



Infosys

Analyst Meet

2018

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.”

STRATEGY PILLARS

- i **Scale Agile Digital**
- ii **Energize the Core**
- iii **Re-skill our People**
- iv **Expand Localization**

FINANCIAL PERFORMANCE

M.D. Ranganath
CFO

Safe Harbor

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Robust FCF, healthy EPS growth and RoE in FY18

- Free Cash Flow (FCF) has been robust in FY18; healthy EPS growth and RoE

- Resilient margins
- Efficient capital management

FCF¹
up 15.3%

EPS
up 17.8%²

RoE
24.1%

- Competitive cost structure through productivity & automation

- Revenue growth is faster than headcount growth
- Employee cost as % of revenue is stable

Revenue
up 7.2%

Headcount³
up 1.9%

- Predictable and comprehensive capital allocation policy

All numbers are based on IFRS USD consolidated financial statements

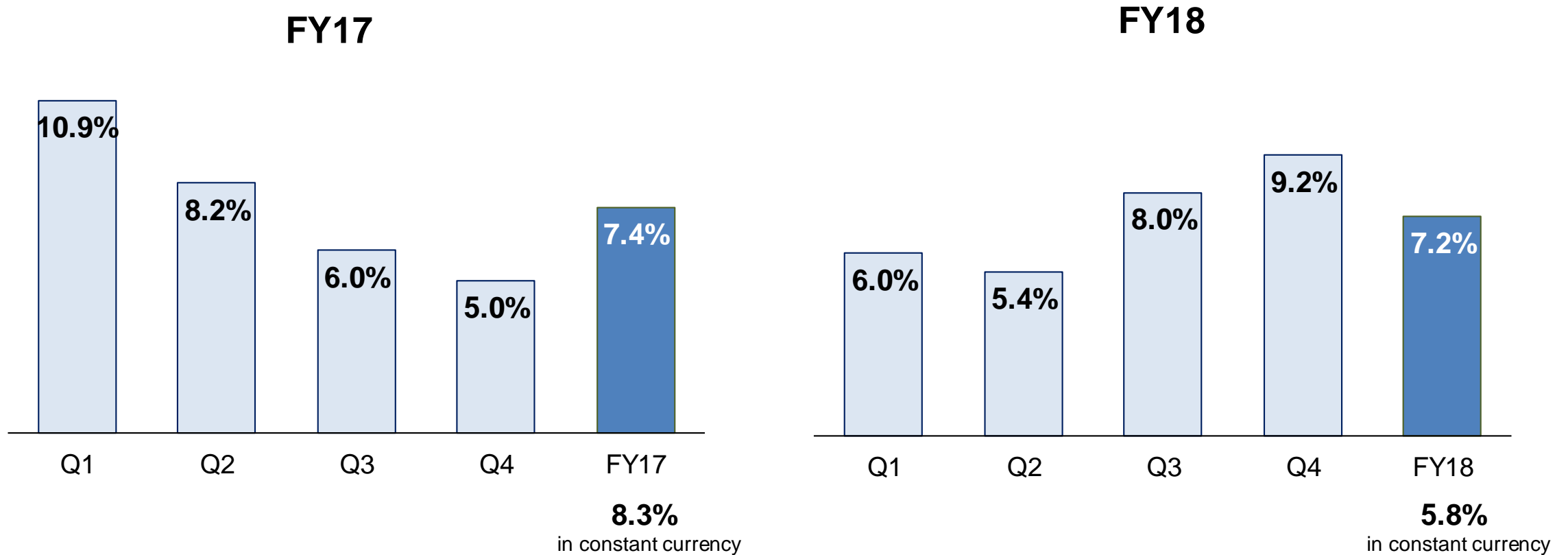
¹ Free Cash Flow = Net cash generated from operations – Capital expenditure

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

³ Infosys group

Our revenue growth trajectory – FY18 vs. FY17

Revenue growth – YoY%



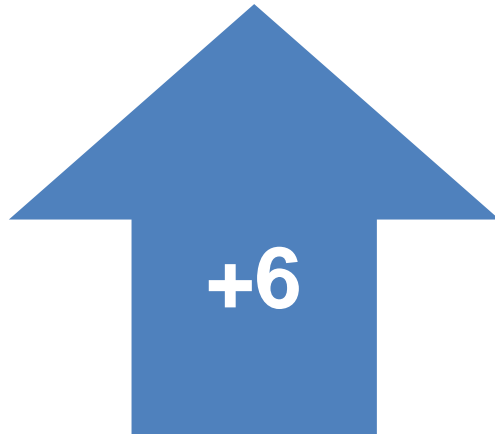
Digital revenue is 25.5% of total revenue in FY18

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

US\$ 100 Mn+ clients

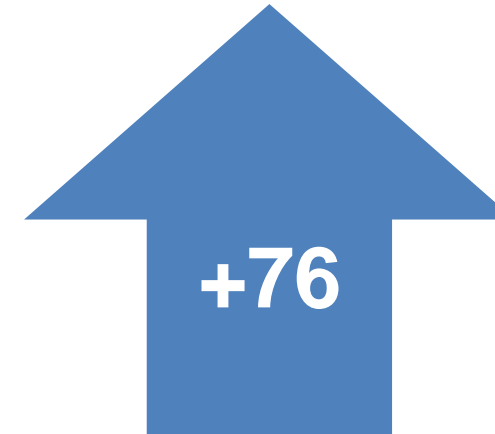
FY18 : 20



FY16 : 14

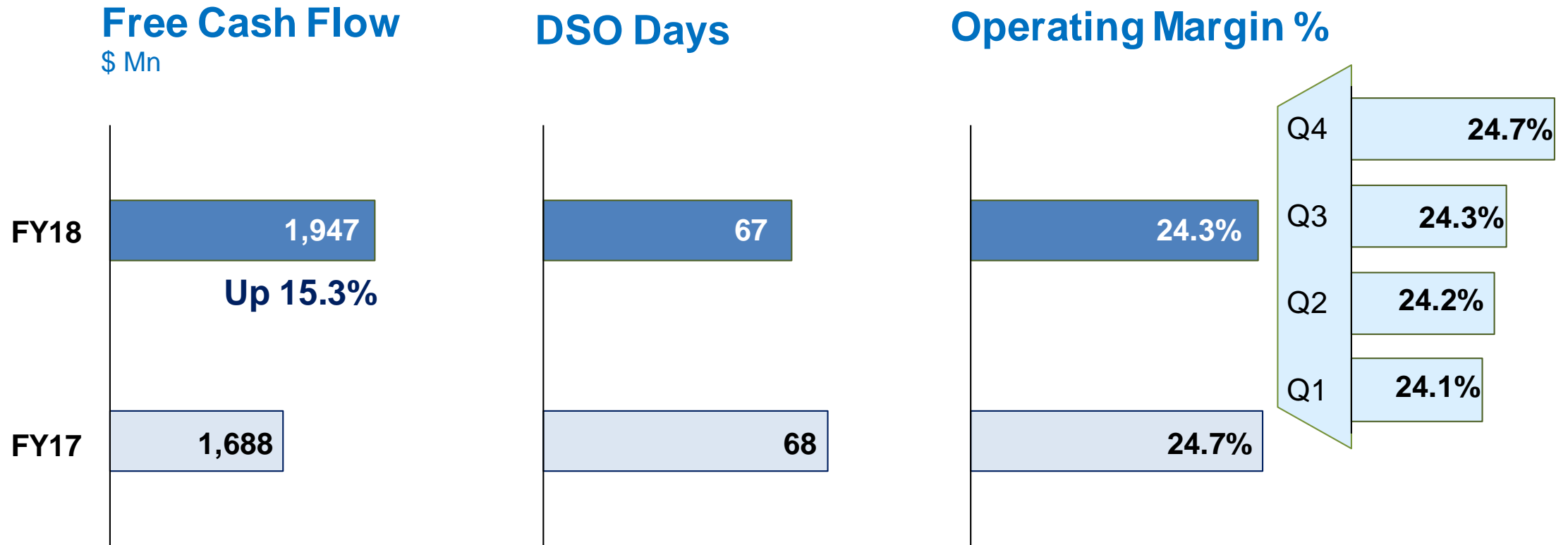
US\$ 1 Mn+ clients

FY18 : 634



FY16 : 558

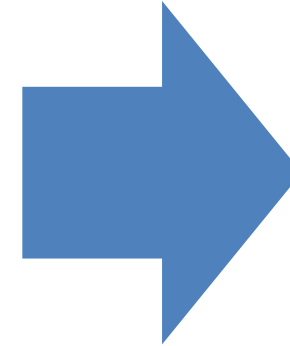
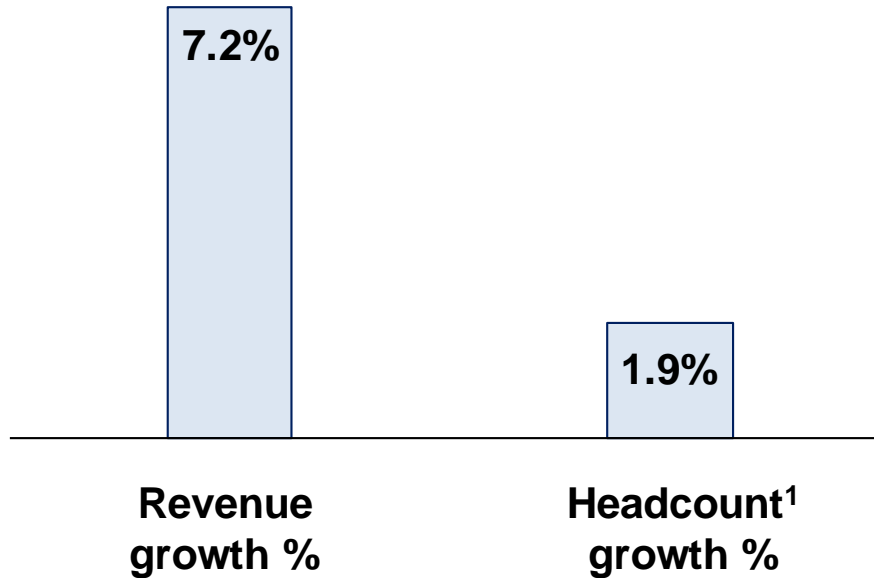
Resilient operating margin and robust Free Cash Flow



All numbers are based on IFRS USD consolidated financial statements

Increase in revenue-per-employee – Primarily driven by productivity improvements

FY18



Revenue-per-employee
\$54,602

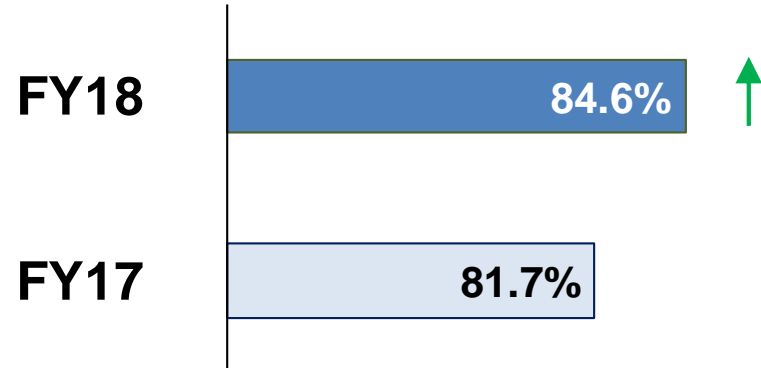
YoY growth
6.3%

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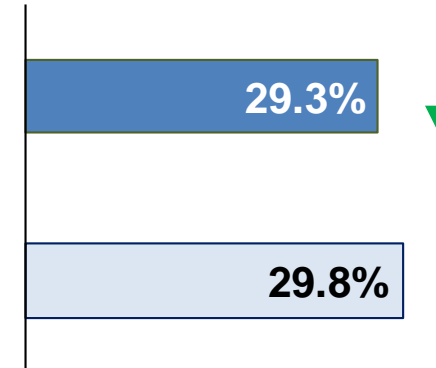
¹Infosys group

Key operational efficiency parameters have improved in FY18

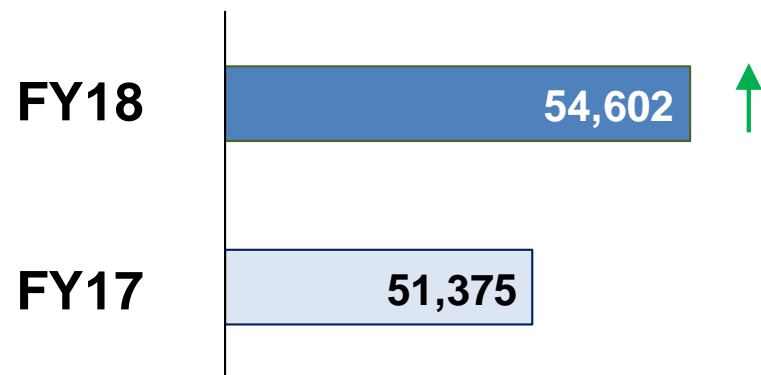
Utilization



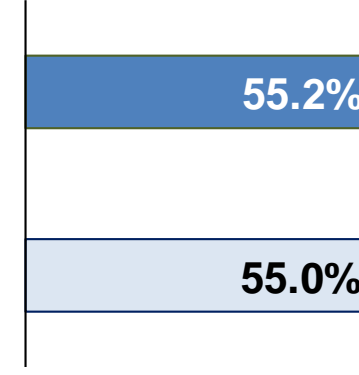
Onsite effort mix



Revenue per FTE (\$)



Employee cost as % of revenue



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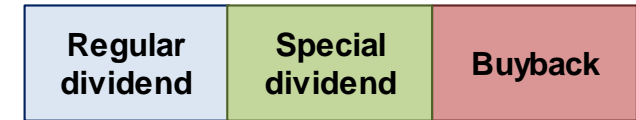
EPS growth and RoE have been healthy

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

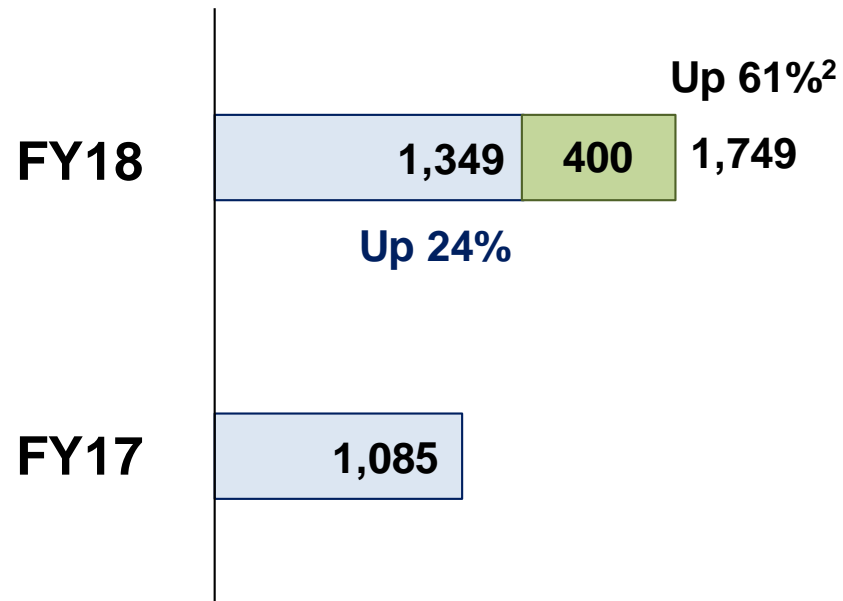
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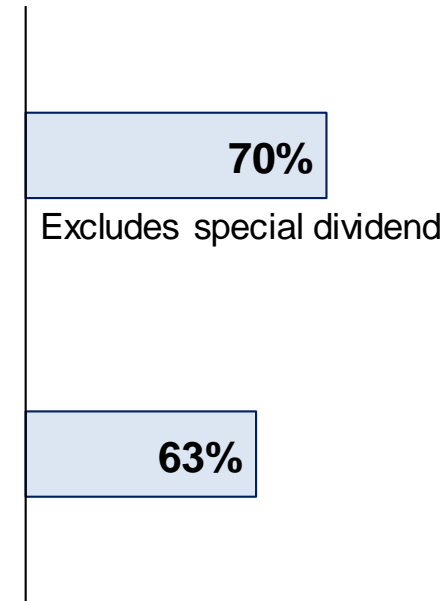
Capital allocation policy – Implemented in FY18



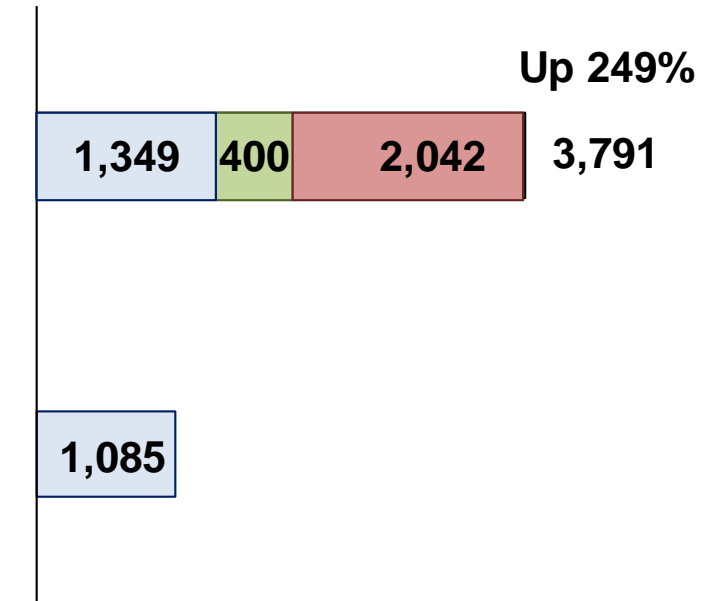
Total Dividend¹ \$ Mn



Regular Dividend¹ as % of FCF



Capital return¹ to shareholders \$ Mn



All numbers are based on IFRS USD consolidated financial statements

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

² Including special dividend for FY18

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

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

Key parameters

	FY16	FY18
Market Cap to Revenue	4.4	3.5
Market Cap to Free Cash Flow	29.1	19.5
Free Cash Flow ¹ Yield %	3.4%	5.1%
Dividend Yield %	2.0%	3.8% ²

All numbers are based on IFRS USD consolidated financial statements

Market Cap / share price as on Mar 31, 2018 and Mar 31, 2016 on NSE. Converted to USD

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*



Thank You