

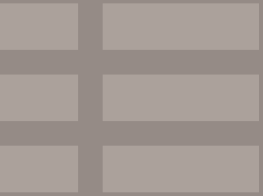


Results for Quarter II FY 2012 - 13

19th Oct 2012

Disclaimer

Certain statements in this release concerning our future prospects are forward-looking statements. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. These risks and uncertainties include, but are not limited to our ability to manage growth, intense competition among Indian and overseas IT services companies, various factors which may affect our cost advantage, such as wage increases or an appreciating Rupee, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which TCS has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. TCS may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.



Highlights

Q2 FY13 Performance Highlights

➤ Revenue:

- INR Revenue of **₹156,208 Mn**, growth of **5.1% QoQ** and **34.3% YoY**
- USD Revenue of **\$2,853 Mn**, growth of **4.6% QoQ** and **13.0% YoY**
- Constant currency revenue growth of **4.8%**, volume growth of **4.9% QoQ**

➤ Profit:

- Operating Income at **₹ 41,789 Mn**, Operating Margin of **26.8%**
- Net Income at **₹ 35,123 Mn**, Net Margin of **22.5%**

➤ Demand:

- **41** new clients added during the quarter; Active clients: **1041**
- Strong deal closures; **11** large deals signed across verticals

➤ People:

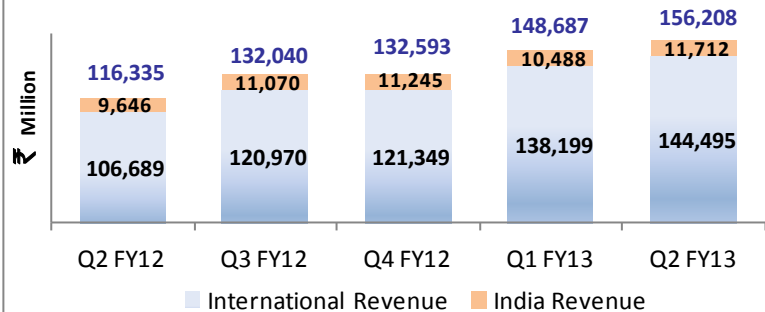
- Gross addition of **18,654** associates, closing headcount: **254,076**
- Utilization at **81.6%** (ex-trainees) and **72.8%** (including trainees)
- Employee retention continues to be best in industry; LTM Attrition (IT Services) at **10.2%**



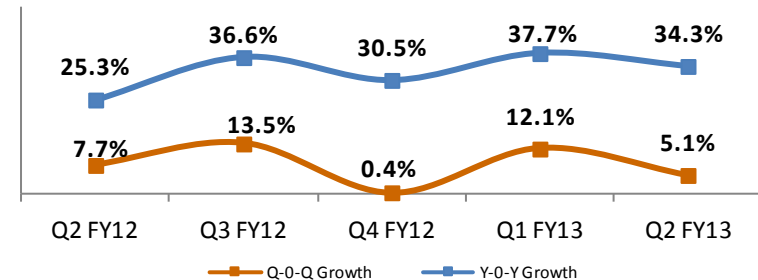
Financial Performance

IFRS Revenue Growth

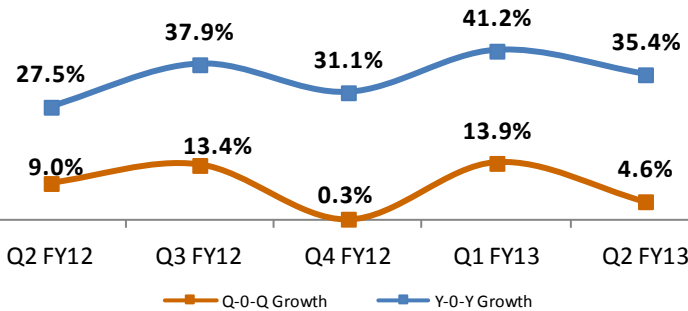
Revenue Mix



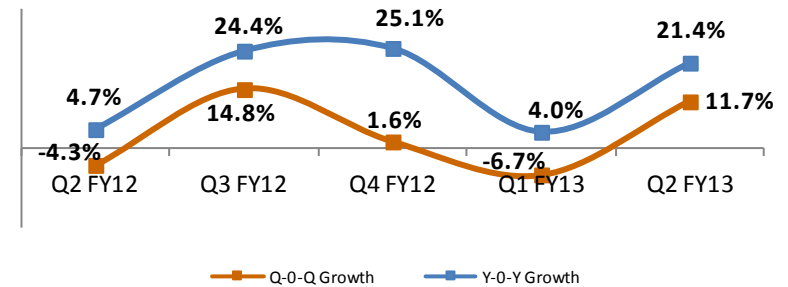
Revenue Growth



International Revenue

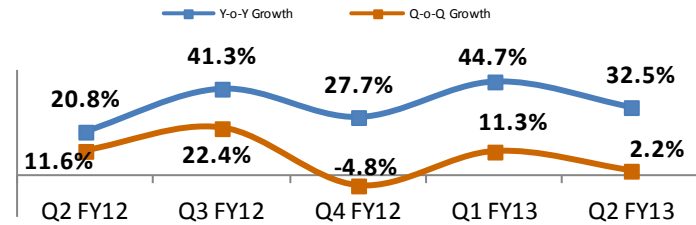
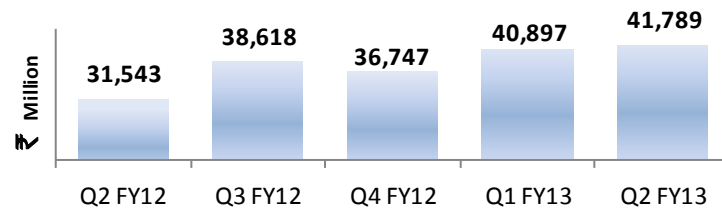


India Revenue

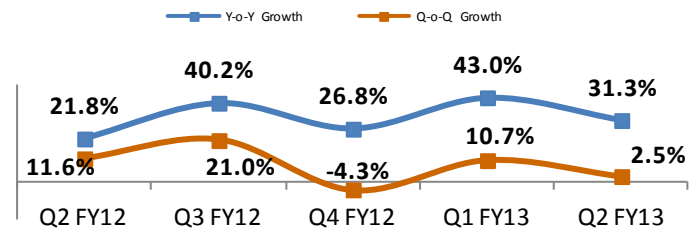
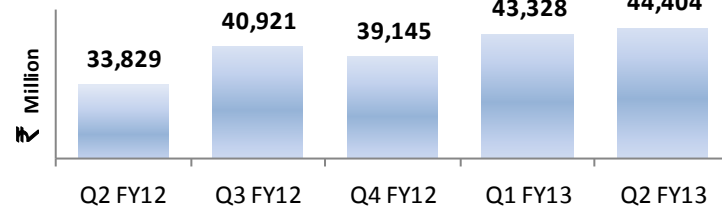


IFRS Income Summary (INR)

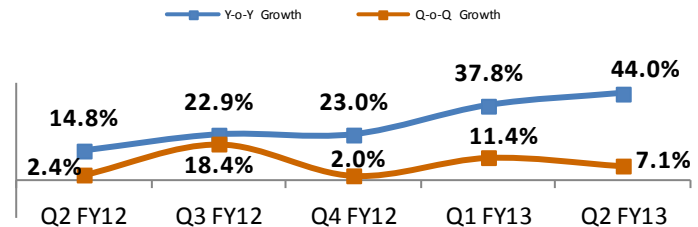
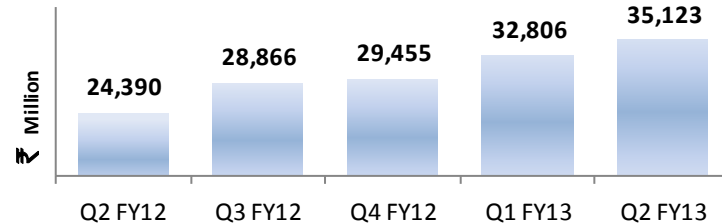
Operating Income



EBITDA

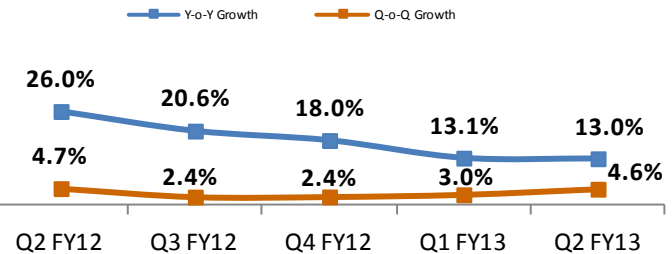
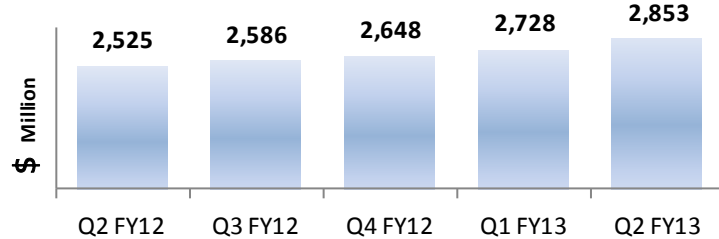


Net Income

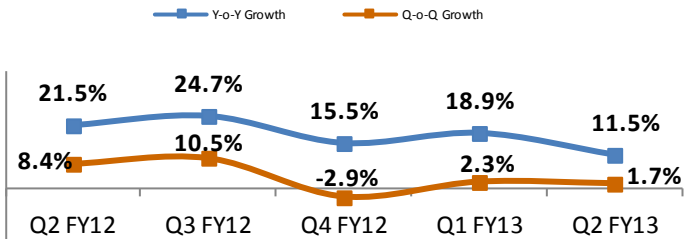
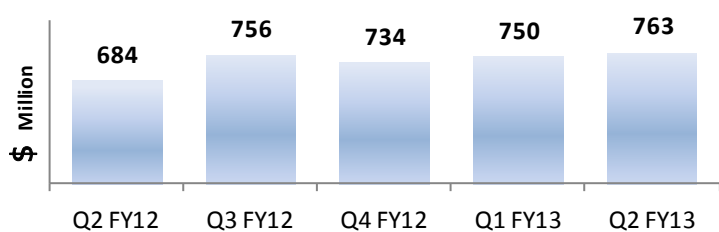


IFRS Summary (USD)

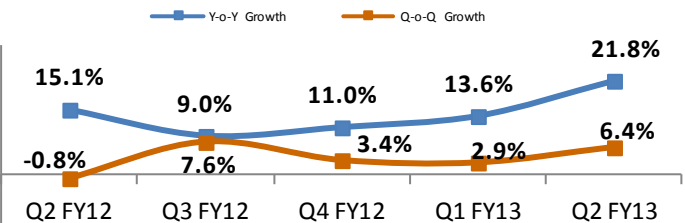
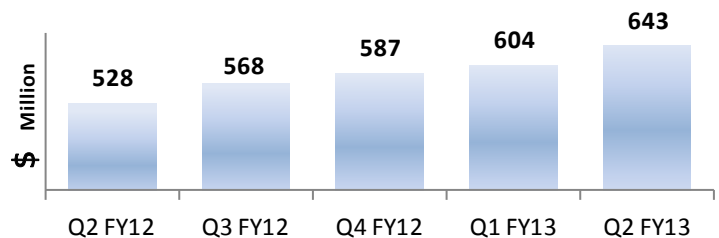
Revenue



Operating Income



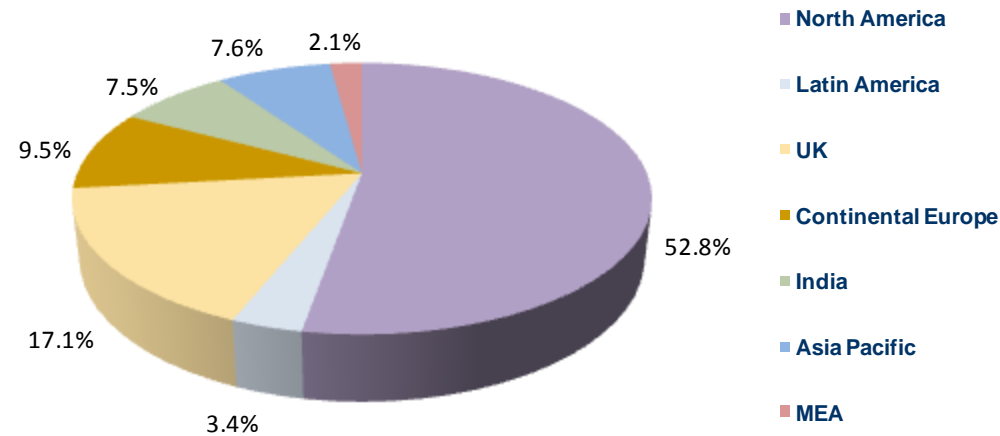
Net Income



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Operational Performance

Growth by Market

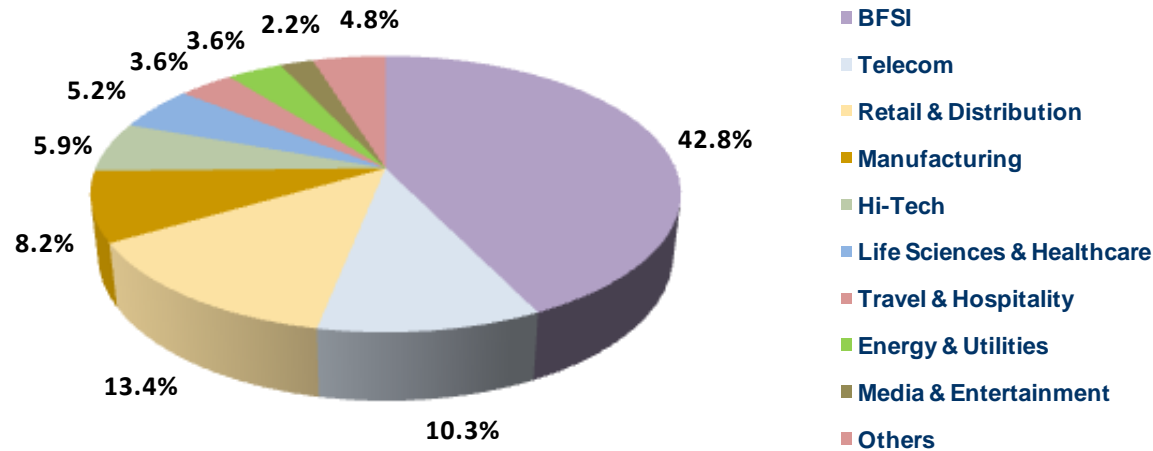


Geography (%)	Q2 FY13	Q1 FY13	Q-o-Q Growth	Q2 FY12	Y-o-Y Growth
Americas					
North America	52.8	53.5	3.6	53.4	32.7
Latin America	3.4	3.3	8.3	3.0	51.1
Europe					
UK	17.1	17.0	5.7	15.5	47.4
Continental Europe	9.5	9.6	4.7	10.1	27.3
India	7.5	7.1	11.7	8.3	21.4
Asia Pacific	7.6	7.4	7.3	7.5	35.9
MEA	2.1	2.1	4.9	2.2	32.1
Total	100.0	100.0	5.1	100.0	34.3

Growth in INR terms

Note: The growth rates reported here are based on actual revenues in INR. Calculating growth using the % Rev figures might result in some variance due to rounding error.

Growth by Domain

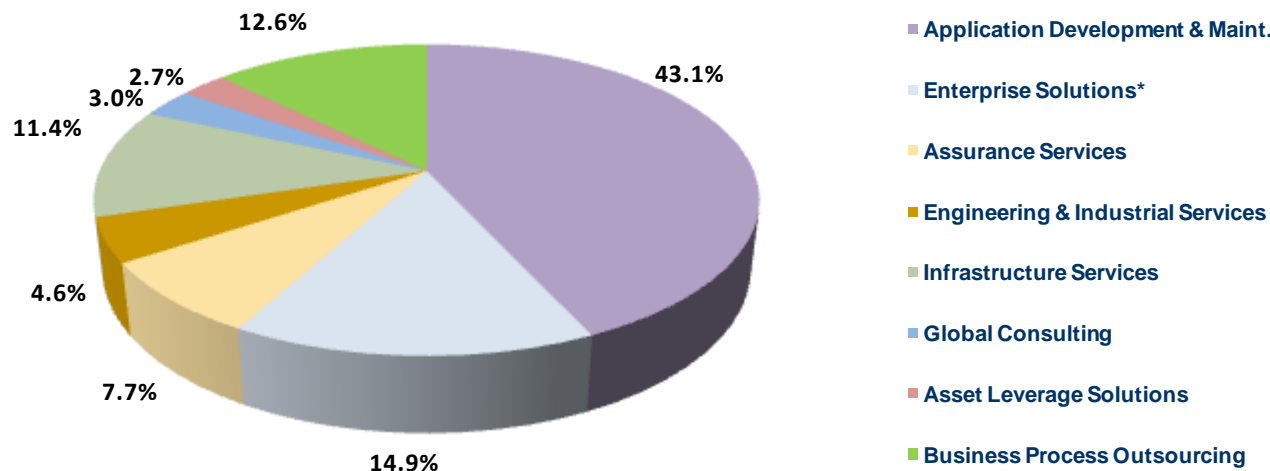


IP Revenue (%)	Q2 FY13	Q1 FY13	Q-o-Q Growth	Q2 FY12	Y-o-Y Growth
BFSI	42.8	43.0	4.7	43.5	31.7
Telecom	10.3	10.3	5.2	10.7	28.8
Retail & Distribution	13.4	13.2	7.0	12.1	48.3
Manufacturing	8.2	7.9	9.5	7.8	42.5
Hi-Tech	5.9	6.0	3.6	5.9	35.6
Life Sciences & Healthcare	5.2	5.3	1.8	5.3	32.1
Travel & Hospitality	3.6	3.7	3.2	3.8	27.2
Energy & Utilities	3.6	3.6	2.8	4.3	12.6
Media & Entertainment	2.2	2.2	4.4	2.1	44.2
Others	4.8	4.8	4.5	4.5	43.1
Total	100.0	100.0	5.1	100.0	34.3

Growth in INR terms

Note: The growth rates reported here are based on actual revenues in INR. Calculating growth using the % Rev figures might result in some variance due to rounding error.

Growth by Service Line



SP Revenue (%)	Q2 FY13	Q1 FY13	Q-o-Q Growth	Q2 FY12	Y-o-Y Growth
IT Solutions and Services					
Application Development & Maint.	43.1	43.4	4.4	44.7	29.5
Enterprise Solutions*	14.9	15.2	3.1	15.8	27.3
Assurance Services	7.7	7.6	7.1	7.6	36.4
Engineering & Industrial Services	4.6	4.6	5.5	4.8	28.0
Infrastructure Services	11.4	10.6	12.6	9.6	58.8
Global Consulting	3.0	2.8	13.0	2.6	56.6
Asset Leverage Solutions	2.7	2.8	-1.5	4.0	-11.7
Business Process Outsourcing	12.6	13.0	1.6	10.9	55.5
Total	100.0	100.0	5.1	100.0	34.3

* Includes Business Intelligence
Growth in INR terms

Note: The growth rates reported here are based on actual revenues in INR. Calculating growth using the % Rev figures might result in some variance due to rounding error.

Client Parameters

	Q2 FY13	Q1 FY13
Clients Contribution *		
Revenue %		
Top 1	6.5	6.7
Top 5	18.4	18.8
Top 10	25.6	26.5
US\$ 1 mIn Clients	538	527
US\$ 5 mIn Clients	269	259
US\$ 10 mIn Clients	182	175
US\$ 20 mIn Clients	108	105
US\$ 50 mIn Clients	45	46
US\$ 100 mIn Clients	14	14

* Last Twelve Months

Operational Parameters

Revenue %	Q2 FY13	Q1 FY13
Delivery Location*		
Onsite	45.8	44.7
GDC/RDC	5.1	4.8
Offshore	49.1	50.5
Contract Type		
Time & Material	53.2	53.2
Fixed Price & Time	46.8	46.8

* Excluding Domestic Clients

Client Acquisition and Expansion

Particulars	Q2 FY13	Q1 FY13
Active Clients	1,041	1,032
New Clients	41	29
Revenue %from Repeat Business	99.0	99.7
Revenue %from New Business *	1.0	0.3

* Reset at the beginning of Financial Year

Key Wins

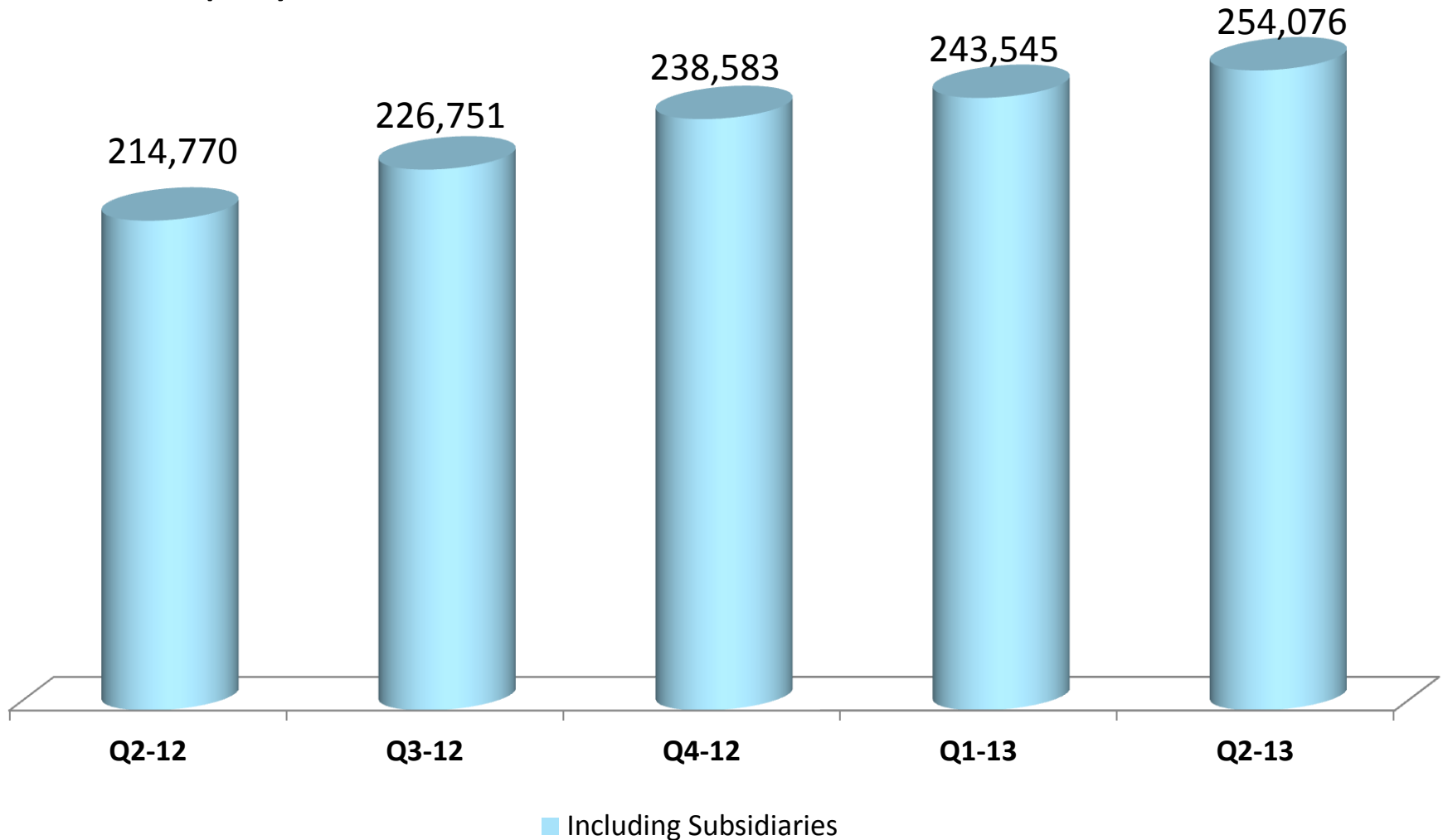
- TCS has signed a managed services contract with a US based largest electronic retailer to outsource their infrastructure services covering Data Center (DC), Distributed Network Services (DNS), Monitoring & Event Management (MEM) and User Communication Services (UCS) across USA, Canada and Mexico.
- TCS has been selected by a leading European Home Improvement Retailer to manage their Application portfolio across UK and Continental Europe.
- In order to provide better Customer experience and agility, a UK based Telecom service provider selected TCS as a partner in a multi year deal for providing managed services support across infrastructure, application systems and business processes.
- TCS has been awarded a multi-million dollar, multi-year contract with an European Government Department.
- TCS has been selected for a multi-year, multi-million dollar Policy systems Transformation deal for a large insurance and financial services firm in North America. TCS will provide consulting and system integration services for the personal lines policy administration system implementation.
- A large US multinational Financial Services Corporation has selected TCS as a Strategic Partner to provide Financial Services expertise and Global IT delivery capability.
- TCS has been chosen as the strategic partner of an Australian Bank, to transform their core systems. TCS will provide services around development, integration, migration and testing in this large project which will enhance Customer engagement and go to market capabilities.
- A global leader in Gas exploration awarded a multi-million, multi-year deal to TCS as their only partner to provide consulting , application management and service integration for their core business processes.
- A Green Field Telecom Operator from ASEAN region has chosen TCS as its transformation partner for BSS Implementation & Integration Services.

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Human Resources

Total Employee Base

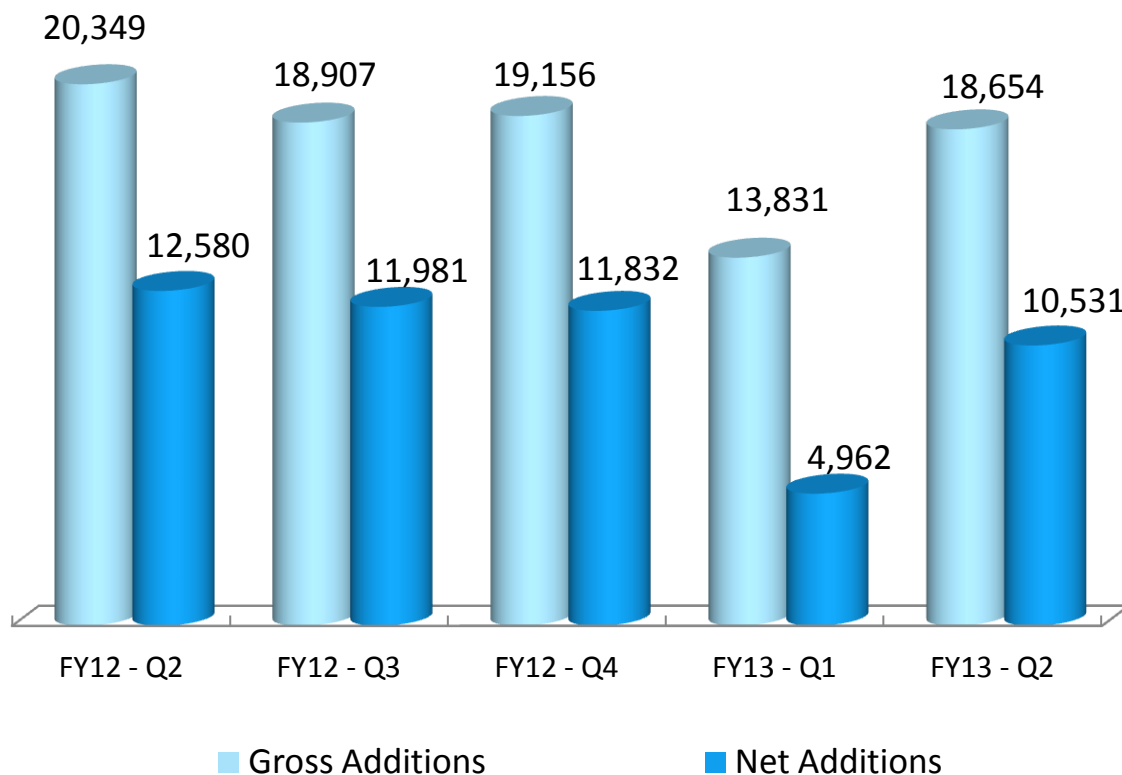
Total Employees : 254,076



Q2 Consolidated - Gross Additions 18,654 & Net Additions 10,531

Gross Additions:

- 10,205 Trainees & 5,764 Laterals in India
- 2,685 employees overseas



Attrition*:

- 11.4% (LTM), including BPO
- IT Services: 10.2% (LTM)
- BPO: 20.9% (LTM)

Utilization Rate*:

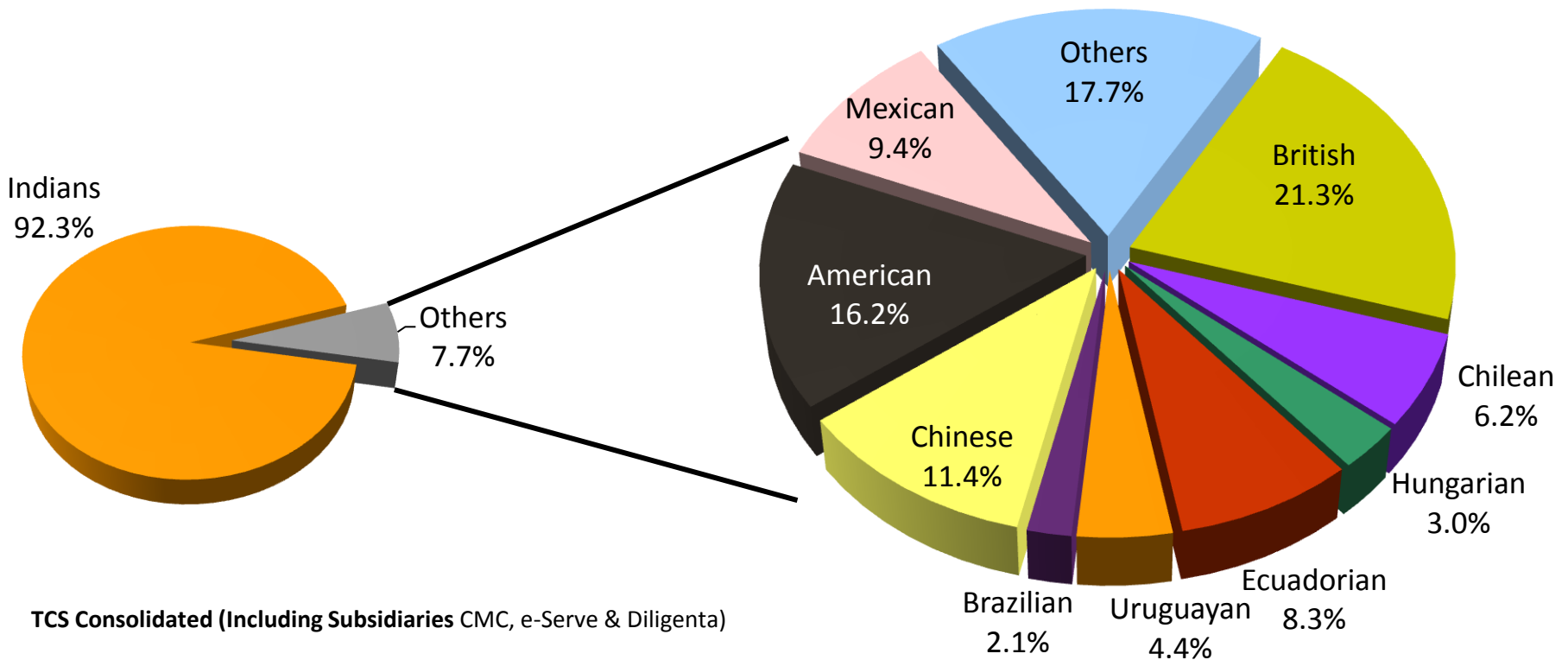
- 81.6% (excluding Trainees)
- 72.8% (including Trainees)

* Excluding Subsidiaries: CMC, e-Serve & Diligenta

Diversity

- 31.7% of our workforce are women
- 60% of our associates have more than 3 years of work experience
- Associates from 108 nationalities

Composition of International Workforce (Consolidated)



TCS Consolidated (Including Subsidiaries CMC, e-Serve & Diligenta)

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Annexure

Indian GAAP Income Statement - Consolidated

Consolidated Indian GAAP	₹ Crore			% of Revenue		
	Q2 FY13	Q1 FY13	Q2 FY12	Q2 FY13	Q1 FY13	Q2 FY12
INCOME						
a) IT & Consultancy Services	15,188	14,521	11,296	97.23	97.66	97.10
b) Manufacturing, Sale of equipment and Licences	433	348	337	2.77	2.34	2.90
Total Income	15,621	14,869	11,633	100.00	100.00	100.00
EXPENDITURE						
a) Salaries & Wages	5,947	5,707	4,501	38.07	38.38	38.69
b) Overseas business expenditure	2,182	2,063	1,649	13.97	13.87	14.17
c) Other operating expenses	3,053	2,775	2,099	19.55	18.67	18.05
Total Expenditure	11,182	10,545	8,249	71.59	70.92	70.91
Profit Before Interest, Depreciation, Taxes & Other Income	4,439	4,324	3,384	28.41	29.08	29.09
Interest	15	6	9	0.10	0.04	0.08
Depreciation	266	247	232	1.70	1.66	1.99
Profit Before Taxes & Other Income	4,158	4,071	3,143	26.61	27.38	27.02
Other income (expense), net	328	186	123	2.11	1.25	1.05
Profit Before Taxes	4,486	4,257	3,266	28.72	28.63	28.07
Provision For Taxes	1,016	899	938	6.51	6.05	8.06
Profit After Taxes & Before Minority Interest	3,470	3,358	2,328	22.21	22.58	20.01
Minority Interest	36	40	27	0.22	0.26	0.23
Net Profit	3,434	3,318	2,301	21.99	22.32	19.78

Indian GAAP Balance Sheet - Consolidated

Consolidated Indian GAAP	₹ Crore		%	
	30-Sep-12	31-Mar-12	30-Sep-12	31-Mar-12
Source of Funds				
Shareholders' Funds	35,176	29,579	95.32	95.59
Minority Interest	616	559	1.67	1.81
Loan Funds	287	116	0.78	0.38
Deferred Tax Liability	212	173	0.58	0.56
Non Current Liabilities	611	515	1.65	1.66
Total Liabilities	36,902	30,942	100.00	100.00
Application of Funds				
Fixed Assets (net)	7,151	6,565	19.38	21.22
Goodwill	3,709	3,543	10.05	11.45
Deferred Tax Asset	270	256	0.73	0.83
Investments	1,784	1,350	4.83	4.36
<i>Cash and Bank Balance</i>	7,038	5,813	19.07	18.79
<i>Current Assets, Loans and Advances</i>	19,129	16,473	51.84	53.24
<i>Current Liabilities and Provisions</i>	8,462	10,452	22.93	33.79
Net Current Assets	17,705	11,834	47.98	38.24
Non Current Assets	6,283	7,394	17.03	23.90
Total Assets	36,902	30,942	100.00	100.00

IFRS Income Statement

Consolidated IFRS	₹ Million			% of Revenue		
	Q2 FY13	Q1 FY13	Q2 FY12	Q2 FY13	Q1 FY13	Q2 FY12
Revenue	156,208	148,687	116,335	100.00	100.00	100.00
Cost of revenue	85,377	80,012	63,716	54.66	53.81	54.77
Gross margin	70,831	68,675	52,619	45.34	46.19	45.23
SG & A expenses	29,042	27,778	21,076	18.59	18.68	18.12
Operating income	41,789	40,897	31,543	26.75	27.51	27.11
Other income (expense), net	3,103	1,754	997	1.99	1.17	0.86
Income before income taxes	44,892	42,651	32,540	28.74	28.68	27.97
Income taxes	9,443	9,457	7,913	6.05	6.36	6.80
Income after income taxes	35,449	33,194	24,627	22.69	22.32	21.17
Minority interest	326	388	237	0.21	0.26	0.20
Net income	35,123	32,806	24,390	22.48	22.06	20.97
Earnings per share in ₹	17.95	16.76	12.46			

COR – SG&A Details

COR	₹ Million			% of Revenue		
	Q2 FY13	Q1 FY13	Q2 FY12	Q2 FY13	Q1 FY13	Q2 FY12
Employee cost	60,008	57,014	45,574	38.42	38.34	39.17
Fees to external consultants	8,321	7,778	5,166	5.33	5.23	4.44
Equipment & software	3,741	2,901	2,807	2.39	1.95	2.41
Depreciation	1,622	1,524	1,575	1.04	1.02	1.35
Travel	2,238	2,216	1,858	1.43	1.49	1.60
Communication	1,478	1,287	1,154	0.95	0.87	1.00
Facility expenses	3,376	3,398	3,049	2.16	2.29	2.62
Other expenses	4,594	3,894	2,533	2.94	2.62	2.18
Cost of Revenue	85,377	80,012	63,716	54.66	53.81	54.77

SGA	₹ Million			% of Revenue		
	Q2 FY13	Q1 FY13	Q2 FY12	Q2 FY13	Q1 FY13	Q2 FY12
Employee cost	19,211	18,583	14,248	12.30	12.50	12.25
Fees to external consultants	915	809	667	0.59	0.54	0.57
Provision for Doubtful Debts	111	203	(32)	0.07	0.14	(0.03)
Depreciation	993	907	711	0.64	0.61	0.61
Facility expenses	2,379	2,165	1,750	1.52	1.45	1.50
Travel	1,825	1,738	1,330	1.17	1.17	1.14
Communication	573	582	438	0.37	0.39	0.39
Education, Recruitment and training	676	620	584	0.43	0.42	0.50
Marketing and Sales promotion	707	613	516	0.44	0.41	0.45
Other expenses	1,652	1,558	864	1.06	1.05	0.74
S G & A expenses	29,042	27,778	21,076	18.59	18.68	18.12

IFRS Balance Sheet

Consolidated IFRS	30-Sep-12		31-Mar-12	
	₹ Million	%	₹ Million	%
Assets				
Property and equipment	71,550	15.91	64,549	15.67
Intangible assets and Goodwill	35,015	7.79	34,973	8.49
Accounts Receivable	126,031	28.03	115,023	27.91
Unbilled Revenues	31,323	6.97	22,478	5.46
Investments	19,337	4.30	14,783	3.59
Cash and Cash equivalents	20,070	4.46	19,936	4.84
Other current assets	84,382	18.77	65,280	15.84
Other non current assets	61,889	13.77	75,027	18.20
Total assets	449,597	100.00	412,049	100.00
Liabilities and Shareholders' Equity				
Shareholders' Funds	350,501	77.96	325,447	78.98
Redeemable Preference Shares	1,000	0.22	1,000	0.24
Long term borrowings	1,184	0.26	1,154	0.28
Short term borrowings	1,844	0.41	112	0.03
Other current liabilities	77,192	17.17	67,956	16.49
Other non-current liabilities	12,096	2.69	11,105	2.70
Minority Interest	5,780	1.29	5,275	1.28
Total Liabilities	449,597	100.00	412,049	100.00

IFRS Income Statement – In USD

Consolidated IFRS	\$ Million			% of Revenue		
	Q2 FY13	Q1 FY13	Q2 FY12	Q2 FY13	Q1 FY13	Q2 FY12
Revenue	2,853	2,728	2,525	100.00	100.00	100.00
Cost of revenue	1,559	1,468	1,383	54.66	53.81	54.77
Gross margin	1,294	1,260	1,142	45.34	46.19	45.23
SG & A expenses	531	510	458	18.59	18.68	18.12
Operating income	763	750	684	26.75	27.51	27.11
Other income (expense), net	57	33	22	1.99	1.19	0.86
Income before income taxes	820	783	706	28.74	28.70	27.97
Income taxes	170	172	172	5.98	6.30	6.83
Income after income taxes	650	611	534	22.76	22.40	21.14
Minority interest	7	7	6	0.24	0.26	0.24
Net income	643	604	528	22.52	22.14	20.90
Earnings per share in \$	0.33	0.31	0.27			

COR – SG&A Details – In USD

COR	\$ Million			% of Revenue		
	Q2 FY13	Q1 FY13	Q2 FY12	Q2 FY13	Q1 FY13	Q2 FY12
Employee cost	1,096	1,046	989	38.42	38.34	39.17
Fees to external consultants	152	143	112	5.33	5.23	4.44
Equipment & software	68	53	61	2.39	1.95	2.41
Depreciation	29	28	34	1.04	1.02	1.35
Travel	41	41	41	1.43	1.49	1.61
Communication	27	24	25	0.95	0.87	0.99
Facility expenses	62	62	66	2.16	2.29	2.62
Other expenses	84	71	55	2.94	2.62	2.18
Cost of Revenue	1,559	1,468	1,383	54.66	53.81	54.77

SGA	\$ Million			% of Revenue		
	Q2 FY13	Q1 FY13	Q2 FY12	Q2 FY13	Q1 FY13	Q2 FY12
Employee cost	351	341	309	12.30	12.50	12.25
Fees to external consultants	17	15	15	0.59	0.54	0.57
Provision for Doubtful Debts	2	4	(1)	0.07	0.14	(0.03)
Depreciation	18	17	15	0.64	0.61	0.61
Facility expenses	44	40	38	1.52	1.46	1.50
Travel	33	32	29	1.17	1.17	1.14
Communication	11	11	10	0.37	0.39	0.38
Education, Recruitment and training	12	11	13	0.43	0.42	0.50
Marketing and Sales promotion	13	11	11	0.44	0.41	0.44
Other expenses	30	28	19	1.06	1.04	0.76
S G & A expenses	531	510	458	18.59	18.68	18.12

IFRS Balance Sheet in USD

Consolidated IFRS	30-Sep-12		31-Mar-12	
	\$ Million	%	\$ Million	%
Assets				
Property and equipment	1,361	15.91	1,267	15.67
Intangible assets and Goodwill	666	7.79	687	8.49
Accounts Receivable	2,397	28.03	2,258	27.92
Unbilled Revenues	596	6.97	441	5.46
Investments	368	4.30	290	3.59
Cash and Cash equivalents	382	4.46	391	4.84
Other current assets	1,605	18.77	1,282	15.83
Other non current assets	1,177	13.77	1,473	18.20
Total assets	8,552	100.00	8,089	100.00
Liabilities and Shareholders' Equity				
Shareholders' Funds	6,667	77.96	6,389	78.98
Redeemable Preference Shares	19	0.22	20	0.24
Long term borrowings	23	0.26	23	0.28
Short term borrowings	35	0.41	2	0.03
Other current liabilities	1,468	17.17	1,334	16.49
Other non-current liabilities	230	2.69	218	2.70
Minority Interest	110	1.29	103	1.28
Total Liabilities	8,552	100.00	8,089	100.00

Currency mix and average realized rates in INR

Currency	Average rates		% of Revenue	
	Q2 FY13	Q1 FY13	Q2 FY13	Q1 FY13
USD	54.76	54.50	58.88%	59.36%
GBP	87.04	85.89	14.94%	14.65%
EUR	68.84	69.92	6.25%	6.96%
Others			19.93%	19.03%
			100.00%	100.00%



Thank You

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