

# ANALYST MEET US



State of the Business

Most Admired Company for the Sixth Time – Asia Wall Street Journal, 2008.  
Most Respected Company – BusinessWeek Survey, 2006. Best Outsourcing  
Partner – Watson Readers' Survey, 2007. Best Company to Work for in  
India – Business Today-Morgan-TNC Survey, 2006. Leader in Global IT Infrastructure  
Outsourcing – Forrester, 2006. Among the World's Top 3 IT Services  
Companies – BusinessWeek, 2004. Among the Top 10 Companies for  
Leaders – Fortune Magazine, Hewitt Associates and the RBC Group Survey, 2007.  
Among the 200 Most Respected Companies in the World – The Reputation  
Institute, 2007. NASSCOM - India Today Woman Corporate Award for Excellence  
in Gender Inclusivity, 2007. Global MAKE Award, 2006-05 and 2007. Helen Keller  
Award for Diversity Hiring for Infosys BPO, 2006-07. Balanced Scorecard Hall of  
Fame for Executing Strategy – Paladum Group, Inc., 2008. One of the World's  
Most Innovative Companies in APAC – BusinessWeek, 2006. CNBC - TV18 Viewers  
Choice – New Age Employer of Choice Award, 2007. One of the World's Most

## Infosys BPO

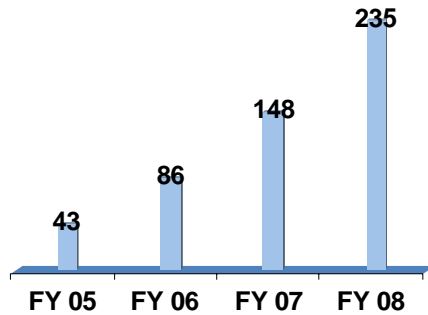
Amitabh Chaudhry  
Infosys BPO - CEO

# Safe Harbor

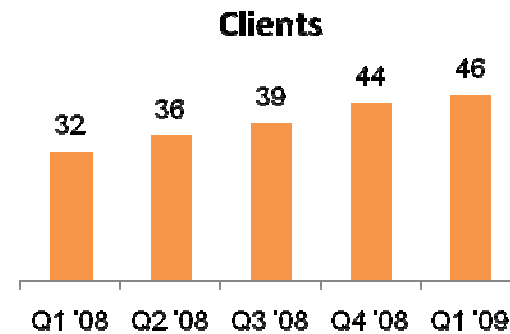
Certain statements made here concerning Infosys' future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements 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, 2008 and the Quarterly Reports on Form 6-K for the fiscal quarters ended June 30, 2007, September 30, 2007 and December 31, 2007. 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.

# BPO – Key facts & figures

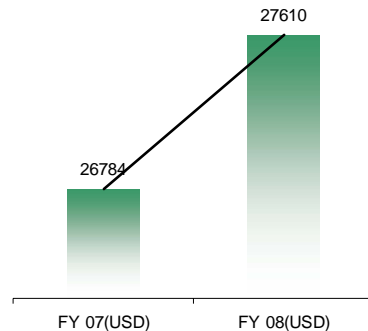
60% growth rate in FY 08



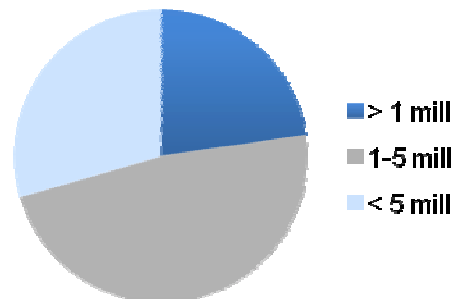
..adding more than 26 new clients in the last 8 quarters



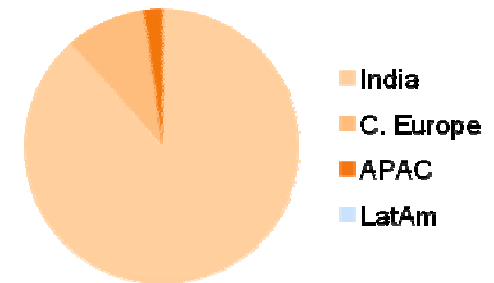
..and an increase of 4% in revenue productivity



.. expanding our share of wallet in existing clients



... and growing our geographical spread across delivery locations



# Strategic Themes

Convergence of Operations & Technology

Focus on Vertical BPO

Knowledge Services – focus on higher value-added processes

Leveraging Global Networks

Business outcome-based contracts

Captive spin-off

Employee focus

## Integrated Sourcing

- Bundling of legacy applications and BPO
- 10-20% savings over and above the traditional ITO+ BPO savings
- Link to business outcomes

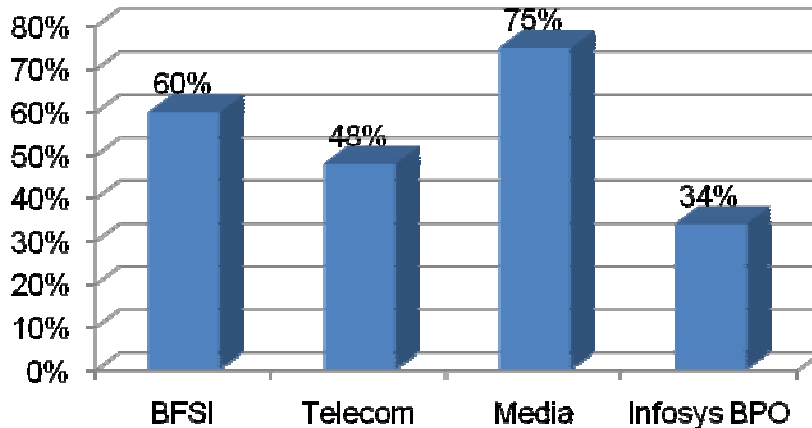
## Integrated "Saas+ BPO Model"

- Bundling of Infosys proprietary applications + infrastructure + BPO
- Quicker transactions, enhanced customer experience, reduced TCO
- Finacle (Bank in a Box)
- Pay by the drink
- Moving capex to opex
- Link to business outcomes

## Platform BPO

- Partnership with third party product companies for various functional areas such as Procure to Pay, HRO etc
- Infosys BPO transformational offshore delivery model over a common technology backbone
- Process harmonization, technology transformation, scalable ITO+ BPO model
- Pay by the drink
- Moving capex to opex
- Link to business outcomes

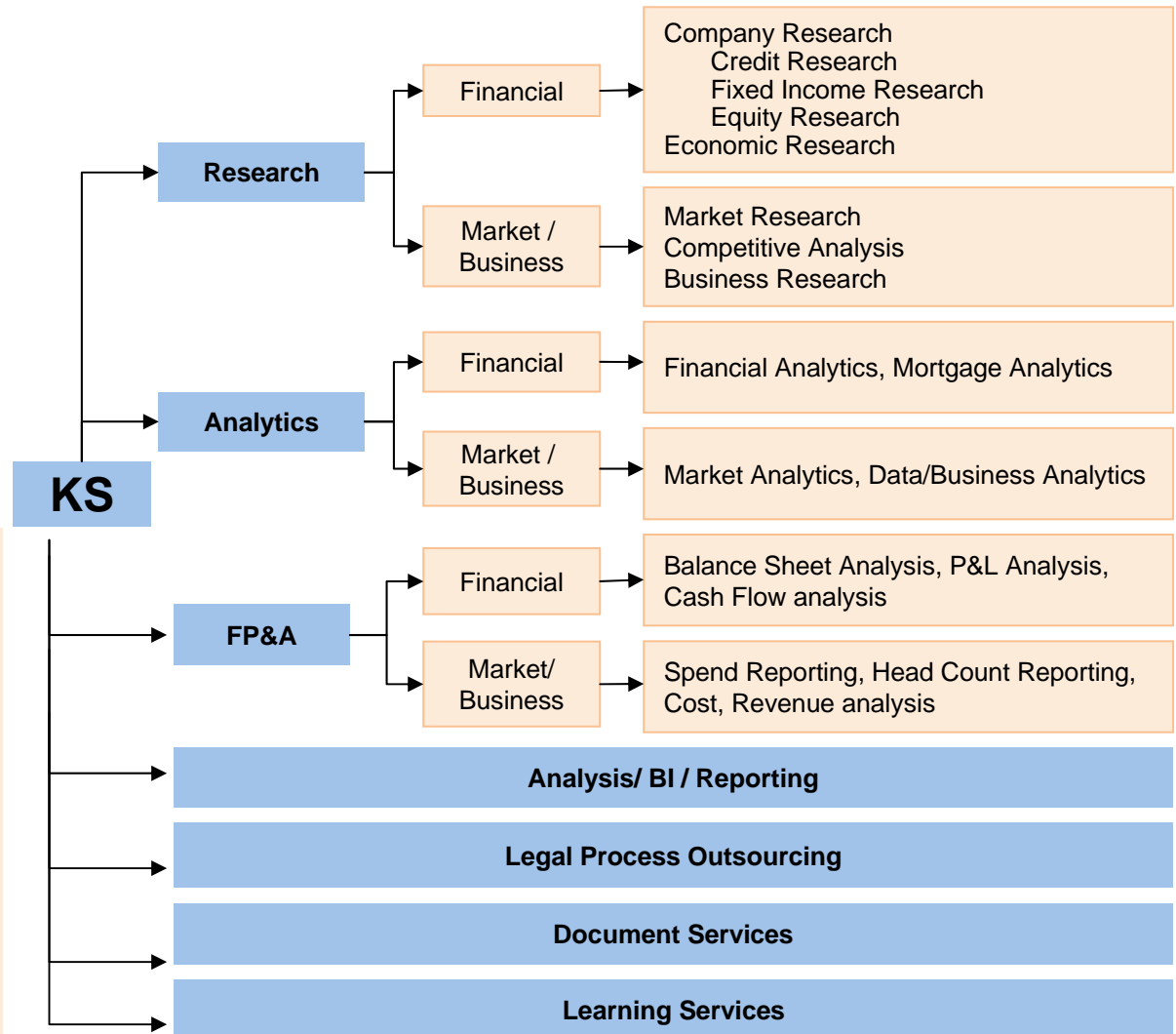
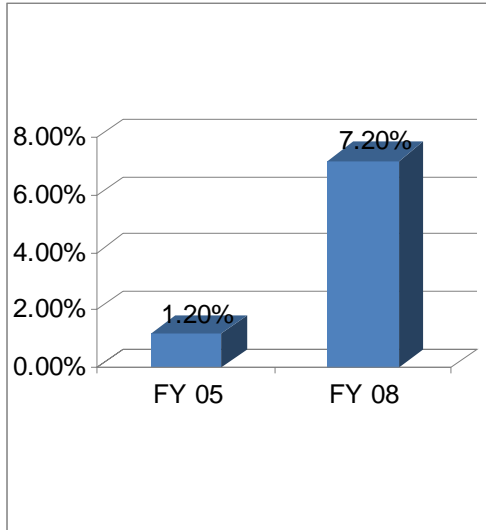
# Focus on Vertical BPO



Industry solutions as a % of revenue

- Focus on cost of revenues side of the P&L
- Vertical BPO segment growing faster than horizontal BPO segment
- Clear opportunity to add true business value
- Examples include revenue assurance (telecom carriers), advertising (media and entertainment), mortgage (banking and capital markets), claims (insurance carriers)
- Emergence of utilities (horizontals within vertical offerings – example fraud, risk, reconciliation in financial services)

# Knowledge Services – focus on higher value -added processes



## Highly skilled team

- More than 700 CA/CPAs, MBAs, Engineers, Statisticians, Economics grads, mostly from the industry

## Highlights

- Strong presence in Financial Markets Research and FP&A\*\*
- Presence across multiple sectors – Banking and Capital Markets, Insurance, Energy, Telecom, Media, Utilities

# Leveraging Global Networks

**Client:** One of the largest financial news and data company in the world, covering more than 5 million financial instruments, offering an array of sophisticated trading tools and services.

## Client Requirements

Accurate information  
Real-time updates and high speed information  
More than 10 European, 6 Asian and English languages covered  
Round the clock coverage of financial markets  
Scalability & flexibility of operations

## Infosys Solution

Extraction of estimates of financial measures of companies and industries from broker reports.

Extraction of Analyst Recommendations on stocks from Broker reports

Extraction of Key Management Profiles and their holdings from annual company filings.

Updating of Key Management Profiles from annual company filings on the Client application.

## Global Networked Delivery Model

Operations are carried out of 2 locations – India (Bangalore) & China (Hangzhou)

Asian and European Languages and Asia-Pacific and European markets covered from Hangzhou (China)

English Language and US, EMEA, APAC, LATAM covered from Bangalore (India)

All the processes can be carried out of both the locations

## Key Client Benefits

*Client gained significant cost arbitrage (approx 88% of the fully loaded costs saved)*

*Leveraging the global delivery model enabled the client to go for rapid product launches*

*Drive operational efficiencies in the Client organization by bringing down queue backlogs*

*Multiple Language Coverage: 11 European and 6 Asian languages covered between India and China*

*Global Market coverage: China center provides coverage for the APAC and EMEA region, India provides coverage for US, EMEA, LATAM*

*Operational Flexibility of hiring temporary staff in the China office to tide over seasonal flux in volumes*

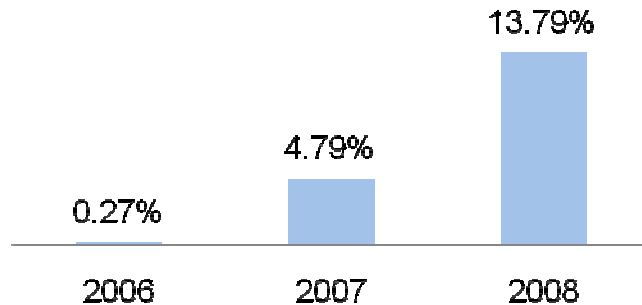
*BCP: In case of disasters at any one location the other remains functional providing for natural failover and continuity*

*Improved time to market for the client through rapid product introduction*



# Business outcome-based Contracts

Transaction Pricing as %age of Revenue



## Emergence of multiple commercial models

- Transaction pricing
- Gain sharing
- Business outcome focused
- Fixed pricing
- FTE based

Client: One of the world's leading manufacturer of construction and mining equipment, diesel and natural gas engines, industrial gas turbines

Challenges	Solution	Benefits
<p>Non standard &amp; decentralized processes</p> <p>Lack of category level spend visibility, supplier portfolio</p> <p>Duplicate Supplier &amp; Part Numbers exist in the system- Data too huge to handle</p> <p>Legacy and multiple version of source systems</p> <p>Challenged to ensure QCLDM metrics deployment for the spend bucket</p>	<p>Leveraged managed spend analysis solution ,analyzed the entire spend data to complete a multiple track analysis for actionable cost reduction projects –</p> <ul style="list-style-type: none"> <li>• Identify Supplier Duplicates from supplier master</li> <li>• Identify part duplicates from part master</li> <li>• Price Variance Analysis</li> <li>• Supplier Aggregation Analysis</li> <li>• Process Optimization Assessment</li> </ul> <p>Prioritized the identified opportunities for implementation based on Benefits-Realization matrix that compared the projected savings with ease of realization</p> <p><b>Outcome Based Pricing:</b> % Gain Sharing based on Savings (Variable) + % based on Spends (Fixed)</p>	<p>Identified up to</p> <ul style="list-style-type: none"> <li>•\$3Mn savings opportunity in addressable direct material spend</li> <li>•15% supplier duplicates identified</li> <li>•Benefits case developed and roadmap agreed for implementation of identified spend reduction projects in multiple phases</li> </ul>

# Captive spinoff – The Philips Experience

## Captive Spinoff-Rationale

- Create financial value through sale of asset
- Staff engagement levels in a captive is difficult to sustain – it drops from launch of captive to the time the captive matures
- Better ability to manage risk – global footprint of provider for BCP, stronger emphasis on quality of process and operations approach mitigates process risk
- Ability to absorb acquisitions and divest faster
- Greater drive towards commoditization of processes
- Accelerate scope expansion to other processes / functions and generate more value

## The Philips Deal

- 7 year, Global BPO Contract to provide F&A and non-product related transactional procurement BPO services to Philips
- Philips' F&A and Procurement Global Shared Services Centers in India, Poland and Thailand sold to Infosys BPO
- About 1400 FTEs (between F&A and Procurement) including all management positions taken over by Infosys BPO & significantly increasing the availability of senior management in Europe and APAC.

### Scoped Processes

- E2E Finance & Accounting functions including European specific VAT processing, Statutory reporting in more than 25 countries, SOX compliance consulting for over 15 business units, activities related to book closure and complex inter group accounting
- Managed services in Purchasing functions (in more than 25 countries) including transactional procurement, ownership of underlying P2P SAP platform

### Countries in Scope

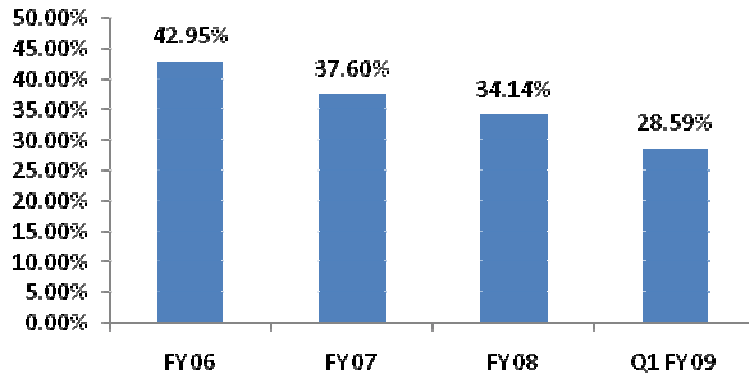
- 25 countries globally across Europe, APAC, North America

## One Year Later

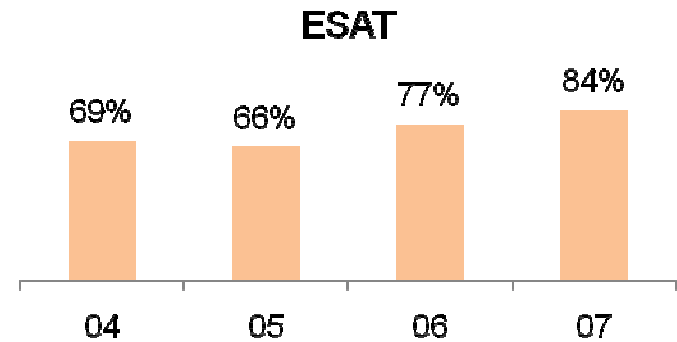
- One Year Later
- People: Integration of people successfully achieved with no disruption to business and delivery. Best HR practices being implemented
- Operations: Infosys best practices on operations excellence implemented in all 3 centers including CSAT measurement
- Transformation: Action plans, teams and governance to improve productivity and reduce cost identified and implemented
- Certifications: ISO 9000 certification completed for Lodz. Chennai planning for July (ISO 9000, ISMS - Information Security Management System)
- Capability Enhancement: Value proposition for each center defined and healthy pipeline for new clients into delivery centers

# Employee focus

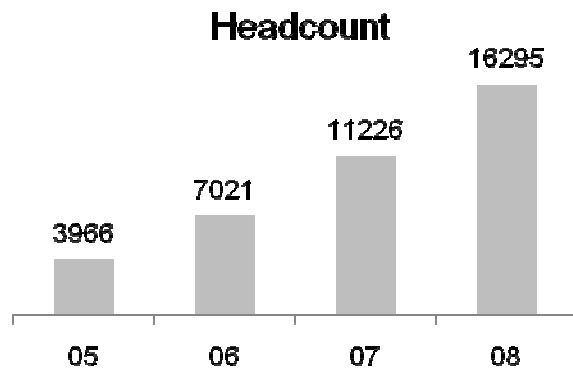
## Declining attrition rates



## Consistent increase in ESAT since FY 06



## Consistent ramp-up in employee base



## Key HR Initiatives

- Project Genesis
- Diversity Initiative
- Middle Management Development Program
- Awards
  - Asia Pacific HRM Congress Award for
    - Employee Branding Initiatives,
    - Role Model HR Professional (Nandita Gurjar)
    - Recruitment and Staffing Practice, Feb '08
  - NCPEDP - Hellen Keller Award Dec 2007
  - National Centre for Promotion of Employment for Disabled People, Dec 2007

Thank you

[www.infosys.com](http://www.infosys.com)

“The contents of this document are proprietary and confidential to Infosys Technologies Ltd. and may not be disclosed in whole or in part at any time, to any third party without the prior written consent of Infosys Technologies Ltd.”

“© 2008 Infosys Technologies Ltd. All rights reserved. Copyright in the whole and any part of this document belongs to Infosys Technologies Ltd.  
This work may not be used, sold, transferred, adapted, abridged, copied or reproduced in whole or in part, in any manner or form, or in any media, without the prior written consent of Infosys Technologies Ltd.”