TCS/BM - 9/SE/2013-14

July 18, 2013

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Mumbai
Fax No. 2659 8237 / 38
Kind Attn : Manager, Listing Department

BSE Limited
P. J. Towers, Dalal Street
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

Suprakash Mukhopadhyay
Vice President and Company Secretary

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Strong volumes drive another stellar quarter

Revenue at ₹17, 987 crore up 9.5 % Q-o-Q; up 21 % Y-o-Y

- **Net Profit at ₹ 3,831 crore up 5.9 % Q-o-Q; up 15.5 % Y-o-Y**
- **Volume growth at 6.10%**

MUMBAI, July 18, 2013: 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 ended June 30, 2013.

Financial Highlights for Quarter Ended June 30, 2013

- Operating Profit at ₹ 4,847 crore; Growth of 18.9% Y-o-Y and 12.0% Q-o-Q
- Operating Margin at 26.9%
- Dividend per share of ₹ 4
- Earnings Per Share at ₹ 19.54

Business Highlights for Quarter Ended June 30, 2013

- Gross Addition of 10,611 Employees
- High Utilisation rates at 82.7% (excluding trainees)
- Two new $100 million clients added

Commenting on the Q1 performance, Chief Executive Officer and Managing Director, N Chandrasekaran said: "We have delivered another solid quarter, driven by the highest volume growth in the past seven quarters. It has been an all-round performance with strong revenue growth across markets led by the US. Our investments in Europe continue to gain strong traction with customers and helped us deliver industry-leading growth this quarter."

Mr Chandrasekaran added: "Strong momentum in our business, the right cost structure, a customer-centric approach and our increasing investments in new digital solutions and services positions us well to post another year of strong business growth."

Rajesh Gopinathan, Chief Financial Officer, said: "The current environment demands an agile operating model that can capture diverse growth opportunities. We continue to execute to plan and invest for growth, while maintaining stability in our margin profile."

Growth in Q1 was holistic. Growth was seen across all industry segments led by Life Sciences, Retail, Telecom and BFSI. There was balanced growth across IT and other service lines led by Assurance, EiS, Global Consulting and Asset Leveraged Solutions. Major markets grew smartly led by USA, Europe and UK alongside growth in emerging markets like Latin America and Asia Pacific.

During the quarter, TCS closed the acquisition of Alti , one of the top 5 system integrators of SAP solutions in France with several top French corporations in the banking, financial services, luxury, manufacturing and utilities sectors as its key customers.

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Select Key Wins

- Engaged by Department of Post as their central transformation system integrator. TCS is providing common infrastructure for eight large modernisation programs, transforming the core mail operations for DoP as well as back office operations like HR and F&A, making services easily accessible through internet and mobile devices for citizens and postal workers
- Engaged by a leading Nordic airlines in an end-to-end IT outsourcing contract to deliver IT infrastructure services, application development and management and drive innovation to help the airline in its transformational journey
- Selected by a global aerospace major as a strategic partner in the IT application services space
- Won a transformation deal in assurance services to drive efficiency and innovation in testing for a large health services organization in North America
- Chosen as a strategic partner by leading North American communications provider to provide holistic assurance solutions across their entire IT estate in a managed services mode
- A large Asia-Pacific conglomerate has awarded TCS a back-office transformation deal.
- Selected as a strategic partner and awarded a contract for application development and infrastructure support by a leading North American supplier of maintenance, repair and operating products.
- A North American based global financial services company has awarded TCS an engagement covering application development, maintenance and assurance of their core banking and enterprise systems.
- A North American based global financial services company has awarded TCS a large managed services engagement for its cards platform

Key Wins in Digital Services and Solutions

- An Asia Pacific bank has selected **TCS Hy5 Presidio™ Mobile Device Management product** for deployment on Android devices
- A global pharmaceutical company has selected **TCS Hy5 Canvas™ Mobile Application Development Platform** for development of its **enterprise mobile applications**
- A North American financial services company has selected **TCS Hy5 Test™ Mobile Application Testing platform** as the sole tool to test their mobile applications
- An Asia Pacific based financial services company has selected **TCS iAgent™ mobile insurance** agent solution for its agents
- Won an engagement to develop and integrate HR **applications on tablet devices** from a global pharmaceutical major
- Won an engagement to develop a tablet based system to optmize sales force activities from a North American medical device manufacturer
- Won an engagement to develop a mobile application for providing users with detailed information and search capability on Indian Law for a major provider of Information Services
- Won an engagement for a multi-year **data warehouse** transformation project using **Big Data** tools from a major financial services company
- Won an engagement from a major North American bank to implement a **customer relationship** discovery platform that enables financial advisors to manage and cross-sell and up-sell opportunities
- Won an engagement to develop a device log **analytics platform** using Big Data from a major computer equipment manufacturer
- Won engagements from a major North American bank, a global Consumer Packaged Goods company and a North American insurer to define their **Big Data** technology strategy and roadmap
- Won an engagement to transform their legacy batch processing systems using Big Data technologies for a major North American retailer
- Won an engagement to implement security for the **Big Data platform** for an Asia Pacific bank

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Key Wins in Products/Platforms:

- A European Insurance firm selected TCS BaNCS for their integrated insurance platform
- An Asia-Pacific bank selected TCS BaNCS Corporate Actions solution
- A Latin American bank selected TCS BaNCS Corporate Actions solution
- An African financial institution selected TCS Market Infrastructure platform for additional asset classes
- TCS Analytics Platform was selected by an European airline
- TCS Sourcing platform was selected by an Asian consumer company

Innovation and Intellectual Property:

As of June 30, 2013, the company has applied for **1340** patents including **60** applied during the quarter. Till date, the company has been granted **90** patents.

Human Resources: Gross Additions 10,611 & Net Additions 1,390

The company continued to hire to support business growth. There was a total gross addition of 10,611 people (net addition of 1,390) taking the total employee strength of 277,586 on a consolidated basis. The utilization rate (excluding trainees) was at 82.7% and that including trainees was 72.5%. The attrition rate (LTM) dropped further sequentially to 10.52 per cent including BPO. The attrition rate in IT was at 9.55 per cent, while BPO attrition was higher at 15.77 per cent.

"We have been able to push our utilization rates further. The on-boarding of current year's engineering graduate trainees will start from this quarter onwards," said **Ajoy Mukherjee, Executive vice president and Global Head, Human Resources**.

Awards and Recognition: Business Leadership:

- Most Admired Company - Fortune India
- Business Leader in Information Technology - NDTV Profit Leadership Awards
- Top 10 Companies with the Best Business Outlook – Glassdoor
- Innovative Enterprise Solution - CA World
- IT Outsourcing Company of the Year – Belgium

Partner:

- 2013 SAP® Pinnacle Award
- System Integrator Partner of the year – Netapp
- Microsoft Supplier of the Year – 2013

Sustainability:

- Innovation and Best HR Practices in Human Capital – TCS Uruguay
- Best Volunteering Company – TCS Equador
- Business Leader in Corporate Social Responsibility - NDTV Profit Leadership Awards
- Company with Best Social Service Practices – TCS Equador

Leadership:

- N Chandrasekaran, CEO was named:
  - "Business Visionary" at NDTV Profit Leadership Awards 2012
  - One of STEMconnector's '100 CEO Leaders in STEM'
  - "Management Man of the Year 2013" Award -Bombay Management Association

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Consolidated Statement of Profit and Loss
for the quarter ended June 30, 2013, March 31, 2013 and June 30, 2012
(In crores of ₹, except per share data)

	Quarter ended June 30, 2013	Quarter ended March 31, 2013	Quarter ended June 30, 2012
INCOME			
a) IT & Consultancy Services	17,552	15,851	14,521
b) Manufacturing, Sale of equipment and Licences	435	579	348
Total Income	17,987	16,430	14,869
EXPENDITURE			
a) Salaries & Wages	6,965	6,245	5,707
b) Overseas business expenditure	2,498	2,262	2,063
c) Other operating expenses	3,380	3,306	2,775
Total Expenditure	12,843	11,813	10,545
Profit Before Interest, Depreciation, Taxes & Other Income	5,144	4,617	4,324
Interest	7	19	6
Depreciation	297	290	247
Profit Before Taxes & Other Income	4,840	4,308	4,071
Other income (expense), net	259	443	186
Profit Before Taxes	5,099	4,751	4,257
Provision For Taxes	1,226	1,093	899
Profit After Taxes & Before Minority Interest	3,873	3,658	3,358
Minority Interest	42	42	40
Net Profit	3,831	3,616	3,318
Earnings per share in ₹	19.54	18.46	16.92

Consolidated Balance Sheet
as at June 30, 2013 and and March 31, 2013
(In crores of ₹)

	As at June 30, 2013	As at March 31, 2013
Source of Funds		
Shareholders' Funds	41,824	38,646
Minority Interest	717	695
Loan Funds	296	211
Deferred Tax Liability	274	235
Non Current Liabilities	646	717
Total Liabilities	43,757	40,504
Application of Funds		
Fixed Assets (net)	8,637	8,142
Goodwill	4,138	3,582
Deferred Tax Asset	339	310
Investments	3,345	1,897
Cash and Bank Balance	*6,812*	*6,769*
Current Assets, Loans and Advances	*26,532*	*23,700*
Current Liabilities and Provisions	*13,947*	*11,585*
Net Current Assets	19,397	18,884
Non Current Assets	7,901	7,689
Total Assets	43,757	40,504

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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, BPO,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 277,000 of the world's best-trained consultants in 44 countries. The company generated consolidated revenues of US $11.6 billion for year ended March 31, 2013 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.

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