



TCS/BM-15/SE/2011-12

October 17, 2011

**National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Mumbai**

Fax No. 2659 8237 / 38

Kind Attn : Manager, Listing Department

**BSE Limited
Mumbai**

Fax No. 2272 2037/2272 3121

**Kind Attn: General Manager, Department of
Corporate Services**

Scrip Code No. 532540 (BSE)

Dear Sirs,

Sub: Press Release

We are sending herewith a copy of a Press Release which will be disseminated shortly. The Press Release is self-explanatory.

Thanking you

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

**Suprakash Mukhopadhyay
Vice President and Company Secretary**

TATA CONSULTANCY SERVICES

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INDIAN GAAP

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Demand momentum across markets drives Q2 Revenues to Rs 11,633 cr (\$2.52 b) up 25.3% Y-o-Y; up 7.7% Q-o-Q

- Volumes increase 6.25% sequentially
- International business grows 9% led by major markets
- Attrition sharply lower at 13.7%; Gross addition at new high

MUMBAI, October 17 , 2011: Tata Consultancy Services (BSE: 532540, NSE: TCS), the leading IT services, consulting and business solutions firm reported its consolidated financial results according to Indian GAAP for the quarter and half year ended September 30, 2011.

Financial Highlights for Quarter Ended September 30, 2011

- Operating Profits at ₹ 3,143 crore; Growth of 21.4 % Y-o-Y and 11.4 % Q-o-Q
- Operating Margins at 27%, up 89 basis points
- Profit After Tax at ₹ 2,301 crore; Growth of 6.1 % Y-o-Y and (4.7) % Q-o-Q
- Dividend per share of ₹ 3
- Earnings Per Share at ₹ 11.74

Business Highlights for Quarter Ended September 30, 2011

- \$100-million+ customers up 2 to 12; reflects continued traction for full services strategy
- Gross Addition of 20,349 Employees (Net Addition of 12,580 employees)
- High Utilisation rates maintained at 83.1% (excluding trainees)
- 35 New Clients added; 1010 active clients

Chief Executive Officer and Managing Director, N Chandrasekaran said: "Our domain-rich solutions and disciplined execution helped us capture business demand across major markets and deliver stellar growth in international revenues. We see strong momentum for our full services strategy from customers who are looking for agility and growth. **He added:** "We have created a nimble organization on the ground to stay close and stay relevant to our customers as there are ambiguities in the external environment in the short term."

S. Mahalingam, Chief Financial Officer and Executive Director, said: We continue to make the necessary investments to support our future business growth in different markets as we remain in expansion mode. However, we are also working to optimize our cost structure and keeping a close watch on economic signals. **He added:** "Given the breadth of our global operations across 45 countries, the recent unprecedented volatility in the foreign currency markets is fresh cause for concern."

During Q2, TCS witnessed significant growth across all major markets with North America clocking 9 per cent, UK growing by over 10 and continental Europe up over 9 per cent. Among new growth markets APAC, MEA and Latin America grew by 10, 9 and 3 per cent respectively and revenues from India were down 4 per cent.

There was balanced growth across industries in all markets. Among industry verticals, growth was led by Energy & Utilities, which grew by 20 per cent, followed by Retail, Travel & Transportation, Manufacturing and BFSI which

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grew at 12, 10, 10, 9 per cent. All service lines grew during the quarter with Global Consulting growing at 27% while Asset-based solutions grew 20%, followed by Engineering, Assurance and Infrastructure Services at 14, 12, 9 per cent respectively.

Key Wins

- A leading Global Bank has selected TCS B&NCS platform to implement asset servicing for wholesale banking and securities processing for direct custody.
- Selected by a large broadband and telecommunications player in Europe and Latin America for service management & integration in a deal valuing over \$ 100 M.
- TCS B&NCS Insurance product to be implemented across five North Asian countries including China for the Life and Annuities business for a leading UK based life assurance company.
- Won a platform standardization deal to consolidate a diverse footprint for a large US based large insurance company.
- Awarded large contract by a US Fortune 500 medical devices company for end-to-end remote infrastructure services.
- Selected by a large US-based cable operator and home internet service provider as its strategic partner for its OSS/BSS transformation.
- TCS B&NCS portfolio for core banking, fraud monitoring, domestic and international payments was selected by a leading European financial services provider.
- Selected by a global brewing and bottling company as its technology partner to provide infrastructure management services.
- Selected by a leading generator and marketer of electricity in North America as a strategic partner for application and infrastructure management.

Innovation and Intellectual Property:

As of September 30, 2011, the company has applied for 520 patents including 109 applied for during the quarter. Till date, the company has been granted 68 patents.

Human Resources:

The total employee strength of TCS was 214,770 on a consolidated basis at the end of Q2. Trainees started joining the company from the beginning of the July-September quarter, resulting in the addition of 10,192 trainees and 8,125 laterals in India along with 2,032 employees overseas. The utilization rate (excluding trainees) was flat at 83.1% and that including trainees was 76.4%.

Attrition decreased sharply for the company, dropping to 13.7 per cent from 14.8 per cent in Q1. Attrition in the IT Services business was 12.51 per cent, while BPO attrition was at 24.25 per cent.

"We are on course to meet our hiring target for the current financial year. Our employee engagement efforts are helping to curtail attrition and increase retention of talent in the company. We remain the industry benchmark as far as utilization is concerned and have maintained our rate in the 83% range," said Ajoy Mukherjee, Executive Vice President and Global Head, Human Resources.

Awards and Recognition

TCS BPO received several accolades at the Asia's Best Employer Brand Awards held in Singapore. GappaGoshti™, the Rural Social Networking Platform developed by TCS Innovation Labs won the Aegis Graham Bell Award in the category 'Innovative Mobile Applications.' The company also won NASSCOM Exemplary Talent Practices award for Partnering with Academia. TCS' PowerIT and iON won the eWORLD Public Choice

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Awards. TCS Singapore won the ICT Team Excellence – Technical Support Award at the Singapore Technology Federation (SITF) Awards 2011. TCS bagged the 'Best Supplier' award at NXP Semiconductors' 'Best Supplier Awards'. The company has been listed in Asia's Fab 50 companies list published by Forbes for the third consecutive year. TCS was conferred 'Outstanding IT Company of the Year' Award by the Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCII)

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, BPO, infrastructure, engineering and assurance services. This is delivered through its unique Global Network Delivery Model™, recognized as the benchmark of excellence in software development. A part of the Tata Group, India's largest industrial conglomerate, TCS has over 214,000 of the world's best trained consultants in 42 countries. The Company generated consolidated revenues of US \$ 8.2 billion for year ended 31 March, 2011 and is listed on the National Stock Exchange and Bombay Stock Exchange in India. For more information, visit us at www.tcs.com

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