

INDEX TO EXTRACT FROM UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Extracts from Unaudited Condensed Consolidated Interim Financial Statements of Tata Consultancy Services Limited in ₹ crores	<u>Page</u>
Unaudited Condensed Consolidated Interim Statements of Financial Position as at September 30, 2018 and March 31, 2018	2
Unaudited Condensed Consolidated Interim Statements of Profit or Loss and Other Comprehensive Income for the three and six month periods ended September 30, 2018 and 2017	3
Unaudited Condensed Consolidated Interim Statements of Changes in Equity for the six month periods ended September 30, 2017 and 2018	4
Unaudited Condensed Consolidated Interim Statements of Cash Flows for the six month periods ended September 30, 2018 and 2017	5

TATA CONSULTANCY SERVICES LIMITED
Unaudited Condensed Consolidated Interim Statements of Financial Position

	As at <u>September 30, 2018</u>	As at <u>March 31, 2018</u>
	(In ₹ crores)	
ASSETS		
Current assets		
Cash and cash equivalents	5,562	4,883
Bank deposits	53	2,056
Investments	28,263	35,707
Trade receivables	28,614	24,943
Unbilled receivables (Previous year: Unbilled revenue)	5,136	6,686
Other financial assets	2,130	4,302
Income tax assets (net)	1,965	37
Other assets	5,997	2,610
Total current assets	77,720	81,224
Non-current assets		
Investments	242	301
Trade receivables	84	94
Unbilled receivables (Previous year: Unbilled revenue)	203	227
Other financial assets	2,740	2,667
Income tax assets (net)	3,654	4,131
Deferred tax assets (net)	2,782	3,423
Property, plant and equipment	11,558	11,600
Intangible assets	70	12
Goodwill	3,936	3,884
Other assets	1,087	846
Total non-current assets	26,356	27,185
TOTAL ASSETS	104,076	108,409
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Trade payables	6,252	5,094
Borrowings	17	193
Other financial liabilities	4,701	3,901
Unearned and deferred revenue	2,789	2,032
Employee benefit obligations	2,338	2,018
Provisions	260	240
Income tax liabilities (net)	3,022	1,421
Other liabilities	3,168	2,929
Total current liabilities	22,547	17,828
Non-current liabilities		
Borrowings	46	54
Other financial liabilities	513	503
Unearned and deferred revenue	280	503
Employee benefit obligations	314	290
Provisions	30	26
Deferred tax liabilities (net)	1,271	1,170
Other liabilities	390	392
Total non-current liabilities	2,844	2,938
TOTAL LIABILITIES	25,391	20,766
Equity		
Share capital	375	191
Retained earnings	74,921	84,254
Other equity	2,968	2,796
Equity attributable to shareholders of the Company	78,264	87,241
Non-controlling interests	421	402
TOTAL EQUITY	78,685	87,643
TOTAL LIABILITIES AND EQUITY	104,076	108,409

Figures may not add up due to rounding.

TATA CONSULTANCY SERVICES LIMITED

Unaudited Condensed Consolidated Interim Statements of Profit or Loss and Other Comprehensive Income

	Three month period ended September 30, 2018	Three month period ended September 30, 2017	Six month period ended September 30, 2018	Six month period ended September 30, 2017
	(In ₹ crores, except shares and per share data)			
Revenue from operations	36,854	30,541	71,115	60,125
Cost of revenue	21,200	17,611	41,283	34,902
Gross profit	15,654	12,930	29,832	25,223
Operating expenses				
Selling, general and administrative expenses	5,883	5,270	11,483	10,649
Operating profit	9,771	7,660	18,349	14,574
Other income				
Finance and other income	668	454	1,460	1,042
Finance costs	(137)	(7)	(154)	(34)
Other gains (net)	62	365	495	736
Other income (net)	593	812	1,801	1,744
Profit before taxes	10,364	8,472	20,150	16,318
Income tax expense	2,437	2,012	4,861	3,908
Profit for the period	7,927	6,460	15,289	12,410
Other comprehensive income / (losses)				
Items that will be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operations	643	247	728	407
Net change in intrinsic value of derivatives designated as cash flow hedges	(30)	22	(4)	(122)
Net change in time value of derivatives designated as cash flow hedges	(70)	(121)	(55)	(146)
Net change in fair value of investments other than equity shares carried at fair value through OCI	(44)	(191)	(478)	(51)
Items that will not be reclassified subsequently to profit or loss				
Net change in fair value of investments in equity shares carried at fair value through OCI	(1)	-	(1)	-
Remeasurement of defined employee benefit plans	(44)	45	(87)	75
Total other comprehensive income / (losses)	454	2	103	163
Total comprehensive income for the period	8,381	6,462	15,392	12,573
Profit for the period attributable to:				
Shareholders of the Company	7,901	6,446	15,241	12,391
Non-controlling interests	26	14	48	19
	7,927	6,460	15,289	12,410
Total comprehensive income for the period attributable to:				
Shareholders of the Company	8,343	6,446	15,325	12,547
Non-controlling interests	38	16	67	26
	8,381	6,462	15,392	12,573
Weighted average number of equity shares used in computing basic and diluted earnings per share	382,52,62,553	382,85,75,182	382,69,09,816	386,96,83,416
Basic and diluted earnings per share	₹20.66	₹16.84	₹39.83	₹32.02

Figures may not add up due to rounding.

TATA CONSULTANCY SERVICES LIMITED
Unaudited Condensed Consolidated Interim Statements of Changes in Equity
For the six month periods ended September 30, 2017 and 2018

	Number of shares	Share capital	Share premium	Retained earnings	Special Economic Zone re-investment reserve	Foreign currency translation reserve	Cash flow hedging reserve Intrinsic value	Time value	Investment revaluation reserve	Equity attributable to shareholders of the Company	Non- controlling interests	Total equity
(In ₹ crores, except share data)												
Balance as at April 1, 2017	197,04,27,941	197	5,082	81,487	97	827	105	(17)	537	88,315	366	88,681
Profit for the period				12,391	-	-	-	-	-	12,391	19	12,410
Other comprehensive income / (losses)				75	-	400	(122)	(146)	(51)	156	7	163
Total comprehensive income / (losses)	-	-	-	12,466	-	400	(122)	(146)	(51)	12,547	26	12,573
Dividend (including tax on dividend of ₹1,052 crores)				(7,654)	-	-	-	-	-	(7,654)	(34)	(7,688)
Transfer to Special Economic Zone re-investment reserve				(733)	733	-	-	-	-	-	-	-
Transfer from Special Economic Zone re-investment reserve				98	(98)	-	-	-	-	-	-	-
Buy-back of equity shares	(5,61,40,350)	(6)	(5,082)	(10,912)	-	-	-	-	-	(16,000)	-	(16,000)
Expenses for buy-back of equity shares				(46)	-	-	-	-	-	(46)	-	(46)
Balance as at September 30, 2017	191,42,87,591	191	-	74,706	732	1,227	(17)	(163)	486	77,162	358	77,520
Balance as at April 1, 2018	191,42,87,591	191	-	84,254	1,578	1,373	(2)	(69)	(84)	87,241	402	87,643
Profit for the period				15,241	-	-	-	-	-	15,241	48	15,289
Other comprehensive income / (losses)				(87)	-	709	(4)	(55)	(479)	84	19	103
Total comprehensive income / (losses)	-	-	-	15,154	-	709	(4)	(55)	(479)	15,325	67	15,392
Dividend (including tax on dividend of ₹1,177 crores)				(8,257)	-	-	-	-	-	(8,257)	(48)	(8,305)
Realised loss on equity shares carried at fair value through OCI				(1)	-	-	-	-	1	-	-	-
Buy-back of equity shares	(7,61,90,476)	(8)	-	(15,992)	-	-	-	-	-	(16,000)	-	(16,000)
Expenses for buy-back of equity shares				(45)	-	-	-	-	-	(45)	-	(45)
Issue of bonus shares	191,42,87,591	192	-	(192)	-	-	-	-	-	-	-	-
Balance as at September 30, 2018	375,23,84,706	375	-	74,921	1,578	2,082	(6)	(124)	(562)	78,264	421	78,685

Retained earnings include statutory reserve of ₹279 crores and ₹219 crores as at September 30, 2018 and 2017, respectively.

Total equity (primarily retained earnings) includes ₹799 crores and ₹647 crores as at September 30, 2018 and 2017, respectively, pertaining to trusts and TCS Foundation held for specified purposes.

Figures may not add up due to rounding.

TATA CONSULTANCY SERVICES LIMITED
Unaudited Condensed Consolidated Interim Statements of Cash Flows

	Six month period ended September 30, 2018	Six month period ended September 30, 2017
	(In ₹ crores)	
Cash flows from operating activities		
Profit for the period	15,289	12,410
Adjustments to reconcile profit or loss to net cash provided by operating activities		
Depreciation and amortisation expense	1,000	1,003
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	98	79
Income tax expense	4,861	3,908
Non-cash interest on put-call option liability	6	6
Unrealised foreign exchange gain	(108)	(49)
Net gain on disposal of property, plant and equipment	(27)	-
Net (gain) / loss on investments	203	(235)
Operating profit before working capital changes	21,322	17,122
Net change in		
Trade receivables	(2,805)	(1,628)
Unbilled receivables (Previous period: Unbilled revenue)	1,796	(1,392)
Other financial assets	(33)	475
Other assets	(3,564)	(266)
Trade payables	405	127
Unearned and deferred revenue	507	9
Other financial liabilities	672	164
Other liabilities and provisions	358	1,191
Cash generated from operations	18,658	15,802
Taxes paid (net of refunds)	(3,681)	(3,823)
Net cash provided by operating activities	14,977	11,979

TATA CONSULTANCY SERVICES LIMITED
Unaudited Condensed Consolidated Interim Statements of Cash Flows

	Six month period ended September 30, 2018	Six month period ended September 30, 2017
(In ₹ crores)		
Cash flows from investing activities		
Bank deposits placed	(280)	(21)
Inter-corporate deposits placed	(8,187)	(2,131)
Purchase of investments*	(51,114)	(52,992)
Payment for purchase of property, plant and equipment	(881)	(1,077)
Payment for purchase of intangible assets	(68)	-
Earmarked deposits placed with banks	(22)	(50)
Proceeds from bank deposits	2,297	426
Proceeds from inter-corporate deposits	10,435	2,527
Proceeds from disposal / redemption of investments*	57,655	65,697
Proceeds from disposal of property, plant and equipment	29	9
Proceeds from earmarked deposits with banks	-	85
Net cash provided by investing activities	9,864	12,473
Cash flows from financing activities		
Buy-back of equity shares	(16,000)	(16,000)
Expenses for buy-back of equity shares	(45)	(42)
Short-term borrowings (net)	(181)	(199)
Dividend paid (including tax on dividend)	(8,257)	(7,654)
Dividend paid to non-controlling interests (including tax on dividend)	(48)	(34)
Repayment of finance lease obligations	(5)	(11)
Net cash used in financing activities	(24,536)	(23,940)
Net change in cash and cash equivalents	305	512
Cash and cash equivalents at the beginning of the period	4,883	3,597
Exchange difference on translation of foreign currency cash and cash equivalents	374	167
Cash and cash equivalents at the end of the period	5,562	4,276
Supplementary cash flow information		
Interest paid	149	30
Interest received	1,485	1,314
Dividend received	11	9

*Purchase of investments include ₹204 crores and ₹704 crores for six month periods ended September 30, 2018 and 2017, respectively, and Proceeds from disposal / redemption of investments include ₹194 crores and ₹702 crores for six month periods ended September 30, 2018 and 2017, respectively, held by TCS Foundation, formed for conducting corporate social responsibility activities of the Group.

Figures may not add up due to rounding.