

C O G N I Z A N T

P R O F I L E S I N G R O W T H

faster
collaboration
more
innovation
better
results



Cognizant

Cognizant Technology Solutions (NASDAQ: CTSH) is a leading provider of consulting, information technology and business process outsourcing services, with a sharp focus on delivering solutions that generate ever-increasing business value to our clients. We view each client relationship as a true partnership – our unique global delivery model allows our teams to be aligned with a client's organization. Together, we strive to achieve a shared vision of performance that yields tangible returns in terms of innovation, growth and increased efficiencies.

From its founding, Cognizant was built with a global mindset. Today, this heritage has provided Cognizant with a significant market advantage. Because customers see globalization as a key element for their future success, they seek partners who can help them succeed in this journey. Cognizant is a uniquely qualified partner for these organizations.



To Our Stockholders:

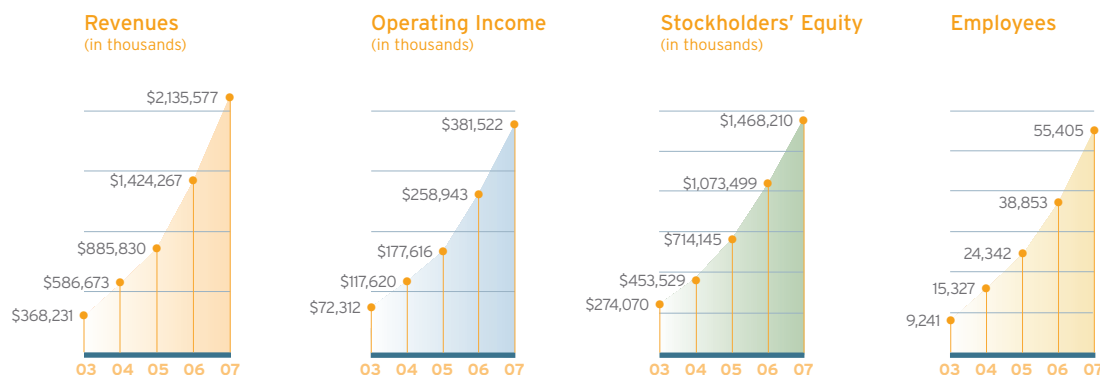
COGNIZANT'S EXCELLENT PERFORMANCE IN 2007 reflected our long-term strategy of investing in our global platform to capture growth opportunities in the dynamic global services and outsourcing marketplace. During the past twelve months, we expanded our geographic presence, continued to build additional service offerings, and enhanced our capacity to serve a broader range of industry verticals.

As a result of our continuous efforts to strengthen the Company's value proposition, Cognizant today is widely recognized in the marketplace as a leader, with the global resources to deliver faster collaboration, more innovation, and better operating and financial results for our clients.

Strong Results, Resilient Business Model

Our financial performance was distinguished by a 50% increase in revenue, which surpassed the \$2 billion milestone to reach a Company record of \$2.1 billion. GAAP net income was \$350.1 million, or \$1.15 per diluted share, rising from \$232.8 million, or \$0.77 per diluted share, for 2006.

These strong results demonstrate the resiliency of our business model and the Company's ability to generate consistent performance during periods of change and challenge in the business environment. Our focus on expanding our business in new geographies, service lines and in our vertical business segments, as well as prudent expense management and better utilization of our teams, allowed Cognizant to again produce exceptional revenue and earnings growth, while continuing to deliver value for our clients.



Delivering Growth Across Sectors

Revenue growth was strong across multiple industry segments in 2007. Among the areas showing sharp revenue increases were two business segments in which Cognizant has typically had a major market presence: Financial Services (up 47% year-over-year) and Healthcare (rising 52%). In addition, we are pleased with the solid growth in several of the newer segments to which we have committed resources in recent years, including Retail, Manufacturing and Logistics (up 53%) and our Other segment, which includes our Information, Media and Entertainment, Communications and High Technology segments (a 52% increase).

We continue to work with market leaders. Among our significant client developments of the past year, pharmaceutical giant Merck & Co. Inc. named Cognizant as a strategic partner for a full suite of services, including applications outsourcing, IT infrastructure management and business process outsourcing – expanding on a relationship that dates back to 2005. We secured a significant IT applications outsourcing agreement with Kimberly-Clark, which will utilize the resources of our new Buenos Aires delivery location, as well as Chennai, India and other centers in North America and Europe. Rabobank, the largest banking group in The Netherlands, chose a partnership of Cognizant and Ordina for a seven-year outsourcing arrangement, for which we will provide on-site/offshore delivery. The California State Automobile Association, which provides automotive, travel, insurance and financial services, engaged Cognizant for business consulting, specialized software and service implementation and support services. In the Information, Media and Entertainment sector, Simon & Schuster, Inc. selected Cognizant for an end-to-end IT infrastructure management program.

FORTUNE® 2007 100 FASTEST GROWING COMPANIES

Named to *Fortune's*
list of 100 Fastest-
Growing Companies
for the 5th
consecutive year
(September 2007)

Late in 2007, we completed a transaction that will strengthen our offerings across all segments of the Life Sciences vertical, by acquiring marketRx, Inc. A leading provider of data analytics and related services, marketRx is highly regarded by global companies in the pharmaceutical, biotechnology and medical device businesses. In addition to its healthcare domain expertise and proprietary data analytics technology platform, marketRx has offices in Bridgewater, New Jersey and Gurgaon, India, which will become part of our global delivery network. The proprietary data analytics platform of marketRx will greatly enhance Cognizant's offerings for life sciences companies. Additionally, we plan to extend marketRx's innovative capabilities in analytics to the other industry sectors that we serve.

In total, Cognizant added approximately 100 new clients in 2007, to bring our active client list to nearly 500, including those who joined us as a result of the marketRx acquisition.

Global Delivery and Cognizant 2.0

At the end of 2007, Cognizant operated over 40 global delivery centers in Asia, Europe, North America and Latin America. We have continued to refine and expand our delivery platform to meet the growing demands of our clients for comprehensive solutions. Key initiatives during the year included a commitment of an additional \$100 million investment for infrastructure expansion at multiple locations in India, bringing our total commitment to the India infrastructure program to \$330 million through 2009. Our growing India operations now include locations in Bangalore, Chennai, Coimbatore, Hyderabad, Kochi, Kolkata, Mumbai, Pune and, with the marketRx acquisition, Gurgaon. We also have increased headcount significantly in China; over a dozen global clients now have some portion of their services delivered from our China center. Additionally, we are starting to see strong client demand for delivery from Latin America, from our base in Buenos Aires, Argentina.

We are building the next generation global delivery system, in which work can be divided into small “atomic” sub-processes, assigned to various locations based on the talent and experience required, and eventually reassembled into end-to-end solutions. This “de-coupling” of work from specific physical locations will enable us to devote the best intellectual resources from our global talent pool to each sub-process. Many of our clients are already benefiting from such “Virtual Delivery Centers,” which are custom-designed to their exact

business needs. As a result, we can deliver outcomes that are far more impactful than could be achieved under a traditional geographic-based outsourcing model.

To support this atomic approach to global delivery, we have been working for nearly two years on a new platform, which we call Cognizant 2.0. The new platform seamlessly integrates our global knowledge base and the efforts of our teams worldwide, permitting us to better orchestrate work around the globe, while providing a real-time view of the global work we are doing for our clients. Over time, we plan to add clients and affiliated solution providers in an “ecosystem of people, processes and partners” that will enhance and accelerate collaboration, productivity, flexibility and delivery.

Expanding Range of Services

In our constant drive to deliver business results to clients, Cognizant has broadened the range of services we provide beyond our traditional foundation of applications development and maintenance. Specifically, we have continued to build strong offerings in IT infrastructure services, consulting, business process outsourcing (BPO) and knowledge process outsourcing (KPO).

BusinessWeek

Ranked 12th in
BusinessWeek Top
50 Performers list
(March 2007)

Ranked 15th in
BusinessWeek
Hot Growth
Companies list
(May 2007)

Ranked 9th Fastest
Growing in
BusinessWeek
Info Tech 100 list
(July 2007)

We have made substantial investments to provide our clients with an end-to-end IT infrastructure management platform that addresses key client concerns such as risk mitigation, flexibility and global consistency. As a result of our 2006 acquisition of AimNet, we have built a Global Infrastructure Operations Center platform that combines on-site, near-shore and offshore in a manner that can be easily integrated with the client's existing environment.

Additionally, our Cognizant Business Consulting (CBC) group now consists of more than 1,800 consulting professionals. CBC provides clients with high quality, unbiased advice in such critical areas as IT strategy, outsourcing strategy, business process redesign, solutions evaluation and design, as well as numerous other strategy, domain and functional consulting areas.

We also have made strides in developing our BPO capabilities. Because of our solid domain expertise, clients increasingly are turning to Cognizant to handle specific processes that are critical to their business, such as managing clinical trials for life sciences companies or claims administration in the insurance industry.

Our SAP® practice, which provides end-to-end solutions for the implementation, maintenance, upgrade and enhancement of SAP® applications, is another growth area for Cognizant. We are gaining traction as a leader in working with clients to implement SAP® applications, producing business solutions that integrate such functions as materials management, finance, sales and marketing and human resources on a global scale.

Culture and Commitment

We cannot emphasize strongly enough that Cognizant's “client first” culture lies at the heart of our ability to deliver value for clients and profitable growth for stockholders. That culture is reflected in a passion for building strong businesses – both our clients' and our own. We are deeply grateful to all of our people worldwide for their dedicated efforts and their role in our continued success.

In 2007, to maintain our commitment to world-class client service and build capacity for future growth, we increased our global headcount by 43%, ending the year with over 55,000 professionals. With thousands of team members, representing nationalities from around the globe, the need for a strong, positive and consistent corporate culture is undeniable. We foster such a culture by recruiting the best talent, providing the best training and empowering our people to make decisions in the best interests of their clients.

Forbes

Entered *Forbes*
Global 2000 list
(April 2007)

To ensure that Cognizant employees are aligned with our vision and values from the start, each new associate is trained in the Cognizant approach. Education and training are also critical to the culture-building effort, whether through our own Cognizant Academy, or the many outside universities and finishing schools whose programs we help to sponsor. A major thrust of our training programs is to ensure that all employees are skilled and certified in multiple disciplines, making them more valuable to the Company and our clients, as well as enhancing their professional development.

A distinguishing aspect of Cognizant's culture is our "Two-in-a-Box™" client relationship model, in which senior managers located on the client's premises work closely with counterparts at our offshore delivery centers to coordinate business requirements and deliverables. This creates a commonality of interest and a close alignment between our teams and our clients that transcends geographic borders and divisional boundaries.

Award-Winning Performance

We are pleased that Cognizant's culture of client service and our ability to deliver profitable growth have again been recognized by respected independent sources. Technology research firm Gartner, Inc. positioned Cognizant in the Leaders Quadrant of its Magic Quadrant for North American Offshore Application Services in August 2007 for the second consecutive time. Forrester Research also recognized Cognizant as a leader in a report entitled "The Forrester Wave: North American Applications Outsourcing Q1 2007", and cited the Company as a top offshore provider for North American applications outsourcing in the current offering category. We believe these evaluations reflect the strength of our clear vision on the direction of our market, our determination to commit resources to delivering on that vision and our uncompromising approach to client service. Among other honors, Cognizant was named to the *Fortune* magazine list of "100 Fastest-Growing Companies" for 2007 – making us the only company to appear on this list for the last five consecutive years. Also, *BusinessWeek* magazine again included the Company in its "InfoTech 100," noting that Cognizant was the fastest growing technology outsourcing firm on that list.



Francisco D'Souza
President and
Chief Executive Officer

Investing in the Future

Looking ahead, Cognizant will continue to make the strategic investments needed to serve our customers more effectively and deliver profitable growth for our shareholders. Our top three priorities remain: enhancing our domain expertise within an ever-increasing range of industries, growing our service offerings to provide value in a wider range of disciplines and expanding the geographic footprint of our global delivery platform. We are confident that this approach will drive continued strong performance and we thank you for your interest and support.

Sincerely,

A handwritten signature in dark ink, appearing to read "Francisco D'Souza". The signature is stylized with a large, looping 'F' and 'S'.

Francisco D'Souza
President and Chief Executive Officer

Globalizing Our Business

Cognizant has continued to broaden its global footprint on both the demand and supply sides of our business. In terms of the demand for our services, we are experiencing solid growth with clients in regions beyond the well-established U.S. market. On the supply side, we have continued to build our global delivery network, expanding our facilities in China and Latin America, in addition to our ongoing multi-year \$330 million investment in India. As a result, we offer true global solutions to a global client base.

Building Momentum in Europe

Our experience in Europe, which was the fastest-growing region for Cognizant's services in 2007, provides an excellent "case study" of the increasing globalization of our business. Revenue from European operations rose 89% for the year, and represented 16.1% of our total revenue – up from 12.9% in 2006. The countries experiencing the most dramatic increases in outsourcing demand include the U.K., Switzerland and the Benelux region. This explosive growth has occurred across a number of industries, such as banking/financial services, life sciences, manufacturing and retail.

Our increasing penetration of Europe is due, in part, to Cognizant's investments in building our global delivery resources in the region over the past few years. In addition, a rising number of European businesses have begun to recognize the value of outsourcing and are moving to embrace the practice. Yet, notwithstanding the recent burst of activity, outsourcing remains in its infancy in Europe as compared with the more established market in North America, therefore leaving enormous room for further gains.

In an initiative that will further expand our presence in Europe, Cognizant announced in March 2008 a systems integration alliance with T-Systems, the enterprise customer division of Deutsche Telekom. This represents a unique partnership, giving customers in continental Europe access to a systems integration leader that is well-versed in the local European business environment, combined with Cognizant's powerful global delivery capabilities.



GEOGRAPHIC EXPANSION

Cognizant operates global delivery centers in Asia, Europe, North America and Latin America. We have the ability to divide work into sub-processes that can be managed from various locations, and reassembled into end-to-end solutions.

An aerial photograph of London, England, featuring the London Eye in the foreground and the Tower Bridge in the middle ground. The River Thames flows through the city, with various boats and bridges visible. The background shows a dense urban landscape under a clear sky.

Cognizant was
born global;
we tap the best
talent around the
world to drive
results for clients.

Broadening Our Industry Expertise

In recent years Cognizant's passion for client service, and our dedication to building strong businesses, have been extended to an expanding range of industries. We have added to our domain expertise and strengthened our ability to offer solutions that are relevant to a wider array of sectors. Through these efforts, we now have a significant presence in such diverse fields as financial services; healthcare and life sciences; retail, manufacturing and logistics; and information, media and entertainment, and high technology, among others.

Healthy Demand in Life Sciences

Our role as a leading services provider for an increasing number of life sciences and healthcare companies is one of the true success stories of 2007. Based on our proven domain expertise and global delivery resources, we have established or expanded relationships with a range of pharmaceutical, biotech and medical device companies, serving 27 of the top 30 global pharmaceutical companies, nine of the top ten biotech companies, and two of the top five medical device companies. We are honored that a growing roster of life sciences and health care companies – whose products and services are vital to billions of people worldwide – are placing their trust in Cognizant.

The segments of the life science industry that Cognizant serves – and the processes we manage for our clients – are extremely diverse. For the international pharmaceutical giant AstraZeneca, we support the development and approval process for new medicines by helping to manage global clinical development programs, including data management planning, clinical study set-up for electronic data capture, medical coding, adverse event reconciliation, clinical data management and training for clinical sites and investigators.

Our acquisition of marketRx last year has significantly enhanced our value proposition to the life sciences sector. marketRx serves the healthcare industry with a portfolio of analytics, market research and other services. Its prestigious client list includes all of the top 20 pharmaceutical companies and four of the five largest biotech firms.

A number of other drug companies rely on our BPO and analytics services to meet the challenge of discovering new treatments, using our capabilities to support drug development and testing, sales and marketing and administrative functions. A leading health insurance provider relies on Cognizant to update and maintain records on the credentials of physician providers in their network, while other insurers turn to us for claims administration services.



INDUSTRY LEADERSHIP

The life sciences industry has been an area of dramatic growth for Cognizant, and our clients now include many of the world's leading pharmaceutical, biotech, medical device and insurance companies.