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National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex
Mumbai
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 "**Six out of Ten Business 4.0™ Leaders Expect Double Digit Growth Over Next Three Years: TCS Global Study**" which will be disseminated shortly.

The Press release is self-explanatory.

Thanking you,

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

Rajendra Moholkar
Company Secretary

For immediate use **PRESS** RELEASE

Six out of Ten Business 4.0™ Leaders Expect Double Digit Growth Over Next Three Years: TCS Global Study

- *Tata Consultancy Services' Study Benchmarks Adoption Levels of Four Business Behaviors Needed to Thrive in Today's Rapidly Evolving Global Economy*
- *Over 90% of Organizations Have Adopted at Least One of These Behaviors in Beginning Their Business 4.0 Growth and Transformation Journeys*

MUMBAI, March 28, 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 60 percent of companies globally – which have adopted the full range of business behaviors needed to thrive in a Business 4.0™ world – expect to grow over 10 percent in the next three years. TCS' global study, titled 'Winning in a Business 4.0™ World,' surveyed senior business decision makers from more than 1,200 large enterprises spanning 11 industries and 18 countries.

With the rapidly evolving business landscape and increasingly sophisticated customer expectations, businesses face constant challenges to quickly adapt and stay ahead. This global survey benchmarks large companies in their Business 4.0™ growth and transformation journeys, by mapping their adoption of four critical business behaviors: driving mass personalization, creating exponential value, leveraging ecosystems, and embracing risk. The study found that:

- Almost one in ten (9%) survey participants or 'Leaders' have adopted all four behaviors.
- More than eight out of ten (82%) companies or 'Early Adopters' have embraced one to three of the behaviors, with mass personalization being the most prevalent (78%).
- European businesses accounted for the most number of Leaders, followed by Asia Pacific and North America, when adjusted for the respondent mix.
- Leaders are three times more likely than 'Followers' -- 9% of participants that have not yet adopted any of the Business 4.0 behaviors -- to have embraced AI, blockchain and IoT technologies, and twice as likely to have embraced automation.

"The study reveals a strong link between Business 4.0 maturity and technology adoption. Leaders are more likely than other participating companies to have driven digital growth and realized double digit revenue gains," said **K Ananth Krishnan, CTO, TCS.** *"Agile methodologies, cloud, automation, and AI are examples of tech pillars that enable Leaders to change course and adapt to shifting market dynamics much better than companies with inflexible 'idea to execution' timelines of months or years."*

Business 4.0 Characteristics: Key Findings

Driving Mass Personalization

Mass personalization is the most familiar behavior to business leaders, classified by digital technologies allowing companies to offer personalized products and services at scale, which significantly improves the customer experience and leads to higher revenues.

- More than three-quarters (78%) of all survey participants claim they can customize experiences at individual transactions. This has led to the following benefits:
    - Higher customer profitability (60%).
    - Increased value (59%) and volume (58%) of customer transactions.
    - Reduced customer churn (32%).
- Personalization is more widespread among North American firms, with more than four-fifths (84%) adopting the practice.

Creating Exponential Value

Businesses can drive more value – and even new products and services – from a single transaction, using the power of data analysis, IoT and AI to forecast future customer needs and points of engagement. By integrating digital or online channels and creating new business models, organizations can unlock new revenue streams and expand their customer base by shifting from selling one-off products to offering subscriptions to products and associated services.

- All surveyed companies identified the top benefits from operating an exponential value model:
    - Ability to target a wider range of potential customers (64%).
    - An expanded geographical marketplace (62%).
    - Higher profitability (54 percent) and revenues (50%).
    - New business models through collaborative ventures (50%).
- This adopted behavior has progressed furthest among insurance providers and telecom firms.
- Nearly four out of ten (38%) survey respondents cite concerns regarding data security as the biggest barrier to adopting this behavior.

Leveraging Ecosystems

When businesses increasingly collaborate with multiple partners – beyond just their supply chain networks – they are leveraging ecosystems. Companies are no longer forced into silos by the limits of their resources, and instead can bolster their innovation capabilities and offer consumers broader propositions through existing and new partners. Among all of the companies surveyed:

- More than half (54%) leverage their wider ecosystem by collaborating with multiple partners to create new products and services.

- Almost half (46%) access a dispersed workforce or the 'gig economy' when they need to boost their skills base.

- The largest number of firms adopting this behavior are found in the health and life sciences, telecom and manufacturing industries.

Embracing Risk

This is the most difficult behavior for many organizations to adopt, as it goes against traditional management approaches. Business leaders are accustomed to undertaking initiatives with the least risk and fewest resources. In the digital era, however, it is important to embrace risk to stay ahead of the competition and provide better value to customers.

- Almost seven out of ten (68%) organizations have not introduced agile practices widely – integral to embracing risk in establishing a culture that is conducive to transformation.

- By contrast, 70% of Leaders say agile underpins every process in their organization today.

- One-third (33%) of all survey participants said they plan to transform their business model within one year to embrace risk – and 47 percent plan to do so in the next three years.

"Successful business transformation journeys require a fundamental mindset shift from the top, with senior leaders driving digital behaviors forward within their organization and overcoming perceived business or cultural challenges," said **Krishnan Ramanujam, Global Head, Business & Technology Services, TCS.** *"Thanks to digital technologies, we have a great opportunity to move from past philosophies of optimizing scarce resources to a Business 4.0 approach that harnesses an abundance of talent, capital, data, computing resources, and broader ecosystems to solve business problems and deliver value."*

Research Methodology

TCS commissioned a survey of business leaders from more than 1,200 large firms (revenues from US$500 million to $5 billion) across 11 industries and 18 countries. Additionally, 25 qualitative interviews were conducted with business leaders across industries. Three-fourths of the respondents were either directly involved in or had oversight of their firm's digital transformation plans, with almost half in the C-suite. The survey was conducted from November to December 2018.

The full survey findings can be found at https://www.business4.tcs.com.

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 fifty years. TCS offers a consulting-led, Cognitive powered, integrated portfolio of IT, Business & Technology Services, and engineering. 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 417,000 of the world's best-trained consultants in 46 countries. The company generated consolidated revenues of US $19.09 billion for year ended March 31, 2018 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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