

## Infosys presents facts on investments in Karnataka

**Bangalore, India, October 21, 2005:** Infosys Technologies Limited (NASDAQ: INFY) today presented data on the issues raised by Mr. Deve Gowda, earlier in the week. The data has been released to place the facts before the public.

*Comment: "...indiscriminate allotment of land through KIADB in the name of development of IT Industry... Some of the IT companies including Infosys Technologies have already taken substantial land in the name of IT development in different cities of our state. What exactly in the employment generated against the extent of land allotted...is a matter to be examined carefully... Infosys has acquired land measuring 78 acres in Bangalore, 350 acres in Mysore..."*

### Details on Infosys Development Centers in Karnataka

Cities in Karnataka	Investment in Rs. Crore (As of September 30, 2005)	Total area (Acres)	Built up area (Million sq.ft)	Revenues in Rs. Crore (Last 12 months)	Seats (As of Sep 30,2005)
Bangalore	1031	79.76*	2.41	3,535	14,465
Mysore	617	315.60**	2.52	279	2,934
Mangalore	96	2.75	0.20	512	1,400

*\*Fully utilized; 8.97 acres bought in the open market; 18.26 acres allotted by KEONICS; 52.53 allotted by KIADB; by consent acquisition with the landowners*

*\*\* Partially utilized; 5 million square feet to be constructed, land allotted acquired at market rates*

### **Facts**

- Total investment in Karnataka amounts to Rs. 1,744 crore
- KIADB terms allow a FAR of 1.5 and land cover of 30%. We have built our campuses within these norms
- Out of the total of 46,000 employees, 22,000 jobs have been created in Karnataka alone
- Infosys software exports from Karnataka amount to 14% of the total IT exports of Karnataka
- Infosys has generated employment for over 2,500 workers (housekeeping, landscaping, etc.) from around the campuses in Karnataka and many more jobs have been created through support industries
- Infosys' Bangalore campus is the largest software export unit from any single location in India
- Bangalore also houses the largest number of employees

### **Data on Mysore**

- In Mysore, Infosys has been allotted 315.60 acres of land. In the first phase, Infosys has built a world-class Global Education Center and Infosys Leadership Institute (ILI) covering an area of 218 acres. The education center, one of the largest in the world, is a fully residential complex and trains technology professionals. It has the capacity to train 4,500 people at any time. ILI grooms future leaders of Infosys
- Infosys has dedicated 8 acres from the total allotment for a green belt
- Development work on 40 acres of land will start shortly
- Infosys has proposed a SEZ in 50 acres, which will be developed in the third phase

*Comment: "...Infosys has been allotted 311 acres in Mangalore"*

**Data on Mangalore:**

- The Government of Karnataka recently acquired 550 acres of property for an IT SEZ in Mangalore. Infosys has been allotted 311 acres of land
- Out of the 311 acres of allotted land only 50% is usable because of the undulating topography
- The usable land will be utilized fully with an investment of Rs. 300 crore, to create 6,000 seats in the first phase
- The land has been acquired at market rates, with no concessions

*Comment: "...Infosys has recently applied for about 845 acres land in Ittangooru, V. Kallahali, Yamare, Sarjapura, etc."*

**Facts**

- Infosys had made an application to a high-level Government committee for land in the year 2000. No land was granted to us. We have made subsequent applications which have been approved on three different occasions
- Infosys has requested KIADB to acquire the land after securing zoning requirements from the Government and complying with the law. The land is being acquired on a consent basis and after paying the market price to the land owners. No special concession have been sought from the Government
- The land has been sought as two different plots. On one plot of land, a Software Development Center will be set up, which will generate employment for 25,000 people
- The second plot of land is being sought, a short distance away, to provide residential facilities for our employees and to set up essential amenities like a school and a hospital. This will provide Infosys with a better quality of life and avoid long commutes
- Both the plots will be fully utilized for the purpose of the company as per the Government requirements, with a proposed investment of Rs. 1,500 crore, in the first phase
- All these proposals have been vetted by various departments of the Government of Karnataka and have been reviewed and approved by high-level committees headed by various Chief Ministers of Karnataka

*Comment: "...Wipro, Intel, Accenture, IBM, HP, Honeywell etc, which have not been given any land, but are functioning mostly in rented buildings..."*

**Facts**

- In Electronics City alone, two of the companies listed have large campuses
- Another company has a large campus on the Outer Ring Road
- Rented premises, built by real estate developers, also require land and work space and can only be constructed according to the available FAR. Surely, our leaders do not recommend that we go to real estate developers only and not build campuses ourselves

**About Infosys Technologies Limited**

Infosys (NASDAQ:INFY) defines, designs and delivers IT enabled business solutions. These provide our clients with strategic differentiation and operational superiority, thereby increasing their competitiveness. Each solution is delivered with the industry-benchmark Infosys Predictability that gives our clients peace of mind. With Infosys, they are assured of a transparent business partner, business-IT alignment with flexibility, world-class processes, speed of execution and the power to stretch their IT budget by leveraging the Global Delivery Model that Infosys pioneered. Infosys has over 46,000 employees in over 30 offices worldwide. For more information, visit [www.infosys.com](http://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, 2005 and our reports on Form 6-K. These filings are available at [www.sec.gov](http://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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