

Hinduja Global Solutions Limited

Consolidated Financial Performance: Highlights of Q1 FY 2017

Net Sales of Rs. 9,095 million, an increase of 23.1% y-o-y

EBITDA of Rs. 1,066 million with margins of 11.7%

PAT of Rs. 517 million with margins of 5.7%

The Board declared an interim dividend of Rs. 2.50 per share

Mumbai, India, August 11, 2016: Hinduja Global Solutions Limited ([HGS](#)) (Listed on NSE & BSE, India) today announced its Unaudited First Quarter Results for FY2017.

Commenting on the performance and outlook, **Mr. Partha DeSarkar, CEO** said:

"HGS posted a robust performance in the first quarter of FY2017 with revenue growing by 23% y-o-y, EBITDA up by 96 % and Net Profits trebling on y-o-y basis. These strong numbers were driven by multiple factors such as increased offshoring, recovery of Canadian operation, strong performance of India Domestic business and turnaround of Colibrium business.

We continue to remain focused on improving profitability and cash flow generation. Further, our investment in technology-powered innovation to provide a differentiating customer experience is supporting our growth trajectory in coming quarters. The results are evident in the encouraging growth numbers for this quarter."

Financial Highlights: Q1 FY2017

- Net Sales increased by 23.1% y-o-y to Rs. 9,095 million.
- EBITDA was Rs. 1,066 million with margins of 11.7%.
- PAT was Rs.517 million with margins of 5.7%.
- As of June 30, 2016, the Company had Net Debt of Rs. 3,421 million and a Net Worth of Rs. 12,650 million.
- Cashflow from operation and after working capital changes was Rs. 886 million
- Capex was Rs. 527 million

Financial Summary: Q1 FY2017

(Rs. Million)	Q1		y-o-y
	FY2017	FY2016	Growth (%)
Net Sales	9,095	7,388	23.1%
EBITDA	1,066	544	95.8%
Margin (%)	11.7%	7.4%	
Profit Before Tax (PBT)	753	268	181.0%
Margin (%)	8.3%	3.6%	
Profit After Tax (PAT)	517	166	212.4%
Margin (%)	5.7%	2.2%	
Basic EPS (Rs.)	24.95	7.99	212.3%

Revenue Summary: Q1 FY2017

- **Revenue origination:** US: 65%, Canada: 12%, UK & Europe: 10% and India 13%.
- **Revenue by vertical:** Healthcare 43%, Telecom & Technology 25%, Consumer 14%, Banking & Financial Services 7% and Others 11%.
- **Clients:** Top client: 17%, Top 5: 47%, Top 10: 60% and Top 20: 72%.

Business Highlights: Q1 FY2017

- **Active Clients:** 189 core BPM clients and 450 payroll processing clients.
- **New Business:**
 - HGS India was awarded a contract from a Fortune 100 e-tailer to provide customer care support to the client's B2C customers from Mysore in Kannada and English languages. The program will operate with over 200 FTEs, with seasonality demand set to increase up to 500 FTEs from November 2016 through January 2017.
 - HGS Jamaica continues to be a great nearshore option.
 - Went live with a new line of business with 50 associates for a healthcare client; Added support for pre and post service medical, and dental segments for same client
 - Won new business for social media services from a leading Jamaican bank
 - HGS Philippines –
 - Launched a line of business to support provider Medicare calls for a leading US-based healthcare client
 - Won a contract from a consumer electronics giant for customer support services
 - HGS USA
 - Awarded a contract from a consumer products leader to provide specialist product support for its new concierge service. HGS' team will assist the client's distributors with pre-sales questions, installations, parts, repairs, etc. through multi-channels including inbound calls, email, live chat, video chat and Twitter support.

- HGS started handling social media support for a major car-sharing company. Using a social media tool, our associates will monitor various accounts on Facebook and Twitter 24/7.
- A technology company that manufactures action cameras engaged HGS to provide customer service support.
- **New Delivery Centers:** In Q1, 2017, HGS opened three new centers: Kingston in Jamaica, and Chennai and Bangalore in India. Currently, HGS has 69 global delivery centers across 11 countries.
- **Employee Headcount:** 40,938, an increase of over 1,000 compared to 31st March 2016; India: 68% (India Offshore 22% and India Domestic 46%), Philippines: 17%, US: 5%, Canada: 6% and Europe: 4%.
- **New Solutions & Innovation:**
 - Launched DigiCX, a suite of CX (Customer Experience) services focused on transforming traditional customer experiences. DigiCX leads with self-service intelligently integrating people to help consumers 'Get the Right Answer Fast' at every moment of truth using analytics, automation and artificial intelligence.



- Colibrium partnered with Health Alliance Medical Plans to implement Colibrium's Tuo® Marketplace to provide a sales automation solution for individual and group markets.

Other Highlights:

- HGS was ranked 11th on Nasscom's Top 20 IT/ BPO Employers list for FY2016; HGS jumped from 18th position the previous year
- HGS won two Gold awards for the second year in a row at the Contact Center World Best Practices Americas 2016 competition in Miami, Florida:
 - Gold in the category of Best Outsourcing Partnership based on our partnership with a major electronics company
 - Gold for Best Use of Self-Service Technology
- HGS was recognized as a Leader in the NelsonHall Customer Management Services NelsonHall Evaluation Assessment Tool, showcasing both a focus on improving customer experience and taking out cost.
- HGS was recognized as a High Performer in the HfS Contact Center Operation Blueprint.
- HGS was included as a "Rising Star" in Gartner Competitive landscape: Building Differentiated Customer Management BPO Services.

About Hinduja Global Solutions:

HGS is a leader in optimizing the customer experience and helping our clients to become more competitive. HGS provides a full suite of business process management (BPM) services from consumer interaction solutions to platform based back office services and digital enablement solutions. By applying analytics, automation and interaction expertise to deliver innovation and thought leadership, HGS increases revenue, improves operating efficiency and helps retain valuable customers. HGS expertise spans the telecommunications and media, healthcare, insurance, banking, consumer electronics and technology, retail, consumer packaged goods and the public sector verticals. HGS operates on a global landscape with around 41,000 employees in 69 worldwide delivery centers providing localized solutions. For the year ended 31st March 2016, HGS had revenues of US\$ 507 million. HGS, part of the multi-billion dollar Hinduja Group, has over four decades of experience working with some of the world's most recognized brands.

www.teamhgs.com

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:

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