

Profit and Loss Account summary for the Quarter ended

(Consolidated as per Indian GAAP)

In Rs. crore, except per share data

Particulars	June 30,		Growth (%)	March 31, 2005	Growth % in Q1 FY 2006 over Q4 FY 2005
	2005	2004			
Income from software services, products and business process management	2,071.59	1,517.38	36.52	1,987.32	4.24
Software development and business process management expenses	1,104.44	805.22	37.16	1,041.31	6.06
GROSS PROFIT	967.15	712.16	35.81	946.01	2.23
Selling and marketing expenses	141.46	105.21	34.45	116.70	21.22
General and administration expenses	161.88	117.68	37.56	162.60	(0.44)
	303.34	222.89	36.09	279.30	8.61
OPERATING PROFIT BEFORE INTEREST, DEPRECIATION AND AMORTIZATION, EXCEPTIONAL ITEM AND MINORITY INTERESTS	663.81	489.27	35.67	666.71	(0.43)
Interest	-	-	-	-	-
Depreciation and amortization	80.10	52.53	52.48	99.81	(19.75)
OPERATING PROFIT AFTER INTEREST, DEPRECIATION AND AMORTIZATION, BEFORE EXCEPTIONAL ITEM AND MINORITY INTERESTS	583.71	436.74	33.65	566.90	2.97
Other income	28.58	15.70	82.04	32.29	(11.49)
Provision for investments	0.06	(0.01)	-	0.23	(73.91)
NET PROFIT BEFORE TAX, EXCEPTIONAL ITEM AND MINORITY INTERESTS	612.23	452.45	35.31	598.96	2.22
Provision for taxation on the above	80.16	64.11	25.04	85.48	(6.22)
NET PROFIT AFTER TAX AND BEFORE EXCEPTIONAL ITEM AND MINORITY INTERESTS	532.07	388.34	37.01	513.48	3.62
Exceptional Item – net of taxes	-	-	-	45.19	-
NET PROFIT AFTER TAX AND EXCEPTIONAL ITEM, BEFORE MINORITY INTERESTS	532.07	388.34	37.01	558.67	(4.76)
Minority interests	0.15	-	-	0.03	400.00
NET PROFIT AFTER TAX, EXCEPTIONAL ITEM AND MINORITY INTERESTS	531.92	388.34	36.97	558.64	(4.78)
EARNINGS PER SHARE* (Equity shares, par value Rs. 5/- each)					
Before exceptional item					
Basic	19.63	14.54	35.01	19.01	3.26
Diluted	19.08	14.29	33.52	18.44	3.47
After exceptional item					
Basic	19.63	14.54	35.01	20.68	(5.08)
Diluted	19.08	14.29	33.52	20.07	(4.93)

* adjusted for the 3:1 bonus issue of shares distributed on July 3, 2004

REVENUE BY GEOGRAPHICAL SEGMENT

	Jun 30, 2005	Mar 31, 2005	Jun 30, 2004	LTM Jun 30, 2005	LTM Jun 30, 2004
	%	%	%	%	%
North America	63.6	63.9	65.2	64.8	68.8
Europe	23.9	23.3	22.2	22.7	20.5
India	2.4	2.0	1.6	2.1	1.3
Rest of the world	10.1	10.8	11.0	10.4	9.4
Total	100.0	100.0	100.0	100.0	100.0

REVENUE BY SERVICE OFFERING

	Jun 30, 2005	Mar 31, 2005	Jun 30, 2004	LTM Jun 30, 2005	LTM Jun 30, 2004
	%	%	%	%	%
Development	19.4	20.7	26.1	21.6	25.3
Maintenance	30.4	30.9	28.8	30.2	30.3
Re-engineering	5.1	6.5	5.8	6.0	5.9
Package implementation	15.2	15.3	15.0	15.3	14.8
Consulting	4.2	4.1	3.4	3.8	3.4
Testing	6.5	6.1	5.3	6.1	5.5
Engineering services	1.8	1.8	1.9	1.9	2.0
Business process management	3.8	3.2	2.1	3.1	1.8
Other services	8.9	8.0	9.2	8.4	8.5
Total services	95.3	96.6	97.6	96.4	97.5
Products	4.7	3.4	2.4	3.6	2.5
Total revenues	100.0	100.00	100.0	100.0	100.0

REVENUE BY PROJECT TYPE *

	Jun 30, 2005	Mar 31, 2005	Jun 30, 2004	LTM Jun 30, 2005	LTM Jun 30, 2004
	%	%	%	%	%
Fixed Price	28.6	29.4	29.7	29.7	32.2
Time & Materials	71.4	70.6	70.3	70.3	67.8
Total	100.0	100.0	100.0	100.0	100.0

"LTM" - Last Twelve Months

* Excluding products

REVENUE BY INDUSTRY

	Jun 30, 2005	Mar 31, 2005	Jun 30, 2004	LTM Jun 30, 2005	LTM Jun 30, 2004
	%	%	%	%	%
Insurance, banking & financial	36.3	33.8	34.0	35.1	35.7
<i>Insurance</i>	8.4	8.8	9.6	9.1	11.7
<i>Banking & financial services</i>	27.9	25.0	24.4	26.0	24.0
Manufacturing	13.3	14.0	15.0	14.0	14.7
Retail	9.6	9.1	11.4	9.4	11.6
Telecom	17.2	19.4	17.9	18.3	17.3
Energy & Utilities	3.7	3.2	2.9	3.4	2.8
Transportation & logistics	7.0	8.1	7.6	7.4	7.3
Services	9.4	9.1	6.1	8.8	5.7
Others	3.5	3.3	5.1	3.6	4.9
Total	100.0	100.0	100.0	100.0	100.0

CLIENT DATA

	Quarter ended		
	Jun 30, 2005	Mar 31, 2005	Jun 30, 2004
Active Clients	443	438	419
Added during the quarter	36	37	29
Million dollar clients*	172	166	141
5 million+ dollar clients*	73	71	53
10 million+ dollar clients*	43	42	27
20 million+ dollar clients*	22	19	15
30 million+ dollar clients*	14	11	8
40 million+ dollar clients*	8	8	5
50 million+ dollar clients*	5	5	3
60 million+ dollar clients*	4	3	-
70 million+ dollar clients*	3	1	-
80 million+ dollar clients*	1	1	-
90 million+ dollar clients*	1	-	-
Clients accounting for >5% of revenue	1	1	1
Revenue – top client	5.2%	6.3%	5.3%
Revenue – top 5 clients	19.1%	21.2%	21.6%
Revenue – top 10 clients	31.8%	33.8%	34.3%
Repeat business	98.7%	92.9%	98.5%
Account receivables – LTM (in days)	59	68	58

"LTM" - Last Twelve Months

* LTM Revenues

EFFORT AND UTILIZATION

	Jun 30, 2005	Mar 31, 2005	Jun 30, 2004
Effort			
Onsite	26.3%	26.2%	29.4%
Offshore	73.7%	73.8%	70.6%
Revenue			
Onsite	47.9%	48.1%	51.9%
Offshore	52.1%	51.9%	48.1%
Utilization			
Including trainees	74.1%	73.2%	73.4%
Excluding trainees	77.5%	76.6%	79.7%

PERSON MONTHS DATA

	Jun 30, 2005	Mar 31, 2005	Jun 30, 2004
Billed – Onsite	21,165	19,996	16,211
– Offshore	59,306	56,349	38,894
TOTAL	80,471	76,345	55,105
Non Billable	23,373	23,353	14,061
Trainee	4,683	4,565	5,901
Sales & Support	6,839	5,971	4,652
TOTAL	1,15,366	1,10,234	79,719

EMPLOYEE METRICS

	Jun 30, 2005	Mar 31, 2005	Jun 30, 2004
Total Employees	39,806	36,750	27,939
S/W professionals	37,146	34,417	26,028
<i>Billable</i>	<i>34,611</i>	<i>32,274</i>	<i>23,761</i>
<i>Banking Product Group</i>	<i>1,328</i>	<i>1,240</i>	<i>685</i>
<i>Trainees</i>	<i>1,207</i>	<i>903</i>	<i>1,582</i>
Sales & Support	2,660	2,333	1,911
Gross Addition	4,537	2,506	3,233
Net Addition	3,056	1,521	2,305
Lateral Employees	1,129	969	746
Attrition % (LTM)*	9.8%	9.7%	10.9%

"LTM" - Last Twelve Months

* Excluding subsidiaries

INFRASTRUCTURE (as on June 30, 2005)**

	Completed		Work in Progress		Land acquired during the Qtr (acres)
	Built-Up Area (Sq Ft)	No. of Seats	Built-Up Area (Sq Ft)	No. of Seats	
Bangalore	23,48,836	14,465	9,47,000	5,900	-
Pune	8,98,647	5,931	3,74,000	3,000	-
Chennai	4,96,317	2,976	3,08,000	2,400	-
Hyderabad	6,16,000	3,965	6,19,000	2,465	-
Bhubaneswar	3,84,000	2,000	1,54,000	1,300	-
Mangalore	1,98,000	1,400	-	-	-
Mysore (including ILI)*	24,84,550	2,934	4,95,000	2,500	-
Mohali	21,000	200	5,17,500	3,100	-
Trivandrum	44,000	440	44,000	440	-
Mauritius	28,000	400	-	-	-
Total	75,19,350	34,711	34,58,500	21,105	-

* Infosys Leadership Institute

** Excluding subsidiaries

CONSOLIDATED IT SERVICES

	Jun 30, 2005	Mar 31, 2005	Jun 30, 2004
Effort – Services (Person Months)			
Onsite	20,997	19,963	16,118
Offshore	45,908	45,227	32,592
Total	66,905	65,190	48,710
Revenue – Services (\$ million)			
Onsite	226.58	219.05	172.69
Offshore	209.14	206.73	146.65
Total	435.72	425.78	319.34

Reconciliation of accounts as per Indian GAAP and US GAAP*in Rs. Crore*

	Three months ended June 30, 2004	Three months ended June 30, 2005
Consolidated Net Profit as per Indian GAAP	388.34	531.92
Deferred Taxes on GAAP differences	6.39	-
Loss on forward foreign exchange contracts	(17.70)	-
Amortization of Intangibles	(1.16)	-
Others	-	(1.04)
Consolidated Net income as per US GAAP	375.87	530.88

Reasons for differences in net income as per Indian GAAP and US GAAP**Loss on forward exchange contracts**

Until April 1, 2004, Indian GAAP required the premium/discount on forward contract to be recognized as income or expenditure over the life of the related contract. Under US GAAP, the same is marked-to-market as on the reporting date. The resultant gain / loss is recognized immediately in the income statement. Effective April 1, 2004, the company changed its accounting policy in India in line with the revised Accounting Standard 11 on forward contracts and hence the company has decided to account for the forward exchange contracts based on their designation as 'effective hedges' or 'not effective'.

Amortization of Intangibles

US GAAP requires the purchase price in business combination transactions to be allocated to identifiable assets and liabilities, including intangible assets. Intangible assets are to be amortized over the estimated useful life. The amortization relates to that of an intangible asset identified in allocation of the purchase price of Expert Information Services Pty Limited, Australia.

Deferred Taxes on GAAP differences

The accounting treatments for forward exchange contracts and amortization of intangibles have a deferred tax impact.