

**Continued momentum in Digital drives 11.1% YTD growth  
FY 20 revenue guidance increased to 10.0%-10.5%**

Bengaluru, India – January 10, 2020

“Q3 results further underscore that we remain steadfast in our journey of sustained client relevance and deepening engagement with them, as they partner with us in navigating their next in the digital transformation era”, said **Salil Parekh, CEO and MD**. “For us, this has translated into double digit growth year-to-date, leading to an increase in revenue guidance, accompanied by expanding operating margins.”



- Q3 20 revenues grew year-on-year by 8.6% in USD; 9.5% in constant currency
- Q3 20 revenues grew sequentially by 1.0% in USD and in constant currency
- Q3 20 Digital revenues at \$1,318 million (40.6% of total revenues), year-on-year growth of 40.8% and sequential growth of 6.8% in constant currency
- Q3 20 operating margin at 21.9%, 0.2% improvement over Q2 20
- Year-to-date revenues grew by 11.1% in constant currency
- Year-to-date operating margin at 21.4%, within the margin guidance for the year
- Increased FY 20 revenue guidance; revised guidance is 10.0%-10.5% in constant currency
- Maintained FY 20 operating margin guidance range of 21%-23%

**1. Financial Highlights – Consolidated results under International Financial Reporting Standards (IFRS)**

For the quarter ended December 31, 2019	For nine months ended December 31, 2019
Revenues were \$3,243 million, growth of 8.6% YoY and 1% QoQ	Revenues were \$9,583 million, growth of 9.7% YoY
Operating profit was \$711 million, increase of 5.4% YoY and 2.2% QoQ. Operating margin was 21.9%.	Operating profit was \$2,049 million, growth of 0.6% YoY. Operating margin was 21.4%.
Basic EPS was \$0.15, growth of 27.7% YoY and 10.2% QoQ	Basic EPS was \$0.41, growth of 9.7% YoY

“Overall performance during the quarter was satisfactory on multiple counts – broad-based growth, steady increase in client metrics and healthy large deal wins”, said **Pravin Rao, COO**. “Large deal wins continue to be robust with growth of 56% so far this year. We had a further reduction in attrition, demonstrating the results of our continued efforts towards strengthening employee engagement and value proposition.”

“Operating margins improved further during the quarter driven by relentless cost optimization and operating leverage”, said Nilanjan Roy, CFO. “Cash generation was extremely strong with cumulative free cash flow crossing \$ 1.5 bn. Return on Equity increased further to 25.9% driven by margin expansion and increased shareholder payouts.”

## 2. Update on Whistleblower Matters

The company has issued a separate press release announcing conclusion of the independent investigation into allegations contained in the anonymous whistleblower complaints disclosed earlier.

## 3. Client wins & Testimonials

- We were selected by **Telenet**, a Belgian telecommunication provider as its preferred IT partner to deliver several digital and data initiatives for the next five years. Telenet plans to leverage Infosys’ ecosystem to drive simplification of its existing landscape, build new digital and data capabilities, extract relevant insights from data and leverage existing talent more effectively.
- We entered a strategic long-term partnership with **Siemens Gamesa Renewable Energy (SGRE)** to support its digital transformation journey. Infosys will provide end-to-end IT infrastructure transformation of SGRE, including hybrid cloud transformation, roll-out of a software defined network, set-up of an intelligent service desk and digital workplace services.
- We were selected as the main supplier to deliver **Volvo Cars’** digital transformation services for its Enterprise Digital Commercial Operations Applications and Products. As part of this engagement, Infosys will offer next generation application services leveraging its Global Delivery Model (GDM), agile delivery, automation and other service optimization levers to deliver effective service operations.
- Infosys entered an agreement with the Australian Federal Government’s **Services Australia** to transform the entitlement calculation engine for the nation’s welfare system. The project will enable Services Australia to more quickly implement policy changes for the benefit of Australians without disrupting services and deliver operational cost savings. The Welfare Payment Infrastructure Transformation (WPIT) programme will replace a significant portion of Centrelink’s 30-year-old platform, modernizing the way Services Australia calculates entitlements for Australians needing government support.
- **Benjamin Kreider, Global Traceability Director, Mars Global Services**, said, “At Mars, we are delighted to enter into a partnership with Infosys for our Digital Supply Chain initiative focused on improving the ongoing market traceability of all of our products, across all business segments, by using Infosys’ Traceability Solution for the Food, Beverage, and CPG Industry on their TradeEdge Market Connect Platform. The efficiency and agility of this platform make it strongly suited to meet the unique needs of our industry, across a variety of ERP and warehouse management systems in our factories and third party manufacturers who service our global markets.”
- **Christian Bornfeld, Chief Innovation & Technology Officer (Group COO) and Executive Board Member at ABN AMRO Bank**, said, “At ABN AMRO Bank, we’re excited to be working with Infosys and accomplish our strategic goals and deliver this very key IT transformation in the coming years. Infosys’ strategic investment in Cloud, Digital and DevOps has helped create best

in class solutions and we are confident that this partnership will help us transform our IT environment in a timely and cost-effective way.”

- **Jean-Luc Galzi, CIO, GEFCO**, said: “We are pleased to begin our digital transformation journey with Infosys. Digital innovation in the supply chain sector is key and our new partnership will help strengthen GEFCO’s expertise and bring value to our customers.”

#### **4. Recognitions**

- Infosys was recognized as a 2020 Top Employer in Australia, Singapore and Japan
- Our flagship global internship program, Infosys InStep, has been ranked number one in the Best Overall Internship category in 2020 Internship Rankings by Vault.com, a career intelligence organization
- Recognized as a leader in Gartner Magic Quadrant for Application Testing Services, Worldwide
- Ranked as a leader in IDC MarketScape: Asia/Pacific (Excluding Japan) Microsoft Dynamics 365 Implementation Services 2019 Vendor Assessment
- Rated as a leader by ARC Advisory for Engineering Services by Global Service Providers in India Global Market 2018-2023
- Recognized in HFS Top 10: IOT Service Providers 2019
- Recognized in HFS Top 10: ServiceNow Services 2019
- Recognized in HFS Top 10: Retail and CPG Services 2019
- Recognized in HFS Top 10: Insurance Services Providers 2019
- Recognized in HFS Top 10: Life Science Services 2019
- Recognized in HFS Top 10: Industry 4.0 Services
- Recognized as a leader in NelsonHall’s Agile & DevOps Services – NEAT Analysis
- Recognized as a leader in Enterprise Blockchain Services PEAK Matrix™ Assessment 2020 by Everest Group
- Recognized as a leader in Application and Digital Banking PEAK Matrix™ Vendor Assessment 2020 by Everest Group
- Recognized as a leader in Healthcare Payer Digital Services PEAK Matrix™ 2020 by Everest Group
- Recognized as a leader in Application and Digital Services Capital Markets Peak Matrix™ Vendor Assessment 2020 by Everest Group
- Recognized as leader in Insurance Application and Digital Services Life Insurance Peak Matrix™ 2020 by Everest Group
- Awarded the Excellent Partner Award by Mazda
- Infosys Finacle won the Juniper Research Future Digital Awards in the category Banking Innovation for Best Banking Platform 2019
- Infosys Finacle awarded the Banking Technology Awards for Best Use of Emerging or Innovative Technology
- Infosys Finacle won the IBS Global FinTech Innovation Awards 2019 for Best Payments System implementation
- Conferred with the 2019 Asia IP Elite award excellence in developing innovative Intellectual Property (IP) functions and creating IP value

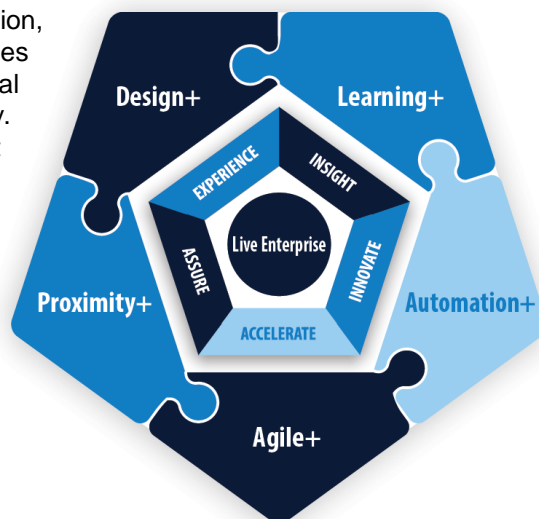
- Compass – The career enablement platform at Infosys won the international Association for Talent Development (ATD) Excellence in Practice Award
- Awarded the IT Ratna of Karnataka for 2018-19 for outstanding performance in IT Exports and being the biggest exporter and employer in the state of Karnataka
- Awarded the NASSCOM Corporate Award for Excellence (2019) for the Inclusion of Persons with Disability

**About Infosys**

Infosys is a global leader in next-generation digital services and consulting. We enable clients to navigate their digital transformation, leveraging our teams from over 46 countries. With over three decades of experience in managing the systems and workings of global enterprises, we expertly steer our clients through their digital journey. We do it by enabling the enterprise with an AI-powered core that helps prioritize the execution of change. We also empower the business with agile digital at scale to deliver unprecedented levels of performance and customer delight. Our always-on learning agenda drives their continuous improvement through building and transferring digital skills, expertise, and ideas from our innovation ecosystem.

Visit [www.infosys.com](http://www.infosys.com) to see how Infosys (NYSE: INFY) can help your enterprise navigate your next.

**DIGITAL NAVIGATION FRAMEWORK**



**Safe Harbor**

Certain statements mentioned in this release 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, unauthorized use of our intellectual property and general economic conditions affecting our industry and the outcome of pending litigation and government investigation. 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, 2019. These filings are available at [www.sec.gov](http://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.

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(Dollars in millions except equity share data)

	December 31, 2019	March 31, 2019
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,422	2,829
Current investments	431	958
Trade receivables	2,529	2,144
Unbilled revenue	914	777
Prepayments and other current assets	820	827
Income tax assets	1	61
Derivative financial instruments	5	48
<b>Total current assets</b>	<b>7,122</b>	<b>7,644</b>
<b>Non-current assets</b>		
Property, plant and equipment	1,896	1,931
Right-of-use assets <sup>(B4)</sup>	540	-
Goodwill	584	512
Intangible assets	185	100
Non-current investments	594	670
Deferred income tax assets	195	199
Income tax assets	739	914
Other non-current assets	255	282
<b>Total non-current assets</b>	<b>4,988</b>	<b>4,608</b>
<b>Total assets</b>	<b>12,110</b>	<b>12,252</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Trade payables	263	239
Lease liabilities <sup>(B4)</sup>	79	-
Derivative financial instruments	13	2
Current income tax liabilities	216	227
Client deposits	2	4
Unearned revenue	438	406
Employee benefit obligations	268	234
Provisions	85	83
Other current liabilities	1,438	1,498
<b>Total current liabilities</b>	<b>2,802</b>	<b>2,693</b>
<b>Non-current liabilities</b>		
Lease liabilities <sup>(B4)</sup>	501	-
Deferred income tax liabilities	88	98
Employee benefit obligations	6	6
Other non-current liabilities	136	55
<b>Total liabilities</b>	<b>3,533</b>	<b>2,852</b>
<b>Equity</b>		
Share capital- `5 (\$0.16) par value 4,800,000,000 (4,800,000,000) equity shares authorized, issued and outstanding 4,239,766,436 (4,335,954,462) equity shares fully paid up, net of 18,781,564 (20,324,982) treasury shares as at December 31, 2019 (March 31, 2019)	332	339
Share premium	300	277
Retained earnings	10,458	11,248
Cash flow hedge reserve	(2)	3
Other reserves	560	384
Capital redemption reserve	17	10
Other components of equity	(3,141)	(2,870)
<b>Total equity attributable to equity holders of the company</b>	<b>8,524</b>	<b>9,391</b>
Non-controlling interests	53	9
<b>Total equity</b>	<b>8,577</b>	<b>9,400</b>
<b>Total liabilities and equity</b>	<b>12,110</b>	<b>12,252</b>

Infosys Limited and subsidiaries

Audited Condensed Consolidated Statement of Comprehensive Income for the period:

(Dollars in millions except equity share and per equity share data)

	Three months ended December 31, 2019	Three months ended December 31, 2018	Nine months ended December 31, 2019	Nine months ended December 31, 2018
<b>Revenues</b>	<b>3,243</b>	<b>2,987</b>	<b>9,583</b>	<b>8,740</b>
Cost of sales	2,159	1,956	6,420	5,660
<b>Gross profit</b>	<b>1,084</b>	<b>1,031</b>	<b>3,163</b>	<b>3,080</b>
<b>Operating expenses</b>				
Selling and marketing expenses	169	161	502	464
Administrative expenses	204	195	612	578
Total operating expenses	373	356	1,114	1,042
<b>Operating profit</b>	<b>711</b>	<b>675</b>	<b>2,049</b>	<b>2,038</b>
Other income, net <sup>(A3)</sup> <sup>(B2)</sup>	116	105	312	317
Finance cost <sup>(B4)</sup>	(6)	-	(18)	-
Reduction in the fair value of Disposal Group held for sale <sup>(A1)</sup>	-	-	-	(39)
Adjustment in respect of excess of carrying amount over recoverable amount on reclassification from "Held for Sale" <sup>(A2)</sup>	-	(65)	-	(65)
<b>Profit before income taxes</b>	<b>821</b>	<b>715</b>	<b>2,343</b>	<b>2,251</b>
Income tax expense	194	213	597	633
<b>Net profit</b>	<b>627</b>	<b>502</b>	<b>1,746</b>	<b>1,618</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Re-measurements of the net defined benefit liability/asset, net	(16)	(4)	(22)	(3)
Equity instrument through other comprehensive income, net	(6)	8	(5)	10
	(22)	4	(27)	7
<i>Items that will be reclassified subsequently to profit or loss:</i>				
Fair valuation of investments, net	(1)	6	1	(3)
Fair value changes on derivatives designated as cash flow hedge, net	(4)	8	(5)	5
Foreign currency translation	(40)	295	(247)	(634)
	(45)	309	(251)	(632)
<b>Total other comprehensive income/(loss), net of tax</b>	<b>(67)</b>	<b>313</b>	<b>(278)</b>	<b>(625)</b>
<b>Total comprehensive income</b>	<b>560</b>	<b>815</b>	<b>1,468</b>	<b>993</b>
<b>Profit attributable to:</b>				
Owners of the Company	626	502	1,741	1,618
Non-controlling interests	1	-	5	-
	<b>627</b>	<b>502</b>	<b>1,746</b>	<b>1,618</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	559	815	1,465	993
Non-controlling interests	1	-	3	-
	<b>560</b>	<b>815</b>	<b>1,468</b>	<b>993</b>
<b>Earnings per equity share</b>				
Basic (\$)	0.15	0.12	0.41	0.37
Diluted (\$)	0.15	0.12	0.41	0.37
<b>Weighted average equity shares used in computing earnings per equity share</b>				
Basic	4,239,607,543	4,347,673,466	4,263,569,478	4,347,130,342
Diluted	4,245,716,437	4,352,731,387	4,270,509,294	4,352,705,150

**NOTES:**

**A. Notes pertaining to previous quarters / periods**

1. *In the quarter ended June 30, 2018, the Company had recorded a reduction in the fair value amounting to \$39 million in respect of its subsidiary Panaya.*
2. *In the quarter ended December 31, 2018, the Company had recorded an adjustment in respect of excess of carrying amount over recoverable amount of \$65 million in respect of its subsidiary Skava*
3. *Other income includes interest on income tax refunds amounting to \$7 million for the three and nine month ended Dec 31, 2018.*

**B. Notes pertaining to the current quarter**

1. *The audited interim condensed consolidated Balance sheet and Statement of Comprehensive Income for the three months and nine months ended December 31, 2019 have been taken on record at the Board meeting held on January 10, 2020*
2. *Other income includes interest on income tax refunds amounting to \$34 million for the three month ended Dec 31, 2019 and \$35 million for the nine month ended Dec 31, 2019.*
3. *A Fact Sheet providing the operating metrics of the Company can be downloaded from [www.infosys.com](http://www.infosys.com).*
4. *On account of adoption of IFRS 16- Leases effective April 1, 2019.*