

Infosys and Microsoft Announce Enterprise IT Transformation Initiative

Multi-million dollar investment delivers solutions to increase business value to clients

Bangalore, India and Redmond, WA, November 15, 2004 - Infosys Technologies Ltd and Microsoft Corp. today announced a new information technology (IT) transformation initiative designed to help clients improve business performance and build competitive advantage. Infosys and Microsoft have provided an initial investment of \$8 million together to deliver a portfolio of solutions and services that enable clients to realize a simplified, flexible IT environment that lowers the total cost of ownership and accommodates rapid change and innovation.

The industry-specific and cross-industry solutions combine Infosys' consulting, research, intellectual property and project methods with the latest Microsoft® .NET software. Using Infosys' Modular Global Sourcing model, which allows for a targeted, evolutionary approach to sourcing IT, clients can deploy these Microsoft-based solutions in a rapid, strategic, and highly cost-effective manner and use the cost savings to fund new IT projects and increase business advantage.

The Chief Executive Officers of Infosys and Microsoft met at the Infosys Headquarters in Bangalore today. Commenting on the relationship, Steve Ballmer, CEO, Microsoft Corp., said, "Microsoft and Infosys share a commitment to helping customers use technology to improve every area of their business, from process excellence to connecting with customers to responding effectively to the competitive landscape. Microsoft's long-term focus on delivering an integrated, manageable and reliable platform, combined with Infosys' unique delivery model and deep consulting skills, is designed to help customers succeed and grow through increased efficiency, cost savings and business value."

"Innovations in technology by Microsoft inspire the solutions we create," stated Nandan Nilekani, CEO, President and Managing Director, Infosys Technologies Ltd. "Using Microsoft technologies we can deliver what clients want most – competitive advantage. Our two companies agree that by bringing together complementary assets and skills our clients will benefit from a unique experience of the combined expertise. Our solutions transform IT environments for our clients; improving quality and productivity and ultimately strategic flexibility of their business."

The initial set of joint offerings from the Infosys and Microsoft collaboration displays the end-to-end solution approach. Clients benefit from enhanced business process improvement and IT optimization making the enterprise more efficient, agile and ultimately more competitive. Industry specific offerings for process improvement include an engineering solution for improving product development lifecycle management for Automotive and Aerospace organizations; a Retail solution that enhances the total customer experience by supporting smarter selling habits and leveraging information flow to aid in-store operations; and an RFID solution that enables organizations to seamlessly assess the use of and integrate this emerging technology to meet customer requirements and derive business value.

Consulting services for IT transformation include strategic IT planning, IT portfolio management, business process design or alignment, systems integration and implementation and change management. Technology infrastructure solutions include accelerated deployment, infrastructure management and operational efficiency services and an identity management solution.

About Infosys Technologies Limited

Infosys, a world leader in consulting and information technology services, partners with Global 2000 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 30,000 employees in over 30 offices worldwide. For more information, visit www.infosys.com.

About Microsoft Corp.

Founded in 1975, Microsoft (Nasdaq "MSFT") is the worldwide leader in software, services and solutions that help people and businesses realize their full potential.

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, 2004 and on Form 6-K for the quarter ended September 30, 2004. 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.

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