

For Immediate Release

August 8, 2013

Hinduja Global Solutions Limited

Consolidated Financial Performance: Q1 FY2014 vs. Q1 FY2013

Net Sales increased by 19.8% to Rs. 5,592 million
EBITDA increased by 41.9% to Rs. 634 million, margins expanded by 177 basis points
PAT increased by 94.2% to Rs. 376 million, margins expanded by 258 basis points

Mumbai, India, August 8, 2013 - Hinduja Global Solutions Limited (referred to as “HGS” or the “Company”), a world leader in Business Process Management, announced its First Quarter results for FY2014.

Commenting on the results and performance, **Mr. Partha De Sarkar, Chief Executive Officer of Hinduja Global Solutions** said:

“We are pleased to announce that for the third consecutive quarter we have crossed the Rs. 5,000 million quarterly revenues mark. Traditionally, the first quarter has been the slowest for our business. In this context delivering 20% revenue growth y-o-y to reach ~Rs. 5,600 million is an achievement we are proud of.

We have seen good volume growth from our existing clients. On top of that, there has been additional volumes from new logos. We have also been aided by the favorable exchange rates of the US dollar vis a vis the Indian Rupee and the Philipino Peso. Our profitability has also improved significantly as most of our facilities are now operating at optimal utilization levels.

From early July 2013, our site at Barrie (Ontario, Canada) has become operational and its benefits are expected to accrue in the second half of this fiscal year. The first phase of our SEZ in Bangalore is also complete and is expected to operate at optimum capacity by Q3 FY2014.

We take great delight in sharing that our Preston site in UK has won a gold medal for ‘Best Mid-sized Contact Centre (Outsourced)’ in the prestigious Contact Centre World awards 2013.

Senior management remains focused on diversifying our customer base, strengthening our presence in new verticals and expanding marketing activities to build a strong sales pipeline going forward.”

Consolidated Financial Highlights

(Rs. Million)	Q1		y-o-y	Q4	q-o-q
	FY2014	FY2013	Growth (%)	FY2013	Growth (%)
Net Sales	5,592	4,667	19.8%	5,262	6.3%
EBITDA	634	447	41.9%	758	(16.4)%
Margin (%)	11.3%	9.6%		14.4%	
Profit Before Tax (PBT)	532	307	73.6%	551	(3.3)%
Margin (%)	9.5%	6.6%		10.5%	
Profit After Tax (PAT)	376	194	94.2%	402	(6.4)%
Margin (%)	6.7%	4.2%		7.6%	
Basic EPS (Rs.)	18.27	9.41	94.2%	19.51	(6.4)%

Consolidated Q1 FY2014 Financial Highlights:

- Net Sales increased by 19.8% to Rs. 5,592 million primarily driven by an increase in volumes from existing clients and the addition of new customers, particularly in Canada and Philippines
- EBITDA increased by 41.9% to Rs. 634 million. This improvement was a result of most of the facilities operating at optimal levels of utilization. Various cost control measures implemented last year also contributed to better margins
- PAT stood at Rs. 376 million, a growth of 94.2%. This growth was primarily due to a higher operating profit, favorable exchange rate movements and a decline in interest expense. These were offset to some extent by higher tax payable
- As of June 30, 2013, Net Debt position of Rs. 84 million and Net Worth of Rs. 13,314 million

Q1 FY2014 Business Highlights:

- HGS USA started servicing a large telecom client from our El Paso centre in Q1 FY2014
- Barrie, (Ontario, Canada) site became operational from July 2013 and is expected to operate with 400 full-time equivalents (FTEs) by Q2 FY2014. Benefits will accrue from H2 2014
- The second SEZ in Bangalore with capacity of around 550 seats is being established. The first phase with ~170 seats will start operations during August 2013 and the remaining seats are expected to be completed by Q2 FY2014
- EBOS business continues to perform well and will be offering a new service line of medical coding, during FY2014
- Launched Urdu language support for a Middle Eastern telecom company from our Hyderabad centre
- Expanded non-voice offering of chat and email support for a leading consumer electronics client
- 543 active clients as of June 30, 2013. Clients contributing revenues more than Rs. 150 million for the quarter increased from 7 to 9 compared to Q1 FY2013
- Team at the Preston (UK) site won a gold medal for 'Best Mid-sized Contact Centre (outsourced)' in the prestigious Contact Centre World awards 2013
- Ranked 42nd in the 2013 Global Outsourcing 100 list compiled annually by the International Association of Outsourcing Professionals (IAOP). This is a significant improvement in comparison to HGS' 71st position in 2011
- Named runner-up in the 'Best Outsourced Provider' category at the 14th Annual Call Center Week
- As of June 30, 2013, total headcount was 24,433, of which 61% were based in India, 16% in Philippines, 9% in the US, 10% in Canada and the remaining 4% in Europe

Performance Outlook:

- USA: Traction from existing clients for additional volumes and new lines of business
- Canada: Sales pipeline continues to mature and key opportunities approaching closure
- Europe: Evaluating inorganic growth opportunities in mainland Europe
- Philippines: Sales efforts in the domestic market gain momentum

About Hinduja Global Solutions:

Hinduja Global Solutions (HGS), a part of the multi-billion dollar conglomerate – Hinduja Group, is a world leader in Business Process Management. The Company provides outsourcing solutions that include back office processing, contact center services and customized IT solutions to its global clients comprising several Fortune 500 Companies.

The Company's targeted solutions are designed for the diversified sourcing and servicing needs of clients. The Contact Center and Back Office Services Division houses multiple international voice centers and back office processing units. It provide services to clients in diversified sectors including insurance, telecommunications, pharmaceuticals, life sciences, banking & financial services, consumer electronics / products, technology, automotive, government, media & entertainment, retail, hospitality, government & public sector, hospitality, energy & utilities and transportation & logistics.

HGS currently serves approximately 543 clients through its 56 Global Delivery Centers and employs around 24,000 people worldwide. The Company has presence in Canada, France, Germany, India, Italy, Jamaica, Mauritius, Philippines, the Netherlands, the UK and the US.

Safe Harbour

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.

For more information visit us at www.teamhgs.com or contact:

Srinivas Palakodeti

Hinduja Global Solutions Limited

Tel: +91 80 2573 2620

Email: pala@teamhgs.com

Bijay Sharma

Churchgate Partners

Tel: +91 22 3953 7444

Email: bijay@churchgatepartnersindia.com