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**34<sup>th</sup>**

**Annual  
General  
Meeting**

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# Financial updates

Rajiv Bansal

*Chief Financial Officer*



Certain statements 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, 2015 and on Form 6-K for the quarters ended June 30, 2014, September 30, 2014 and December 31, 2014. 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. In addition, please note that the date of this presentation is June 22, 2015, and any forward-looking statements contained herein are based on assumptions that we believe to be reasonable as of this date. 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.

- Revenues grew 6.4% in rupee terms; 5.6% in US\$ terms
- Our efforts to improve operational efficiencies led to expansion in operating margin by 1.9%
- Net profit and EPS growth of 15.8%
- Employee initiatives
  - Increased variable payouts
  - Introduced quarterly promotions
  - Compensation increases
  - Increased employee engagement and training
- Attrition reduced from 23.4% to 13.4% in last 3 quarters
- Utilization (excluding trainees) at over 80% after 11 years
- Offshore effort mix at over 70% after 4 years

- Employee addition of 53,386 (gross); 15,782 (net)
- 221 clients added during the year
- Strategic acquisitions/investments made
- Cash and cash equivalents <sup>(1)</sup> of ₹32,585 crore as at March 31, 2015
- Articulated capital allocation philosophy which led to dividend payout increase from 40% to 50% of post-tax profits
- 1:1 bonus shares in December 2014 and June 2015

*Based on IFRS INR financials*

<sup>(1)</sup> Includes current available-for-sale financial assets, certificates of deposit and quoted debt securities

# Summary financial performance

	FY15		FY14		YoY Growth
<b>IFRS – in USD million</b>					
Revenues	8,711		8,249		5.6%
Gross profit	3,337	38.3%	2,957	35.8%	12.8%
Operating profit	2,258	25.9%	1,979	24.0%	14.1%
Net profit	2,013	23.1%	1,751	21.2%	15.0%
EPS (\$) – Basic & Diluted	1.76		1.53		15.0%
<b>IFRS – in INR crore</b>					
Revenues	53,319		50,133		6.4%
Gross profit	20,436	38.3%	17,992	35.9%	13.6%
Operating profit	13,832	25.9%	12,041	24.0%	14.9%
Net profit	12,329	23.1%	10,648	21.2%	15.8%
EPS (INR) – Basic & Diluted	107.88		93.17		15.8%
USD – INR (average rate)	61.18		60.75		0.7%

# We have a strong Balance Sheet (1 of 2)

(in ₹ crore)

Assets	FY15		FY14	
<b>Current assets</b>				
Cash & cash equivalents <sup>(1)</sup>	31,241	47%	29,006	51%
Trade receivables	9,713	15%	8,351	15%
Unbilled revenues	2,845	4%	2,811	5%
Pre-payments and other current assets	3,296	5%	2,636	4%
Derivative financial instruments	101	0%	215	0%
<b>Total current assets</b>	<b>47,196</b>	<b>71%</b>	<b>43,019</b>	<b>75%</b>
<b>Non-current assets</b>				
Property, plant and equipment	9,125	14%	7,887	14%
Goodwill	3,091	5%	2,157	4%
Intangible assets	638	1%	342	1%
Investment in Associate	93	0%	–	–
Available-for-sale financial assets <sup>(2)</sup>	1,345	2%	1,252	2%
Deferred income taxes	537	1%	656	1%
Income tax assets	4,089	6%	1,522	3%
Other non-current assets	238	0%	220	0%
<b>Total non-current assets</b>	<b>19,156</b>	<b>29%</b>	<b>14,036</b>	<b>25%</b>
<b>Total assets</b>	<b>66,352</b>	<b>100%</b>	<b>57,055</b>	<b>100%</b>

Based on IFRS financials

(1) Includes financial assets available-for-sale and certificates of deposit

(2) Includes quoted debt securities of ₹ 1,344 crore and ₹ 1,245 crore as of March 31, 2015 and March 31, 2014 respectively

# We have a strong Balance Sheet (2 of 2)

(in ₹ crore)

Liabilities and stockholders equity	FY15		FY14	
<b>Current liabilities</b>				
Current income tax liabilities	2,818	4%	2,187	4%
Unearned revenue	1,052	2%	660	1%
Employee benefit obligations	1,069	2%	954	2%
Accrued compensation to employees	2,106	3%	1,594	3%
Accrued expenses	1,984	3%	1,846	3%
Withholding taxes	904	1%	912	1%
Other current liabilities	1,450	2%	985	2%
<b>Total current liabilities</b>	<b>11,383</b>	<b>17%</b>	<b>9,138</b>	<b>16%</b>
<b>Non-current liabilities</b>	<b>206</b>	<b>0%</b>	<b>387</b>	<b>1%</b>
<b>Stockholders equity</b>				
Share capital	572	1%	286	1%
Share premium	2,806	4%	3,090	5%
Retained earnings	50,978	77%	43,584	76%
Other components of equity	407	1%	570	1%
<b>Total liabilities and equity</b>	<b>66,352</b>	<b>100%</b>	<b>57,055</b>	<b>100%</b>

Based on IFRS financials



# We continue to balance liquidity and return

	Threshold	FY15	FY14	FY13
ROCE (%)		36.4%	35.8%	37.3%
Times cost of capital	At least 2x	2.6x	2.7x	2.3x

ROIC (%)		61.1%	62.2%	64.9%
Times cost of capital	At least 3x	4.4x	4.7x	4.0x

Dividend (% of net profits) <sup>(1)</sup>	Up to 50%	49.8%	39.7%	29.9%
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Notes: Based on standalone Indian GAAP financials

<sup>(1)</sup> The dividend payout ratio as a percentage of consolidated profits has increased from 30% to 40% in fiscal 2014 and 40% to 50% effective fiscal 2015.

Dividend % includes Dividend Distribution Tax

# We saw broad-based growth

(in ₹ crore)

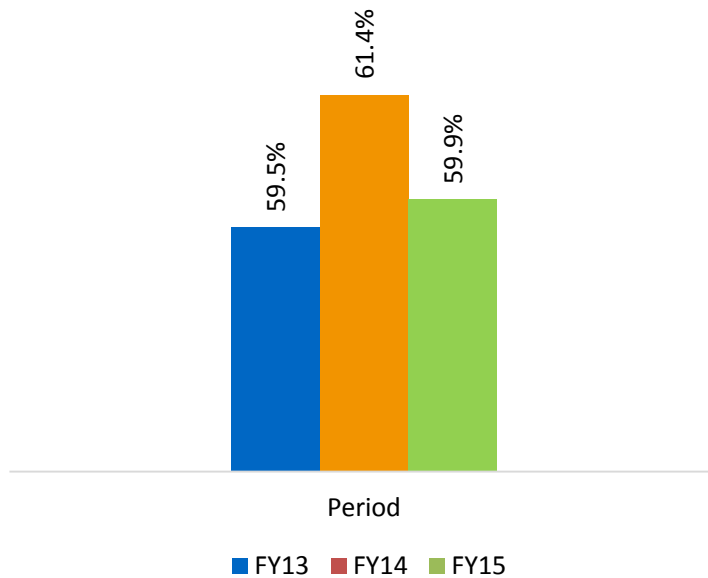
Business segment	FY15	% of Rev	FY14	% of Rev	Growth
Financial Services and Insurance (FSI)	15,575	29.2%	14,698	29.3%	6.0%
Manufacturing (MFG)	11,735	22.0%	10,853	21.6%	8.1%
Energy & Utilities, Communication and Services (ECS)	8,580	16.1%	7,932	15.8%	8.2%
Retail, Consumer Packaged Goods and Logistics (RCL)	8,669	16.3%	8,346	16.7%	3.9%
Life Sciences and Healthcare (LSH)	3,584	6.7%	3,399	6.8%	5.4%
Growth Markets (GMU)	5,176	9.7%	4,905	9.8%	5.5%
<b>Total</b>	<b>53,319</b>	<b>100.0%</b>	<b>50,133</b>	<b>100.0%</b>	<b>6.4%</b>

(in ₹ crore)

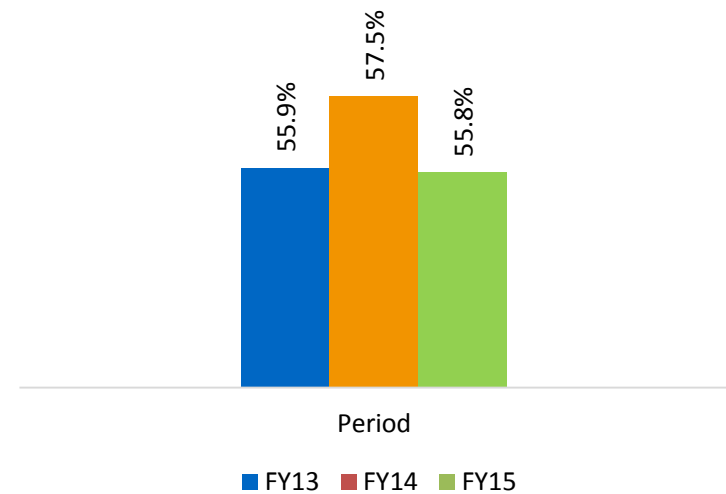
Geography segment	FY15	% of Rev	FY14	% of Rev	Growth
North America	32,794	61.5%	30,413	60.7%	7.8%
Europe	12,829	24.1%	12,250	24.4%	4.7%
India	1,284	2.4%	1,294	2.6%	(0.8)%
Rest of the World	6,412	12.0%	6,176	12.3%	3.8%
<b>Total</b>	<b>53,319</b>	<b>100.0%</b>	<b>50,133</b>	<b>100.0%</b>	<b>6.4%</b>

Based on IFRS financials

# Employee cost as a % of revenue



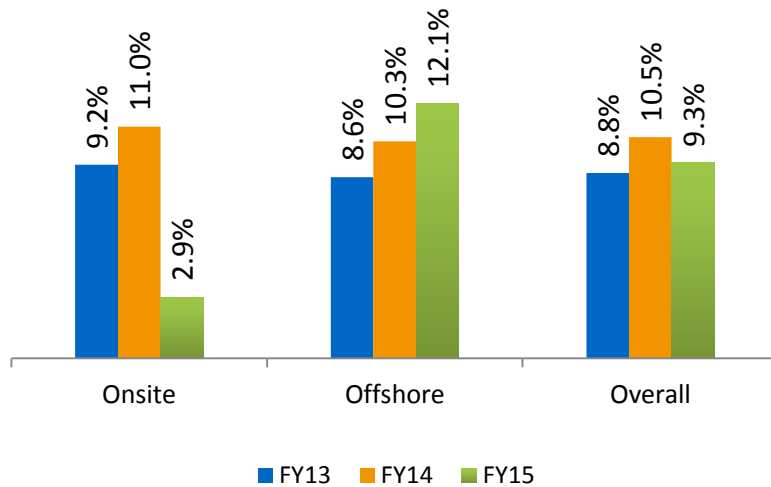
*\* including Cost of technical sub-contractors*



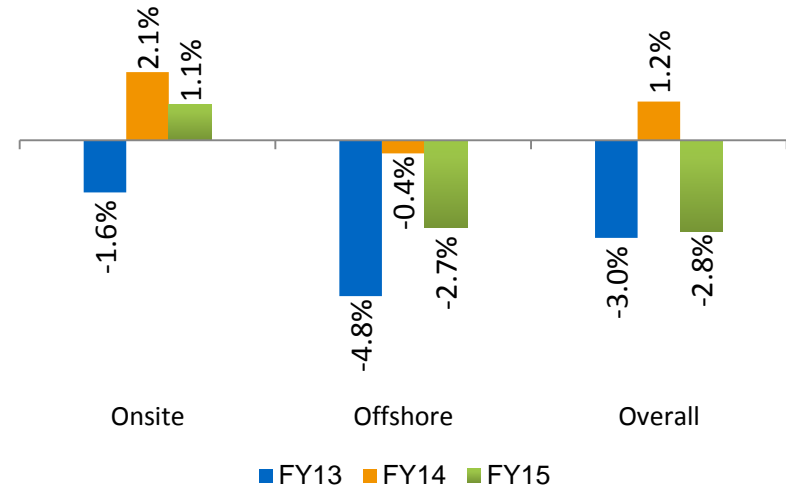
*# excluding Cost of technical sub-contractors*

# Volume growth and realization change

## Volume growth



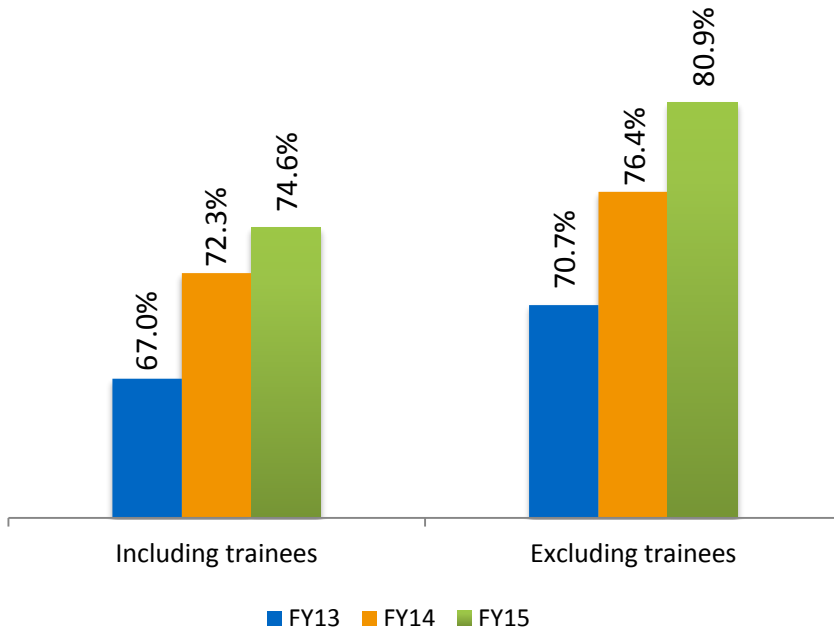
## Realization change



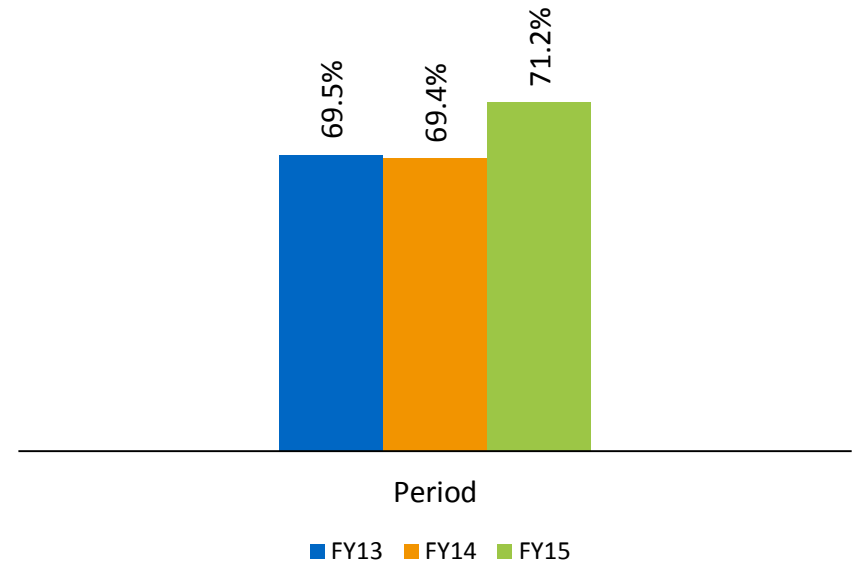
IT services only

# Utilization and offshore mix improved

## Utilization



## Offshore Mix



IT services only

## Other income

(in ₹ crore)

	FY15	FY14	FY13
Interest and dividend	2,892	2,380	2,022
Exchange gain	475	230	258
Others	60	59	79
<b>Total</b>	<b>3,427</b>	<b>2,669</b>	<b>2,359</b>

## Hedge positions

(in \$ million)

	FY15	FY14	FY13
Forwards	997	1,038	1,102
Options	–	20	–
<b>Total</b>	<b>997</b>	<b>1,058</b>	<b>1,102</b>

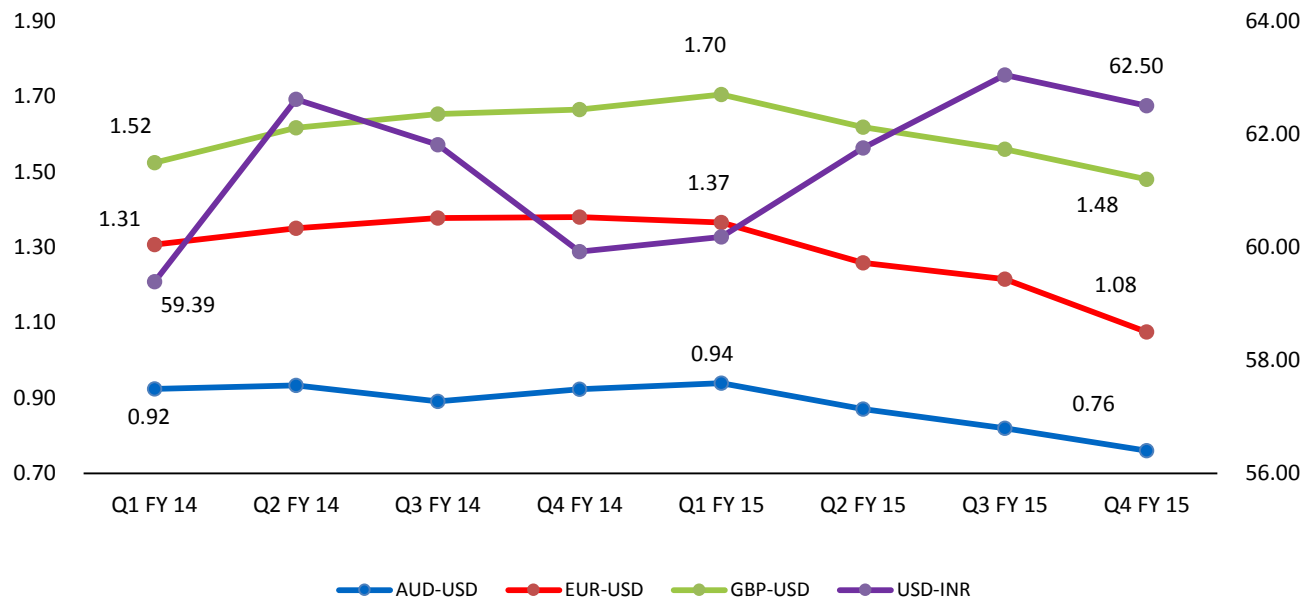
Based on IFRS financials

# Global currencies were highly volatile

Revenues by currency	FY15	FY14	FY13
USD	68.9%	68.8%	70.6%
AUD	7.6%	7.9%	8.3%
EUR	10.2%	10.3%	8.8%
GBP	5.9%	5.9%	6.4%

Average rate of USD vs.	FY15	FY14	Appreciation / (Depreciation)
INR	61.18	60.75	0.7%
AUD	0.87	0.93	6.5%
EUR	1.26	1.35	6.7%
GBP	1.61	1.60	(0.6)%

# Global currencies were highly volatile





- Constant currency revenue growth of 10%-12%
- USD revenue growth of 6.2%-8.2% (3.8% impact on growth due to cross-currency movement)
- INR revenue growth of 8.4%-10.4%

**Expect to grow in line with industry in FY 17**

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Thank you

