

For Immediate Release

November 11, 2013

Hinduja Global Solutions Limited

Consolidated Financial Performance: Q2 FY2014 vs. Q2 FY2013

Net Sales increased by 37.9% to Rs. 6,473 million
EBITDA increased by 63.0% to Rs. 814 million. Margin of 12.6%, an increase of 193 basis points
PAT increased by 287.7% to Rs. 429 million
Declared an interim dividend of Rs. 5 per share

Mumbai, India, November 11, 2013 - Hinduja Global Solutions Limited (referred to as “HGS” or the “Company”), a world leader in Business Process Management, announced its Unaudited Second Quarter and Half Year Results for FY2014.

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

“We are very pleased to report that we continue to build on our growth momentum. This quarter we have recorded our highest ever revenue of nearly Rs. 6,500 million, EBITDA of over Rs. 800 million and PAT of Rs. 429 million. This robust performance has been driven by a combination of enhanced volumes across our existing clients, addition of new logos and better capacity utilization at all our centers. The favorable exchange rates are also helping our offshore revenues. We are seeing stronger demand from most of our markets. We have also continued our efforts to clean up our portfolio of businesses to rationalize our lower margin clients.

We are very confident of our performance for the remaining part of the year. Our optimism is supported by the strong sales pipeline that we have at the moment. The management expects to continue this growth trajectory along with strong profitability going forward.”

Consolidated Financial Highlights

(Rs. Million)	Q2		y-o-y	Q1		q-o-q	Six Months		y-o-y
	FY2014	FY2013	Growth (%)	FY2014	Growth (%)		FY2014	FY2013	Growth (%)
Net Sales	6,473	4,692	37.9%	5,592	15.8%		12,064	9,359	28.9%
EBITDA	814	499	63.0%	634	28.4%		1,448	946	53.0%
Margin (%)	12.6%	10.6%		11.3%			12.0%	10.1%	
Profit Before Tax (PBT)	583	182	220.4%	532	9.5%		1,115	489	128.3%
Margin (%)	9.0%	3.9%		9.5%			9.2%	5.2%	
Profit After Tax (PAT)	429	111	287.7%	376	14.2%		806	304	164.6%
Margin (%)	6.6%	2.4%		6.7%			6.7%	3.3%	
Basic EPS (Rs.)	20.85	5.38	287.4%	18.27	14.1%		39.12	14.79	164.5%

Consolidated Q2 FY2014 Financial Highlights:

- Net sales increased by 37.9% to Rs. 6,473 million primarily driven by robust volume growth from existing customers and addition of new clients
- EBITDA increased by 63.0% to Rs. 814 million. Improvement in EBITDA was driven by strong organic growth resulting in optimal capacity utilization levels. Ongoing assessment of profitability across clients and corrective actions have resulted in better margins
- PAT increased by 287.7% to Rs. 429 million. This growth was primarily due to a higher operating profit and lower interest expenses due to repayment of debt coupled with lower working capital requirement due to improved profitability
- As of September 30, 2013, the Company had Net Debt of Rs. 410 million and Net Worth of Rs. 14,364 million
- Declared an interim dividend of Rs. 5 per share

Q2 FY2014 Business Highlights:

- The US continues to perform well and has added 3 new clients in consumer vertical during the quarter
- Canada received a new line of business from an existing telecom client, which is currently ramping up and is expected to reach full capacity by Q4 FY2014. Our first offshoring contract from Canada with Philippines delivery has started
- India Domestic operation received rate increases from their various clients. This is expected to yield better margin contribution in the second half of the fiscal year
- The Philippines operation added new lines of business such as payer data management for a healthcare client, and service centre back office and social media management for a consumer electronics client. A new centre is being opened in Manila with over 800 seats
- European operation's focus on building strong relationships has resulted in a new line of business from an existing telecom customer. It has also added 2 new clients in the consumer goods and the auto sectors
- As of 30th September 2013, we had 133 active clients (excluding payroll processing clients). Clients contributing revenues more than Rs. 100 million for the quarter increased from 11 to 16 compared to Q2 FY2013
- As of September 30, 2013, total headcount was 24,669, of which 60% were based in India, 15% in Philippines, 10% in the US, 11% in Canada and the remaining 4% in Europe

Performance Outlook:

- USA: Focused on broadening client relationships, which is expected to result in strong organic growth
- India: Selective and profitable client acquisitions across sector to improve profitability
- Canada: Focused on acquiring new clients and more offshoring opportunities are anticipated
- Philippines: Focus on acquiring new clients is gathering momentum. Strong offshoring demand
- Europe: Actively pursuing opportunities in the public sector and build upon strong client relationships

About Hinduja Global Solutions:

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

The Company's targeted solutions are designed for the diversified sourcing and servicing needs of clients. The Contact Center and Back Office Services Division houses multiple international voice centers 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 133 clients (excluding payroll processing clients) through its 56 Global Delivery Centers and employs around 24,700 people worldwide. The Company has presence in Canada, France, Germany, India, Italy, Jamaica, Philippines, the Netherlands, the UK and the US.

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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