TCS/BM/24/SE/2015-16

January 12, 2016

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Mumbai
Kind Attn: Manager, Listing Department

BSE Limited
P. J. Towers, Dalal Street,
Mumbai
Kind Attn: General Manager
Department of Corporate Services
Scrip Code No. 532540 (BSE)

Dear Sirs,

Sub: Press Release

Pursuant to Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015, we are enclosing herewith a copy of a Press Release which will be disseminated shortly. The Press Release is self-explanatory.

The above information is also available on the website of the Company: www.tcs.com

Thanking you,

Yours faithfully,
For **Tata Consultancy Services Limited**

Suprakash Mukhopadhyay
Vice President and Company Secretary

Encl: As above

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IGAAP ₹

TCS delivers steady performance in Q3

Revenue at ₹27,364 crore up 0.7 % Q-o-Q; up 11.7 % Y-o-Y

- **Constant currency revenue growth of 0.5% Q-o-Q**
- **International business CC revenue growth of 1.1% Q-o-Q**
- **Digital business growth at 4% Q-o-Q; Contributes 13.7% of revenues**

MUMBAI, January 12, 2016: Tata Consultancy Services (BSE: 532540, NSE: TCS), the leading IT services, consulting and business solutions firm reported its consolidated financial results according to IGAAP for the quarter ended December 31, 2015.

Financial Highlights for Quarter Ended December 31, 2015

- Operating Profit at ₹7,230 crore;
- Operating Margin at 26.4 %
- Net Profit at ₹ 6,083 crore; Growth of 14.2 % Y-o-Y
- Dividend per share of ₹ 5.50
- Earnings Per Share at ₹ 30.88

Business Highlights for Quarter Ended December 31, 2015

- Gross employee addition **22,118**
- Total headcount: **344,691**
- Utilization: **84.9%** (excluding trainees) & **80.9%** (including trainees)
- No of $100m+ clients increases by 1 to 34; No of $20M+ clients increase by 2 to 173

Commenting on the Q3 performance, Chief Executive Officer and Managing Director, N Chandrasekaran said: "All our industry segments have exhibited growth in a traditionally weak quarter additionally accentuated by the impact of the Chennai floods. Our international business has grown smartly in CC terms with North America and Europe leading the way among major markets and Latin America among growth markets."

Mr Chandrasekaran added: "Digital will remain the core focus for enterprise IT in 2016 as our customers respond to competition in a global economy driven by real-time insights. With 13.7% of our revenues coming from Digital business and this segment growing at a higher sequential rate, TCS is playing an impactful role in partnership with customers.

Rajesh Gopinathan, Chief Financial Officer, said: "In a challenging quarter with significant cross currency and other headwinds, we have operated with rigor and discipline to deliver credible margin performance and generated excellent cash flows".

Growth in Q3 was holistic with all industry segments showing sequential growth with Life Sciences & Healthcare, Manufacturing and Hi-Tech leading the way. Europe and North America led growth in major markets while Latin America and Asia Pacific led the growth markets. Among service lines, Infrastructure Services and BPS were the leaders.

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Select Key Wins

- Selected by a large Global Bank for a multi-year Application Management and Service Delivery transformation to optimize operations
- Chosen as a strategic partner by a leading European manufacturer for Application Support across Sales, HR, Finance & Operations applications in North America and Latin America
- Selected by a leading UK based Grocery Retailer to transform Quality Assurance and Environment Management services
- Selected by a large European Airline as their Infrastructure transformation partner to standardize and improve End User Services and Operations across multiple lines of business
- Selected by a North America's leading digital media and advertising company as their strategic partner to accelerate growth in online ad operations, search campaign management and customer on-boarding
- Awarded by One of Europe's largest Utilities a multi-year engagement for delivering enterprise BI & analytics services leveraging Big data and mobility
- Entered into a strategic partnership with a large North American mutual life insurance company to provide end to end Application Management Services
- Awarded a large end-to-end full services deal by a leading Latin American Bank to transform their IT and Business operations
- Chosen by a leading Latin American Bank to completely transform their Data Center footprint to enable standardization of operations and align their business growth strategy in the region

Key Wins in Digital Services and Solutions

- Engaged by an automobile manufacturer for their digital journey to transform customer experience in its connected cars
- Selected by a leading insurance company to transform the customer and agent experience by creating a compelling multi-channel solution
- Engaged by a leading European Life sciences company to transform its product safety monitoring operations by leveraging data driven analytical insights from social channels
- TCS has been selected by a major automobile manufacturer to deliver a unique engagement in robotics for its line of hybrid vehicles to enhance customer comfort
- TCS has been engaged by a global media and information company to provide design services for social gamification of its customer experience to drive adoption of its products
- Three global customers have selected TCS to deploy its TCS Active Archive™ product to enable fast on-demand access to archived enterprise data
- Engaged by a large Indian bank to reimagine the user experience journey for digital banking

TCS BaNCS

- A leading Asian selected BaNCS core banking platform for operations in Americas
- Two large South African banks elected TCS BaNCS Insurance platform for their Life and General Insurance business
- A global wealth management institution selected BaNCS platform for developing Digital offerings
- A large European market infrastructure institution has selected TCS BaNCS to replace their clearing and settlement system

ignio™: TCS' neural automation platform, **ignio™** is witnessing increasing adoption with customers:

- A leading North American energy provider selected ignio™ to create a foundation for technology transformation

- A global pharmaceutical major in North America chose ignio™ to improve efficiency of Data Center operations
- A global automotive major is deploying ignio™ as a layer of intelligence over their entire IT landscape to create end-to-end visibility and automate operations
- A large global airlines group chose ignio™ to help optimize their overall IT service quality

Innovation and Intellectual Property:
As of December 31, 2015, the company has applied for **2,536** patents, including **90** applied during the quarter. Till date the company has been granted **302** patents.

Human Resources:
The company continued to hire to support business growth. There was a total gross addition of 22,118 people (net addition of 9,071 employees) taking the total employee strength to 344,691 employees on a consolidated basis. The attrition rate (LTM) fell to 15.9%.

"Our efforts to increase employee retention is working with quarterly attrition rates falling in Q3. Our hiring continues to support strong business growth and we continue to invest in building digital skills, with over 70,000 TCSers undergoing training in new technologies this year," said **Ajoy Mukherjee, Executive vice president and Global Head, Human Resources**.

Awards and Recognition:

Business Leadership:
- Asia IP Elite 2015 award from Intellectual Asset Management (IAM)
- CII Industrial Intellectual Property Award 2015
- the Aegis Graham Bell Awards 2015 in the 'mHealth' category
- TCS China ranked among Top 10 Global Service Provider 2015
- TCS Hungary receives the University Cooperation Excellence Award

Partner:
- Oracle Excellence Award for Specialized Partner of the Year:
  - Asia Pacific in Telecommunications Industry
  - North America and Asia-Pacific in Engineered Systems Solution
- FY16 GSI Partner of the Year Award at Dell World 2015

Sustainability:
- Dow Jones Sustainability Index 2015

Leadership:
N Chandrasekaran:
- Qimpro Platinum Standard Award 2015 (Business)
- Business Today's Best CEO 2015 (IT & ITEs)

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Consolidated Statement of Profit and Loss
For the Quarter ended December 31, 2014, September 30, 2015 and December 31, 2015
(In crores of ₹, except per share data)

	Quarter ended December 31, 2014	Quarter ended September 30, 2015	Quarter ended December 31, 2015
INCOME	**24,501**	**27,165**	**27,364**
EXPENDITURE			
a) Salaries & Wages	9,336	10,284	10,599
b) Overseas business expenditure	3,344	3,688	3,695
c) Other operating expenses	4,773	5,401	5,355
Total Expenditure	**17,453**	**19,373**	**19,649**
Profit Before Interest, Depreciation, Taxes & Other Income	**7,048**	**7,792**	**7,715**
Interest	18	4	5
Depreciation	462	485	485
Profit Before Taxes & Other Income	**6,568**	**7,303**	**7,225**
Other income (expense), net	644	702	694
Profit Before Taxes	**7,212**	**8,005**	**7,919**
Provision For Taxes	1,824	1,897	1,816
Profit After Taxes & Before Minority Interest	**5,388**	**6,108**	**6,103**
Minority Interest	60	23	20
Net Profit	**5,328**	**6,085**	**6,083**
Earnings per share in ₹	27.20	30.88	30.88

Consolidated Balance Sheet
As at March 31, 2015 and December 31, 2015
(In crores of ₹)

	As at March 31, 2015	As at December 31, 2015
EQUITY AND LIABILITIES		
Shareholders' Funds	50,634	65,233
Minority Interest	1,128	472
Short term and long term borrowings	300	124
Deferred Tax Liabilities (net)	343	400
Current liabilities and provisions	20,133	15,007
Non-current liabilities and provisions	1,123	1,150
Total Liabilities	**73,661**	**82,386**
ASSETS		
Fixed Assets (net)	12,311	12,314
Investments	1,662	8,251
Deferred Tax Assets (net)	594	741
Goodwill (on consolidation)	2,093	1,838
Cash and Bank Balance	18,556	17,413
Current Assets, Loans and Advances	28,765	33,229
Non-current Assets, Loans and Advances	9,680	8,600
Total Assets	**73,661**	**82,386**

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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, BPS, infrastructure, engineering and assurance services. This is delivered through its unique Global Network Delivery Model™, recognised as the benchmark of excellence in software development. A part of the Tata group, India's largest industrial conglomerate, TCS has over 344,000 of the world's best-trained consultants in 44 countries. The company generated consolidated revenues of US $15.5 billion for year ended March 31, 2015 and is listed on the National Stock Exchange and Bombay Stock Exchange in India. For more information, visit us at www.tcs.com.
Follow TCS on Twitter.
Subscribe to an RSS Feed of TCS Press Releases.

For more information please contact:

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