

Infosys quarterly profit up 15 percent

July 11 2014, by Kay Johnson

(AP)—Indian outsourcing company Infosys reported a 15 percent increase in quarterly profit on Friday and maintained its revenue growth forecast.

The company said its April-June quarter profit of \$482 million was up 15.3 percent from a year earlier.

The information technology outsourcing giant has gone through a succession of management changes, culminating with the naming of Vishal Sikka as chief executive officer. Sikka is a former board member of technology company SAP AG and is the first outsider to hold the CEO job at Infosys.

The company reported revenue of \$2.1 billion. It maintained its forecast for full-year revenue growth at 7 to 9 percent in dollar terms.

Infosys shares rose 1.1 percent to 3,326 rupees (\$55) after the earnings report.

The quarterly profit was down 1 percent from the January-March quarter as Infosys faces higher wages to keep talent and pricier visas for its employees in the U.S.

Infosys employs more than 160,000 people but Chief Operating Officer U. B. Pravin Rao acknowledged that the company has lost employees to competitors.

"Employee attrition rates are worrisome and we are implementing various initiatives to retain good talent," Rao said.

Infosys has been reporting better times in recent quarters after suffering along with other Indian outsourcers from lower spending by clients during the global downturn.

The problems prompted the company to temporarily bring back co-founder Narayana Murthy as executive chairman to help with an overhaul. Murthy stepped down just before Sikka was named CEO.

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