

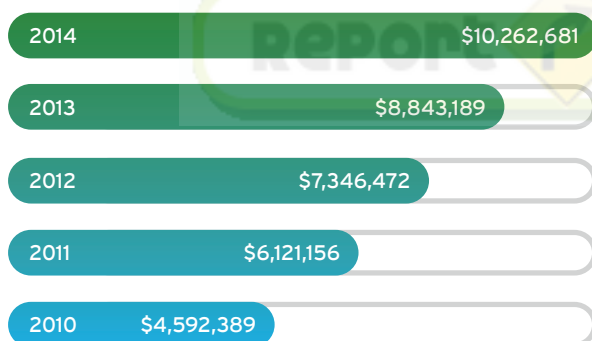
DIGITAL BUSINESS

DECODING OPPORTUNITY

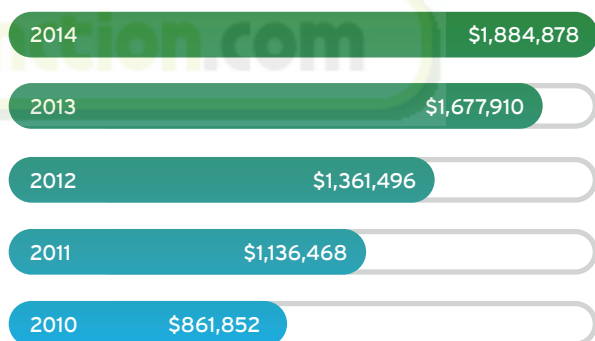
Helping clients embrace the new
digital customer.

PROACTIVELY ADDRESSING BUSINESS NEEDS & INVESTING IN NEW CAPABILITIES & SKILLS FUELS SOLID GROWTH & STRENGTHENS CLIENT RELATIONSHIPS

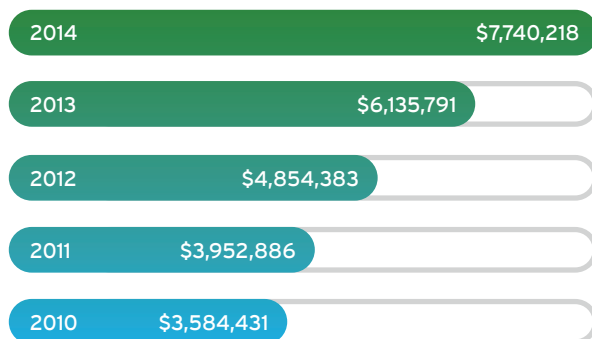
Revenues (In thousands)



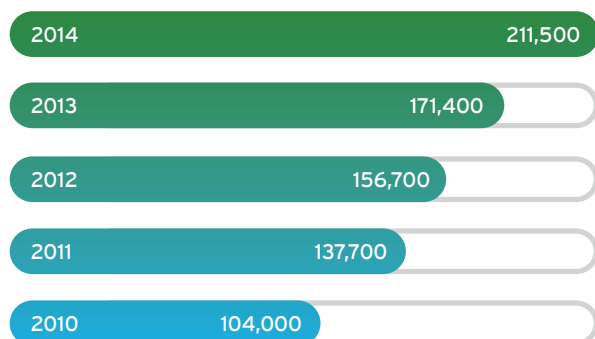
Operating Income (In thousands)



Stockholders' Equity (In thousands)



Employees



TO OUR STOCKHOLDERS

2014 MARKED COGNIZANT'S 20TH YEAR OF STRONG GROWTH, INNOVATION AND INDUSTRY LEADERSHIP. OUR SHARP FOCUS ON HELPING CLIENTS NAVIGATE A RAPIDLY CHANGING BUSINESS AND TECHNOLOGY LANDSCAPE DROVE STRONG GROWTH ON THE TOP LINE, ALONG WITH RISING NET INCOME AND SOLID OPERATING MARGINS.

Rather than merely looking back at our past performance, we prefer to also look forward to the enormous opportunities that are emerging from the growing shift to digital business. Through our investments in new solutions and services, key acquisitions that expand our capabilities, the growth and development of our teams, and continuous reinvestment in our customers' success, we are working to ensure that Cognizant is well positioned to help clients decode the vast opportunity - and deliver on the potential - of this new digital business era.



LOOKING DIFFERENTLY AT DIGITAL

Nearly every company, across every industry, is striving hard to become more digital. Getting there requires an accomplished partner with a proven track record of delivering tangible digital business results. Moreover, it requires a pragmatic approach to building and expanding digital backbones powered by social, mobile, analytics and cloud technologies (the SMAC Stack), as well as sensors and intelligent process automation tools. We are helping clients create new business models and build the foundational infrastructure necessary to power digital success.

While digital is pivotal, today's business models are based on value chains that integrate both physical and virtual elements. In fact, some companies are already proving that the value of the "virtual" – information and digital interactions – can far outstrip traditional physical value propositions. This is possible because new technologies and nearly-pervasive connectivity have created an almost endless supply of valuable information and opportunities to connect businesses, products, people, organizations, machines, and devices. We are architecting new value chains, operating models and human-centric experiences that simplify digital interactions and transactions across existing and emerging ecosystems, helping our clients achieve new levels of business performance.

Capturing the digital high ground requires organizations to see every aspect of the business through the customer's eyes. It also requires an intimate understanding of how nearly every physical-world device can be instrumented in ways that generate massive volumes of potentially meaningful business data – revealing user behaviors, interests and desires. To lead in today's new digital era, businesses must extract value from ambient and behavioral data to design better products, improve user experiences, and inform strategic decision making. Making and applying meaning from digital data by employing advanced analytics informs business strategy and helps our clients seize first-mover advantage.

As business becomes more IT-intensive, organizations must become increasingly agile, and continuously innovate to keep pace with the dynamics of today's digital era. Cognizant is well positioned to help enterprises exceed customer expectations for new digital services and experiences that drive market differentiation and performance. We work with our clients every day to help them enhance efficiencies and productivity, while at the same time reimagining their businesses and building new capabilities to get the most from today's blended digital and physical worlds.



DELIVERING ON THE DIGITAL BUSINESS IMPERATIVE

For several years we have helped clients implement new digital solutions. Powered by SMAC Stack technologies, we provide a comprehensive approach informed by new methodologies, as well as industry-specific business knowledge, to enable organizations to answer today's unknowns and address tomorrow's challenges to reach their digital potential. We collaborate closely with clients – sharing new thinking, methodologies, and deep domain expertise to help them take advantage of new business opportunities as they emerge.

This experience helped us create a comprehensive, integrated approach to enable clients to quickly and effectively infuse digital into their businesses. We are working with business and technology leaders across industries to strategically rethink business and operating models, and with CIOs and CTOs to create the foundational technologies to securely digitize business processes and drive outperformance in this new digital age. We understand that clients need to accelerate these initiatives, but may lack the internal structure and wherewithal to quickly create value.

Our Cognizant Digital Works™ practice brings together multi-disciplinary industry teams consisting of consultants, digital technologists, designers, business process experts, and data scientists to create cohesive roadmaps and ideas to help clients quickly and effectively embed digital into the core of their businesses. (See page 15.)

At our Cognizant Digital Works Collaboratory, clients work alongside our teams to visualize, prototype and plan new initiatives that will accelerate the digitization of business by creating, distilling and applying meaning from Code Halos – the digital information that surrounds people, processes, organizations and devices. (See page 16.)

As business success becomes more IT-dependent, we are developing ways organizations can create differentiating value with the next generations of game-changing technologies, including ultra-low cost sensors, embedded software, 3D printing, instrumentation, and advanced security. (Turn to page 14 to see how Cognizant Technology Labs is developing advanced technologies and helping our clients achieve their IT objectives.)

BUILDING DIGITAL SKILLS, SCOPE & SCALE

We made several acquisitions last year to expand our capabilities and enhance our portfolio of digital solutions. The acquisition of TriZetto, completed in November 2014, allows us to provide a new vertically-integrated service model for the healthcare sector, and create new revenue opportunities amid the industry's rapid digitization. TriZetto is a leading provider of healthcare IT software and solutions that complement and extend Cognizant's existing offerings. Joining forces with TriZetto enables us to meet the needs of an industry undergoing profound change due to reform, cost pressure and shifting responsibilities between payers and providers. TriZetto works with some 245,000 providers and about 350 payers, and touches 180 million covered lives in the U.S. Together, we create an integrated portfolio of capabilities that will uniquely position us to help clients achieve higher operational efficiency while re-imagining care for the future.

We acquired Cadient Group, a full-service digital marketing agency serving companies in the pharmaceutical, biotechnology, consumer health, and medical device industries. In addition, the acquisition of itaas, a U.S.-based digital video solutions company, allows us to offer a broader range of digital video services for clients in the cable, telecommunications and high-technology industries. We also purchased Odecee, a provider of digital solutions to businesses in the Australia-New Zealand region with expertise in delivering leading-edge enterprise mobility, Web and cloud solutions to clients in the financial services, insurance, healthcare, logistics and communications sectors.

STRONG FINANCIAL PERFORMANCE SPANS BUSINESSES & BORDERS

Looking at our 2014 results, revenue rose to \$10.26 billion, up 16% from 2013. GAAP net income increased 17% to \$1.44 billion, or \$2.35 per diluted share. Diluted EPS on a non-GAAP basis, excluding stock-based compensation costs, acquisition-related charges and net non-operating foreign currency exchange gains and losses, was \$2.60. GAAP operating margin was 18.4%, while non-GAAP operating margin, excluding stock-based compensation costs and acquisition-related charges, was 20.2%, slightly above our targeted 19% to 20% range.* We ended 2014 with \$3.77 billion in cash and short-term investments, supporting our capacity to grow along with our clients' emerging needs.

We have continued to grow across vertical sectors, regions and lines of service – with a particularly strong increase in strategic accounts, which we define as clients with the potential to generate \$5 million to \$50 million or more in annual revenue. We had 271 strategic accounts at the end of 2014, an increase of 28 over 2013. With our strong client relationships, deep knowledge of industry-specific business processes, understanding of legacy IT architectures, global delivery capability and large-scale, multi-service integration, we are well positioned to win and execute on such major engagements.

Our *Financial Services* segment grew 15.3% year-over-year, powered in part by continued strength in our insurance practice, where demand is accelerating for end-to-end managed services. In banking, underlying business drivers continued to pivot around cost

optimization, regulatory compliance, real-time risk monitoring, and fraud and trade surveillance.

Our *Healthcare* segment, which consists primarily of our payer, pharmaceutical and medical-device clients and now our TriZetto business, grew 18.7% year-over-year (15.2% excluding TriZetto). The *Life Sciences* segment began stabilizing after two challenging years. Improved performance was driven by strategic supplier consolidation and cost optimization across many existing and new clients. The business also saw increased demand for end-to-end service offerings across applications and infrastructure, leveraging cloud technologies and platforms.

Revenues in our *Retail, Manufacturing and Logistics* segment were up 12.1% from 2013. We are seeing more demand, particularly in areas such as modernizing supply chains, and digital and e-commerce engagements. Our *Other* segment, which includes high-tech, communications, as well as information, media and entertainment clients, was up 20.3% year-over-year, in part driven by new engagements with our existing clients.

Growth was strong across all geographic regions. North America revenues rose 14.9%, including TriZetto. Europe was up 19.3% overall, with especially strong growth in Continental Europe, driven by a shift toward larger, multi-year global sourcing engagements. We continued to expand in other key regional markets, including India, Singapore, Australia, Japan and Hong Kong, with revenues increasing 23.6% over the prior year.

* Non-GAAP diluted EPS (earnings per share) and non-GAAP operating margin are not measurements of financial performance prepared in accordance with GAAP. See "Non-GAAP Financial Measures" beginning on page 53 of the Company's Annual Report on Form 10-K included in this Annual Report for more information and a reconciliation to the most directly comparable GAAP financial measures.

EXPANDING HORIZONS OF OPPORTUNITY

We continue to pursue a “three-horizon” strategy to grow our businesses: optimizing Horizon 1 core IT services; building momentum and scale in Horizon 2 offerings – Cognizant Business Consulting (CBC), Cognizant Business Process Services (BPS) and Cognizant Infrastructure Services (CIS); and incubating new technology architectures such as SMAC, as well as new delivery models and markets, in Horizon 3.

All of our Horizon 2 offerings achieved greater critical mass in the past year. BPS grew significantly, winning clients in financial services, insurance and healthcare. CBC continued to grow faster than the company overall, offering end-to-end solutions characterized by deep industry knowledge, technology expertise and process acumen. CIS is seeing solid demand from clients looking to simplify, automate and make their infrastructure more predictable by incorporating highly advanced managed services.

(See page 13.)



PACKAGING MULTI-SERVICE INTEGRATION & INDUSTRY SOLUTIONS

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Achieving end-to-end service productivity by bringing multiple capabilities together is another area in which we are excelling. This integrated approach – what we call a multi-tower or platform solution – responds to client needs for synergistic application, business process, consulting and infrastructure services, informed by deep domain expertise. Increasingly, we are bringing together the problem-solving skills and solutions across our company to deliver higher levels of business value to clients.

A prime example of the value of a multi-tower engagement is our agreement with Health Net, a managed care company, which engaged Cognizant to provide an integrated array of offerings, including consulting, technology and administrative services to serve a wide range of vital functional areas.

(See page 18.)