Audited consolidated financial results of Infosys Technologies Limited and its subsidiaries for the guarter ended June 30, 2008

Particulars	-,	Quarter ended June 30,		
	2008	2007	200	
Income from software services, products and business process management	4,854	3,773	16,69	
Software development and business process management expenses	2,754	2,169	9,20	
Gross profit	2,100	1,604	7,48	
Selling and marketing expenses	257	205	91	
General and administration expenses	364	315	1,33	
Operating profit before depreciation and minority interest	1,479	1,084	5,23	
Depreciation	169	144	59	
Operating profit before tax and minority interest	1,310	940	4,64	
Other income, net	117	253	70	
Net profit before tax and minority interest	1,427	1,193	5,34	
Provision for taxation (refer to note 7 and 8)	125	114	68	
Net profit after tax and before minority interest	1,302	1,079	4,65	
Minority interest	_	_		
Net profit after tax and minority interest	1,302	1,079	4,65	
Paid-up equity share capital (par value Rs. 5/- each, fully paid) (refer to note 4)	286	286	28	
Reserves and surplus	14,863	12,053	13,50	
Earnings per share (par value Rs. 5/- each)				
Basic	22.75	18.89	81.5	
Diluted	22.70	18.82	81.2	
Dividend per share (par value Rs. 5/- each)				
Interim dividend	_	-	6.0	
Final dividend	_	-	7.2	
Special dividend	-	-	20.0	
Total dividend	_	-	33.2	
Total dividend percentage (%)	_	-	665.0	
Total Public Shareholding#				
Number of shares	36,82,98,570	36,75,70,027	36,78,42,75	
Percentage of shareholding	64.35	64.35	64.3	

^{*} Total public shareholding as defined under Clause 40A of the Listing Agreement (excludes shares held by founders and American Depositary Receipt holders)

Other Information

			(in Rs. crore)	
Particulars		Quarter ended June 30,		
	2008	2007	2008	
Staff costs	2,633	2,051	8,878	
Items exceeding 10% of aggregate expenditure	-	-	_	
Details of other income:				
Interest on deposits with banks and others	193	182	672	
Dividend on investments in liquid mutual funds	2	1	9	
Miscellaneous income	2	2	11	
Exchange differences	(80)	68	12	
Total	117	253	704	

Notes:

- The audited financial statements have been taken on record by the Board of Directors at its meeting held on July 11, 2008. There are no qualifications in the auditors' reports for these periods. The information presented above is extracted from the audited financial statements as
- The financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as set out in the Accounting Standard on Consolidated Financial Statements mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India. The financial statements of the parent company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and transactions and resulting unrealized gains / losses. The consolidated financial statements are prepared by applying uniform accounting policies.
- The company believes that presenting consolidated financial results has greater value, since it depicts the total financial position and results of operations of the parent company and its subsidiaries as if they were one economic unit. Clause 41 of the Listing Agreement requires companies to either publish standalone or consolidated financial results in the newspapers and this choice is to be exercised during the first quarter of the financial year. The company, in compliance with this provision, has opted to publish the consolidated financial results. The standalone financial results will, however, be made available to the Stock Exchanges where the company's securities are listed and will also be posted on the company's website www.infosys.com.
- The Finance Act, 2007 included Fringe Benefit Tax (FBT) on Employee Stock Option's Plan (ESOPs). FBT liability crystallizes on the date of exercise of stock options. During the guarter ended June 30, 2008 and year ended March 31, 2008, the company issued 3,47,418 and 7,85,896 equity shares, respectively, pursuant to the exercise of stock options by certain employees under the 1998 and 1999 stock option plans. During the quarter ended June 30, 2007, there was no exercise of options under both the plans. FBT on exercise of stock options of Rs. 1 crore and Rs. 2 crore for the quarter ended June 30, 2008 and year ended March 31, 2008, respectively, has been paid by the company and subsequently recovered from the employees. Consequently, there is no impact on the profit and loss account.
- Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended June 30, 2008.

Nature of complaints received	Opening balance	Additions	Disposal	Closing balance
Dividend related	_	173	173	_

- 6. The final dividend of Rs. 7.25 per share (145% on an equity share of par value of Rs. 5/-) and a special dividend of Rs. 20.00 per share (400% on an equity share of par value of Rs. 5/-) for fiscal 2008 was approved by the shareholders at the Annual General Meeting of the company held on June 14, 2008 and the same was paid on June 16, 2008.
- 7. Pursuant to the changes in the Indian Income Tax Act, the company has calculated its tax liability after considering Minimum Alternate Tax (MAT). This has not resulted in an additional tax expense as MAT can be set off against any future tax liability. Accordingly, Rs. 235 crore is shown under "Loans and Advances" in the balance sheet as of June 30, 2008.
- 8. The tax provision for the quarters ended June 30, 2008, June 30, 2007 and fiscal 2008 includes a reversal of Rs. 31 crore, Rs. 51 crore and Rs. 121 crore (net) respectively relating to liabilities no longer required.
- 9. During the year ended March 31, 2008, the company voluntarily settled with the California Division of Labor Standards Enforcement towards possible overtime payment to certain employees in California for a total amount of Rs. 102 crore. Also, the company recorded health insurance liabilities based on the maximum individual claimable amounts by employees and during the year ended March 31, 2008, the company completed its reconciliation of amounts actually claimed by employees to date, including past years, with the aggregate amount of recorded liability resulting in a write-back of net excess provision of Rs. 71 crore.

Matters relating to Subsidiaries:

Infosys BPO

During the year ended March 31, 2008, Infosys completed the purchase of 3,60,417 Infosys BPO shares from its employee shareholders consequent to the forward share purchase agreement entered with them in February 2007. Further, Infosys BPO acquired 100% of the equity shares of

P-Financial Services Holding B.V. for a consideration of Rs. 107 crore by entering into a Sale and Purchase Agreement with Koninklijke Philips Electronics NV (Philips). The transaction was accounted as a business combination and resulted in a goodwill of Rs. 83 crore. As of June 30, 2008, Infosys holds 99.98% of the equity in Infosys BPO

Infosys Consulting

During the year ended March 31, 2008, an additional investment of US\$ 20 million (Rs. 81 crore) was made in Infosys Consulting Inc, which is a wholly owned subsidiary. As of June 30, 2008, the company has invested an aggregate of US\$ 40 million (Rs. 171 crore) in the subsidiary.

Infosys Mexico

During the year ended March 31, 2008, the company incorporated Infosys Technologies S. DE R.L. de C.V., a wholly owned subsidiary in Mexico. As of June 30, 2008, the company has invested an aggregate of Mexican Peso 60 million (Rs. 22 crore) in the subsidiary

Infosvs China

During the year ended March 31, 2008 and guarter ended June 30, 2008, the company disbursed an amount of US\$ 3 million (Rs. 10 crore) and US\$ 2 million (Rs. 8 crore) as loan to its wholly owned subsidiary, Infosys Technologies (China) Co. Limited. The loan is repayable within five years from the date of disbursement at the discretion of the subsidiary. As of June 30, 2008, the company has invested US\$ 10 million (Rs. 46 crore) as equity capital and US\$ 10 million (Rs. 44 crore) as loan in the subsidiary.

Segment reporting (Consolidated - Audited)

(in Rs. crore)

Particulars		Quarter ended June 30,		
	2008	2007	2008	
Revenue by industry segment				
Financial services	1,674	1,361	5,972	
Manufacturing	894	512	2,454	
Telecom	959	831	3,597	
Retail	590	407	1,971	
Others	737	662	2,698	
Total	4,854	3,773	16,692	
Less: Inter-segment revenue	_	_	_	
Net revenue from operations	4,854	3,773	16,692	
Segment profit before tax, depreciation and minority interest:				
Financial services	481	360	1,844	
Manufacturing	246	135	687	
Telecom	351	282	1,278	
Retail	174	109	597	
Others	227	198	832	
Total	1,479	1,084	5,238	
Less: Other un-allocable expenditure	169	144	598	
(excluding un-allocable income)				
Operating profit before tax and minority interest	1,310	940	4,640	

Notes on segment information

The company's operations predominantly relate to providing technology services, delivered to clients globally, operating in various industry segments. Accordingly, revenues represented along industries served, comprise the primary basis of the segmental information set out above.

Segmental capital employed

Fixed assets used in the company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and support services are used interchangeably between segments. Accordingly, no disclosure relating to total segment assets and liabilities has heen made

> By order of the Board for Infosys Technologies Limited

Bangalore, India July 11, 2008

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S. D. Shibulal Chief Operating Officer S. Gopalakrishnan Chief Executive Officer

The Board has also taken on record the unaudited consolidated results of Infosys Technologies Limited and its subsidiaries for the quarter ended June 30, 2008, prepared as per US GAAP. A summary of the financial statements is as follows:

(in US\$ million, except per ADS data

Particulars	I	Quarter ended June 30, (Unaudited)		
	2008	2007	2008 (Audited)	
Revenues	1,155	928	4,176	
Cost of revenues	697	569	2,453	
Gross profit	458	359	1,723	
Net income	306	263	1,155	
Earnings per American Depositary Share (ADS)				
Basic	0.54	0.46	2.03	
Diluted	0.54	0.46	2.02	
Total assets	4,144	3,420	4,492	
Cash and cash equivalents	1,722	1,587	2,058	
Liquid mutual funds	35	_	18	

The reconciliation of net income as per Indian GAAP (audited) and US GAAP is as follows:

(in US\$ million)

	Quarter ended June 30, (Unaudited)		Year ended March 31,	
	2008	2007	2008 (Audited)	
Consolidated net profit as per Indian GAAP	308	266	1,166	
Stock compensation expenses (SFAS 123R)	-	(1)	(3)	
Amortization of intangible assets	(2)	(2)	(8)	
Consolidated net income as per US GAAP	306	263	1,155	

Certain statements in this release concerning our future growth prospects are forward-looking statements, within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended, 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 the success of our investments, risks and uncertainties regarding fluctuations in earnings, our ability to sustain our previous levels of profitability including on account of the appreciation of the rupee against the US Dollar, UK Pound and the Euro, our ability to manage growth, intense competition in information technology, business process outsourcing and consulting 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 we have made strategic investments, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property, economic slowdowns or adverse economic conditions in the markets for our services 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, 2008 and our other recent filings. These filings are available at www.sec.gov. We may from time to time, make additional written and oral forward-looking statements, including statements contained in our filings with the Securities and Exchange Commission and our reports to shareholders. We do not undertake to update any forward-looking statements that may be made from time to time by or or