



2014-16 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	155	(+115%)	21%
Low	110	(+55%)	10%

Insider Decisions

	M	A	M	J	A	S	O	N
to Buy	0	0	0	0	0	0	0	0
Options	4	1	1	0	0	2	1	0
to Sell	3	0	0	0	0	1	1	0

Institutional Decisions

	1Q2011	2Q2011	3Q2011
to Buy	230	291	286
to Sell	364	336	302
Hld's(000)	284004	281739	288177

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	© VALUE LINE PUB. LLC	14-16
Price	.77	.93	1.43	2.17	3.16	5.00	7.41	9.66	11.03	15.11	20.25	25.00	Sales per sh	44.00
Div	.13	.18	.28	.43	.63	.94	1.40	1.73	2.10	2.76	3.30	4.30	"Cash Flow" per sh	7.40
EPS	.10	.14	.22	.35	.53	.78	1.16	1.44	1.78	2.37	2.85	3.50	Earnings per sh ^A	6.20
Div Yield	..	..	..	..	..	..	..	..	..	..	..	..	Div'ds Decl'd per sh	Nil
Capex	.06	.09	.12	.17	.26	.37	.63	.58	.26	.61	.60	.65	Cap'l Spending per sh	.65
Book Value	.43	.68	1.07	1.68	2.55	3.77	5.10	6.74	8.93	11.79	14.10	17.20	Book Value per sh	33.35
Market Cap	232.26	245.04	257.35	269.86	280.25	285.03	288.01	291.67	297.23	303.94	302.00	302.00	Common Shs Outst'g ^B	300.00
P/E Ratio	33.1	30.6	34.5	39.6	43.3	42.6	34.1	18.8	17.0	23.8	25.2	..	Avg Ann'l P/E Ratio	21.0
Relative P/E	1.70	1.67	1.97	2.09	2.31	2.30	1.81	1.13	1.13	1.53	1.58	..	Relative P/E Ratio	1.40
Div Yield	..	..	..	..	..	..	..	..	..	..	..	..	Avg Ann'l Div'd Yield	Nil
Total Debt	177.8	229.1	368.2	586.7	885.8	1424.3	2135.6	2816.3	3278.7	4592.3	6121.1	7550	Sales (\$mill)	13200
Debt %	23.6%	23.2%	22.9%	22.9%	22.5%	20.6%	20.4%	21.0%	21.6%	21.0%	22.0%	22.0%	Operating Margin	22.5%
Depreciation	6.4	7.8	11.9	16.4	21.4	34.2	53.9	74.8	89.4	103.9	117.4	150	Depreciation (\$mill)	260
Net Profit	23.4	36.3	59.4	100.2	153.9	232.8	350.1	430.8	535.0	733.5	883.6	1080	Net Profit (\$mill)	1900
Income Tax Rate	37.4%	22.5%	20.0%	17.9%	17.0%	16.2%	15.5%	16.4%	16.0%	16.5%	24.4%	25.0%	Income Tax Rate	28.0%
Net Profit Margin	13.2%	15.8%	16.1%	17.1%	17.4%	16.3%	16.4%	15.3%	16.3%	16.0%	14.4%	14.8%	Net Profit Margin	14.4%
Working Cap	95.6	134.3	215.9	338.9	507.6	790.9	901.5	1080.5	1661.0	2587.5	2875.8	3800	Working Cap'l (\$mill)	8000
Long-Term Debt	..	..	..	..	..	..	..	..	..	..	..	..	Long-Term Debt (\$mill)	Nil
Shr. Equity	98.8	165.5	274.1	453.5	714.1	1073.5	1468.2	1965.6	2653.2	3584.4	3952.9	5000	Shr. Equity (\$mill)	10000
Return on Total Cap'l	23.7%	21.9%	21.7%	22.1%	21.5%	21.7%	23.8%	21.9%	20.2%	20.5%	22.5%	21.5%	Return on Total Cap'l	19.0%
Return on Shr. Equity	23.7%	21.9%	21.7%	22.1%	21.5%	21.7%	23.8%	21.9%	20.2%	20.5%	22.5%	21.5%	Return on Shr. Equity	19.0%
Retained to Com Eq	23.7%	21.9%	21.7%	22.1%	21.5%	21.7%	23.8%	21.9%	20.2%	20.5%	22.5%	21.5%	Retained to Com Eq	19.0%
All Div'ds to Net Prof	..	..	..	..	..	..	..	..	..	..	..	..	All Div'ds to Net Prof	Nil

CAPITAL STRUCTURE as of 9/30/11

Total Debt None

Leases, Uncapitalized: Annual rentals \$94.9 mill.
No Defined Pension Benefit Plan

Pfd Stock None

Common Stock 302,116,724 shs. as of 10/31/11

MARKET CAP: \$21.8 billion (Large Cap)

CURRENT POSITION (\$MILL.)

	2009	2010	9/30/11
Cash Assets	1399.3	2226.4	2291.3
Receivables	626.3	901.3	1104.7
Inventory	..	..	..
Other	282.0	390.5	416.2
Current Assets	2307.6	3518.2	3812.2
Accts Payable	54.6	75.4	78.2
Debt Due	..	..	..
Other	592.0	855.3	962.5
Current Liab.	646.6	930.7	1040.7

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '08-'10
Sales	39.5%	39.5%	22.0%
"Cash Flow"	41.5%	37.5%	20.5%
Earnings	43.5%	38.5%	20.5%
Dividends	..	..	Nil
Book Value	45.5%	39.0%	24.5%

QUARTERLY SALES (\$ mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	643.1	685.4	734.7	753.1	2816.3
2009	745.9	776.6	853.5	902.7	3278.7
2010	959.7	1105.1	1216.9	1310.6	4592.3
2011	1371.3	1485.2	1600.9	1663.7	6121.1
2012	1750	1800	1940	2060	7550

EARNINGS PER SHARE^A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.34	.35	.38	.37	1.44
2009	.38	.47	.45	.48	1.78
2010	.49	.56	.66	.66	2.37
2011	.67	.67	.73	.78	2.85
2012	.81	.87	.89	.93	3.50

QUARTERLY DIVIDENDS PAID

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008					
2009					
2010					
2011					
2012					

NO CASH DIVIDENDS BEING PAID

BUSINESS: Cognizant Technology Solutions Corp. provides full life cycle solutions to complex software development and maintenance problems that companies face as they transition to e-business. 2010 revenue breakdown by segment: financial related services, 42%; healthcare services, 26%; retail/manufacturing/logistics, 18%; other, 14%. Services are provided by on-site technical and account

management teams in conjunction with development centers located primarily in India. Has about 104,000 employees. Officers & directors own 1.2% of common stock (4/11 proxy). President & CEO: Francisco D'Souza. Inc.: Delaware. Addr.: Glenpointe Centre West, 500 Frank W. Burr Blvd., Teaneck, NJ 07666. Telephone: 201-801-0233. Internet: www.cognizant.com.

Cognizant Technology performed solidly in the December quarter. Increased demand for the company's offshore IT software & services and business process outsourcing solutions lifted the top line over 25% in the final period. Strong double-digit growth rates across all business segments and geographies are reflecting the ongoing need by global clients to not only reduce IT costs, but also to seek out higher-margined cloud computing, consulting, and business analytics services.

end of the third quarter, the company had almost \$2.3 billion in cash and no debt. Based on our projections for strong cash flow generation, we think this figure will continue to increase out to mid-decade. Cognizant Technology will probably use these funds to purchase new facilities, broaden its geographic scope, make small tuck-in acquisitions, and widen its array of offerings to the financial services, healthcare, telecom, and media & entertainment arenas. This should especially be beneficial over the next 3 to 5 years, as spending in Europe fully rebounds and business in North America improves. We also believe Cognizant will invest more in the recruitment, retention, and training of employees, thereby building a competitive advantage.

The momentum should continue to build this year. On the downside, there have been some delays in IT spending in recent months. What's more, economic uncertainties in Europe have the potential to hinder growth at outsourcing firms. Wage inflation in India and foreign currency fluctuations are also concerns. Even so, Cognizant Technology should continue to capture a greater share of the market from its competitors, especially in the areas of application maintenance services, consulting, and business processing outsourcing solutions.

These shares do not stand out over the coming year. The stock is trading at relatively the same level as it was three months ago, even as the broader markets have risen. Nonetheless, based on our earnings projections out to 2014-2016, it holds above-average, long-term appreciation potential.

A hefty war chest ought to support long-term growth initiatives. At the

Randy Shrikishun February 17, 2012

(A) Diluted. Excludes nonrecurring impairment loss on investment: '01, \$0.02. Excludes non-recurring gain/(loss): '02, (\$0.08); '03, (\$0.03); '05 \$0.08. Next egs. report in early May.

(B) In millions, adjusted for stock splits.

Company's Financial Strength	A++
Stock's Price Stability	60
Price Growth Persistence	100
Earnings Predictability	95

To subscribe call 1-800-833-0046.