

Strong business volumes drive Q1 performance

Revenues at \$ 2.41 billion up 34.4% Y-o-Y

Net Income at \$ 532 million up 30.6% Y-o-Y

- Superior business portfolio enables broad-based growth across markets and industries

MUMBAI, July 14, 2011: Tata Consultancy Services (*BSE: 532540, NSE: TCS*), the leading IT services, consulting and business solutions firm, reported its consolidated IFRS (International Financial Reporting Standards) financial results for the first quarter ended June 30, 2011.

Financial Highlights for Quarter Ended June 30, 2011

- Incremental Revenues of \$ 167 million in Q1
- Operating Profits at \$ 631 million; Growth of 28 % Y-o-Y
- Operating Margins at 26.2%
- Earnings Per Share at \$ 0.27

Business Highlights for Quarter Ended June 30, 2011

- No of clients in the category of \$50m increased to 33 from 27
- Gross Addition of 11,988 Employees (Net Addition of 3,576 employees)
- High Utilisation rates maintained at 83.2% (excluding trainees)
- 24 New Clients added

Chief Executive Officer and Managing Director, N Chandrasekaran said: “Our customer focused organization and balanced business model helped us drive growth across all our major customer segments and operating regions in Q1. TCS continues to partner with many customers to help them successfully execute their transformation agendas as well as negotiate a challenging business environment.” **He added:** “Though we continue to see steady demand flow for our services, the uncertain global macroeconomic environment demands that we adopt an entrepreneurial approach and remain agile to capture growth opportunities as they emerge.”

S. Mahalingam, Chief Financial Officer and Executive Director, said: “By focusing and optimizing operations to support our growth, we have been able to limit the erosion in operating margins by using various levers like utilization and productivity.” **He added:** “We remain watchful but do not expect the current macro issues to impede business decision making in those markets.”

Growth in Q1 was balanced and broad-based. Growth across industries was led by Hi-tech, Retail and BFSI. There was balanced growth across IT and other service lines led by Infrastructure, assurance and global consulting services. All markets including USA, Europe grew alongside growth markets like India and Asia Pacific.

Key Wins

- Selected by a large US Insurance company as a strategic partner in their initiative to transform their entire personal lines.
- Selected by a leading North American bank as strategic partner for providing end to end solutions for their wealth management portfolio.
- Selected by a large North American bank as its business operations partner for providing BPO services for its mortgages and lending operations.
- Selected by a Middle East government organization to develop their application system and support BPO operations.
- TCS Bancs Corporate Actions was chosen by one of the largest Japanese banking groups for its US operations.
- Selected by a leading global pharmaceutical company for quality assurance & process compliance services.
- Selected as strategic partner by a leader in the energy products and services market in North America for its application management and development services.
- A multi-year, multi-million dollar deal with a leading US healthcare organization for IT & Assurance services for its care delivery and regional business applications portfolio.
- Selected as a strategic partner for leading European apparel retailer for application development and testing services.
- Selected as the implementation partner for a region under the Restructured Accelerated Power Development and Reform Program being run by Ministry of Power in India

Innovation and Intellectual Property:

As of June 30, 2011, the company has applied for 411 patents including 69 applied for during the quarter. Till date, the company has been granted 68 patents.

Human Resources:

The company continued to hire to support business growth. With campus trainees joining the company from the beginning of July-September quarter, lateral hiring accounted for 75% of total hiring in Q1. There was a total gross addition of 11,988 people (net addition of 3,576) taking the total employee strength of 202,190 on a consolidated basis.

The utilization rate (excluding trainees) was at 83.2% and that including trainees was 76.2%. The attrition rate (LTM) was 14.8 per cent. "We continued hiring in line with business demand and we were able to continue to use our available resources efficiently as seen in the utilization rate continuing to be in 83% range," said Ajoy Mukherjee, Global Head, Human Resources.

Awards and Recognition

TCS won the IDG's InfoWorld 2011 Green 15 Award for its initiative – PowerIT. TCS Hong Kong was presented with the Caring Company Award by the Hong Kong Council of Social Service. The company also won two Gold Awards in WOW Event & Experiential Marketing Awards 2011. TCS Europe won top European award for excellence. It was also adjudged the 'Outsourcing company of the year 2011' award at the Data News Awards for Excellence ceremony held in Brussels. While China was recognised by China's leading IT Magazine. The company won the AON Hewitt Best Employers Award in Singapore and was certified Britain's 'Top Employer' by the CRF institute. TCS was conferred the joint winner of the Energy Conservation Award for Lowest Carbon Foot print by the Centre for Sustainable Development. TCS won Gold SABRE for Executive Leadership

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IFRS

Communications. The company topped Finance Asia's annual poll with CEO N Chandrasekaran named Best CEO.

About Tata Consultancy Services Ltd (TCS)

Tata Consultancy Services is an IT services, consulting and business solutions organization that delivers real results to global business, ensuring a level of certainty no other firm can match. TCS offers a consulting-led, integrated portfolio of IT, BPO, infrastructure, engineering and assurance services. This is 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 202,000 of the world's best trained consultants in 42 countries. The Company generated consolidated revenues of US \$ 8.2 billion for year ended 31 March, 2011 and is listed on the National Stock Exchange and Bombay Stock Exchange in India. For more information, visit us at www.tcs.com

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