

**For Immediate Release**

**May 20, 2015**

**Hinduja Global Solutions Limited**

**Consolidated Financial Performance: FY2015**

Net Sales of Rs. 28,076 million, an increase of 12.1% y-o-y

EBITDA of Rs. 3,172 million with margin of 11.3%

PAT of Rs. 1,650 million with margin of 5.9%

As of March 31, 2015, the Company had Net Debt of Rs. 2,122 million and

Net Worth of Rs. 10,742 million

The Board recommended a final dividend of Rs. 5 per share,

bringing the total dividend for the year to Rs. 20 per share

**Mumbai, India, May 20, 2015:** Hinduja Global Solutions Limited ([HGS](#)) (Listed on NSE & BSE, India) today announced its Audited Full Year Results for FY2015.

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

*"Financial year 2015 was an exciting year for us from an operations standpoint. Compared to FY 2014, revenues increased by around 12% in rupee terms, and 12.8 % in constant currency terms. This growth was achieved despite the impact of portfolio rationalization coupled with unfavorable foreign exchange variations. The growth was primarily driven by our healthcare vertical, but it is encouraging to report that our other verticals performed as per our expectations. All our geographies, except Canada continued their growth momentum. Our Canada operations had strong volume demand but the prevailing labor issues and adverse weather conditions impacted our client servicing capability. However, we believe this is a short term phenomenon and have taken necessary steps to overcome these challenges.*

*During the year, we undertook certain initiatives to widen our footprint and strengthen our capabilities. HGS MENA set up a marketing office in Dubai to capitalize on the opportunities in the region and the prospects are very encouraging. In March 2015, we acquired Colibrium, an innovation leader in delivering multi-channel sales, service and wellness automation to health plans. This acquisition in the US market complements and enhances our already strong healthcare payer servicing platform.*

*We believe the various strategic initiatives coupled with the expansion of facilities strengthen the foundation for sustained growth for HGS in the long term. These steps are anticipated to grow and have a meaningful impact from the second half of FY2016. The continuous improvement in performance of all the geographies coupled with gradual recovery of the European operations gives us confidence to continue the growth momentum."*

**Consolidated Financial Highlights:**

(Rs. Million)	Q4		y-o-y	Q3		q-o-q		Year Ended		y-o-y
	FY2015	FY2014	Growth (%)	FY2015	Growth (%)	FY2015	Growth (%)	FY2015	FY2014	Growth (%)
Net Sales	7,068	6,415	10.2%	7,325	(3.5)%	28,076	25,049	12.1%		
EBITDA	693	853	(18.7)%	904	(23.3)%	3,172	3,219	(1.5)%		
Margin (%)	9.8%	13.3%		12.3%		11.3%	12.9%			
Profit Before Tax (PBT)	367	576	(36.3)%	589	(37.7)%	1,934	2,309	(16.2)%		
Margin (%)	5.2%	9.0%		8.0%		6.9%	9.2%			
Profit After Tax (PAT)	413	349	18.3%	528	(21.7)%	1,650	1,696	(2.7)%		
Margin (%)	5.8%	5.4%		7.2%		5.9%	6.8%			
Basic EPS (Rs.)	19.98	16.94	18.0%	25.49	(21.6)%	79.88	82.33	(3.0)%		

**Consolidated FY2015 Financial Highlights:**

- Net Sales increased by 12.1% to Rs. 28,076 million driven by increased contribution from the healthcare vertical. This growth was achieved despite the impact of portfolio rationalization coupled with unfavorable foreign exchange variations.
- EBITDA was Rs. 3,172 million with margins of 11.3%. EBITDA was impacted due to lower volumes in Canada on account of labour issues and weather challenges.
- PAT as Rs. 1,650 million with a margin of 5.9%. Profitability is not comparable on y-o-y basis as it includes an impact of higher depreciation due to implementation of the new Companies Act.
- As of March 31, 2015, the Company had Net Debt of Rs. 2,122 million and Net Worth of Rs. 10,742 million

**FY2015 Business Highlights:**

- The US operation received an off-shoring opportunity from an existing consumer electronics client for Spanish language support from Philippines
- The Canadian operations performance remained soft due to prevailing labor market conditions and snow storm. However, demand from existing clients increased significantly
- The UK and Europe operation experienced significant expansion in business opportunity and improvement in profitability. Continues to add clients in the key verticals such as the public sector, CPG and telecom
- The Philippines operation's sales pipeline continues to remain strong and is expected to continue the growth momentum
- India International operation received a new line of business on the enterprise segment from an existing telecom client, which is expected to result in increased revenues in FY2016
- India Domestic operation received a contract for customer support from Bangalore and Mumbai for an existing UK based leading international FMCG and food company

- Established a marketing office in the Dubai Internet City with the objective to build sales pipeline. Demand trend from MENA region is encouraging and the operation has started adding new clients
- HGS Canada was awarded the Global Stevie award for the “Best Call Centre in Operational Excellence”
- As of March 31, 2015, HGS had 171 active clients (excluding payroll processing clients)
- As of March 31, 2015, total headcount was 28,435, of which 56% were based in India, 21% in Philippines, 9% in the US, 10% in Canada and the remaining 4% in Europe

### **Performance Outlook:**

- USA: Growth momentum to be supported by new client additions coupled with increased contribution from existing clients
- Canada: Performance is expected to improve significantly from mid of Q2 FY2016
- Europe: Continued focus on further strengthening its position in key verticals such as government, consumer and telecom
- Philippines: Sales pipeline continues to remain strong and is expected to continue the growth momentum
- India: Continues to add new lines of business from the healthcare clients

### **Industry Recognitions:**

During the year under review, HGS received numerous awards and recognition by various outsourcing research & analysis firms. These accolades are testament to the Company's leadership position in the BPM industry

- Recognized in the 2014 Gartner Magic Quadrant for Customer Management Contact Center BPO 2014
- NelsonHall's NEAT vendor evaluation for customer management services recognized HGS as a Leader in Customer Management Services (CMS) in overall market segment for telecommunications, cable and satellite
- Included in the HfS Blueprint 2014 Marketing Operations and Digital Customer Experience Management
- Included in the HfS 2014 Telecom Operations Blueprint
- Ranked HIGH on all parameters related to buyer satisfaction by Everest Group in the 2014 Contact Center Outsourcing (CCO) – Service Provider Landscape with PEAK Matrix™ Assessment. Also positioned as a "Major Contender" in Everest Group's 2014 PEAK Matrix assessment

### About Hinduja Global Solutions:

HGS is a leader in optimizing the customer experience and helping our clients to become more competitive. HGS provide a full suite of business process management services from marketing and digital enablement services, consumer interaction services to platform enabling back office business services. By applying analytics and interaction expertise to deliver innovation and thought leadership, HGS increases revenue, improves operating efficiency and helps to retain valuable customers. HGS expertise span the telecommunications and media, healthcare, insurance, banking, consumer electronics and technology, retail, consumer packaged goods industries, as well as the public sector. HGS operates on a global landscape with over 28,000 employees in 60 worldwide locations delivering localized solutions. For the year ended 31<sup>st</sup> March 2015, HGS had revenues of around US \$ 458 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](http://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](http://www.teamhgs.com) or contact:

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