

TCS Financial Results

Quarter I FY 2026-27

Jul 9, 2026

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 global IT services companies, various factors which may affect our profitability, 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, liability for damages on our service contracts, client concentration, our ability to manage our international operations, restrictions on cross-border movement of skilled personnel, reduced demand for technology in our key focus areas, our ability to capitalize on the emerging technology landscape, the success of the companies in which TCS has made strategic investments, our ability to successfully complete and integrate potential acquisitions, legal restrictions on raising capital or acquiring companies outside India, withdrawal of governmental fiscal incentives, geo-political instability, regulatory changes impacting the business model, supplier concentration and resilience, unauthorized use of our intellectual property, disruptions in telecommunication networks, cyber attacks, security or data breaches, social media adverse impact, pandemics, natural disasters, our ability to ensure business continuity in unforeseen circumstances, 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.

Quarterly Financial Performance

Q1 FY27 Performance Highlights

➤ Revenue:

- INR Revenue of ₹ **722,750 Mn**, up **2.2% QoQ** | up **13.9% YoY**
- USD Revenue of \$ **7,624 Mn**, Flat QoQ | up **2.7% YoY**
- Constant currency revenue up **0.4% QoQ** | up **3.2% YoY**

➤ Profit:

- Operating Margin at **24.0%**
- Net Margin at **19.2%**
- Cash flow from operations at **93.0%** of net profit

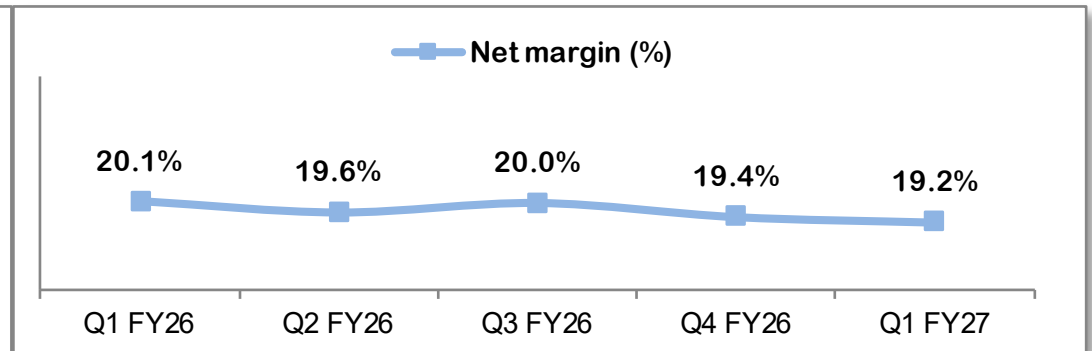
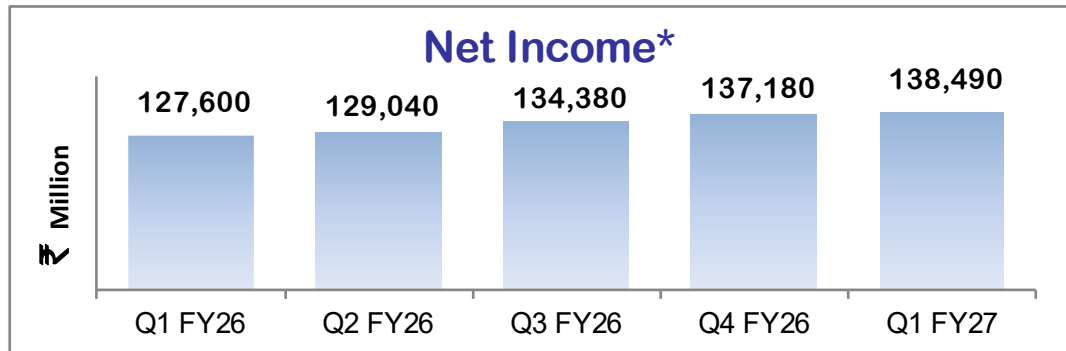
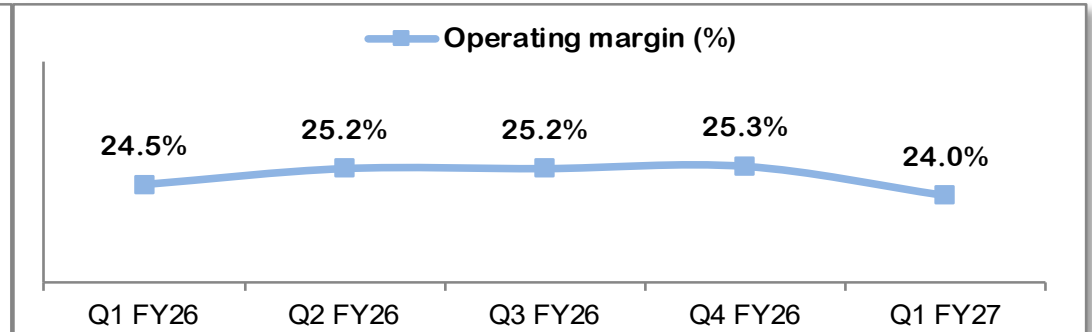
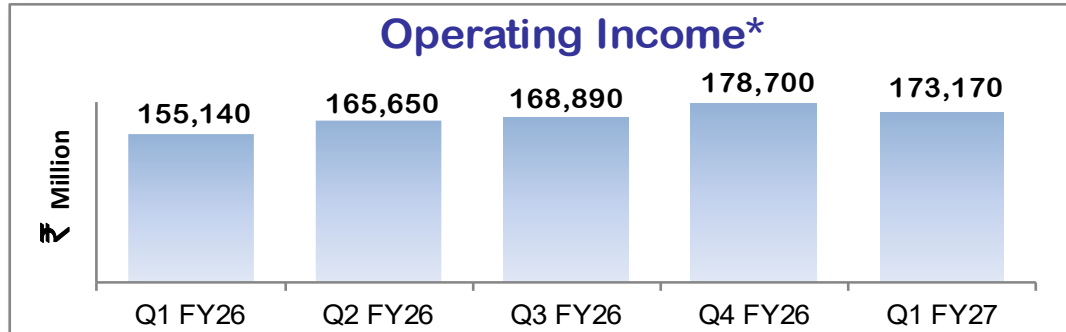
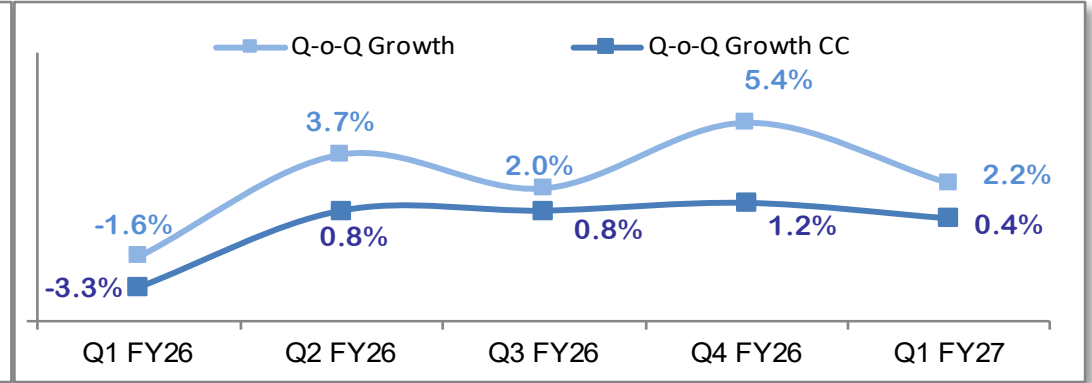
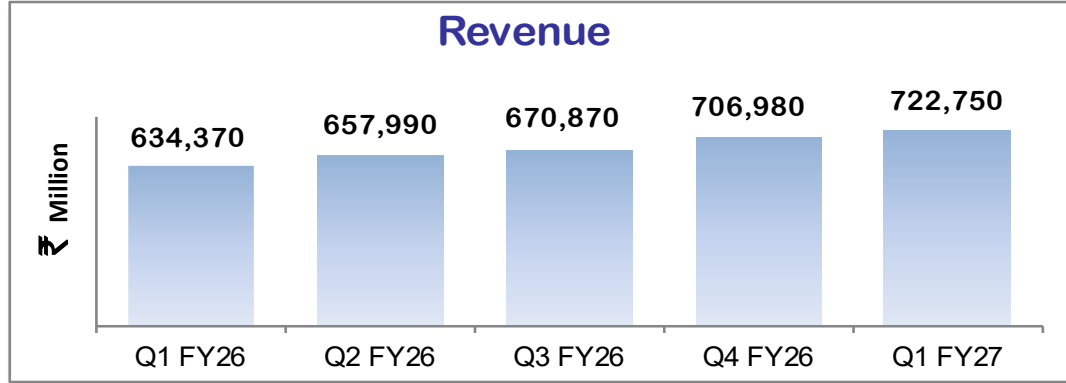
➤ Demand:

- Clients \$10M+ up by 5 ; \$5M+ up by 8 & \$1M+ up by 4 QoQ
- Order book TCV at \$9.5 Bn; North America TCV at \$4.7 Bn; BFSI TCV at \$2.5 Bn, Consumer Business TCV at \$1.4 Bn

➤ People:

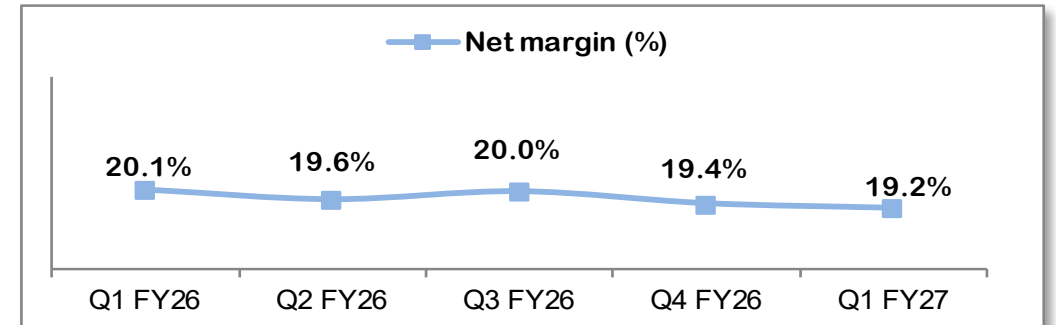
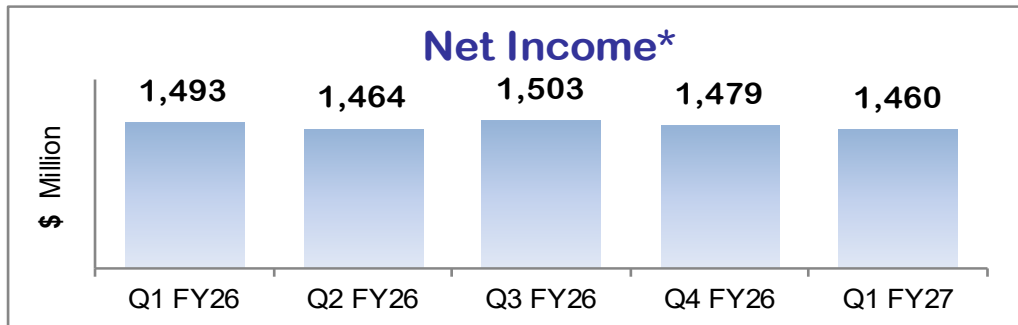
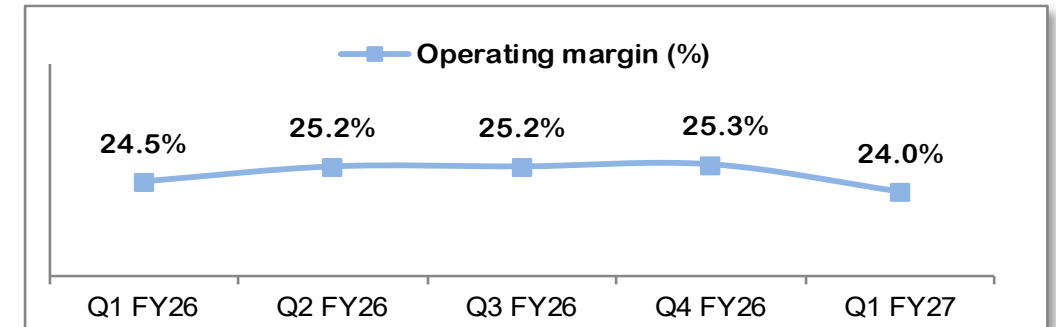
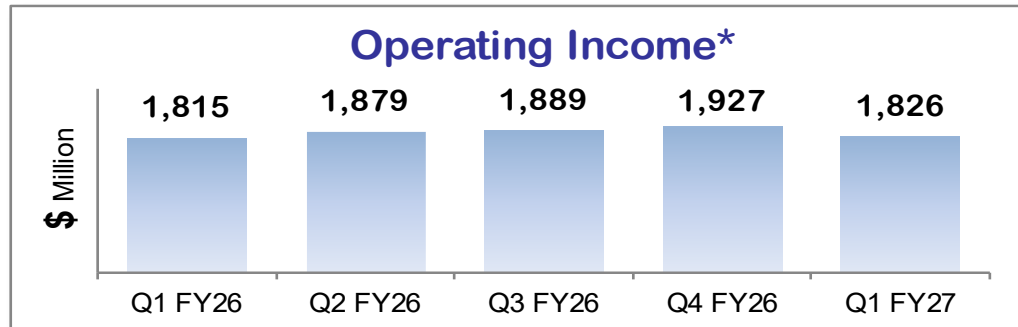
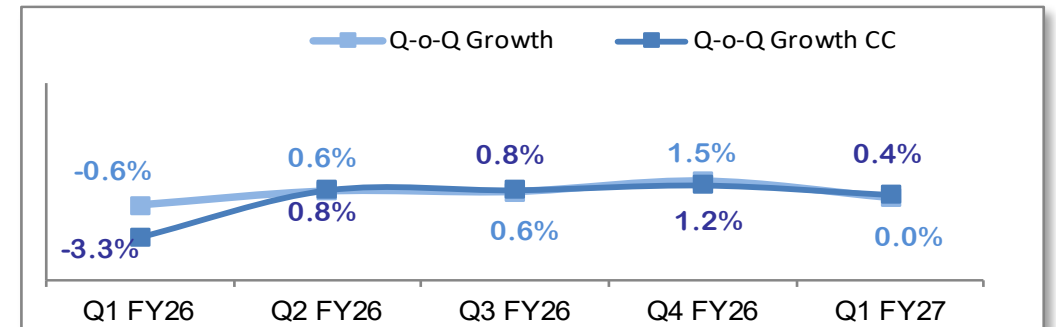
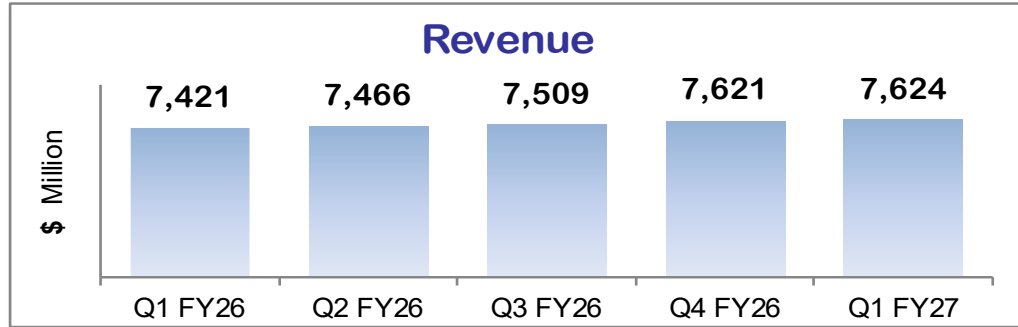
- Closing headcount: **593,798**
- Voluntary LTM attrition at **13.6%** in IT Services

Growth Summary (INR)



*Excludes exceptional items

Growth Summary (USD)



*Excludes exceptional items

Operational Parameters

Growth by Market

Geography (%)	Q1 FY26	Q4 FY26	Q1 FY27	Q-o-Q CC Growth	Y-o-Y CC Growth	Q-o-Q INR Growth	Y-o-Y INR Growth
Americas							
North America	48.7	48.5	48.3	- 0.4	2.0	1.7	13.0
Latin America	1.9	1.9	2.0	0.6	- 2.1	5.7	18.6
Europe							
UK	18.0	17.2	17.2	0.3	- 0.6	1.9	8.9
Continental Europe	15.0	15.6	15.4	- 0.2	4.3	1.1	16.8
Asia Pacific							
India	5.8	6.0	6.2	7.6	22.9	7.7	23.3
MEA	2.2	2.5	2.5	- 1.8	7.6	0.6	22.2
Total	100.0	100.0	100.0	0.4	3.2	2.2	13.9

Growth by Domain

Vertical (%)	Q1 FY26	Q4 FY26	Q1 FY27	Q-o-Q CC Growth	Y-o-Y CC Growth	Q-o-Q INR Growth	Y-o-Y INR Growth
BFSI	32.0	31.6	32.1	1.6	2.4	3.6	14.1
Consumer Business	15.6	15.7	15.0	- 4.0	- 1.2	- 2.2	10.1
Life Sciences & Healthcare	10.2	10.4	10.3	- 1.0	3.5	1.0	15.1
Manufacturing	8.7	8.8	8.7	- 0.5	2.9	1.4	14.0
Technology & Services	8.4	8.4	8.5	1.7	3.5	3.6	14.7
Communication & Media	5.8	5.8	5.8	0.3	1.4	2.0	12.8
Energy, Resources and Utilities	5.9	6.3	6.3	- 0.7	6.9	1.7	20.5
Regional Markets & Others	13.4	13.0	13.3	4.0	9.0	5.2	14.3
Total	100.0	100.0	100.0	0.4	3.2	2.2	13.9

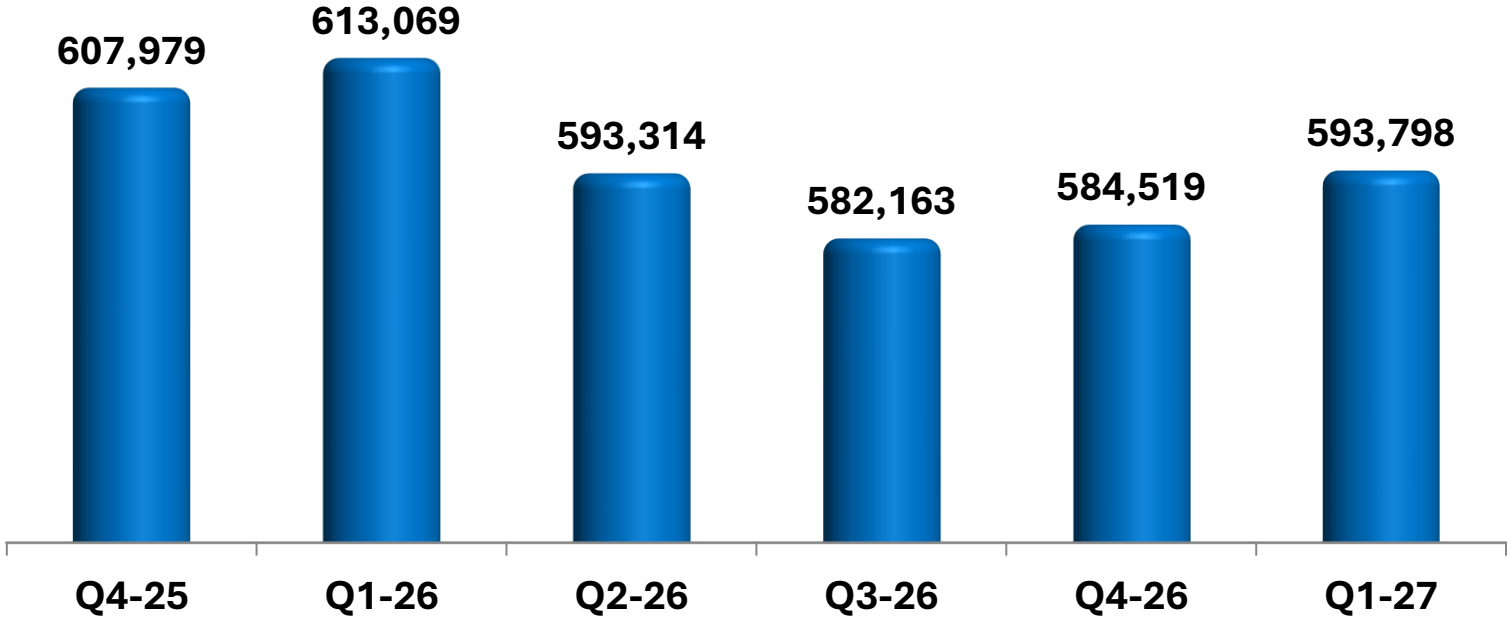
Client Parameters

Clients Contribution	Q1 FY26	Q4 FY26	Q1 FY27
US\$ 1m+ Clients	1336	1397	1401
US\$ 5m+ Clients	714	738	746
US\$ 10m+ Clients	495	499	504
US\$ 20m+ Clients	300	311	307
US\$ 50m+ Clients	131	139	139
US\$ 100m+ Clients	62	66	66

*Last Twelve Months' services revenues

Human Resources

Total Employee Base



Voluntary Attrition*:

- 13.6% (LTM), IT Services

Diversity:

- 35.0 % Women employees
- 148 Nationalities

*Excluding Subsidiaries

Talent Development:

- 14.6 Mn Learning Hrs (FY27 YTD)
- 1.3 Mn competencies acquired (FY27 YTD)
- 312K+ associates with higher proficiency in AI/ML

Annexure

IFRS Income Statement

Consolidated IFRS	₹ Million			% of Revenue		
	Q1 FY26	Q4 FY26	Q1 FY27	Q1 FY26	Q4 FY26	Q1 FY27
Revenue	634,370	706,980	722,750	100.0	100.0	100.0
Cost of revenue	386,120	419,150	436,510	60.8	59.3	60.4
Gross margin	248,250	287,830	286,240	39.2	40.7	39.6
SG & A expenses	93,110	109,130	113,070	14.7	15.4	15.6
Operating income	155,140	178,700	173,170	24.5	25.3	24.0
Other income (expense), net	14,650	4,920	12,950	2.3	0.7	1.8
Income before income taxes	169,790	183,620	186,120	26.8	26.0	25.8
Income taxes	41,600	45,780	46,920	6.6	6.5	6.5
Income after income taxes	128,190	137,840	139,200	20.2	19.5	19.3
Non-controlling interests	590	660	710	0.1	0.1	0.1
Net income	127,600	137,180	138,490	20.1	19.4	19.2
Earnings per share in ₹	35.27	37.92	38.28			

* Q1 FY27 excludes exceptional items

Expense by Nature

Category	₹ Crore					% of Revenue				
	Q1 FY26	Q2 FY26*	Q3 FY26*	Q4 FY26	Q1 FY27*	Q1 FY26	Q2 FY26*	Q3 FY26*	Q4 FY26	Q1 FY27*
Employee Cost	37,715	38,606	38,530	40,143	42,137	59.5%	58.7%	57.4%	56.8%	58.3%
Fees to External consultants	2,999	3,248	3,491	3,971	4,293	4.7%	4.9%	5.2%	5.6%	5.9%
Cost of equipment and software licenses	726	967	1,262	1,443	1,354	1.1%	1.5%	1.9%	2.0%	1.9%
Project Expenses & Software for Service Delivery	2,169	2,126	2,399	2,467	2,409	3.4%	3.2%	3.6%	3.5%	3.3%
Depreciation & Amortisation	1,154	1,206	1,182	1,219	1,206	1.8%	1.8%	1.8%	1.7%	1.7%
Facility Expenses	916	886	941	944	975	1.4%	1.3%	1.4%	1.3%	1.3%
Communication	278	270	270	285	296	0.4%	0.4%	0.4%	0.4%	0.4%
Travel Expenses	839	787	816	868	910	1.3%	1.2%	1.2%	1.2%	1.3%
Branding and marketing	347	309	422	384	393	0.5%	0.5%	0.6%	0.5%	0.5%
Recruitment & Training	163	159	143	206	245	0.3%	0.2%	0.2%	0.3%	0.3%
Legal & Professional Expenses	197	185	201	221	210	0.3%	0.3%	0.3%	0.3%	0.3%
Provision for Doubtful Debts	25	38	37	84	84	0.0%	0.1%	0.1%	0.1%	0.1%
Other Expenses	395	447	504	593	446	0.6%	0.7%	0.8%	0.8%	0.6%
Total Expenses	47,923	49,234	50,198	52,828	54,958	75.5%	74.8%	74.8%	74.7%	76.0%

*Excludes exceptional items.

Cash Flow Summary

IFRS in ₹ Mn	Q1 FY26	Q4 FY26	Q1 FY27
Net Cash from Operations	128,040	146,400	124,120
Capital Expenditure	14,040	11,120	7,500
Acquisition of Subsidiary	-	62,100	-
Free Cash Flow	114,000	73,180	116,620
Dividends Paid	109,400	206,230	115,230
Operating Cash Flow to Sales (%)	20.2	20.7	17.2
Operating Cash Flow to Net Profit (%)	100.3	106.7	93.0
Total Cash and Investments	487,040	500,200	502,320

IFRS Statement of Financial Position

Consolidated IFRS	₹ Million	
	31-Mar-26	30-Jun-26
Assets		
Property and equipment	141,800	144,580
Right-of-use Assets	110,270	110,740
Intangible assets and Goodwill	114,370	113,640
Accounts Receivable	577,290	583,520
Unbilled Revenues	181,440	190,720
Invested Funds	500,200	502,320
Other current assets	128,980	129,880
Other non current assets	90,520	87,460
Total assets	1,844,870	1,862,860
Liabilities and Shareholders' Equity		
Shareholders' Funds	1,093,760	1,117,690
Current liabilities	609,140	610,200
Non-current liabilities	129,590	125,020
Non-controlling interests	12,380	9,950
Total Liabilities	1,844,870	1,862,860

Detailed financials are uploaded.

IFRS Income Statement – In USD

Consolidated IFRS	\$ Million			% of Revenue		
	Q1 FY26	Q4 FY26	Q1 FY27	Q1 FY26	Q4 FY26	Q1 FY27
Revenue	7,421	7,621	7,624	100.0	100.0	100.0
Cost of revenue	4,517	4,517	4,605	60.8	59.3	60.4
Gross margin	2,904	3,104	3,019	39.2	40.7	39.6
SG & A expenses	1,089	1,177	1,193	14.7	15.4	15.6
Operating income	1,815	1,927	1,826	24.5	25.3	24.0
Other income (expense), net	172	52	137	2.3	0.7	1.8
Income before income taxes	1,987	1,979	1,963	26.8	26.0	25.8
Income taxes	487	493	495	6.6	6.5	6.5
Income after income taxes	1,500	1,486	1,468	20.2	19.5	19.3
Non-controlling interests	7	7	8	0.1	0.1	0.1
Net income	1,493	1,479	1,460	20.1	19.4	19.2

*Q1 FY27 excludes exceptional items

Expense by Nature – In USD

Category	\$ Million					% of Revenue				
	Q1 FY26	Q2 FY26*	Q3 FY26*	Q4 FY26	Q1 FY27*	Q1 FY26	Q2 FY26*	Q3 FY26*	Q4 FY26	Q1 FY27*
Employee Cost	4,412	4,381	4,313	4,327	4,445	59.5%	58.7%	57.4%	56.8%	58.3%
Fees to External consultants	351	368	391	429	453	4.7%	4.9%	5.2%	5.6%	5.9%
Cost of equipment and software licenses	85	110	141	155	143	1.1%	1.5%	1.9%	2.0%	1.9%
Project Expenses & Software for Service Delivery	254	242	268	265	254	3.4%	3.2%	3.6%	3.5%	3.3%
Depreciation & Amortisation	135	135	133	133	128	1.8%	1.8%	1.8%	1.7%	1.7%
Facility Expenses	107	101	105	102	103	1.4%	1.4%	1.4%	1.3%	1.4%
Communication	33	31	30	31	31	0.4%	0.4%	0.4%	0.4%	0.4%
Travel Expenses	98	89	91	93	96	1.3%	1.2%	1.2%	1.2%	1.3%
Branding and marketing	41	35	47	41	41	0.6%	0.5%	0.6%	0.5%	0.5%
Recruitment & Training	19	18	16	22	26	0.3%	0.2%	0.2%	0.3%	0.3%
Legal & Professional Expenses	23	21	23	23	22	0.3%	0.3%	0.3%	0.3%	0.3%
Provision for Doubtful Debts	3	4	4	9	9	0.0%	0.1%	0.1%	0.1%	0.1%
Other Expenses	45	52	58	64	47	0.6%	0.7%	0.8%	0.8%	0.6%
Total Expenses	5,606	5,587	5,620	5,694	5,798	75.5%	74.8%	74.8%	74.7%	76.0%

*Excludes exceptional items

IFRS Statement of Financial Position in USD

Consolidated IFRS	\$ Million	
	31-Mar-26	30-Jun-26
Assets		
Property and equipment	1,500	1,528
Right-of-use Assets	1,166	1,170
Intangible assets and Goodwill	1,211	1,202
Accounts Receivable	6,102	6,165
Unbilled Revenues	1,918	2,015
Invested Funds	5,287	5,306
Other current assets	1,360	1,375
Other non current assets	956	922
Total assets	19,500	19,683
Liabilities and Shareholders' Equity		
Shareholders' Funds	11,559	11,806
Current liabilities	6,439	6,449
Non-current liabilities	1,369	1,320
Non-controlling interests	133	108
Total Liabilities	19,500	19,683

Detailed financials are uploaded.

Ind AS Income Statement - Consolidated

Consolidated Ind AS	₹ Crore			% of Revenue		
	Q1 FY26	Q4 FY26	Q1 FY27	Q1 FY26	Q4 FY26	Q1 FY27
Revenue	63,437	70,698	72,275	100.0	100.0	100.0
Expenditure						
a) Employee Costs	37,715	40,143	42,137	59.5	56.8	58.3
b) Cost of equipment and software licences	726	1,444	1,354	1.1	2.0	1.9
c) Other Operating expenses	8,121	9,835	10,228	12.8	13.9	14.1
d) Depreciation	1,361	1,406	1,239	2.1	2.0	1.7
Total Expenditure	47,923	52,828	54,958	75.5	74.7	76.0
Profit Before Taxes & Other Income	15,514	17,870	17,317	24.5	25.3	24.0
Other income (expense), net	1,465	492	1,295	2.3	0.7	1.8
Profit Before Taxes	16,979	18,362	18,612	26.8	26.0	25.8
Provision For Taxes	4,160	4,578	4,692	6.6	6.5	6.5
Profit After Taxes & Before Non-controlling interests	12,819	13,784	13,920	20.2	19.5	19.3
Non-controlling interests	59	66	71	0.1	0.1	0.1
Net Profit	12,760	13,718	13,849	20.1	19.4	19.2
Earnings per share in ₹	35.27	37.92	38.28			

*Q1 FY27 excludes exceptional items

Ind AS Balance Sheet - Consolidated

Consolidated Ind AS	₹ Crore	
	31-Mar-26	30-Jun-26
Assets		
Property and equipment	13,697	14,029
Right-of-use Assets	11,027	11,074
Intangible assets and Goodwill	9,263	9,189
Accounts Receivable	57,729	58,352
Unbilled Revenues	18,144	19,072
Invested Funds	50,020	50,232
Other current assets	12,899	12,988
Other non current assets	9,572	9,214
Total Assets	182,351	184,150
Liabilities and Shareholders' Equity		
Shareholders' Funds	107,240	109,633
Current liabilities	60,914	61,020
Non-current liabilities	12,959	12,502
Non-controlling interests	1,238	995
Total Liabilities	182,351	184,150

Detailed financials are uploaded.

Currency mix and average realized rates in INR

Currency	Average rates			% of Revenue		
	Q1 FY26	Q4 FY26	Q1 FY27	Q1 FY26	Q4 FY26	Q1 FY27
USD	85.49	92.77	94.79	49.73%	48.95%	48.65%
GBP	115.80	124.72	126.80	15.78%	15.14%	15.10%
EUR	98.04	108.08	109.76	11.65%	11.86%	11.88%
Others				22.84%	24.05%	24.37%
Total				100.00%	100.00%	100.00%

Thank you