BSE LIMITED
NATIONAL STOCK EXCHANGE OF INDIA LIMITED
NEW YORK STOCK EXCHANGE
EURONEXT LONDON
EURONEXT PARIS

January 23, 2018

Dear Sir, Madam,

Sub: Press release

Please find enclosed the press release titled " **Infosys Research: Business Leaders Adapt as Enterprise AI Moves Beyond Experimentation**".

This will also be made available on the Company's website at www.infosys.com.

This is for your information and records.

Yours sincerely,

For **Infosys Limited**



A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED
CIN: L85110KA1981PLC013115
44, Infosys Avenue
Electronics City, Hosur Road
Bengaluru 560 100, India
T 91 80 2852 0261
F 91 80 2852 0362
investors@infosys.com
www.infosys.com

PRESS RELEASE

Infosys Research: Business Leaders Adapt as Enterprise AI Moves Beyond Experimentation

Artificial Intelligence is in widespread use across enterprises, driving tangible benefits while creating new opportunities and challenges for business leaders and the workforce

Davos, Switzerland – January 23, 2018: Infosys (NYSE: INFY), a global leader in consulting, technology, and next-generation services, today released global research on the impact artificial intelligence (AI) technology implementations in the enterprise are having on return-on-investment (ROI), the workforce and organizational leadership. The research report, *Leadership in the Age of AI*, surveyed more than 1,000 business and IT leaders with decision-making power over AI solutions or purchases at large organizations across seven countries.

The research findings point to a fundamental shift in how enterprises operate as AI takes hold. Enterprises are moving beyond the experimentation phase with AI, deploying AI technologies more broadly and realizing benefits across their business. According to the survey, 73 percent of respondents agreed or strongly agreed that their AI deployments have already transformed the way they do business, and 90 percent of C-level executives reported measurable benefits from AI within their organization. Additionally, the data showed organizations are taking steps to prepare employees and business leaders for the future of work, with 53 percent of respondents indicating that their organization has increased training in the job functions most affected by AI deployments.

Mohit Joshi, President, Infosys: "While it's fair to say that, like most promising new technologies, there has been a tremendous amount of hype around AI, it turns out that the vast majority of enterprises with AI deployments are realizing clear and measureable results. AI, as the research shows, is becoming core to business strategy, and is compelling business leaders to alter the way they hire, train and inspire teams, and the way they compete and foster innovation. Industry disruption from AI is no longer imminent, it is here. The organizations that embrace AI with a clearly defined strategy and use AI to amplify their workforce rather than replace it, will take the lead, and those that don't will fall behind or find themselves irrelevant."

Key findings:

- **Enterprise AI moves beyond experimentation**: AI deployments are no longer imminent but are becoming pervasive as 86 percent of organizations surveyed have middle- or late-stage AI deployments and view AI as a major facilitator of future business operations**.** Eighty percent of respondents who said they've seen at least some measurable benefits from AI agreed or strongly agreed that their organization had a defined strategy for deployment. Fifty-three percent of all

respondents said that their industry has already experienced disruption due to artificial intelligence technologies.

- **Beyond automation, the benefits of AI span the business value chain:** While a majority of organizations (66 percent) start off using AI to automate routine or inefficient processes, businesses in later stages of AI deployment are leveraging the technology to innovate and differentiate. For example, 80 percent of IT decision makers at organizations in later stages of AI deployment reported that they are using AI to augment existing solutions, or build new business-critical solutions and services to optimize insights and the consumer experience. Forty-two percent of these organizations also expect significant impact in research and development in the next five years.
- **ROI market and industry breakdown**: India, the United States and China led geographies with the most respondents stating that their organization has realized direct, tangible results from deploying AI technologies with 75 percent, 71 percent and 61 percent respectively. Australia trailed behind the leading geographies with 57 percent followed by the United Kingdom (42 percent), Germany (40 percent) and France (33 percent). The leading industries currently using AI to automate business processes include retail and consumer packaged goods (CPG) at 85 percent, followed by telecom and communication service providers (83 percent) and banking and insurance (80 percent).
- **Investing in people is key to AI success:** Seventy-seven percent of respondents surveyed were confident that employees in their organization can be trained for the new job roles AI technologies will create. Respondents showed commitment to this belief by ranking training and recruitment as the top areas of investment (46 percent and 44 percent respectively) in order for AI technologies to make an impact. C-level executives likewise called out training the leadership team on AI as a top priority—47 percent of business leaders put leadership training in their top three priorities compared to 40 percent who put employee training in their top three priorities.
- **AI leadership essentials include strategy and training:** Four out of five C-level executives said that their future business strategy will be informed through opportunities made available with AI technology. Business leaders were confident that their executive teams have the ability to adapt their leadership skills as AI technologies are adopted, with 80 percent of C-level executives in agreement. However, training on the executive level is still critical as three-fourths of IT decision makers felt that their executives would benefit from formal training on the implications of AI technologies.

Other important findings include:

- **Data management is a persistent obstacle:** Nearly half of IT decision makers (49 percent) reported that their organization is unable to deploy the AI technologies they want because their data is not ready to support the requirements of AI technologies. As such, approximately 77 percent

of IT decision makers said that their organization is investing in data management. Furthermore, C-level executives reported that their leadership team is concerned with the implications of industry regulations on their ability to use AI technologies within their business (70 percent) and the potential advantages AI technologies could lend to competition (66 percent).

- **Weighing ethical concerns and benefits among the workforce:** Sixty-nine percent of C-level executives reported that employees within their organization are concerned AI technologies will replace them. However, ranked among the top two ways their current AI deployments have impacted their business, 48 percent of respondents cited that AI has augmented human skills to make their people better at their work, and 45 percent said AI is making for better employees because it frees up their time for higher value work.
- **The rise of AI professionals throughout the ranks of businesses:** According to the data, IT (61 percent) will continue to be the most affected job function over the next five years. However, AI is beginning to have a growing impact on marketing and communications (32 percent), human resources (29 percent) and legal departments (15 percent). AI leaders will become fixtures in the C-suite and throughout the organization as an overwhelming majority (95 percent) of IT decision makers from organizations in the late stages of digital transformation said that their organization plans to have a dedicated team of AI professionals.

Business leaders are optimistic that AI technologies will ultimately create more opportunity for employees than they will eliminate, with C-level executives widely agreeing that AI technologies will have a positive effect on their workforce (70%) and equally benefit customers (45 percent) and employees (43 percent).

For a full copy of the report, please visit: https://www.infosys.com/age-of-ai/

METHODOLOGY

This survey was commissioned by Infosys and conducted by independent market research company Branded Research Inc. across seven countries: The United States, the United Kingdom, France, Germany, India, China and Australia. The total sample size included 1,053 global C-level executives as well as IT decision makers (ITDMs) and influencers of AI technology purchases within their organizations. These companies ranged in size from 500 to more than 5,000 employees, and from $500,000 to more than $1 billion in revenues.

The Branded Research Inc. panel is comprised of more than 2 million survey participants across 40 different countries. The panel is routinely checked against data verification measures that include social vetting, digital fingerprinting and anti-fraud solutions.

For the purposes of this report, artificial intelligence is defined as “software technologies that make a computer or robot perform equal to or better than normal human computational ability in accuracy, capacity

and speed. Examples can include Natural Language Processing, Knowledge Representation, Automated Reasoning, Machine Learning, Robotics, Rational Agent and Chatbots."

About Infosys

Infosys is a global leader in technology services and consulting. We enable clients in 45 countries to create and execute strategies for their digital transformation. From engineering to application development, knowledge management and business process management, we help our clients find the right problems to solve, and to solve those effectively. Our team of 200,000+ innovators, across the globe is differentiated by the imagination, knowledge and experience across industries and technologies that we bring to every project we undertake.

Visit www.infosys.com to see how Infosys (NYSE: INFY) can help your enterprise thrive in the digital age.

Safe Harbor

Certain statements in this press 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, 2017. 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. In addition, please note that any forward-looking statements contained herein are based on assumptions that we believe to be reasonable as of the date of this press release. 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.

Media contacts:

Asia Pacific
Sarah Gideon
Infosys, India
+91 80 4156 3998
Sarah_Gideon@infosys.com

EMEA
Margherita Di Cerbo
Infosys, Europe
+44 2075162748
Margherita.DiCerbo@infosys.com

Americas
Chiku Somaiya
Infosys, USA
+1 408 375 2722
Chiku.Somaiya@infosys.com