



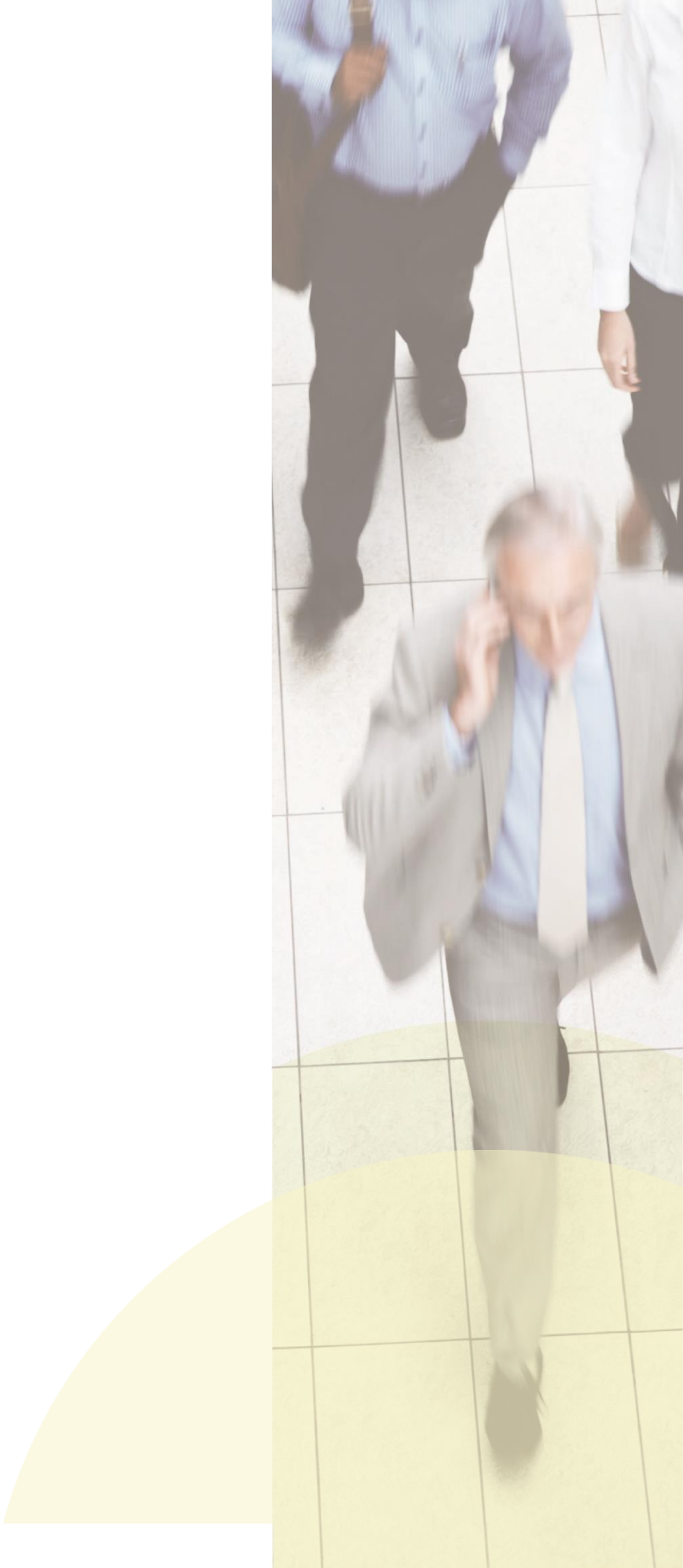
# Infosys

Quarterly Update  
Report Abstract

April 2017

by Rachael Stormonth  
NelsonHall

14 pages





## Who Is This Quarterly Update For?

NelsonHall’s Quarterly Update on Infosys provides a snapshot of developments at Infosys in the last quarter. It accompanies NelsonHall’s more comprehensive Key Vendor Assessment program. Both programs are designed for:

- Marketing, sales and business managers developing strategies to target service opportunities within the BPO/IT Services markets
- Sourcing managers monitoring the capabilities of existing suppliers of IT outsourcing services and identifying vendor suitability for IT services
- Consultants advising clients on vendor selection
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the BPO/IT services sector.



## Key Findings & Highlights

### Q4 Performance “Unanticipated execution challenges and distractions”

- Fourth consecutive quarter of decelerating growth
- Operating margin was up 20 bps y/y.

**FY17 Performance:** maintained operating margin against backdrop of slowing topline growth

- Revenues up 8.3% in CC (just missing revised guidance). Rev per capita up slightly
- Operating margin towards the higher end of guidance

Management highlighted strong growth in “new software and software related services”. Starting in Q1 FY18, management will report revenues on a quarterly basis from the new software also from new offerings. Color on current dynamics is that approximately 35% of the workforce is producing ~45% of the revenue

### Guidance for full FY18 Muted

### Revised Capital Allocation Policy

### Large deal bookings up in Q4, but mostly renewals.

Significant increase in FY17 in number of \$100m+ accounts, a major step up on previous years.

### Progress in Automation/AI

### Board Change: new Co-Chairman

Should help some of the founders.

### Leadership Changes in Two Software Units, to accelerate growth

## Contents

Overview

---

Financials

---

Recent Contract Awards

---

M&A and Investments

---

Partnerships, New Offerings

---

Immediate Challenges

---

Appendix A: Financials

---

Appendix B: Client Metrics

---

Appendix C: Employee Data

---

## Scope of the Report

The report provides a quarterly update on Infosys.

It accompanies NelsonHall's Key Vendor Assessment program which looks at Infosys' IT and BPO offerings, capabilities, and market and financial strengths, including:

- Identification of the company's strategy, emphases and new developments
- Revenue breakdowns
- Analysis of the company's offerings and key service components
- Analysis of the profile of the company's client base including the company's targeting strategy and examples of current contracts
- Analysis of the company's strengths, weaknesses and outlook.

## Report Length

14 pages

## Report Authors

Rachael Stormonth