

# Results for Quarter I FY 2009 - 10

# Disclaimer

Certain statements in this release concerning our future prospects are forward-looking statements. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. These risks and uncertainties include, but are not limited to our ability to manage growth, intense competition among Indian and overseas IT services companies, various factors which may affect our cost advantage, such as wage increases or an appreciating Rupee, 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, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which TCS has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. TCS may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.



# Financial Performance

# Indian GAAP Growth Summary

Consolidated Indian GAAP (INR Crore)	Q1 FY10	Q4 FY09	Q1 FY09
<b>Total Income</b>	<b>7,207</b>	<b>7,172</b>	<b>6,411</b>
% Growth Q-o-Q	0.49%		
% Growth Y-o-Y	12.42%		
<b>PBIDT (before Other Income)</b>	<b>1,965</b>	<b>1,847</b>	<b>1,559</b>
% Growth Q-o-Q	6.40%		
% Growth Y-o-Y	26.00%		
<b>Profit After Tax</b>	<b>1,534</b>	<b>1,333</b>	<b>1,291</b>
% Growth Q-o-Q	15.08%		
% Growth Y-o-Y	18.80%		

# US GAAP Revenue Growth

Consolidated US GAAP (INR Million)	Q1 FY10	Q4 FY09	Q1 FY09
<b>Total Revenue</b>	<b>72,070</b>	<b>71,718</b>	<b>64,107</b>
% Growth Q-o-Q	0.49%		
% Growth Y-o-Y	12.42%		
<b>Revenue from International Business</b>	<b>65,506</b>	<b>65,827</b>	<b>58,535</b>
% Growth Q-o-Q	-0.49%		
% Growth Y-o-Y	11.91%		
<b>Revenue from Indian Business</b>	<b>6,564</b>	<b>5,891</b>	<b>5,572</b>
% Growth Q-o-Q	11.42%		
% Growth Y-o-Y	17.80%		

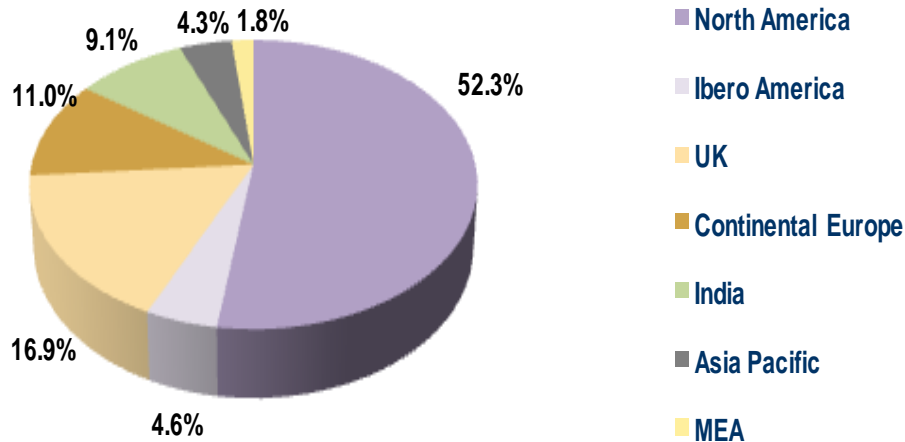
# US GAAP Growth Summary

Consolidated US GAAP (INR Million)	Q1 FY10	Q4 FY09	Q1 FY09
<b>Gross Margin</b>	<b>32,832</b>	<b>32,531</b>	<b>26,960</b>
% Growth Q-o-Q	0.93%		
% Growth Y-o-Y	21.78%		
<b>EBIDTA</b>	<b>19,620</b>	<b>18,793</b>	<b>15,314</b>
% Growth Q-o-Q	4.40%		
% Growth Y-o-Y	28.12%		
<b>Operating Income</b>	<b>17,892</b>	<b>16,998</b>	<b>14,147</b>
% Growth Q-o-Q	5.26%		
% Growth Y-o-Y	26.47%		
<b>Net Income</b>	<b>15,203</b>	<b>13,141</b>	<b>12,436</b>
% Growth Q-o-Q	15.69%		
% Growth Y-o-Y	22.25%		

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# Operational Performance

# Growth by Market

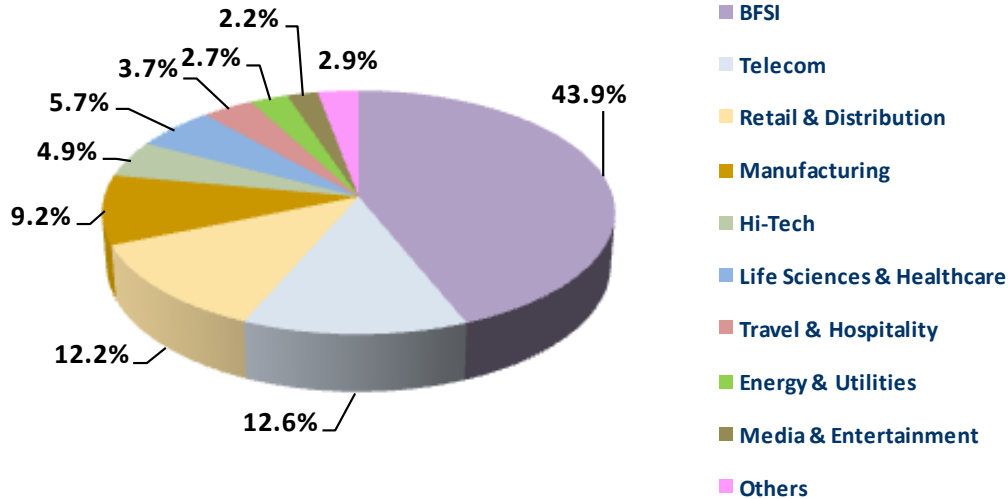


- US maintains share of business aided by semblance of stability in the BFSI.
- UK continues to face pressure from weakness in existing customers, especially in the telecom sector. However pipeline remains strong.
- In Europe demand uptake from recently acquired clients is helping sustain growth momentum .
- Emerging markets saw demand from system integration and outsourcing.

Geography (%)	Q1 FY10	Q4 FY09
<b>Americas</b>		
North America	52.3	52.4
Ibero America	4.6	4.8
<b>Europe</b>		
UK	16.9	17.9
Continental Europe	11.0	10.8
<b>India</b>	9.1	8.2
<b>Asia Pacific</b>	4.3	3.9
<b>MEA</b>	1.8	2.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>



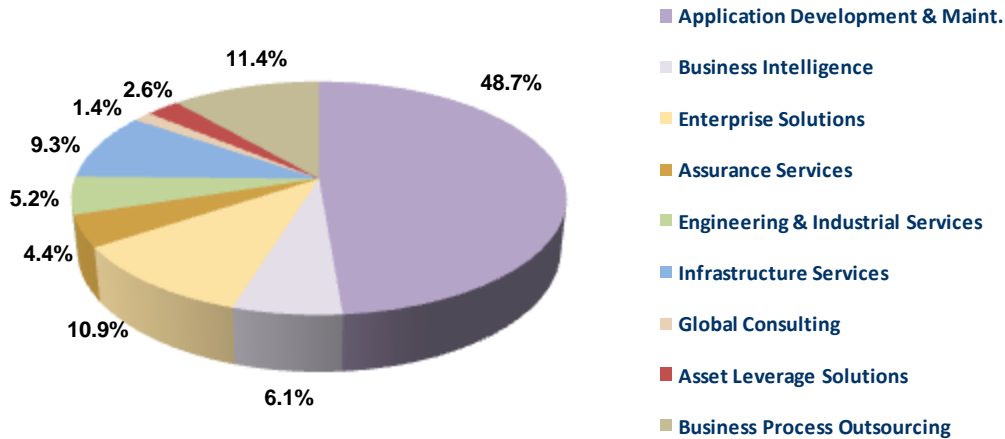
# Growth by Domain



IP Revenue (%)	Q1 FY10	Q4 FY09
<b>BFSI</b>	43.9	42.8
<b>Telecom</b>	12.6	13.1
<b>Retail &amp; Distribution</b>	12.2	12.0
<b>Manufacturing</b>	9.2	9.8
<b>Hi-Tech</b>	4.9	5.5
<b>Life Sciences &amp; Healthcare</b>	5.7	5.7
<b>Travel &amp; Hospitality</b>	3.7	3.8
<b>Energy &amp; Utilities</b>	2.7	2.7
<b>Media &amp; Entertainment</b>	2.2	2.1
<b>Others</b>	2.9	2.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

- Semblance of business stability in core BFSI segment. US leads while UK and Europe expected to stabilize in subsequent quarters.
- Manufacturing stabilizing post auto-bailout. Speed of demand recovery will depend on overall economic recovery.
- Good pipeline of deals in Energy & Utilities and Life Sciences across geographies.
- Media and Retail verticals continue to grow from new deals as well as ramp-ups of large deals closed in FY09

# Growth by Service Line



SP Revenue (%)	Q1 FY10	Q4 FY09
<b>IT Solutions and Services</b>		
Application Development & Maint.	48.7	48.6
Business Intelligence	6.1	6.8
Enterprise Solutions	10.9	11.8
Assurance Services	4.4	3.8
<b>Engineering &amp; Industrial Services</b>		
Engineering & Industrial Services	5.2	5.8
<b>Infrastructure Services</b>		
Infrastructure Services	9.3	8.3
<b>Global Consulting</b>		
Global Consulting	1.4	1.7
<b>Asset Leverage Solutions</b>		
Asset Leverage Solutions	2.6	2.1
<b>Business Process Outsourcing</b>		
Business Process Outsourcing	11.4	11.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

- ADM and outsourcing services maintain market share despite slowdown in new deals
- TCS' remote infrastructure management solutions continue to attract good traction across markets.
- Slowdown in the manufacturing and auto sector impacted Engineering Services revenues
- TCS continues to leverage industry leading portfolio of BPO solutions to deliver growth

# Client Parameters

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	Q1 FY10	Q4 FY09
<b>Clients Contribution *</b>		
<b>Revenue %</b>		
Top 1	5.7	4.7
Top 5	19.4	18.6
Top 10	28.0	26.9
US\$ 1 mIn Clients	423	405
US\$ 5 mIn Clients	178	172
US\$ 10 mIn Clients	113	111
US\$ 20 mIn Clients	59	62
US\$ 50 mIn Clients	23	24
US\$ 100 mIn Clients	6	7

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\* Last Twelve Months

# Operational Parameters

<b>Revenue %</b>	<b>Q1 FY10</b>	<b>Q4 FY09</b>
<b>Delivery Location*</b>		
<b>Onsite</b>	<b>44.4</b>	<b>48.2</b>
<b>GDC/RDC</b>	<b>5.2</b>	<b>4.1</b>
<b>Offshore</b>	<b>50.4</b>	<b>47.7</b>
<b>Contract Type</b>		
<b>Time &amp; Material</b>	<b>52.6</b>	<b>52.9</b>
<b>Fixed Price &amp; Time</b>	<b>47.4</b>	<b>47.1</b>

**\* Excluding Domestic Clients**

# Client Acquisition and Expansion

<b>Particulars</b>	<b>Q1 FY10</b>	<b>Q4 FY09</b>
<b>Active Clients</b>	<b>933</b>	985
<b>New Clients</b>	<b>26</b>	36
<b>Revenue % from Repeat Business</b>	<b>99.7</b>	95.6
<b>Revenue % from New Business *</b>	<b>0.3</b>	4.4

\* Reset at the beginning of Financial Year

# Key Wins

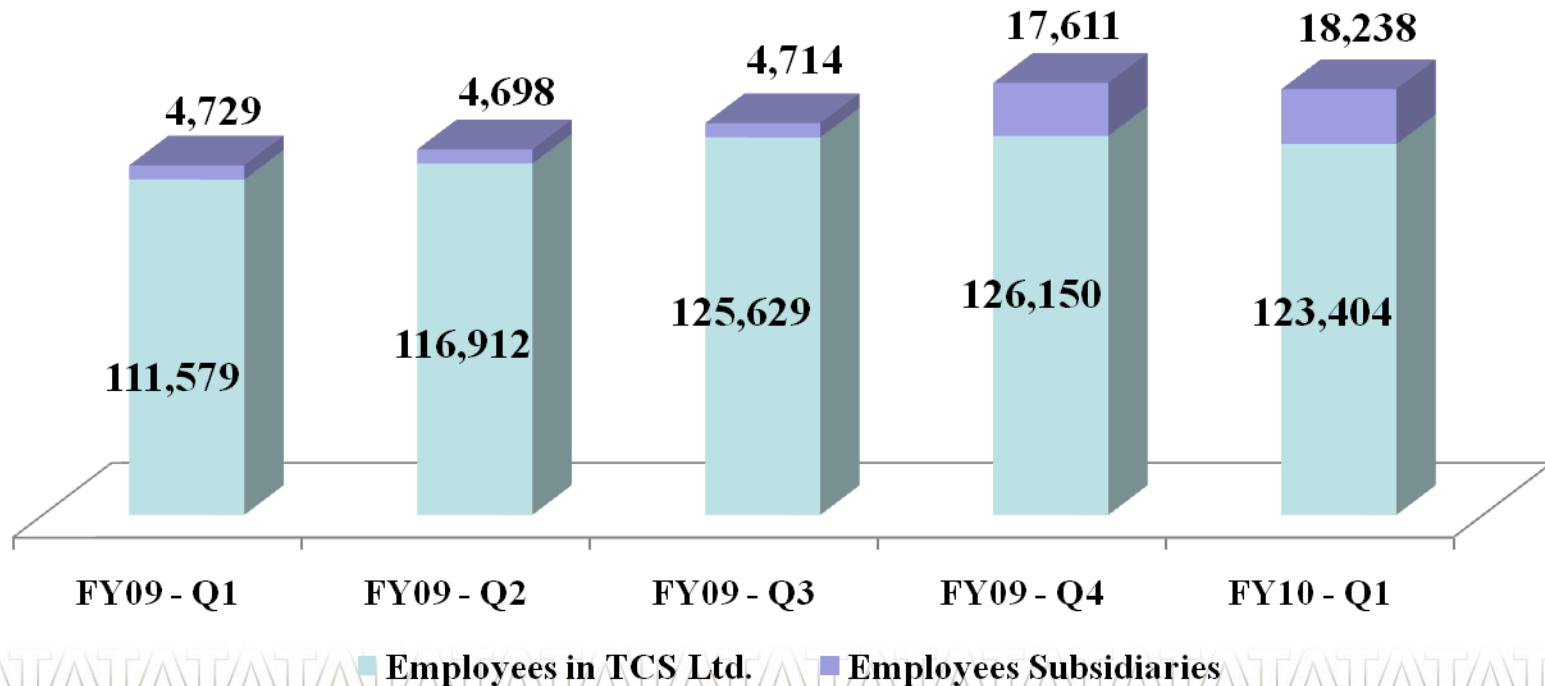
- A leading Energy Retailer in Australia has selected TCS for a multi-year deal for their application management services and business process outsourcing.
- One of the largest video game publishing company has chosen TCS to provide global application development and support services for its Enterprise and BI Applications.
- A US based specialty retailer has signed a multi-year multi-million dollar agreement with TCS to consolidate integrated IT support services, globally.
- TCS was selected by a US based aerospace major to be its preferred supplier subsequent to its vendor consolidation initiative.
- A glass and chemical products manufacturer awarded TCS a multi year contract for its ADM services.
- A leading global Banking and Financial Services organization has selected TCS as a strategic partner in a multi year, multi million engagement to help transform their delivery processes in application and infrastructure management.
- 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 the SAP platform was licensed by a leading legal UK firm.



# Human Resources

# Largest IT Employer in India: 141,642 employees

- TCS Employees : 123,404
  - Overseas branches & subsidiaries: 9,993
  - Global/Regional Delivery Centers : 4,532
- Subsidiaries\* : 18,238

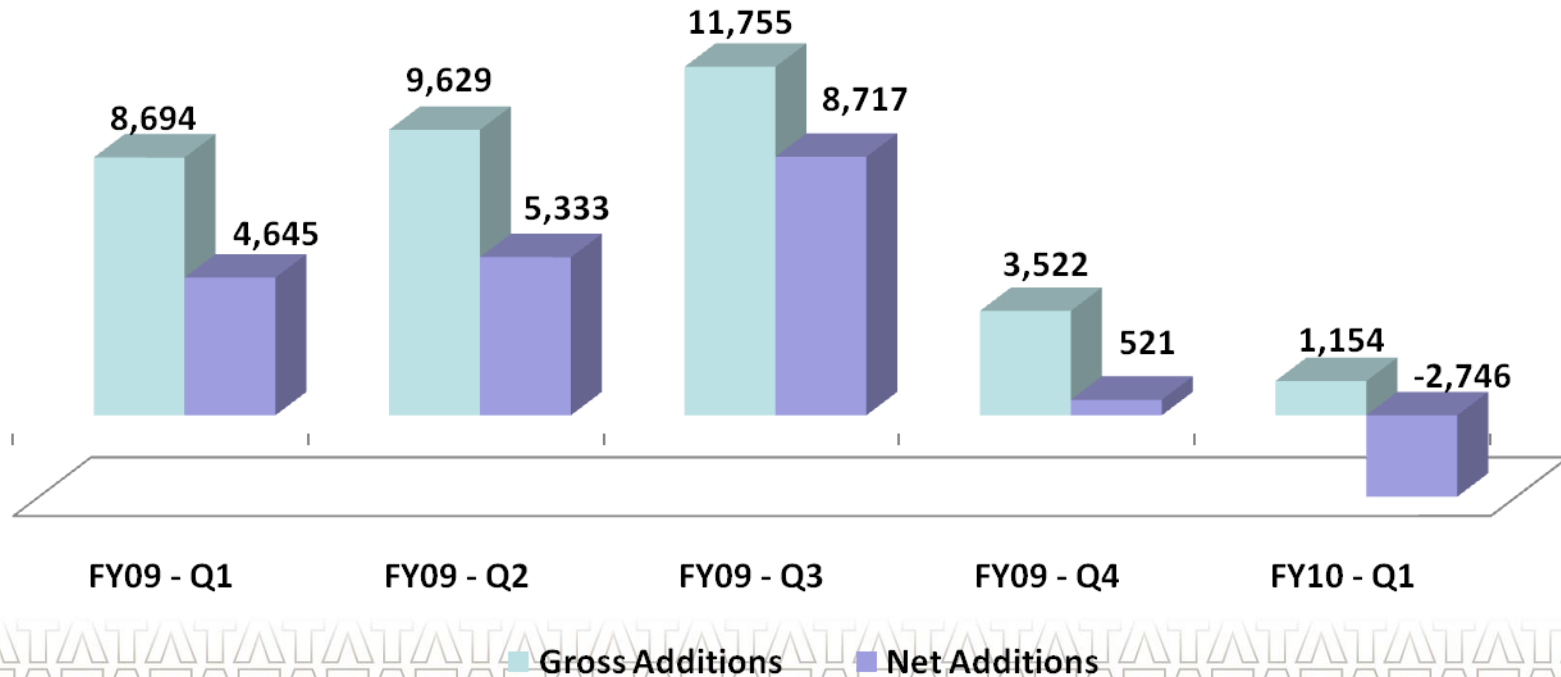


\* CMC, WTI, TCS e-Serve, Diligenta & others are now shown under 'Subsidiaries'



# TCS: Q1 FY10 Gross Additions 1,154 & Net Additions (2,746)

- Additions :
  - 316 Trainees & 384 Laterals in India; 454 in Overseas Branches
- Attrition : 11.5% (LTM), including BPO
  - IT Services: 10.7% (LTM), BPO: 19.8% (LTM)
- Utilization Rate : 79.2% (excluding trainees), 71.3% (including trainees)



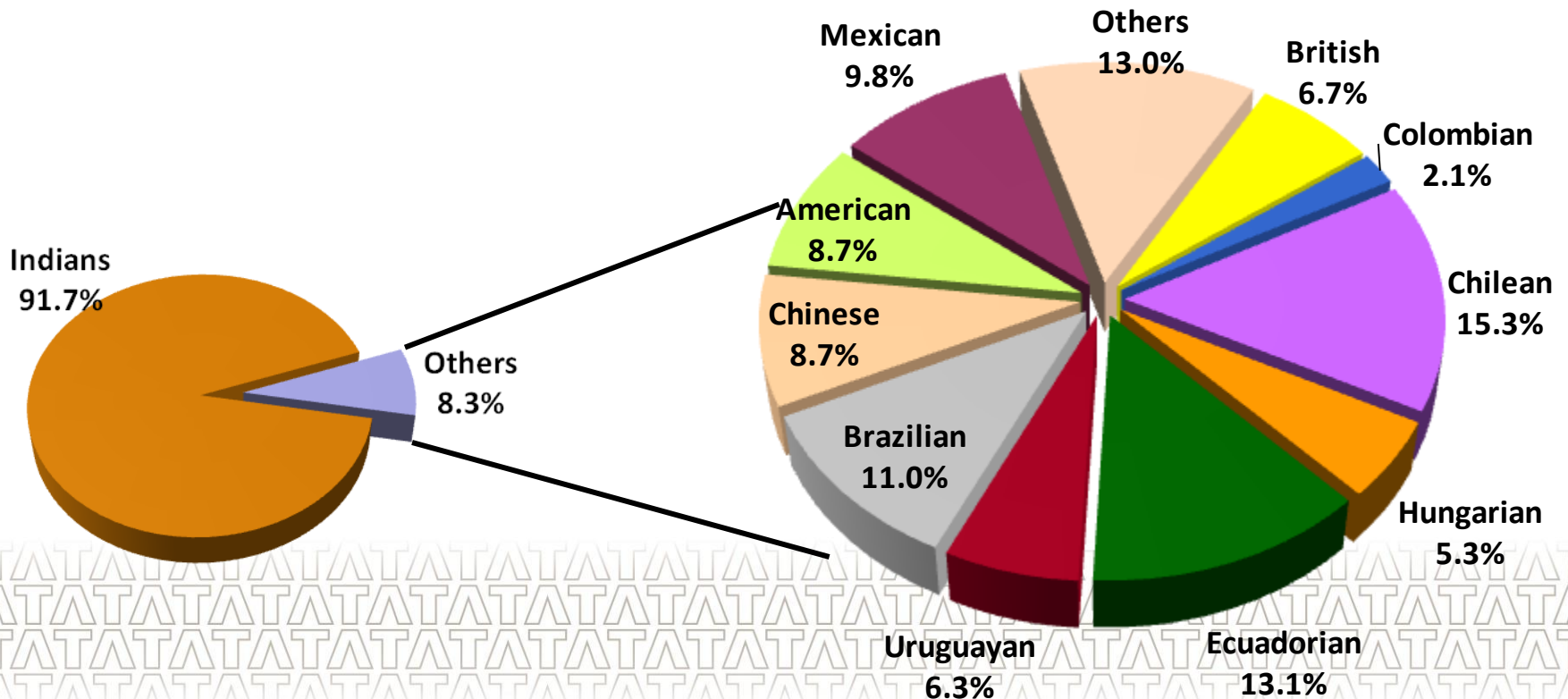
Q1 TCS + Subsidiaries:

Gross Additions : 2,828 & Net Additions : (2,119)

# Diverse Workforce

- 30% of our workforce are women
- 56% of our associates have more than 3 years of work experience.
- Associates from 72 Nationalities

## Composition of International Workforce



# Campus Update

- 24,885 campus offers were made in FY09. They would start joining us from Q2 onwards
- Campus visits in FY10 would start in Q4 when students are in their last semester



# Annexure

# Indian GAAP Income Statement - Consolidated

Consolidated Indian GAAP	INR Crore			% of Total Income		
	Q1 FY10	Q4 FY09	Q1 FY09	Q1 FY10	Q4 FY09	Q1 FY09
<b>INCOME</b>						
a) IT & Consultancy Services	6,942	6,954	6,098	96.33	96.96	95.12
b) Manufacturing, Sale of equipment and Licences	265	218	313	3.67	3.04	4.88
<b>Total Income</b>	<b>7,207</b>	<b>7,172</b>	<b>6,411</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>EXPENDITURE</b>						
a) Salaries & Wages	2,696	2,562	2,284	37.40	35.73	35.63
b) Overseas business expenditure	1,094	1,287	1,212	15.19	17.95	18.91
c) Other operating expenses	1,452	1,476	1,356	20.15	20.58	21.14
<b>Total Expenditure</b>	<b>5,242</b>	<b>5,325</b>	<b>4,852</b>	<b>72.74</b>	<b>74.26</b>	<b>75.68</b>
<b>Profit Before Interest, Depreciation, Taxes &amp; Other Income</b>	<b>1,965</b>	<b>1,847</b>	<b>1,559</b>	<b>27.26</b>	<b>25.74</b>	<b>24.32</b>
Interest	4	6	7	0.05	0.08	0.11
Depreciation	158	165	112	2.19	2.30	1.75
<b>Profit Before Taxes &amp; Other Income</b>	<b>1,803</b>	<b>1,676</b>	<b>1,440</b>	<b>25.02</b>	<b>23.36</b>	<b>22.46</b>
Other income (expense), net	26	(130)	44	0.35	(1.81)	0.69
<b>Profit Before Taxes</b>	<b>1,829</b>	<b>1,546</b>	<b>1,484</b>	<b>25.37</b>	<b>21.55</b>	<b>23.15</b>
Provision For Taxes	278	194	184	3.85	2.71	2.88
<b>Profit After Taxes From Operations</b>	<b>1,551</b>	<b>1,352</b>	<b>1,300</b>	<b>21.52</b>	<b>18.84</b>	<b>20.27</b>
Minority Interest	(17)	(19)	(9)	(0.24)	(0.27)	(0.14)
<b>Net Profit</b>	<b>1,534</b>	<b>1,333</b>	<b>1,291</b>	<b>21.28</b>	<b>18.57</b>	<b>20.13</b>

# Indian GAAP Balance Sheet - Consolidated

Consolidated Indian GAAP	INR Crore		%	
	30-Jun-09	31-Mar-09	30-Jun-09	31-Mar-09
<b>Source of Funds</b>				
Shareholders' Funds	17,004	15,700	94.59	94.18
Minority Interest	296	277	1.65	1.67
Loan Funds	537	564	2.98	3.38
Deferred Tax Liability	140	129	0.78	0.77
<b>Total Liabilities</b>	<b>17,977</b>	<b>16,670</b>	<b>100.00</b>	<b>100.00</b>
<b>Application of Funds</b>				
Fixed Assets (net)	4,237	4,190	23.57	25.13
Goodwill	3,280	3,261	18.25	19.56
Deferred Tax Asset	91	61	0.50	0.37
Investments	2,717	1,614	15.11	9.68
<i>Cash and Bank Balance</i>	<i>3,251</i>	<i>2,698</i>	<i>18.09</i>	<i>16.19</i>
<i>Current Assets, Loans and Advances</i>	<i>10,823</i>	<i>10,703</i>	<i>60.20</i>	<i>64.20</i>
<i>Current Liabilities and Provisions</i>	<i>(6,422)</i>	<i>(5,857)</i>	<i>(35.72)</i>	<i>(35.13)</i>
Net Current Assets	7,652	7,544	42.57	45.26
<b>Total Assets</b>	<b>17,977</b>	<b>16,670</b>	<b>100.00</b>	<b>100.00</b>

# US GAAP Income Statement

Consolidated US GAAP	INR Million			% of Revenue		
	Q1 FY10	Q4 FY09	Q1 FY09	Q1 FY10	Q4 FY09	Q1 FY09
<b>Revenue</b>	<b>72,070</b>	<b>71,718</b>	<b>64,107</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Cost of revenue	39,238	39,187	37,147	54.44	54.64	57.95
<b>Gross margin</b>	<b>32,832</b>	<b>32,531</b>	<b>26,960</b>	<b>45.56</b>	<b>45.36</b>	<b>42.05</b>
SG & A expenses	14,940	15,533	12,813	20.73	21.66	19.99
<b>Operating income</b>	<b>17,892</b>	<b>16,998</b>	<b>14,147</b>	<b>24.83</b>	<b>23.70</b>	<b>22.06</b>
Other income (expense), net	194	(1,373)	332	0.27	(1.91)	0.52
<b>Income before income taxes</b>	<b>18,086</b>	<b>15,625</b>	<b>14,479</b>	<b>25.10</b>	<b>21.79</b>	<b>22.58</b>
Income taxes	2,655	2,294	1,947	3.68	3.20	3.04
Equity in net earnings of affiliates	(2)	(1)	1	(0.00)	(0.00)	0.00
<b>Income after income taxes</b>	<b>15,429</b>	<b>13,330</b>	<b>12,533</b>	<b>21.42</b>	<b>18.59</b>	<b>19.54</b>
Minority Interest	226	189	97	0.31	0.26	0.15
<b>Net Income</b>	<b>15,203</b>	<b>13,141</b>	<b>12,436</b>	<b>21.11</b>	<b>18.33</b>	<b>19.39</b>
	<b>INR</b>	<b>INR</b>	<b>INR</b>			
<b>Earnings Per Share in INR</b>	<b>7.77</b>	<b>6.71</b>	<b>6.35</b>			

# COR – SG&A Details

COR	INR Million			% of Revenue		
	Q1 FY10	Q4 FY09	Q1 FY09	Q1 FY10	Q4 FY09	Q1 FY09
Employee Cost	31,462	31,834	29,351	43.66	44.39	45.78
Equipment & Software	2,609	1,822	2,757	3.62	2.54	4.30
Depreciation	1,030	1,097	720	1.43	1.53	1.13
Travel	652	687	980	0.90	0.96	1.53
Communication	692	766	628	0.96	1.07	0.99
Rent	1,393	1,281	1,048	1.93	1.78	1.63
Other Costs	1,400	1,700	1,663	1.94	2.37	2.59
<b>Cost of Revenue</b>	<b>39,238</b>	<b>39,187</b>	<b>37,147</b>	<b>54.44</b>	<b>54.64</b>	<b>57.95</b>

S G & A	INR Million			% of Revenue		
	Q1 FY10	Q4 FY09	Q1 FY09	Q1 FY10	Q4 FY09	Q1 FY09
Employee Cost	9,075	8,974	7,588	12.59	12.51	11.84
Bad Debts & Prov for Doubtful Debts	477	311	45	0.66	0.43	0.07
Depreciation	697	699	447	0.97	0.98	0.70
Rent	865	1,091	522	1.20	1.52	0.82
Travel	434	540	720	0.60	0.75	1.12
Communication	369	401	342	0.51	0.56	0.53
Recruitment & Training	145	198	319	0.21	0.28	0.50
Professional Fees	431	677	419	0.60	0.94	0.65
Other Costs	2,338	2,499	2,295	3.24	3.48	3.58
Research and development	109	143	116	0.15	0.21	0.18
<b>S G &amp; A expenses</b>	<b>14,940</b>	<b>15,533</b>	<b>12,813</b>	<b>20.73</b>	<b>21.66</b>	<b>19.99</b>



# US GAAP Balance Sheet

Consolidated US GAAP	30-Jun-09		31-Mar-09	
	INR Million	%	INR Million	%
<b>Assets</b>				
Cash and Cash equivalents	14,390	5.87	14,839	6.52
Accounts Receivable	59,435	24.23	60,429	26.54
Unbilled Revenues	14,741	6.00	14,813	6.51
Other Current assets	33,200	13.53	31,860	13.99
Property & Equipment	37,813	15.42	37,490	16.47
Intangible assets and Goodwill	34,496	14.06	34,185	15.00
Investments	28,124	11.47	17,271	7.59
Other Non Current assets	23,096	9.42	16,804	7.38
<b>Total assets</b>	<b>245,295</b>	<b>100.00</b>	<b>227,691</b>	<b>100.00</b>
<b>Liabilities and Shareholders' Equity</b>				
Current liabilities	56,312	22.96	56,275	24.72
Short term borrowings	4,890	1.99	5,158	2.27
Long term debt	2,968	1.21	2,762	1.22
Minority Interest	3,274	1.33	3,133	1.38
Other non-current liabilities	3,973	1.62	3,818	1.66
Shareholders' Funds	173,878	70.89	156,545	68.75
<b>Total Liabilities</b>	<b>245,295</b>	<b>100.00</b>	<b>227,691</b>	<b>100.00</b>

# US GAAP Income Statement – In USD

Consolidated US GAAP	USD Million			% of Revenue		
	Q1 FY10	Q4 FY09	Q1 FY09	Q1 FY10	Q4 FY09	Q1 FY09
<b>Revenue</b>	<b>1,480</b>	<b>1,433</b>	<b>1,525</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Cost of revenue	806	783	884	54.44	54.64	57.95
<b>Gross margin</b>	<b>674</b>	<b>650</b>	<b>641</b>	<b>45.56</b>	<b>45.36</b>	<b>42.05</b>
SG & A expenses	307	310	304	20.73	21.66	19.96
<b>Operating income</b>	<b>367</b>	<b>340</b>	<b>337</b>	<b>24.83</b>	<b>23.70</b>	<b>22.09</b>
Other income (expense), net	4	(27)	8	0.27	(1.89)	0.52
<b>Income before income taxes</b>	<b>371</b>	<b>313</b>	<b>345</b>	<b>25.10</b>	<b>21.81</b>	<b>22.61</b>
Income taxes	55	45	45	3.75	3.14	2.94
Equity in net earnings of affiliates	-	-	-	-	-	-
<b>Income after income taxes</b>	<b>316</b>	<b>268</b>	<b>300</b>	<b>21.35</b>	<b>18.67</b>	<b>19.67</b>
Minority Interest	5	4	2	0.31	0.26	0.15
<b>Net Income</b>	<b>311</b>	<b>264</b>	<b>298</b>	<b>21.04</b>	<b>18.41</b>	<b>19.52</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>			
<b>Earnings Per Share in USD</b>	0.16	0.13	0.15			

# COR – SG&A Details – In USD

COR	USD Million			% of Revenue		
	Q1 FY10	Q4 FY09	Q1 FY09	Q1 FY10	Q4 FY09	Q1 FY09
Employee Cost	646	636	698	43.66	44.39	45.78
Equipment & Software	54	36	66	3.62	2.54	4.31
Depreciation	21	22	17	1.43	1.53	1.12
Travel	13	14	23	0.90	0.96	1.53
Communication	14	15	15	0.96	1.06	0.98
Rent	29	26	25	1.93	1.79	1.64
Other Costs	29	34	40	1.94	2.37	2.59
<b>Cost of Revenue</b>	<b>806</b>	<b>783</b>	<b>884</b>	<b>54.44</b>	<b>54.64</b>	<b>57.95</b>

S G & A	USD Million			% of Revenue		
	Q1 FY10	Q4 FY09	Q1 FY09	Q1 FY10	Q4 FY09	Q1 FY09
Employee Cost	186	179	181	12.59	12.52	11.84
Bad Debts & Prov for Doubtful Debts	10	6	1	0.66	0.43	0.07
Depreciation	14	14	11	0.97	0.98	0.70
Rent	18	22	12	1.20	1.52	0.82
Travel	9	11	17	0.60	0.75	1.12
Communication	8	8	8	0.51	0.56	0.54
Recruitment & Training	3	4	7	0.20	0.28	0.48
Professional Fees	9	13	10	0.60	0.94	0.65
Other Costs	48	50	54	3.25	3.48	3.56
Research and development	2	3	3	0.15	0.20	0.18
<b>S G &amp; A expenses</b>	<b>307</b>	<b>310</b>	<b>304</b>	<b>20.73</b>	<b>21.66</b>	<b>19.96</b>

# US GAAP Balance Sheet in USD

Consolidated US GAAP	30-Jun-09		31-Mar-09	
	USD Million	%	USD Million	%
<b>Assets</b>				
Cash and Cash equivalents	300	5.87	292	6.52
Accounts Receivable	1,241	24.23	1,191	26.54
Unbilled Revenues	308	6.00	292	6.51
Other Current assets	693	13.53	628	13.99
Property & Equipment	789	15.42	739	16.47
Intangible assets and Goodwill	720	14.06	674	15.01
Investments	587	11.47	340	7.58
Other Non Current assets	482	9.42	331	7.38
<b>Total assets</b>	<b>5,120</b>	<b>100.00</b>	<b>4,487</b>	<b>100.00</b>
<b>Liabilities and Shareholders' Equity</b>				
Current liabilities	1,175	22.96	1,109	24.72
Short term borrowings	102	1.99	102	2.26
Long term debt	62	1.21	54	1.21
Minority Interest	68	1.33	62	1.37
Other non-current liabilities	83	1.62	75	1.68
Shareholders' Funds	3,630	70.89	3,085	68.76
<b>Total Liabilities</b>	<b>5,120</b>	<b>100.00</b>	<b>4,487</b>	<b>100.00</b>

Thank You