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**ANNUAL
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FY18 – HIGHLIGHTS OF FINANCIAL PERFORMANCE

M.D. Ranganath
Chief Financial Officer

Safe Harbor

Certain statements mentioned in this presentation concerning our future growth prospects are forward-looking statements regarding our future business expectations intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995, 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 earnings, fluctuations in foreign exchange rates, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Infosys has made strategic investments, withdrawal or expiration of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Additional risks that could affect our future operating results are more fully described in our United States Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2017. These filings are available at www.sec.gov Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.



Resilient financial performance in FY18



Robust Free Cash Flow (FCF), Healthy Earnings Per Share (EPS) Growth and Enhanced Return on Equity (RoE)

- Resilient operating margins
- Efficient capital management
- Predictable and comprehensive capital allocation policy

FCF¹
up 15.3%

EPS
up 17.8%²

RoE
24.1%

¹ Free Cash Flow (FCF) = Net cash generated from operations – Capital expenditure

² FY18 EPS includes positive impact of \$0.09 from Advance Pricing Agreement (APA) with the US IRS concluded during the year

Resilient financial performance in FY18



**Competitive cost structure through productivity improvements,
higher utilization & automation**

- Revenue growth was faster than headcount growth
- Employee cost as % of revenue was stable at 55.2%

**Revenue
up 7.2%**

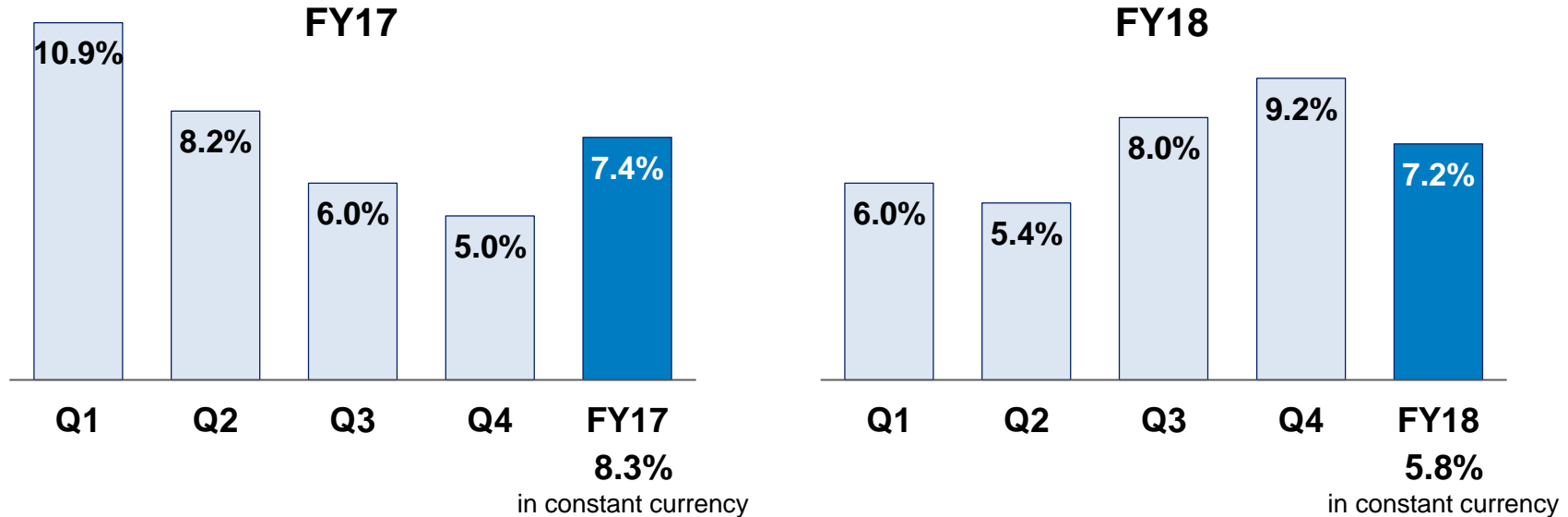
**Headcount¹
up 1.9%**

¹ Infosys group

Our revenue growth trajectory – FY18 vs. FY17



USD revenue growth – YoY%

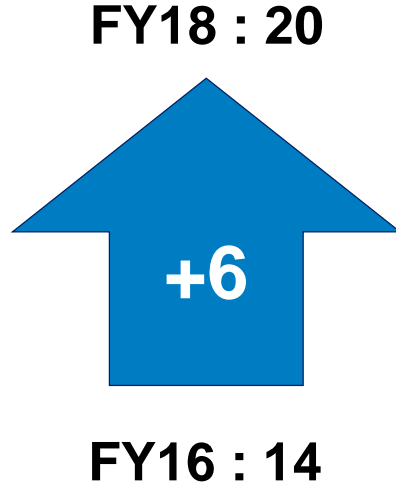


Digital revenue was 25.5% of total revenue in FY18

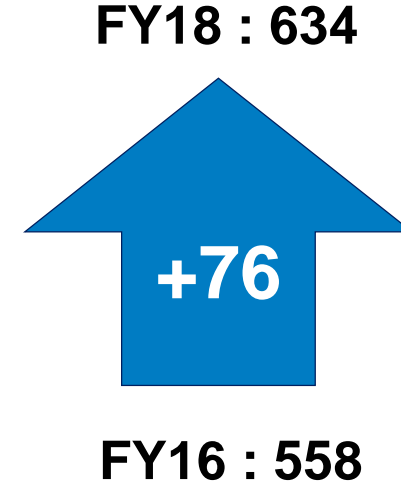
US\$ 100 Mn+ and US\$ 1 Mn+ clients – Uptick in the last 2 years



US\$ 100 Mn+ clients



US\$ 1 Mn+ clients

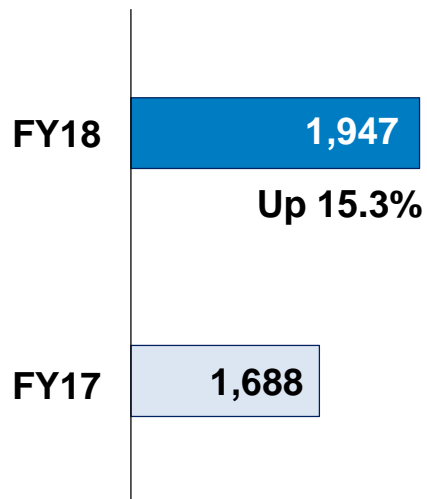


Resilient operating margin and robust Free Cash Flow

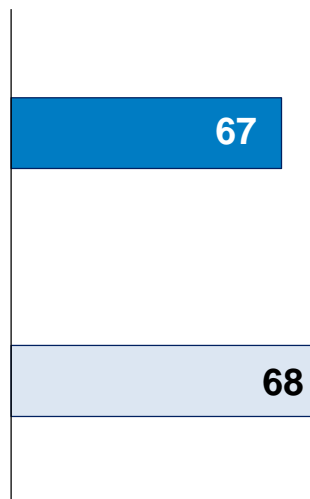


Free Cash Flow

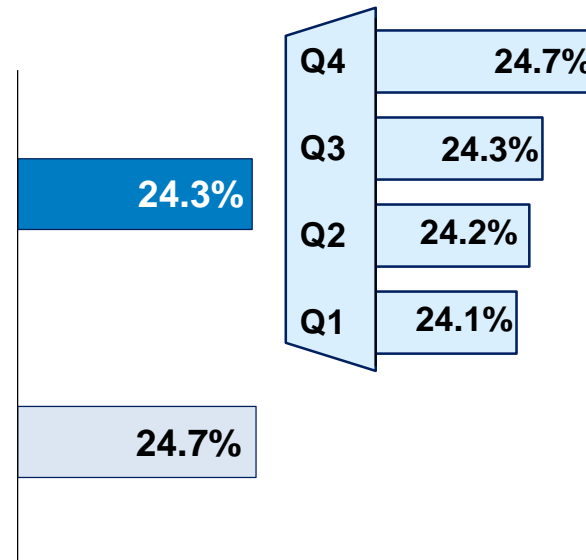
\$ Mn



DSO Days

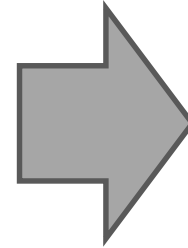
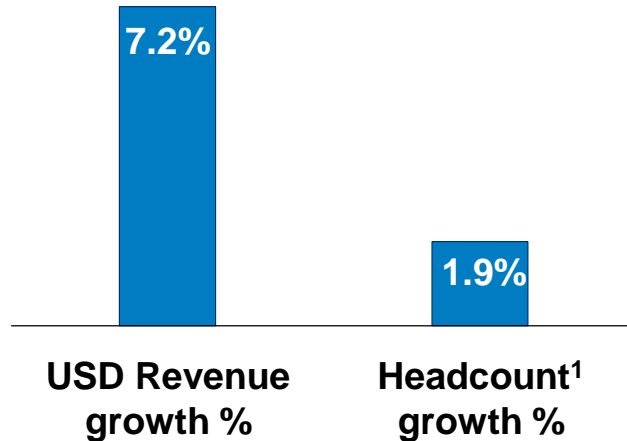


Operating Margin %



Increase in revenue per employee – Primarily driven by productivity improvements

FY18



Revenue per employee

US\$ 54,602

YoY growth

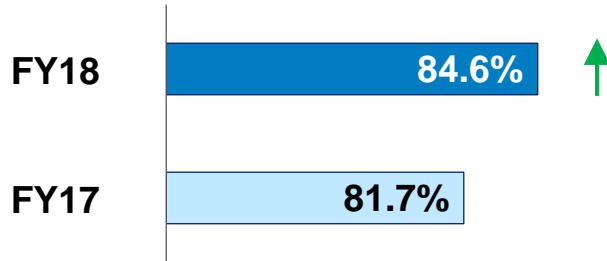
6.3%

¹ Infosys group

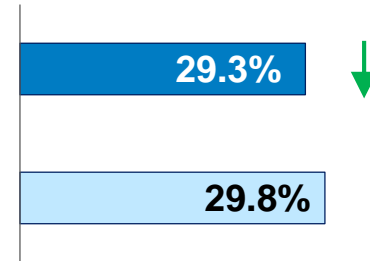
Key operational efficiency parameters have improved in FY18



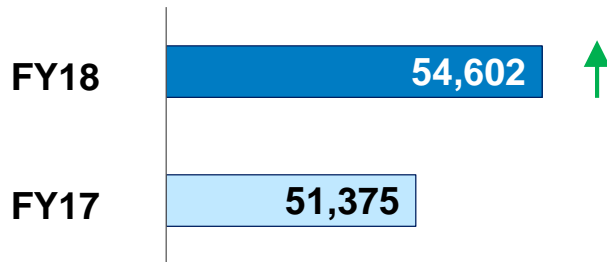
Utilization



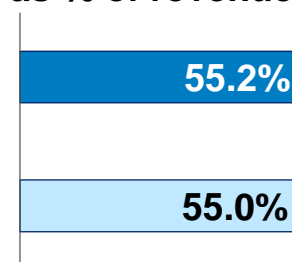
Onsite effort mix



Revenue per employee (\$)



Employee cost as % of revenue



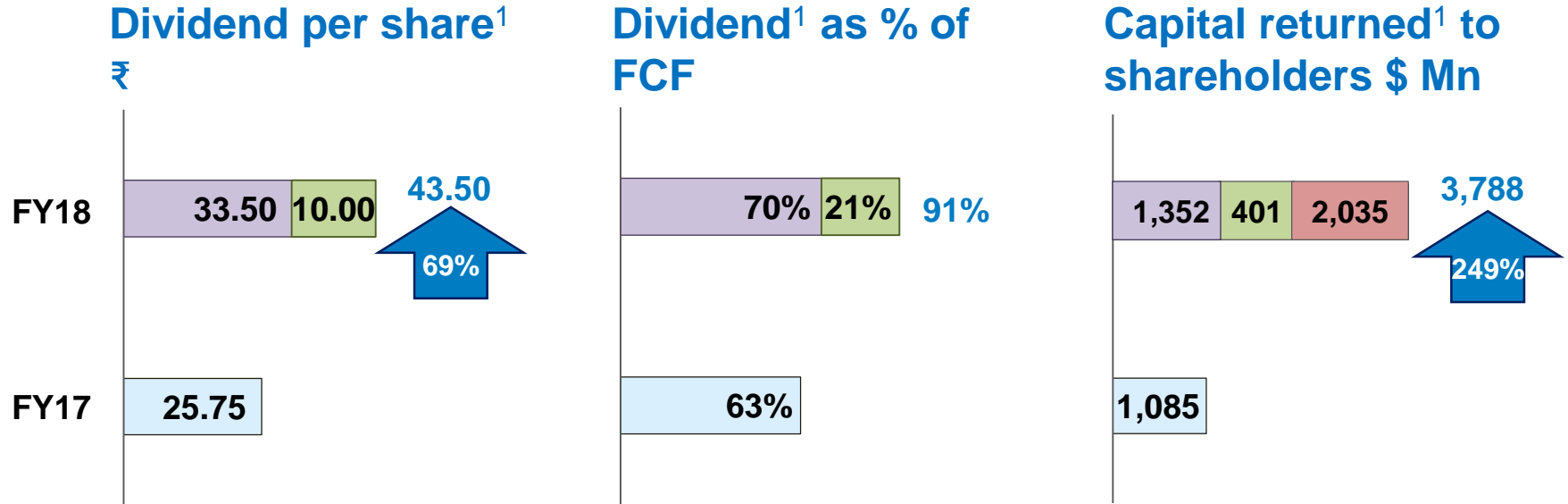
Healthy EPS growth and enhanced RoE



	FY17	FY18
EPS growth %	4.3%	17.8% ¹
RoE %	21.4%	24.1%

¹ FY18 EPS includes positive impact of \$0.09 from Advance Pricing Agreement (APA) with the US IRS concluded during the year

Capital allocation policy – Implemented in FY18



¹ Final dividend and special dividend are subject to shareholders approval in AGM on Jun 23, 2018. Dividend amounts inclusive of Dividend Distribution Tax

Review of capital allocation policy



The Board, in April 2018, approved the Capital Allocation Policy of the Company as follows:

- A. The Board has decided to retain the current policy of returning upto 70 % of the Free Cash Flow¹ of the corresponding Financial Year
- B. In addition to the above, the Board has identified an amount of upto ₹13,000 crores (\$2 billion*) to be paid to shareholders in the following manner:
 - A special dividend resulting in a payout of approximately ₹ 2,600 crore (approximately \$400 million*) in June 2018
 - Identified an amount of upto approximately ₹10,400 crore (approximately \$1,600 million*) to be paid out to shareholders for the Financial Year 2019, in such a manner, to be decided by the Board, subject to applicable laws and requisite approvals.

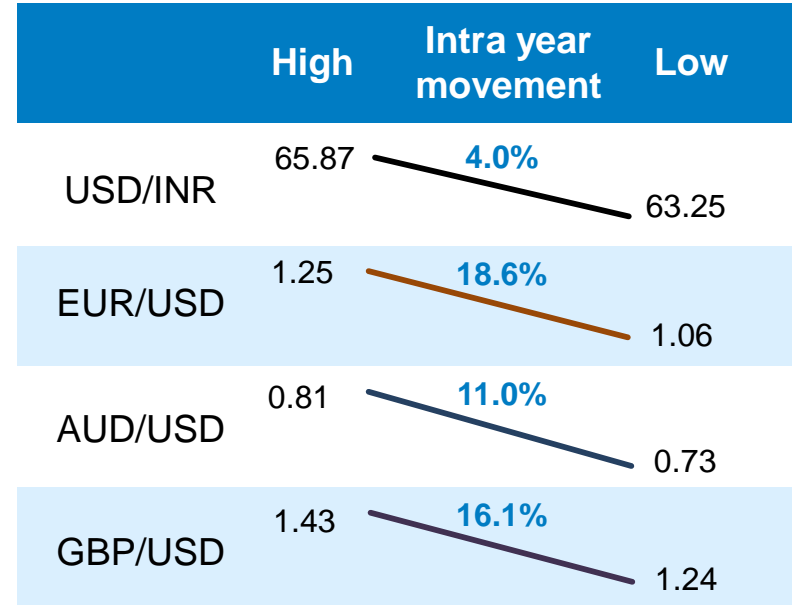
*USD/INR exchange rate at 65.0

For details please refer to the press release on April 13, 2018

¹ Free Cash Flow (FCF) = Net cash generated from operations – Capital expenditure

Effectively navigated the volatile currency environment

Revenues % by currency	FY18
USD	67.7%
EUR	11.3%
AUD	7.8%
GBP	5.3%



Movement in key parameters over last 2 years



	FY16	FY18
Market Cap to Revenue	4.6	3.6
Market Cap to Free Cash Flow	30.2	20.0
Free Cash Flow Yield %¹	3.3%	5.0%
Dividend Yield %	2.0%	3.8%²

Market Cap / share price as on Mar 31, 2018 and Mar 31, 2016 on New York Stock Exchange (NYSE)

¹ Free cash flow yield = Free cash flow per share / share price

² Includes special dividend for FY18. Final dividend and special dividend are subject to shareholders approval in AGM on Jun 23, 2018. Dividend amounts inclusive of Dividend Distribution Tax

Summary financial performance

IFRS



(in ₹ crore)

IFRS	FY18		FY17		YoY growth
Revenues	70,522	100.0%	68,484	100.0%	3.0%
Cost of revenue	45,130	64.0%	43,253	63.2%	4.3%
Gross profit	25,392	36.0%	25,231	36.8%	0.6%
SG&A cost	8,244	11.7%	8,330	12.1%	-1.0%
Operating profit	17,148	24.3%	16,901	24.7%	1.5%
Other income ¹	3,193	4.5%	3,080	4.5%	3.7%
Profit before tax	20,270	28.7%	19,951	29.1%	1.6%
Net profit²	16,029	22.7%	14,353	21.0%	11.7%

¹ Includes impairment loss in respect of assets held for sale

² Includes positive impact on account of conclusion of Advance Pricing Agreement with US IRS

Balance Sheet: Strong, debt free and liquid

IFRS



(in ₹ crore)

Assets	FY18		FY17	
Current assets	50,017	62.6%	53,705	64.4%
Cash & cash equivalents ¹	19,818	24.8%	22,625	27.1%
Current investments ¹	6,407	8.0%	9,970	12.0%
Trade receivables	13,142	16.5%	12,322	14.8%
Unbilled revenue	4,261	5.3%	3,648	4.4%
Prepayments and other current assets	4,313	5.4%	4,856	5.8%
Assets held for sale ²	2,060	2.6%	-	-
Derivative financial instruments	16	0.0%	284	0.3%

¹ During the year, 11,30,43,478 equity shares were bought back by the Company for a total amount of ₹ 13,000 crore.

² Assets amounting to ₹ 2,060 crore and liabilities amounting to ₹ 324 crore have been reclassified as 'held for sale'.

Balance Sheet: Strong, debt free and liquid

IFRS



(in ₹ crore)

Assets	FY18		FY17	
Non-current assets	29,873	37.4%	29,650	35.6%
Property, plant and equipment ¹	12,143	15.2%	11,716	14.1%
Goodwill ¹	2,211	2.8%	3,652	4.4%
Intangible assets ¹	247	0.3%	776	0.9%
Investment in associate	-	-	71	0.1%
Non-current investments	5,756	7.2%	6,382	7.6%
Deferred income taxes	1,282	1.6%	540	0.6%
Income tax assets	6,070	7.6%	5,716	6.9%
Other non-current assets	2,164	2.7%	797	1.0%
Total assets	79,890	100.0%	83,355	100.0%

¹ Assets amounting to ₹ 2,060 crore and liabilities amounting to ₹ 324 crore have been reclassified as 'held for sale'.

Balance Sheet: Strong, debt free and liquid

IFRS



(in ₹ crore)

Liabilities and stockholders equity	FY18		FY17	
Current liabilities	14,105	17.7%	14,013	16.8%
Current income tax liabilities	2,043	2.6%	3,885	4.7%
Unearned revenue	2,295	2.9%	1,777	2.1%
Employee benefit obligations	1,421	1.8%	1,359	1.6%
Other current liabilities	8,022	10.0%	6,992	8.4%
Liabilities directly associated with assets held for sale ¹	324	0.4%	-	-
Non-current liabilities	861	1.1%	360	0.4%

¹ Assets amounting to ₹ 2,060 crore and liabilities amounting to ₹ 324 crore have been reclassified as 'held for sale'.

Balance Sheet: Strong, debt free and liquid

IFRS



(in ₹ crore)

Liabilities and stockholders equity	FY18		FY17	
Stockholders equity¹	64,924	81.2%	68,982	82.8%
Share capital	1,088	1.4%	1,144	1.4%
Share premium	186	0.2%	2,356	2.8%
Retained earnings	61,241	76.6%	65,056	78.1%
Other components of equity	2,408	3.0%	426	0.5%
Non-controlling interests	1	0.0%	-	-
Total liabilities and equity¹	79,890	100.0%	83,355	100.0%

¹ During the year, 11,30,43,478 equity shares were bought back by the Company for a total amount of ₹ 13,000 crore.

Summary financial performance

IND AS



(in ₹ crore)

IND AS	FY18		FY17		YoY growth
Revenues	70,522	100.0%	68,484	100.0%	3.0%
Cost of revenue	45,130	64.0%	43,253	63.2%	4.3%
Gross profit	25,392	36.0%	25,231	36.8%	0.6%
SG&A cost	8,244	11.7%	8,330	12.1%	-1.0%
Operating profit	17,148	24.3%	16,901	24.7%	1.5%
Other income ¹	3,193	4.5%	3,080	4.5%	3.7%
Profit before tax	20,270	28.7%	19,951	29.1%	1.6%
Net profit²	16,029	22.7%	14,353	21.0%	11.7%

¹ Includes impairment loss in respect of assets held for sale

² Includes positive impact on account of conclusion of Advance Pricing Agreement with US IRS

Balance Sheet: Strong, debt free and liquid

IND AS



(in ₹ crore)

Assets	FY18		FY17	
	Value	Percentage	Value	Percentage
Current assets	50,017	62.6%	53,705	64.4%
Investments ¹	6,407	8.0%	9,970	12.0%
Trade receivables	13,142	16.4%	12,322	14.8%
Cash & cash equivalents ¹	19,818	24.8%	22,625	27.1%
Loans	239	0.3%	272	0.3%
Other financial assets	6,684	8.4%	5,980	7.2%
Assets held for sale ²	2,060	2.6%	-	-
Other current assets	1,667	2.1%	2,536	3.0%

¹ During the year, 11,30,43,478 equity shares were bought back by the Company for a total amount of ₹ 13,000 crore.

² Assets amounting to ₹ 2,060 crore and liabilities amounting to ₹ 324 crore have been reclassified as 'held for sale'.

Balance Sheet: Strong, debt free and liquid

IND AS



(in ₹ crore)

Assets	FY18		FY17	
Non-current assets	29,873	37.4%	29,650	35.6%
Property, plant and equipment (including CWIP) ¹	11,722	14.7%	11,116	13.3%
Goodwill ¹	2,211	2.8%	3,652	4.4%
Other intangible assets ¹	247	0.3%	776	0.9%
Investment in associate	-	-	71	0.1%
Investments	5,756	7.2%	6,382	7.6%
Loans	36	0.0%	29	0.0%
Other financial assets	284	0.4%	309	0.4%
Deferred tax assets (net)	1,282	1.6%	540	0.7%
Income tax assets (net)	6,070	7.6%	5,716	6.9%
Other non-current assets	2,265	2.8%	1,059	1.3%
Total assets	79,890	100.0%	83,355	100.0%

¹ Assets amounting to ₹ 2,060 crore and liabilities amounting to ₹ 324 crore have been reclassified as 'held for sale'.

Balance Sheet: Strong, debt free and liquid

(in ₹ crore)

Liabilities and stockholders equity	FY18		FY17	
Current liabilities	14,105	17.6%	14,013	16.8%
Trade Payables	694	0.9%	367	0.4%
Other financial liabilities	6,946	8.7%	6,349	7.6%
Other current liabilities	3,606	4.5%	3,007	3.6%
Provisions	492	0.6%	405	0.5%
Income tax liabilities (net)	2,043	2.5%	3,885	4.7%
Liabilities directly associated with assets held for sale ¹	324	0.4%	-	-
Non-current liabilities	861	1.1%	360	0.4%

¹ Assets amounting to ₹ 2,060 crore and liabilities amounting to ₹ 324 crore have been reclassified as 'held for sale'.

Balance Sheet: Strong, debt free and liquid

(in ₹ crore)

Liabilities and stockholders equity	FY18		FY17	
Stockholders equity¹	64,924	81.3%	68,982	82.8%
Share capital	1,088	1.4%	1,144	1.4%
Other equity	63,835	79.9%	67,838	81.4%
Non-controlling interests	1	0.0%	-	-
Total liabilities and equity¹	79,890	100.0%	83,355	100.0%

¹ During the year, 11,30,43,478 equity shares were bought back by the Company for a total amount of ₹ 13,000 crore.

Key milestones



25 years of public listing in India

5 years of listing in New York Stock Exchange (NYSE)

Induction into the prestigious Dow Jones Sustainability Indices

Completion of share buyback amounting to ₹ 13,000 crore (approximately US\$ 2.0 Billion)

Conclusion of Advance Pricing Agreement with the US Internal Revenue Service (IRS)

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