

BT SIGNS LICENSING AND ADVANCED DEVELOPMENT DEAL WITH INFOSYS

Both companies to jointly develop a novel automated fieldforce resource management system

Bangalore, India; February 16, 2004 - BT and Infosys Technologies Ltd (NASDAQ:INFY), a global IT company, today announced that they have signed a licensing and advanced development deal that will provide BT with a novel automated resource management system (ARMS) and enable Infosys to provide its clients with advanced and effective fieldforce resource management technology and solutions.

This deal involves joint development of BT's ARMS product and the non-exclusive licensing of BT's ARMS intellectual property rights to Infosys. ARMS, developed by BT Exact, BT's research, technology and IT operations business, enables organisations to manage their fieldforce resource management efficiently, and ensures that they send the right person with the right skills to the right place at the right time. This optimal use of resources can result in cost savings of up to 50 per cent and increased productivity of 30 per cent.

Infosys will carry out development work over the next three years to productise ARMS for BT. In addition, Infosys will develop its own suite of ARMS-related offerings that it can provide to its customers as well as license to other companies providing workforce management solutions.

ARMS is an automated, integrated and end-to-end resource management platform based on artificial intelligence (AI) and operations research technologies. It performs large-scale computer-based decision-making using advanced forecasting, planning, optimisation, collaboration and distribution technologies.

Accurate resource management is critical to a company's performance and profitability as it impacts directly on customer satisfaction and quality of service. Resource management is a complex process, usually involving the analysis of large amounts of information. The complexity increases when more than one objective is being evaluated and the number of variables to consider is huge. BT started developing ARMS in 2000, incorporating four patents making it more powerful and user friendly than rival products. ARMS uses complex AI technology to take a holistic view of the resource management problem and automates each step in the process by using automated decision-making techniques. It boosts a company's productivity by accurately forecasting and optimally planning and positioning a large field workforce to changing work demands.

Kris Gopalakrishnan, chief operating officer, Infosys Technologies Ltd, said, "BT Exact has an international reputation for creating the technology that underpins some of the world's most pioneering commercial applications of information and communications technology. We are delighted to work with BT on developing products that will help companies increase productivity and efficiencies. We aim to further develop the ARMS technology platform to develop resource management solutions for other verticals using the intellectual property from BT. The ARMS technology will also enable us to assist our clients in industries with dependencies on optimal management of resources, both human and non-human."

Stewart Davies, chief executive of BT Exact, said: "Time cannot be stored, and thus every hour that a resource is not utilised is lost forever. Accurate resource management is thus critical to a company's performance and profitability. ARMS provides companies with an excellent solution. Infosys is a leading IT company and this joint development and licensing deal will enable it to strengthen its marketplace foothold. This deal also further strengthens BT's commitment to exploiting the value of its intellectual property rights portfolio and thereby benefit shareholders."

About BT Exact

BT Exact is BT's research, technology and IT operations business. It specialises in telecommunications engineering, leading-edge network design, IT system and application development and has extensive expertise in business consulting and human factors. Its knowledge helps its customers across BT Group and in selected other businesses gain maximum advantage from their investments in communications networks and IT systems, develop new capabilities and open new opportunities.

BT Exact brings together the technological expertise of BT's research laboratories and the operational experience of the teams that design and operate BT's IT systems. Backed by a team of over 6,000 technologists, it is active and influential in setting global standards.

BT Exact builds on the insights and expertise developed by its research to address the demands of the next-generation internet, as well as advanced data services, information and network security, and software systems to support communications networks worldwide.

BT Exact has people based worldwide - including locations across the UK and in Asia, continental Europe, and North America. *For more information about BT Exact, please go to www.bt.com/btexact*

About Infosys Technologies Ltd

Infosys, a world leader in consulting and information technology services, partners with Global 200 companies to provide business consulting, systems integration, application development and product engineering services. Through these services, Infosys enables its clients to fully exploit technology for business transformation. Clients leverage Infosys' Global Delivery Model to achieve higher quality, rapid time-to-market and cost-effective solutions. Infosys has over 20,000 employees in over 30 offices worldwide. For more information, visit www.infosys.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, 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 Infosys has made strategic investments, withdrawal of governmental fiscal incentives, political instability and regional conflicts, 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, 2003 and quarter reports on Form 6-k for the quarter ended June 30, 2003, September 30, 2003 and December 31, 2003. 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 statements that may be made from time to time by or on behalf of the company.