

Infosys®

30<sup>th</sup>

Annual  
General  
Meeting



# Safe harbor

Certain statements made here concerning Infosys' 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, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, 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, 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, 2011 and the Quarterly Reports on Form 6-K for the fiscal quarters ended June 30, 2010, September 30, 2010 and December 31, 2010. 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.





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POWERED BY INTELLECT  
DRIVEN BY VALUES

# Infosys at 30

Balakrishnan V.  
*Chief Financial Officer*





# Infosys – A unique story of high quality growth

Revenue (in ₹ crore)



PAT (in ₹ crore)



There are very few companies in the world which has consistently earned a minimum of 25% net profit and 25% ROCE in the last 15 years

*\* Based on IFRS consolidated financial statement*

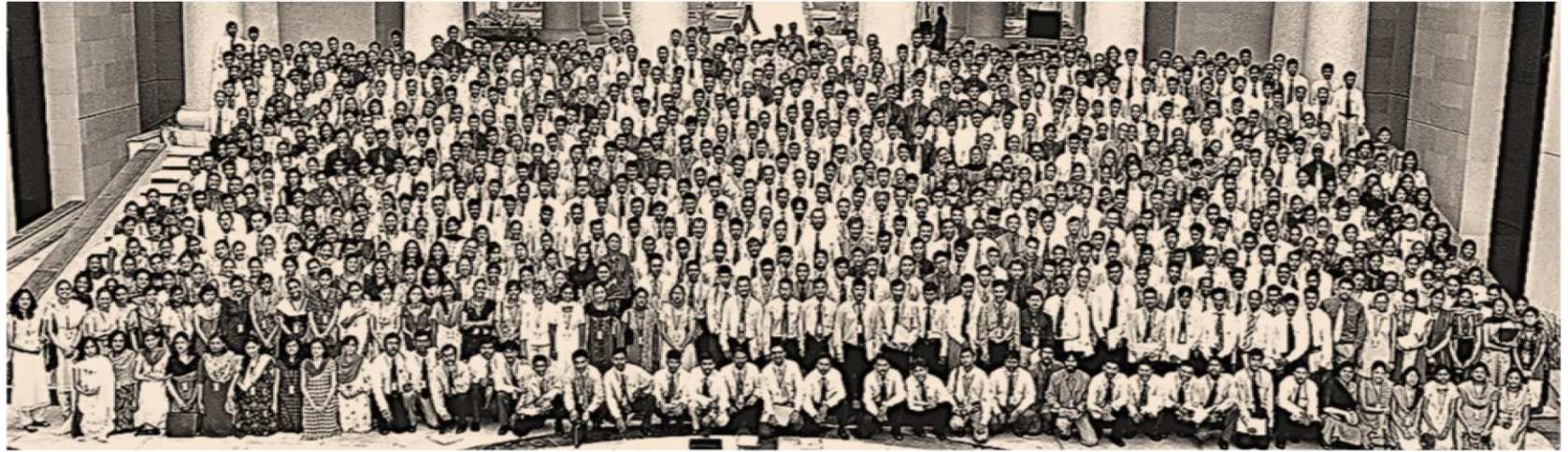
# Infosys – One of the biggest wealth creator in the country



- Market cap CAGR 50% from 1994 till now
- Total dividend payout of ₹ 11,623 crore till now
- 100 shares issued in IPO at ₹ 9,500 is 12,800 shares valued at ₹ 4.15 crore (as of March 31, 2011) an annual CAGR of 59% and a total gain of 4,64,422%



# Infosys - An employee delight



- No. of employees increased from 375 in 1993 to 1,30,820 as of March 31, 2011
- Total value of stocks issued to employees till now approximately ₹ 50,000 crore
- All employees who joined the company till March 2010 is a shareholder in the company



# Infosys – A case study for scalability and execution

	Year 1993	Year 2011
No. of employees	375	1,30,820
No. of customers	9	620
No. of projects handled	25	6,508
Total built-up area (in square feet)	0.10 million	27.66 million
No. of investors in India	925	4,16,623
No. of vendors	316	17,996



# Infosys – An innovator and leader



in India to publish US GAAP financial statements

in India to get listed in the US market

to do a Secondary ADR

to do Public Offer Without Listing (POWL) in Japan

in India to get into NASDAQ-100 index

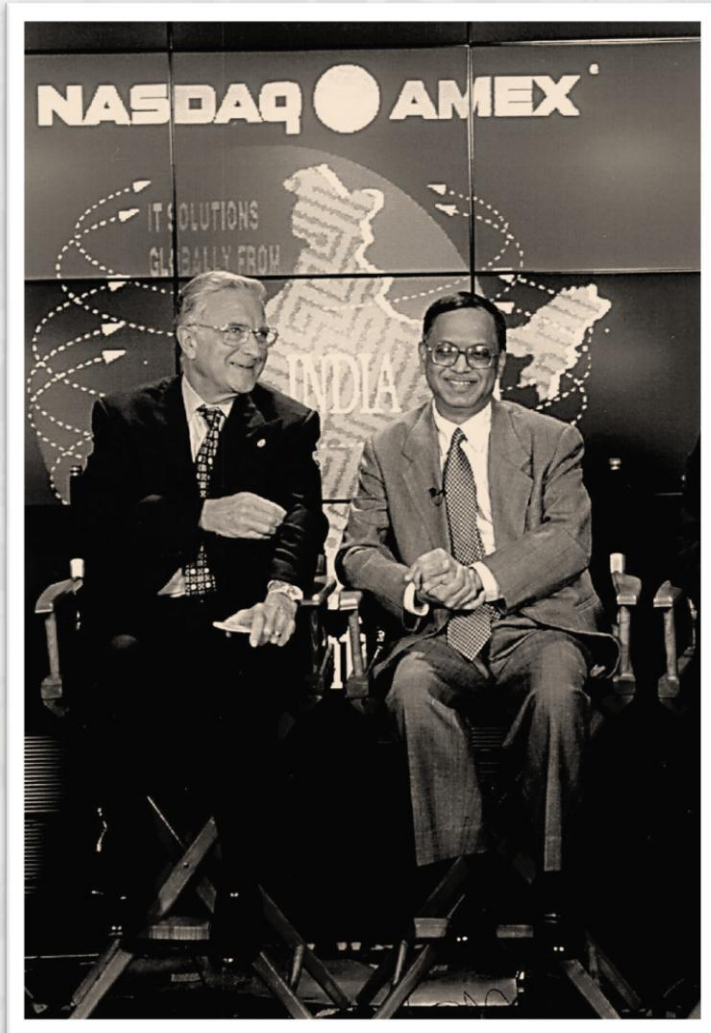
in India to publish IFRS financial statements

We got awards for best presented financials from ICAI consecutively for 11 years.

*Finally, they gave us the Hall of Fame award and made us ineligible for the award in the future years.*



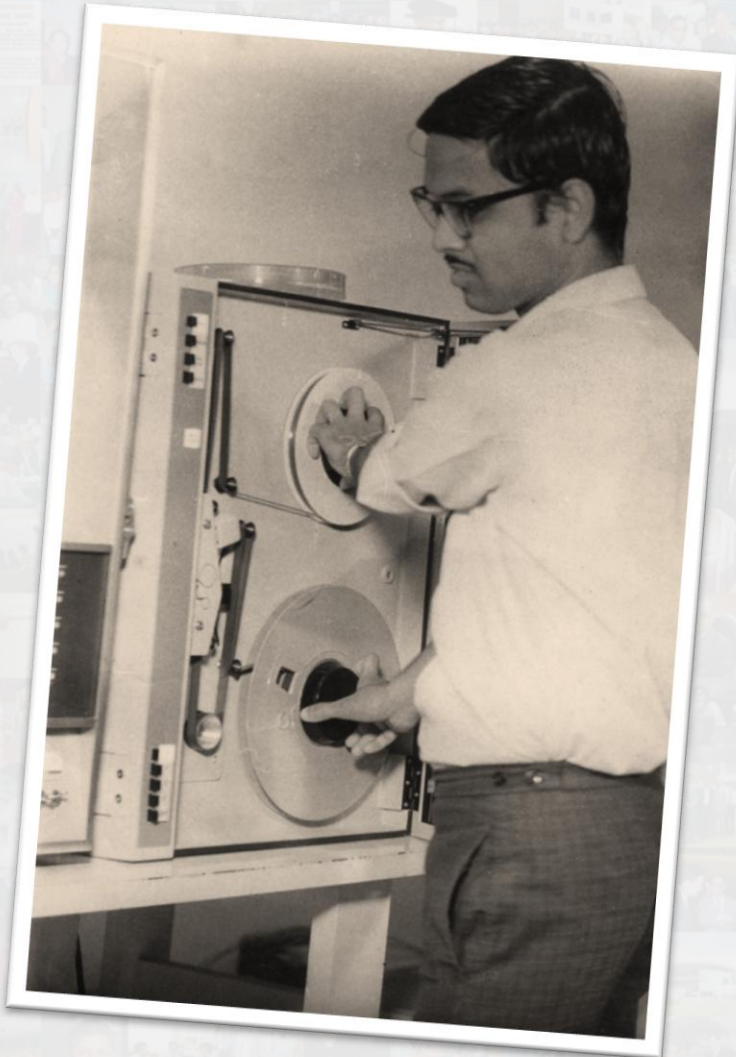
## Infosys – A torch bearer in corporate governance and disclosures



- Set standards for financial disclosures and reporting in the country
- Set benchmark for Corporate Governance norms in the country
- Used transparency and disclosures on our competitive advantage
- Won many awards for financial reporting and corporate governance practices



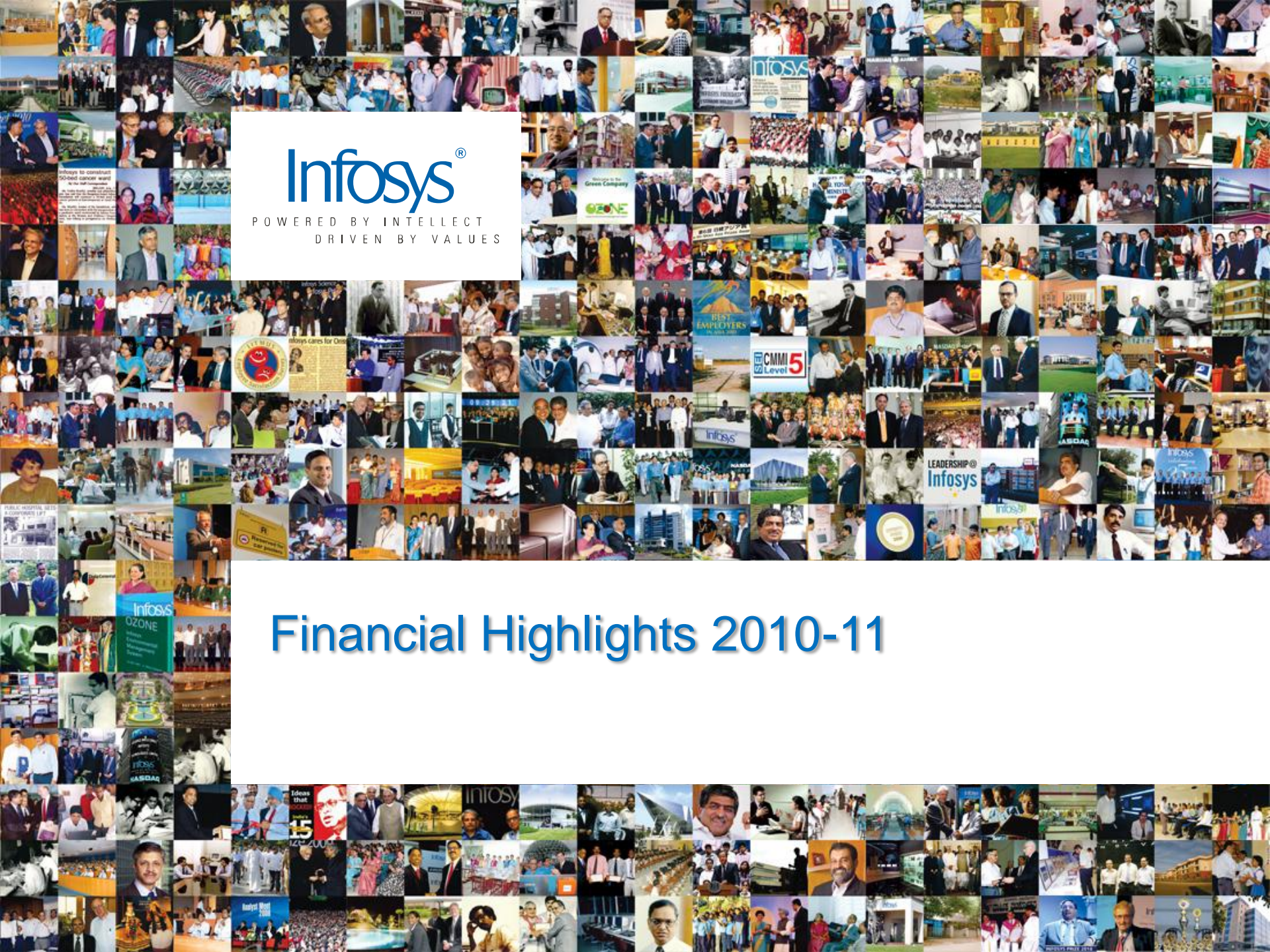
# Re-inventing itself at 30



## Infosys 3.0

- Focus on Business operations, Business transformation and Business innovation
- Focus on four large verticals
  - **FSI** – Financial Services and Insurance
  - **MFG** – Manufacturing
  - **ECS** – Energy, Utilities, Communication and Services
  - **RCL** – Retail, Consumer Product Group, Logistics and Life Sciences
- Building an agile organization more tuned towards customers with greater focus on innovation





# Infosys®

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## Financial Highlights 2010-11



# Highlights of the year

- Revenue guidance in US\$ terms for FY11 was 16.0% to 18.0%, Actual achieved was 25.8%
- Achieved revenues of US\$ 6.04 billion and net profit of US\$ 1.50 billion in fiscal 2011
- Added 139 new clients during the year
- Gross addition of 43,120 employees (net addition of 17,024)
- Our cash and cash equivalents stood at US\$ 3.8 Billion as of Mar 31, 2011 (US\$ 3.5 Billion as on Mar 31,2010)
- Recommended a final dividend of ₹ 20 per share. Including Interim dividend of ₹ 10 per share, the total dividend recommended for the year is ₹ 30 per share amounting to ₹ 2,005 crore
- Declared 30th year special dividend of ₹ 30 per share amounting to ₹ 2,008 crore



# Our revenues grew better than expected...

Industry Segment	FY 2011	Rev %	FY 2010	Rev %	Growth %
Insurance, Banking & Financial services	2,166	35.8%	1,633	34.0%	32.6%
Manufacturing	1,185	19.6%	952	19.8%	24.5%
Retail	856	14.2%	640	13.3%	33.8%
Telecom	779	12.9%	773	16.1%	0.8%
Others	1,055	17.5%	806	16.8%	30.9%
Total	6,041	100.0%	4,804	100.0%	25.8%

Our top 10 clients grew by 23.3% while our non top 10 clients grew by 26.6% during the year. Our repeat business was 98% during the year.

*Based on IFRS consolidated financials*





# While our revenue productivity increased...

	FY 11	FY 10
Onsite	5.4%	0.0%
Offshore	(3.2%)	(5.1%)
Blended	1.8%	(4.0%)
Blended in constant \$ terms	1.5%	(4.1%)





# Our costs have marginally increased during the year

*in ₹ crore*

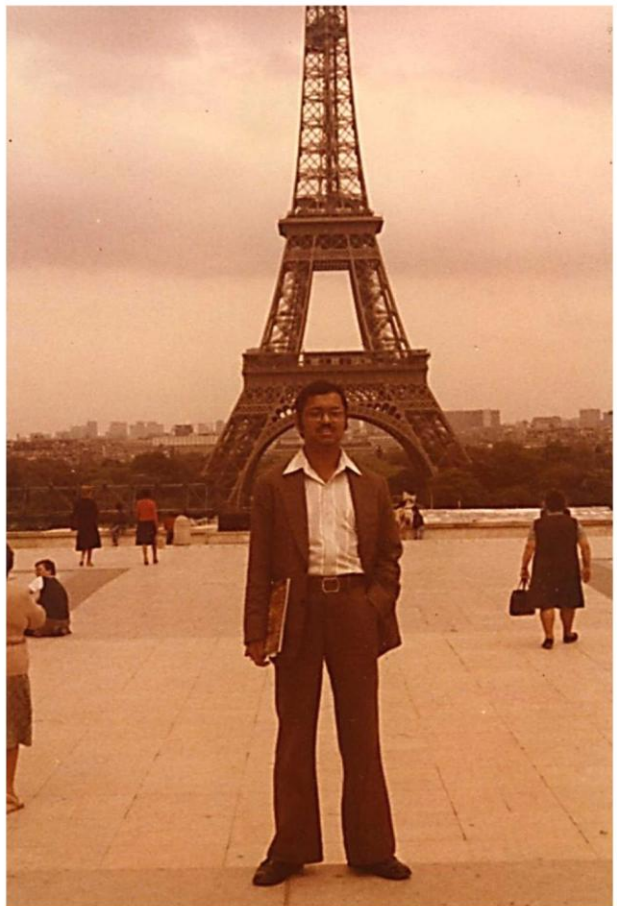
	FY 11	% of revenue	FY 10	% of revenue
Software development expenses	15,916	57.9%	13,020	57.3%
Selling and Marketing expenses	1,512	5.5%	1,184	5.2%
General & Administration expenses	1,971	7.2%	1,628	7.2%
<b>Total</b>	<b>19,399</b>	<b>70.6%</b>	<b>15,832</b>	<b>69.7%</b>

*Based on IFRS consolidated financials*





# The global currencies were highly volatile...

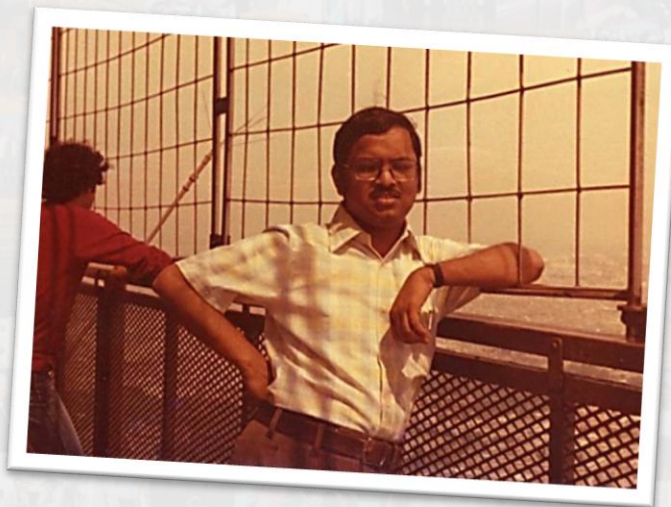


Average rate of USD against	2011	2010
AUD	0.94	0.85
EURO	1.32	1.41
GBP	1.55	1.60
Revenues by currency (%)		
AUD	6.5	5.8
EURO	6.9	6.9
GBP	7.2	9.2



# ...while the Indian Rupee appreciated against the US Dollar

	2011	2010
Average rupee dollar rate		
This year	45.54	47.44
Previous year	47.44	46.54
% change	(4.01%)	1.93%
Period end rupee dollar rate		
This year	44.60	44.90
Previous year	44.90	50.72
% change	(0.67%)	(11.47%)





# We proactively managed our currency exposures...

	Q1	Q2	Q3	Q4
Period closing rate	46.45	44.94	44.71	44.60
Period average rate	45.58	46.48	44.83	45.25
Hedge position (US\$ mn)	699	556	584	620





...thereby minimizing the impact of currency movements on the margins

US\$ mn

	FY 11	FY 10
Impact		
Operating income	(6)	(47)
% to revenue	(0.1%)	(1.0%)
Non-operating income	9	6
% to revenue	0.1%	0.1%
Translation	(3)	(58)
Hedging	12	64
Total	9	6
Net impact	3	(41)
% to revenue	0.0%	(0.9%)



# Our effective tax rate went up further during the year

	FY 11	FY 10
Effective tax rate	26.7%	21.3%
Non STPI/SEZ revenue	75.4%	70.2%

*Based on IFRS consolidated financials*



# We had a profitable growth

₹ crore

Particulars	March 31,				Growth (%)
	2011		2010		
<b>Revenues</b>	<b>27,501</b>	<b>100.0%</b>	<b>22,742</b>	<b>100.0%</b>	<b>20.9%</b>
Cost of sales	15,054	54.7%	12,071	53.1%	24.7%
<b>Gross Profit</b>	<b>12,447</b>	<b>45.3%</b>	<b>10,671</b>	<b>46.9%</b>	<b>16.6%</b>
Operating Expenses:					
<i>Selling and marketing expenses</i>	1,512	5.5%	1,184	5.2%	27.7%
<i>Administration expenses</i>	1,967	7.2%	1,626	7.1%	21.0%
<b>Total Operating Expenses</b>	<b>3,479</b>	<b>12.7%</b>	<b>2,810</b>	<b>12.4%</b>	<b>23.8%</b>
<b>Operating Profit Before Depreciation</b>	<b>8,968</b>	<b>32.6%</b>	<b>7,861</b>	<b>34.6%</b>	<b>14.1%</b>
Depreciation	854	3.1%	905	4.0%	(5.6%)
<b>Operating Profit After Depreciation</b>	<b>8,114</b>	<b>29.5%</b>	<b>6,956</b>	<b>30.6%</b>	<b>16.6%</b>
Other Income	1,211	4.4%	934	4.1%	29.7%
Provision for Investments	–	0.0%	(9)	0.0%	(100.0%)
<b>Profit before income taxes</b>	<b>9,325</b>	<b>33.9%</b>	<b>7,899</b>	<b>34.7%</b>	<b>18.1%</b>
Income tax	2,490	9.1%	1,681	7.4%	48.1%
<b>Net Profit before exceptional item</b>	<b>6,835</b>	<b>24.9%</b>	<b>6,218</b>	<b>27.3%</b>	<b>9.9%</b>

Based on Indian GAAP consolidated financials



# We have a strong Balance Sheet...

₹ crore

	2011	%	2010	%
<b>SHAREHOLDERS' FUNDS</b>				
Share Capital	286	1%	286	1%
Reserves & Surplus	25,690	98%	22,763	98%
Deferred tax liabilities	176	1%	232	1%
	<b>26,152</b>	<b>100%</b>	<b>23,281</b>	<b>100%</b>
<b>APPLICATION OF FUNDS</b>				
Fixed assets	<b>5,760</b>	<b>22%</b>	<b>5,355</b>	<b>23%</b>
Investments	<b>144</b>	<b>1%</b>	<b>3,702</b>	<b>16%</b>
Deferred tax assets	<b>497</b>	<b>2%</b>	<b>432</b>	<b>2%</b>
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>				
Sundry debtors	4,653	18%	3,494	15%
Cash and bank balances	15,095	57%	10,556	45%
Loans and advances	5,320	20%	4,197	18%
<b>LESS: CURRENT LIABILITIES AND PROVISIONS</b>				
Current liabilities	2,677	10%	2,343	10%
Provisions	2,640	10%	2,112	9%
<b>NET CURRENT ASSETS</b>	<b>19,751</b>	<b>75%</b>	<b>13,792</b>	<b>59%</b>
	<b>26,152</b>	<b>100%</b>	<b>23,281</b>	<b>100%</b>

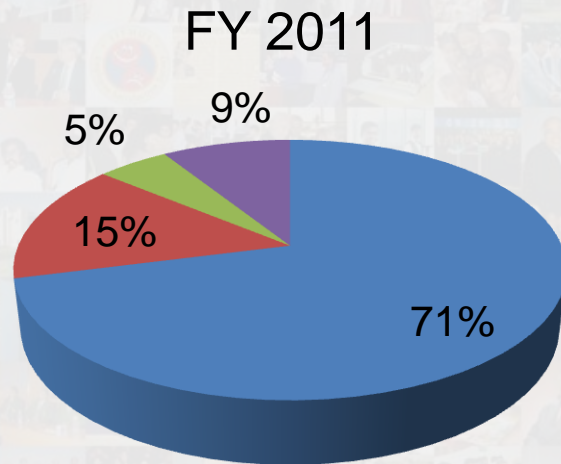
**We continue to be a zero-debt company**

*Based on Indian GAAP consolidated financials*



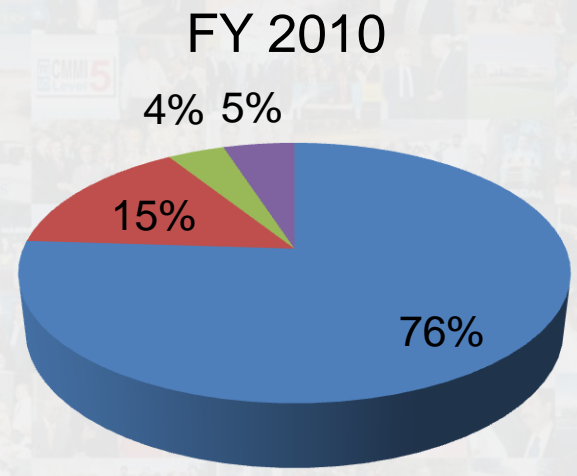
# While the receivables have marginally gone up

## Ageing of accounts receivables



■ 0 - 30 ■ 31 - 60 ■ 61 - 90 ■ > 90

Days of sales receivable – 63 days



■ 0 - 30 ■ 31 - 60 ■ 61 - 90 ■ > 90

Days of sales receivable – 59 days

*Based on IFRS USD*



# We continue to balance between liquidity and returns

	Target	2011	2010	2009
ROCE (%)		37.6%	37.3%	42.9%
Times cost of capital	2	3.4	3.5	3.5
ROIC (%)		67.7%	68.7%	78.8%
Times cost of capital	3	6.04	6.48	6.47
Cash & cash equivalents / total assets*	40.0%	61.9%	66.5%	57.7%
Cash & cash equivalents / revenue*	25.0%	60.2%	70.0%	50.8%
Dividend % (% to net profits)**	Up to 30%	29.3%	26.9%	26.3%

*Based on standalone Indian GAAP financials*

\* Cash and cash equivalents include investments in liquid mutual funds and certificate of deposits

\*\* Calculated as a % of consolidated profits of the Infosys group



# The power of intangibles

	2011	2010	2009
Average age of employees (years)	27	27	26
Women employees / total employees (%)	33.8%	33.5%	33.4%
HR value (₹ cr.)	1,35,105	1,13,287	1,02,133
Brand value (₹ cr.)	40,509	36,907	32,345
EVA (₹ cr.)	2,732	2,936	3,379
Value added (₹ cr.)	25,031	20,935	19,073
R&D expenditure (₹ cr.)	533	438	268
R&D expenditure / revenue (%)	1.9	1.9	1.2

*Based on IFRS consolidated financials*





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## Subsidiaries



# Subsidiaries

## Infosys BPO Limited

	FY 11	FY 10	Growth (%)
Revenue (₹ cr.)	1,472	1,387	6.1%
PAT (₹ cr.)	209	279	(25.1%)
PAT / Revenue (%)	14.2%	20.1%	
No. of Employees	18,113	17,932	1.0%

## Infosys Consulting

	FY 11	FY 10	Growth (%)
Revenue (₹ cr.)	849	464	83.0%
PAT (₹ cr.)	80	106	(24.5%)
PAT / Revenue (%)	9.4%	22.8%	
No. of Employees	712	594	19.9%

## Infosys Australia

	FY 11	FY 10	Growth (%)
Revenue (₹ cr.)	984	711	38.4%
PAT (₹ cr.)	84	47	78.7%
PAT / Revenue (%)	8.5%	6.6%	
No. of Employees	514	362	42.0%

## Infosys China

	FY 11	FY 10	Growth (%)
Revenue (₹ cr.)	359	226	58.8%
PAT (₹ cr.)	40	43	(7.0%)
PAT / Revenue (%)	11.1%	19.0%	
No. of Employees	2,765	1,765	56.7%



# Subsidiaries

## Infosys Mexico

	FY 11	FY 10	Growth (%)
Revenue (₹ cr.)	99	70	41%
PAT (₹ cr.)	(1)	–	–
No. of Employees	521	346	51%

## Infosys Sweden

	FY 11	FY 10	Growth (%)
Revenue (₹ cr.)	11	10	10%
PAT (₹ cr.)	1	–	–
No. of Employees	13	20	(35%)

## Infosys Brazil

	FY 11	FY 10	Growth (%)
Revenue (₹ cr.)	51	8	538%
PAT (₹ cr.)	(8)	(8)	–
No. of Employees	173	89	94%

## Infosys Public Services

	FY 11	FY 10	Growth (%)
Revenue (₹ cr.)	–	–	–
PAT (₹ cr.)	(1)	–	–
No. of Employees	–	–	–





# Infosys®

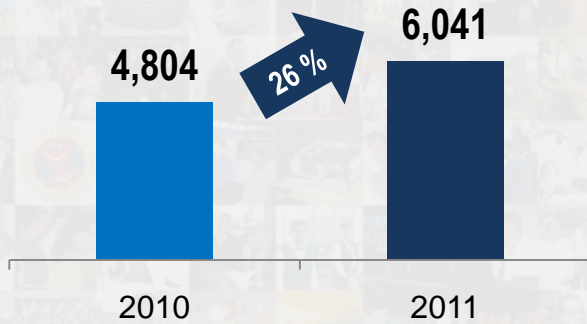
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# IFRS

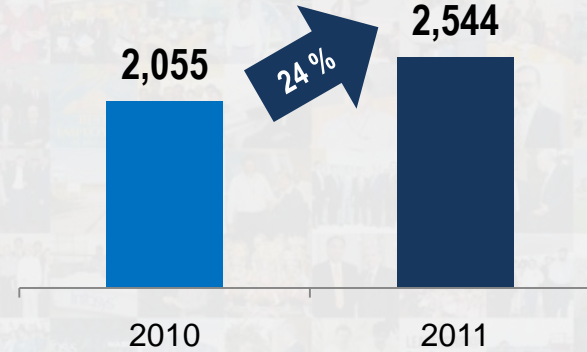


# Financial highlights

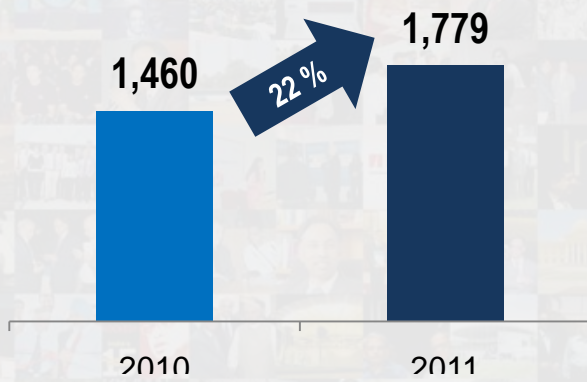
**Revenues**  
(US\$ million)



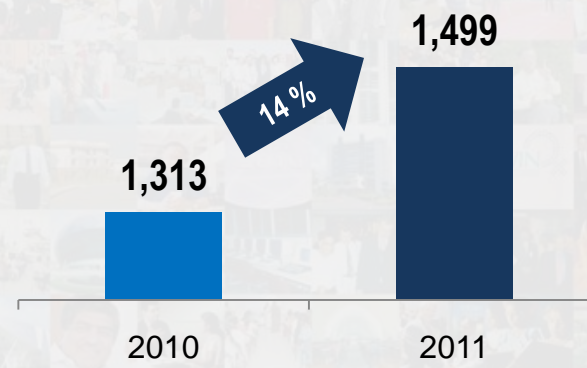
**Gross profit**  
(US\$ million)



**Operating income**  
(US\$ million)



**Net Profit**  
(US\$ million)



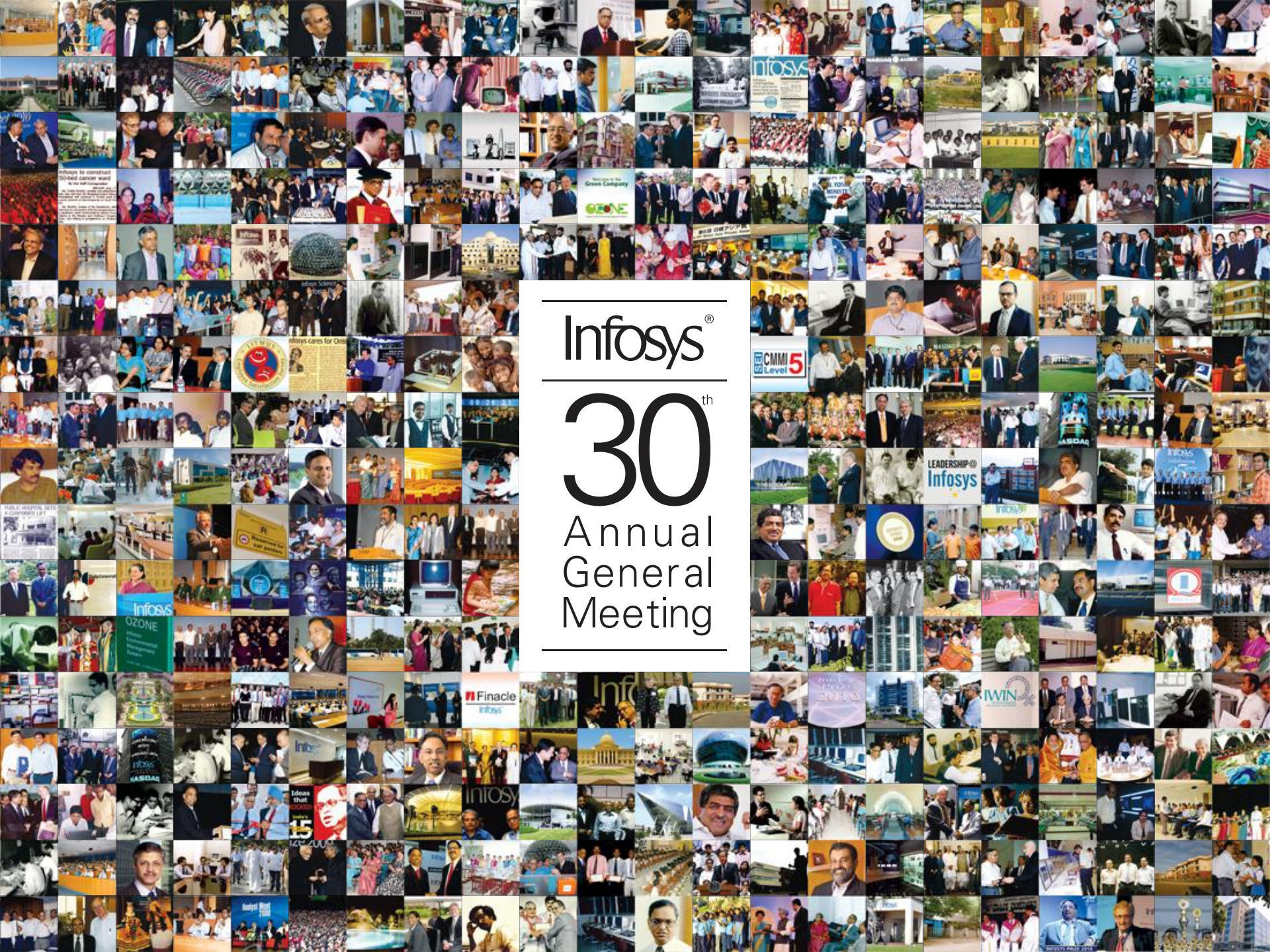




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