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Ind-AS & IFRS INR ₹

Broad-based Growth across Markets marks Steady FY17

- Annual FY17 revenues at ₹ 117,966 crore; up 8.6%;
- Annual FY17 CC Growth: 8.3%; FY17 Volume Growth: 8.5%
- Annual FY17 Net Profit at ₹26,289 crore; up 8.6% Y-o-Y
- Annual FY17 Cash Flow from Operations at ₹26,992 crore; up 15.4% Y-o-Y
- FY17 Q4 Revenues at ₹29,642 crore up 4.2% Y-on-Y and (0.3)% Q-o-Q
- FY17 Q4 Net Profit at ₹6,608 crore up 4.2% Y-on-Y and (2.5)% Q-on-Q

MUMBAI, April 18, 2017: Tata Consultancy Services (TCS), (BSE: 532540, NSE: TCS), announced its consolidated financial results according to Ind-As and IFRS for the quarter and financial year ended March 31, 2017.

- Digital revenues at \$ 3 billion for FY17; growing at 29% Y-o-Y
- 200,000+ TCSers gained 500,000+ new Digital competencies in FY17

Annual Highlights for 2016-17	Q4 Highlights for 2016-17
- Operating Profits at ₹ 30,324 cr; up 5.3% - Operating Margin at 25.7 % - Healthy Client Revenue Metrics: Clients in \$50M+ band increased by 11 Clients in \$20M+ band increased by 17 Clients in \$10M+ band increased by 12 - Gross Addition: 78,912 employees - Net addition: 33,380 employees - FY17 EPS at ₹ 133.41 - Total Dividend at ₹ 47.0 per share (including ₹ 27.50 proposed Final Dividend)	- Operating Profits at ₹ 7,627 cr; (1.4)% Q-o-Q; 2.9 % Y-o-Y - Operating Margin at 25.7 % - Volume growth at 1.7 % - Gross Addition: 20, 093 employees - Net addition: 8,726 employees - Attrition rate: 10.5% in IT services - EPS at ₹ 33.52 in Q4 from ₹ 34.40 in Q3 - Final dividend (proposed) of ₹ 27.50 per share

Commenting on FY17, Rajesh Gopinathan, CEO and MD said: “FY17 was a year of broad-based growth amidst economic and political turbulence in our key markets. We added \$1.4 billion dollars in constant currency revenues during the year and increased our digital revenues sharply as we helped our customers leverage the Digital economy. Our digital business grew at 29% annually with most industries showing double digit growth as we steadily increased the number of customers across different revenue bands.”

Mr. Gopinathan added: “Our clients are looking for integrated offerings as they advance their Cloud agenda and we have a solid pipeline of deals across markets and industries. On the back of digital adoption, Agile, Automation and Cloud are the themes that we are going to market to drive efficiencies and predictable outcomes across our clients Infrastructure, Applications and Business Operations.”

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N. Ganapathy Subramaniam, Chief Operating Officer & Executive Director, said: "Technology is driving different industries to rapidly evolve in new, uncharted ways. To stay relevant, enterprises have to go full on digital, stay agile and delight customers with a superior always-on experience. Our contextual knowledge of the customer's business combined with our Digital talent and our unparalleled execution on the ground positions us to play a strategic role to help them transform and grow."

V. Ramakrishnan, Chief Financial Officer, said: "Despite headwinds from currencies, we have ended FY17 with an industry-leading financial performance while generating strong cash flows. We continue to invest to support organic growth of our digital business, build new market segments and drive profitability in our targeted range."

The financial year 2016-17 saw broad-based growth across markets with all industry verticals except BFSI, Retail and Hi-Tech growing in double digits. All markets grew in FY17 in CC terms. Among major markets, Europe grew in double digits (13.6%) and crossed \$2 billion milestone in revenues followed by North America (7.6%) and UK (6.1%). Among growth markets, MEA (14.8%) and Latin America (14.1%) led the way while India grew at 10.1% and APAC at 5.7%.

Among service lines, Enterprise Solutions and Consulting crossed the \$3 billion and Business Process Services crossed the \$2 billion revenue milestones respectively. Driven by IoT and Industrial Internet solutions, Engineering services led the way with 17.4% growth during the year while Infrastructure Services grew at 16% followed by Assurance services with 12.5% growth and BPS with 10.4%.

Key Wins in Q4

- Selected by a large global financial services company to provide end-to-end ADM services
- Chosen by a leading global Travel Commerce Platform company as its primary technology partner to innovate and shape a superior customer experience through the power of digital technologies
- Selected by a leading European Life Sciences company to design and transform IT solutions to institutionalize an agile, replicable divestiture capability
- Chosen by a large vertically integrated Utility in North America to provide end to end Assurance services for entire IT landscape and support the mobility and analytics portfolio
- Selected by a Global Consumer Electronics major as the single strategic partner to enable digital transformation of customer experience and supply chain transformation
- Chosen by a large European Utility to simplify, innovate and digitize their application landscape to strengthen customer focus
- Selected by India's large public sector General Insurance company for its technology transformation engagement to enable faster decision making and quick time to market
- Engaged by a North American pharma company to manage its applications across the Enterprise and Manufacturing Operations
- Large APAC banking regulator selected TCS BaNCS to transform its core Banking operations and business functions

Digital

In FY17 Digital revenues grew 29% due to accelerating adoption across industries as customers looked to transform their enterprises. With our suite of products and solutions, extensive domain expertise and customer-specific contextual knowledge, TCS captured significant opportunities in Cloud, Automation, Analytics and IoT with 16.7% of total revenues (\$3 billion) coming from Digital services for FY17. At end of Q4, Digital revenues were at 17.9% with a Q-o-Q growth of 7.6%.

One key **#Digital India** initiative that was launched during Q4 was the Aadhaar Merchants Digital Payments platform to enable UID-biometric based transactions in retail outlets to help drive financial inclusion and bring

digital payments at the bottom of the pyramid using an Aadhaar number and an Aadhaar-linked bank account. The merchant initiates the transaction on the Aadhaar Pay app on his/her Android smartphone by entering the customer's Aadhaar number and the amount payable. Once the customer is authenticated using an attached fingerprint reader, the amount is debited from the customer's Aadhaar-linked bank account and credited to the merchant's bank account. Combining a low-cost front-end device backed by a secure, scalable merchant payment platform that supports all forms of payment is one solution to drive #Digital India.

Key Wins in Digital Services in Q4

- Selected by a North American biotechnology company as a strategic partner for Digital transformation
- Engaged by an APAC resources firm for workforce re-imagination and enhanced customer engagement using Artificial Intelligence
- Chosen by a North American engineering company to establish a dedicated Mobility Center of Excellence
- Chosen by a European retailer as a partner to re-imagine digital marketing program
- Chosen by a leading UK based financial services firm as technology partner for data governance
- Chosen by a North American retailer to optimize supplier collaboration systems using Artificial Intelligence
- Selected by an APAC Utility to augment and support their mobile application integration framework
- Engaged by an APAC Telco to transform user experience of Mobile applications
- Engaged by North American development bank to undertake end-to-end transformation using Cloud
- Chosen by North American industrial company to drive their Cloud transformation strategy

Innovation and Intellectual Property:

As of March 31, 2017, the company has applied for **3,359** patents, including 198 applied during the quarter. Till date the company has been granted 478 patents.

Human Resources:

The company continued to hire to support business growth and employed 387,223 professionals globally from 130 nationalities. This included 34.7% of women professionals at the end of FY17 – an all-time high. The attrition rate for IT services was 10.5% (14.7% in FY16) while overall it stood at 11.5% (15.5% in FY16) on an LTM basis. FY17 saw addition of 78,912 employees, with a net addition of 33,380 employees. In Q4, there was a total gross addition of 20,093 employees and Net addition of 8,726.

“Our focus is on upgrading the “Digital quotient” of TCSers and at the end of FY17 over 200,000 employees have been trained and have gained over 500,000 new digital competencies as well as 1.1 million certifications, said **Ajoy Mukherjee, Executive Vice President and Global Head, Human Resources**. “Our hiring patterns are also evolving with increasing number of employees being hired in different markets but also through the year through hackathons as well as gaming and coding contests.

Awards and Recognition:

Business Leadership:

- Rated as one of the world's top 3 most valuable brands in IT Services in 2017 by Brand Finance
- Recognized as a Global Top Employer by the Top Employers Institute across 27 countries.
- Received multiple awards at the Brandon Hall Group's HCM Excellence Awards 2016
- mKRISHI® won the prestigious National Contest on Social Innovation 2016
- Passport Seva Project won Express IT 2016 Award under 'Digital Citizen Solutions' category
- Recognized as one of the Best and Brightest Companies To Work For® and one of the Best and Brightest in Wellness™ by the National Association for Business Resources.
- Recognized as 'BPO Firm of the Year' at CEE Shared Services and Outsourcing Awards, Warsaw
- TCS Fit4life won People Matters League Awards Total Rewards 2017 - Best in Wellness category

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Partner:

- Awarded the "Best Supplier – IT Services" for the Year 2015 – 2016 by Infineon Technologies
- Named the Red Hat North American Partner of the Year 2016

Sustainability:

- TCS Remote Energy Management Solution wins 2016 IoT Award for Connected Building

About Tata Consultancy Services Ltd (TCS)

Tata Consultancy Services is an [IT services](#), [consulting](#) and business solutions organization that delivers real results to global business, ensuring a level of certainty no other firm can match. TCS offers a consulting-led, integrated portfolio of [IT](#), [BPS](#), [infrastructure](#), [engineering](#) and [assurance services](#). This is 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 387,000 of the world's best-trained consultants in 45 countries. The company generated consolidated revenues of US \$17.6 billion for year ended March 31, 2017 and is listed on the BSE (formerly Bombay Stock Exchange) and the NSE (National Stock Exchange) in India. For more information, visit us at www.tcs.com

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IFRS Financial Statements

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the years ended March 31, 2016 and March 31, 2017
(In millions of ₹, except per share data)

	Year ended March 31, 2016	Year ended March 31, 2017
Revenue	1,086,462	1,179,660
Cost of revenue	608,997	668,870
Gross margin	477,465	510,790
SG & A expenses	189,564	207,550
Operating income	287,901	303,240
Other income (expense), net	30,502	41,890
Income before income taxes	318,403	345,130
Income taxes	75,027	81,560
Income after income taxes	243,376	263,570
Minority interest	1,227	680
Net income	242,149	262,890
Earnings per share in ₹	123.17	133.41

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the three-month periods ended March 31, 2016, December 31, 2016 and March 31, 2017
(In millions of ₹, except per share data)

	Three-month period ended March 31, 2016	Three-month period ended December 31, 2016	Three-month period ended March 31, 2017
Revenue	284,486	297,350	296,420
Cost of revenue	160,622	168,780	166,730
Gross margin	123,864	128,570	129,690
SG & A expenses	49,745	51,240	53,420
Operating income	74,119	77,330	76,270
Other income (expense), net	9,051	11,850	9,890
Income before income taxes	83,170	89,180	86,160
Income taxes	19,702	21,040	19,940
Income after income taxes	63,468	68,140	66,220
Minority interest	56	360	140
Net income	63,412	67,780	66,080
Earnings per share in ₹	32.18	34.40	33.52

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Unaudited Condensed Consolidated Statements of Financial Position
As of March 31, 2016 and March 31, 2017
(In millions of ₹)

	As of March 31, 2016	As of March 31, 2017
Assets		
Property and equipment	117,900	117,410
Intangible assets and Goodwill	39,460	37,680
Accounts Receivable	240,730	226,840
Unbilled Revenues	39,920	53,510
Investments	228,220	419,800
Cash and Cash equivalents	62,950	35,970
Other current assets	63,750	72,580
Other non-current assets	119,200	89,740
Total Assets	912,130	1,053,530
Liabilities and Shareholders' Equity		
Shareholders' Funds	731,890	883,150
Long term borrowings	830	710
Short term borrowings	1,620	2,180
Other current liabilities	154,070	142,940
Other non-current liabilities	20,170	20,890
Minority Interest	3,550	3,660
Total Liabilities	912,130	1,053,530

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Ind AS Financial Statements

Consolidated Statement of Profit and Loss
For the Year ended March 31, 2016 and March 31, 2017
(In crores of ₹, except per share data)

	Year ended March 31, 2016	Year ended March 31, 2017
INCOME	108,646	117,966
EXPENDITURE		
a) Employee costs	55,348	61,621
b) Other operating expenses	22,621	24,034
c) Depreciation	1,888	1,987
Total Expenditure	79,857	87,642
Profit Before Taxes & Other Income	28,789	30,324
Other income (expense), net	3,051	4,189
Profit Before Taxes	31,840	34,513
Provision For Taxes	7,502	8,156
Profit After Taxes & Before Minority Interest	24,338	26,357
Minority Interest	68	68
Net Profit	24,270	26,289
Earnings per share in ₹	123.18	133.41

Consolidated Statement of Profit and Loss
For the Quarter ended March 31, 2016, December 31, 2016 and March 31, 2017
(In crores of ₹, except per share data)

	Quarter ended March 31, 2016	Quarter ended December 31, 2016	Quarter ended March 31, 2017
INCOME	28,449	29,735	29,642
EXPENDITURE			
a) Employee costs	14,423	15,275	15,692
b) Other operating expenses	6,119	6,231	5,818
c) Depreciation	495	496	505
Total Expenditure	21,037	22,002	22,015
Profit Before Taxes & Other Income	7,412	7,733	7,627
Other income (expense), net	905	1,185	989
Profit Before Taxes	8,317	8,918	8,616
Provision For Taxes	1,970	2,104	1,994
Profit After Taxes & Before Minority Interest	6,347	6,814	6,622
Minority Interest	7	36	14
Net Profit	6,340	6,778	6,608
Earnings per share in ₹	32.18	34.40	33.52

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Consolidated Balance Sheet
As at March 31, 2016 and March 31, 2017
(In crores of ₹)

	As at March 31, 2016	As at March 31, 2017
ASSETS		
Property, plant and equipment	11,775	11,645
Investments	22,822	41,980
Deferred Tax Assets (net)	2,908	2,828
Goodwill (on consolidation)	1,669	1,597
Cash and Bank Balance	6,788	4,149
Current Assets, Loans and Advances	33,946	34,741
Non-current Assets, Loans and Advances	9,188	6,312
Total Assets	89,096	103,252
EQUITY AND LIABILITIES		
Shareholders' Funds	71,072	86,214
Minority Interest	355	366
Short term and long term borrowings	196	271
Deferred Tax Liabilities (net)	805	919
Current liabilities and provisions	15,456	14,312
Non-current liabilities and provisions	1,212	1,170
Total Liabilities	89,096	103,252