

For Immediate Release

November 7, 2012

Hinduja Global Solutions Limited

Consolidated Financial Performance: Q2 FY2013 vs. Q2 FY2012

Net Sales increased by 31.2% to ₹4,692 million

EBITDA increased by 30.7% to ₹499 million

Strategic acquisition of revenue cycle management business from Deloitte in October 2012

Mumbai, India, November 7, 2012 – Hinduja Global Solutions Limited (referred to as “HGS” or the “Company”), a world leader in Customer Relationship and Business Process Management, announced its Unaudited Second Quarter and Half Year Results for FY2013.

Commenting on the results and performance, **Mr. Partha De Sarkar, Chief Executive Officer of Hinduja Global Solutions** said:

“Despite a challenging environment, we are pleased to report top line and EBITDA growth both in excess of 30%. Overall we benefited from increased volumes and new service offerings delivered to our existing clients. This also resulted in improvement in EBITDA margins by ~100 basis points sequentially. PAT for the quarter was adversely affected to the extent of ₹53.2 million on account of foreign exchange re-measurement.

We expect the remaining half of the financial year to show the seasonal increase. The Company continues to invest in sales, marketing and infrastructure to support its organic growth plans, increased complexity and scale of service delivery.”

Consolidated Financial Highlights

(₹ million)	Q2		y-o-y	Q1		q-o-q	Half Year		y-o-y
	FY2013	FY2012	Growth (%)	FY2013	Growth (%)		FY2013	FY2012	Growth (%)
Net Sales	4,692	3,575	31.2%	4,667	0.5%		9,359	6,359	47.2%
EBITDA	499	382	30.7%	447	11.8%		946	679	39.3%
Margin (%)	10.6%	10.7%		9.6%			10.1%	10.7%	
Profit Before Tax & Other Income	174	179	(2.4)%	168	3.6%		343	336	2.0%
Margin (%)	3.7%	5.0%		3.6%			3.7%	5.3%	
Profit Before Tax (PBT)	182	261	(30.3)%	307	(40.7)%		489	503	(2.9)%
Margin (%)	3.9%	7.3%		6.6%			5.2%	7.9%	
Profit After Tax (PAT)	111	265	(58.3)%	247	(55.1)%		357	468	(23.7)%
Margin (%)	2.4%	7.4%		5.3%			3.8%	7.4%	
Basic EPS (₹)	5.38	12.89	(58.3)%	11.98	(55.1)%		17.36	22.75	(23.7)%

Note:

- PAT and EPS for Q1 FY2013 and H1 FY2013 are adjusted for a one-time extraordinary item (loss)
- PAT in Q2 FY2012 includes a one off ₹62.2 million reversal of tax credit

Q2 FY2013 Financial Highlights:

- Consolidated Net Sales increased by 31.2% compared same period last year. This growth was driven by the acquisitions made in Canada and of the payroll business in August 2011 as well as organic growth
- Consolidated EBITDA grew by 30.7% after accounting for ramp up costs for new delivery centers in the UK, site expansion and site consolidation in Canada. EBITDA margins were maintained, compared to Q2 FY2012 and increased by ~100 basis points sequentially
- Consolidated PAT was negatively impacted by ₹53.2 million on account of foreign exchange re-measurement loss due to the appreciation of rupee towards end September 2012
- As of September 30, 2012, the Company had Net Debt position of ₹285 million and Net Worth of ₹12,229 million

Q2 FY2013 Business Highlights:

- US Subsidiary (HGS Inc.) acquired Deloitte's revenue cycle management business, which is expected to add revenues of over \$11 million per annum. Significantly strengthens existing US healthcare business by providing direct access to the care providers
- Setting up an SEZ in Hyderabad for servicing Deloitte's EBOS business
- New centre opened in August 2012 in Bangalore to service the offshore business
- 521 active clients as of September 30, 2012
 - Clients with revenue contributing more than ₹100 million for the quarter increased from 9 to 11 compared to Q2 FY2012
 - Added two high profile healthcare clients, extending market coverage to 5 out of the top 12 healthcare companies in the US
 - Large number of client additions in the Emerging Market and HGS Business Services
- Appointed Kathy Hamburger to the HGS global executive team. In her role as President of HGS USA, Kathy will be responsible for strategic planning, business growth initiatives and enhancing profitability
- Opened new delivery centres in UK, Canada Jamaica and India
- As of September 2012, total headcount stood at 22,883, of which 62% were based in India, 14% in Philippines, 10% in the US, 9% in Canada and remaining 5% in Europe

Performance Outlook:

- USA: Volumes expected to increase in the second half of the fiscal year
- Canada: Increased volumes and new lines of business from existing customer base
- UK: Preston centre to drive performance
- Philippines: A large number of client visits show continued interest in the Philippines delivery centre

About Hinduja Global Solutions:

Hinduja Global Solutions (HGS), a part of the multi-billion dollar conglomerate – Hinduja Group, is a world leader in Customer Relationship and Business Process Management. The Company provides outsourcing solutions that include back office processing, contact centre services and customized IT solutions to its global clientele comprising several Fortune 500 Companies

The Company's targeted solutions are designed for the diversified sourcing and servicing needs of clients. The Contact Centre and Back Office Services Division houses multiple international voice centres and back office processing units. It provide services to clients in diversified sectors including insurance, telecommunications, pharmaceuticals, life sciences, banking & financial services, consumer electronics / products, technology, automotive, government, media & entertainment, retail, hospitality, government & public sector, hospitality, energy & utilities and transportation & logistics.

HGS currently serves approximately 521 clients through its 54 Global Delivery Centres and employs around 23,000 people worldwide. The Company has presence in India, the United States, the United Kingdom, Canada, Mauritius, France, Germany, Italy, Jamaica, the Netherlands and Philippines.

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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