

76 Percent of Global Retail Banks Becoming More Innovative, Finds New Study by Infosys and Efma

Bangalore and Paris – October 21, 2013: Infosys, a global leader in consulting, technology and outsourcing, today announced the launch of its *Innovation in Retail Banking 2013* report. The fifth annual study, commissioned by Infosys and conducted by Efma, investigates how banks can overcome barriers to innovation and improve their innovation capabilities.

This year's study, which surveyed 148 banks in 66 countries, revealed that as the global economy recovers, retail banks across the world are increasingly investing in innovation as a means of generating revenue and controlling costs. In fact, 60 percent of banks surveyed have an innovation strategy compared to just 37 percent five years ago, when the report was first issued.

The study also found that to overcome the main barriers to innovation – legacy systems and organizational silos – banks are looking towards technologies that can simplify their operations and deliver a richer customer experience. In particular, mobile innovation is beginning to gather pace, with 77 percent of banks deploying or planning to deploy a mobile wallet solution.

Key findings of the study include:

- 76 percent of banks believe they are becoming more innovative, with the biggest increase being seen in customer channels
- 77 percent of banks surveyed are increasing investment in innovation. This is an encouraging trend as the 2009 study revealed only 13 percent of banks had increased investment
- More than half (58 percent) of banks surveyed believe the ability to deploy new systems in components would have a positive impact on their ability to innovate
- Mobile location-based offerings were cited as another area of innovation for banks, with 69 percent deploying or planning on making deployments
- To enhance their product and service offerings, 45 percent of banks are already using or planning to invest in gamification, and 61 percent of banks currently allow or plan to allow customers to do some form of product personalization
- Large and medium sized banks rated the top three barriers to innovation as legacy IT systems, culture and organizational silos

Quotes

Haragopal M, Global Head of Finacle at Infosys:

"It is good to see innovation agenda taking the center stage at banks, with many focusing on increasing business process speed, agility and efficiency. The report also reiterates that retail banks across the world have recognized that simplification and innovation can go hand-in-hand to help grow business and deliver excellent customer service."

Patrick Desmares, Secretary General at Efma:


"This year's study indicates a global convergence of innovation practices around overcoming the barriers presented by legacy technology and ensuring that customer experience channels are optimized. Many retail banks are now creating innovation strategies and underpinning them with investment which tells us that global economies are beginning to recover. As banks once again target growth process, channel and operational innovation, this will only increase in importance."

Additional Resources

- The full *Innovation in Retail Banking 2013* report can be downloaded from the [Infosys website](#) or [SlideShare](#)

- Infosys Finacle and Efma will present the key findings of the study — at a webinar at 11.00 CET (10.00 BST) on 22 October. More details [click here](#)
- Let's Simplify Banking white paper [click here](#)
- Last year's report: [Innovation in Retail Banking 2012](#)

About Efma

As a global not-for-profit organisation, Efma brings together more than 3,300 retail financial services companies from over 130 countries. With a membership base consisting of almost a third of all large retail banks worldwide, Efma has proven to be a valuable resource for the global industry, offering members exclusive access to a multitude of resources, databases, studies, articles, news feeds and publications. Efma also provides numerous networking opportunities through working groups, online communities and international meetings. (www.efma.com )

About Infosys

Infosys is a global leader in consulting, technology and outsourcing solutions. We enable clients, in more than 30 countries, to stay a step ahead of emerging business trends and outperform the competition. We help them transform and thrive in a changing world by co-creating breakthrough solutions that combine strategic insights and execution excellence.

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Safe Harbor

Certain statements in this release concerning our 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, 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, 2013 and on Form 6-K for the quarter ended June 30, 2013. 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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