



EXPANDING OUR REACH
DELIVERING VALUE

8th August 2012

Q1 FY13 Earnings Presentation

DISCLAIMER

Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in the BPO industry including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-timeframe contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Hinduja Global has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Hinduja Global may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.

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Key Highlights – Q1FY13

✓ **Robust Topline growth**

- YoY growth of 67%
- Mix of organic & inorganic initiatives

✓ **North American Operations progressing well**

- Traction in US onsite operations
- Expanding capacities in Canada

✓ **Europe**

- Setting up new center in Preston, UK

Key Highlights – Q1FY13

✓ **Philippines**

- First UK contract goes live
- Increased volumes aiding growth

✓ **India**

- Setting up 2nd SEZ center for international business
- Incubating new lines of business

✓ **Emerging Geographies**

- Jamaican center setup
- Closely assessing opportunities in Middle East and Latin America

Financial Performance Snapshot

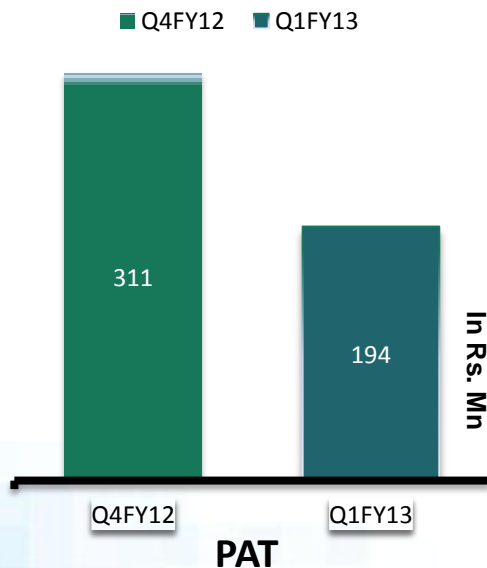
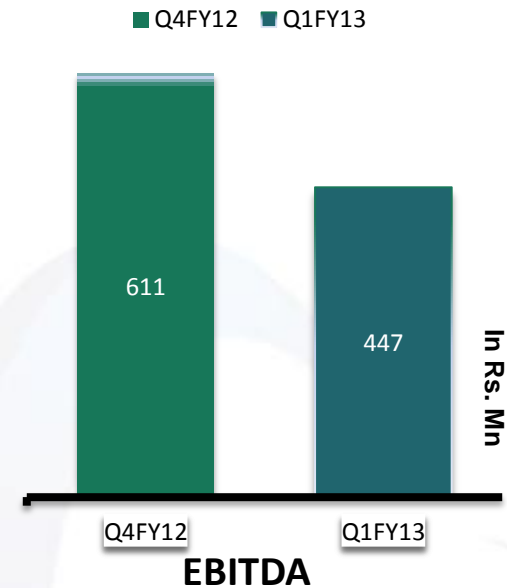
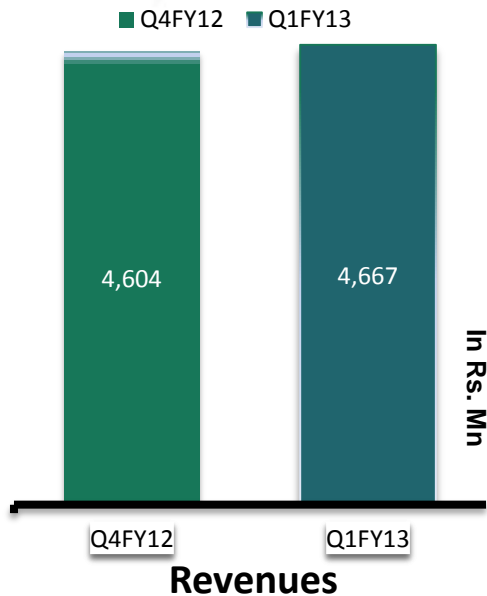
In Rs. Mn

Particulars	Q1 FY13	Q1 FY12	% Growth	Q4 FY12	%Growth
Revenue	4,667.0	2,784.0	67.6%	4,604.1	1.4%
EBITDA	446.7	297.3	50.3%	610.5	-26.8%
EBITDA %	9.6%	10.7%		13.3%	
PBT	253.8	242.4	4.7%	388.3	-34.6%
PBT%	5.4%	8.7%		8.6%	
PAT	193.7	203.0	-4.6%	310.7	-37.7%
PAT%	4.2%	7.3%		7.2%	

Performance highlights – Q1 FY13

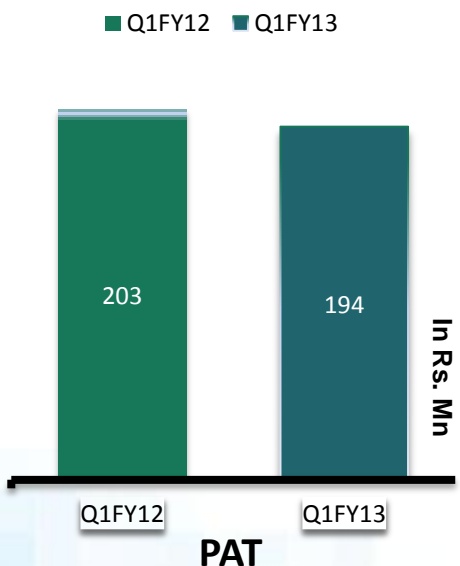
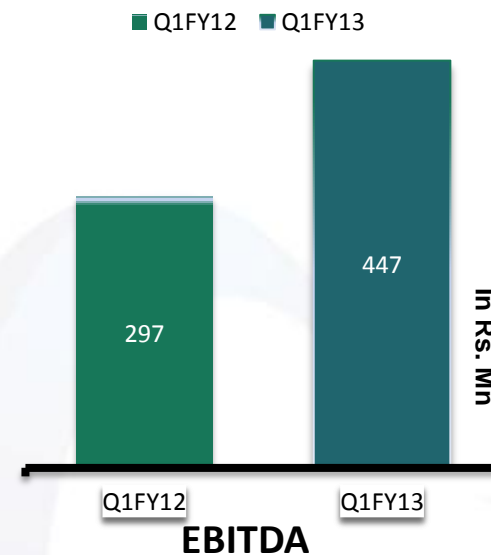
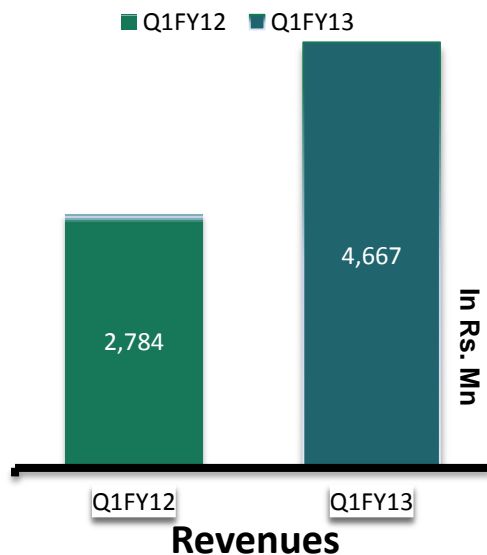
- Revenue growth driven by mix of organic and inorganic growth
- EBITDA impacted by wage hikes & costs for setting up new centers
- Profitability impacted by exceptional item being one time cost of Rs 52.9 mn

Seq. Financial Performance – Q1FY13 vs Q4FY12



- HGS Canada and HCCA contributed around 21% of Q1 revenues
- Business seasonality, annual wage hikes and setup costs of new centers have impacted EBITDA
- PAT further impacted by exceptional item being one time cost of Rs. 52.9 mn

YoY Financial Performance – Q1FY13 vs Q1FY12



Comments

- Robust YoY revenue growth of 67% - driven by mix of organic and inorganic growth
- Y-o-Y PAT impacted by increased depreciation & financial costs and higher tax rate



Detailed Financials

Profit & Loss Account

In Rs Million

P&L Account Q1FY13 Vs. Q1FY12	Q1FY13	Q1FY12	% Growth
Sales / Income from operations	4,667.0	2,784.0	67.6%
Expenditure			
b) Employees Cost	(3,150.9)	(1,890.7)	66.7%
c) Depreciation, Amortisation and Impairment	(182.1)	(112.1)	62.4%
d) Other Expenditure	(1,069.4)	(596.0)	79.4%
e) Total	(4,402.4)	(2,598.8)	69.4%
Profit from Operations (Before other Income, Interest & Exceptional items)	264.6	185.2	42.9%
Other Income	138.4	85.2	62.4%
Profit before Interest & Exceptional Items	403.0	270.4	49.0%
Exceptional Items	(52.8)	-	
Interest and Other Finance charges	(96.4)	(28.0)	244.3%
Profit from Ordinary Activities before tax	253.8	242.4	4.7%
Tax Expense	(60.1)	(39.4)	
Net Profit from Ordinary Activities after Tax	193.7	203.0	-4.6%
PAT %	4.2%	7.3%	
EBITDA	446.7	297.3	50.3%
EBITDA%	9.6%	10.7%	

Revenue Analysis

Growth by Geography

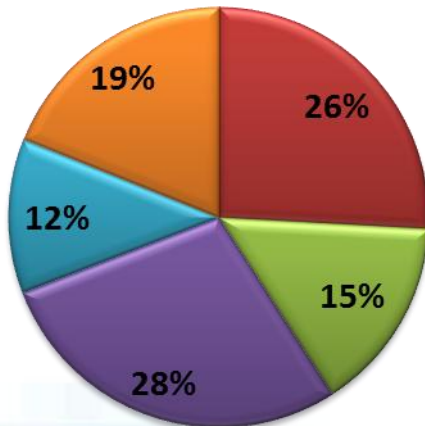
In Rs Million

Particulars	QE June'12	QE March'12	Q-on-Q Growth (%)	QE June'11	Y-on-Y Growth (%)
India	1,206.5	1,193.2	1.1%	926.0	30.3%
Philippines	702.2	675.0	4.0%	543.1	29.3%
USA	1,316.7	1,181.7	11.4%	948.1	38.9%
Europe	556.8	614.2	-9.3%	366.0	52.1%
Canada	882.3	931.6	-5.3%	NA	NA
Total Revenues	4,667.0	4,604.1	1.4%	2,784.0	67.6%

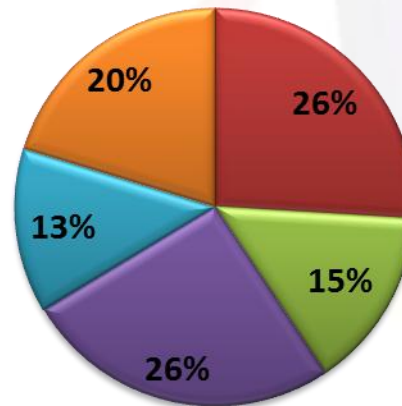
Revenue Contribution by Geography

■ India ■ Manila ■ USA ■ U. K. ■ Canada

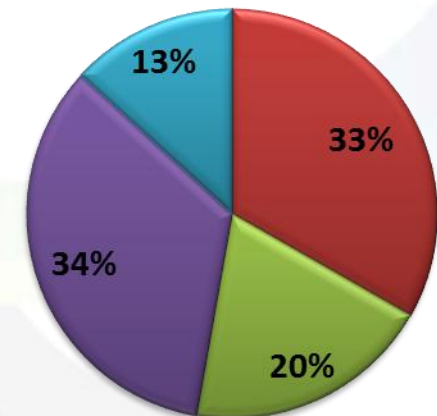
QE June'12



QE March'12



QE June'11



Revenue Analysis

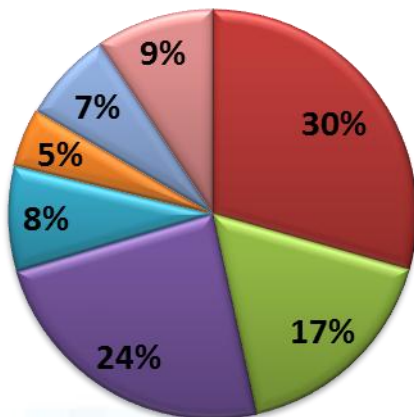
Growth by Vertical

In Rs Million

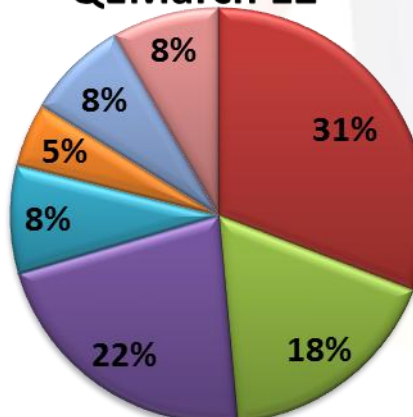
Particulars	QE June'12	QEMarch'12	Q-on-Q Growth (%)	QE June'11	Y-on-Y Growth (%)
Telecom & Technology	1,372.3	1,421.4	-3.5%	750.3	82.9%
Consumer Electronics	800.1	815.1	-1.8%	566.2	41.3%
Health Insurance	1,114.9	1,008.7	10.5%	734.9	51.7%
BFS	390.3	387.6	0.7%	145.3	168.6%
Pharmaceuticals	214.8	225.5	-4.7%	176.0	22.0%
Media	338.3	362.8	-6.8%	73.2	362.3%
Others	436.2	383.0	13.9%	336.8	29.5%
Total Revenues	4,667.0	4,604.1	1.4%	2,784.0	67.6%

Revenue Contribution by Vertical

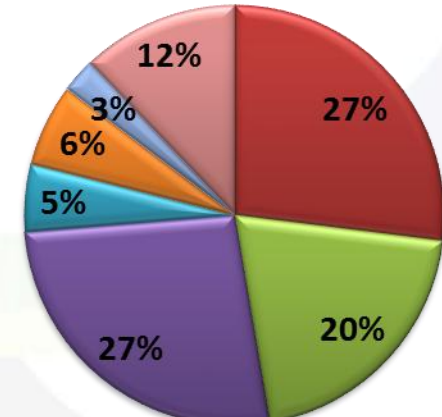
QE June'12



QEMarch'12



QE June'11

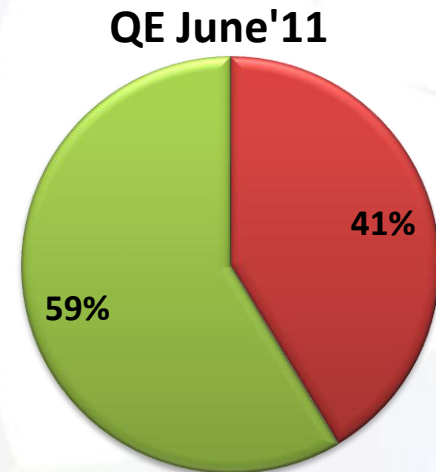
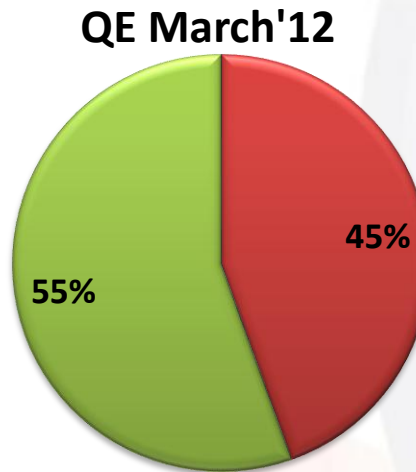
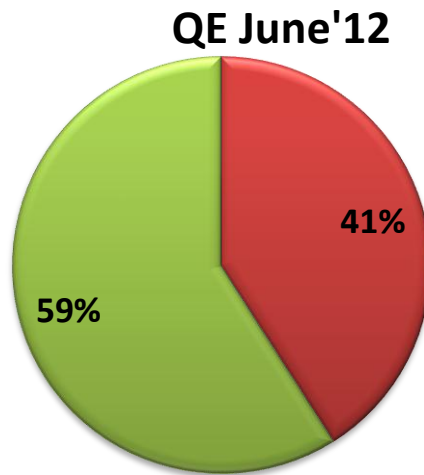


Revenue Analysis

India based exposure

In Rs Million

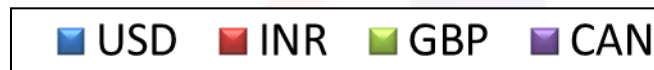
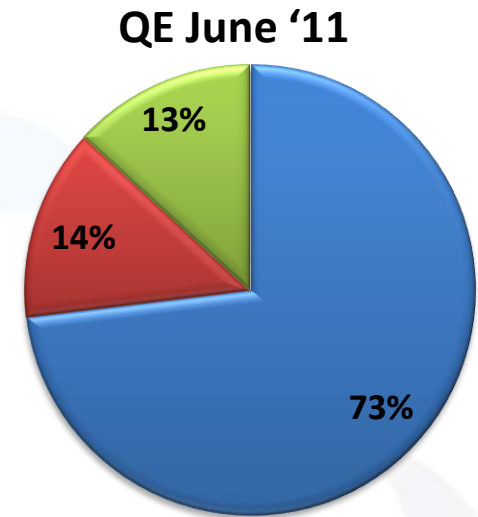
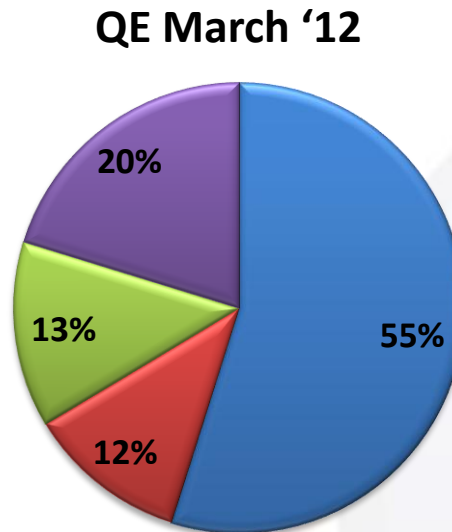
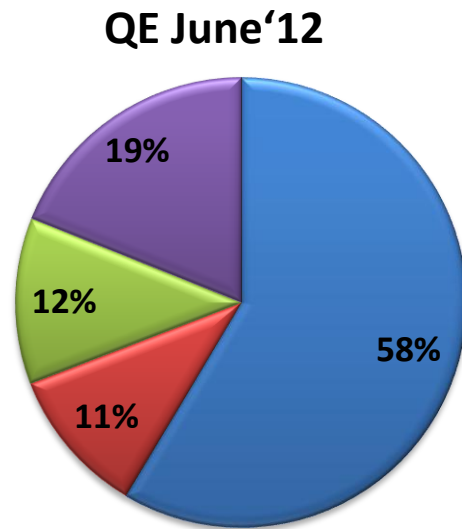
Particulars	QE June'12	QE March'12	Q-on-Q Growth (%)	QE June'11	Y-on-Y Growth (%)
India – Domestic	494.5	531.6	-7.0%	383.2	29.0%
India – International	712.0	661.6	7.6%	542.8	31.2%
Total India based Revenues	1,206.5	1,193.2	1.1%	926.0	30.3%



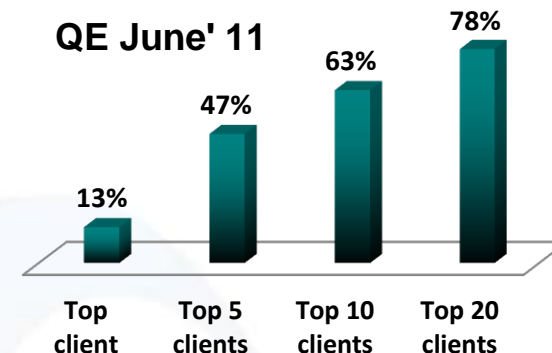
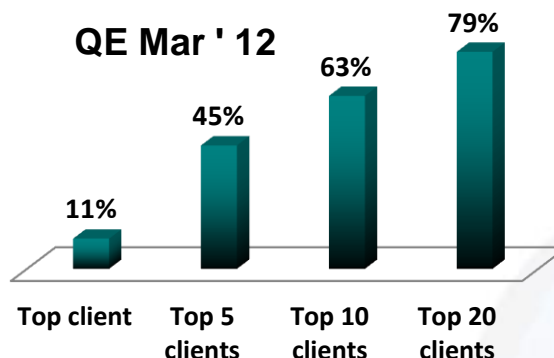
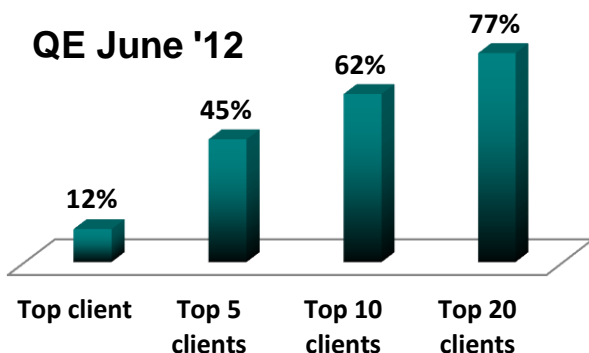
■ India – Domestic
 ■ India – International

Revenue Analysis

Revenue by Currency Exposure



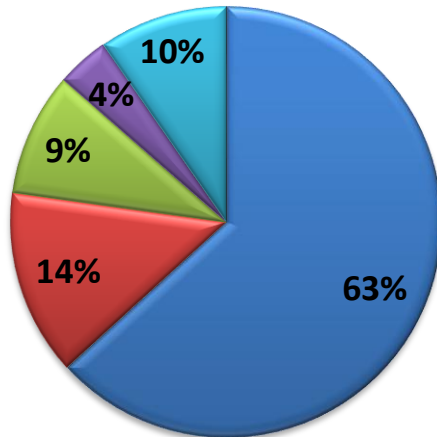
Client Metrics



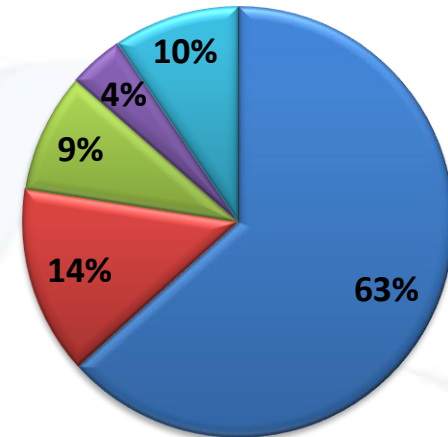
Particulars	QE June'12	QE March '12	QE June'11
Over \$ 20 million	6	6	3
Over \$ 15 million	7	7	4
Over \$ 10 million	9	11	7
Over \$ 5 million	23	21	13
Over \$ 1 million	53	53	44

Employee Metrics

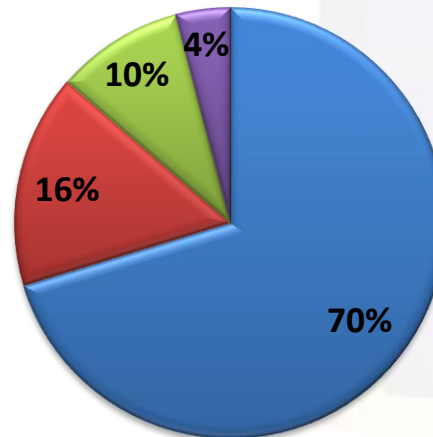
QE Jun'12



QE Mar '12



QE Jun '11



■ India ■ Philippines ■ US ■ Europe ■ Canada

Update on Cash & Cash Equivalents

Name of the Company	30th June 12	
	Amt (\$ Mn)	Amt (Rs. Mn.)
HGS International (formerly Pacific Horizon) (fiduciary deposits with HBS, Switzerland)	88.3	4,911.0
HGSL and its subsidiaries	25.9	1,440.0
Total	114.2	6,351.0

- As of June 30, 2012:
 - Net worth of Rs. 12,348 million
 - Total debt of Rs. 5,714 million
 - Cash & Cash Equivalents of Rs. 6,351 million.

Business Update

NORTH AMERICA

- OLS rebranded as 'HGS Canada'
- Health Insurance regulations leading to business traction
- Jamaica center setup
- HGS Canada in final stages of PCI compliance audit – expected to result in enhanced volumes from BFSI vertical
- HGS Canada has consolidated operations from Antigonish center into North Bay
- Strengthening sales and marketing teams

Business Update

EUROPE

- Rebranded Careline as 'HGS UK'
- Setting up a new center in Preston, UK to cater to additional volumes from an existing customer

PHILIPPINES

- First UK offshoring contract with Manila Delivery has gone live
- In active discussions with North American and European customers to increase offshoring
- Focussed on ramping up volumes and seat utilisation across operations

Business Update

INDIA

- Rebranded HCCA Business Services as HGS Business Services
- Approvals obtained for setting up 2nd SEZ center in Bangalore
- Augmenting capacity for international business at Chamundi II – Bangalore
- Domestic business stable due to moderating growth in telecom industry – reallocation of 2G license and impending issuance of 4G licenses to contribute to growth
- New customers added under 'Emerging Markets' vertical contributing to growth
- Incubating new lines of business in digitisation and e-learning



CORPORATE OVERVIEW

Global delivery

Canada - OLS, Inc

Belleville Montague
Charlottetown North Bay
Dartmouth Pembroke
Kentville Thunder Bay
Liverpool Timmins

United Kingdom - Careline

London
Selkirk
Preston

United States

St. Louis
Peoria
Waterloo
El Paso

Jamaica

Philippines

Manila
Iloilo

India

Bangalore
Chennai
Hyderabad

Mumbai → HGS Business Services
(formerly HCCA)

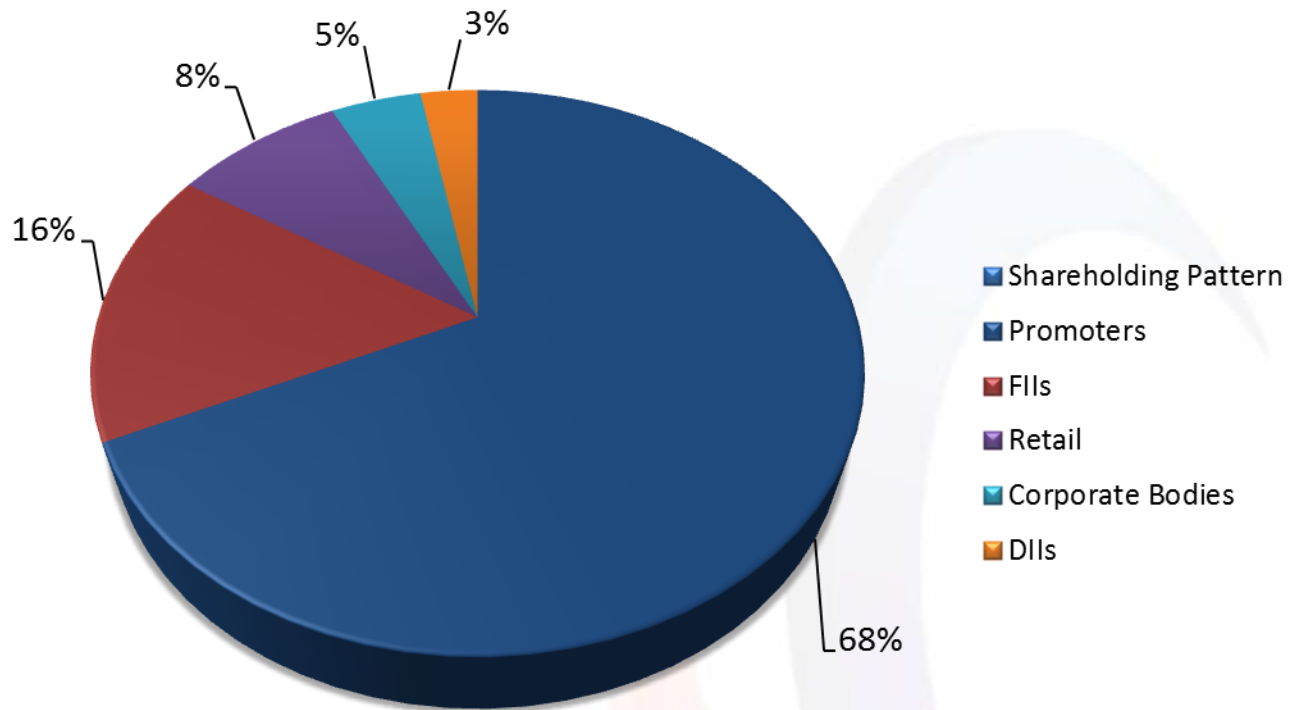
Durgapur
Mysore
Nagercoil
Guntur

Mauritius

Inorganic Growth Story



Shareholding



Key Management & Board of Directors

Board of Directors

- Ramkrishan P. Hinduja – Chairman
- Dheeraj G. Hinduja
- Anil Harish
- Vinoo S. Hinduja
- Rajendra P. Chitale
- Rangan Mohan

Key Management Personnel

- Dr. Partha De Sarkar - Global CEO



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