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National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Mumbai - 400051
Symbol - TCS

BSE Limited
P. J. Towers, Dalal Street,
Mumbai -400001
Scrip Code No. 532540 (BSE)

Dear Sirs,

We are sending herewith copy of the Press Release titled "**New Study by TCS: German Companies Have Sharply Hiked Spending on Digital Transformation"** which will be disseminated shortly.

The Press release is self-explanatory.

Thanking you,

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

Rajendra Moholkar
Company Secretary

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For immediate use **PRESS RELEASE**

New Study by TCS: German Companies Have Sharply Hiked Spending on Digital Transformation

- *Tata Consultancy Services' Survey of 953 Senior Executives Maps German Companies' Preparedness for Digitization*
- *Report Reveals Heightened Focus on Change Management, Agile Adoption, and Talent Development*

FRANKFURT | MUMBAI, December 3, 2019: Tata Consultancy Services (TCS), (BSE: 532540, NSE: TCS) a leading global IT services, consulting, and business solutions organization, published the findings of a commissioned research that revealed that German companies have sharply increased their investment in digitization and are focusing on change management and agile processes to drive their transformation initiatives. The study titled '*Don't Panic! Keep Calm and Digitize*' focused on German companies having 100 or more employees, polling 953 senior managers and decision-makers responsible for digitization within their organizations.

German companies are focusing on the necessary change management processes in addition to the use of new technologies in their transformation journey. According to the report, almost every second company (47 percent) uses change management methods to adapt to new structures and prepare the workforce, versus 36 percent in 2017. Among large companies with 500 or more employees, 57 percent rely on change management methods. In more than one third of the companies (35 percent), the change process is the responsibility of the digitalization units or the Chief Digital Officer. In around one in four companies, the management or the executive board (26 percent) or internal corporate communications (23 percent) is responsible.

For project management, companies are more likely to rely on agile methods. For example, 43 percent of companies now state that they sometimes, mostly or always use agile methods (vs 35 percent in 2018). Agile adoption is even greater among large companies with 500 or more employees. More than one in two (52 percent) companies increasingly use agile methods, an increase of ten percentage points compared to 2018 (42 percent).

To succeed in a digital world, companies increasingly expect digital skills from their employees. Eight out of ten companies (84 percent) say that employees should have general digital skills in order to drive the digital transformation of the company. This is a significant increase compared to the previous years with 74 percent (2018) and even only 66 percent (2017). Eight out of ten companies (81 percent) state that they help employees develop digital competences. A year ago, the figure was 77 percent, two years ago it was 75 percent.

Every second company (50 percent) states that employees quickly adopt new technologies. However, a similar number (44 percent) also complain that the effort to convince employees to use new technologies is very high. This is one of the reasons, a large majority – two thirds of companies (66 percent) train their employees to use new technologies.

"Our study shows that German corporations are accelerating their digital transformation journeys, increasing the scale and complexity of their initiatives, necessitating robust change management

processes, and investments in talent development. Additionally, to gain better speed to value, organizations are embracing agile methods," said **Sapthagiri Chapalapalli, Managing Director, TCS Germany**. *"TCS' domain knowledge across multiple industries, contextual knowledge of our customers' businesses, investments in research and innovation, Location Independent Agile Model, and proven track record in executing large and complex programs have made us the preferred partner for our customers' growth and transformation initiatives."*

For more information and to download the trend study *'Don't Panic! Keep Calm and Digitize'*, go to: https://studie-digitalisierung.de/en

Methodology: The study is based on telephonic interviews conducted by Bitkom Research on behalf of TCS in June/July 2019, involving 953 senior executives responsible for digitization in their organizations, including managing directors, board members, and decision-makers in the fields of IT, digital technology, and operations. The companies included in the study were those with 100 or more employees and covered all sectors of the German economy. This is the fourth annual study commissioned by TCS.

About Tata Consultancy Services Ltd. (TCS)

Tata Consultancy Services is an IT services, consulting and business solutions organization that has been partnering with many of the world's largest businesses in their transformation journeys for the last 50 years. TCS offers a consulting-led, cognitive powered, integrated portfolio of business, technology and engineering services and solutions. This is delivered through its unique Location Independent Agile delivery model, recognized as a benchmark of excellence in software development.

A part of the Tata group, India's largest multinational business group, TCS has over 450,000 of the world's best-trained consultants in 46 countries. The company generated consolidated revenues of US $20.9 billion in the fiscal year ended March 31, 2019, and is listed on the BSE (formerly Bombay Stock Exchange) and the NSE (National Stock Exchange) in India. TCS' proactive stance on climate change and award-winning work with communities across the world have earned it a place in leading sustainability indices such as the Dow Jones Sustainability Index (DJSI), MSCI Global Sustainability Index and the FTSE4Good Emerging Index. For more information, visit us at www.tcs.com.

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