



Satyam Computer Services Ltd.

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SCSL/SECTL/II/12/

Date: August 09, 2011

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai –400 051

Scrip Code: SATYAMCOMP

Dear Sirs

Sub.: 1. Financial Highlights – Q1 – Press Release
2. Mahindra Satyam announces plans to wind-down its American Depositary
Share program in 2012 in an orderly manner

Please find enclosed the press releases being issued by the Company, for your kind information and records.

Please acknowledge receipt of the same.

Thanking you

Yours faithfully
For Satyam Computer Services Limited



G. Jayaraman
Company Secretary

Encl: As above.



**Mahindra Satyam's growth momentum continues,
Q1 Revenue at \$320 million, up 5.2%QoQ, 19.3% YoY
EBITDA grows 18.8% QoQ, margin at 14.6%**

Hyderabad, India, Aug 09, 2011: Mahindra Satyam, a leading global Consulting, IT and Business services provider today announced its financial results under Indian GAAP for the first quarter ended June 30, 2011.

Financial Highlights in USD (per Convenience Translation):

- First Quarter consolidated Revenue was USD 320 million, up 5.2% QoQ, 19.3% YoY
- EBITDA was at USD 46.9 million, up 18.8% QoQ
- Margin at 14.6% up 168 bps, from 13.0% in Q4 FY11
- Profit After Tax was at USD 50.2 million

Financial Highlights for the Quarter ended June 30, 2011:

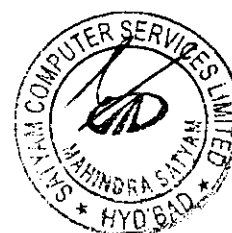
- Consolidated Revenue was INR 1,434 crores, up 4.3% QoQ, up 14.9% YoY
- EBITDA was INR 210 crores, up 17.8% QoQ
- Profit After Tax was at INR 225.2 crores
- EPS was at Rs. 1.91

Other Highlights

- Total headcount at 31,438 as of June 30, 2011, a net addition of 2,172 for the quarter
- Attrition improved to 17% compared to 22% in Q4 FY11
- Active Customer count at 220
- Mr. Manish Mehta joins the Company back as Chief Vertical Solutions Officer

Vineet Nayyar, Chairman, Mahindra Satyam, said, "Our results this quarter, demonstrate our progression to the growth phase of our 3 year Transformation Journey. Our relentless focus on market growth and margin expansion has yielded satisfactory results for yet another quarter. We are reasonably confident that we would capitalize on this momentum. However, turbulent macro-economic conditions can pose challenges to the business environment for the outsourcing industry".

Speaking at the occasion, **CP Gurnani, CEO, Mahindra Satyam, said,** "Our Customer Centricity Initiatives geared towards co-innovation and comprehensive solutions are yielding good results. The success of these





initiatives is reflected in the visible growth from our Top 100 customers this quarter. Our M-Cube initiative which leverages the Mahindra eco-system, is a key differentiator and synergies within the group are helping our growth engine in areas such as Enterprise Mobility and Engineering Services. While our Investments in the US region are yielding results, our traction in Emerging economies is also very robust. ”

Key Wins

- Mahindra Satyam was engaged by a global Technology major to define a roadmap for their Enterprise Mobility Strategy
- Won a multi-year, managed services engagement with one of the leading global Oil and Gas majors
- Mahindra Satyam was selected as a IT Services vendor by a Fortune 500 retailer based in US

Operational Highlights

- Announced Global Strategic Alliance with MasterCard, for setting up COE for testing in Malaysia.
- Inaugurated Smart Grid Customer Demonstration Center (CDC) at Hyderabad campus in collaboration with Schneider Electric India to work on simulating Micro-grid technologies
- Announced Strategic agreement with Saab AB to establish Saab’s India Technology Center (SITC) to provide a secure platform and facilitate development of Aerospace & Defence projects.
- Announced divesting of shares in S&V Management Consultants, a subsidiary of Satyam Belgium.

Partnerships

Joined GENIVI Alliance, an automotive and consumer electronics industry association which drives the development and adoption of an open In-vehicle Infotainment (IVI) reference platform.

References and Recognition

- TPI has featured Mahindra Satyam in their list for APAC Top 5 service providers by TCV for H1 of this year
- Won the award in the “Overall Best IT Project / Most Technologically Challenging” category - PC Quest Best IT Implementation Awards 2011

About Mahindra Satyam

Mahindra Satyam is a leading global business and information technology services company that leverages deep industry and functional expertise, leading technology practices, and an advanced, global delivery model to help clients transform their highest-value business processes and improve their business performance.





The company's professionals excel in enterprise solutions, supply chain management, client relationship management, business intelligence, business process quality, engineering and product lifecycle management, and infrastructure services, among other key capabilities.

Mahindra Satyam is part of the \$12.5 billion Mahindra Group, a global federation of companies and one of the top 10 business houses based in India. The Group's interests span automotive products, aviation, components, farm equipment, financial services, hospitality, information technology, logistics, real estate and retail.

Mahindra Satyam development and delivery centres in the US, Canada, Brazil, the UK, Hungary, Egypt, UAE, India, China, Malaysia, Singapore, and Australia serve numerous clients, including many Fortune 500 organizations.

For more information, see www.mahindrasatyam.com

Follow us on Twitter: http://twitter.com/mahindra_satyam

For clarifications, write to us at: MediaRelations@mahindrasatyam.com

Safe Harbor

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The forward-looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Mahindra Satyam undertakes no duty to update any forward-looking statements.

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Q1FY12 Financial Summary

(in INR millions)				
Consolidated P&L Summary	Q1FY12	Q4FY11	Q/Q Growth	% to Revenue
Income	14,339	13,753	4.3%	100.0%
Employee Expenses	9,301	9,041	2.9%	64.9%
Sub con expenses	834	886	-5.8%	5.8%
Total Personnel Expenses	10,136	9,927	2.1%	70.7%
Personnel expenses as % to Revenue	70.7%	72.2%		
Operating Expenses	2,104	2,043	3.0%	14.7%
EBITDA (before exceptional items)	2,100	1,783	17.8%	14.6%
EBITDA Margins	14.6%	13.0%		
Other Income	1,009	1,024	-1.5%	7.0%
Depreciation / Amortisation	380	443	-14.2%	2.7%
Interest and Financing Charges	45	24		
Exceptional Items	0	5,715		
PBT After exceptional items(after Minority Interest)	2,677	-3,385		18.7%
Provision for Tax	426	-115		
PAT After exceptional items(after Minority Interest)	2,252	-3,270		15.7%
EPS	1.91	-2.78		

Mahindra Satyam announces plans to wind-down its American Depositary Share program in 2012 in an orderly manner

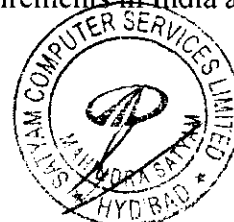
Company remains fully committed to serving customers in the US

Announcement has no impact on business operations in the US or elsewhere

Hyderabad, India — August 9, 2011 — Mahindra Satyam, a leading global consulting and IT services provider, today announced that the Company expects to wind-down its American Depositary Share program in 2012. The Company's American Depositary Shares (ADSs) currently trade on the over-the-counter (OTC) market in the US.

Since May 2001, the Company's equity shares underlying its American Depositary Shares (ADSs) and the ADSs themselves continue to be registered with the SEC when the Company began trading on the New York Stock Exchange (NYSE). The registration obligates the Company to file annual and other reports with the SEC. The Company has, however, been unable to file the required reports post September 2008, because the financial irregularities identified for earlier years were substantial in amount, perpetrated across multiple accounting periods affecting many areas and due to non-availability of required information/documentation relating to several unexplained transactions and amounts pertaining to the period affected by the financial irregularities. This has a resultant continuing impact on the Company's ability to prepare the financial statements under US GAAP and to achieve a form of audit opinion thereon that would comply with the SEC's requirement that such opinions contain no audit qualifications including scope limitations arising from the Company's inability to provide required information/documentation relating to the period affected by the financial irregularities as indicated above. Accordingly, the Company has now determined that it will not be able to become current in its SEC filing obligations.

The Company's planned sequence was to first meet Indian regulatory requirements with respect to its disclosure and financial statements and then turn to address U.S. requirements. Despite the non-availability of certain historical financial information due to the aforesaid reasons, the Company's new management succeeded in meeting all regulatory requirements in India and is



now current with respect to the company's audited financial results under generally accepted accounting principles in India (Indian GAAP).

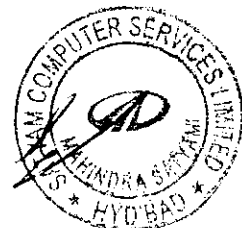
If an SEC reporting company is unable to file required reports, the SEC has the authority to revoke that company's registration. Consequently, the Company expects SEC to revoke the Company's registration at some time in the future. The revocation of registration, as and when it occurs, would prevent continued trading of the ADSs and the underlying equity shares in US markets or by US persons, and in order to protect the interests of ADS holders, the Company intends now to wind down the ADS program in an orderly fashion.

The Company presently expects that the ADS facility and related trading in the United States will exist for approximately seven months from the date a termination notice is distributed to ADS holders. The Company intends to distribute that notice under the applicable Deposit Agreement within the next week. The Company's objective is to provide a significant period of time to facilitate an orderly wind-down of the ADS program. Although the SEC Staff has indicated its willingness to work with the Company towards the objectives stated above, this time period assumes that no third party, such as the SEC, acts to reduce this transition period.

Throughout any transition period, holders of ADSs will be entitled to receive equity shares of the Company upon surrender of their ADSs to the depository, Citibank N.A., subject to applicable regulatory restrictions of India, the US and jurisdictions where holders reside. The Company's equity securities will continue to trade in India on the Bombay Stock Exchange and the National Stock Exchange. ADS trading in the US has accounted for approximately 12.77% of the total volume of trading in the company's equity shares in the last twelve months, and ADSs presently represent approximately 107,428,392 or 9.13%, of the outstanding equity shares.

If you are a current or prospective holder of Mahindra Satyam's ADSs, please consult the FAQs on the website for important additional details.

Commenting on the anticipated wind-down of US trading and subsequent deregistration, Mr. Vineet Nayyar, Chairman, Mahindra Satyam, said, "Our commitment to the US market and



servicing customers in the US remains unchanged. This is purely a regulatory issue on account of the fraud perpetrated by the former management over several years, that was unprecedented in its nature, magnitude and complexity. Despite the unavailability of certain historical financial information, the new management succeeded in meeting regulatory requirements in India with respect to the company's audited financial results under Indian GAAP, but we have found that what was acceptable to Indian regulators does not comport with SEC norms. We, therefore, have no choice but to exit the US registration system in an orderly manner. Although, this is not something we would have chosen to do, we are compelled by circumstances to take this decision."

"The wind-down of US trading and revocation of the Company's registration under the Securities Exchange Act of 1934 will have no impact on the Company's business operations in the United States or elsewhere. On the contrary, our commitment to enhance our presence in the US remains unchanged - our sales and delivery platform in the United States has been further reinforced through significant investments in acquiring experienced skills and capability, and we expect that this effort will enhance our growth opportunities in this market," added Mr. C.P. Gurnani, CEO, Mahindra Satyam.

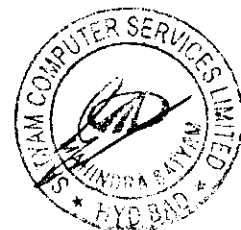
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Mahindra Satyam development and delivery centers in the US, Canada, Brazil, the UK, Hungary, Egypt, UAE, India, China, Malaysia, Singapore, and Australia serve numerous clients, including many Fortune 500 organizations.



For more information, see www.mahindrasatyam.com
Follow us on Twitter: http://twitter.com/mahindra_satyam
For clarifications, write to us at: MediaRelations@mahindrasatyam.com

Safe Harbor

Certain statements made in this announcement may include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the US Securities Exchange Act of 1934, as amended. These statements may be identified by the use of words like “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “forecast,” “project,” “will,” “should,” “seek,” and similar expressions. These forward-looking statements include, but are not limited to, statements as to the expected impact of and benefits from the deregistration, statements as to the timing and dates of effectiveness of notices and filings to be made in connection with the deregistration process, statements as to the intention to wind-down the ADS program and the timing and expected impact thereof and statements as to the intention to continue providing information to investors. The forward-looking statements reflect our current views and assumptions and are subject to risks and uncertainties. The following factors, and others which are discussed in our public filings and submissions with the SEC, are among those that may cause actual and future results and trends to differ materially from our forward-looking statements: the general economic conditions and competition in the markets and businesses in which we operate; our relationship with significant clients; the outcome of legal proceedings or governmental inquiries; uncertainties inherent in operating internationally; and the impact of laws and regulations. Many of these factors are beyond our ability to control or predict. Given these factors, you should not place undue reliance on the forward-looking statements. Mahindra Satyam undertakes no duty to update any forward – looking statements.

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**UNWINDING OF ADS PROGRAM:
QUESTIONS TO BE PUT ON COMPANY WEBSITE**

Q1. Why is the Company winding down the ADS program?

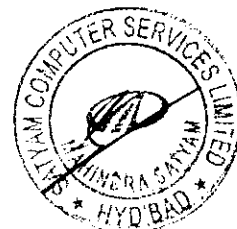
The Company's equity shares underlying its American Depositary Shares (ADSs) and the ADSs themselves have been registered with the US Securities and Exchange Commission (SEC) since 2001, when the Company began trading on the New York Stock Exchange (NYSE). The registration obligates the Company to file annual and other reports with the SEC. The Company has, however, been unable to file the required reports post September 2008, because the financial irregularities identified for earlier years were substantial in amount, perpetrated across multiple accounting periods affecting many areas and due to non-availability of required information/documentation relating to several unexplained transactions and amounts pertaining to the period affected by the financial irregularities. This has a resultant continuing impact on the Company's ability to prepare the financial statements under US GAAP and to achieve a form of audit opinion thereon that would comply with the SEC's requirement that such opinions contain no audit qualifications including scope limitations arising from the Company's inability to provide required information/documentation relating to the period affected by the financial irregularities as indicated above. Accordingly, the Company has now determined that it will not be able to become current in its SEC filing obligations.

If an SEC reporting company is unable to file required reports, the SEC has the authority to revoke that company's registration. Consequently, the Company expects SEC to revoke the Company's registration at some time in the future. The revocation of registration, as and when it occurs, would prevent continued trading of the ADSs and the underlying equity shares in US markets or by US persons, and in order to protect the interests of ADS holders, the Company intends now to wind down the ADS program in an orderly fashion.

Q2. How long will the wind-down of the ADS Program take?

The Company presently expects that the ADS facility and related trading in the United States will exist for approximately seven months from the date a termination notice is distributed to ADS holders. The Company intends to distribute that notice under the applicable Deposit Agreement within the next week. The Company's objective is to provide a significant period of time to facilitate an orderly wind-down of the ADS program. Although the SEC Staff has indicated its willingness to work with the Company towards the objectives stated above, this time period assumes that no third party, such as the SEC, acts to reduce this transition period.

Q3. What is the impact of the winding down and termination on the ADS holders?



The ADSs are evidenced by certificates (known as American Depositary Receipts, ADRs, or just Receipts) issued by the Depository (Citibank, N.A.). They currently trade over-the-counter (OTC) in the United States. ADS holders should consider whether it would be advisable for them to sell their ADSs during any wind-down period that we announce in the future. ADS holders are alternatively entitled to surrender their Receipts and, upon payment of the applicable depository fees, to receive the underlying equity securities represented by their ADSs.

ADS holders who surrender their Receipts and receive the underlying equity securities, and who have and/or are eligible to open a brokerage account in India, can either hold the shares or sell them over the Bombay Stock Exchange or National Stock Exchange.

ADS holders who are not eligible to have a brokerage account in India and who have not surrendered their Receipts will at termination of the Deposit Agreement have the underlying shares held for them in an account in India. After termination of the Deposit Agreement, Citibank will sell the shares of those holders and remit the proceeds, net of any fees, taxes and expenses, *pro rata* to such holders. Note that any sales made in India, either by the holder or by the Depository on behalf of the holders, may be subject to taxes and other regulatory requirements in India.

Q4. How would revocation of US registration affect the Company?

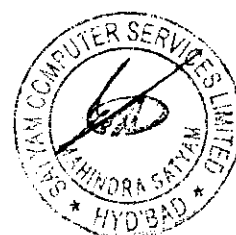
Revocation of registration would mean that the Company will no longer be obligated to file reports with the SEC, and that trading in the Company's securities in the United States will be halted. As a result, ADSs would no longer be traded OTC in the United States.

Revocation of registration would have no effect on the trading of the Company's equity shares on the Bombay Stock Exchange and the National Stock Exchange in India.

In addition, revocation would have no effect on the Company's strong commitment to servicing customers in the United States.

Q5. Why was the Company unable to file required US reports?

Although the Company is now current in its reporting requirements under Indian law, including the requirements of the Indian Regulator, the Securities and Exchange Board of India (SEBI), those filings include audit reports that contain qualifications relating to, among other things, the unavailability of certain required historical information and related limitations of audit scope. Despite the best efforts of the Company, because the financial irregularities identified for earlier years were substantial in amount, perpetrated across multiple accounting periods affecting many areas and due to non-availability of required information/documentation relating to several unexplained transactions and amounts pertaining to the period affected by the financial irregularities. This has a resultant continuing impact on the Company's ability to prepare the financial statements under US GAAP and to achieve a form of audit opinion thereon that would comply with



the SEC's requirement that such opinions contain no audit qualifications including scope limitations arising from the Company's inability to provide required information/documentation relating to the period affected by the financial irregularities as indicated above. In a recent meeting with the SEC Staff, the Staff affirmed the Company's understanding. Accordingly, the Company has now determined that it will not be able to become current in its SEC filing obligations.

Q6. The Company has previously taken the position that it intends to relist the ADSs on the NYSE. What has changed that view?

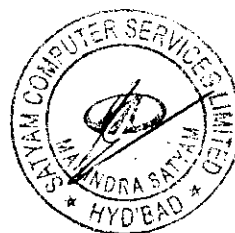
The Company's planned sequence was to first meet Indian regulatory requirements with respect to its disclosure and financial statements and then turn to address U.S. requirements. Despite the non availability of certain historical financial information due to the prior fraud, the Company's new management succeeded in meeting all regulatory requirements in India and is now current with respect to the company's audited financial results under Indian GAAP.

The Company has been working with its auditors in an attempt to achieve a set of audited financial statements that would meet applicable U.S. requirements. Despite the best efforts of the Company, because the financial irregularities identified for earlier years were substantial in amount, perpetrated across multiple accounting periods affecting many areas and due to non-availability of required information/documentation relating to several unexplained transactions and amounts pertaining to the period affected by the financial irregularities. This has a resultant continuing impact on the Company's ability to prepare the financial statements under US GAAP and to achieve a form of audit opinion thereon that would comply with the SEC's requirement that such opinions contain no audit qualifications including scope limitations arising from the Company's inability to provide required information/documentation relating to the period affected by the financial irregularities as indicated above.. In a recent meeting with the SEC Staff, the Staff affirmed the Company's understanding. Accordingly, the Company has now determined that it will not be able to become current in its SEC filing obligations.

Q7. If the Company's SEC registration is revoked, would the ADS continue to be traded on the OTC market in the United States?

If the Company is deregistered, the ADS will not be quoted or traded on the OTC market in the United States. US broker-dealers will not be permitted to effect transactions in the ADSs or even in the underlying equity shares for which they may be exchanged. It may also be difficult or impossible for non-US broker-dealers to effect transactions in India for US residents in the ADSs or even in the underlying equity shares for which they may be exchanged. The equity shares will, however, continue to trade on the Bombay Stock Exchange and the National Stock Exchange in India.

Q8. Does the winding down of the ADS program reflect a diminished importance to the Company of the US market / customers?



Not at all. On the contrary, the winding down of the ADS program has been necessitated by the continuing effects of the fraud on the Company's historical financial statements and its impact on the Company's ability to meet U.S. regulatory requirements. These matters are, unfortunately, beyond the Company's control.

Our broader commitment to the US market and servicing US customers remains unchanged. As of the current quarter, more than 50% of the Company's revenues continue to accrue from this market. In fact, over the last six months our sales and delivery platform in the United States has been further reinforced through significant investments in acquiring experienced skills and capability, and we expect that this effort will enhance our growth opportunities in this market.

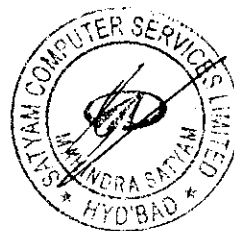
Q9. How do customers assure themselves (in the absence of US GAAP accounts) regarding the financial strength and stability of the Company?

The Company is current in all of its regulatory requirements in India and has released audited financial results under Indian GAAP through the year ended March 31, 2011. We will continue to be listed on the Indian Stock Exchanges and to provide our financial statements in accordance with Indian GAAP (and converged IFRS as and when applicable). New management has implemented appropriate internal controls and related policies and is committed to providing the Company's investors with prompt and accurate financial reporting.

Q10. How large in the current ADS program?

ADS trading in the US has accounted for approximately 12.77% of the total volume of trading in the company's equity shares in the last twelve months, and ADSs presently represent approximately 107,428,392 or 9.13%, of the outstanding equity shares.

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All Metrics are on Stand Alone Basis (SA)

Geography wise Revenue Break-up	Q1FY12	Q4FY11
Americas	50%	51%
Europe	24%	25%
ROW	26%	24%
Total	100%	100%

Vertical wise Revenue Break-up	Q1FY12	Q4FY11
Manufacturing	32%	32%
TME #	20%	19%
BFSI	17%	18%
Retail, T&L	12%	11%
Healthcare & Life Sciences	7%	8%
Others	11%	12%
Total	100%	100%

Technology, Media & Entertainment

Location wise Revenue Break-up	Q1FY12	Q4FY11
Onsite	56%	57%
Offshore	44%	43%
Total	100%	100%

Revenue Break-up by Contract Type	Q1FY12	Q4FY11
T&M	54%	54%
Fixed Price	46%	46%
Total	100%	100%

Client Details	Q1FY12	Q4FY11
Total Active Clients	220	230
No. of million dollar clients		
US\$ 1 Mn Clients	130	144
US\$ 5 Mn Clients	47	48
US\$ 10 Mn Clients	36	33
US\$ 20 Mn Clients	14	12
US\$ 50 Mn Clients	3	3

Client Contribution	Q1FY12	Q4FY11
Top Client	10%	9%
Top 5 Clients	26%	26%
Top 10 Clients	39%	39%
Top 20 Clients	56%	54%



Manpower Details	Q1FY12	Q4FY11
Technical (including sub cons)	25,015	22,924
Support	2,468	2,433
Subsidiary	3,955	3,909
BPO	2,712	2,724
Total (including Subsidiaries)	31,438	29,266
Attrition % - IT (SA)	17%	22%

