

Infosys signs MoU with the Government of Andhra Pradesh to establish a software development campus in Hyderabad

Bangalore, India -- January 11, 2001 -- IT major, Infosys Technologies Limited, signed an MoU today with the Government of Andhra Pradesh for establishing a software development campus in Hyderabad

As per the terms of the MoU, Infosys will set up a software development campus in Hyderabad and in the first phase of the project, invest Rs. 80 crores in facilities to seat about 1200 software professionals within two years from the signing of the MoU. Infosys will invest a further Rs. 100 crores in facilities for seating an additional 1300 software professionals in the second and third phases of the project, within the next 3 years. For its part, the Government of Andhra Pradesh has agreed to provide Infosys 30 acres of land in Manikonda village, Hyderabad near the Indian School of Business (ISB) campus. Infosys has retained the option to purchase a further 20 acres of land contiguous to the plot for its future expansion.

Infosys already has a development center in the Hi-tec City at Hyderabad seating over 60 software professionals.

The MoU was signed in the presence of Mr. Chandrababu Naidu Hon'ble Chief Minister of Andhra Pradesh, by the Andhra Pradesh Chief Secretary Mr. P.V. Rao, IAS on behalf of the government and Mr. N. R. Narayana Murthy, Chairman and Chief Executive Officer, Infosys, on behalf of the company.

Speaking on the occasion, Mr. N. R. Narayana Murthy said, "Infosys has followed a strategy of setting up world-class software development campuses which cater to the overall well-being of its human resources and help tap local talent. We are delighted to expand in Hyderabad which is an important destination for investment on the country's IT map."

Chief Minister Chandrababu Naidu, noted "Infosys' setting up its software development campus in Hyderabad is ample testimony to the quality and depth of IT talent available in Andhra Pradesh and of the confidence in our industry-friendly administration."

About Infosys Technologies Limited (NASDAQ: INFY)

Infosys is an IT consulting and service provider, providing end-to-end consulting for global corporations. The company has partnered with several Fortune 1000 companies in building their next generation information infrastructure for competitive advantage. The Infosys portfolio of services includes e-strategy consulting and solutions, large application development and enterprise integration services. Infosys also has product co-development initiatives with numerous communication and Internet infrastructure companies that are creating the building blocks for the digital economy.

The Global Delivery Model of the company leverages talent and infrastructure in different parts of the world to provide high quality, rapid time-to-market solutions. Infosys' US headquarters is located in Fremont, California; the company also maintains offices throughout the US, Europe and Asia. For more information, visit us on the World Wide Web at www.infy.com

Safe Harbor

Certain statements in this release concerning our 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, 2000, and our Quarterly Reports filed on Form 6-K for the quarters ended June 30, 2000 and September 30, 2000. 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.