

Secular growth, strong volumes drive Q1

- **Revenues at \$ 2.73 billion up 13.1% Y-o-Y**
- **Net Income at \$ 604 million up 13.6% Y-o-Y**
- Diversified strategy enables broad-based growth across markets and industries

MUMBAI, July 12, 2012 : 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 quarter ended June 30, 2012.

Financial Highlights for Quarter Ended June 30, 2012

- Operating Profits at \$ 750 million; Growth of 18.9% Y-o-Y
- Operating Margins at 27.5%
- Earnings Per Share at \$ 0.31

Business Highlights for Quarter Ended June 30, 2012

- Gross Addition of 13,831 Employees
- High Utilisation rates maintained at 81.3% (excluding trainees)
- 29 New Clients added

Commenting on the Q1 performance, Chief Executive Officer and Managing Director, N Chandrasekaran said: “We have seen strong, secular growth across all our service lines and industry segments driven by robust volumes from key markets like North America, Europe and UK. We have also absorbed impact of wage hikes and maintained our profitability in a volatile setting. **He added:** “Looking ahead, TCS continues to see good demand from global corporations as they successfully navigate an increasingly complex environment. Our investments in new technologies and platforms are bearing fruit with increasing market traction and we are confident of playing a pivotal role in our customers’ future business evolution.”

S. Mahalingam, Chief Financial Officer and Executive Director, said: “Our ability to closely monitor and maintain our operating expenses to support higher revenues is helping us maintain healthy margins. This ensures that we are able to continuously make investments needed in technology, capabilities and infrastructure to fuel growth over the long-term.” **He added:** “The unprecedented volatility among major currencies and the Indian rupee will continue to be a challenge in the short term and we are taking the steps to mitigate any risks arising from this scenario.

Growth in Q1 was very broad-based. Growth was seen across all industry segments led by Retail, Telecom and BFSI. There was balanced growth across IT and other service lines led by BPO, enterprise solutions & infrastructure services. Major markets grew smartly led by UK, USA and Europe grew alongside growth markets like Latin America.

Key Wins

- Signed a \$100 M+ contract with a leading North American retailer as its transformation partner.
- Awarded a multi-million dollar managed services contract by leading North American communications solutions provider for their core business processes
- Awarded multi-year contract by large Australian financial institution to deliver services for information systems, including data warehouse and business intelligence.
- Won three year multi-million dollar engagement with a major European clearing house to provide IT Application and Infrastructure services
- Selected by a top global bio-technology firm for a multi-million dollar, multi- year Drug Safety, Record Management and Regulatory program
- TCS BaNCS Core Banking has been chosen by a leading bank in Turkey for their international banking operations
- Won a multi-million dollar, multi-year application management engagement on a managed services model for a leading specialty retailer based in North America

Sample of Engagements won in New Services

Products

- In an endorsement of its maturity and market readiness, TCS BaNCS Core Banking product was selected to be implemented on a pre-configured basis by two financial institutions in China for their core banking renewal initiatives
- TCS BaNCS won the mandate to implement a comprehensive new Health Insurance solution for a group of mutual insurance companies in Europe that will enable them to be market competitive, manage their own business rules and comply with legislation. It will replace all their current applications

Mobility

- Preparing a roadmap to transform business processes for a global pharmaceutical firm via enterprise mobility framework
- Building innovative suite of tablet apps for a global bank to deploy with consumers in multiple markets
- Developing apps for a global high-end audio equipment manufacturer to enable consumers to play cloud-based entertainment content on smart phones
- Deploying TCS tablet app Crew Power™ for a major airline to empower cabin attendants to serve customers better

Big Data

- Delivering Next-gen insights using Big Data frameworks for a global airline, a US-based bank and a global market research firm
- Setting up leading edge distributed data warehouse for a hi-tech firm using Big Data technologies

Social Media

- Integration of social media data and internal customer data to transform customer engagement for a major global insurance company
- Analytics platform to analyse social media conversations impacting brands, consumers
- Customer intelligence platform for a major global airline

Platforms

- TCS F&A platform has been chosen by a major European Airline for its global operations across 50 countries
- TCS HCM platform has been chosen by a leading bank for standardization of its HR processes company-wide, improving employee experience and providing employee insights
- TCS Analytics platform has been chosen by multiple customers

Innovation and Intellectual Property:

As of June 30, 2012, the company has applied for **914** patents including **59** applied for during the quarter. Till date, the company has been granted **72** 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 13,831 people (net addition of 4,962) taking the total employee strength of 243,545 on a consolidated basis.

The utilization rate (excluding trainees) was at 81.3% and that including trainees was 72.3%. The attrition rate (LTM) was 12.0 per cent. “We have been able to effectively increase our retention rate in the first quarter to over 88% and increase our utilization rates further. The on-boarding of current year’s trainees has begun,” said Ajoy Mukherjee, Executive vice president and Global Head, Human Resources.

Awards and Recognition

TCS was ranked as the 4th most valuable brand in global IT services by Brand Finance. It was named ‘Largest Systems Integrator’ by Communication, Multimedia and Infrastructure (CMAI) Association of India. Genworth Financial, Inc. has named the company as its Strategic Supplier of the Year. It also won the prestigious ‘Microsoft IT – Supplier Innovator of the Year’ award.

The company maintained its #1 position in the Nordic Region for the third consecutive year in the annual KPMG Nordic Region Performance study. TCS China was ranked among 'Top 10 Global Service Providers in China'. International Data Corporation rated TCS BPO as a MarketScape Leader Worldwide for its Business Analytics BPO services. TCS Hongkong received the Caring Company Award 2012 by Hong Kong Council of Social Service for its CSR.

TCS was Ranked No.1 in India by Institutional Investor's 2012 All-Asia Executive Team rankings. FinanceAsia’s ranked CEO N. Chandrasekaran among the top two CEOs; CFO S. Mahalingam was ranked the Best CFO in India. CEO N. Chandrasekaran was ranked no. 1 in the Best CEO in the Thomson Reuters Extel India IR Survey.

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 243,000 of the world's best trained consultants in 42 countries. The Company generated consolidated revenues of US \$ 10.17 billion for year ended 31 March, 2012 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: +91 22 6778 9999	Investor Relations: 91 22 6778 9999
Pradipta.bagchi@tcs.com / h.ramachandra@tcs.com shamala.p@tcs.com	Kedar.shirali@tcs.com