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March 15, 2017

**National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex
Mumbai
Kind Attn: Manager, Listing Department**

**BSE Limited
P.J. Towers
Dalal Street
Mumbai
Kind Attn: General Manager,
Department of Corporate Services
Scrip Code No. 532540 (BSE)**

Dear Sirs,

We are sending herewith copy of the Press Release titled “**Artificial Intelligence to Have Dramatic Impact on Business by 2020, According to Tata Consultancy Services Global Trend Study**” which will be disseminated shortly.

The Press release is self-explanatory.

Thanking you,

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

**Suprakash Mukhopadhyay
Senior Vice President and Company Secretary**

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Artificial Intelligence to Have Dramatic Impact on Business by 2020, According to Tata Consultancy Services Global Trend Study

- *Majority of Companies see AI as Essential to Competitiveness, Consider it Transformative and View the Technology as Important or Highly Important to Remaining Competitive in 2020*
- *68% of Companies use AI for IT Functions, but 70% Believe AI's Greatest Impact by 2020 Will be in Functions Outside of IT such as Marketing, Customer Service, Finance, and HR*
- *Companies with the Greatest Financial Improvements from AI Investments Expect Three Times as Many New AI-Related Roles by 2020 as Compared to Companies With Smallest Improvements*

LONDON | MUMBAI, March 15, 2017: Tata Consultancy Services (BSE: 532540, NSE: TCS), a leading global IT services, consulting and business solutions organization, today unveiled its Global Trend Study titled, "Getting Smarter by the Day: How AI is Elevating the Performance of Global Companies." Focused on the current and future impact of Artificial Intelligence (AI), the study polled 835 executives across 13 global industry sectors in four regions of the world, finding that 84% of companies see the use of AI as "essential" to competitiveness, with a further 50% seeing the technology as "transformative."

Widespread AI adoption expected across job functions

Exploring the views and actions of decision makers from global companies with average revenues of \$20 billion, the study revealed AI is spreading across almost all areas of a company. The biggest adopters of AI today are, not surprisingly, IT departments, with two-thirds (67%) of survey respondents using AI to detect security intrusions, user issues and deliver automation. However, by 2020, almost a third (32%) of companies believe AI's greatest impact will be in sales, marketing or customer service, while one in five (20%) see AI's impact being largest in non-customer facing corporate functions, including finance, strategic planning, corporate development, and HR.

Companies participated from a range of industries, including automotive, banking and financial services, energy, healthcare, life sciences, industrial manufacturing, and retail. This cross-sector level of insight highlighted AI's workplace impact as an important supplemental force for the next few years. Examples include guiding customer service representatives to more quickly resolve customer problems and anticipate future purchases, quickly and securely reconciling mass overnight transactions for financial institutions, or giving time back to HR professionals by managing the time consuming on-boarding processes for new hires.

As for the ongoing debate regarding AI's impact on jobs, business executives in the study estimated net reductions in each function by 2020 of between 4% and 7%. However, companies with the biggest revenue and cost improvements from AI see the need for at least three times as many new jobs in each function by 2020 because of AI, as compared to companies with the smallest AI-related revenue and cost improvements. AI is already being used to automate certain processes and drive efficiencies, help employees be more productive and devote more time to more strategic business needs, and create new work and services that were not possible in the past.

"As companies begin to gain a better understanding of AI's application for business, they will realize the significant impact of this transformative force. This is reflected in our Global Trend Study, which shows that forward-thinking companies are beginning to make major AI investments," said **K Ananth Krishnan, Chief Technology Officer of TCS**. "Given the increasing digital disruption across every industry and the public sector, AI should become a key and integrated component of an organization's strategy."

AI investments and returns rising; North America and Europe lead the charge

As AI becomes a mainstream technology, financial investments in AI are set to rise, as 7% of companies each earmarked at least \$250 million toward AI in 2016 and 2% already plan to invest more than \$1 billion by 2020 – likely looking to gain a competitive advantage as early adopters.

The Global Trend Study revealed a clear correlation between investments in AI and business impact. The companies that realized the greatest AI-related revenue improvements and cost reductions spent five times more on the technology than the companies with the lowest AI-related revenue and cost improvements. In turn, leaders generated average revenue increases of 16% from AI initiatives in 2015 versus 2014, whereas laggards saw a modest 5% revenue growth. At a regional level, North American companies were the leading investors in AI in 2015, with an average per-company spend of \$80 million, followed by Europe with \$73 million, Asia-Pacific with \$55 million and Latin America with \$51 million.

Cyber security top of mind when adopting AI

Executives participating in the Global Trend Study across all regions and sectors rated the top four factors as most important to AI gaining widespread acceptance and driving business benefits. Almost seven out of 10 (68%) companies currently use AI to detect and prevent potential hacks and security threats to their systems. And moving forward, the other key factors include developing cognitive systems that continually learn, have the ability to make reliable and safe decisions based on masses of data, and gain the confidence of managers to trust what AI is advising them to do.

About The 2017 Global Trends Study

The seventh annual Global Trends Study from TCS surveyed 835 leading executives from companies in four global regions, with an individual mean annual turnover of \$20bn. The four regions surveyed were North America (including Canada), Europe (UK, Germany, France, Denmark and Switzerland), Asia-Pacific (India, China, Australia, and Japan) and Latin America (Brazil and Mexico). The study was concluded in June 2016. For more information, or to download the study, go to <http://sites.tcs.com/artificial-intelligence/>

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 378,000 of the world's best-trained consultants in 45 countries. The company generated consolidated revenues of US \$16.5 billion for year ended March 31, 2016 and is listed on the BSE Limited and National Stock Exchange of India Limited. For more information, visit us at www.tcs.com.

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