

Extraordinary General Meeting ²⁰⁰⁶

Infosys[®] | celebrating
25 years

THIS PRESENTATION IS INTENDED ONLY FOR
INDIAN EQUITY SHAREHOLDERS OF
INFOSYS TECHNOLOGIES LIMITED AND NOT THE
PUBLIC AT LARGE

Sponsored Secondary ADS Program

Balakrishnan V.
Chief Financial Officer

THE JOURNEY SO FAR

A large, stylized graphic of a leaf or branch, rendered in a lighter shade of blue than the background. It is positioned on the right side of the slide, extending from the top right towards the bottom right. The graphic consists of several overlapping, curved shapes that suggest the veins and outline of a leaf.

The journey so far

- » 1999 – We became the first company from India to get listed on the US capital markets
 - » To increase brand equity of Infosys - US is the largest IT spender
 - » To create a currency for issue of dollar-denominated ESOP to employees
 - » To create a currency for acquisitions
- » 2003 and 2005 – Sponsored Secondary ADS program for 24 Mn shares (24 Mn ADSs)* and 32 Mn shares (32 Mn ADSs)* respectively
- » Our long term goal is to get into one of the global indices

* Currently, each ADS represent one equity share. Adjusted for bonus issue/stock dividend in July 2004 and 2006

What does Sponsored Secondary ADS program mean?

- » Conversion of existing domestic equity shares into ADSs
- » Allows shareholders in India to convert and sell their equity shares in the US market and realize the proceeds, net of issue expenses
- » There will be no additional issue of any equity shares by the company in this offering
- » No money will accrue to the company

Our earlier sponsored
secondary ADS programs

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2003 – ADS Program

- » Announced in December 2002 and concluded in July 2003
- » The program was for 24 mn equity shares (equivalent to 24 mn ADS) *
- » The ADSs were priced at US\$ 12.25*/ADS on July 31, 2003
- » Gross proceeds from the issue was US\$ 294 mn
- » The net issue expense was 3.98% of the gross proceeds
- » The proceeds, net of issue expenses, were disbursed to the shareholders on August 21, 2003

* Currently, each ADS represent one equity share. Adjusted for bonus issue/stock dividend in July 2004 and 2006

2005 – ADS Program

- » Announced in November 2004 and concluded in June 2005
- » The program was for 32 mn equity shares (equivalent to 32 mn ADSs) *
- » The ADSs were priced at US\$ 33.50*/ADS on May 26, 2005
- » Gross proceeds from the issue was US\$ 1.07 billion
- » The net issue expense was 1.89% of the gross proceeds
- » The proceeds, net of issue expenses, were disbursed to the shareholders on June 13, 2005

* Currently, each ADS represent one equity share. Adjusted for bonus issue/stock dividend in July 2004 and 2006

The Current ADS program

The Board met on October 11, 2006 and approved

- » Sponsorship of an secondary ADS issue up to 30mn shares (equivalent to 30 mn ADSs)
- » Formation of Board committee to enable the sponsored program
- » Pricing will be determined by the lead underwriters as per RBI guidelines
- » All shareholders, holding Indian equity shares, will have pari-passu right to participate in this program

Global Book Runners

- » ABN AMRO Rothschild
- » Banc of America Securities LLC
- » Deutsche Bank Securities Inc.
- » Goldman Sachs (Asia) L.L.C.
- » J.P. Morgan Securities Inc.
- » Nomura Singapore Limited
- » UBS AG

The ADS program may include a POWL issue
(Public Offer Without Listing) in Japan

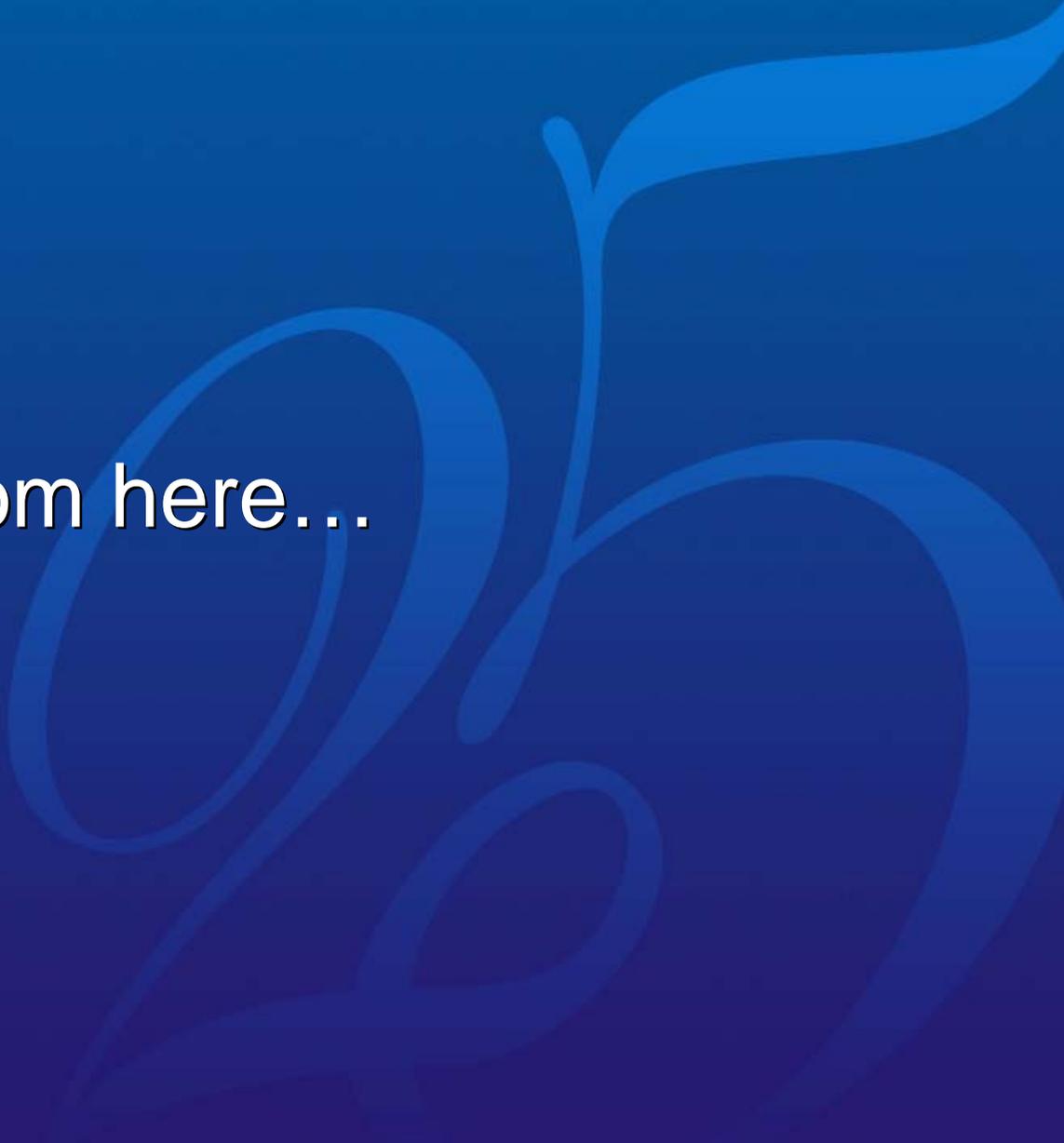
Government of India approvals

- » We applied to the FIPB on October 12, 2006 and we received the approval on November 6, 2006
- » No other approvals are required for this sponsored program, in India

Shareholders approval

- » As per the operative guidelines issued by the RBI, the sponsorship of ADSs requires the approval of the shareholders
- » The Board on October 11, 2006 decided to convene the EGM on November 7, 2006
- » The necessary resolutions are before the shareholders for approval

The process from here...

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The process...

- » File Registration Statement in Form F-3 with SEC
- » Complete the Registration Statement filing process with SEC
- » Create an escrow mechanism for shareholders to deposit their shares in India
- » Send the letter of invitation to all the shareholders in India
- » Fix a specified date to identify eligibility of shareholders who can participate in this secondary offering

...The process

- » Road show to market the ADSs
- » Price the ADSs
- » Eligibility is pro-rata to the holdings of the shareholders
- » Excess shares offered in the escrow account will be returned to the shareholders
- » The proceeds are repatriated to India and will be distributed to the shareholders, net of issue expenses

RBI

- » As per the current regulations of RBI, shareholders who participate in the secondary program can retain the proceeds in foreign currency accounts in India

Income Tax

- » Equity shares which are settled on a recognized stock exchange in India are entitled to preferential capital gains tax rates of 0% for long-term capital gains and 10% for short-term capital gains plus applicable surcharge. However, such transactions attracts applicable transaction tax.
- » The preferential capital gains tax rates will not extend to this secondary ADS program since the equity shares sold in the offering are not settled in a stock exchange in India. The short term capital gains will be taxed at the maximum marginal rate plus applicable surcharges and the long term capital gains will be taxed at 10% plus applicable surcharge subject to any benefits as per law.

Summary

Total outstanding shares as of Sept 30, 2006	55,57,85,001
ADS's outstanding as of Sept 30, 2006	7,75,41,015
% of free float in the US	13.95%
The maximum number of shares offered in the proposed Sponsored Secondary ADS Program	3,00,00,000
% of free float in the US after the proposed maximum issue	19.35%

Thank You

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A Registration Statement relating to these securities will be filed with the Securities and Exchange Commission. These securities may not be sold nor offers to buy be accepted prior to the time the Registration Statement becomes effective. This communication shall not constitute an offer to buy nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. The securities being registered will be offered by selling shareholders of Infosys who choose to participate in the offering. Copies of the Registration Statement will be available after filing at the Securities and Exchange Commission website at www.sec.gov.