

Infosys completes bonus issues of shares

Bangalore, India – July 18, 2006: Infosys Technologies Limited today announced that it has completed all statutory formalities relating to the issue of bonus shares and the same have been credited to the shareholders' account on July 18, 2006. About 99.60% of the company's shares are held in demat form. The intimation to the shareholders about the credit of the bonus shares is being dispatched. The bonus shares in physical form and the necessary intimation has also being dispatched to the shareholders holding shares in physical form.

The Board of Directors of Infosys Technologies Limited at their meeting held on April 14, 2006, had recommended an issue of bonus shares on the company's equity shares in the ratio of 1:1, i.e. one additional equity share for every one existing equity share, by capitalizing a part of the general reserves. The board also recommended a stock dividend on the company's American Depositary Shares (ADSs) in the ratio of 2 for 1, i.e. one additional ADS for every single existing ADS held by the holder of the ADS. The company's members in the Annual General Meeting held on June 10, 2006 had approved the same. The record date for the bonus issue was July 14, 2006.

Consequent to the issue of bonus shares, the company's issued and outstanding equity shares as of July 18, 2006 would be 55,36,86,352 including 7,70,45,994 underlying equity shares representing 7,70,45,994 ADSs.

About the company

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 we provide 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 58,000 employees in over 35 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, within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended, 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 the success of our investments, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT, business process outsourcing and consulting 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, 2006. 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.