

HGS ANNOUNCES RESULTS FOR Q2 FY2018

Bangalore, India, November 8, 2017: Hinduja Global Solutions (HGS) (listed in BSE & NSE) today announced its unaudited Second Quarter and Half Year Results for FY2018.

"HGS had a good second quarter, driven by demand across verticals and in geographies such as the US, Jamaica, India International business and the Philippines. Looking at our strong metrics this quarter, I believe that we have struck a good balance between pursuing revenue growth and profitability and delivering stable margins," said Partha DeSarkar, CEO of HGS. "Our focus on technology-led services such as RPA, analytics and DigiCX coupled with our deep domain expertise is helping HGS increase its share of clients' digital spend. The sales pipeline for H2 looks encouraging and with Open Enrolment and Holiday season scheduled for Q3, we are well-positioned to deliver higher value to our stakeholders."

Financial Highlights for Q2 FY2018

- HGS reported a YoY revenue growth of 4.1 % at Rs. 9,426 million
- Revenue growth in constant currency terms was 6.5%
- EBITDA was Rs. 1,038 million; EBITDA margins stood at 11%
- Net profit was Rs. 534 million, a YoY growth of 42.7%; Net margins stood at 5.7%
- Capital expenditure for the quarter was Rs. 433 million, vis-à-vis Rs. 395 million in Q1 FY2018
- Generated 68 % of the Q2 FY2018 EBITDA into Free Cash
- Gross debt reduction of Rs. 247 million over Q1 FY2018 and gross debt reduction of Rs. 1,750 million in the last four quarters
- Net Debt as of Q2 FY2018 was Rs 656 million, a Net Debt/TTM EBITDA of 0.15
- Interim Dividend of Rs 2.50 /share

Financial Highlights for H1 FY2018

- Net Sales increased to Rs. 18,698 million, a YoY revenue growth of 3.1%; in constant currency, growth was 6.4% YoY
- EBITDA was Rs. 2,040 million; EBITDA margins stood at 10.9%
- Net profit was Rs. 948 million; Net margins stood at 5.1%

Q2 FY2018 EARNINGS PRESS RELEASE



Consolidated Financial Highlights

(Rs Million)	Quarter 2		YOY	Quarter 1	QOQ	Half Year	
	FY2017	FY2018	Growth	FY2017	Growth	FY2018	FY2017
Operating Revenues	9,052	9,426	4.10%	9,271	1.70%	18,698	18,147
EBITDA	964	1,038	7.60%	1002	3.60 %	2,040	2,031
EBITDA Margin	10.70%	11.00%		10.80%		10.90%	11.20%
Profit Before Tax	492	739	50.20%	579	27.80%	1,318	1,245
PBT Margin	5.40%	7.80%		6.20%		7.00%	6.90%
Profit After Tax	374	534	42.70%	415	28.60%	948	893
PAT Margin	4.10%	5.70%		4.50%		5.10%	4.90%
Basic EPS (Rs)	18.1	25.7	42.20%	20	28.40%	45.68	43.1

Note: EBITDA mentioned in the above table excludes FX losses

Business Highlights for Q2 FY2018

- Client Wins:
 - Signed four new clients across Consumer Products, Transportation and Telecom & Media verticals till date
 - Expanded engagements with 15 existing clients
 - Won two DigiCX deals and two RPA-led contracts
- At the end of Q2 FY2018, HGS had 187 core BPM clients and 628 HRO/Payroll processing clients.
- Opened a new center in Bangalore while consolidating two small centers into one bigger center in Durgapur. Currently, HGS has 69 global delivery centers across seven countries.
- Employee Headcount was 45,926 as on 30th September, 2017, a net addition of 1,049 people in Q2

Awards & Recognition:

- Recognised by NASSCOM with the Customer Service Excellence Award 2017 in transformation category
- Stevie Awards for Sales & Customer Service for Contact Center Solutions
- Gold winner of Golden Bridge Awards for Customer Service Team of the Year
- Named in the HfS BPO Top 50 service provider list
- Named in “Everest Group BPS Top 50 list 2017” for third year in a row
- CIO Review recognized HGS in its 20 Most Promising Customer Experience Management Solution Providers 2017

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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 over 45,900 employees in 69 worldwide locations delivering localized solutions. For the year ended 31st March 2017, HGS had revenues of US\$ 555 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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