

Offer Update & Change of Recommendation

02/10/2008

On 25 August 2008, Infosys Technologies Limited ("Infosys") announced a recommended cash offer of 600 pence per share for Axon Group plc ("Axon" or the "Company") (including the interim dividend of 2.25 pence announced by Axon on

26 August 2008) (the "Infosys Offer"). The scheme document in relation to the Infosys Offer was posted to Axon shareholders on 20 September 2008.

On 26 September 2008, HCL Technologies Limited ("HCL") announced its intention to make a cash offer of 650 pence per share for Axon (including the interim dividend of 2.25 pence) (the "HCL Offer"). In connection with the Infosys Offer, the Company entered into an implementation agreement with Infosys. Under the terms of this agreement, the Company undertook that, in the event of a competing proposal being received from a third party, the Board would not vary or amend its recommendation of the Infosys Offer for a period of 60 hours from the time Infosys was notified of the competing proposal. The 60 hour period during which Axon is prevented from varying or amending its recommendation has now elapsed.

Axon and HCL have enjoyed a long standing relationship. The Board is pleased that HCL has recognised the quality of the Axon business and has announced its intention to make an offer. The HCL Offer values Axon's existing issued and to be issued (fully diluted) share capital at approximately £441 million. The value of the HCL Offer is at a premium of 8.3 per cent to the value of the Infosys Offer.

Accordingly, the Board has withdrawn its recommendation of the Infosys Offer and intends unanimously to recommend the HCL Offer when it is made.

A further announcement will be made when appropriate.

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