

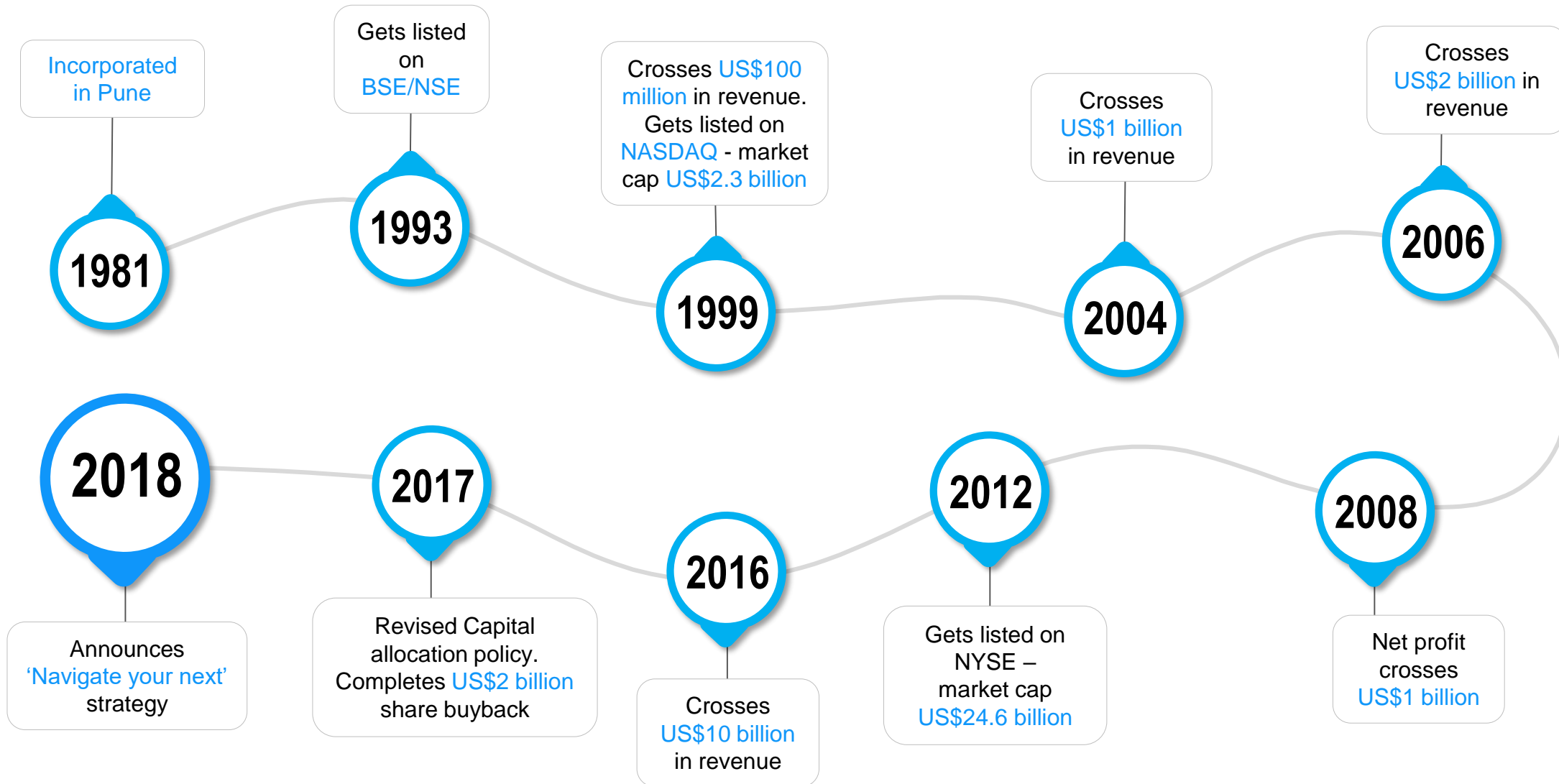
# INVESTOR PRESENTATION

April 2019

# Safe Harbor

“Certain statements mentioned in this release concerning our future growth prospects and our future business expectations are forward-looking statements intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995. Such statements 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](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 unless it is required by law.

# Key Milestones



# History of 'Firsts'

**1994**

'First' Company to introduce concept of ESOP's in India

**1996**

'First' Indian Company to voluntarily adopt US and six other countries' GAAP reporting

**1999**

'First' Indian Company to publish quarterly audited financials

**1999**

'First' Indian Company to be listed on the NASDAQ stock exchange

**2005**

'First' Indian Company to comply with SOX

**2017**

'First' Indian Company to facilitate ADR participation in Indian Share Buyback

**2018**

'First' Indian Company to sign a Unilateral APA with US IRS

# Key Statistics



## REVENUE

US\$11.80 bn/  
Rs.82,675 cr



## DIGITAL REVENUE

US\$3.68 bn/  
31.2% of total revenue



## FREE CASH FLOW

US\$1.91 bn/  
Rs. 13,399 cr



## EMPLOYEES

228.1K with  
36.7% women



## CASH & CASH EQUIVALENTS

US\$4.44 bn/  
Rs. 30,690 cr



## MARKET CAP

US\$48 bn/  
Rs. 324,448 cr

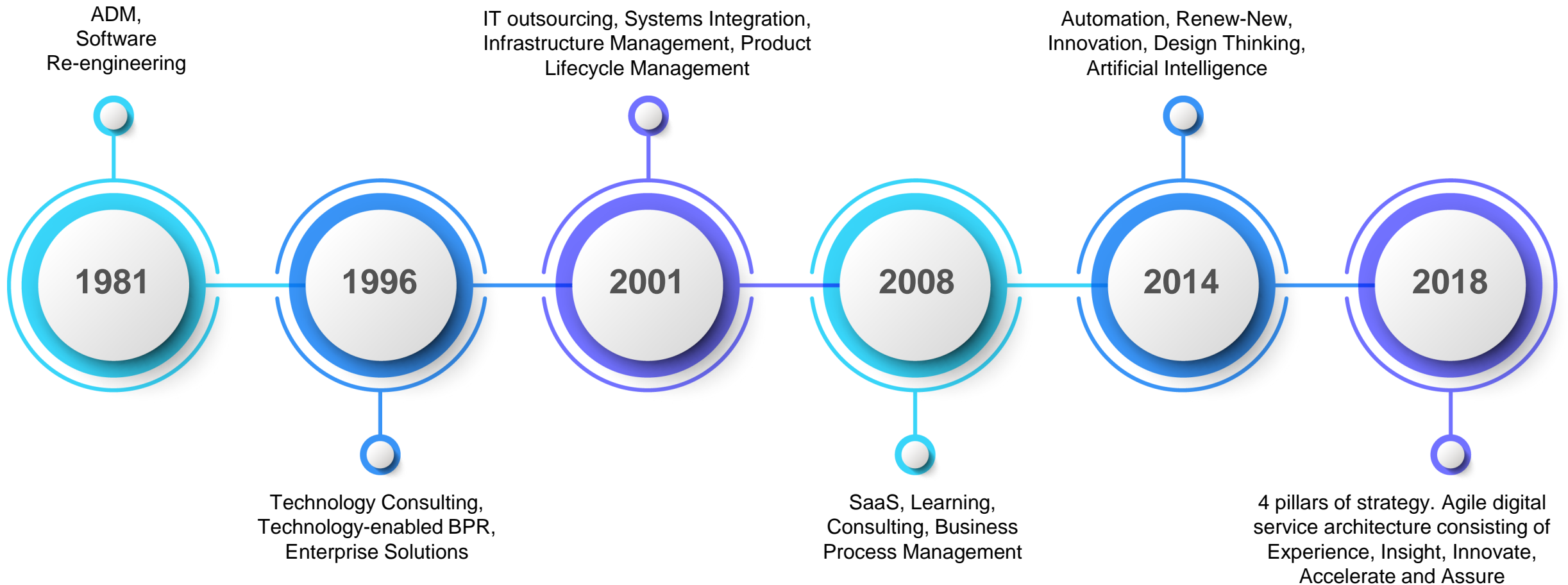


## OPERATING PROFIT

US\$2.70 bn/  
Rs. 18,880 cr

As of FY 19

# Expanding the Services Footprint



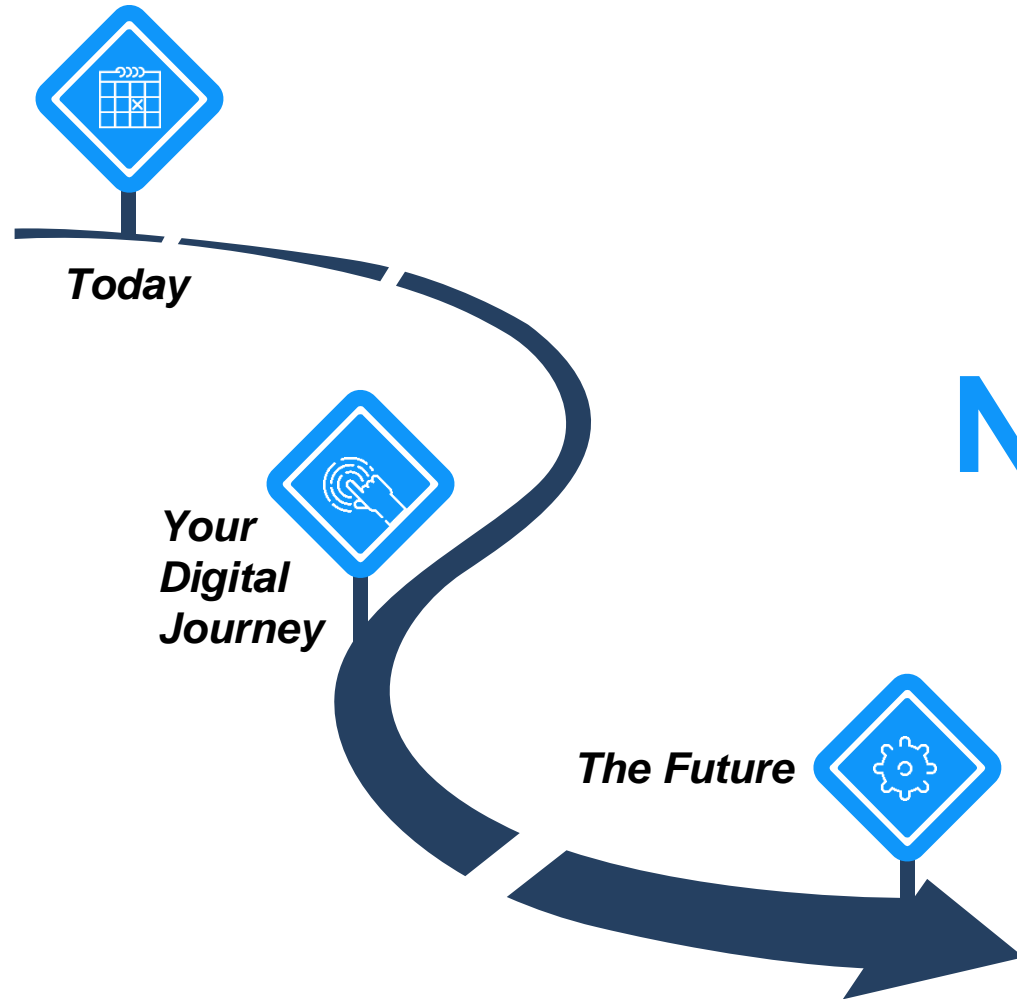
People | Organization | Infrastructure | Process | Quality

**Infosys Global Delivery Model**

# Our strategy is informed by the beliefs of our clients

- 1 They are witnessing an exponential increase in the adoption of Digital
- 2 The extent of disruption varies, some are being disrupted, some disrupting
- 3 Focus has been on re-imagining the experience, been slow to digitize the core
- 4 Service line boundaries are blurring, looking for integrated solutions
- 5 Digital is not just about technologies but driving business outcomes

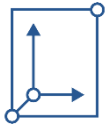
# We are well positioned to help our clients navigate their digital journey



## Navigate your Next



# Expanding client relevance with four pillars



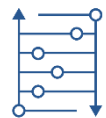
## Scale Agile Digital

Invest in digital capabilities & priority services



## Energize the Core

Infuse AI and automation, leveraging NIA



## Expand skilling

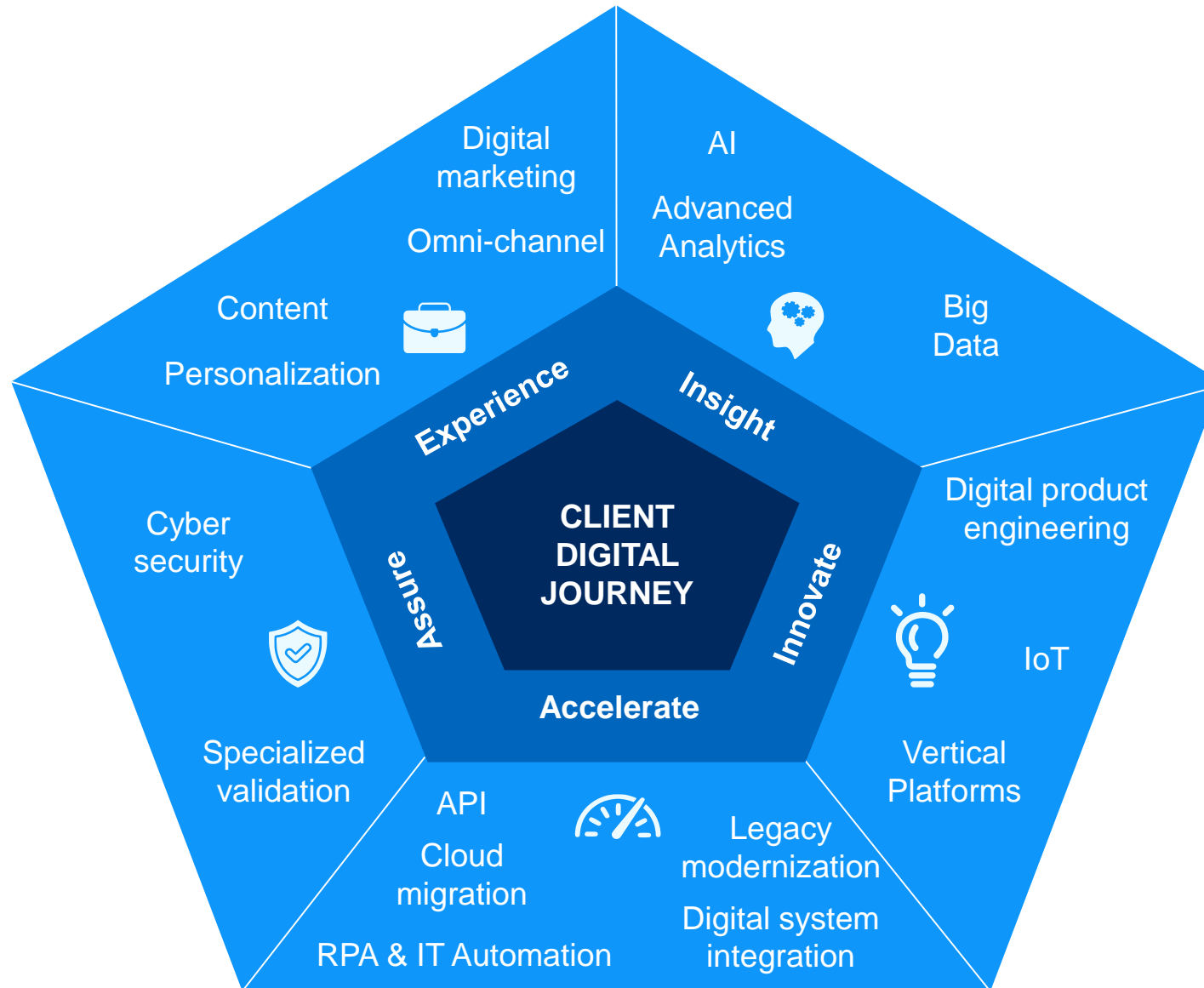
Re-skill talent at scale for us and our clients



## Drive Localization

Hire locally in markets, local delivery & training

# Our Agile Digital service architecture is comprehensive



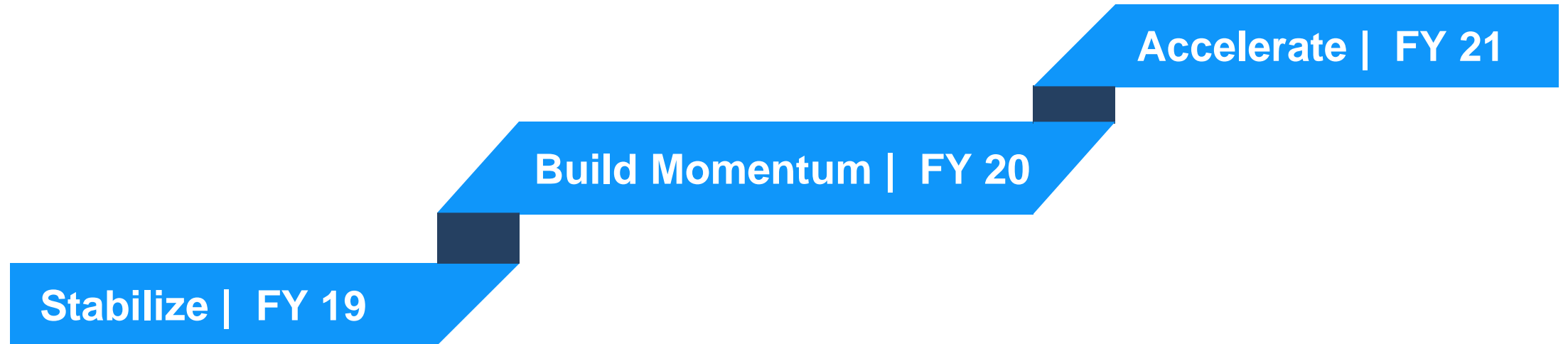
The Agile Digital market opportunity estimated to be ~ \$160Bn to \$200Bn

# We have a large and growing Agile Digital portfolio



Digital revenues at **33.8%** of total revenues in Q4 FY19

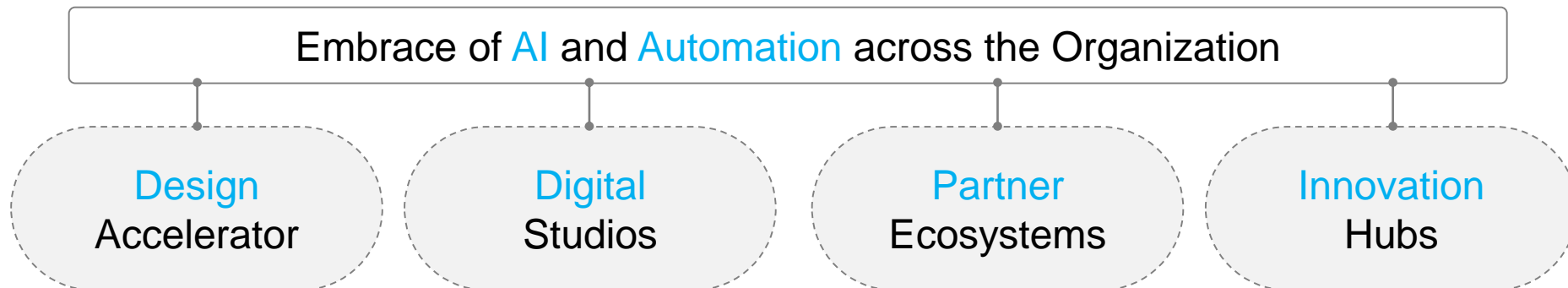
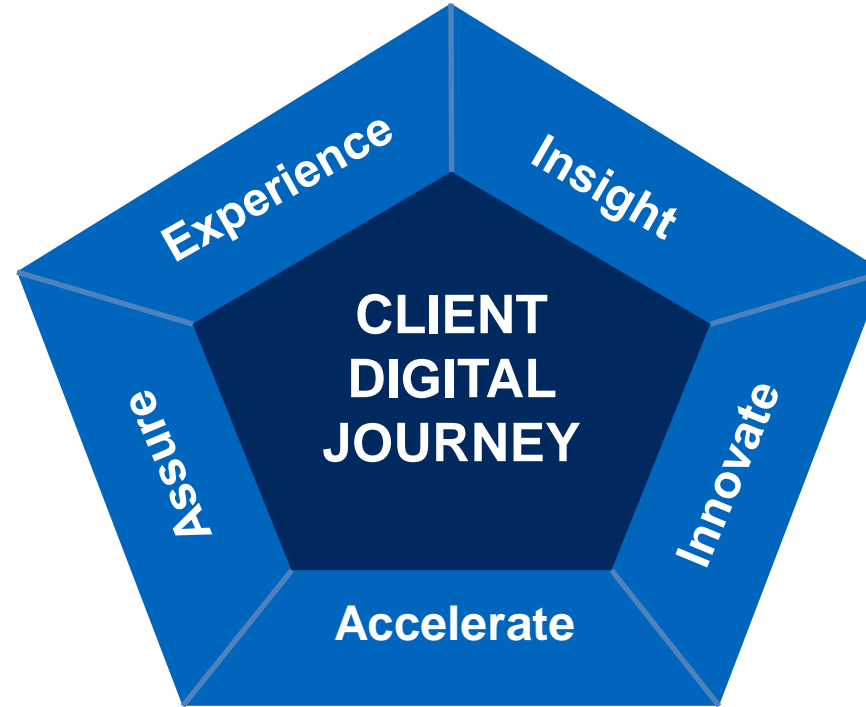
# We have set a 3-year roadmap to achieve our objectives



# SCALE AGILE DIGITAL

# Scale Agile Digital

Staying relevant to help our clients navigate their digital journey



# Experience

**Design-led transformation. From brand to experience.**



Design accelerator partnership with a leading design school



Strategic design consulting capabilities



New, integrated offerings led by digital experience creation



Refactoring talent



**Digital Studios**

**Brilliant Basics**

4 EMEA studios

**Wongdoody**

2 USA studios

APAC and LATAM  
studios planned

# FOR A WORLD LEADER IN NETWORKING, HI-TECH PRODUCTS AND SERVICES

## WHY REINVENT?

Create world-class customer experience and drive efficiency across operations



## HOW WE DID IT

Converting back office to Elite agents in front office focusing on customer experience and building value to reinvent customer's operations

- Operations Excellence
- Process Orchestration
- Automation at Scale

## WHAT WE ACHIEVED



**95%**

**of cases processed through online customer service portal are resolved without human intervention**

**1.5+million**

**Digitized Cases per year**



**80%**

**Savings in dollars spent**

**~50%**

**reduction in Back Office Agents**



**33%**

**Forecasted Cost Savings from baseline "Cost to serve"**

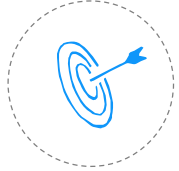
**8Mn**

**hours of wait time eliminated**



# Insight

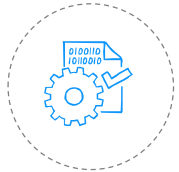
**Do 100x more. Do it yourself**



IP led differentiation: Genome, Hawkeye



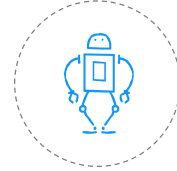
Bundled solutions with new age partners



Campaigns across our client base



Data scientist capabilities



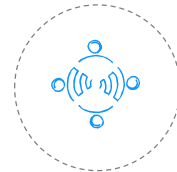
Emerging AI powered solutions e.g. next gen Chatbots



Consulting-led demand generation



Launch of new offerings



Refactoring talent

# FOR A WORLD LEADER IN SPORTS GOODS, FASHION AND LIFESTYLE PRODUCTS

## WHY REINVENT?

Ambition to quadruple their e-commerce revenue in 4 years.

They leveraged every consumer touchpoint to create insights which shape experiences that are premium, connected and personalized.



## HOW WE DID IT

- Conceptualized “**Consumer Genome**” by bringing together 5000+ consumer attributes combinations
- Single consumer view through platform agnostic eCommerce
- Conceptualize and accelerate implementation of new Digital capabilities across markets including insights, campaigns, CRM and omni-channel commerce

## WHAT WE ACHIEVED



**>35%** Repeat buyer rate

**2X** market share growth in the largest market

**67%** NPS improvement



**<30 mins**

for segmentation of any marketing campaign using consumer genome concept

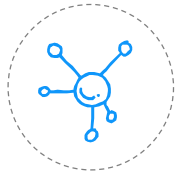


**80%** savings in delivery time

**50%** savings in shipping cost

# Innovate

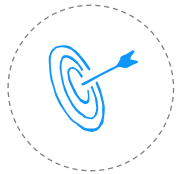
**Bridge the physical and the digital, with software and platforms**



Unique collaboration for autonomous technology



Co-creation of IP with clients leveraging NIA



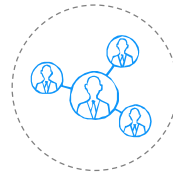
Industry 4.0 Assessment, Future of Production and Infosys Knowledge Platform



Re-skilling for technologies of tomorrow



Ecosystem of partners, startups and academia



Modernizing McCamish platform

# FOR ONE OF THE FASTEST GROWING MULTI-MODAL LOGISTICS ENTERPRISE

## WHY DISRUPT?

Client wanted to establish a cloud-based, digital freight marketplace that is fully automated, self-learning and dynamic.

A platform to provide shippers with real-time visibility and opportunities to realize time and cost savings



## HOW WE DID IT

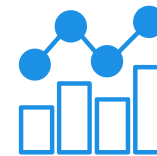
We were engaged right from the concept stage and we jointly defined the strategy that set stage for this disruption.

- Build scalable, extensible and agile architecture, rolled out across multiple Business Units
- Capability building through continuous customer and carrier engagement
- Data science-led actionable insights and BI to accelerate adoption and roll out

## WHAT WE ACHIEVED



**~20% improvement**  
in Load Profitability



**5 customer acquisitions** within 3 months of launch. Created an additional pipeline of revenues that is on-track to contribute to 15% increase in annual revenues



**93 days** to launch industry disrupting digital marketplace platform for first mile, middle mile and last mile logistics

# Accelerate

**Keep your Core. Keep Innovating.**



Campaigns to increase adoption of Open Source, DevOps and Agile



Strong relationships with strategic partners for joint GTM and solutions



Differentiation through IP and Solutions



Subscription models bundled with Infosys IP



Full-stack developer & architect capability



'Consult-sell-deliver' capabilities to influence downstream business

# Assure

**Run the Business. Not the Risks.**



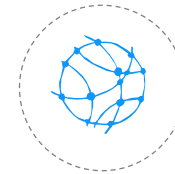
Cyber Defense Centers



1 Million+ assurance use case repository



ICSP - Differentiation based on People + Software



Campaigns on 'vulnerability assessment'



Security architect capabilities



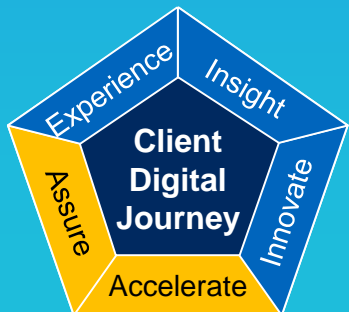
New age assurance capabilities

# FROM A TELCO TO A TECH-CO

## WHY DISRUPT?

To simplify Telstra's business by providing seamless digital experiences, launch products and services faster with deep involvement from customers

In summary, create a brilliant connected future for everyone.



## HOW WE DID IT

Telstra & Infosys Co-created a **High Performance Software Engineering (HPSE)** model:

- Adopted digital ways of working
- State-of-the-art digital delivery centers enabling Co Creation and Innovation
- Small and Nimble autonomous teams delivering multiple releases
- Minimal viable product approach to create what is right for customer
- Automation that allows us to move at speed with confidence

## WHAT WE ACHIEVED



**~98%**

**Requirements to Go Live reduced from 2+ months to on demand**



**~77%**

**Deployment cycle reduced from 3 months to 3 weeks**

# Our scalable software and platforms are part of our portfolio



**Automation, AI and  
business application  
platforms**

50+ customers  
10,000+ processes automated with RPA  
50,000+ bots are live



**Industry leading suite  
of digital and core  
banking solutions**

1.3 billion+ bank accounts  
16.5% of the world's adult banking population  
Footprint across 100 countries



**Leading platform in  
the insurance and  
financial services  
industry**

750,000+ transactions managed monthly  
2 million+ agents & representatives managed



# Ecosystem partnerships are vital to scaling Agile Digital



**LARGE  
ECOSYSTEMS**



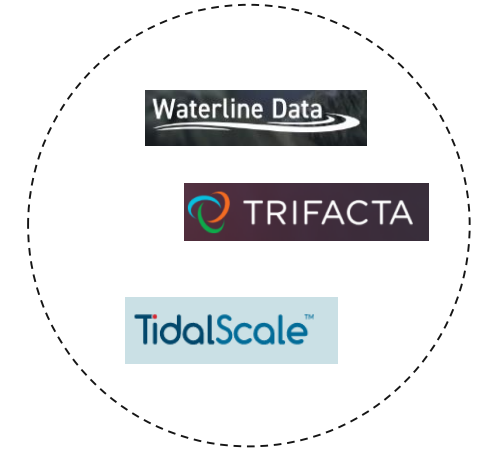
**NEW AGE  
ECOSYSTEMS**



**ENTERPRISE  
PARTNERS**



**INDUSTRY  
GROUPS**











**STARTUP  
ECOSYSTEMS**



# ENERGIZE THE CORE

# Using lean, automation and AI we are energizing *our* “core”

- 1  Standardized toolsets & CoE
- 2  Bottom-up automation opportunities
- 3  Integrated, modular platforms
- 4  Service Line R&D teams
- 5  Focus on large programs

- 1  Incentives for automation
- 2  Lean & Automation Academy
- 3  Individual productivity

# Our AI & automation service energizes *our client's* “core”



**AI & automation  
Consulting**



**AI & automation  
COE execution**



**Cognitive Solutions**



**AI & automation  
Managed Projects**

## In-house Solutions



## 3rd Party Solutions



**Conversational Bots**



**Robotic Process Automation**



**Cognitive Automation**



**Machine Learning, Analytics**



**Computer Vision & Speech**



# EXPAND SKILLING

# The cornerstones of re-skilling our talent at scale

## Learning Ecosystem

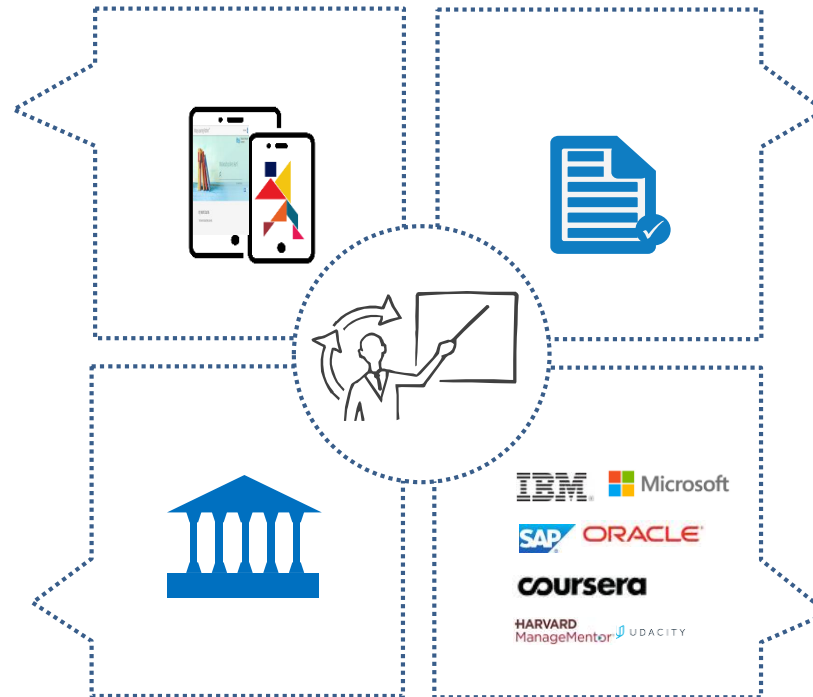
Immersive and experiential learning

Anytime-anywhere learning platforms

Redesigned training curriculum

## Academia

Partnerships for curriculum design and training



## Infosys Research

Center for Emerging Technology Solutions

Incubation of new offerings

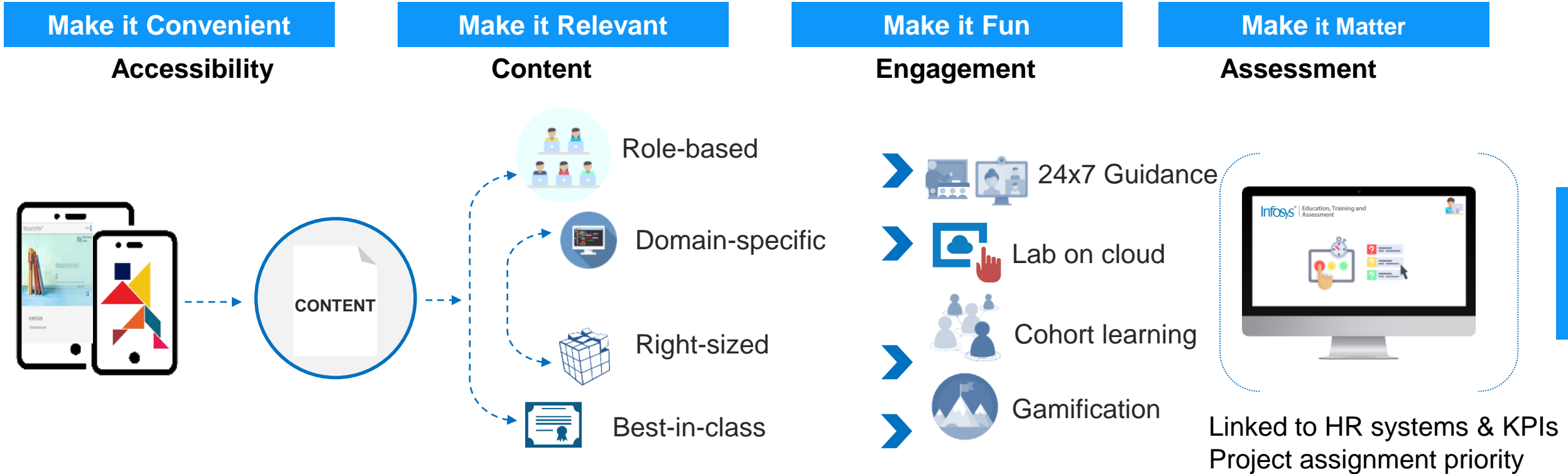
## Partnerships & Collaboration

ISV/Product company partnerships

Joint cohorts with clients and partners

Collaboration with content providers

# Our learning ecosystem makes high quality training available easily



**Anytime, Anywhere Learning**

**Infosys<sup>®</sup>**  
**WINGSPAN**



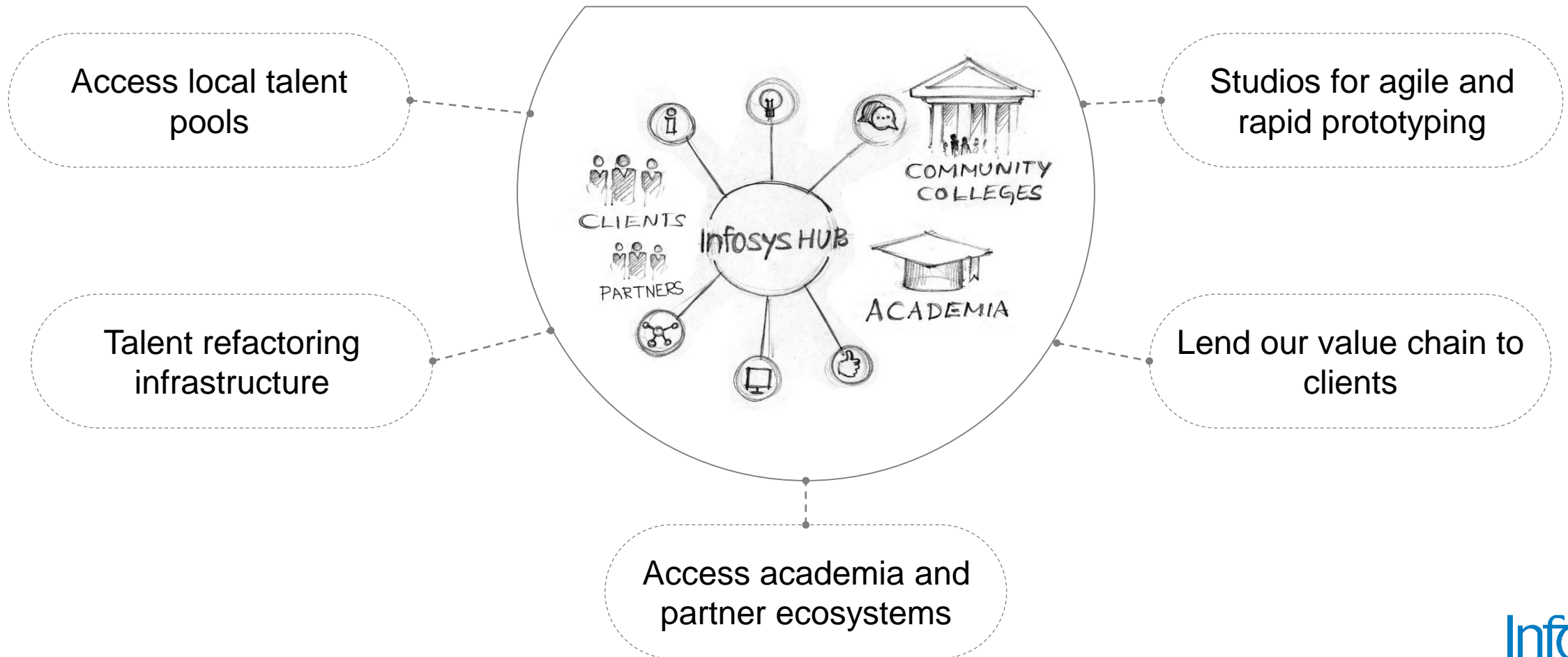


# DRIVE LOCALIZATION

# We are building local innovation & tech hubs, closer to our clients

ONSITE | **NEAR SHORE** | OFFSHORE

Opened 5 innovation and technology hubs in the US and 2 in Europe



# **FINANCIAL PERFORMANCE**

## **Q4 and FY19**

# Highlights for Q4 and FY19

**41.1% YoY**  
**33.8% FY**  
Digital CC growth

**11.7% YoY**  
**9.0% FY**  
CC growth

**21.5% Q4**  
**22.8% FY**  
Operating margin

**2.1% CC**  
**2.4% Reported**  
QoQ growth

**\$1.57Bn Q4**  
**\$6.28Bn FY**  
Large deal signings

## Guidance

FY 20 revenue guidance in the range of 7.5% - 9.5% in constant currency

FY 20 Operating margin guidance in the range of 21% - 23%

All financial numbers are based on IFRS consolidated financials

# Strong revenue growth, robust FCF and RoE in FY19

- Free Cash Flow (FCF) has been robust in FY19;
  - Effectively managed currency volatility
  - Efficient capital management
- Competitive cost structure through productivity & automation
  - Strong Revenue growth
  - Employee cost as % of revenue is stable
- Predictable and comprehensive capital allocation policy
  - Announced final dividend of Rs.10.50/share\*

**FCF**  
**\$1,913 mn**

**Revenue**  
**up 9% YoY<sup>1</sup>**

**RoE**  
**22.7%**

**Operating**  
**margin**  
**at 22.8%**

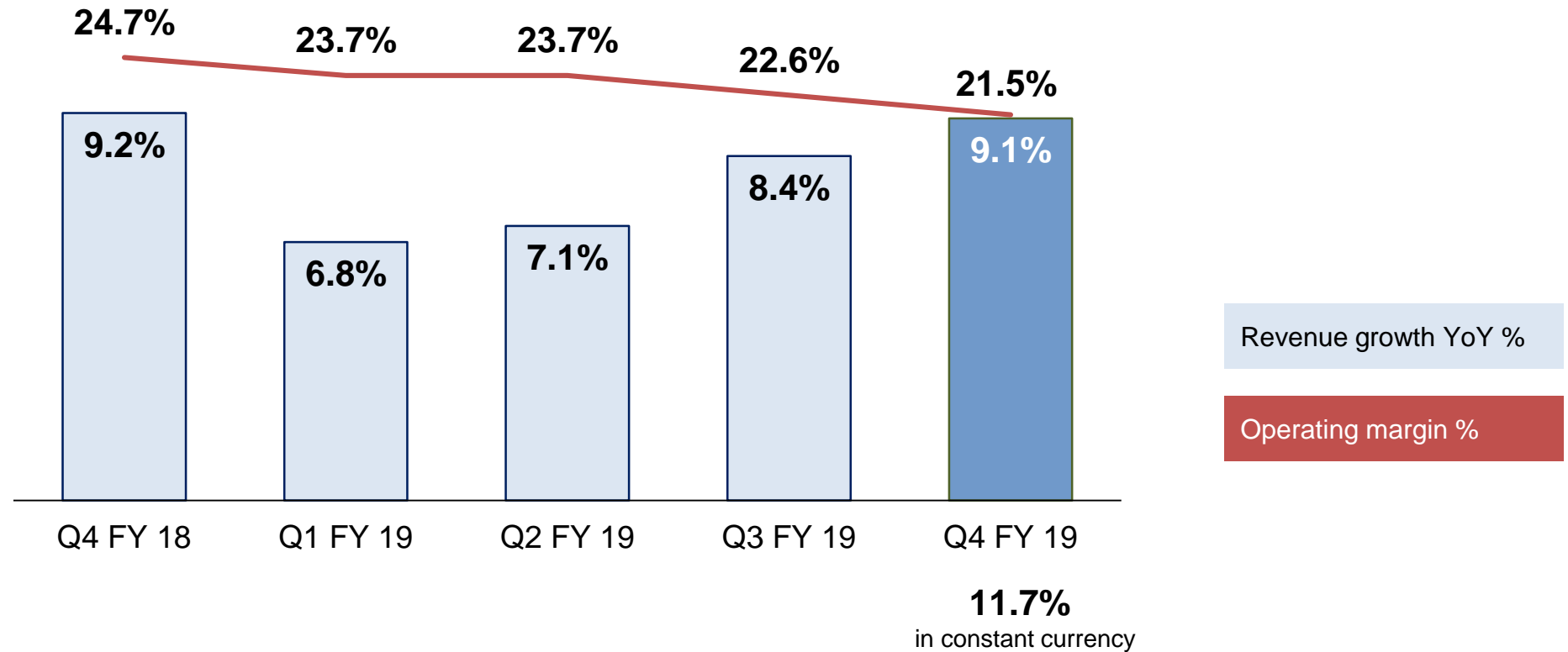
**Employee**  
**cost at**  
**54.5%**

*All numbers are based on IFRS USD consolidated financial statements*

*<sup>1</sup> Growth is in constant currency for Infosys group*

*\* Subject to shareholders' approval*

# Steady Revenue growth and Operating Margins

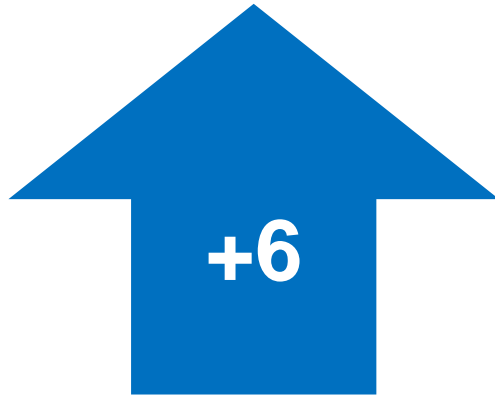


**Digital revenue is 33.8% of total revenue in Q4 FY19**

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

## US\$ 100 Mn+ clients

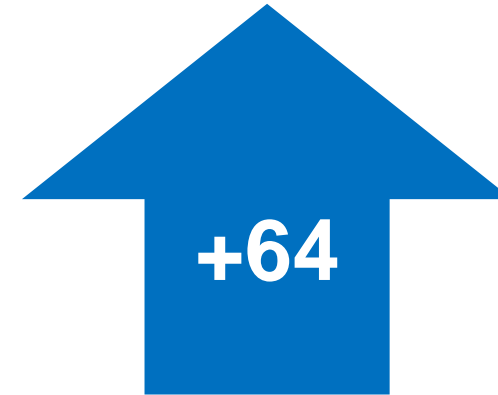
**Q4 FY19 : 25**



**Q4 FY17 : 19**

## US\$ 1 Mn+ clients

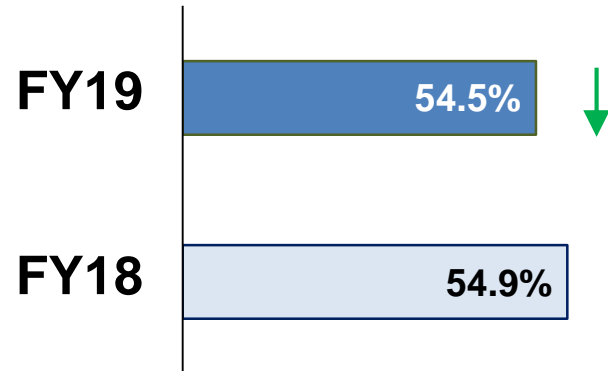
**Q4 FY19 : 662**



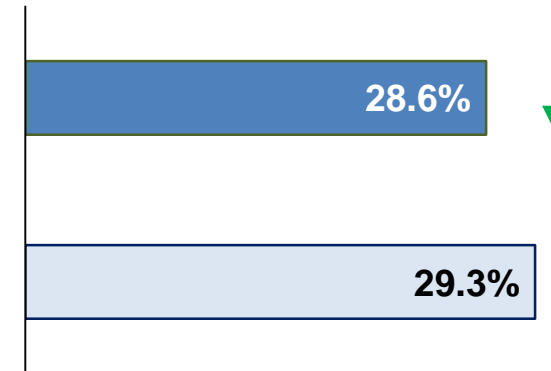
**Q4 FY17 : 598**

# Key operational efficiency parameters in FY19

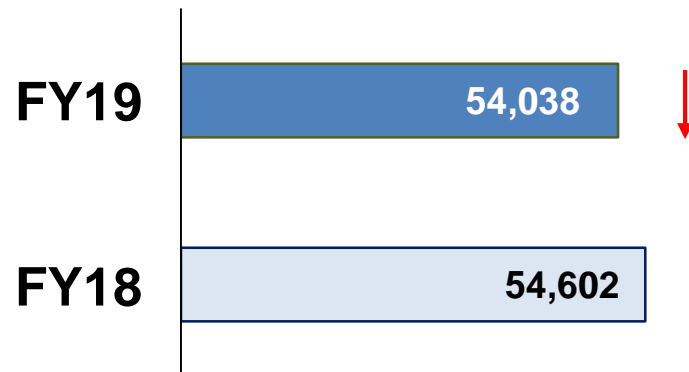
## Employee cost as % of revenue



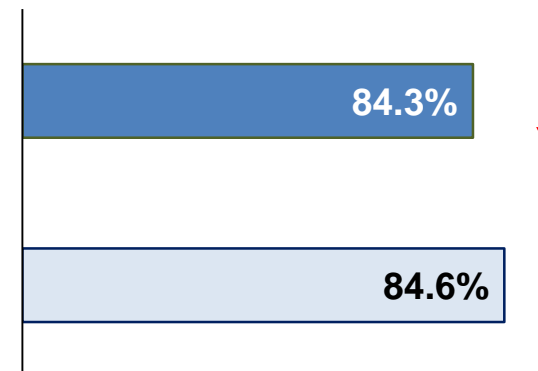
## Onsite effort mix



## Revenue per FTE (\$)



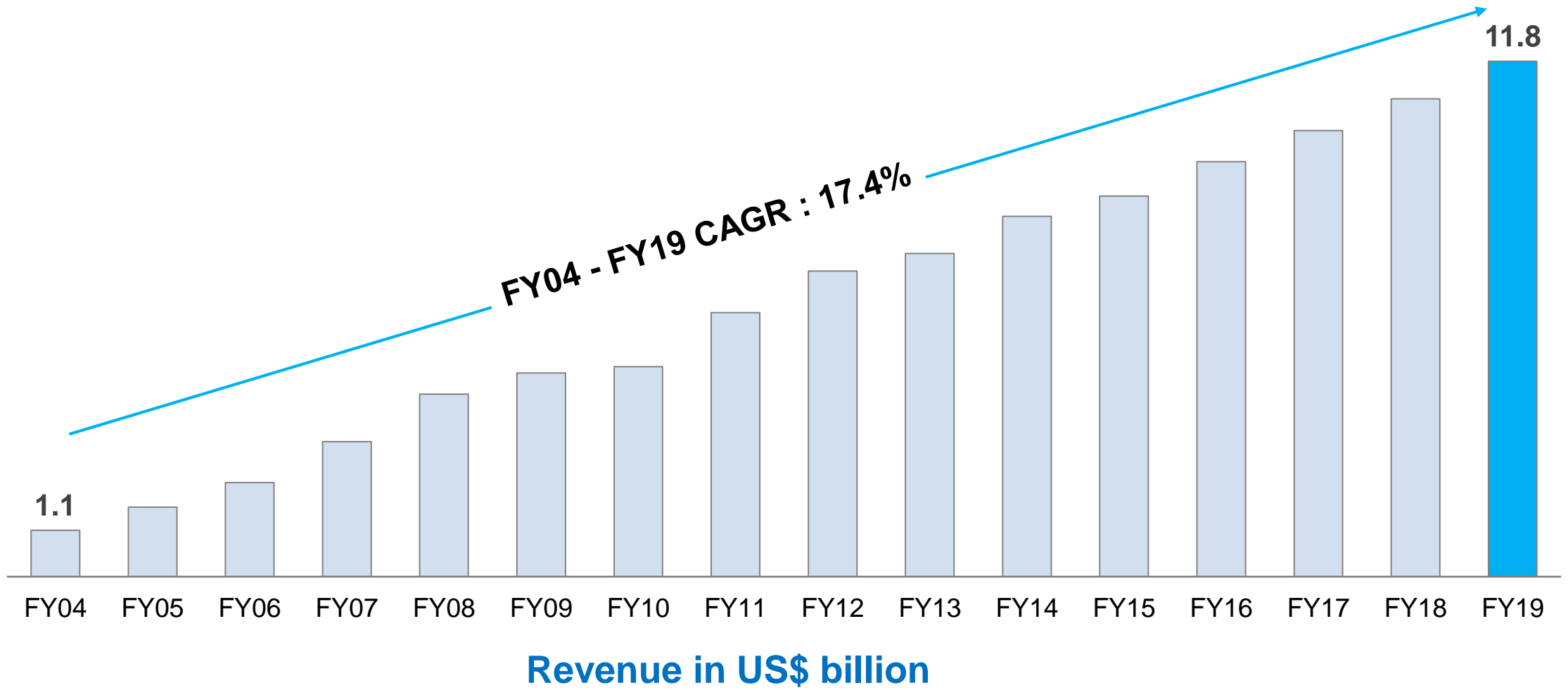
## Utilization



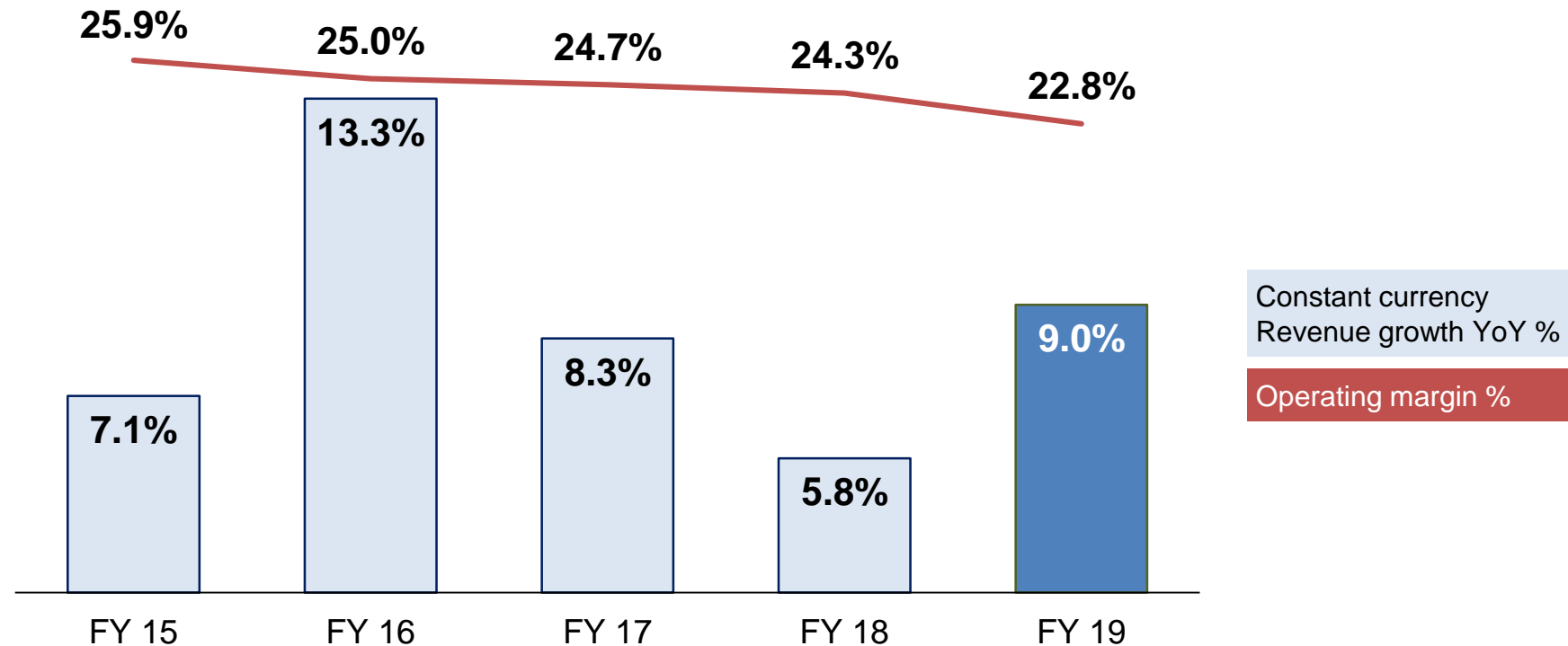


# HISTORICAL FINANCIAL PERFORMANCE

# Infosys Growth Story

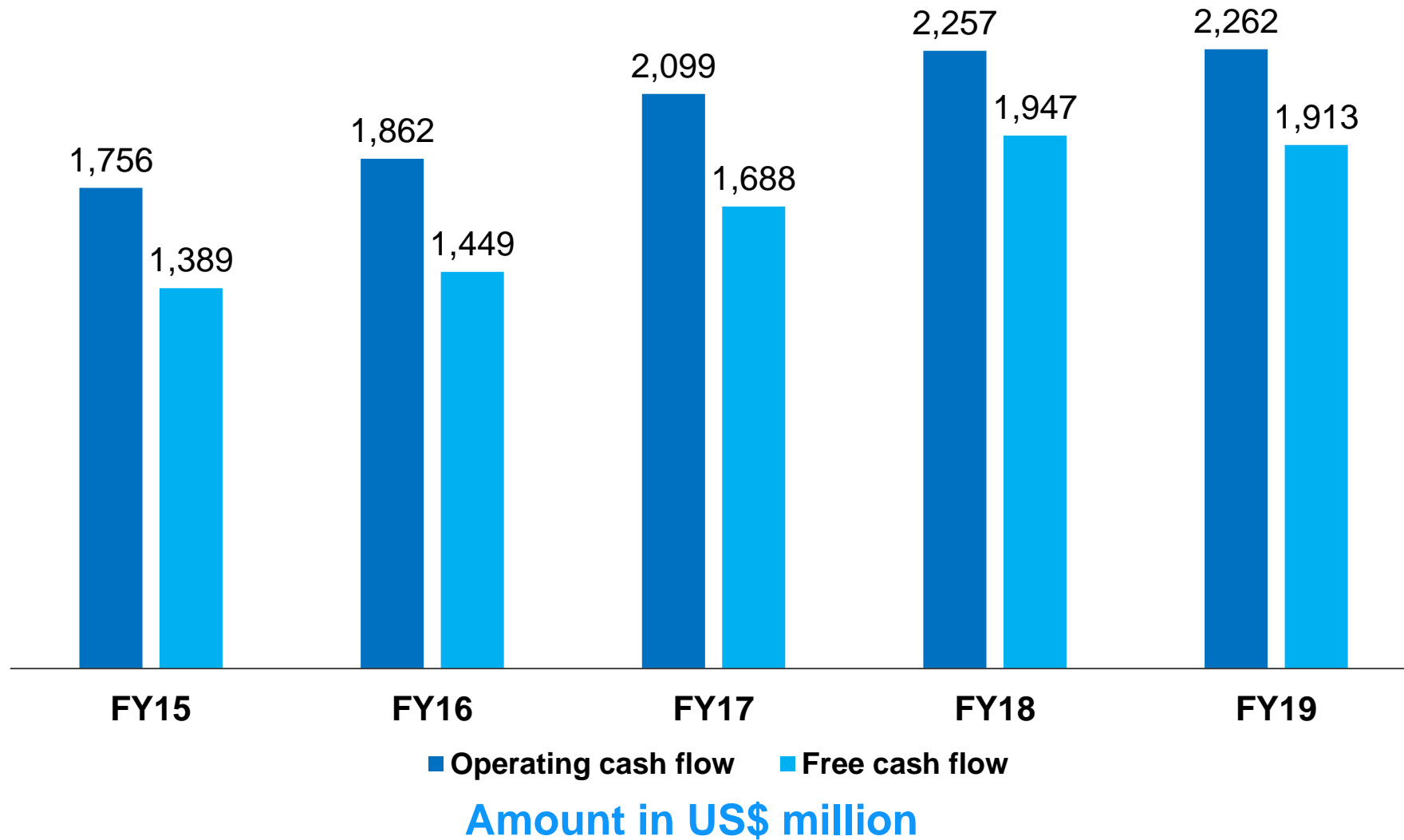


# Steady Revenue growth and Operating Margins



**Digital revenue is 31.2% of total revenue in FY 19**

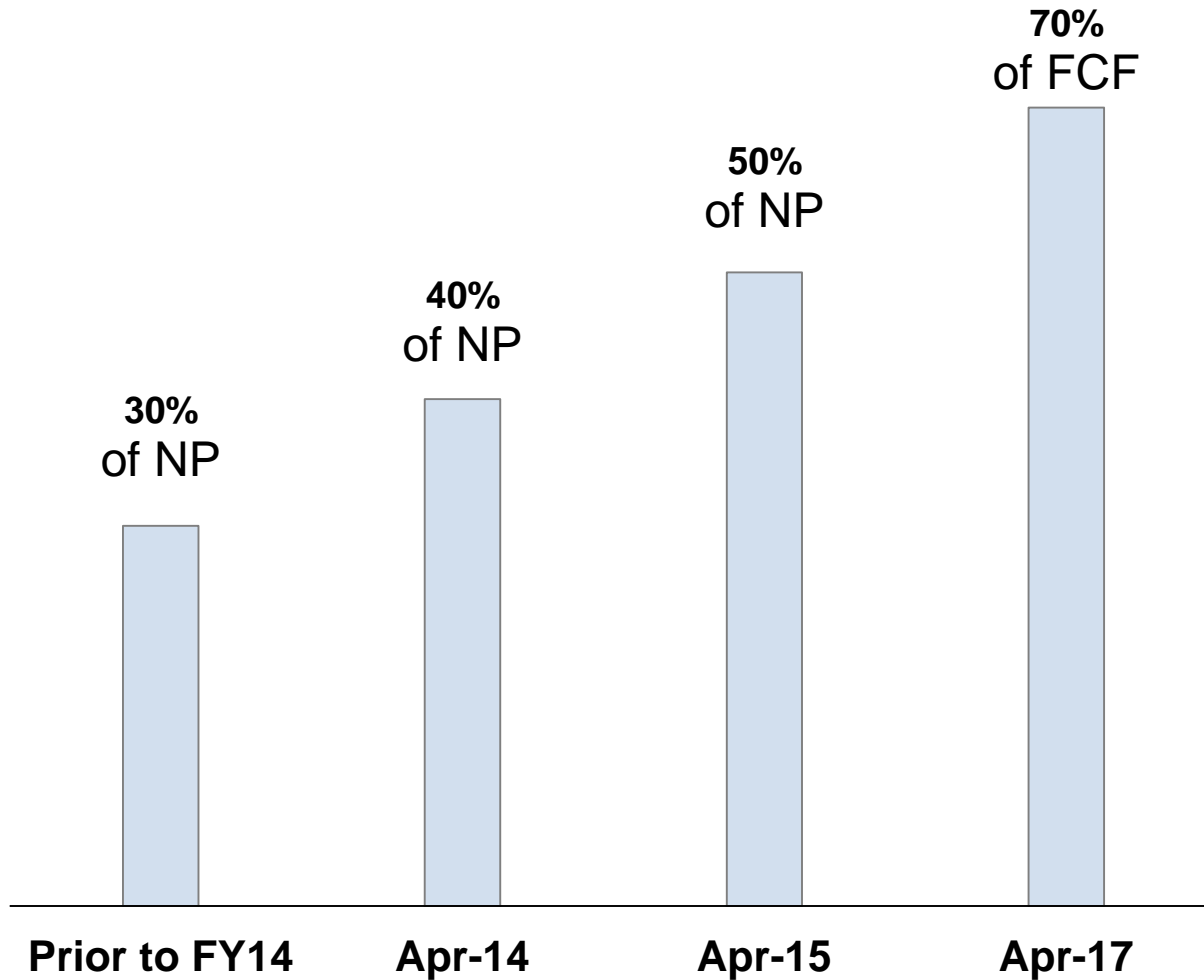
# Strong Cash Generation



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

# CAPITAL ALLOCATION

# Evolution of Capital Allocation Policy



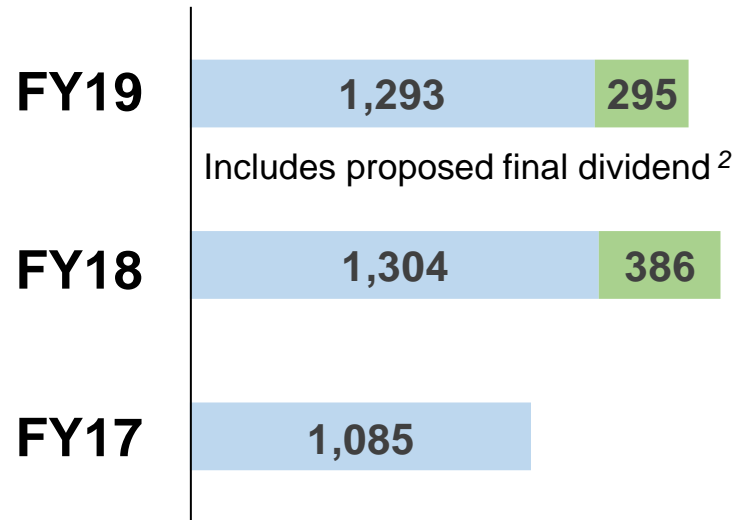
**The current policy:**  
To return up to 70% of free cash flow (FCF) <sup>1</sup> by way of dividend and/or share buyback

<sup>1</sup> Free Cash Flow = Net cash generated from operations – Capital expenditure

# Capital allocation policy – Implemented

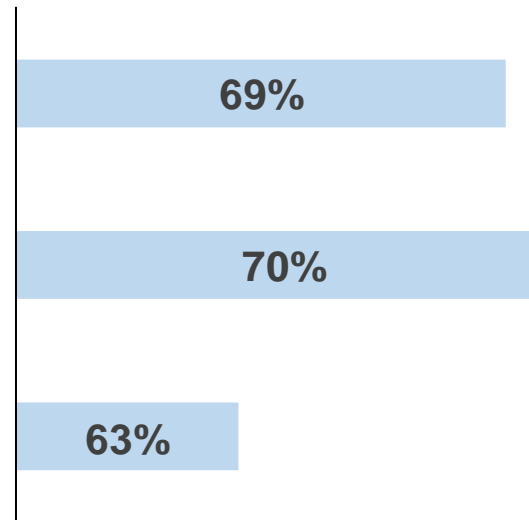
Regular dividend	Special dividend	Buyback
------------------	------------------	---------

## Total Dividend<sup>1</sup> \$ Mn

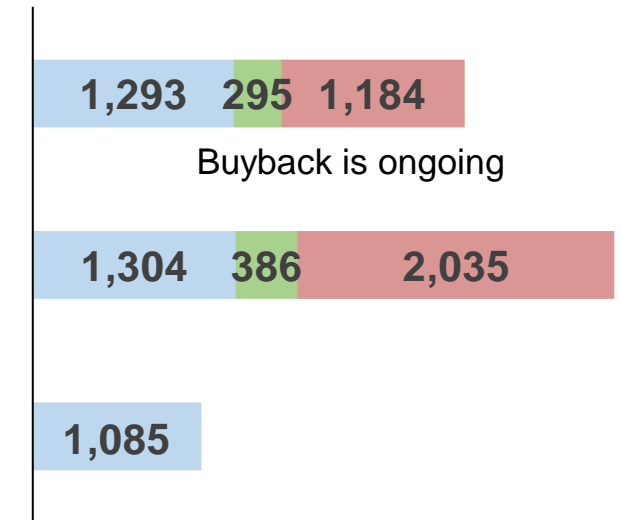


## Regular Dividend<sup>1</sup> as % of FCF

Excludes special dividend



## Capital return<sup>1</sup> to shareholders \$ Mn



All numbers are based on IFRS USD consolidated financial statements

<sup>1</sup> Dividend inclusive of Dividend Distribution Tax

<sup>2</sup> Final Dividend for FY19 is estimated based on share count at the end of the fiscal year

# Review of capital allocation policy

The Board, in January 2019, approved the following for the implementation of Capital Allocation Policy:

- A. Buyback of Equity Shares, from the open market route through the Indian stock exchanges, amounting to ₹8,260 crore (Maximum Buyback Size) (approximately \$1,184 million) at a price not exceeding ₹800 per share (Maximum Buyback Price) (approximately \$11.46 per share), subject to shareholders' approval by way of Postal Ballot, and
- B. A Special Dividend of ₹4/- per share (approximately \$0.06 per share) resulting a payout of approximately ₹2,107 crore (approximately \$295 million) (including dividend distribution tax)
- C. Post shareholder approval, the buyback through the stock exchange commenced on March 20, 2019 and is expected to be completed by September 2019. During the year ended March 31, 2019, 12,652,000 equity shares were purchased.

After the execution of the above, along with the special dividend (including dividend distribution tax) of ₹2,633 crore (\$386 million) already paid in June 2018, the Company would complete the distribution of ₹13,000 crore, which was announced as part of its capital allocation policy in April 2018

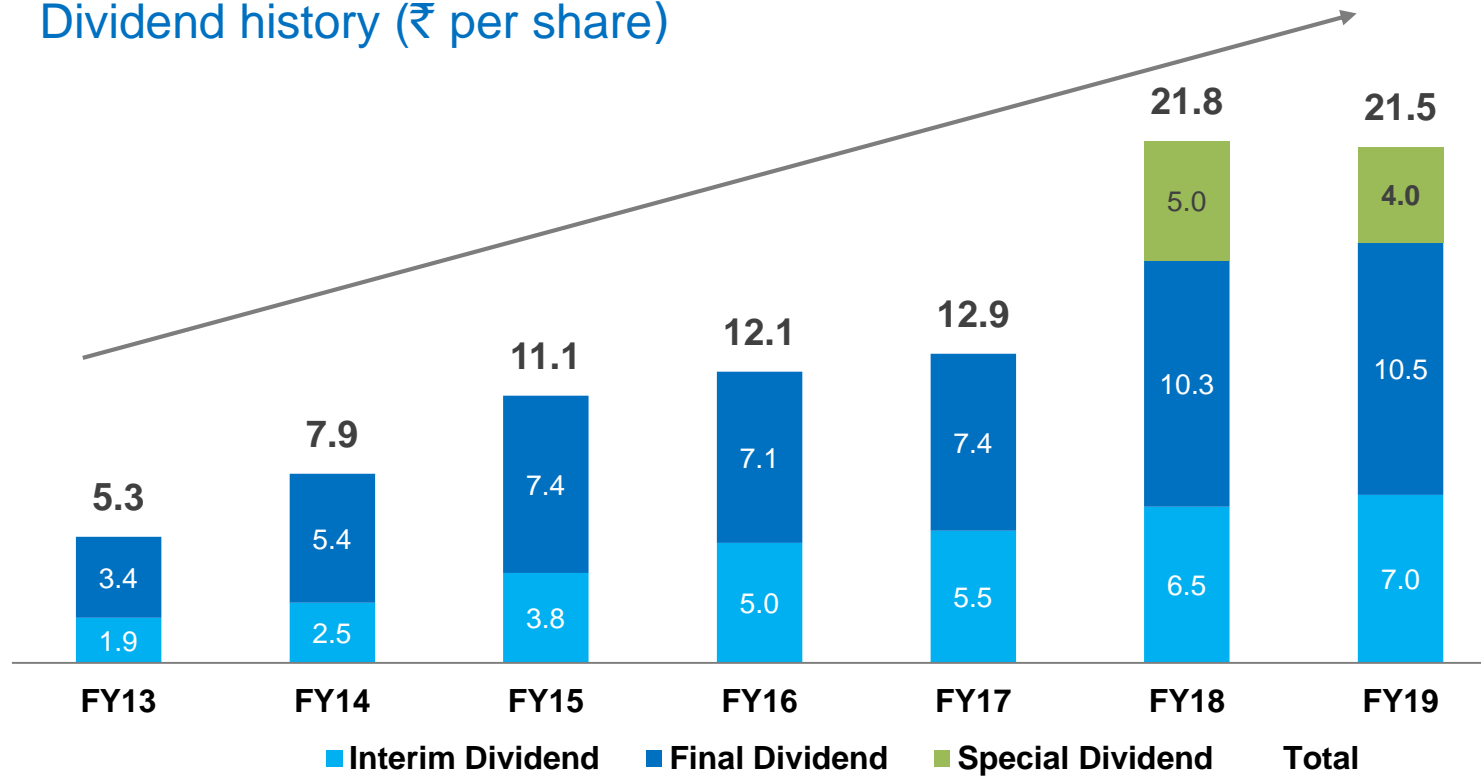
\*USD/INR exchange rate at 69.78

For details please refer to the press release on January 11, 2019



# Consistent Dividend Payouts

Dividend history (₹ per share)



Declared Final Dividend of ₹10.50 per share (approximately \$0.15\* per ADS)

*Adjusted for Bonus shares*

*\* US\$1 = ₹69.16 as at March 31, 2019*

# We have a structured approach to creating investor value

01



## Growth with strategic investments

Scale Agile Digital with key investments:

Go-to-market  
Localization  
Capabilities

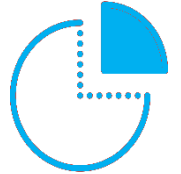
02



## Programmatic inorganic moves

Invest in inorganic moves to expand client relevance

03



## Disciplined capital allocation

Given high RoE, return up to 70% of free cash flows

# Key parameters

	FY17	FY19
Market Cap to Revenue	3.5	4.0
Market Cap to Free Cash Flow	21.4	24.5
Free Cash Flow <sup>1</sup> Yield %	4.7%	4.1%
Dividend Yield %	2.5%	2.9% <sup>2</sup>

*All numbers are based on IFRS USD consolidated financial statements*

*Market Cap / share price as on Mar 31, 2019 and Mar 31, 2017 on NSE. Converted to USD*

<sup>1</sup> Free cash flow yield = Free cash flow per share / share price

<sup>2</sup> Includes special dividend for FY19

# Analyst Ratings



Positioned as leader in  
NelsonHall 2018 Digital  
Banking Services NEAT



**Positioned as leader in IDC  
MarketScape:** Worldwide SAP  
Implementation Services  
Ecosystem 2018 Vendor  
Assessment, Worldwide  
Manufacturing Information  
Transformation System Integration  
2018 Vendor Assessment



**Positioned as leader in  
Insurance Application  
Services:** Digital  
Enablement Spend  
Fuels Market Growth –  
Services PEAK Matrix™  
Assessment 2018



**Positioned as a leader in HfS  
Blueprint:** Smart Analytics,  
HfS Blueprint Digital  
OneOffice, HfS Blueprint on  
IoT Services

# Awards and Recognition

## Institutional Investor

Best CFO, Best Investor Relations and Best  
ESG SRI Metrics

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## CFO100 Roll of Honor

CFO wins Roll of Honor as a tribute to his  
exceptional contribution to investor relations  
and corporate finance

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## IR Magazine

Best Investor Relations Officer and Investor  
Relations Team



# Thank You