



Healthcare Economy

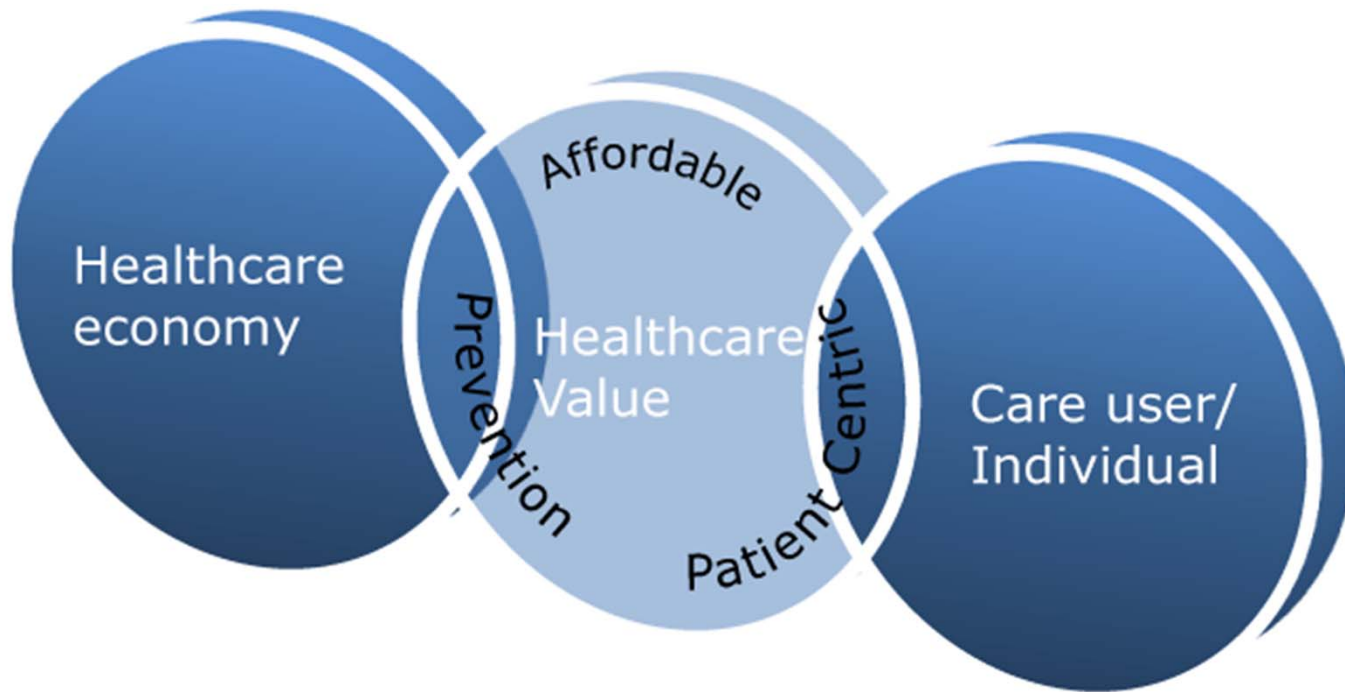
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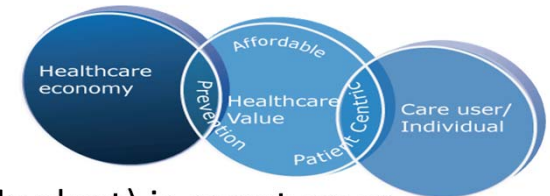
Certain statements made in this Analyst Meet concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, 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 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, 2010 and on Form 6-K for the quarters ended June 30, 2010 and September 30, 2010. 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.

Healthcare economy, based on core values, is touching individuals worldwide as well as affecting other industries



Healthcare has become a crucial part of the world economic engine and a huge factor in the US economy

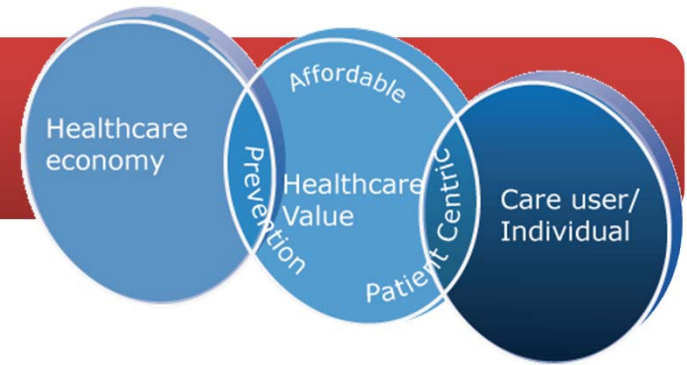
- According to WHO, latest estimate of global healthcare expenditure is \$4.7 tn
- Spending on healthcare in the U.S. is about 16% of its GDP (\$2.5 tn in 2009); higher than any other UN member nation
- In 2008, US spent \$7,538 per capita on healthcare, 92.7% (approx) more than any other G7 country
 - High readmission costs, approx \$17.4 bn (or 20% of current budget) is spent on re-admission, within 30 days
- Enrollment in private health insurance dropped drastically, partly because of jobs lost in the manufacturing and finance sectors amid the recession
- Growing healthcare costs have made US corporations less competitive than their counterparts
 - Excess growth in healthcare costs has adverse effects on employment, output and value added to GDP in the U.S
- According to Gartner , the IT on healthcare spending to expected to reach approx \$ 44 bn by 2010
 - Healthcare reform and Federal government funding IT initiatives will lead to an increased healthcare IT spending



Just as electricity and manufacturing were industries that simulated growth at the beginning of 20th century, healthcare is the growth sector of the 21st century

Aging population

- 15% of the population is 64+
- 75% of healthcare cost



Increased prevalence of chronic disease

- 1/3rd Americans have one or more chronic conditions
- Chronic conditions account for 70% of healthcare costs

Changing lifestyles, globalization

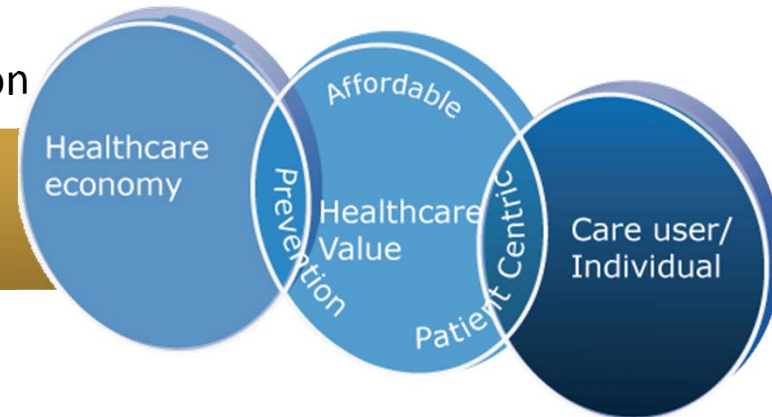
- Obesity - biggest cause for rising chronic conditions
- Rapid spread of epidemics

Prevention

- Increased awareness and shifts in demand
- Incentivization for prevention, yet no compensation

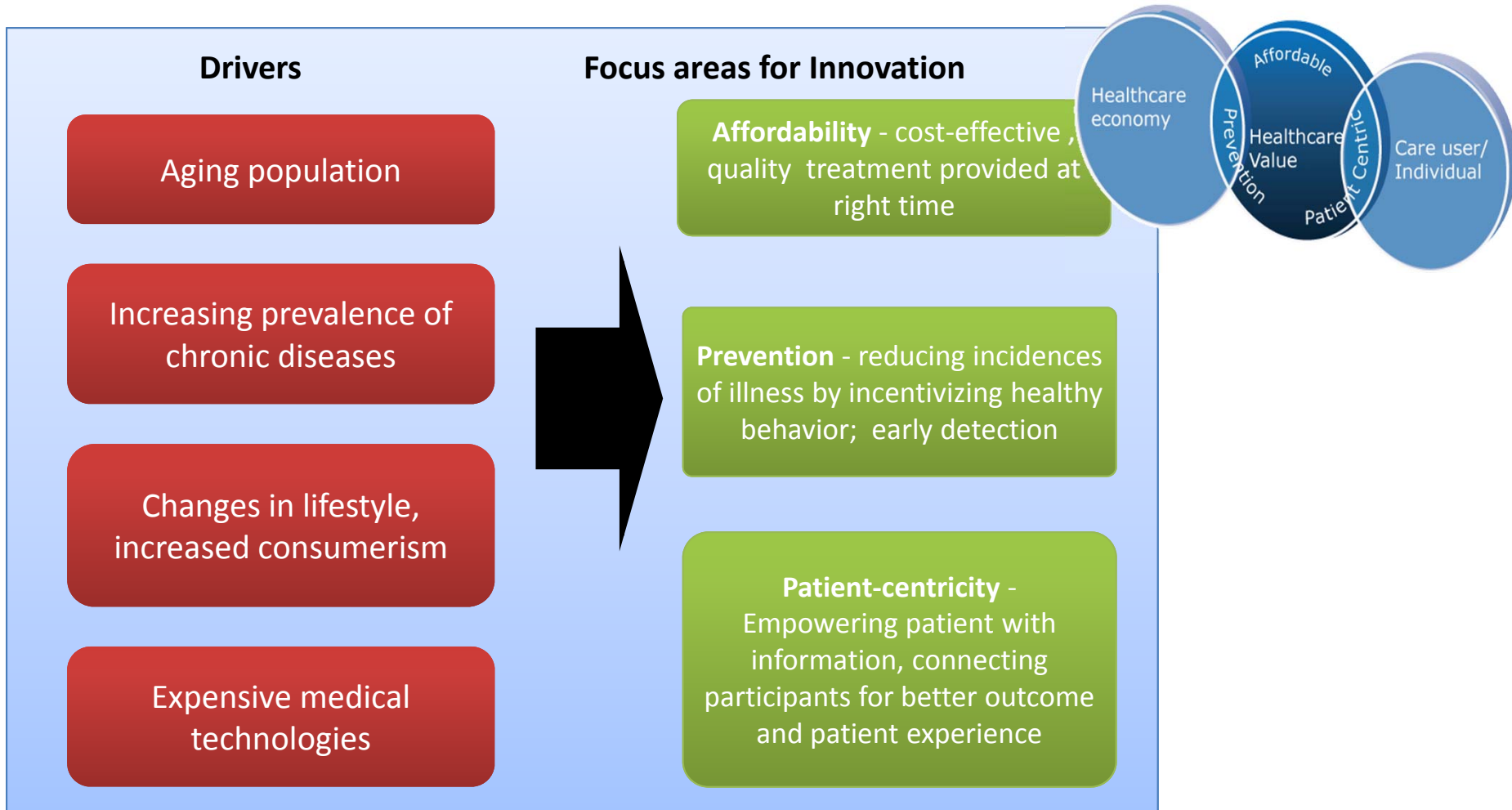
Product and services innovation

- Emerging markets – consumers as well innovators
- Integration of medical and ICT
- Large heterogeneous data available needs to be analyzed to ensure care is tailored to consumer



Consumer-centricity

- 'Literate consumer' – demanding better outcomes
- Stake in own health management, have preferences
- Telemedicine and its growing popularity in the US



There is a significant market potential to create differentiated high-value services & solutions in this space

US Addressable IT Spend across Healthcare & Life Sciences segment

\$ 25.2 bn

HLS Addressable IT
Spend in 2009

\$ 25.6 bn

HLS Addressable IT Spend
in 2010

1.66 %

Growth

Infosys Share of the addressable IT Spend

\$ 325 mn

HLS Revenue in FY09

\$ 410 mn

HLS Revenue in FY10

26.2 %

Growth

- Niche solutions / Products to manage specific industry issues
 - Hospital Information and Analytics
 - TeleHealth
 - Meaningful Usage / P4P
 - iHealthAnalytics
 - E Connect
 - iTransform
 - iXchange
 - iManage
 - 360 eHealth
 - Scientific Innovation
- Key partnerships in place
 - Pistoia Alliance
 - Memberships with industry bodies like WEDI, HIMSS, AHIP
- Revenue contribution from this initiative: \$ 410 mn
- Quantum of investment in this initiative
 - 10% of the overall revenue will be re-invested as investment in this initiative

Quick facts on our HLS practice

- HLS is close to 10% of Infosys revenues
- 7000 + employees
- Industry-specific technology expertise and COEs
- We work with over 15 commercial plans, including the 3 largest in the US
- Work with 5 blue plans, including 3 of the top 5
- 20+ Life Sciences customers worldwide; 3 out of the top 5 Pharma companies in the world

Affordable solution to meet regulation demands for a California-based Medicaid and Medicare Plan

Situation

- The client, a multi-state managed care organization participating in government-sponsored programs
- All HIPAA covered entities need to comply with the legislation – mandated adoption of HIPAA 5010 standards for EDI in healthcare
- The client wanted to undertake a HIPAA 5010 Impact assessment of its process and application landscape



Approach

- Client partner with Infosys to perform business and technical impact assessment using Infosys product suite – iTransform
- Infosys performed an impact assessment of the enterprise consisting of tens of thousands of source code files
- A remediation roadmap for HIPAA 5010 transition was created
- Assessments were created where both business and technical impacts were clearly mapped



Benefits Delivered

- Assessment and recommendation provided in 7 weeks
- Saved the client over 70% vis-à-vis manual assessment of HIPAA 5010
- Created an assessment to help transform the application landscape to make the client profitable and roll out affordable plans to their users

Infosys role in improving affordability of HLS customers by delivering on business outcomes

- Reduce time-to-market
 - Reduced cycle time for new product launch by 3 months for a leading health plan
 - Helped one of the largest plans improve their new customer acquisition by reducing turnaround time for underwriting and quote creation for individual market
- Reduce Total Cost of Ownership (IT/Business)
 - Helped one of the largest plans increase FCR (First Claim Resolution) from low 50s to high 70s. Helped maintain the FCR at the new level in a dynamic environment
 - Reduced TCO for a leading biopharmaceutical company by 30% by providing over 20 utility-based services to transform into process-oriented, cost-effective and high quality operations
 - \$ 30 mn and \$ 58 mn annual IT savings through Infosys GDM for two large plans
 - Savings of \$ 10 mn due to “ideas generated” by Infosys for a leading health plan



Thank You

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