

Analyst Meet 2006

Independent Validation Solutions

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Certain statements in this Analyst meet concerning Infosys' future growth prospects are forward-looking statements 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 fluctuations in earnings, our ability to manage growth, intense competition in IT 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, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Infosys has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property 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, 2006. These filings are available at www.sec.gov. Infosys may, from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with the Securities and Exchange Commission and our reports to shareholders. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.

- » Independent Validation Solutions (IVS) provides 3rd-party validation solutions to clients
- » Our clientele includes several global majors from industries such as Banking & Financial Services, Insurance & Healthcare, Manufacturing, Retail and Telecom
- » The resource pool includes validation experts, business domain specialists and technology specialists to cater to the wide array of testing skill requirements.
- » The IVS Academy handles capability building for the future
- » The validation expertise spans across numerous areas such as
 - » Business Process Validation of software solutions
 - » Test Process & Strategy Consultancy
 - » Enterprise Performance Testing solutions
 - » Testing Centers of Excellence
 - » Test Automation Frameworks and Solutions

Estimated market opportunity for outsourced testing services

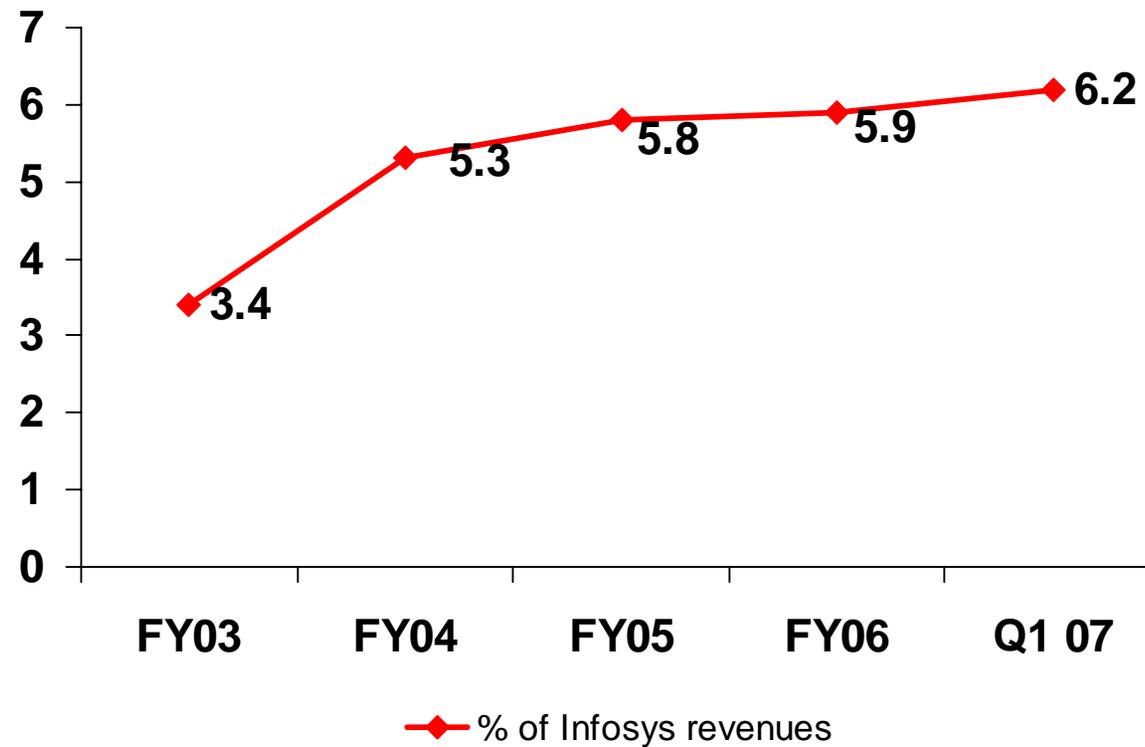
\$ billions

	2004	2005	2006	2007	2008	2009	2010
IT Services market for Development and Integration	181	189	200	211	222	234	247
Testing Services (About 22%)	39.82	41.58	44.00	46.42	48.84	51.48	54.34
Outsourced Testing Services (Assuming 10% of Testing services)	3.98	4.16	4.40	4.64	4.88	5.14	5.43

Source : Industry

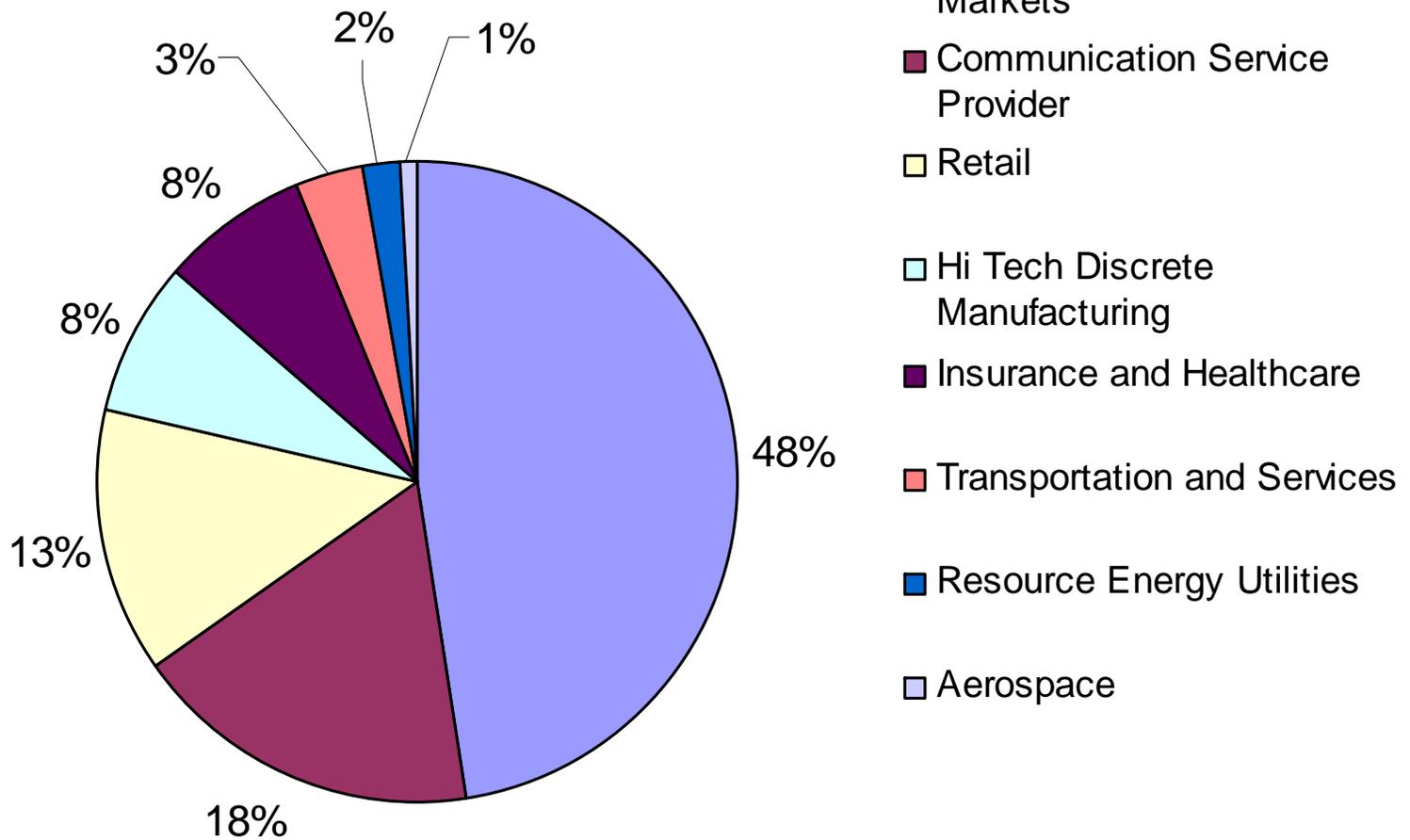
Metrics of the Unit

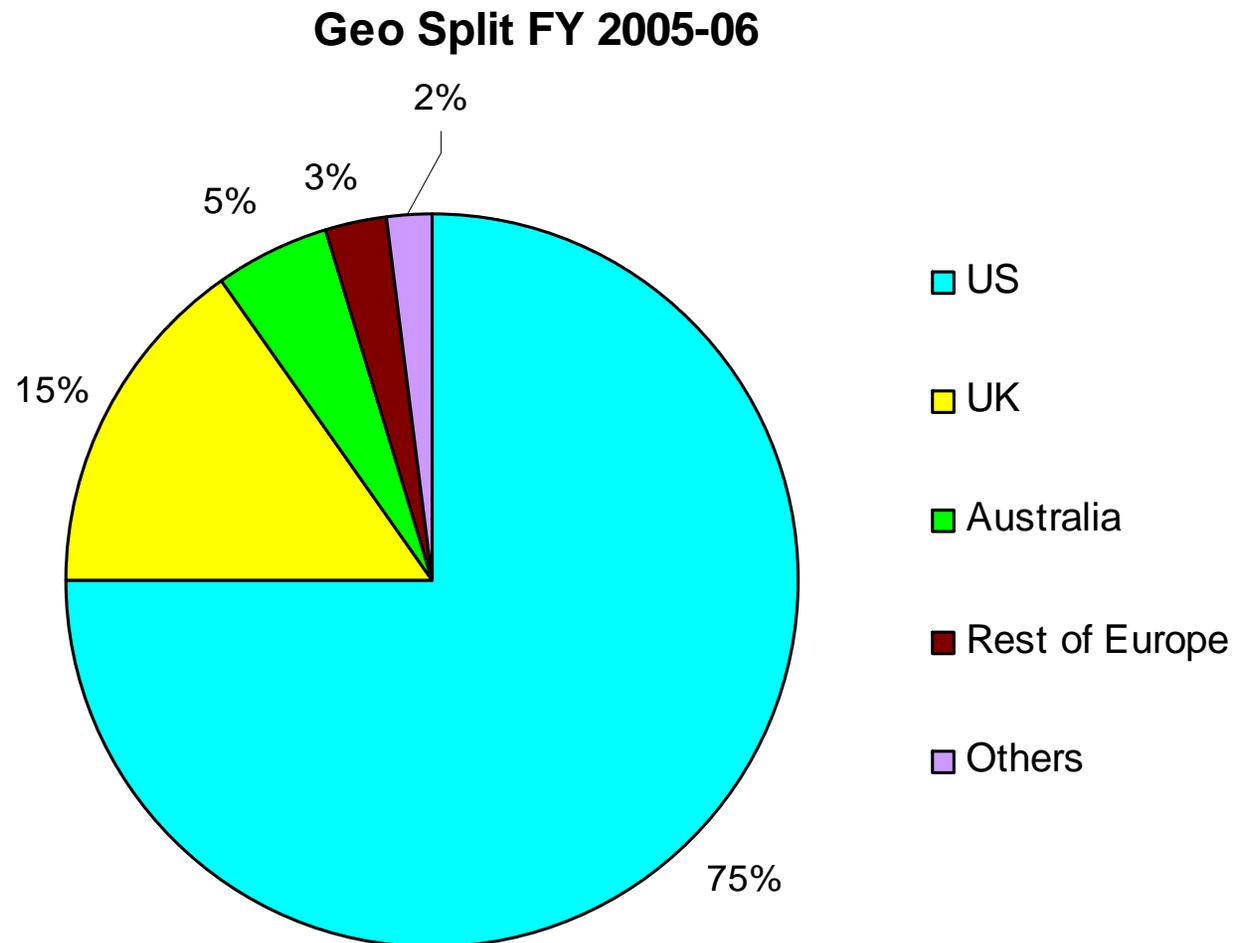
- » Customers – Over 80 enterprise customers in different verticals and 20 product based customers
- » Over 80% of repeat business
- » Over 2700 employees
- » Onsite Effort – 20%



Revenue split by Verticals

Vertical Split FY 2005-06





Domain Skills with internationally recognized certifications

Industry certifications

- » IAQ (Investment Administration Qualification) - 23
- » NCFM (NSE's Certification in Financial Markets) - 49
- » CIBOS (Chartered Institute of Bankers in Scotland) - 46
- » Retail(Level1&2) - 56
- » LOMA (Life Office Management Association) - 74
- » IFB(Certificate in Banking) - 6
- » D&B(Certificate in Banking) - 1

Testing/QA certifications

- » CSQA (Certified SQA) and CSTE (Certified Software Test Engineer) - 280
- » ISTQB (International Software Testing Qualifications Board) - 11
- » Mercury(Winrunner, Loadrunner, QTP) - 49
- » PMP(Project Management Professional) - 19

Solutions in Enterprise Application Testing

- » ACCORD Solution – enhances the back end testing capabilities of Automation tools
- » LIGHTHOUSE – Automated script generator; tool agnostic
- » Reusable Test Accelerators for Business Process Testing
- » Fixed priced TCOE for higher revenue productivity
- » Enterprise Performance Management solutions

- » Competition
 - » Many Indian IT services vendors have just started their testing practice
 - » Testing services market space is still quite large for the competition to intensify
- » Large Enterprises are taking Testing very seriously. Lack of budget and skill is pushing more of it offshore
- » Industry Analysts have started covering Testing Services separately
- » Automation and re-usable frameworks will start getting bigger. Best way to combat resource requirement upsurge

Market opportunities are higher

- » Offshore becoming predominant

Resourcing Scale

- » IVS Academy and alternate talent pools

Commoditization Services

- » High value solutions
- » Go-to-Market with Tool Vendors

Influencing our community

- » Thought leadership in International conferences, Leaders of Change Forums, etc
- » University programs and workshops

Client Context

- » Client is a Leading wealth management and global investment banking firm in the world
- » Client has undertaken a strategic decision to consolidate and setup a Testing Center of Excellence” via globally sourced teams under a single program umbrella

Issues

- » QA was managed at a discrete project level and not coordinated across programs / streams / functions
- » No centralized reporting or service execution
- » Limited view of function level progress/quality
- » No standardization of tools/processes/environment management
- » The technical architecture was too complex, spanning diverse platforms and multiple vendors
- » The objectives of setting TCOE was to:
 - » Provide a managed testing and quality assurance service
 - » Achieve standardization of tools, processes, test environment management, metrics, reporting across functions and programs in client organization
 - » Achieve significant cost savings and return on testing investment through proper mix of offshore and onsite delivery

Engagement Approach

- » Infosys proposed setting up TCOE for consolidation and outsourcing
- » Used the stages Kickoff and planning, Assess, Analyze, Recommend and Define to assess and evaluate the current state

Value addition to the client

- » Flexible Resourcing
- » Scalable Management Approach
- » Process standardization and transformation
- » Enhanced productivity

Business benefits delivered

- » Saving direct costs by over \$3.5 Million
- » Potential 5-10% annual savings via efficiency gains
- » Improved in Quality and reduced cost of ownership
- » Less than 1% of defect leakage by the virtue of high quality independent software testing

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Questions and Answers

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Thank You

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