (i) include the quarterly financial results and year-to-date financial results of Mphasis Limited and its subsidiaries listed in Annexure I;
- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and



**B S R & Co. LLP**

**Independent Auditors' Report on quarterly consolidated financial results and consolidated year-to-date results of Mphasis Limited, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)**

- (iii) give a true and fair view of the consolidated net profit and other comprehensive income and other financial information for the quarter ended 31 December 2018 as well as the consolidated year-to-date results for the period from 1 April 2018 to 31 December 2018.

*for B S R & Co. LLP*

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022

*Amit Somani*

**Amit Somani**

*Partner*

Membership No. 060154

Bengaluru  
24 January 2019

## **B S R & Co. LLP**

### **Mphasis Limited**

#### **Annexure I: List of entities consolidated**

- 1) Mphasis Corporation
- 2) Mphasis Deutschland GmbH
- 3) Mphasis Australia Pty Limited
- 4) Mphasis (Shanghai) Software & Services Company Limited
- 5) Mphasis Consulting Limited
- 6) Mphasis Ireland Limited
- 7) Mphasis Belgium BVBA
- 8) Mphasis Lanka (Private) Limited
- 9) Mphasis Poland s.p.z.o.o.
- 10) PT. Mphasis Indonesia
- 11) Mphasis Europe BV
- 12) Mphasis Infrastructure Services Inc.
- 13) Mphasis Pte Limited
- 14) Mphasis UK Limited
- 15) Mphasis Software and Services (India) Private Limited
- 16) Msource Mauritius Inc.
- 17) Mphasis Wyde Inc.
- 18) Mphasis Philippines Inc.
- 19) Msource (India) Private Limited
- 20) Wyde Corporation Inc.
- 21) Mphasis Wyde SASU
- 22) Wyde Solutions Canada Inc.
- 23) Digital Risk, LLC.
- 24) Digital Risk Mortgage Services, LLC.
- 25) Investor Services, LLC.
- 26) Digital Risk Valuation Services, LLC.
- 27) Digital Risk Europe, OOD.
- 28) Mphasis Employee Benefit Trust
- 29) Mphasis Employees Equity Reward Trust
- 30) Stelligent Systems LLC



# B S R & Co. LLP

Chartered Accountants

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## **Independent Auditors' Report on quarterly and year-to-date standalone financial results of Mphasis Limited, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To the Board of Directors of Mphasis Limited**

We have audited the quarterly standalone financial results of Mphasis Limited ( 'the Company') for the quarter ended 31 December 2018 and the year-to-date standalone financial results for the period from 1 April 2018 to 31 December 2018 ( 'standalone financial results'), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India ( 'SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 ( 'Listing Regulations').

These standalone financial results have been prepared on the basis of the condensed standalone interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such condensed standalone interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) for Interim Financial Reporting (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of Listing Regulation.

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 misstatements. 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.

Corresponding figures for the quarter and year-to-date period ended 31 December 2017 and for the year ended 31 March 2018 are based on the quarterly and year-to-date standalone financial results and the annual standalone financial statements that were audited by the predecessor auditor, who expressed an unmodified opinion thereon dated 24 January 2018 and 10 May 2018 respectively.

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and



**B S R & Co. LLP**

**Independent Auditors' Report on quarterly and year-to-date standalone financial results of Mphasis Limited, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)**

- (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the quarter ended 31 December 2018 as well as the year-to-date results for the period from 1 April 2018 to 31 December 2018.

*for B S R & Co. LLP*  
*Chartered Accountants*  
Firm's Registration No.: 101248W/W-100022

*Amit Somani*

**Amit Somani**  
*Partner*  
Membership No. 060154

Bengaluru  
24 January 2019

## Mphasis Net Profit and EPS grew ~29% YoY in Q3 FY2019

Gross Revenue grew 3.1% QoQ and 14% YoY in constant currency

*Nitin Rakesh*



**Bengaluru, 24 January 2019:** [Mphasis](#) Limited (BSE - 526299; NSE - MPHASIS), an Information Technology (IT) solutions provider specializing in cloud and cognitive services, today announced its financial results for the quarter ended 31<sup>st</sup> December 2018.

### Highlights of performance for the Quarter ended 31<sup>st</sup> December 2018

- Gross Revenue grew 2.8% QoQ and 23.5% YoY on a reported basis; On constant currency basis, growth was 3.1% QoQ and 14.0% YoY
- Direct core revenue grew 5.9% QoQ and 27.6% YoY on a reported basis; On constant currency basis, growth was 6.0% QoQ and 16.9% YoY
- DXC/HP revenue grew 5.6% QoQ and 37.9% YoY on a reported basis; On constant currency basis, growth was 6.4% QoQ and 28.3% YoY
- New deal wins of USD 122 million in Direct International business; of which 81% are in New-Gen Services
- Deal wins in the Direct International business stands at (YTD) USD 484 million as compared to USD 435 million in YTD FY18, higher by 11% YoY
- Net Profit grew 2.6% QoQ and 29.3% YoY to INR 2,780 million
- EPS grew 2.8% QoQ and 29.4% YoY to INR 14.4
- Completed buy-back of 7.3 million shares with a total outlay of INR 9,937 million
- Completed acquisition of Stelligent Systems LLC. which specializes in DevOps automation in AWS.

“Q3 is proof of our Cloud and Cognitive strategy in action, with the acquisition of Stelligent and launch of multiple client wins in these areas. We are pleased with our overall performance in Q3 and our sustained execution roadmap across the portfolio, especially in New Gen Services. We continue to stay focused on execution of our deal pipeline and supporting the growth momentum,” said **Nitin Rakesh, Chief Executive Officer and Executive Director, Mphasis.**

### About Mphasis

[Mphasis](#) (BSE: 526299; NSE: MPHASIS) applies next-generation technology to help enterprises transform businesses globally. Customer centricity is foundational to Mphasis and is reflected in the Mphasis’ [Front2Back™](#) Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized (C=X2C<sup>2</sup>™=1) digital experience to clients and their end customers. Mphasis’ Service Transformation approach helps ‘shrink the core’ through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. Mphasis’ core reference architectures and tools, speed and innovation with domain expertise and specialization are key to building strong relationships with marquee clients. 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

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