Infosys Limited

CIN: L85110KA1981PLC013115

Regd. Office: Electronics City, Hosur Road, Bangalore – 560 100, India.

Website: www.infosys.com; email: investors@infosys.com; T: 91 80 2852 0261; F: 91 80 2852 0362

Audited financial results of Infosys Limited for the quarter and half-year ended September 30, 2015.

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

Particulars	Quarter ended September 30,	Quarter ended June 30,	Quarter ended September 30,	Half-year ended September 30,		Year ended March 31,
	2015	2015	2014	2015	2014	2015
Income from software services and products	**13,525**	**12,738**	**11,863**	**26,263**	**23,182**	**47,300**
Expenses:						
Employee benefit expenses	6,985	6,817	6,340	13,802	12,574	25,115
Deferred consideration pertaining to acquisition	46	46	56	91	113	219
Cost of technical sub-contractors	1,035	965	679	2,000	1,296	2,909
Travel expenses	425	432	366	857	706	1,360
Cost of software packages and others	335	291	198	626	466	979
Communication expenses	80	80	86	160	178	384
Professional charges	123	132	87	255	134	396
Depreciation and amortization expense	272	252	251	524	443	913
Other expenses	423	449	464	872	931	1,976
Total expenses	**9,724**	**9,464**	**8,527**	**19,187**	**16,841**	**34,251**
Profit from operations before other income	**3,801**	**3,274**	**3,336**	**7,076**	**6,341**	**13,049**
Other income	774	719	833	1,493	1,623	3,337
Profit before exceptional item and tax	**4,575**	**3,993**	**4,169**	**8,569**	**7,964**	**16,386**
Profit on transfer of business(1)	3,036	-	412	3,036	412	412
Profit before tax	**7,611**	**3,993**	**4,581**	**11,605**	**8,376**	**16,798**
Tax expense	1,305	1,096	1,216	2,401	2,291	4,634
Net Profit for the period	**6,306**	**2,897**	**3,365**	**9,204**	**6,085**	**12,164**
Paid-up equity share capital (par value ₹5/- each fully paid) (2)	1,148	1,148	286	1,148	286	574
Reserves and surplus	47,494	47,494	41,806	47,494	41,806	47,494
Earnings per share (par value ₹5/- each) #						
Before exceptional item						
Basic	14.24	12.61	12.92	26.85	24.82	51.17
Diluted	14.24	12.61	12.92	26.85	24.82	51.17
After exceptional item						
Basic	27.45	12.61	14.72	40.07	26.62	52.96
Diluted	27.45	12.61	14.72	40.07	26.62	52.96
Total Public Shareholding *						
Number of shares	159,98,70,171	160,06,77,720	39,66,88,097	159,98,70,171	39,66,88,097	80,65,15,515
Percentage of shareholding	69.65	69.69	69.08	69.65	69.08	70.23
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	30,04,31,272	30,04,31,272	9,14,08,078	30,04,31,272	9,14,08,078	15,02,15,636
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	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	15.92	13.08	15.92	13.08

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

(2) *net of treasury shares as at September 30, 2014*

\# adjusted for bonus issues wherever applicable

* Total Public Shareholding as defined under Clause 40A of the Listing Agreement excludes shares held by the founders and American Depository Receipt Holders and as at September 30, 2015, June 30, 2015 and March 31, 2015, also excludes treasury shares.

Notes:

1. The audited financial statements for the quarter and half-year ended September 30, 2015 have been taken on record by the Board of Directors at its meeting held on October 12, 2015. The statutory auditors have expressed an unqualified audit opinion. The information presented above is extracted from the audited standalone financial statements.

2. Senior Management Changes

Mr. Rajiv Bansal, Executive Vice President and the Chief Financial Officer (CFO) of Infosys since October 2012, has informed the company of his intention to resign. He will be replaced by M.D. Ranganath effective end of business October 12, 2015.

3. Investments

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, to transfer the business of Finacle and Edge Services. Post the requisite approval from shareholders through postal ballot on June 4, 2015, a Business Transfer Agreement and other related documents were executed with EdgeVerve to transfer the business with effect from August 1, 2015. The company has undertaken an enterprise valuation by an independent valuer and accordingly the business were transferred for a consideration of ₹3,222 crore and ₹177 crore for Finacle and Edge Services, respectively. Net assets amounting to ₹363 crore, (including working capital amounting to ₹337 crore) have been transferred and accordingly a gain of ₹3,036 crore has been recorded as an exceptional item. The consideration will be settled through the issue of equity and debentures subject to the approval of the shareholders of EdgeVerve.

4. The Board approved the 2015 Incentive Compensation Plan, amending the existing 2011 RSU Plan. The 2011 RSU plan has been amended in accordance with the SEBI (share based employee benefits) regulations, 2014 and will be issued as the 2015 Incentive Compensation Plan. The grants made under the 2011 RSU plan will continue to be administered and implemented by the 2015 Incentive Compensation Plan. The 2015 Incentive Compensation Plan will be subject to the approval of shareholders.

The Board further approved the issuance of new shares, so as not to cumulatively exceed 2% of the shares outstanding, in order to support grants made over time under the 2015 Incentive Compensation Plan. Approval to issue such shares under the 2015 Incentive Compensation plan will be subject to the approval of shareholders.

5. Information on dividends for the quarter and half-year ended September 30, 2015

The Board declared an interim dividend of ₹10/- per equity share . The record date for the payment of interim dividend is October 19, 2015. The interim dividend will be paid on October 21, 2015. The interim dividend declared in the previous year was ₹30/- (not adjusted for bonus issue) per equity share.

(in ₹)

Particulars	Quarter ended September 30,	Quarter ended June 30,	Quarter ended September 30,	Half-year ended September 30,		Year ended March 31,
	2015	2015	2014	2015	2014	2015
Dividend per share (par value ₹5/- each)						
Interim dividend	10.00	-	30.00[(1)]	10.00	30.00[(1)]	30.00[(1)]
Final dividend	-	-	-	-	-	29.50[(2)]

[(1)] *not adjusted for bonus issues on December 3, 2014 and June 17, 2015*

[(2)] *not adjusted for bonus issue on June 17, 2015*

The final dividend of ₹29.50/- per equity share (not adjusted for bonus issue on June 17, 2015) for fiscal 2015 was approved by the shareholders at the Annual General Meeting of the Company held on June 22, 2015 and the same was paid on June 23, 2015.

6. Other Information

(in ₹ crore)

Particulars	Quarter ended September 30,	Quarter ended June 30,	Quarter ended September 30,	Half-year ended September 30,		Year ended March 31,
	2015	2015	2014	2015	2014	2015
Staff costs	6,985	6,817	6,340	13,802	12,574	25,115
Items exceeding 10% of aggregate expenditure	-	-	-	-	-	-
Details of other income:						
Interest received on deposits with banks and others	603	640	636	1,245	1,244	2,592
Dividend received on investment in mutual fund units	19	22	40	41	89	146
Gain on sale of investment	-	-	-	-	-	10
Miscellaneous income, net	81	82	18	161	24	64
Gains / (losses) on foreign currency, net	71	(25)	139	46	266	525
Total	**774**	**719**	**833**	**1,493**	**1,623**	**3,337**

7. Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended September 30, 2015

Nature of complaints received	Opening balance	Additions	Disposal	Closing balance
Non-receipt of Dividend / Annual Report	-	218	218	-

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

(in ₹ crore)

Particulars	As at	
	September 30, 2015	March 31, 2015
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	1,148	574
Reserves and surplus	53,363	47,494
Sub-total-Shareholders' funds	**54,511**	**48,068**
Non-current liabilities		
Deferred tax liabilities (net)	-	-
Other long-term liabilities	121	30
Sub-total-Non-current liabilities	**121**	**30**
Current liabilities		
Trade payables	275	124
Other current liabilities	7,021	5,546
Short-term provisions	7,002	8,045
Sub-total-Current liabilities	**14,298**	**13,715**
TOTAL - EQUITY AND LIABILITIES	**68,930**	**61,813**
ASSETS		
Non-current assets		
Fixed assets	8,502	8,116
Non-current investments	7,227	6,108
Deferred tax assets (net)	399	433
Long-term loans and advances	5,256	4,378
Other non-current assets	14	26
Sub-total-Non-current assets	**21,398**	**19,061**
Current assets		
Current investments	537	749
Trade receivables	9,256	8,627
Cash and cash equivalents	26,863	27,722
Short-term loans and advances	10,876	5,654
Sub-total-Current assets	**47,532**	**42,752**
TOTAL - ASSETS	**68,930**	**61,813**

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 September 30, 2015

9. Segment reporting (Standalone-Audited)

(in ₹ crore)

Particulars	Quarter ended September 30,	Quarter ended June 30,	Quarter ended September 30,	Half-year ended September 30,		Year ended March 31,
	2015	2015	2014	2015	2014	2015
Revenue by industry segment						
Financial Services and Insurance (FSI)	4,418	4,353	3,992	8,771	7,888	16,175
Manufacturing (MFG)	3,123	2,847	2,537	5,970	4,976	10,230
Energy & utilities, Communication and Services (ECS)	2,663	2,501	2,534	5,164	4,823	9,756
Retail, Consumer Packaged Goods and Logistics (RCL)	2,399	2,197	2,097	4,596	4,159	8,369
Life Sciences and Healthcare (LSH)	922	840	703	1,762	1,336	2,770
Total	**13,525**	**12,738**	**11,863**	**26,263**	**23,182**	**47,300**
Less: Inter-segment revenue	-	-	-	-	-	-
Net revenue from operations	**13,525**	**12,738**	**11,863**	**26,263**	**23,182**	**47,300**
Segment profit before tax and depreciation						
Financial Services and Insurance (FSI)	1,316	1,235	1,211	2,552	2,352	4,905
Manufacturing (MFG)	884	747	719	1,631	1,395	2,798
Energy & utilities, Communication and Services (ECS)	882	685	796	1,568	1,398	2,920
Retail, Consumer Packaged Goods and Logistics (RCL)	717	641	662	1,359	1,300	2,620
Life Sciences and Healthcare (LSH)	274	218	199	490	339	723
Total	**4,073**	**3,526**	**3,587**	**7,600**	**6,784**	**13,966**
Less: Other unallocable expenditure	272	252	251	524	443	917
Add: Unallocable other income	774	719	833	1,493	1,623	3,337
Profit before exceptional item and tax	**4,575**	**3,993**	**4,169**	**8,569**	**7,964**	**16,386**
Exceptional item[(1)]	3,036	-	412	3,036	412	412
Profit before tax	**7,611**	**3,993**	**4,581**	**11,605**	**8,376**	**16,798**

[(1)] *Exceptional item pertains to profit on transfer of business to EdgeVerve, a wholly owned subsidiary.*

Notes on segment information:

Primary segments

The Company's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. Revenues represented along industries served constitute the primary basis of the segmental information set out above. Effective April 1, 2015, the Company reorganized its segments to support its objective of delivery innovation. This structure will help deliver services that will reflect the way technology is consumed in layers by the client's enterprise. However the reorganization did not have any impact in the reportable segments as per Accounting Standard 17 'Segment reporting'.

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

Bangalore, India
October 12, 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, 2015. 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 October 12, 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.