

HGSL's Q2FY12 Revenue at Rs. 3,578.2 million EBITDA at Rs. 383.9 million, PAT at Rs. 265.3 million

Mumbai, November 11, 2011: Hinduja Global Solutions, a leading provider of Outsourcing Solutions to Fortune 500 companies, today announced its unaudited financial results for the quarter ended September 30, 2011

Financial Highlights

- Consolidated Operating Revenue for Q2FY12 was Rs. 3,578.2 million against Rs. 2,660.7 million in Q2FY11, registering Y-o-Y growth of 34.5%. On a sequential quarter basis, revenues were higher by 28.5% than Q1FY12 revenues of Rs. 2,784.0 million. Revenue growth was driven by a mix of organic and inorganic growth.
- Consolidated EBITDA for Q2FY12 was Rs. 383.9 million against Rs. 366.6 million in Q2FY11, a y-on-y increase of 4.7%. On a sequential basis, EBITDA was higher by 29.1% compared to Rs 297.3 million in Q1FY12.
- Consolidated PAT for Q2FY12 was Rs. 265.3 million as against Rs. 253.5 million in Q2FY11, a y-on-y increase of 4.7%. PAT for Q2FY12 was higher by 30.7% on a sequential basis..

CEO's message

Commenting on the results, **Mr. Partha De Sarkar, CEO**, said, *"We are pleased to report strong revenue growth for the quarter through a mix of organic and inorganic growth. Organic growth has been driven by higher volumes as well as improved realization due to INR depreciation.*

Our acquisitions of OLS Inc and HCCA have contributed to our growth, although only for a part of the quarter. We are excited to include these businesses within our global operations as we see significant potential for both of them. As guided by us earlier they have been accretive to bottomline.

We have a healthy pipeline of business in all of our key geographies. While economic uncertainty continues to prevail, several clients are in discussion to grow existing

relationships. We also have strategic plans to grow newly acquired businesses and verticals and will look to sustain our growth momentum."

"While the two acquisitions have added to the overall profits, the profitability has been somewhat impacted by ramp up costs in India and Philippines , acquisition related costs as well as provision for Mark to Market (MTM) loss on outstanding forward exchange contracts to the extent of Rs. 38.6 mn"

Operating Highlights

- The company added 10 new Clients on an organic basis during the quarter.
- Acquired Canada based OLS Inc in Aug 2011. OLS services marquee customers across verticals such as media, telecom, technology and BFSI. It has over 2000 seats at 10 sites in Canada and has an employee base of over 2000 employees.
- Acquired HCCA business services in Aug 2011. HCCA is a prominent player in the domain of Human Resource Outsourcing in India with a presence in UAE and other Gulf Council countries. It has over 350 clients and an employee base of over 500 people.

Key Perspectives

- Consolidated PAT for Q2FY12 – Rs. 265.3 million
 - Diluted EPS – Rs. 12.89 per share (not annualized)
- Consolidated PAT TTM (Oct '10 to Sep '11) – Rs. 1,057.0 million
 - Diluted EPS – Rs. 51.34 per share
- Net Worth as on September 30, 2011 – Rs. 10,972.5 million
 - Book Value – Rs. 532.92 per share

- Debt of Rs. 7,196.4 million as on September 30, 2011
- Cash & Cash equivalents as on Sep 30, 2011 – Rs. 7,314.6 million (Gross) & Rs. 118.2 million (Net of Debt)
 - Cash and Cash Equivalents (Gross) – Rs. 355.25 per share
 - Cash and Cash Equivalents (Net) – Rs. 5.74 per share
- Market Capitalisation – Rs. 7,004.5 million
 - Based on the closing price of Rs. 340.20 per share on NSE on November 10, 2011.
- Consolidated EV/EBITDA – 4.6 times

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About Hinduja Global Solutions (HGS)

HGS, part of the multi-billion dollar conglomerate - Hinduja Group, is a world leader in Customer Relationship and Business Process Management, with a global footprint across North 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 several fortune 500 customers through its 47 Global Delivery Centers & employs close to 20000 people worldwide. HGS is a public limited company, listed on both the leading stock exchanges in India, the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). It had a turnover of \$242 million in the fiscal year 2010-11

Disclaimer

Some of the statements in this document that are not historical facts are forward looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate.

These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and global market conditions and other risks not specifically mentioned herein but those that are common to industry.

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