**CTSH Q4 & Full Year 2017**

* Cognizant Technology (NASDAQ:[CTSH](https://seekingalpha.com/symbol/CTSH)): Q4 EPS of $1.03 beats by $0.06.
* Revenue of $3.83B (+10.7% Y/Y) beats by $10M.
* Increases quarterly dividend 33% to $0.20 per share - increase from prior dividend of $0.15.
* Forward yield 1.08%
* Payable Feb. 28; for shareholders of record Feb. 22; ex-div Feb. 21.

**Highlights - Full Year 2017**

* Revenue for 2017 increased to $14.81 billion, up 9.8% from $13.49 billion for 2016.
* GAAP net income for 2017 was $1.50 billion, or $2.53 per diluted share, compared to $1.55 billion, or $2.55 per diluted share, for 2016.
* Non-GAAP diluted EPS was $3.77 in 2017, compared to $3.39 in 2016.
* GAAP operating margin was 16.8% and non-GAAP operating margin was 19.7% for 2017.

**First Quarter & Full Year 2018 Outlook**

The Company is providing the following guidance:

* First quarter 2018 revenue expected to be in the range of $3.88 billion to $3.92 billion. (consensus: $3.88B);
* First quarter 2018 non-GAAP diluted EPS2 expected to be at least $1.04. (consensus: $1.01).
* Full year 2018 revenue expected to be in the range of $16.00 billion to $16.30 billion. (consensus: $16.19B);
* Full year 2018 non-GAAP diluted EPS expected to be at least $4.53. (consensus: $4.35).

Key metrics: Non-GAAP operating margin, 19.7%; cash and equivalents, $1.93B; total liabilities, $4.6B.

Tax reform impact: Recorded a one-time provisional income tax expense of $617M primarily due to repatriation tax that reduced GAAP diluted EPS by $1.04 during the quarter and year. Company expects overall corporate income ta rate to be approximately 24% for 2018 and 24% to 26% starting next year.





