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Infosys BPO

The business process outsourcing subsidiary of Infosys Technologies

Agenda

- Mortgage BPO Market
- Mortgage Services Overview
- Projected trends in the Mortgage BPO Industry

US Mortgage BPO market is projected to reach \$ 6.6 B by 2010

Year	Origination Services	Mortgage Administration Services	Total
2005	1,670	1,750	3,420
2006	1,970	1,930	3,900
2007	2,330	2,120	4,450
2008	2,740	2,330	5,070
2009	3,240	2,560	5,800
2010	3,820	2,820	6,640

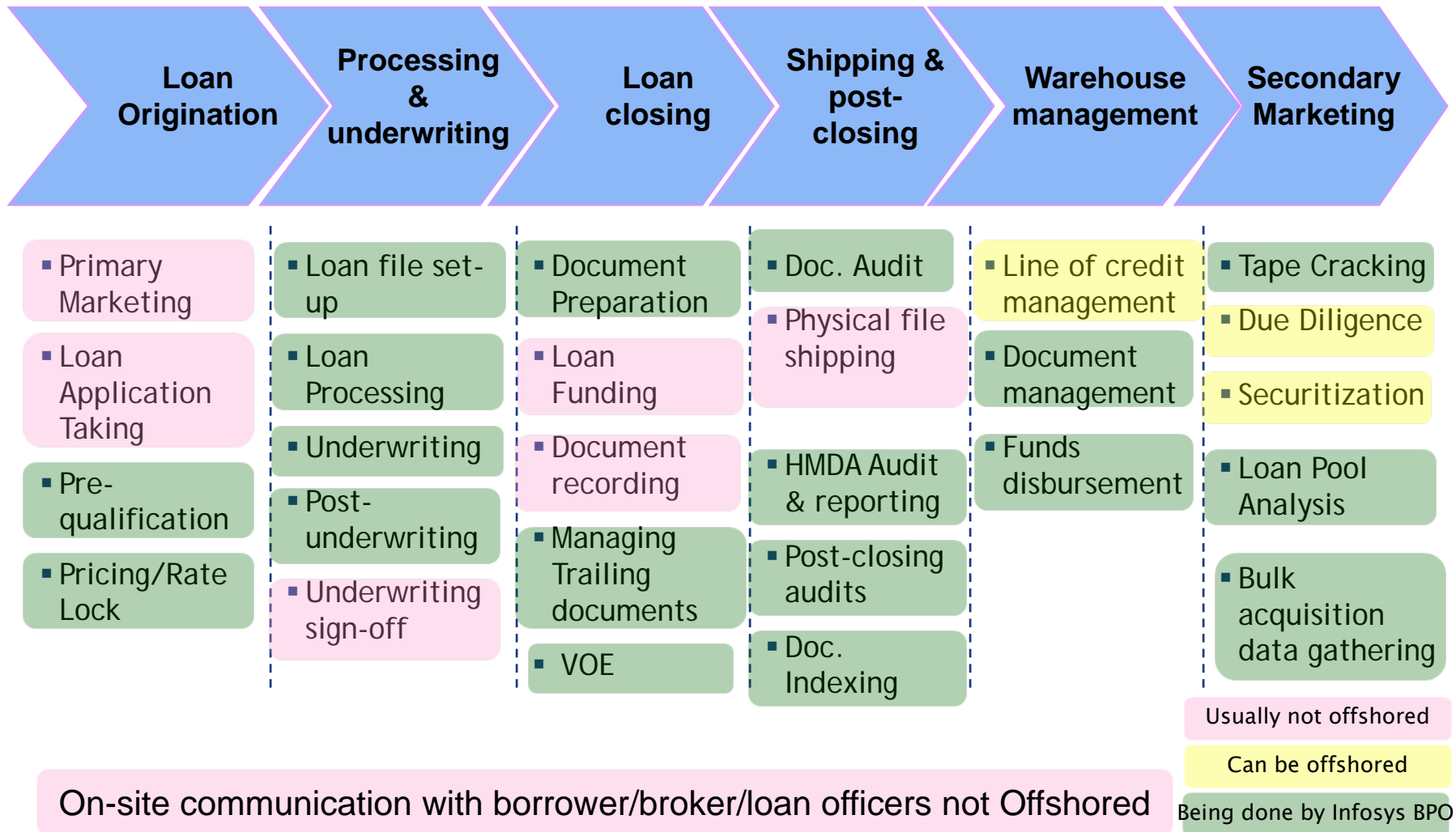
- Offshore BPO has been adopted by most of the large Banks and several mortgage companies in the US either through the captive route or through a third party vendor. We are now seeing the second wave with the next group of banks exploring the offshore avenue.
- Critical success factors for BPO providers today include ability to handle fluctuating volumes, provide innovative pricing models, manage attrition, and deliver quality.

*Data taken from NelsonHall report

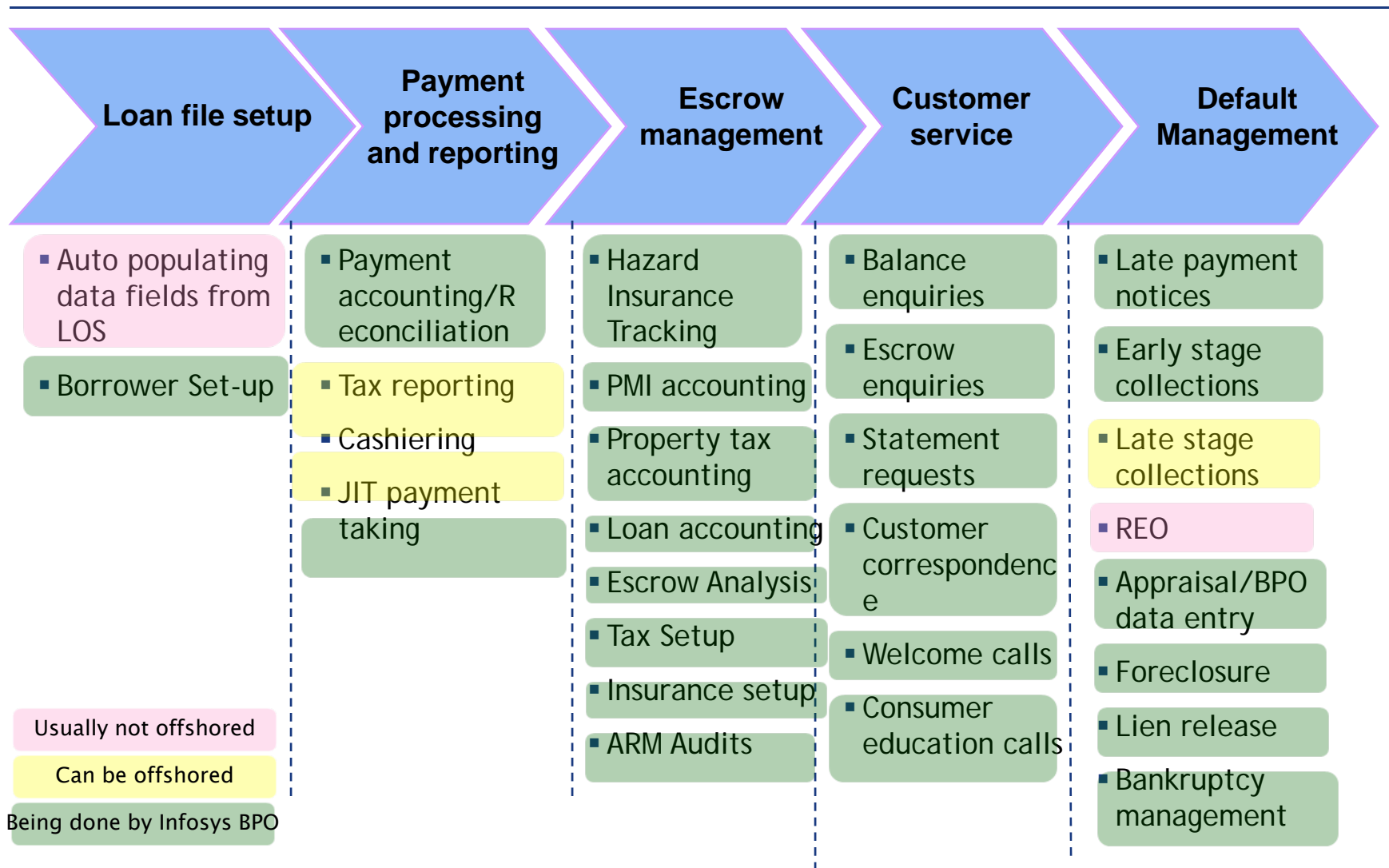
A typical leader in the mortgage BPO space.....

- Infosys BPO's mortgage practice is spread across 5 clients -
 - US based Leading Alt-A Lender
 - US based sub-prime servicing company
 - Top 10 US Bank
 - Top 5 US Mortgage Corp
 - Top 3 Global Investment Bank
- 800 + Mortgage domain associates
- Knowledge of Fidelity MSP, Director, Empower!, Rekon2000, Capture Professional
- Services include lien release, payoffs, early collection calling, underwriting, doc prep, post closing, secondary marketing, escrow administration and default administration
- Tie-up with Mortgage Banker's Association for external training and certification of associates
 - Level 1: Mortgage Basics, E-Ticket-
 - Level 2: Achievement Certification Program
 - Level 3: Professional Certification Program
- Mortgage Center of Excellence
 - Develop solutions for Mortgage Clients
 - One-stop for domain information on Infosys BPO Intranet

Mortgage processes offshoring can be implemented across several segments of the mortgage value chain



Mortgage processes offshoring can be implemented across several segments of the mortgage value chain (Contd..)



Inside - out view of Offshoring: Efficiency and Productivity gains

- Create a long standing PMO of high potential individuals
- Track vendor performance month on month - governance
- Start from FTE pricing model – move to TP – to outcome based pricing
- Build internal competence around business/ volume forecasting
- Bake into the MSA a guaranteed Productivity improvement – yoy
- Construct a gain share model – beyond the standard productivity
- Look at a combined IT-BPO partnership

We see the following trends in the Mortgage BPO Industry in light of the recent sub prime crisis

Short Tem

- Negative Impact on Off shoring of additional work
- Niche BPO Companies in the Origination space severely impacted
- BPO Companies in the Servicing space less impacted
- BPO Companies with services across Origination, Servicing & Default less impacted
- Diversified BPO Companies least impacted

Medium Tem

- Renewed interest in Off-shoring as Mortgage companies seek to leverage transaction pricing arrangements to move to a variable cost structure
- Areas to focus are Managed Services, Default Management & Regulatory Compliance

Managed Services

We are exploring possible Strategic alliances with mortgage origination platform providers and we will jointly take this solution offering to the market

Regulatory Compliance

We estimate a growing need for regulatory & compliance solutions from mortgage lenders going forward in the light of stricter underwriting guidelines and is augmenting its capabilities in this space through strategic alliances

Default Management

Increasing foreclosures and defaults will compel mortgage servicers to look for specialized solution offerings in this space. Infosys BPO which has a decent footprint in the default servicing space is looking to build niche capabilities which will enable it to offer a compelling value proposition to its clients going forward.

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Thank You