

Tata Consultancy Services

Investor Relations



Jan 2017

Forward Looking Statements

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 cross-border movement of skilled personnel, 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.

Tata Consultancy Services

TCS is an IT services, consulting and business solutions company, offering **transformational** and **outsourcing** services to global enterprises

FY 2016 (ending March) revenue
US\$ 16.55 Bn

Employer of Choice,
No. of Employees over
378,497

Global Presence:
229 Offices in **45**
countries and **145**
Solution Centers in
19 countries

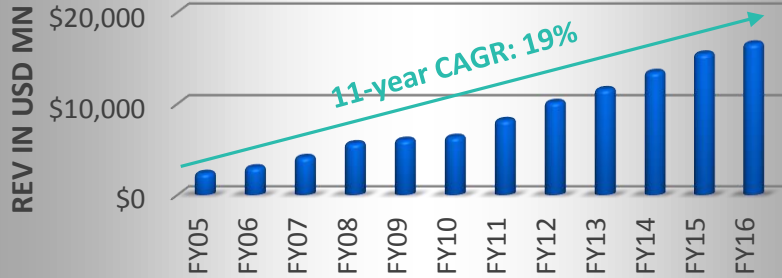
Amongst the
Top 10
Global IT Services
providers

Started in 1968, TCS
is part of the Tata
Group, known for its
values, integrity and
management
excellence



Superior growth, with profit

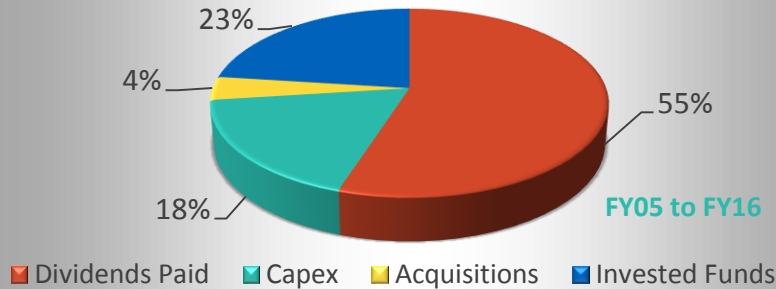
Industry-leading top-line growth...



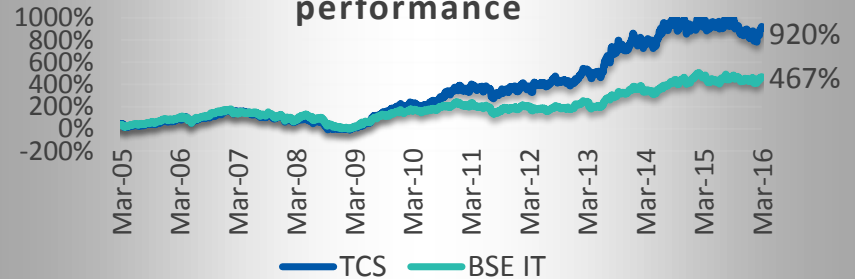
...with superior profitability...



...judicious usage of cash...

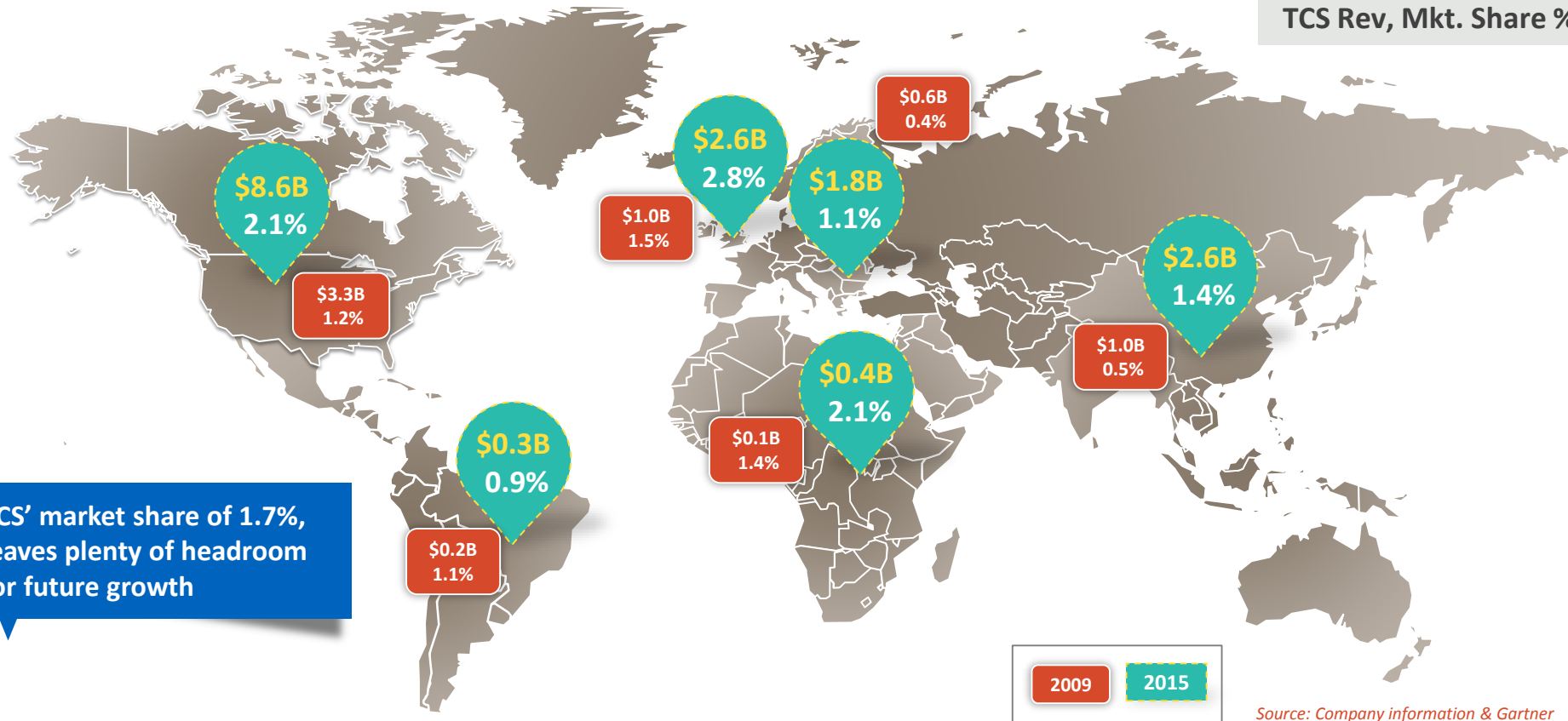


...and higher-than-benchmark share performance



Head Room for Growth

TCS Rev, Mkt. Share %



TCS' market share of 1.7%, leaves plenty of headroom for future growth



Source: Company information & Gartner



Structural Growth Drivers

IT is a source of competitive differentiation >>

Rising technology intensity of businesses

Shortening Tech shelf-life >> **Greater** propensity to outsource

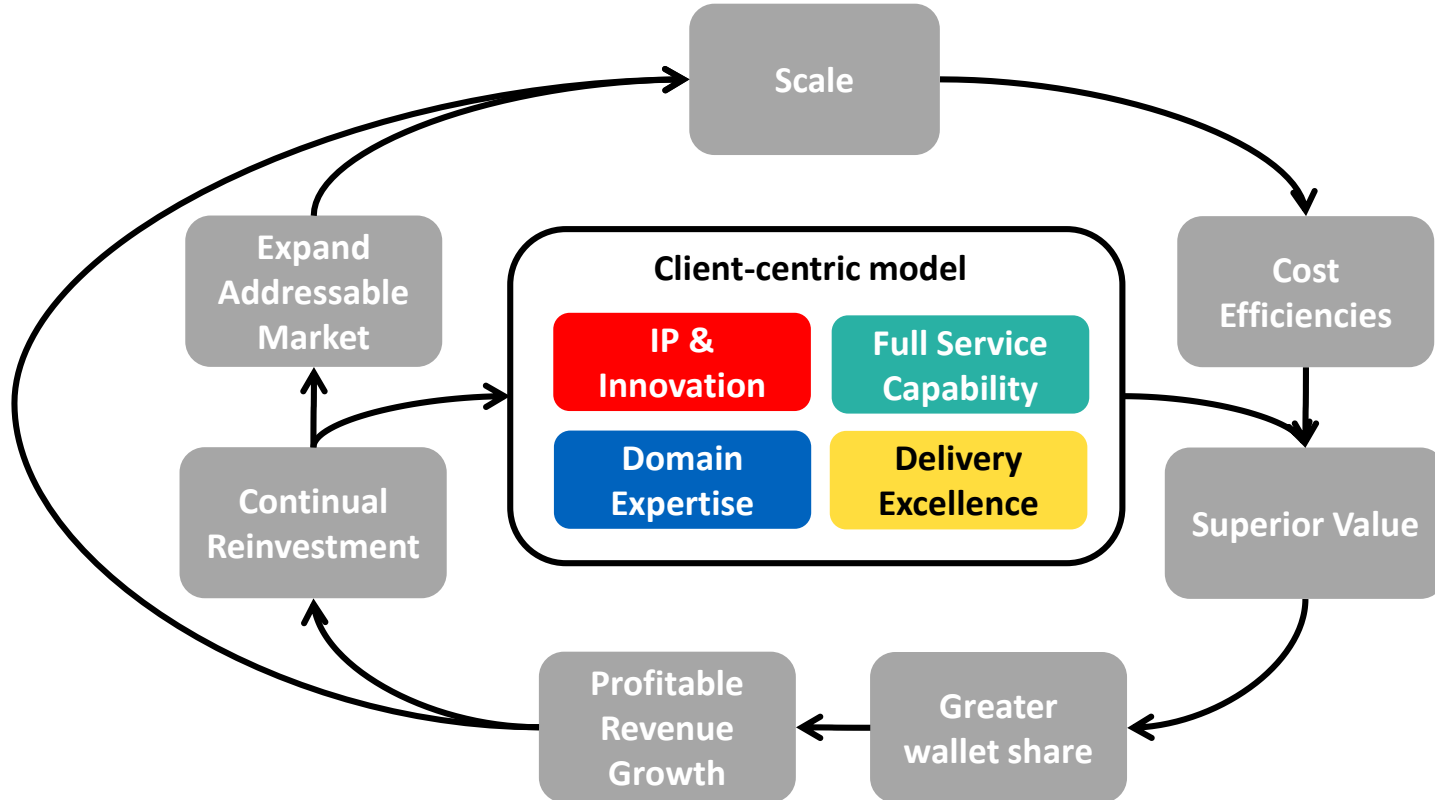
Consolidating market >> **Scale** providers gaining market share

Technology adoption **catching up** in emerging markets >> **Expanding** global spend

Strategy for Longer Term Sustainable Growth



Strategy for Longer-term Growth

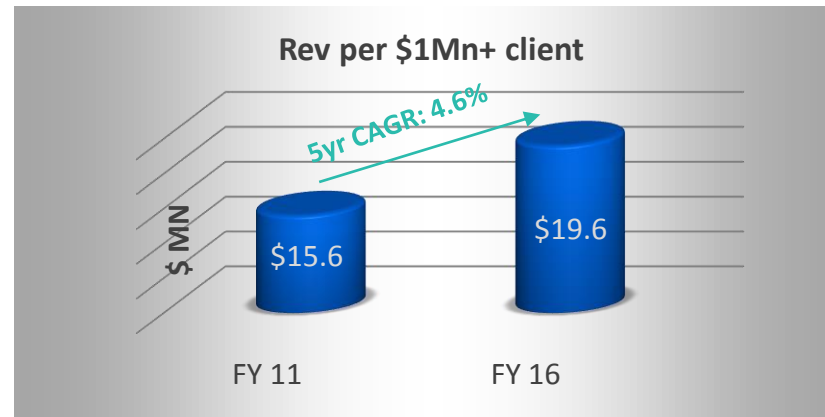


Client-centricity

- 24+ modular Business Units
- Around clusters of key clients in a industry vertical
- This has delivered
 - Agility
 - Entrepreneurial energy
 - Improved customer intimacy
 - Superior client metrics



	FY11	FY12	FY13	FY14	FY15	FY16
US\$ 100m+	8	14	17	24	29	37
US\$ 50m+	27	43	52	53	68	73
US\$ 20m+	81	99	121	136	162	173
US\$ 10m+	143	170	211	231	261	298
US\$ 5m+	208	245	290	354	389	429
US\$ 1m+	458	522	638	714	791	829



Full Services Capability

Track record
in building
newer
capabilities

More
cross/
up-selling
opportunities

Stay relevant
through the
business
cycle

Greater
value to
clients,
cements
relationships

Consulting

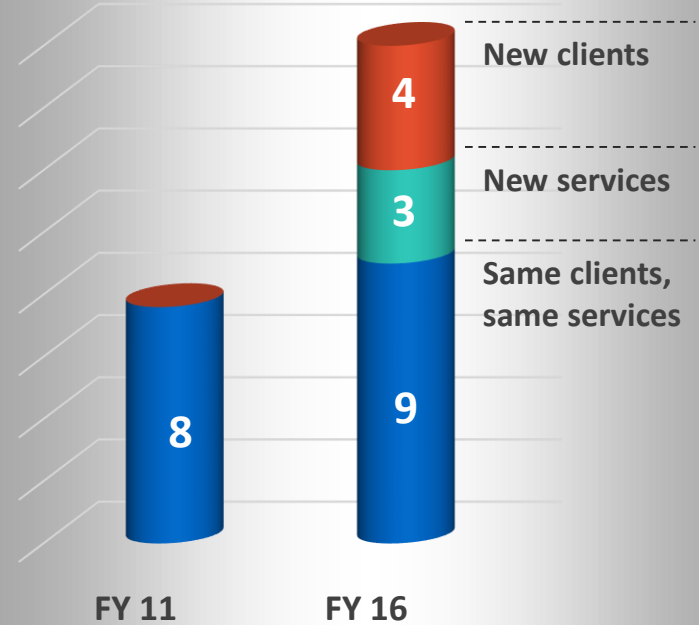
Digital

Business
Process
Services

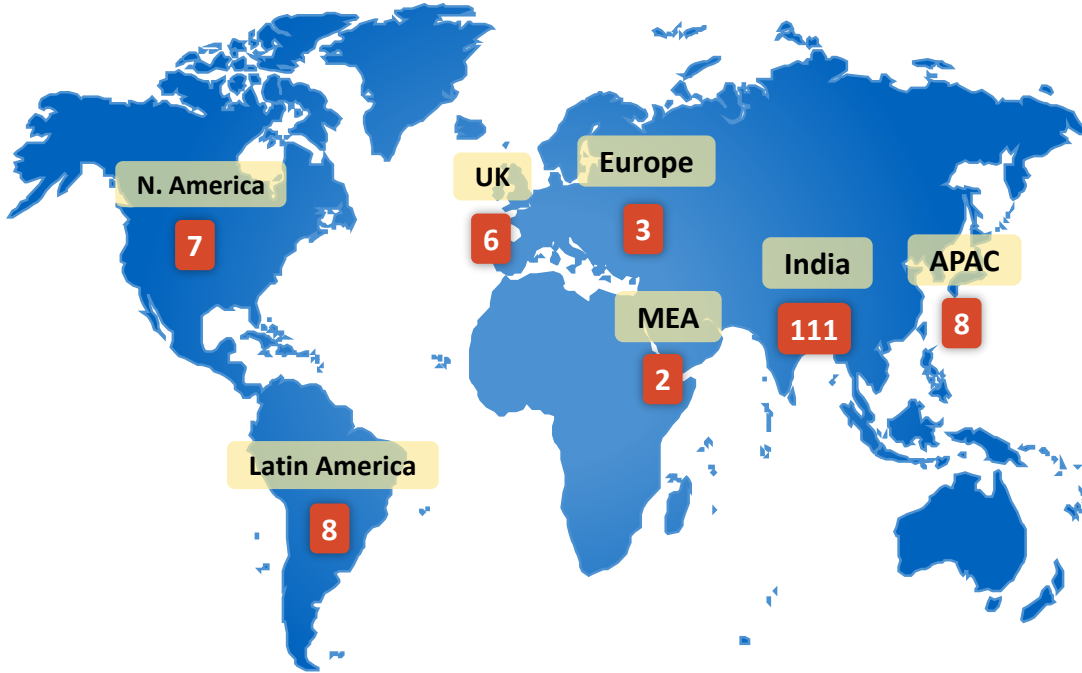
IT
Solutions
& Services

Infrastru-
cture
Services

Rev in USD Bn



Global Network Delivery Model – Now Agile



145 Solution Centers in 19 countries

European Telecom Network Provider

- >90% offshore leverage
- 13 global locations

UK based Telecom Provider

- >85% offshore leverage
- 14 global locations

US Financial Services Company

- >80% offshore leverage
- 14 global locations

US based Market Research Firm

- >70% offshore leverage
- 16 global locations



Scalable Reskilling using the Digital Learning Platform

Access

Anytime, Anyplace,
Any device

Content

Rich & Expanding
Crowd sourced "faculty"

Delivery

Domain-infused, Culture
focused, Gamified

Infrastructure

Cloud based, Immersive
and Virtual



Analytics and Insights

Mobility, Digital Marketing



Cloud

IOT & Cyber Security



FY 16: 120k+ employees trained, 359k+ competencies created

Portfolio of Intellectual Property

Technology Products

dreamUP
data interacts with you!

TCS activearchive

Ignio™



TCS MasterCraft
Suites of Products

TCS Cloud Plus

& more

Horizontal Products & Platforms

CHROMA

**Integrated Urban
Exchange**

**Customer
Intelligence & Insights**

**TAP -
TCS Accounts Payable**

& more

Vertical Products & Platforms

TCS BANCS

iON Assessment
TATA CONSULTANCY SERVICES

TCS ADDIP

Optumera™

OmniStore

TCS HOBS

& more



Focus Areas for Research & Innovation



Foundational Research

Metagenomics, Materials
Engineering, Design,
Analytics

Governance

Compliance, Enterprise
Security, Data Privacy

Industry 4.0

Automation, Cognitive
computing, IoT Platform

Sustainability

Mobile Agro Advisory,
Intelligent Cities, Smart Grids

BFS

- Blockchain
- Frictionless Access
- Robo Advisory

Retail

- In-store experience
- Digital store operations
- Multi-node supply chain

Manufacturing

- Connected Cars
- Predictive Maintenance

Life Sciences

- Genomics
- Medical Devices
- Digital Clinical Trials



External Sources of Innovation

Acquisitions

Domain/Technology Expertise

- Oct '05: Pearl Assurance (UK)
- Oct '08: Citigroup Global Services (India)

Intellectual Property

- Oct '05: FNS (Australia)

Market Access

- Nov '05: Comicro (Chile)
- Apr '13: Alti (France)
- Apr '14: IT Frontier Corp (Japan)

1,407

Explore

- Investor Portfolio
- Events, Meetups
- Demo days
- Hackathons
- Conferences, Forums
- Customer Innovation
- Partner Innovation
- Publications
- TCS BU Requests

389

Evaluate

- TCS Horizontals
- TCS ISUs
- Market BUs

38

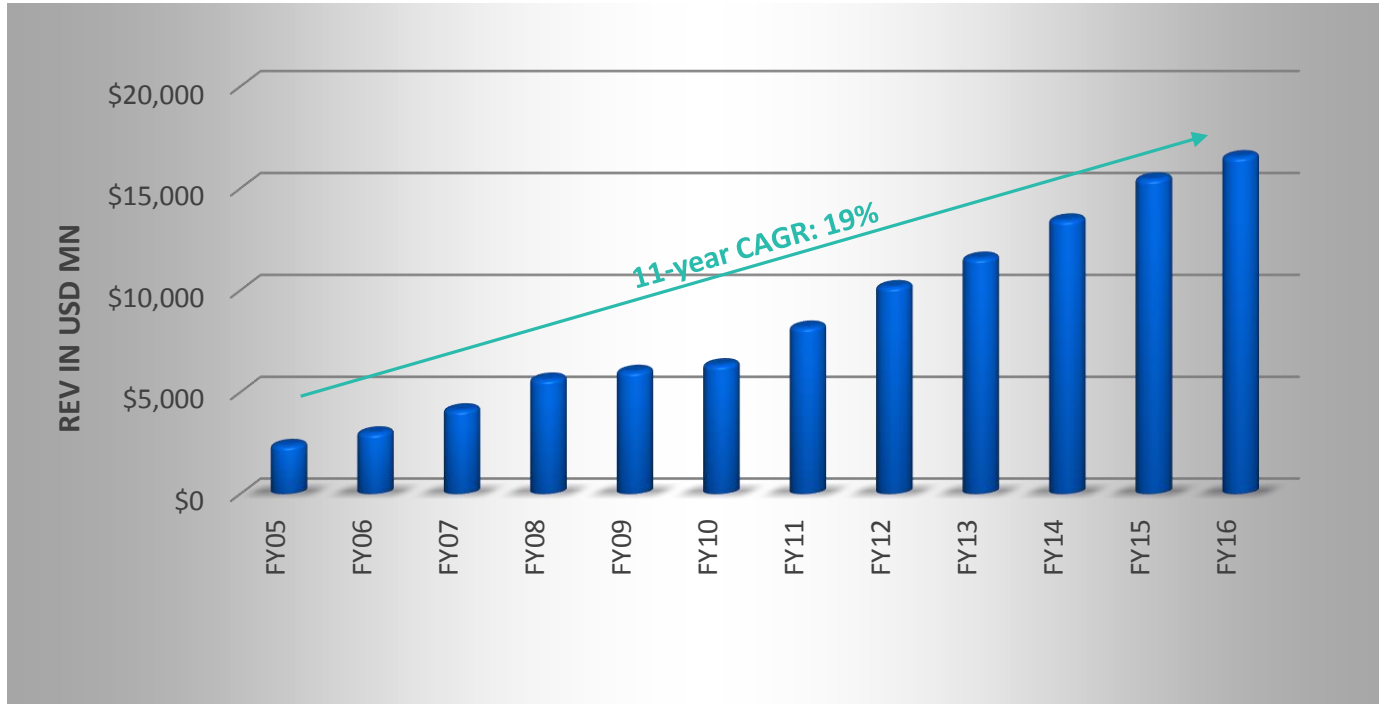
Engage

- Joint Go to Market
- Strategic Alliances

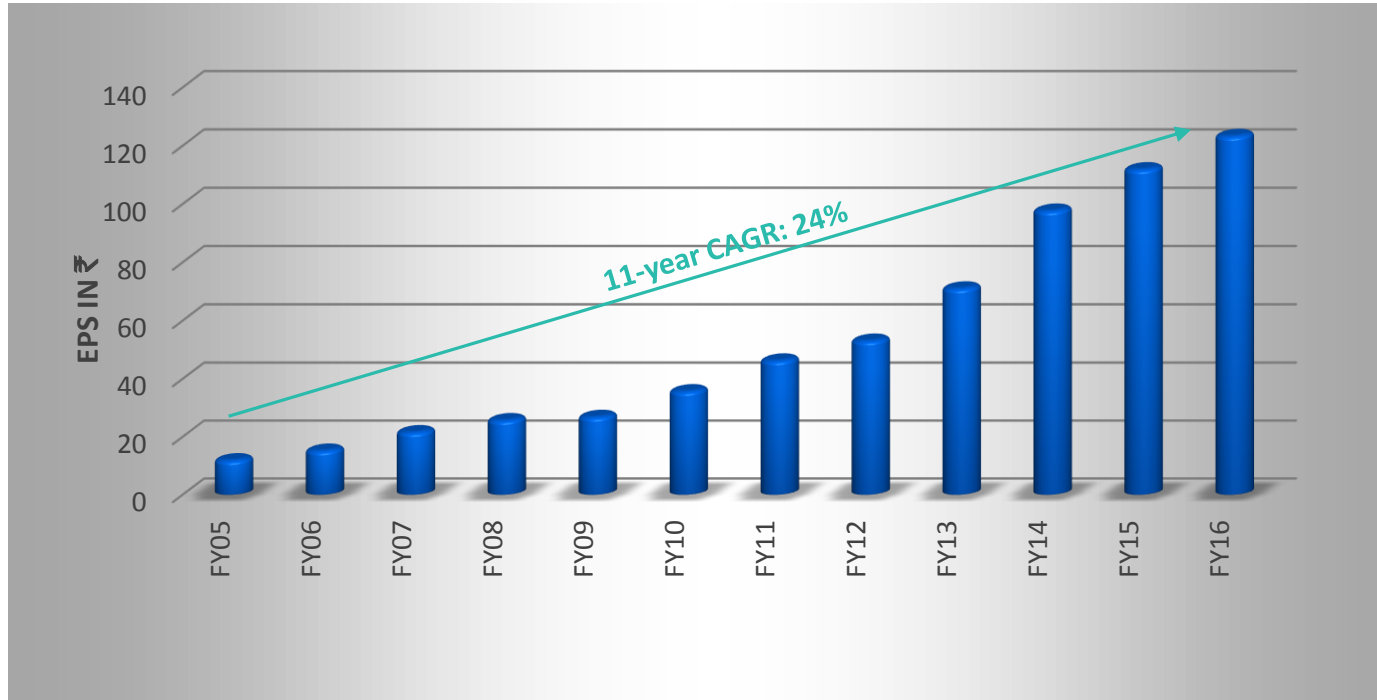
Investment Payoffs

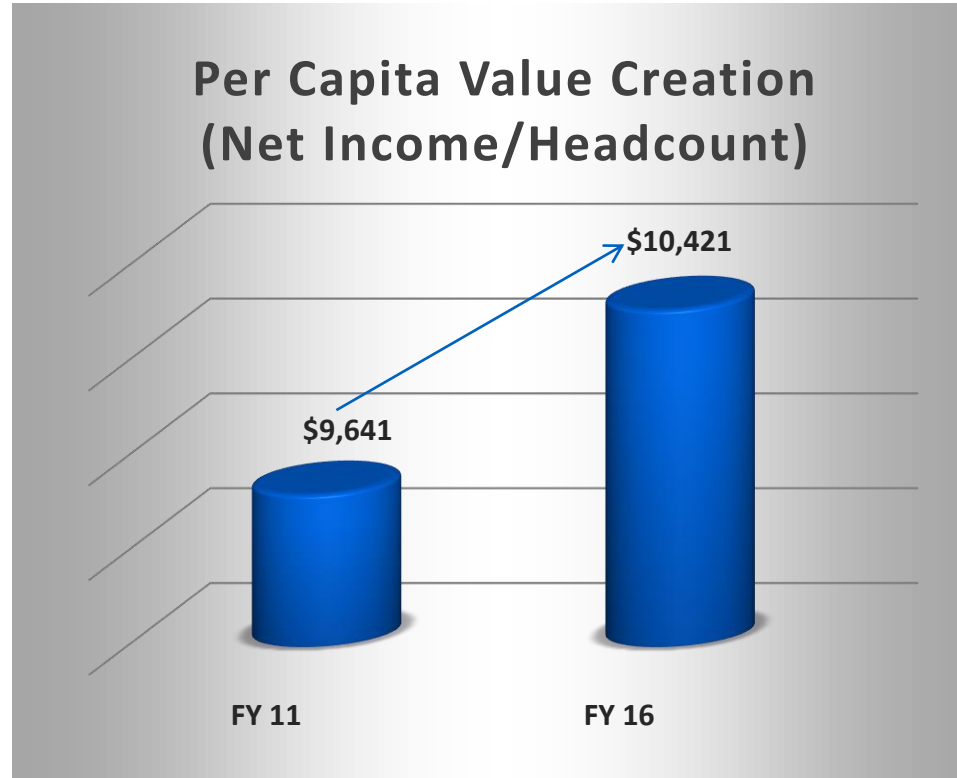


Industry Leading Top Line Growth...



...with superior profitability

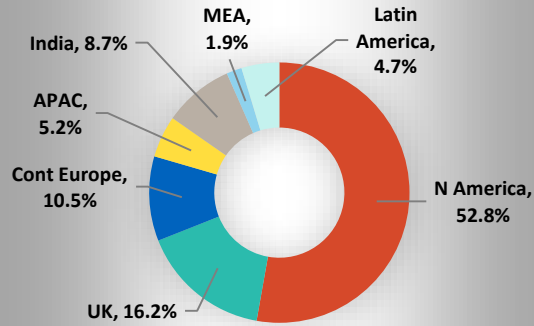




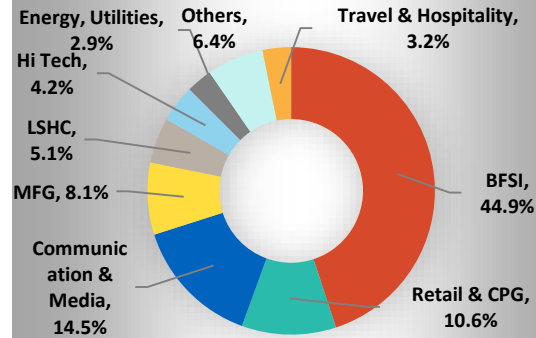
Broad Diversification – Changing Profile of TCS' Business

FY 10 Rev: \$6.3 Bn

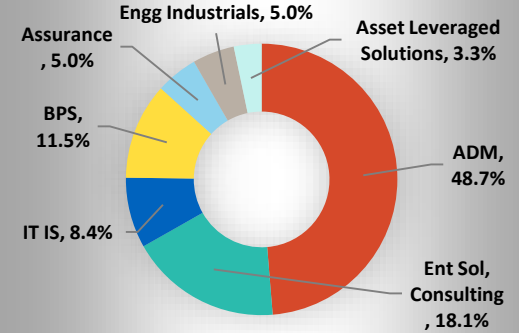
By Markets



By Industries

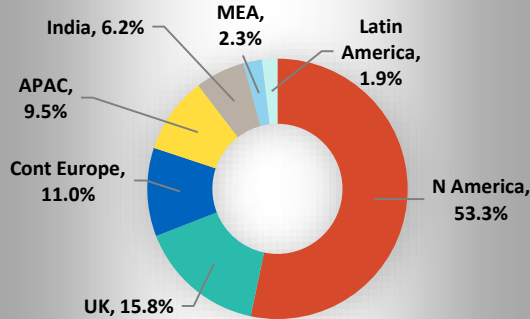


By Service Lines

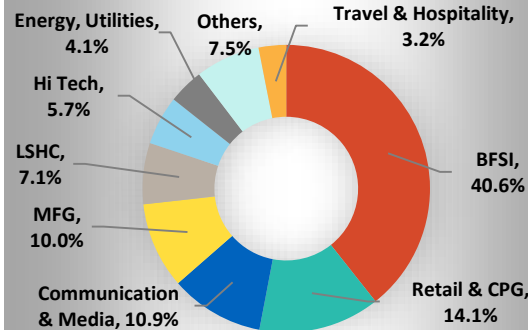


FY 16 Rev: \$16.5 Bn

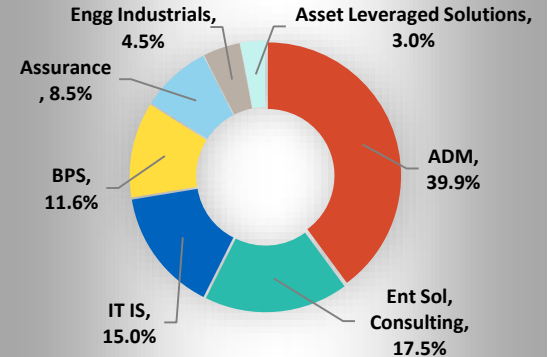
By Markets



By Industries



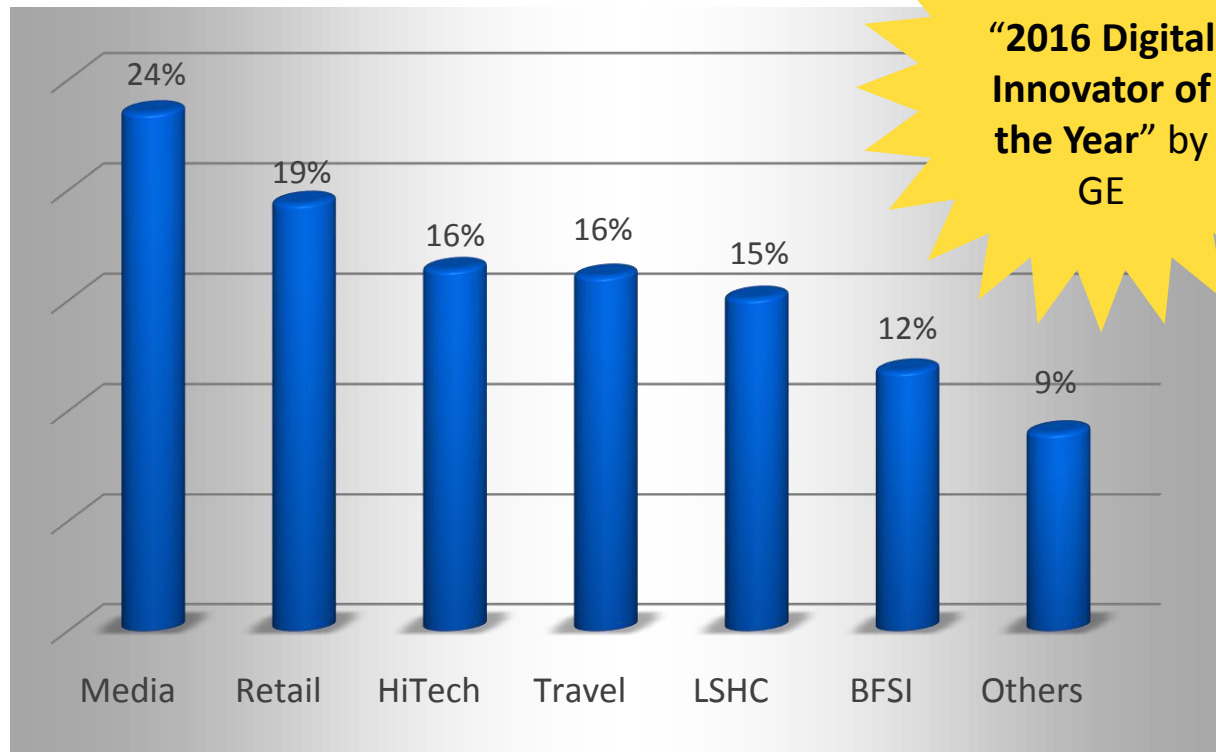
By Service Lines



Gaining Leadership in Digital

3QFY17: Digital Revenue

- 16.8% of Total
- Up 30.2% YoY



Awarded the
"2016 Digital
Innovator of
the Year" by
GE

Annexures



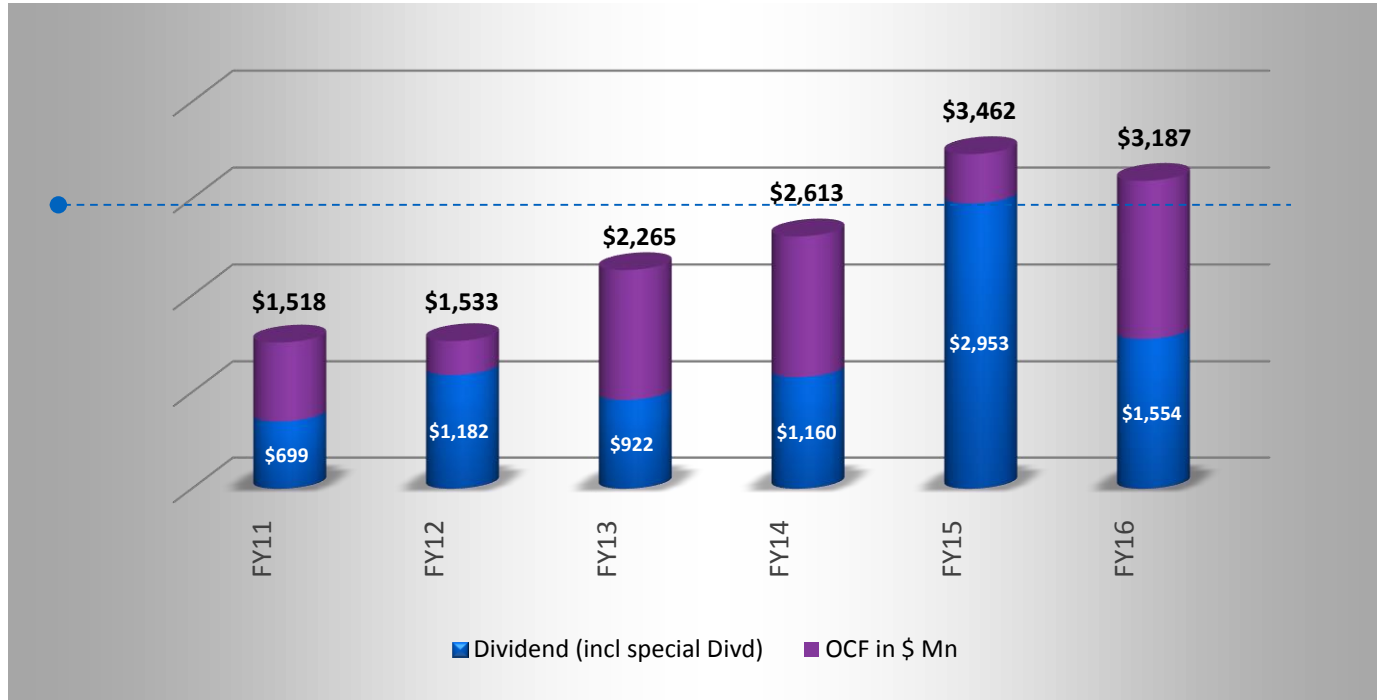
Latest Earnings' Financial Highlights

IFRS

	Yearly			Quarterly				
	FY16	FY15	YoY	3Q17	2Q17	QoQ	3Q16	YoY
Revenue - CC	\$17,293	\$15,454	11.9%	\$4,461	\$4,374	2.0%	\$4,145	8.6%
Revenue - ₹	1,086,462	946,484	14.8%	297,350	292,840	1.5%	273,640	8.7%
Revenue - USD	\$16,545	\$15,454	7.1%	\$4,387	\$4,374	0.3%	\$4,145	5.8%
Gross Profit	\$7,271	\$6,877	5.7%	\$1,897	\$1,904	-0.4%	\$1,840	3.1%
Gross Margin	43.9%	44.5%	(55 bps)	43.2%	43.5%	(30 bps)	44.4%	(114 bps)
Operating Income	\$4,385	\$4,150	5.7%	\$1,141	\$1,138	0.3%	\$1,102	3.5%
Operating Margin	26.5%	26.9%	(35 bps)	26.0%	26.0%	NIL	26.6%	(58 bps)
Net Income	\$3,687	\$3,541	4.1%	\$1,000	\$984	1.6%	\$926	8.0%
Net Margin	22.3%	22.9%	(63 bps)	22.8%	22.5%	30 bps	22.3%	47 bps
EPS in ₹	123.2	110.8	11.2%	34.4	33.4	2.9%	31.0	10.9%

Strong Capital Allocation

Average
Dividend
Payout Ratio :
38%



Thank You

