

Audited financial results of Infosys Limited for the quarter and year ended March 31, 2015

(in ₹ crore, except share and per equity share data)

Particulars	Quarter ended March 31,	Quarter ended December 31,	Quarter ended March 31,	Year ended March 31,	
	2015	2014	2014	2015	2014
Income from software services and products	11,926	12,192	11,366	47,300	44,341
Expenses:					
Employee benefit expenses	6,183	6,358	6,053	25,115	24,350
Deferred consideration pertaining to acquisition	51	55	59	219	228
Cost of technical sub-contractors	836	777	640	2,909	2,596
Travel expenses	325	329	285	1,360	1,287
Cost of software packages and others	223	290	305	979	920
Communication expenses	90	116	85	384	329
Professional charges	148	114	136	396	474
Depreciation and amortization expense	241	229	309	913	1,101
Other expenses	550	495	409	1,976	1,630
Total expenses	8,647	8,763	8,281	34,251	32,915
Profit from operations before other income	3,279	3,429	3,085	13,049	11,426
Other income	891	823	802	3,337	2,576
Profit before exceptional item and tax	4,170	4,252	3,887	16,386	14,002
Profit on transfer of business ⁽¹⁾	-	-	-	412	-
Profit before tax	4,170	4,252	3,887	16,798	14,002
Tax expense	1,146	1,197	1,004	4,634	3,808
Net Profit for the period	3,024	3,055	2,883	12,164	10,194
Paid-up equity share capital (par value ₹5/- each fully paid) ⁽²⁾	574	572	286	574	286
Reserves and surplus	47,494	41,806	41,806	47,494	41,806
Earnings per share (par value of ₹5/- each)					
Before exceptional item					
Basic	26.33	26.73	25.22	102.33	89.20
Diluted	26.33	26.73	25.22	102.33	89.20
After exceptional item					
Basic	26.33	26.73	25.22	105.91	89.20
Diluted	26.33	26.73	25.22	105.91	89.20
Total Public Shareholding #					
Number of shares	80,65,15,515	81,17,98,995	39,02,57,428	80,65,15,515	39,02,57,428
Percentage of shareholding	70.23	70.68	67.96	70.23	67.96
Promoters and Promoter Group Shareholding					
Pledged / Encumbered					
Number of shares	-	-	-	-	-
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
Non – encumbered					
Number of shares	15,02,15,636	15,02,15,636	9,15,08,078	15,02,15,636	9,15,08,078
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
Percentage of shares (as a % of the total share capital of the company)	13.08	13.08	15.94	13.08	15.94

⁽¹⁾ Exceptional item pertains to profit on transfer of business to Edgeverve, a wholly owned subsidiary.

⁽²⁾ net of treasury shares for the quarter ended December 31, 2014, March 31, 2014 and year ended March 31, 2014

#Total public shareholding as defined under Clause 40A of the Listing Agreement excludes shares held by the founders and American Depositary Receipt Holders and as at March 31, 2015 and December 31, 2014 also excludes treasury shares.

Notes:

1. The audited financial statements for the quarter and year ended March 31, 2015 have been taken on record by the Board of Directors at its meeting held on April 24, 2015. The statutory auditors have expressed an unqualified audit opinion. The information presented above is extracted from the audited standalone financial statements.

2. The Board, at the meeting held on February 4, 2015, appointed Ms. Roopa Kudva as Independent Director effective from that date.

3. During the quarter ended June 30, 2014, based on internal and external technical evaluation, the management reassessed, with effect from April 1, 2014, the remaining useful life of assets, primarily consisting of buildings and computers. Accordingly, the useful life of certain assets required change from previous estimates. If the Company had continued with the previously assessed useful lives, charge for depreciation for the quarter and year ended March 31, 2015 would have been higher by ₹73 crore and ₹404 crore respectively, for the assets held as at April 1, 2014.

4. Investments - Current and proposed

a) On March 5, 2015, Infosys acquired 100% of the voting interests in Panaya Inc. (Panaya), a Delaware Corporation in the United States. Panaya is a leading provider of automation technology for large scale enterprise and software management. The business acquisition was conducted by entering into a share purchase agreement for cash consideration of approximately ₹1,398 crore.

b) During the quarter ended March 31, 2015, Infosys has invested ₹94 crore to form a new company along with Dream Works Animation (DWA). The new company, DWA Nova LLC, will develop and commercialize image generation technology in order to provide end-to-end digital manufacturing capabilities for companies involved in the design, manufacturing, marketing or distribution of physical consumer products. The investment is accounted for as an associate in the consolidated financial statements.

c) On April 24, 2015, the company entered into a definitive agreement to acquire Kallidus Inc. (d.b.a Skava) and its affiliate, a leading provider of digital experience solutions, including mobile commerce and in-store shopping experiences to large retail clients for a consideration of \$120 million (approximately ₹750 crore) including a deferred component and retention bonus.

5. On April 24, 2015, the Board of Directors of Infosys has authorized the Company to execute a Business Transfer Agreement and related documents with Edgeverve Systems Limited, a wholly owned subsidiary, subject to securing the requisite approval from shareholders. The proposed transfer of the business of Finacle and Edgeservices to Edgeverve is at an estimated consideration of up to ₹3,400 crore and up to ₹220 crore, respectively.

6. Bonus Issue

a. The Company has allotted 57,42,36,166 fully paid up equity shares of face value ₹5/- each during the quarter ended December 31, 2014 pursuant to a bonus issue approved by the shareholders through postal ballot by capitalization of share premium. The record date fixed by the Board of Directors was December 3, 2014. 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. Options granted under the stock option plan have been adjusted for bonus shares. The earnings per share has been adjusted for previous periods presented in accordance with Accounting Standard 20, Earnings per share

b. The Board in its meeting held on April 24, 2015 has considered, approved and recommended a bonus issue 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, as on a record date to be determined. Consequently, the ratio of equity shares underlying the ADSs held by an American Depositary Receipt holder would remain unchanged. The bonus issue of equity shares and ADSs will be subject to approval by the shareholders, and any other applicable statutory and regulatory approvals. Accordingly, the record date for the bonus issues of equity shares and ADSs will be June 17, 2015, subject to shareholders' approval.

7. Information on dividends for the quarter and year ended March 31, 2015

The Board of Directors recommended a final dividend of ₹29.50/- per equity share (equivalent to ₹14.75 per share after 1:1 bonus issue, if approved by shareholders) for the financial year ended March 31, 2015. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company, which is now being held on June 22, 2015. The book closure date for the purpose of the Annual General Meeting and payment of final dividend is June 17, 2015 to June 22, 2015 (both days inclusive).

(in ₹)

Particulars	Quarter ended March 31, 2015	Quarter ended December 31, 2014	Quarter ended March 31, 2014*	Year ended March 31,	
				2015	2014*
Dividend per share (par value ₹5/- each)					
Interim dividend*	-	-	-	30.00	20.00
Final dividend	29.50	-	43.00	29.50	43.00
Total dividend	29.50	-	43.00	59.50	63.00

*Not adjusted for bonus issue

The Board has decided to revise and increase dividend pay-out ratio from up to 40% to up to 50% of consolidated post-tax profits effective fiscal 2015

8. Other Information

(in ₹ crore)

Particulars	Quarter ended March 31,	Quarter ended December 31,	Quarter ended March 31,	Year ended March 31,	
	2015	2014	2014	2015	2014
Staff costs	6,183	6,358	6,053	25,115	24,350
Items exceeding 10% of aggregate expenditure					
Details of other income:					
Interest received on deposits with banks and others	680	668	581	2,592	2,135
Dividend received on investment in mutual fund units	25	32	29	146	137
Gain on sale of investments	10	-	-	10	-
Miscellaneous income, net	15	25	6	64	26
Gains / (losses) on foreign currency, net	161	98	186	525	278
Total	891	823	802	3,337	2,576

9. Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended March 31, 2015

Nature of complaints received	Opening balance	Additions	Disposal	Closing balance
Non-receipt of dividend	-	102	102	-

10. Statement of assets and liabilities (Standalone-Audited)

(in ₹ crore)

Particulars	As at	
	March 31, 2015	March 31, 2014
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	574	286
Reserves and surplus	47,494	41,806
Sub-total-Shareholders' funds	48,068	42,092
Non-current liabilities		
Deferred tax liabilities (net)	-	-
Other long-term liabilities	30	364
Sub-total-Non-current liabilities	30	364
Current liabilities		
Trade payables	124	68
Other current liabilities	5,546	4,071
Short-term provisions	8,045	6,117
Sub-total-Current liabilities	13,715	10,256
TOTAL - EQUITY AND LIABILITIES	61,813	52,712
ASSETS		
Non-current assets		
Fixed assets	8,116	6,686
Non-current investments	6,108	3,968
Deferred tax assets (net)	433	542
Long-term loans and advances	4,378	2,227
Other non-current assets	26	52
Sub-total-Non-current assets	19,061	13,475
Current assets		
Current investments	749	2,749
Trade receivables	8,627	7,336
Cash and cash equivalents	27,722	24,100
Other current assets	5,654	5,052
Sub-total-Current assets	42,752	39,237
TOTAL - ASSETS	61,813	52,712

The above disclosure is in compliance with Clause 41(V)(h) and Annexure IX of the listing agreement. The disclosure is an extract of the audited Standalone Balance Sheet of Infosys Limited as at March 31, 2015.

11. Segment reporting (Standalone-Audited)

(in ₹ crore)

Particulars	Quarter ended March 31,	Quarter ended December 31,	Quarter ended March 31,	Year ended March 31,	
	2015	2014	2014	2015	2014
Revenue by industry segment					
Financial Services and Insurance (FSI)	4,126	4,161	3,923	16,175	15,374
Manufacturing (MFG)	2,634	2,620	2,410	10,230	9,434
Energy & utilities, Communication and Services (ECS)	2,377	2,556	2,309	9,756	8,862
Retail, Consumer Packaged Goods and Logistics (RCL)	2,097	2,113	2,064	8,369	8,106
Life Sciences and Healthcare (LSH)	692	742	660	2,770	2,565
Total	11,926	12,192	11,366	47,300	44,341
Less: Inter-segment revenue	-	-	-	-	-
Net revenue from operations	11,926	12,192	11,366	47,300	44,341
Segment profit before tax and depreciation					
Financial Services and Insurance (FSI)	1,268	1,285	1,239	4,905	4,553
Manufacturing (MFG)	695	708	656	2,798	2,405
Energy & utilities, Communication and Services (ECS)	733	789	726	2,920	2,717
Retail, Consumer Packaged Goods and Logistics (RCL)	656	664	607	2,620	2,231
Life Sciences and Healthcare (LSH)	172	212	166	723	621
Total	3,524	3,658	3,394	13,966	12,527
Less: Other unallocable expenditure	245	229	309	917	1,101
Add: Unallocable other income	891	823	802	3,337	2,576
Profit before exceptional item and tax	4,170	4,252	3,887	16,386	14,002
Exceptional item ⁽¹⁾	-	-	-	412	-
Profit before tax	4,170	4,252	3,887	16,798	14,002

⁽¹⁾ Exceptional item pertains to profit on transfer of business to Edgeverve, a wholly owned subsidiary.

Notes on segment information:

Primary segments

Effective quarter ended March 31, 2014, the Company reorganized its segments, consequent to which the primary reportable segments of the Company are as set out above. The previous period figures, extracted from audited financial statements, have been presented after incorporating necessary reclassification adjustments pursuant to changes in reportable segments.

Segmental capital employed

Assets and liabilities used in the company's business are not identified to any of the reportable segments, as these are used interchangeably between segments. The Management believes that it is not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

**By order of the Board
for Infosys Limited**

Dr. Vishal Sikka

Chief Executive Officer

and Managing Director

Chennai, India

April 24, 2015

Certain statements 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, 2014 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. 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 results is April 24, 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.