Cognizant to Acquire Six Companies of the C1 Group, a Leading German Consulting and IT Services Group

Strategic Acquisition to Strengthen Cognizant's Local Presence in Germany and Switzerland, Enhance Global Consulting Capabilities, and Deepen Enterprise Solutions Expertise

TEANECK, N.J., and HAMBURG, Germany, Dec. 21, 2012 /PRNewswire/ -- Cognizant (NASDAQ: CTSH) today announced that it has entered into a definitive agreement to acquire six companies* of the C1 Group, an independent consulting and IT services firm based in Hamburg, Germany. The terms of the transaction were not disclosed.

The companies focus on three industry segments: manufacturing and logistics, energy and utilities, and financial services. Known for their client-centric and innovative business culture, these companies bring deep expertise in enterprise application services (specifically SAP), and high-end testing services that range from test consulting, strategy and design, to implementation.

Under the terms of the agreement, about 500 professionals across multiple locations in Germany and Switzerland will join Cognizant. The combination of C1's proven client-facing expertise deeply rooted in the local business environment, and Cognizant's global delivery capabilities will help clients in Europe to address their dual mandate of driving cost efficiencies and operational effectiveness, as well as innovation and business transformation.

"We look forward to welcoming C1's talented professionals to Cognizant," said Francisco D'Souza, Chief Executive Officer of Cognizant. "This strategic acquisition underscores our commitment to the German and the larger European markets, and reinforces our position as one of the top consulting and IT services companies across the region. With this acquisition, Cognizant is even better positioned to help European clients achieve agility and competitive advantage by embracing a broad range of services. The client-first culture of the C1 team, driven by extensive local business insights, strong relationships and entrepreneurial passion, makes it an excellent strategic fit for Cognizant."

"The agreement announced today is a major step forward for us," said Wilfried Forster, Founder of the C1 Group, on behalf of the companies acquired by Cognizant. "The outstanding growth and success of the C1 Group within the last ten years have been built on the foundation of customer satisfaction, expert teams with deep industry knowledge, and best-of-breed solutions. International expansion is critical for parts of the group to continue our strong growth, develop better solutions for our current and future customers, and provide greater opportunities for our employees.

"Cognizant is a company with a similar entrepreneurial culture, widely recognized for customer satisfaction and innovation, and for being a premier employer. The merger of the C1 companies with Cognizant would support Cognizant's growth strategy for Europe and create a bond with C1's remaining companies. This move will enable the two companies to drive future diversification, and realize the strong growth potential of our combined strengths," added Wilfried Forster.

Subject to the satisfaction of certain closing conditions and regulatory approvals, the transaction is expected to close in the first quarter of 2013.

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*Cognizant has entered into a definitive agreement to acquire the following six companies of the C1 Group:

1. btconsult GmbH [process and technology consulting, SAP]
2. C:1 Solutions GmbH [consulting and enterprise solutions: SAP, BPM, ECM, ERM]
3. psc Management Consulting GmbH [process and technology consulting]
4. C:1 SetCon GmbH [software engineering and testing]
5. Enterprise Services AG [a Swiss company focused on process and IT consulting]
6. C:1 Holding GmbH

About the C1 Group
The C1 Group is a consulting and IT services group, formed of independent, individual companies into a flexible organizational structure offering a full spectrum of specialized services. The steadily-growing C1 Group has more than 1,200 consultants and IT specialists across a wide and diverse range of industries and lines of service, from strategic consulting, process and systems integration and application development to 24x7 support. The analysis and optimization of business processes, supported by customized IT solutions, are C1 Group's core competencies, with a specific focus on the areas of supply chain management and ERP.

About Cognizant
Cognizant (NASDAQ: CTSH) is a leading provider of information technology, consulting, and business process outsourcing services, dedicated to helping the world's leading companies build stronger businesses. Headquartered in Teaneck, New

Jersey (U.S.), Cognizant combines a passion for client satisfaction, technology innovation, deep industry and business process expertise, and a global, collaborative workforce that embodies the future of work. With over 50 delivery centers worldwide and approximately 150,400 employees as of September 30, 2012, Cognizant is a member of the NASDAQ-100, the S&P 500, the Forbes Global 2000, and the Fortune 500 and is ranked among the top performing and fastest growing companies in the world.

Recently, Cognizant topped the client satisfaction and relationship rankings in KPMG's Outsourcing 2012 study of service provider performance in Germany and Switzerland, and across Europe. Cognizant topped the rankings in general satisfaction and relationship management, in addition to other key performance indicators such as innovation, knowledge transition, and governance. This independent study evaluated 22 European IT service providers based on an assessment of more than 2,900 unique client-provider relationships. As part of the study, CFOs, CIOs or their direct reports at some 1,100 of the top IT spending organizations in Western Europe were interviewed.

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Forward-Looking Statements

This press release includes statements which may constitute forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the accuracy of which are necessarily subject to risks, uncertainties, and assumptions as to future events that may not prove to be accurate. Factors that could cause actual results to differ materially from those expressed or implied include general economic conditions and the factors discussed in our most recent Form 10-K and other filings with the Securities and Exchange Commission. Cognizant undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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