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**PRESS RELEASE**

## Volume surge boosts revenue to ₹9,663 cr (\$2.14 b); up 4.1% Q-o-Q, 26.3% Y-o-Y

Net Profit at ₹2,370 cr; up 9.3% Q-o-Q, 30% Y-o-Y

- Operating margins near historic high at 28%
- Growth led by mature markets; Volume up 5.7%
- Highest ever gross addition at 20,219; net addition at 12,497

**MUMBAI, January 17, 2011:** Tata Consultancy Services (**BSE: 532540, NSE: TCS**) reported its consolidated financial results according to Indian GAAP for the quarter ended December 31, 2010.

### Highlights for Quarter Ended December 31, 2010

- Operating Profits at ₹2,707 cr; up 5% Q-o-Q and 29% Y-o-Y
- 35 new clients added
- Attrition at 14.4% LTM (including BPO)
- Quarterly dividend of ₹ 2 per share
- EPS at ₹ 12.08 in Q3

**TCS CEO and MD, N Chandrasekaran said:** "Sharp focus on our strategy with rigorous execution discipline has helped us capture volumes, defend our margins and deliver another stellar quarter. Demand environment continues to be strong and we are focused on helping our customers become more efficient and plan for growth." **He added:** "With clients' focused on transforming their businesses and become globally competitive in this dynamic macro environment, we are optimistic that demand for our solutions will continue to be strong going forward."

**S. Mahalingam, Chief Financial Officer, said:** "Our ongoing outperformance has been the result of a sustained effort from all operating teams to focus on growth with profitability. As we grow in size, we will have more levers at hand to combat headwinds and maintain our profitability while continuing to grow." **He added:** "We continue to live with currency volatility and have leveraged our cost management ability to deliver on margins."

Growth was led by the developed markets like the United States and Europe with strong contributions from Asia Pacific and Middle East and Africa. The portfolio of industries has shown strong growth. In terms of services, TCS' full services capabilities continue to be leveraged by customers with our new service lines like Assurance and Infrastructure Services growing at a fast clip.

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**Key Wins**

- Selected by a large global professional services firm in a multi-million, multi-year ADM and Infrastructure Services deal.
- Selected by a leading pharmaceutical and healthcare company as a strategic partner in a multi-million dollar, multi-year deal for KPO services in Clinical Development.
- Signed a multi-year contract for providing application and infrastructure management services for a leading financial services firm based in UK and help the client create a 24X5 capability across different time zones.
- Signed a multi-year agreement with a global hospitality leader to help accelerate and enhance its worldwide technology strategy as part of its Worldwide Innovation Collaborative.
- Signed a multi-year, multi-million agreement with a global Top 10 airline for Application Maintenance & Support of its critical customer-centric applications.
- Partnered with a leading Indian private sector bank launch an online trading platform with TCS providing end to end services including consulting and implementation of its TCS BaNCS securities trading and securities processing solutions.
- Selected by a large integrated telecom service provider in Middle East as its long term managed services provider for IT operations including IT infrastructure and application areas in a multi-year, multi-million deal.
- Selected as the technology service provider by a leading Indian bank to provide banking services in un-banked areas enabling its reach to cover 1000+ branches in its five Regional Rural Banks over the next nine months.

**Innovation and Intellectual Property:**

During this quarter the company has been granted 3 patents. As of 31 December 2010, the company has applied for 413 patents and has been granted 67 patents.

**Global Network Delivery Model™**

Offshore revenues were up by 30 basis points at 51.4 %, while revenues from non-Indian GNDM centers were at 4.9 %.

**TCS BANCS™**

The company's portfolio of financial products under the umbrella brand of TCS BANCS continued to exhibit strong double digit growth. The company won six engagements in core banking, capital markets and insurance segments across markets. In addition four product installations went live during the quarter, including the multi-country core banking roll-out for a large European-HQ global bank.

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**PRESS RELEASE****Human Resources**

Utilization in Q3 FY11 remained at 83.8 % (excluding trainees) & 77.1 % (including trainees). The attrition rate in Q3 for IT Services was 13.2 % (LTM), BPO: 24.7% (LTM) while overall attrition was at 14.4%. At the end of Q3, the total employee strength of the company was 186,914. Non Indian nationals formed 6.8% of the total employee base and 31% were women.

“We have welcomed the highest ever number of new TCSers in a single quarter with a gross addition of 20,219 employees as we continued to support the company’s strong growth and business pipeline,” **said Ajoy Mukherjee, Vice President, Head, Global Human Resources.** “Given the strength of business demand, we have exceeded the hiring target we had set for this fiscal year.”

**Awards and Recognition**

TCS was listed in Forbes' sixth annual 'Asia's Fabulous 50 companies'. The company was conferred 'Most Admired IT Company of the Year' award by Bloomberg UTV in 2010. TCS won a Certificate of Commendation for Significant Achievement for Large Businesses at CII-ITC Sustainability Awards 2010. In the US, it was selected as the winner of the Delaware Valley HR Department of the Year 2010 Awards in two categories. It also won US-based Workforce Management's Optimas Award for 'General Excellence' - the first time that an overseas company has received this honour. TCS was a winner of the First Annual Global Most Admired Knowledge Enterprises (MAKE) Awards for Individual Operating Units. It has also been conferred the Asian and the Indian MAKE awards for the sixth time.

**About Tata Consultancy Services Ltd (TCS)**

Tata Consultancy Services is an IT services, business solutions and outsourcing organization that delivers real results to global businesses, ensuring a level of certainty no other firm can match. TCS offers a consulting-led, integrated portfolio of IT and IT-enabled services 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 186,500 of the world's best trained IT consultants in 42 countries. The Company generated consolidated revenues of US \$ 6.3 billion for fiscal year ended 31 March, 2010 and is listed on the National Stock Exchange and Bombay Stock Exchange in India. For more information, visit us at [www.tcs.com](http://www.tcs.com).

**For more information please contact:**

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