

Hinduja Global Solutions Limited

Consolidated Financial Performance: Highlights of Q2 FY2017

Net Sales of Rs. 9,052 million, an increase of 14.7% y-o-y

EBITDA of Rs. 964 million with margins of 10.7%

PAT of Rs. 374 million with margins of 4.1%

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

Mumbai, India, November 9, 2016: Hinduja Global Solutions Limited ([HGS](#)) (Listed on NSE & BSE, India) today announced its Unaudited Second Quarter and Half Year Results for FY2017.

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

"HGS continued its strong trajectory of topline growth at 14.7% y-o-y in the second quarter of FY2017, led by robust performance in Healthcare vertical and Offshore business. PAT was slightly impacted by currency volatility, one-time cost of a client exit in Europe and ramp ups. Looking beyond these factors, we see demand for our services only rising across our key service offerings, geographies and verticals. Our shift toward becoming a digital transformation enabler for clients with the recently-launched DigiCX solutions is helping us create a differentiator in the market.

HGS' fundamentals remain strong and we believe that H2 will see a better performance, led by open enrolment in healthcare and focused operational improvements."

Financial Highlights: Q2 FY2017

- Net Sales increased by 14.7% y-o-y to Rs. 9,052 million.
- EBITDA was Rs. 964 million with margins of 10.7%.
- PAT was Rs. 374 million with margins of 4.1%.
- The Board declared an interim dividend of Rs. 2.50 per share

Financial Highlights: H1 FY2017

- Net Sales increased by 18.8% y-o-y to Rs. 18,147 million.
- EBITDA was Rs. 2,031 million with margins of 11.2%.
- PAT was Rs. 891 million with margins of 4.9%.
- Cashflow from operation and after working capital changes was Rs. 2,264 million
- Capex and investments was Rs. 943 million
- As of September 30, 2016, the Company had Net Debt of Rs. 2,544 million and a Net Worth of Rs. 12,191 million.

Q2 FY2017 Press Release



Financial Summary

(Rs. Million)	Q2		y-o-y	Half Year		y-o-y
	FY2017	FY2016	Growth (%)	FY2017	FY2016	Growth (%)
Net Sales	9,052	7,890	14.7%	18,147	15,278	18.8%
EBITDA	964	853	13.0%	2,031	1,398	45.2%
Margin (%)	10.7%	10.8%		11.2%	9.2%	
Profit Before Tax (PBT)	492	473	4.0%	1,245	739	68.4%
Margin (%)	5.4%	6.0%		6.9%	4.8%	
Profit After Tax (PAT)	374	316	18.5%	891	479	86.0%
Margin (%)	4.1%	4.0%		4.9%	3.1%	
Basic EPS (Rs.)	18.12	15.05	20.4%	43.07	22.94	87.7%

Revenue Summary: Q2 FY2017

- **Revenue origination:** US: 66%, Canada: 11%, UK & Europe: 10% and India 14%.
- **Revenue by vertical:** Healthcare 45%, Telecom & Technology 24%, Consumer 14%, Banking & Financial Services 7% and Others 10%.
- **Clients:** Top client: 18%, Top 5: 49%, Top 10: 61% and Top 20: 73%.

Business Highlights: Q2 FY2017

- **Active Clients:** 185 core BPM clients and 607 payroll processing clients.
- **New Business:**
 - Launched a technical support program for a consumer electronics major from US to support operation of their consumers' home theatre display and audio products from anywhere in their home.
 - Won an engagement to support a leading US-based healthcare client's customer calls across medical and dental platforms, to be serviced from our Manila facility.
 - Two healthcare clients have awarded contracts to HGS for English and bilingual Southeast Asian language support from Philippines.
 - Won a contract to support customer care for an existing telecom client's retention and wireless businesses in Canada
 - Received two new lines of businesses from an existing client in the public sector vertical in Canada
 - Ramped up voice and chat programs for an existing ecommerce client in Mysuru
 - HGS' digital arm, HGS Interactive, won a contract to develop and manage an ecommerce portal for a leading jewellery brand in India
 - HGS' HRO and F&A business in India won seven new clients across BFSI, consumer products and energy verticals
- **New Delivery Centers:** In Q2, 2017, HGS opened one new center in Philippines. Currently, HGS has 66 global delivery centers across 7 countries.

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- **Employee Headcount:** 43,793, an increase of 2,855 employees compared to 30th June 2016; India: 66% (India Offshore 20% and India Domestic 46%), Philippines: 17%, US: 8%, Canada: 5% and Europe: 4%.

Other Highlights:

- HGS received Frost & Sullivan 2016 North American New Product Innovation Award for DigiCX (September 2016)
- HGS achieves Americas Top 15 status in the Breakthrough Sourcing standouts In ISG Outsourcing Index Global Q3 2016 (Sept 2016)
- HGS recognized in the "Winner's circle" in HfS Digitally Enabled Contact Center Blueprint 2016 (Sept 2016)
- HGS recognized as "Major Contender" in Everest Group Healthcare Payer BPO Service Provider Profile Compendium (Aug 2016)
- HGS ranked as "Leader" In NelsonHall CMS in Retail & CPG NEAT Overall 2016 (July 2016)
- HGS recognized in Everest Group BPS Top 50 2016 list (July 2016)
- HGS recognized as "High Performer" in HfS Blueprint 2016 - Population Health & Care Management (July 2016)

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 around 44,000 employees in 66 worldwide locations delivering localized solutions. For the year ended 31st March 2016, HGS had revenues of US\$ 507 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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