

For immediate use

PRESS RELEASE

Net Profit up 15% Q-o-Q at Rs 1,534 cr; up 19% Y-o-Y
Operating Margins up 165 basis points sequentially
Volume growth drives Revenues up 50 bps Q-o-Q
to Rs 7,207 cr; up 12% Y-o-Y

MUMBAI, July 17, 2009: Tata Consultancy Services (*BSE: TCS.BO, NSE: TCS.NS*) reported its consolidated Indian GAAP financial results for the first quarter ended June 30, 2009.

Highlights for Quarter Ended June 30, 2009 (Indian GAAP)

- EPS up 15% to Rs 7.83 from Rs 6.81 last quarter
- 26 new clients added
- Top 1, 5 and 10 clients show growth
- Gross addition of 2,828 employees
- Dividend of Rs 2 per share announced

Chief Executive Officer and Managing Director, S. Ramadorai said: "In a volatile and uncompromising environment, TCS has demonstrated its industry leadership by seizing opportunities for growth through operational excellence resulting in a stellar performance for the quarter." **He added:** "While we remain vigilant about the environment, TCS is leveraging its global presence and the investments made in developed and emerging markets to deliver our proposition of certainty, which resonates clearly with customers in these challenging times and helps us create long-term value for shareholders."

S. Mahalingam, Chief Financial Officer and Executive Director, said: "The focus has been on managing the business with optimal efficiency, while investing for future growth. By maintaining rigor in pricing deals, managing employee and non-employee costs, collecting and conserving cash and moving work off-shore, we have achieved significant improvement in our margins and earnings per share."

N. Chandrasekaran, Chief Operating Officer and Executive Director said: "TCS' discipline in execution and agility on the ground as well as its ability to remain close to the customer has enabled us to deliver volume growth with enhanced profitability in this quarter. **He added:** "The strategic investments made in our full services capability, a global network of delivery centers, emerging markets continues to position us well going forward."

Growth was broad-based across markets and North America continued to maintain its share of revenues aided by semblance of stability in the Banking, Financial Services and Insurance verticals. In Europe, demand uptake from recently acquired clients is helping sustain growth momentum and the pipeline remains strong, while demand from Emerging Markets is being driven by system integration and outsourcing engagements.

For immediate use

PRESS RELEASE

In terms of verticals, this quarter saw some stability in the core BFSI segment with the US leading the trend, while UK and Europe are expected to stabilize in subsequent quarters. In Manufacturing, the speed of demand recovery will depend on overall economic recovery. The Media and Retail verticals continue to grow from new deals as well as ramp-ups of large deals closed in FY09.

Among service lines, application and outsourcing services continued to maintain revenue share despite slowdown in new deals. TCS' remote infrastructure management solutions continue to attract good traction across markets. The company continues to leverage industry leading portfolio of BPO solutions to deliver growth.

The share of revenue from the Top 10 clients grew to 28% of revenues from 26.8% in the previous quarter and customers continued to migrate to higher revenue bands.

"Worldwide TCSers are playing an important role to drive growth and help customers experience certainty in this environment and we remain committed to ensuring that they are rewarded for their operational excellence," **said Ajoy Mukherjee, Vice President, Head, Global Human Resources.** "We remain on track for our graduate hiring program in 2009-10."

Utilization in Q1 FY09 was 79.2% (excluding trainees) & 71.3% (including trainees). There was a gross addition of 2,828. The attrition rate in Q1 was 11.5%. At the end of Q1, the total employee strength of the company was 141,642. Foreign nationals formed 8.3% of the total employee base and 30% were women.

KEY WINS:

- Multi-year full-services ADM and BPO deal for a leading Energy Retailer in Australia.
- Global application development and support services for the Enterprise and BI Applications of one of the largest global video game publishing companies
- Multi-year, multi-million dollar agreement to consolidate integrated IT support services for a US based specialty retailer.
- Selected by a US based aerospace major as a preferred supplier subsequent to its vendor consolidation initiative.
- Multi-year ADM contract from a global glass and chemical products manufacturer.
- Strategic partner in a multi-year deal to help transform delivery processes in applications and infrastructure for a leading global Banking organization.
- A Fortune 100 healthcare company has selected TCS as a strategic partner for providing a range of services by leveraging its GNDM Model.
- TCS' legal management product solution built on SAP platform was licensed by a leading legal UK firm.

For immediate use

PRESS RELEASE**About Tata Consultancy Services (TCS)**

Tata Consultancy Services is an IT services, business solutions and outsourcing organization that delivers real results to global businesses, ensuring a level of certainty no other firm can match. TCS offers a consulting-led, integrated portfolio of IT and IT-enabled services delivered through its unique Global Network Delivery Model, recognized as the benchmark of excellence in software development. A part of the Tata Group, India's largest industrial conglomerate, TCS has over 140,000 of the world's best trained IT consultants in 42 countries. The company generated consolidated revenues of US \$6 billion for fiscal year ended 31 March 2009 and is listed on the National Stock Exchange and Bombay Stock Exchange in India. For more information, visit us at www.tcs.com.

For more information please contact:

Media: +9122 6778 9999	Investor Relations:
Pradipta.bagchi@tcs.com/	Kedar.shirali@tcs.com
ashish.babu@tcs.com/	+9122 6778 9999
shamala.p@tcs.com/h.ramachandra@tcs.com	
Rabin.ghosh@vccpl.com suresh@vccpl.com	