Analyst Meet 2006 5000

Software Engineering and Technology Labs (SETLabs)

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Safe Harbor



Certain statements in this Analyst meet concerning Infosys' future growth prospects are forwardlooking 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.

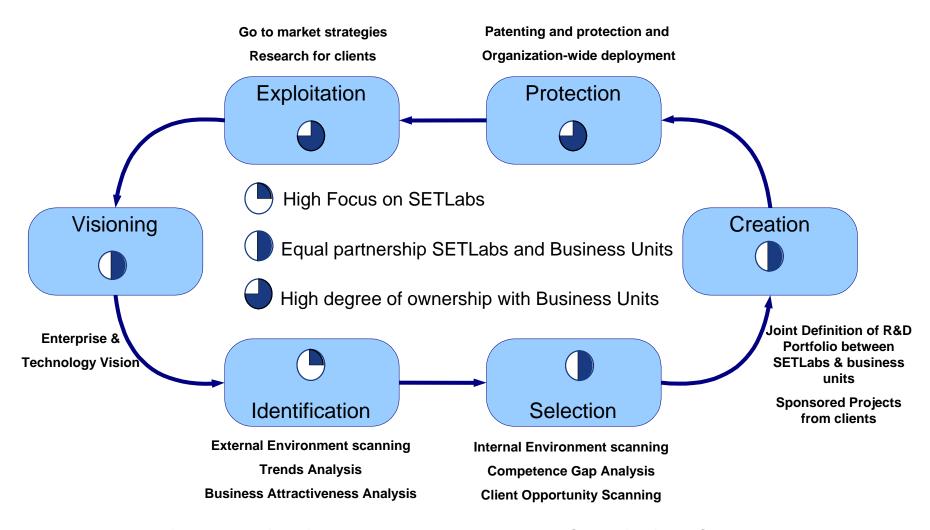
Why Innovation is Important at Infosys



- » Innovation in a company like Infosys is driven through applied research, with the purpose of finding application of technology for business purposes
- » AIM: To reduce the time lag between a technology innovation by core technology developers and technology users
 - » Being a trusted partner of clients by providing the best solutions on state-of-the-art technologies as they mature in the markets
 - » Using state-of-the-art technologies for improving our internal productivity in order to deliver better and faster on client deliverables

Internal model of Innovation Management



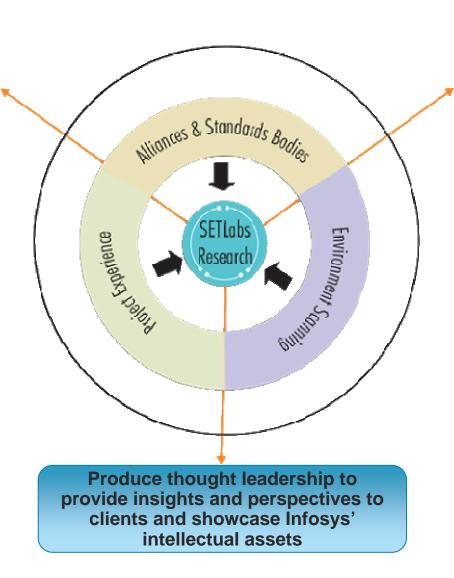


This process is driven through the Technology Council of the Company

SETLabs Charter: Fueling Innovation



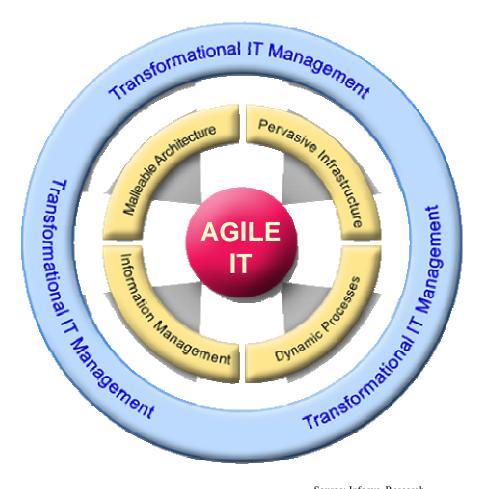
Create
methodologies,
frameworks, tools
for continuous
refinement



Perform applied R&D to address client's business problems and enhance their competitiveness

SETLabs Vision: Agile IT





Source: Infosys Research

- » Dynamic processes
 Flexibility in analysis and re-design of business processes
- » Malleable Architecture Building interoperability in a changing technology and business landscape
- » Personalized Information Management Providing unified corporate wide information personalized to individual stakeholders
- » Pervasive Infrastructure Services characterized by mobility, wireless connectivity, context awareness, implicit inputs, smart spaces, and natural interfaces for human-device interaction.
- » Transformational IT Management Cost-effective adaptability to change focused on ecosystem value maximization

Research projects employ a variety of technologies to realize this vision

Research Areas



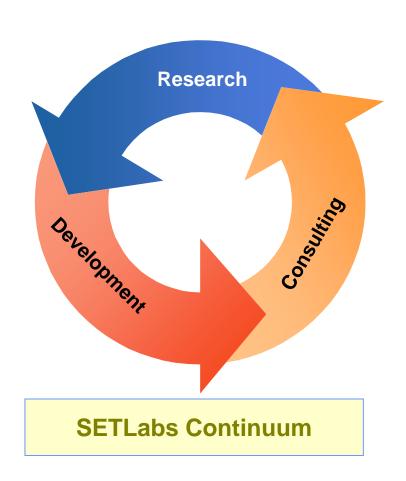
| Dynamic Processes | Malleable Architecture | Personalized Information | Pervasive Infrastructure | Transformational IT Management | Technology Platforms |
|---------------------------------------|-------------------------------|-------------------------------------|-----------------------------|--------------------------------|------------------------------|
| Business Process Management | Web Services SOA | Enterprise Content Management | Mobile Computing | Outsourcing | Linux |
| Intelligent Systems | Software Architecture | Business Intelligence | Convergent Technologies | IT Strategy | J2EE |
| Enterprise Collaboration | Open Source | Data warehousing | Sensor Networks | IT Management | .Net |
| Knowledge Engineering/ Ontology | Grid Computing | Knowledge Management | RFID | Solution Methodologies | RTOS, Embedded Systems |
| High availability systems | Multi-processor architectures | Security, Infrastructure | Peer to Peer Networks | Regulatory compliance | Maintenance COE |
| | | Legacy Systems | Low cost Devices | IT organization Research | |

Software Engineering

(Engineering Methodologies, Performance Engineering, QoS, Platform Engineering)

SETLabs Outputs





- » Over 55 IP assets (methodologies, tools, solutions)
- » 38 patents filed with 20 more intentions to file
- » Publications
 - » Over 200 Technical Research Papers,
 - » 82 Research Notes,
 - » 36 White Papers,
 - » 34 Case Studies and other documents

SETLabs Offerings – An Illustrative list



Influx

» Aligns IT solutions to business processes by providing a holistic and unambiguous understanding of process automation and its impact

IPSP (Intelligent Production Support Platform)

» Reduces turn around times through automation expanding individual capability thereby leading to a faster ramp-up of new engineers

Winnow (Expert Vendor Selection Platform)

» Aids vendor/product selection through a set of scenario-specific tools resulting in a typical cost saving of 50% or more

Radein – J2EE Application Framework

» Increases productivity through reuse and effort reduction

InFin-IT (Financial Model for IT Business Value Measurement)

» Decision making tool for IT budget allocation

IT Effectiveness Tool

- » Squeezes inefficiency and reduces IT spending
- » Integrated Performance Management Tool
- » Eliminates architecture performance problems thereby reducing TCO

Gridworm

»Grid Work Flow Manager used to submit jobs in a Grid Computing environment

MAGI – Management of Adaptive Grid Infrastructure

»MAGI supports an integrated approach towards resource management through virtualization, policy management and autonomic capabilities

Gradient

» Gradient is a solution for enterprise information integration using data grids technology

mConnect

» A real time mobile transactions platform to roll out of mobile transactions services by extending existing internet transaction systems

Syndeo

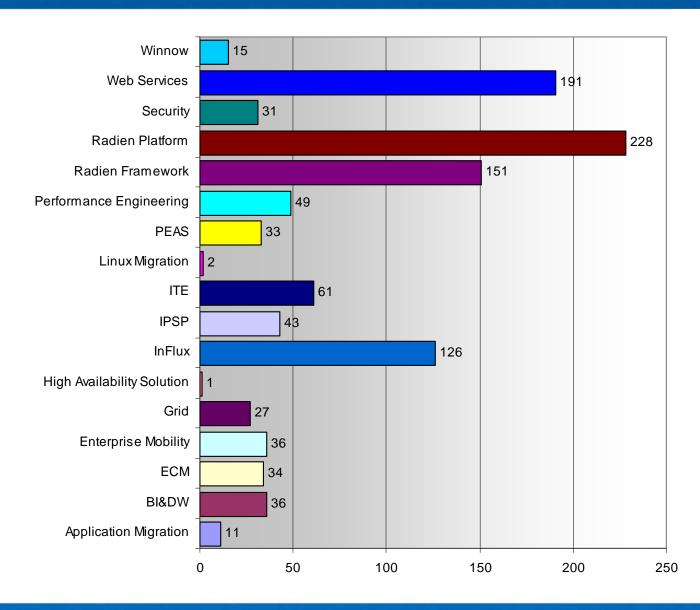
» An non-intrusive framework for Web Services management, security and governance

PEAS - Process Execution and Analysis Platform

»A platform used to develop BPM infrastructure components to model and execute Enterprise Business Processes

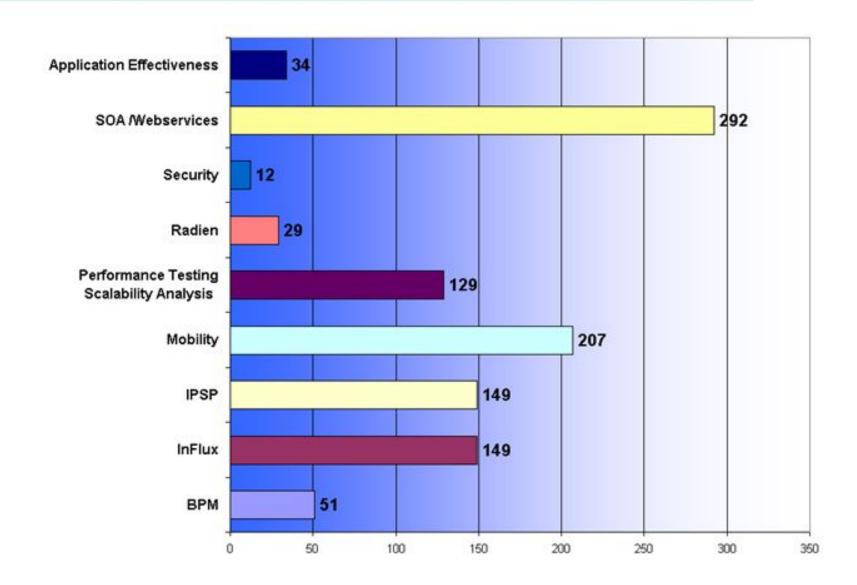
SETLabs IP usage across research areas (Jul 05 - Jun 06)





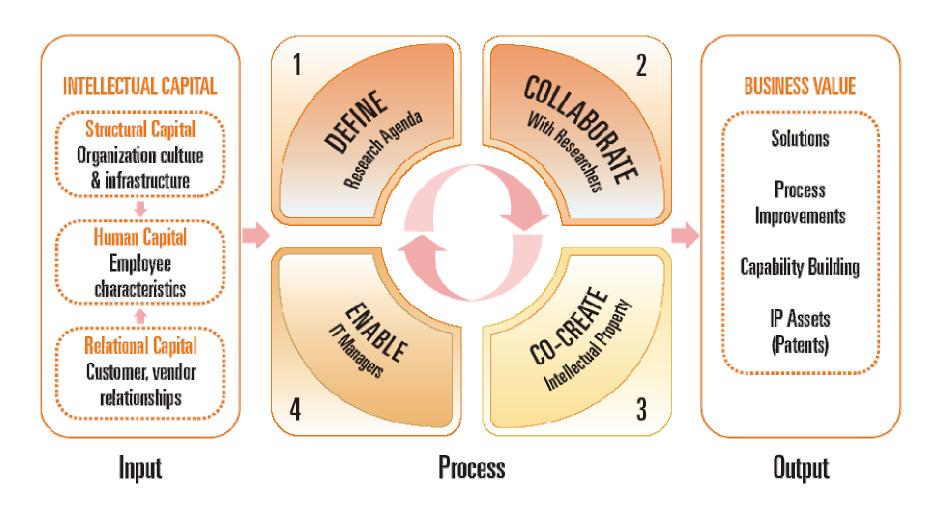
Enabling Infosys delivery on IP Assets (Apr-Jun 06)





The Co-creation Process with Infosys Clients





14 innovation workshops with CXOs in US; Global roll out in FY 2006-07

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Sample Solutions/Offerings from SETLabs and Impact

Catalytic IT – Business Transformation through Microsoft Technologies

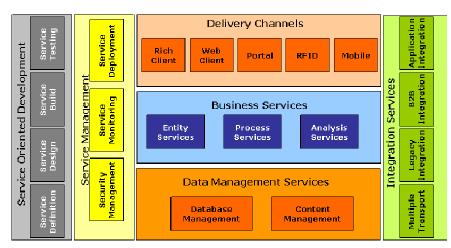


What is Catalytic IT

Catalytic IT is Infosys approach to the creation of Flexible IT environment based on Microsoft (and related) technologies

Impact to Infosys Clients

- Microsoft adoption is increasing in the enterprise...
- .NET Platform is also rapidly evolving across enterprise IT
 - Development Environment
 - Communication Technologies
 - Integration
 - Content / Data
- Infosys has created over 30 offerings & IP assets.



Infosys' SPEED Framework

Benefits to Infosys

- 9 engagements over 12 M USD
- Strong pipeline
- 4 broad areas of engagement Legacy Modernization, Infrastructure Optimization, Connected Business, Package consolidation

Figures for Q1 - 2006

InFlux – Requirements Gathering Methodology and Tool

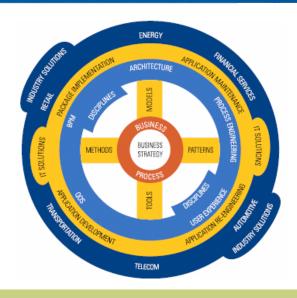


What is InFlux

InFlux represents a collection of methodologies supported by toolsets for IT solution blueprinting

Impact to Infosys Clients

- Aligns IT with business by seamlessly deriving IT requirements from new business requirements
- Address requirements through frameworks for process engineering, quality of service and user experience design
- Reduces time-to-value for IT projects by the reducing errors and rework



Benefits to Infosys

- InFlux has been deployed in over 120 projects, across industry sectors, for process modeling and multi channel integration.
- 16 end user license agreements signed, 10 in pipeline for enterprise level adoption

Figures for FY 06

Radien - Rapid Application Development Infrastructure for the Enterprise

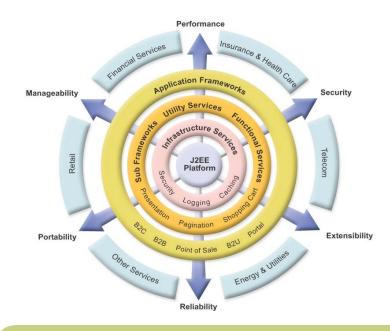


What is Radien

Radien is the Infosys J2EE Application Framework that facilitates implementing agile multi tier distributed systems

Impact to Infosys Clients

- Typically, in architecture phase
 - Effort reduction 75 %
 - Defect Reduction 70 %
- · Typically, in production phase
 - Effort reduction 70 %
- Solutions can handle 2 million transactions in 8 hour time period
- Better utilization of expert resources
- Remote monitoring possible



Benefits to Infosys

- Radien has helped implementing agile multi-tier distributed systems across
 345 projects
- 16 license agreements signed, 4 in pipeline for enterprise level adoption

Figures for FY 06

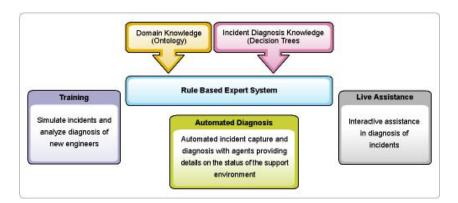


What is IPSP

IPSP is a knowledge based platform that improves knowledge acquisition and incident diagnosis in the software production process

Impact to Infosys Clients

- Comprehensive acquisition of production support knowledge
- Reduction in transition cost & effort
- Higher % of incident resolution can be done by first level support
- Induction of new engineers has lower impact
- Reduction in overall number of support engineers



Benefits to Infosys

- Over 42 projects across Infosys use IPSP. Typical benefits are:
- Productivity improvement through 7% total reduction in effort
- Productivity improvement through reduction in expert involvement by 62%
- Productivity improvement through training effort reduction by 26%

Figures for FY 06



What is mConnect

mConnect is a real time mobile transactions platform to roll out mobility transaction services by extending existing internet transaction infrastructure

Impact to Infosys Clients

- Abstracts the complexities of the mobile world by
 - Recognizing the mobile device being used to access the service
 - Transcodes the UI in real time to optimize its characteristics
- Clients can leverage existing internet infrastructure and quickly extend it to the mobile world



Benefits to Infosys

- Quick deployment platform for mobility adoption
- Next generation mobility solution
- 12 proof-of-concepts for enterprise level adoption across retail and banking industry vertical

Figures for Q1 - 2006

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Thank You

www.infosys.com