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**PRESS RELEASE**

## Solid Fourth Quarter Crowns Strong Annual Performance

FY10 Revenues at Rs 30,029 crore; up 8% Y-o-Y

FY10 Net Profit at Rs 7,001 crore; up 33% Y-o-Y

Q4 Net Profit at Rs 2,001 cr up 50.1 % Y-on-Y and 9.7% Q-on-Q

**MUMBAI, April 19, 2010:** Tata Consultancy Services (BSE: TCS.BO, NSE: TCS.NS), the leading IT services, business solutions and outsourcing firm reported its consolidated financial results according to Indian GAAP for the quarter and financial year ended March 31, 2010.

Highlights for Financial Year 2009-10	Highlights for Fourth Quarter 2009-10
<b>Shareholder Highlights</b> <ul style="list-style-type: none"> <li>FY10 EPS at Rs 35.67</li> <li>Total FY10 Dividend at Rs 20 per share including Rs 4 as Final Dividend and <b>Rs 10 per share as Special Dividend</b> (proposed)</li> <li>Total Dividend Payout Ratio at 65.6%</li> </ul> <b>Business Highlights:</b> <ul style="list-style-type: none"> <li>Volume growth at 17%</li> <li>FY10 Operating Profits at Rs 8,018 cr up 21.91%; Operating Margins up 304 basis points at 26.7%</li> <li>Net Profits at Rs 7,001 crore up 33%; Net Margin up 441 basis points at 23.3%</li> <li>Gross addition of 38,063 professionals; net addition of 16,668 professionals</li> <li>Total employee strength: 160,429</li> </ul>	<ul style="list-style-type: none"> <li><b>Q4 Revenues</b> at Rs 7,738 crore up 7.9% Y-on-Y and 1.17% Q-on-Q</li> <li><b>Volume Growth</b> at 4.0%</li> <li><b>Operating Profits</b> at Rs 2,165 crore up 29.1 % Y-on-Y; 3.0% Q-on-Q; OPM up 51 bp sequentially at 28.0%</li> <li><b>Net Profits</b> at Rs 2,001 crore up 50.1 % Y-on-Y and 9.7% Q-on-Q; Net margin up 201 bp sequentially at 25.9%</li> <li><b>Largest ever organic gross addition</b> of 16,851 professionals in Q4</li> <li><b>Net addition</b> of 10,775 employees</li> <li><b>Attrition rate</b> at 11.8 % LTM</li> <li><b>Utilisation Rate</b> (excl trainees): 81.8 %</li> <li>Utilisation Rate (incl trainees): 74.3 %</li> <li><b>EPS</b> at Rs. 10.15 in Q4 from Rs. 9.3 in Q3</li> </ul>

**N. Chandrasekaran, CEO and MD said:** "Our ability to react to growth opportunities and execute efficiently has helped TCS deliver a superior performance for the fourth successive quarter. Our volumes have grown and our margins are at near historic highs."

Commenting on the stellar performance in 2009-10, **Mr Chandrasekaran said:** "Strong volume growth of 17 per cent during the year has rounded off an exceptional year for TCS. Our sales and execution machine is primed and we have laid a solid platform for growth. There is significant traction for our strategy of full services which together with our global engagement model positions us well for accelerated growth."

## TATA CONSULTANCY SERVICES

**S. Mahalingam, Chief Financial Officer and Executive Director, said:** "In the fourth quarter, our focus on superior project execution and efficient utilisation of experienced professionals have helped deliver a superior gross margin performance despite strong currency headwinds. Sustained cost efficiencies and treasury management have also helped improve operating margins and net margins sequentially."

"While FY10 has been a challenging year, we have used this time to improve efficiencies and generate better returns by boosting margins. Our cost base has remained constant and we have leveraged this to support higher business growth. Looking ahead, we will continue our focus on managing costs and efficiencies while ensuring that investments are aligned to capture growth opportunities that emerge across the spectrum," **Mr Mahalingam added.**

### Talent Management Update:

"In FY10, we have been through an entire business cycle where controlled hiring in the first two quarters gave way to rapid recruitment in the last two quarters. We have made 20,000 campus offers for FY 11," **said Ajoy Mukherjee, Vice President, Head, Global Human Resources.** "Our initiatives to provide a holistic professional career for our employees has helped keep attrition rates stable," **he added.**

Attrition rates continued to be stable at 11.8% on a LTM basis. Overseas nationals formed over 10,700 or 6.7% of the total employee base with employees from 80 different nationalities. The average age of a TCS employee is 28 yrs; 57% of the workforce has more than 3 yrs experience; and 30% of our workforce are women.

### Key Wins:

- A European government agency awarded TCS a \$500M plus contract to be the administrator for their pension scheme. This full services deal leverages offerings across TCS Financial Solutions, BPO, Remote infrastructure management and IT services.
- In a multi-year deal worth over USD 100M, a leading global electronics conglomerate has chosen TCS as the strategic partner for end to end infrastructure services including business transformation.
- World's leading cruise operator has selected TCS as the IT partner of choice across the group.
- A US based commercial insurance company selected TCS as its IT transformation partner to shift to a Managed Services operating model across all its IT operations.
- A European headquartered, financial services company selected TCS as a Tier - 1 partner to support its strategic objectives on ITO, Infrastructure, BPO and KPO across their global locations.
- TCS has signed a multi million, multi-year deal with a global telecommunications provider for its European operations for managing their enterprise products in voice and data for their world-wide customer installed base.
- TCS was awarded a multi-year IT Infrastructure management contract from a leading renewable energy company in Asia Pacific
- An leading global manufacturer of power systems has selected TCS to be their Engineering Services partner for product development and research services
- A leading retailer in North America has awarded TCS a multi-million dollar contract to streamline operations and drive efficiencies across its portfolio of applications

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