

For Immediate Release

August 12, 2014

Hinduja Global Solutions Limited

Consolidated Financial Performance: Q1 FY2015 vs. Q1 FY2014

Net Revenues increased by 19.1% to Rs. 6,662 million

EBITDA increased by 20.7% to Rs. 765 million at a margin of 11.5%

Interim Dividend of Rs. 5.00 per share

As of June 30, 2014, the Company had Net Debt of Rs. 244 million and Net Worth of Rs. 14,938 million

Awarded the “Best Large Contact Center” title at the EMEA finals of Contact Center World Awards 2014

Mumbai, India, August 12, 2014 - Hinduja Global Solutions Limited (referred to as “HGS” or the “Company”), a world leader in Business Process Management, announced its Unaudited First Quarter Results for FY2015.

Commenting on the results and performance, **Mr. Partha DeSarkar, Chief Executive Officer** said:

“HGS continued its growth momentum during the quarter, delivering a strong performance across key geographies including the US, Philippines and India. Despite the first quarter being typically a slower period, we achieved revenue and EBITDA growth rates of 19% and 21%, respectively. However, our PAT declined mainly due to higher non-cash depreciation charges in accordance with the new Companies Act and lower other income on account of exchange rate variations.

The healthcare vertical continues to benefit from US healthcare reforms and was a primary driver of growth, led by some exciting new business opportunities. The performance of our Canadian operations was slightly subdued due to the seasonal downswing. Various profitability improvement measures undertaken last year resulted in a stable performance for our India domestic operations. Our UK and European businesses both experienced a significant revival in revenue growth, underpinned by public sector and other new client wins. We are also pleased to announce that our UK operations was acknowledged with the “Best Large Contact Center” title at the EMEA finals of the recent Contact Center World Awards 2014, for a second consecutive year.

Management’s ongoing focus and investment in global sales and marketing has enabled us to establish a promising sales pipeline across verticals. We are quite confident that this will ultimately translate into long standing customer relationships, quality revenue streams and an improved profitability going forward.”

Consolidated Financial Highlights

(Rs. Million)	Q1		y-o-y	Q4	
	FY2015	FY2014	Growth (%)	FY2014	q-o-q Growth (%)
Net Sales	6,662	5,592	19.1%	6,415	3.9%
EBITDA	765	634	20.7%	853	(10.2)%
Margin (%)	11.5%	11.3%		13.3%	
Profit Before Tax (PBT)	458	532	(13.9)%	576	(20.5)%
Margin (%)	6.9%	9.5%		9.0%	
Profit After Tax (PAT)	325	376	(13.6)%	349	(6.9)%
Margin (%)	4.9%	6.7%		5.4%	
Basic EPS (Rs.)	15.76	18.27	(13.7)%	16.94	(6.9)%

Consolidated Q1 FY2015 Financial Highlights:

- Net sales increased by 19.1% y-o-y to Rs. 6,662 million driven by a combination of enhanced volumes across existing clients, addition of new logos and better demand scenario. On a constant currency basis revenue growth was 14.5% on y-o-y basis
- EBITDA increased by 20.7% y-o-y to Rs. 765 million at 11.5% margin. Improvement in EBITDA was due to better capacity utilization levels across all geographies and delivery centers. Various performance management and cost control measures undertaken during the last year have resulted in a strong margin profile
- PAT declined by 13.6% over same period last year to Rs. 325 million. This was primarily due to higher depreciation of Rs. 54 million caused by implementation of the provisions of the new Companies Act and lower Other Income on account of decreased exchange rate volatility
- As of June 30, 2014, the Company had Net Debt of Rs. 244 million and Net Worth of Rs. 14,938 million

Q1 FY2015 Business Highlights:

- The US operations continued its strong momentum and added two major clients, a large financial services company and a healthcare client, for US-based delivery services
- Canadian operations remained subdued on account of the seasonal downswing. HGS continues to invest in sales and marketing efforts to build a quality pipeline from existing as well as new clients
- The European and UK operations recorded significant performance improvement during the quarter. The operation was acknowledged with the “Best Large Contact Center” title at the EMEA finals of the recent Contact Center World Awards 2014, for a second consecutive year
- The Philippines operation experienced strong demand from US and Canadian clients, mainly in the healthcare vertical
- India International operations continued its growth momentum. EBOS business signed two new clients for account receivable management services
- India Domestic operations reported stable performance during the quarter. HGS received a new line of business from an existing telecom client for its premium customers
- As of June 30, 2014, HGS had 141 active clients (excluding payroll processing clients)
- As of June 30, 2014, total headcount was 26,803, of which 59% were based in India, 18% in Philippines, 10% in the US, 10% in Canada and the remaining 3% in Europe

Performance Outlook:

- USA: Pipeline for onshore and offshore delivery remains robust
- Canada: Investment in sales and marketing efforts to drive a quality pipeline from existing and new clients
- Europe: Focus on government, consumer, automotive and telecom sectors
- Philippines: Benefits of the recently opened centres would be seen in FY2015
- India: Focused on selective growth opportunities with emphasis on better profitability and margins

About Hinduja Global Solutions:

HGS, part of the multi-billion dollar conglomerate Hinduja Group, is a world leader in Business Process Management, with a global footprint across North America, Latin America, Europe, Asia and Africa. With over three decades of experience with some of the world's most recognized brands, it delivers the best practices that drive exceptional results for its clients. Its contact center solutions, back office transaction processing services, domain analytics and process consulting solutions combine operational excellence with functional expertise. It enjoys "Preferred Partner" status with most of its major clients. HGS currently serves 141 clients (excluding payroll processing clients) across sectors like Healthcare & Insurance, Banking & Financial Services, Consumer Products, and Tele-communications, Technology & Media. Our global delivery network comprises of 59 centers employing over 26,800 people worldwide. HGS had a turnover of around \$412 million in FY2014.

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: HGS@churchgatepartnersindia.com