

Hinduja Global Solutions Limited

Consolidated Financial Performance: Highlights of Q1 FY2018

Net Sales of Rs. 9,272 million, an increase of 1.9% y-o-y

EBITDA of Rs. 1,002 million with margins of 10.8%

PAT of Rs. 415 million with margins of 4.5%

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

Bangalore, India, August 11, 2017: Hinduja Global Solutions Limited ([HGS](#)) (Listed on NSE & BSE, India) today announced its Audited First Quarter Results for FY2018.

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

"Q1 has traditionally been a soft quarter for HGS. In line with this trend, topline in Q1 FY2018 posted a moderate growth of 6.4% Y-o-Y in constant currency terms. Revenue growth and margins in Rupee terms were muted, mainly due to adverse FX impact of 4.5% from a strong Rupee and lower profitability of India domestic business.

Looking ahead, we see a robust pipeline led by our investments in client-facing activities and technology-led solutions in Automation, Digital and Analytics. As with previous years, we expect H2 to be better than H1."

Financial Highlights: Q1 FY2018

- Net Sales increased by 1.9% y-o-y to Rs. 9,272 million.
- EBITDA was Rs. 1,002 million with margins of 10.8%.
- PAT was Rs. 415 million with margins of 4.5%
- Cashflow from operation and after working capital changes was Rs. 1,269 million.
- Capex and investments was Rs. 395 million.
- Gross debt reduction of Rs. 553 million during Q1. Net Debt of Rs. 1,187 million at quarter-end.

Financial Summary

	Quarter 1		YOY	Quarter 4	QOQ	Full Year	
(Rs Million)	FY2017	FY2018	Growth	FY2017	Growth	FY2017	FY2016
Operating Revenues	9,095	9,271	1.9%	9,400	-1.4%	37,110	33,282
EBITDA	1,066	1,002	-6.0%	1,248	-19.7%	4,424	3,130
EBITDA Margin	11.7%	10.8%		13.3%		11.9%	9.4%
Profit Before Tax	753	579	-23.2%	581	-0.4%	2,547	1,559
PBT Margin	8.3%	6.2%		6.2%		6.9%	4.7%
Profit After Tax	519	415	-20.0%	427	-2.9%	1,792	1,010
PAT Margin	5.7%	4.5%		4.5%		4.8%	3.0%
Basic EPS (Rs)	25.0	20.0	-20.0%	20.6	-2.9%	86.5	48.4

* EBITDA computed excluding foreign exchange loss

Q1 FY2018 Press Release



Revenue Summary: Q1 FY2018

- **Revenue origination:** US: 65%, Canada: 11%, UK & Europe: 8% and India 16%.
- **Revenue by vertical:** Healthcare 47%, Telecom & Technology 22%, Consumer 13%, Banking & Financial Services 8% and Others 10%.
- **Clients:** Top client: 19%, Top 5: 52%, Top 10: 62% and Top 20: 71%.

Business Highlights:

- **Client Wins:**
 - Signed seven new clients across Healthcare, Airline, Retail and Consumer Electronics till date; 2 of them have already started generating revenue
 - Expanded engagements with 19 existing clients
 - 5 digital-related deals across new and existing clients
- **Active Clients:** 187 core BPM clients and 618 payroll processing & HRO clients
- **New Delivery Centers:** Opened a new center in Indore. Currently, HGS has 69 global delivery centers across seven countries.
- **Employee Headcount:** 44,877 as on 30th June, 2017; India: 67% (India Offshore 20% and India Domestic 47%), Philippines: 16%, US: 5%, Canada: 5%, Jamaica: 4% and Europe: 3%
- **Management changes:** Announced Adam Foster as the new CEO for UK & Europe (July 2017)
- **New Solutions & Innovation:**
 - Signed a strategic partnership with Conversable, a leader in AI, CX and intelligent automated conversations; Will enhance HGS' service offerings to transform customer experience through intelligent integration of bots and brains
- **Recognition:**
 - Named as Major Contender in Contact Center Outsourcing - Everest PEAK Matrix
 - Named Leader in delivering Digital Customer Experience - NelsonHall Multi-channel Customer Management Services NEAT
 - Named Leader in Customer Management Services for Telecom - NelsonHall NEAT
 - Named in the ISG Americas Breakthrough 15 Sourcing Standout
 - Winner in Contact Center World Awards for –
 - Gold for Best Outsourcing Partnership
 - Gold for Best Self-Service Technology using the HGS Bots & Brains approach

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 traditional voice contact center services and transformational DigiCX services that are unifying customer engagement to platform-based, back-office services and digital marketing 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, and consumer packaged goods industries, as well as the public sector. HGS operates on a global landscape with over 44,800 employees in 69 worldwide locations delivering localized solutions. For the year ended 31st March 2017, HGS had revenues of US\$ 555 million. HGS, part of the multi-billion dollar Hinduja Group, has more than 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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