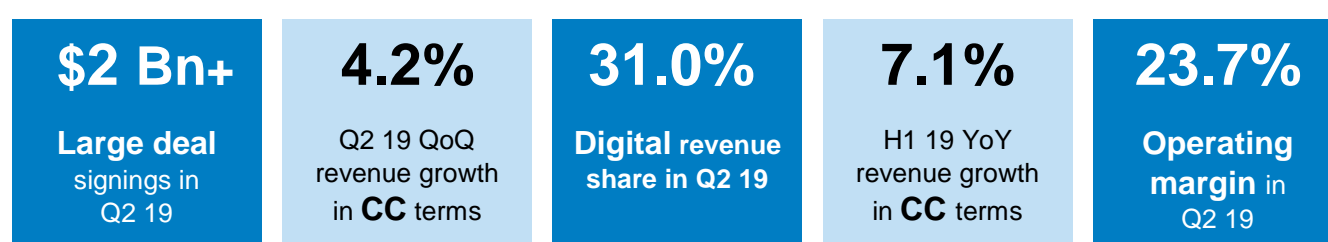


Broad-based Growth and Digital Resulted in a Strong Q2 19

Infosys (NYSE: INFY) announces results for the Quarter ended September 30, 2018

Bengaluru, India – October 16, 2018

“We are delighted with our broad-based growth across all business segments and geographies during the quarter. This is a testimony to our strong client relationships, digital led full service capabilities, and intense focus on the needs of our clients”, **said Salil Parekh, CEO and MD**. “Large deal wins at over \$2 billion during the quarter demonstrate our increased client relevance and also give us better growth visibility for the near-term.”



- Q2 19 revenues grew year-on-year by 17.3% in INR terms; 8.1% in constant currency terms
- Q2 19 revenues grew sequentially by 7.7% in INR terms; 4.2% in constant currency terms
- Digital revenues at \$905 million (31.0% of total revenues), year-on-year growth of 33.5% and sequential growth of 13.5% in constant currency terms
- H1 revenues grew by 14.7% in INR terms; 7.1% in constant currency terms
- Operating margin 23.7%, at higher end of guidance range
- Q2 19 Basic EPS grew year-on-year by 16.0% in INR terms
- Large deal wins crossed \$2 billion
- Declared interim dividend of ₹7 per share
- FY 19 revenue guidance in constant currency retained at 6%-8%; Operating margin guidance retained at 22%-24%

1. Financial Highlights- Consolidated results under International Financial Reporting Standards (IFRS)

For the Quarter ended September 30, 2018	For six months ended September 30, 2018
Revenues were ₹20,609 crore, growth of 17.3% YoY and 7.7% QoQ	Revenues were ₹39,737 crore, growth of 14.7% YoY
Net profit was ₹4,110 crore, growth of 10.3% YoY and 13.8% QoQ	Net profit was ₹7,721 crore, growth of 7.1% YoY
Basic EPS was ₹9.45, growth of 16.0% YoY and 13.8% QoQ	Basic EPS was ₹17.76, growth of 12.6% YoY

“We had another quarter of solid operating parameters with utilization being stable and offshore mix improving to all-time high”, **said U B Pravin Rao, COO**. “Our Digital services grew double digits sequentially, while growth in top clients was also robust.”

“Our unwavering focus on strong financial performance on multiple fronts continued to deliver results during the quarter. Operating margins for the quarter as well as for the half year was at 23.7%, near the top end of our guidance band”, **said M.D. Ranganath, CFO**. “Operating Cash Flow was over \$1 billion during the first half of the year and ROE was at 24.7%. We will continue to make strategic investments in digital to leverage opportunities and at the same time keep sharp focus on key operational efficiency parameters.”

2. Bonus issue of equity shares

The Company has allotted 2,18,41,91,490 fully paid up equity shares of face value ₹5/- each during the three months ended September 30, 2018 pursuant to a bonus issue approved by the shareholders through postal ballot. The bonus shares have been issued to celebrate 25th year of public listing in India and to further increase the liquidity of its shares. Bonus share of one equity share for every equity share held, and a bonus issue, viz., a stock dividend of one American Depositary Share (ADS) for every ADS held, respectively, has been allotted. Consequently, the ratio of equity shares underlying the ADSs held by an American Depositary Receipt holder remains unchanged.

3. Acquisitions

- On September 7, 2018, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) entered into a definitive agreement to acquire 60% stake in Trusted Source Pte Ltd (a wholly owned subsidiary of Temasek Management Services Pte. Ltd.), a Singapore-based IT services company for a total consideration of upto SGD 12 million (approximately ₹63 crore), subject to regulatory approvals and fulfillment of closing conditions.
- On October 11, 2018, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 100% of voting interests in Fluido Oy (Fluido), a Nordic-based salesforce advisor and consulting partner in cloud consulting, implementation and training services for a total consideration of upto Euro 65 million (approximately ₹546 crore), comprising of cash consideration of Euro 45 million (approximately ₹378 crore), contingent consideration of upto Euro 12 million (approximately ₹101 crore) and retention payouts of upto Euro 8 million (approximately ₹67 crore), payable to the employees of Fluido over the next three years, subject to their continuous employment with the group. The payment of contingent consideration to sellers of Fluido is dependent upon the achievement of certain financial targets by Fluido.

4. Update on arbitration proceedings

On September 17, 2018 the Arbitral Tribunal of Hon'ble Justice R.V. Raveendran (retired) communicated the decision with regard to the dispute between Infosys Ltd. and its former CFO Mr. Rajiv Bansal. The Company has received legal advice and will comply with the award and make the necessary payments.

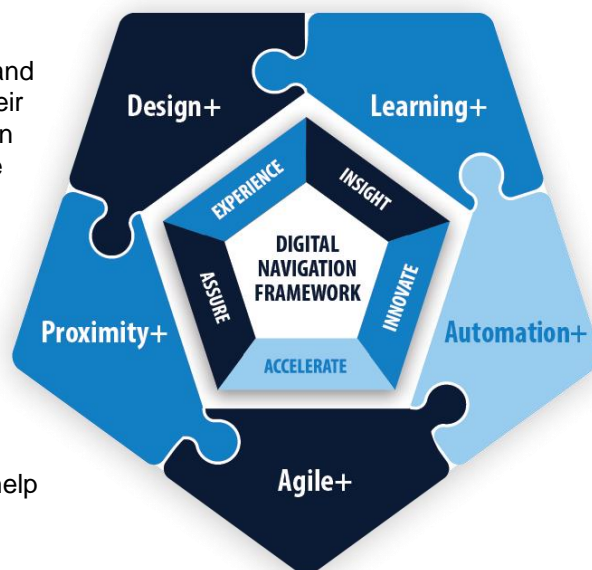
5. Shareholder visit to Mysuru campus

Shareholders of the Company are being offered an opportunity to visit the Company's campus in Mysuru on November 24, 2018. Shareholders who would like to avail this opportunity need to register at www.infosys.com between October 25, 2018 and November 15, 2018. As the number of shareholders the company can host on this visit are limited, shareholders will be accommodated on a first come, first serve basis. This visit is for shareholders only, and is not extended to family and friends. This follows several requests made by shareholders to visit the Company campus. The Company will provide transport from its registered office in Electronics City, Bengaluru and incur all associated costs for this visit from Bengaluru to Mysuru.

About Infosys

Infosys is a global leader in next-generation digital services and consulting. We enable clients in 45 countries to navigate their digital transformation. With over three decades of experience in managing the systems and workings of global enterprises, we expertly steer our clients through their digital journey. We do it by enabling the enterprise with an AI-powered core that helps prioritize the execution of change. We also empower the business with agile digital at scale to deliver unprecedented levels of performance and customer delight. Our always-on learning agenda drives their continuous improvement through building and transferring digital skills, expertise, and ideas from our innovation ecosystem.

Visit www.infosys.com to see how Infosys (NYSE: INFY) can help your enterprise navigate your next.



Safe Harbor

Certain statements mentioned in this release 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, 2018. 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.

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Infosys Limited and subsidiaries

Audited Condensed Consolidated Balance Sheet as at

(In ₹ crore except share data)

	September 30, 2018	March 31, 2018
ASSETS		
Current assets		
Cash and cash equivalents	17,851	19,818
Current investments	7,580	6,407
Trade receivables	14,781	13,142
Unbilled revenue	5,187	4,261
Prepayments and other current assets	4,795	4,313
Derivative financial instruments	21	16
	50,215	47,957
Assets held for sale ⁽³⁾	1,958	2,060
Total current assets	52,173	50,017
Non-current assets		
Property, plant and equipment	12,376	12,143
Goodwill	2,496	2,211
Intangible assets	364	247
Investment in associate	-	-
Non-current investments	5,165	5,756
Deferred income tax assets	1,360	1,282
Income tax assets	6,085	6,070
Other non-current assets	1,806	2,164
Total non-current assets	29,652	29,873
Total assets	81,825	79,890
LIABILITIES AND EQUITY		
Current liabilities		
Trade payables	1,193	694
Derivative financial instruments	310	42
Current income tax liabilities	1,448	2,043
Client deposits	90	38
Unearned revenue	2,405	2,295
Employee benefit obligations	1,555	1,421
Provisions	617	492
Other current liabilities	7,831	6,756
	15,449	13,781
Liabilities directly associated with assets held for sale ⁽³⁾	346	324
Total current liabilities	15,795	14,105
Non-current liabilities		
Deferred income tax liabilities	474	541
Employee benefit obligations	46	48
Other non-current liabilities	361	272
Total liabilities	16,676	14,966
Equity		
Share capital- ₹5 par value 4,80,00,00,000 (2,40,00,00,000) equity shares authorized, issued and outstanding 4,34,74,52,598 (2,17,33,12,301), net of 2,09,30,382 (1,08,01,956) treasury shares, as at September 30, 2018 (March 31, 2018), respectively	2,176	1,088
Share premium	281	186
Retained earnings	59,195	61,241
Cash flow hedge reserves	(20)	-
Other reserves	2,314	1,583
Capital redemption reserve	56	56
Other components of equity	1,146	769
Total equity attributable to equity holders of the company	65,148	64,923
Non-controlling interests	1	1
Total equity	65,149	64,924
Total liabilities and equity	81,825	79,890

Infosys Limited and subsidiaries

Audited Condensed Consolidated Statement of Comprehensive Income for the

(In ₹ crore except equity share and per equity share data)

	Three months ended September 30, 2018	Three months ended September 30, 2017	Six months ended September 30, 2018	Six months ended September 30, 2017
Revenues	20,609	17,567	39,737	34,645
Cost of sales	13,281	11,227	25,569	22,126
Gross profit	7,328	6,340	14,168	12,519
Operating expenses:				
Selling and marketing expenses	1,088	846	2,092	1,735
Administrative expenses	1,346	1,248	2,645	2,427
Total operating expenses	2,434	2,094	4,737	4,162
Operating profit	4,894	4,246	9,431	8,357
Other income, net	739	883	1,465	1,697
Reduction in the fair value of Disposal Group held for sale ⁽³⁾	-	-	(270)	-
Share in net profit/(loss) of associate, including impairment ⁽⁴⁾	-	-	-	(71)
Profit before income taxes	5,633	5,129	10,626	9,983
Income tax expense	1,523	1,403	2,905	2,774
Net profit	4,110	3,726	7,721	7,209
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Re-measurement of the net defined benefit liability/asset, net	3	6	4	3
Equity instruments through other comprehensive income, net	8	-	12	-
<i>Items that will be reclassified subsequently to profit or loss:</i>				
Fair value changes on derivatives designated as cash flow hedge, net	(29)	20	(20)	(46)
Exchange differences on translation of foreign operations	334	100	421	207
Fair value changes on investments, net	(15)	12	(60)	39
Total other comprehensive income/(loss), net of tax	301	138	357	203
Total comprehensive income	4,411	3,864	8,078	7,412
Profit attributable to:				
Owners of the Company	4,110	3,726	7,721	7,209
Non-controlling interests	-	-	-	-
	4,110	3,726	7,721	7,209
Total comprehensive income attributable to:				
Owners of the Company	4,411	3,864	8,078	7,412
Non-controlling interests	-	-	-	-
	4,411	3,864	8,078	7,412
Earnings per equity share⁽⁵⁾				
Basic (₹)	9.45	8.15	17.76	15.77
Diluted (₹)	9.44	8.15	17.74	15.76
Weighted average equity shares used in computing earnings per equity share				
Basic	434,70,55,177	457,17,30,722	434,68,57,296	457,15,24,372
Diluted	435,22,08,472	457,50,52,366	435,19,15,210	457,57,65,068

NOTES:

1. The audited **condensed consolidated Balance sheet and Statement of Comprehensive Income** for the three months and half year ended September 30, 2018 have been taken on record at the Board meeting held on October 16, 2018.
2. A Fact Sheet providing the operating metrics of the Company can be downloaded from www.infosys.com
3. During quarter ended June 30, 2018, on remeasurement, including consideration of progress in negotiations on offers from prospective buyers for Panaya, the Company has recorded a reduction in the fair value of Disposal Group held for sale amounting to ₹270 crore in respect of Panaya. Consequently, profit for the half-year ended September 30, 2018 has decreased by ₹270 crore resulting in a decrease in basic earnings per equity share by ₹0.62 (adjusted for September 2018 bonus issue) for the half-year ended September 30, 2018.
4. During the quarter ended June 30, 2017, the Company had written down the entire carrying value of the investment in its associate DWA Nova LLC amounting to ₹71 crore
5. Previous period share numbers and EPS have been adjusted for September 2018 bonus issue in accordance with IAS 33, Earnings per share