



Q1 2025

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We started the year on a strong note, delivering revenue and adjusted operating margin ahead of our expectations, reflecting our steadfast focus on the execution of our strategy over the last several years. The breadth and depth of our portfolio, combined with our deep industry and domain expertise, position us well as a strategic partner for clients in an increasingly complex macroeconomic environment. Today, productivity, cost reduction and resiliency are especially important, and we believe our differentiated AI and platform capabilities are helping clients navigate the near-term uncertainty while embarking on longer-term AI-led transformation.

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Ravi Kumar S | Chief Executive Officer

Revenue

\$5.1 billion

Reported YoY¹ ↑ 7.5%

Constant Currency YoY¹ ↑ 8.2%

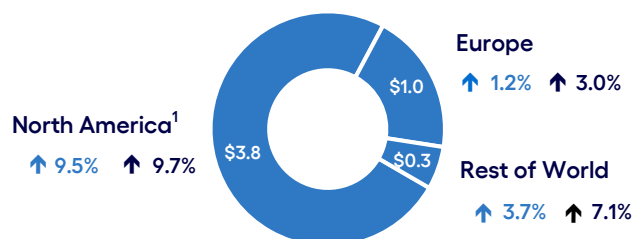
GAAP Operating Margin² | 16.7% Adjusted Operating Margin | 15.5% GAAP EPS² | \$1.34 Adjusted Diluted EPS | \$1.23

Q1 2025 Cash Flow	Cash Flow From Operations \$400M	Free Cash Flow \$393M	Q1 2025 Capital Return	Dividends \$155M \$0.31/share	Share Repurchases \$209M
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Revenue by Geography

(\$ In billions)

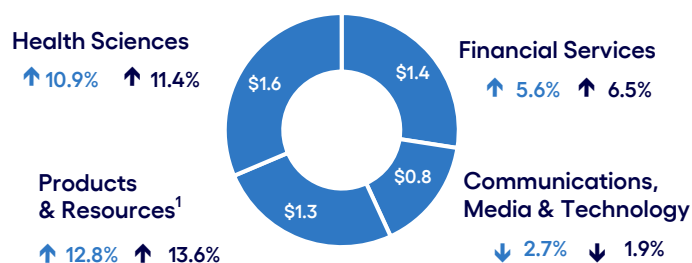
Reported YoY | Constant Currency YoY



Revenue by Segment

(\$ In billions)

Reported YoY | Constant Currency YoY



Employee Metrics

Total Employees 336,300 (500) QoQ

Voluntary - Tech Services Attrition (Trailing 12-Month) 15.8% (10 bps) QoQ

Company Recognition



Received the 2025 World's Most Ethical Companies recognition by Ethisphere



Named to Fortune's list of America's Most Innovative Companies for third consecutive year



Belcan named Supplier of the Year by GE Aerospace

For non-GAAP financial reconciliations refer to Cognizant's 2025 first quarter earnings release issued on April 30, 2025, which accompanies this presentation and is available at investors.cognizant.com.

¹ In the first quarter of 2025, revenue from our recently completed acquisitions of Belcan and Thirdera contributed approximately 4 percentage points to year-over-year revenue growth, including approximately 15 percentage points of growth to our Products & Resources segment, primarily in North America.

² Q1 2025 GAAP Operating Margin and GAAP EPS include the positive impact of \$62 million from a gain on the sale of an office complex in India, which is excluded from our Adjusted Operating Margin and Adjusted Diluted EPS.

About Non-GAAP Financial Measures and Performance Metrics

Non-GAAP Financial Measures

To supplement our financial results presented in accordance with GAAP, this infographic includes references to the following measures defined by the Securities and Exchange Commission as non-GAAP financial measures: Adjusted Operating Margin, Adjusted Diluted EPS, free cash flow and constant currency revenue growth. These non-GAAP financial measures are not based on any comprehensive set of accounting rules or principles and should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and may be different from non-GAAP financial measures used by other companies. In addition, these non-GAAP financial measures should be read in conjunction with our financial statements prepared in accordance with GAAP. The reconciliations of our non-GAAP financial measures to the corresponding GAAP measures should be carefully evaluated.

Our non-GAAP financial measure Adjusted Operating Margin exclude unusual items, such as the gain on sale of property and equipment and NextGen charges. Our non-GAAP financial measure Adjusted Diluted EPS excludes unusual items, such as the gain on sale of property and equipment and NextGen charges, and net non-operating foreign currency exchange gains or losses and the tax impact of all the applicable adjustments. The income tax impact of each item excluded from Adjusted Diluted EPS is calculated by applying the statutory rate and local tax regulations in the jurisdiction in which the item was incurred. Free cash flow is defined as cash flows from operating activities plus proceeds from sale of property and equipment, net of purchases of property and equipment. Constant currency revenue growth is defined as revenues for a given period restated at the comparative period's foreign currency exchange rates measured against the comparative period's reported revenues.

Management believes providing investors with an operating view consistent with how we manage the Company provides enhanced transparency into our operating results. For our internal management reporting and budgeting purposes, we use various GAAP and non-GAAP financial measures for financial and operational decision-making, to evaluate period-to-period comparisons, to determine portions of the compensation for our executive officers and for making comparisons of our operating results to those of our competitors. Accordingly, we believe that the presentation of our non-GAAP measures, which exclude certain costs, when read in conjunction with our reported GAAP results, can provide useful supplemental information to our management and investors regarding financial and business trends relating to our financial condition and results of operations.

A limitation of using non-GAAP financial measures versus financial measures calculated in accordance with GAAP is that non-GAAP financial measures do not reflect all of the amounts associated with our operating results as determined in accordance with GAAP and may exclude costs that are recurring such as our net non-operating foreign currency exchange gains or losses. In addition, other companies may calculate non-GAAP financial measures differently than us, thereby limiting the usefulness of these non-GAAP financial measures as a comparative tool. We compensate for these limitations by providing specific information regarding the GAAP amounts excluded from our non-GAAP financial measures to allow investors to evaluate such non-GAAP financial measures.

COGNIZANT TECHNOLOGY SOLUTIONS CORPORATION
Reconciliations of Non-GAAP Financial Measures
(Unaudited)

	Three Months Ended March 31, 2025	% of Revenues
GAAP income from operations and operating margin	\$ 853	16.7
(Gain) on sale of property and equipment ⁽¹⁾	(62)	(1.2)
Adjusted Income From Operations and Adjusted Operating Margin	\$ 791	15.5
GAAP diluted EPS	\$ 1.34	
Effect of (gain) on sale of property and equipment, pre-tax	(0.13)	
Non-operating foreign currency exchange (gains) losses, pre-tax ⁽²⁾	—	
Tax effect of above adjustments ⁽³⁾	0.02	
Adjusted Diluted EPS	\$ 1.23	

Notes:

- (1) During the three months ended March 31, 2025, we realized a gain of \$62 million on the sale of an office complex in India, which was reported in "(Gain) on sale of property and equipment" on our unaudited consolidated statement of operations.
- (2) Non-operating foreign currency exchange gains and losses, inclusive of gains and losses on related foreign exchange forward contracts not designated as hedging instruments for accounting purposes, are reported in "Foreign currency exchange gains (losses), net" in our unaudited consolidated statements of operations. Non-operating foreign currency exchange gains and losses are subject to high variability and low visibility and therefore cannot be provided on a forward-looking basis without unreasonable efforts.
- (3) Presented below is the tax impact of our non-GAAP adjustments to pre-tax income:

(in millions)	Three Months Ended March 31, 2025
Non-GAAP income tax benefit (expense) related to:	
Gain on sale of property and equipment	\$ (9)
Foreign currency exchange gains and losses	(3)

The effective tax rate related to non-operating foreign currency exchange gains and losses varies depending on the jurisdictions in which such income and expenses are generated and the statutory rates applicable in those jurisdictions. As such, the income tax effect of non-operating foreign currency exchange gains and losses shown in the above table may not appear proportionate to the net pre-tax foreign currency exchange gains and losses reported in our unaudited consolidated statements of operations.

Reconciliation of Free Cash Flow

(in millions)	Three Months Ended March 31, 2025
Net cash provided by operating activities	\$ 400
Purchases of property and equipment	(77)
Proceeds from sale of property and equipment	70
Free cash flow	\$ 393