

Investor Presentation March, 2018



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 BPM 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 Solutions (HGS) 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. HGS 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.

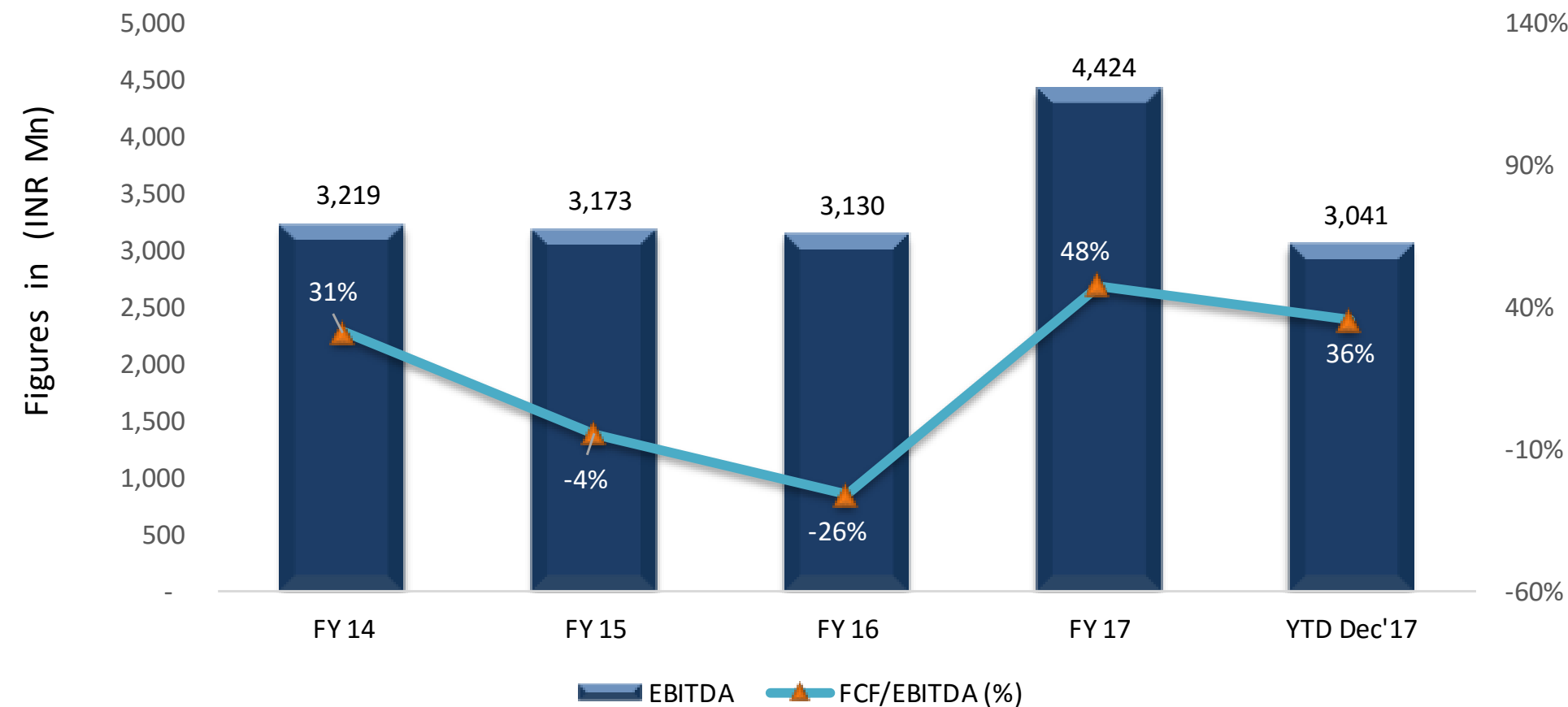
Financial Overview

Quarterly Performance - Consolidated

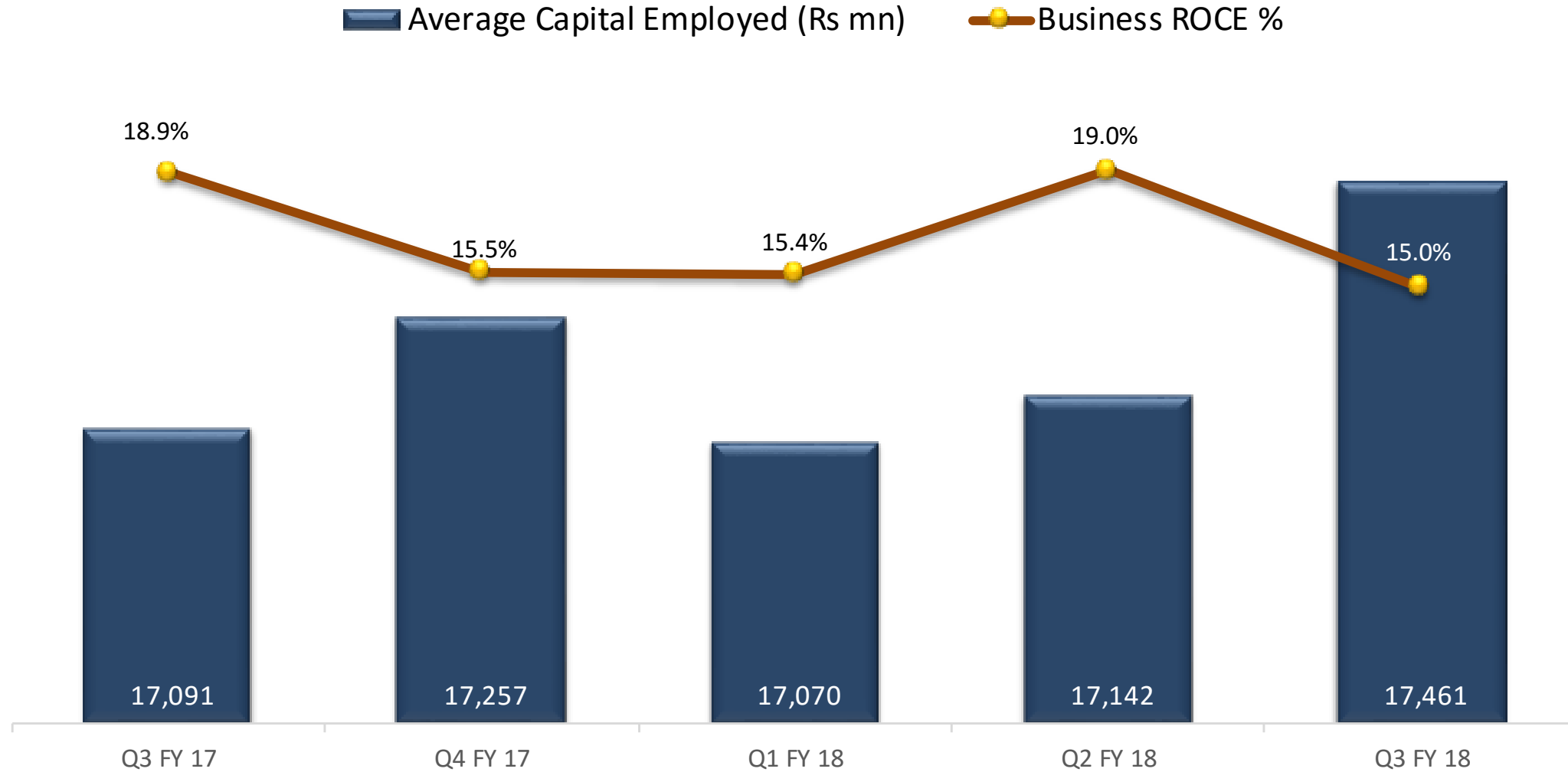
Figures in Rs Mn unless otherwise indicated

	Actual QE Dec'17	Actual QE Sept'17	QoQ Growth %	Actual QE Dec'16	YoY Growth %
Revenue	9,757	9,426	↑ 4%	9,563	↑ 2.0%
Operating Costs (excl Dep)	8,756	8,388	↓ -4%	8,418	↓ -4%
EBITDA	1,001	1,038	↓ -4%	1,145	↓ -13%
EBITDA %	10.3%	11.0%		12.0%	
Depreciation	374	353	↓ -6%	355	↓ -5%
Interest Expense	80	86	↑ 7%	104	↑ 23%
Other income	9	140		34	
PBT	556	739	↓ -25%	720	↓ -23%
PBT %	5.7%	7.8%		7.5%	
Tax	66	206		248	
PAT	490	534	↓ -8%	472	↑ 4%
PAT %	5.0%	5.7%		4.9%	
Constant Currency Growth		3.8%		5.2%	

FREE CASH FLOW to EBITDA Ratio



* Above Free Cash flow excludes the impact of Tax refunds



Drop in ROCE in Q3 is due to lower Op. profit and negative other income due to FX. Business ROCE excludes treasury income and treasury capital

Summary Cash Flow Statement

(Rs. Million)	FY 2014	FY 2015	FY 2016	FY 2017	YTD Dec 2017
Cash flow from Operations and after working capital changes	2,352	1,924	1,589	4,031	2,460
Cash Flow due to Capex (net)	(1,137)	(1,621)	(2,472)	(1,779)	(984)
Total Cash Flow from Operations and Regular Capex	1,215	303	(883)	2,252	1,476
For Purchase of building	(400)	0	(44)	---	---
Cash Flow paid for acquisition of business	0	(890)	(153)	---	---
Cash Flow due other investing activities	192	451	269	138	97
Total Cash Flow from Operations and Investing	1,007	(136)	(811)	2,390	1,573
Proceeds from share allotment under ESOP scheme	9	36	3	---	---
Proceeds/(Repayment) from Borrowings	877	112	1,990	(1,823)	(1,039)
Capital Lease Taken Pursuant to Acquisition		(49)		---	---
Cash from Interest payment and others	(1022)	(997)	(872)	(636)	(445)
Total Cash Flow from Financing Activities	(1,36)	(898)	1,121	(2,459)	(1,484)
Net Increase/ (Decrease) in Cash and Cash Equivalents	871	(1,034)	310	(69)	90

Summary Financial Profile – As at 31st Dec 2017

Particulars	HGSL	
	Rs.	USD
Net Worth <i>(in millions)</i>	14,562	228.1
Book value per share	700.6	11.0
Price per share	975.0	15.3
Dividend per share (FY 17)	10.0	0.16
EPS (TTM)	89.73	1.4
P/E Ratio (TTM)	10.87	10.9
Gross Debt <i>(in millions)</i>	5,508	86.3
Total Cash <i>(in millions)</i>	4,666	73.1
Net Debt (Net Cash) <i>(in millions)</i>	842	13.2
Net Debt/TTM EBITDA	0.20x	0.20x
Total Debt/Equity	0.38x	0.38x

- Book Value taken is as reported on QE Dec 2017
- Stock prices and USD/INR exchange rate latest available prices
- Total Debt includes foreign currency debt taken at applicable exchange rates

HGS Overview



HISTORY

- Part of the Hinduja Group, in the BPM business since 2000
- Erstwhile HTMT, IT & BPM business demerged October 1, 2006
- Rebranded as HGS in 2008

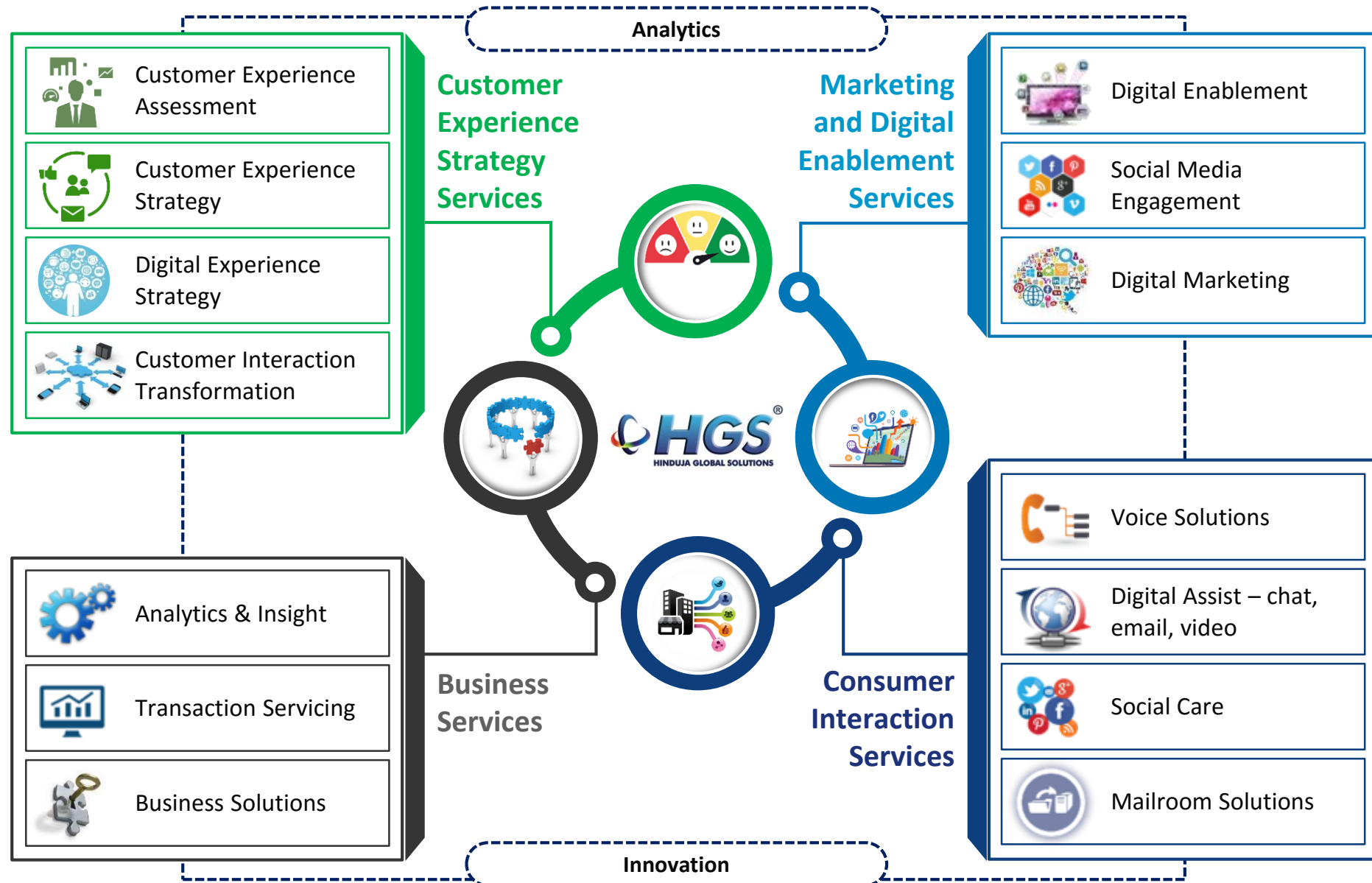
FINANCIAL DETAILS (FY'17 & YTD Dec' 17)

	FY 17	9MFY18 (YTD-Dec,17)
Revenue	INR 37,110 Mn (\$ 555 Mn)	INR 28,455 Mn (\$ 442 Mn)
EBITDA	INR 4,424 Mn (\$ 66 Mn)	INR 3,041 Mn (\$ 47 Mn)
EBITDA Margin (%)	11.9%	10.7%
Free Cash flow/EBITDA	48%	36%
Net Debt/Equity Ratio	0.15x	0.06x
Gross Debt Reduction	INR 1,953 Mn.	INR 1,039 Mn
Net Debt Reduction	INR 1,883 Mn.	INR 1,128 Mn

SNAPSHOTS

- CAGR of 19% in Revenue over last 5 years
- **69** Worldwide Centers
- **46,321** employees (as on 31st Dec 2017)
- **191** active clients for the BPM business
(additionally over 628 clients for Payroll & HRO Business) at the end of Dec 2017

HGS Core Capabilities to Enable the Unified Customer Experience



Almost all HGS day to day activities relate to consumer transactions and interactions

Healthcare/ Insurance



- **58** Million transactions, **10** Million calls, **2.7** Million emails per annum
- Annual claim payout of **\$11.5** billion USD and **\$1.3** billion USD recoveries initiated for 4 of the Top 10 healthcare payers and several large hospitals/health systems in the US

Contributes 48.6% of HGS Revenue

Telecommunications



- Providing extensive consumer support for land lines, wireless, satellite, IPTV, hi-speed internet – from supporting the consumer from the point of purchase to end of service
- HGS ranked as a **leader** by Nelson Hall in Customer management service for Telecommunication, Cable and Satellite.

Contributes 20.3% of HGS Revenue

Consumer Products



- Supporting many consumer electronics manufacturers and distributors from purchase to post-warranty servicing
- Multi-channel service over telephone, white-mail, email, text and social media for a CPG client
- Provides services in the area of automation analytics and channel management to enhance customer experience

Contributes 13.0% of HGS Revenue

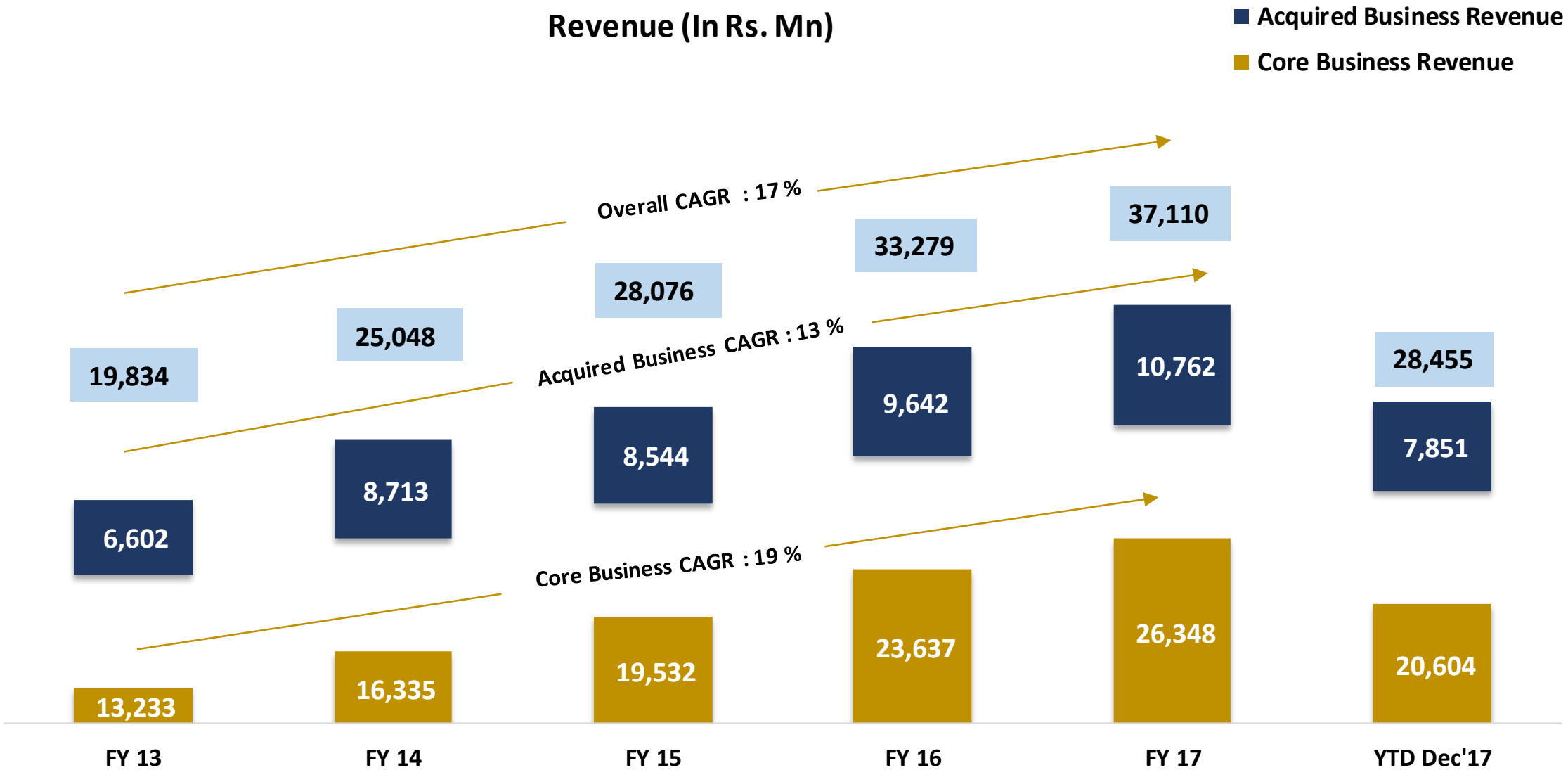
Financial Services



- Only credit card issuer to win the **J.D. Power Award for customer experience 6 consecutive years** driven by HGS's best in class NPS customer service - supporting all aspects of consumer financial transactions
- Providing support to a large Public sector financial services company in UK for their operations

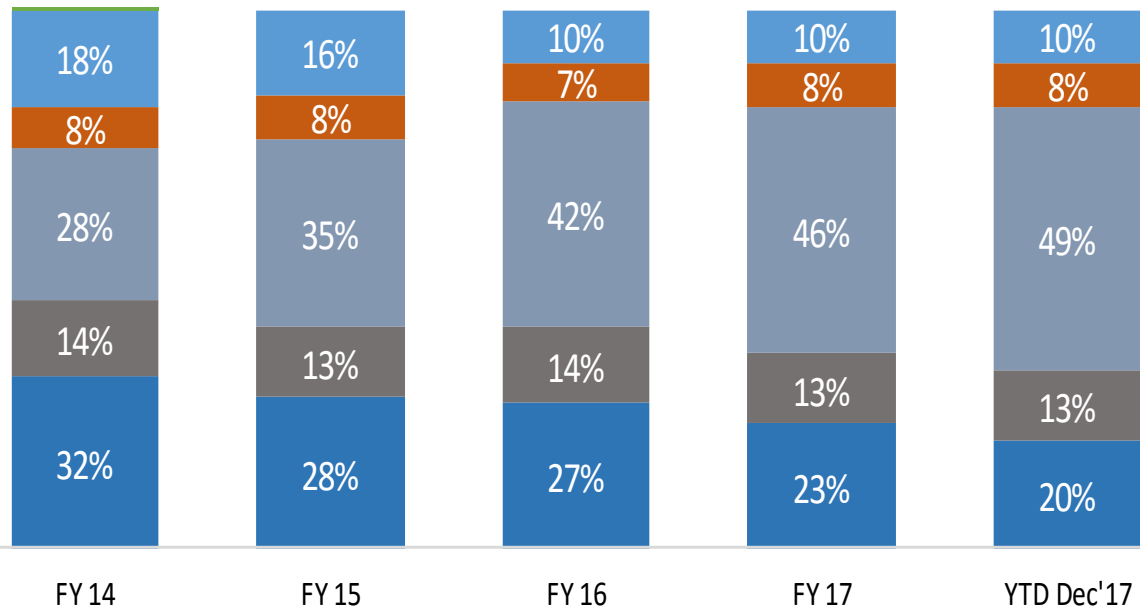
Contributes 8.0% of HGS Revenue

Share of revenue by vertical based on YTD Dec'17 Financials



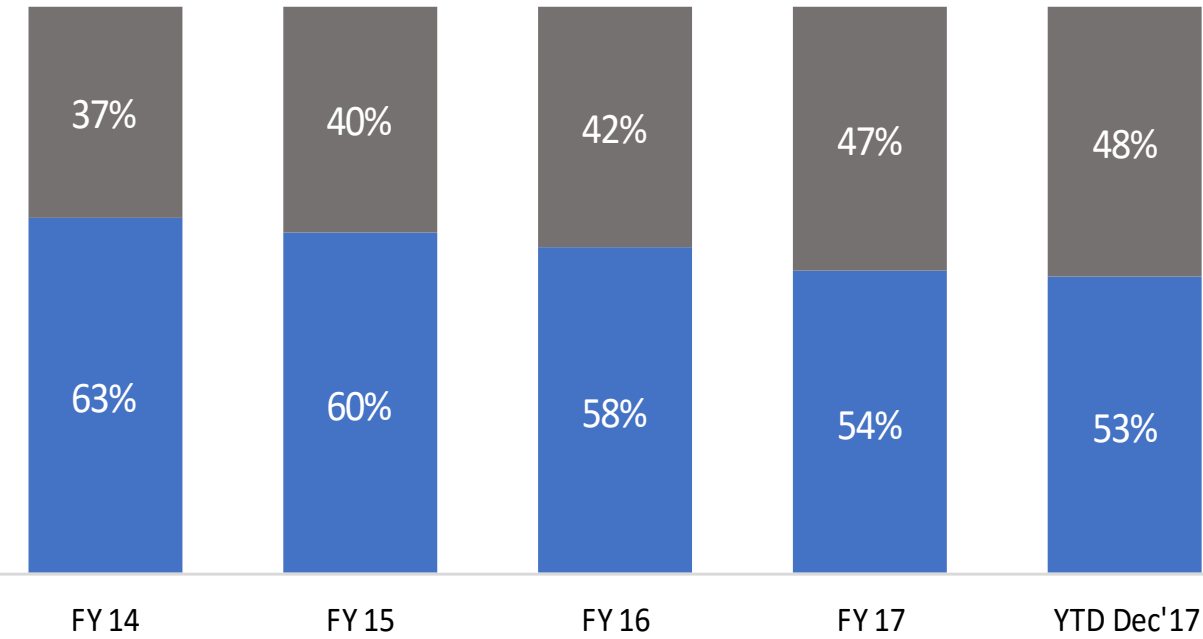
Revenue by Verticals

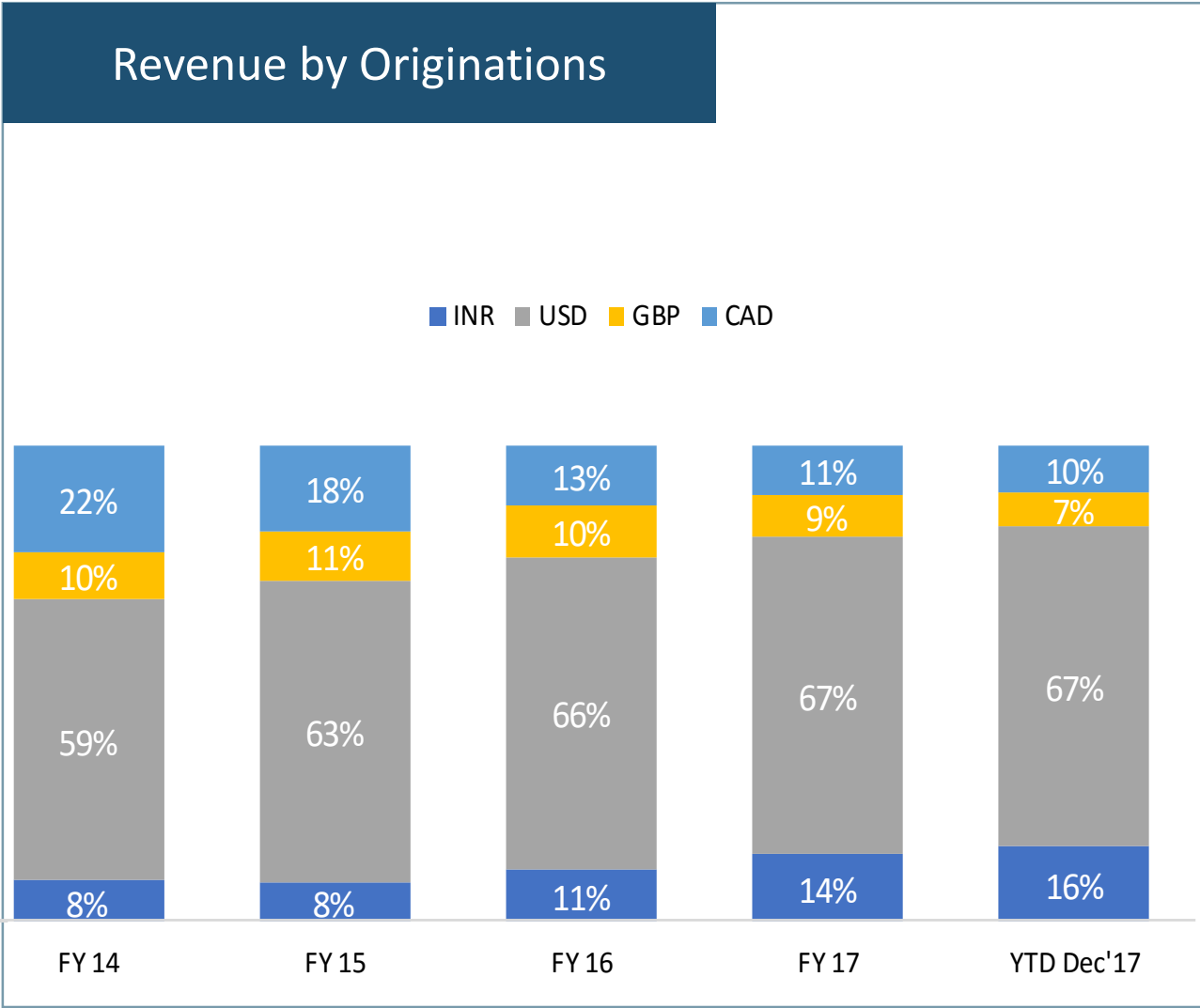
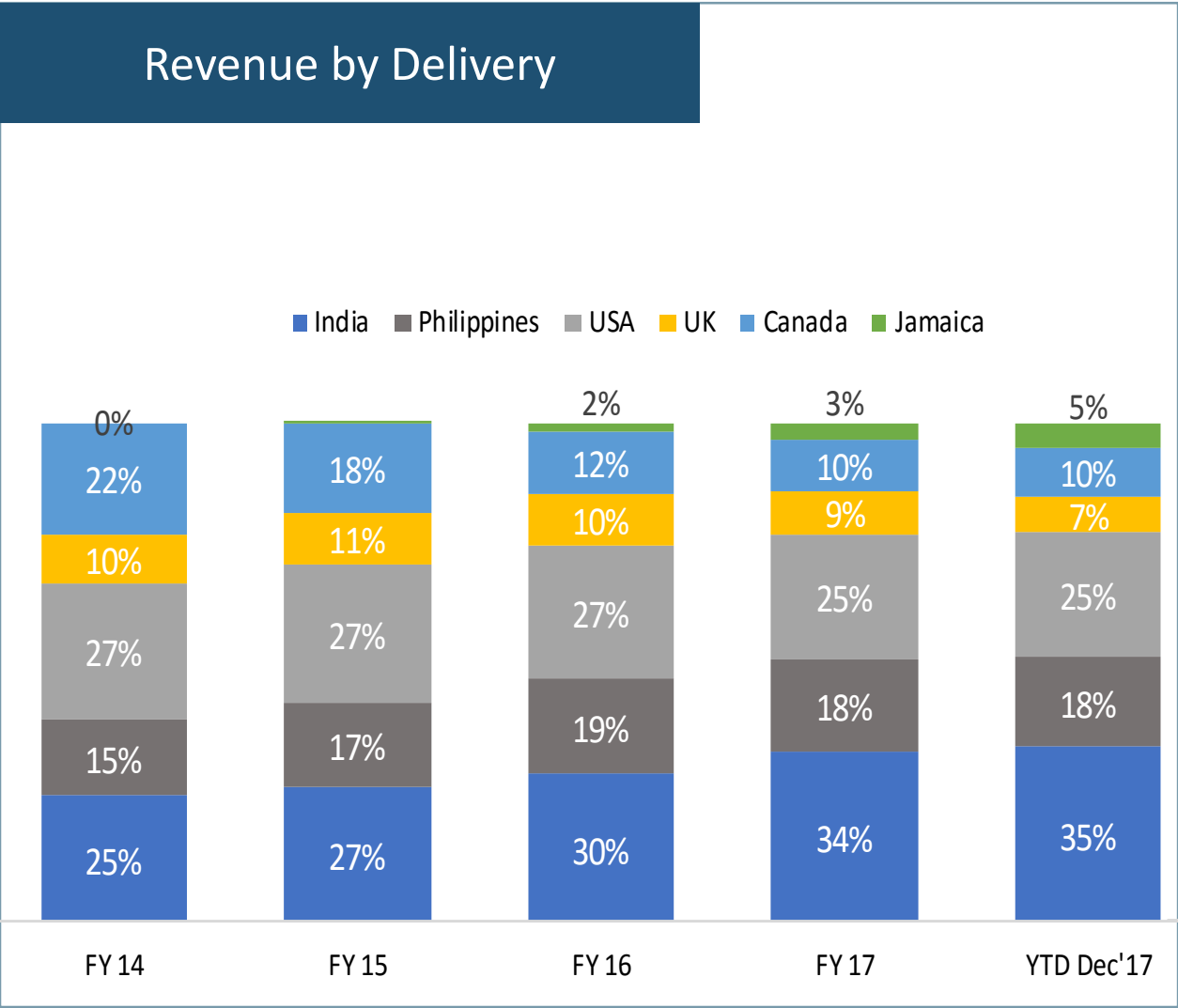
■ Telecom and Technology ■ Consumer ■ Healthcare ■ BFS ■ Others



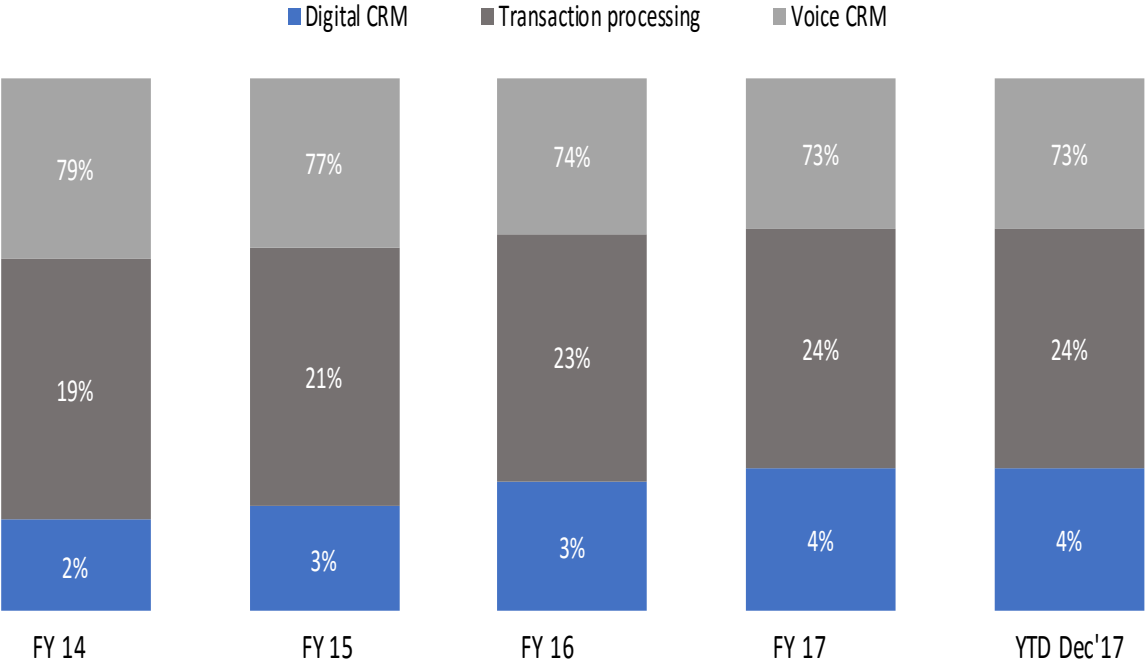
Offshore/Near-shore to Onshore

■ Onshore ■ Offshore/Nearshore

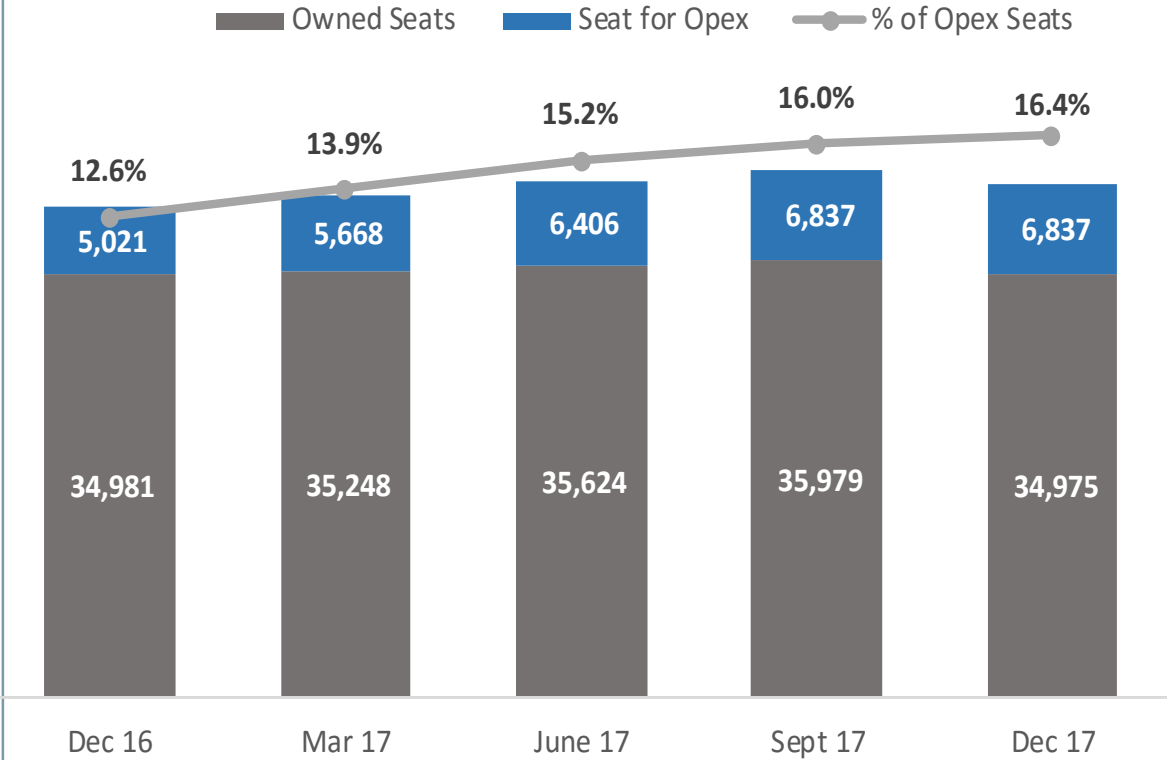


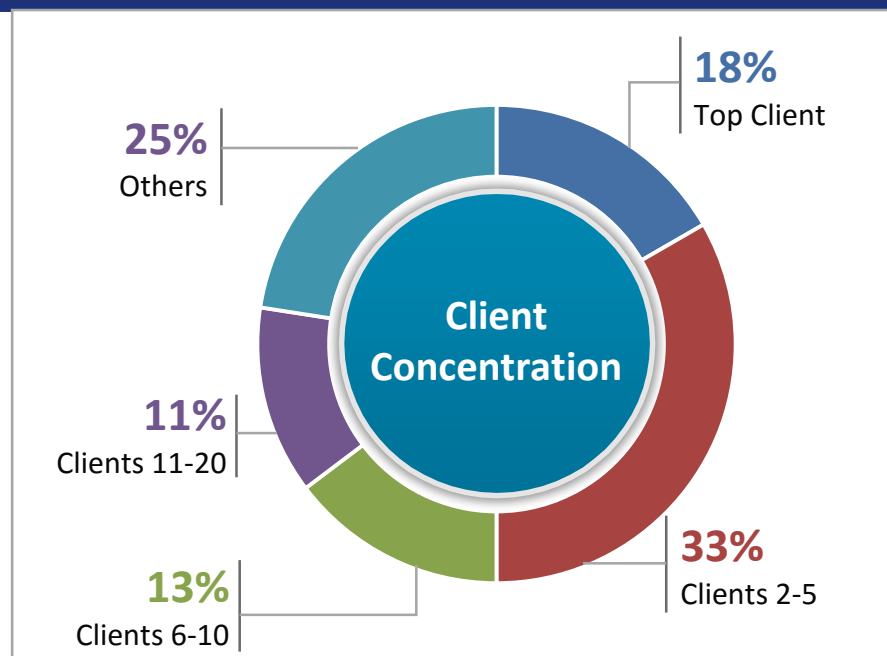


Voice to Non-Voice Mix



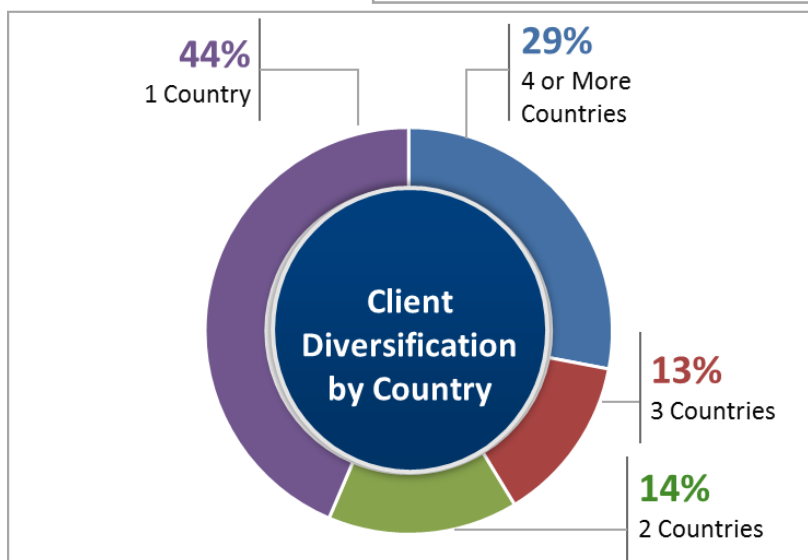
OPEX seats & Owned Seats



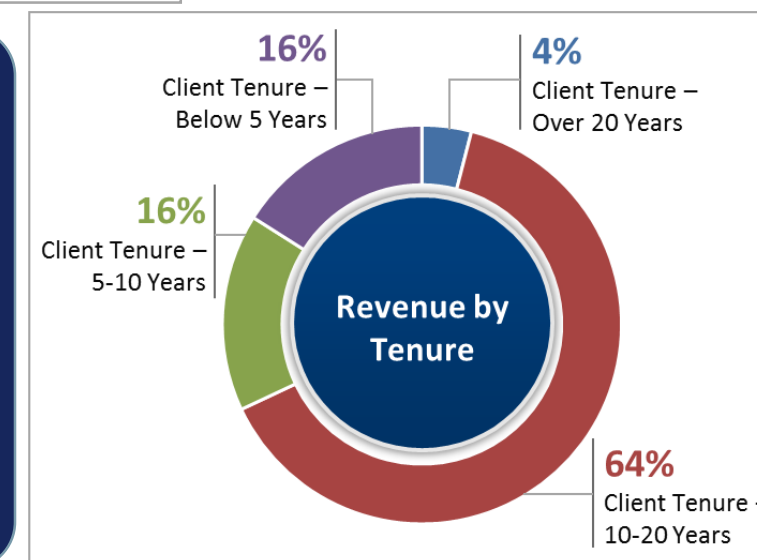


Top 20 clients contribute 75% of the Total Revenue

** Based on YTD Dec.,2017 Financials*



Strong Client relationships demonstrated by tenured and multi-geography engagements

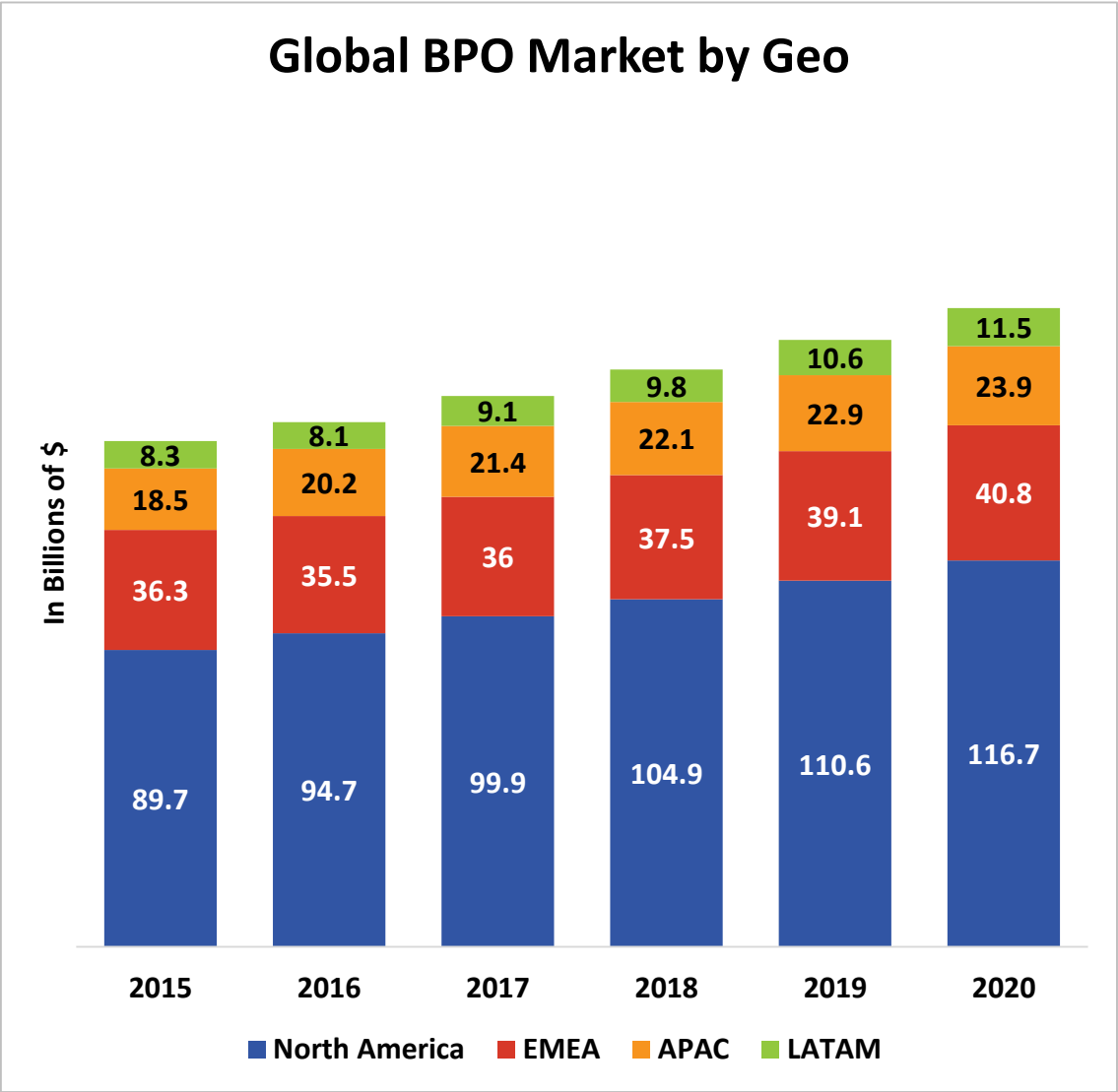


BPO/BPM Market

Marketplace Dynamics

- Total BPM market is over \$160 billion
- In-house BPM 4 times the size of the outsourced BPM market
- Next 5 year CAGR for BPM expected to be 5.9% (Gartner Q1, 2013 forecast)
- Billion Dollar Plus players in this are still only a handful, who grew between 5% to 20%
- Essentially a large, fragmented but growing market, enough for everybody to play in

Source: Gartner

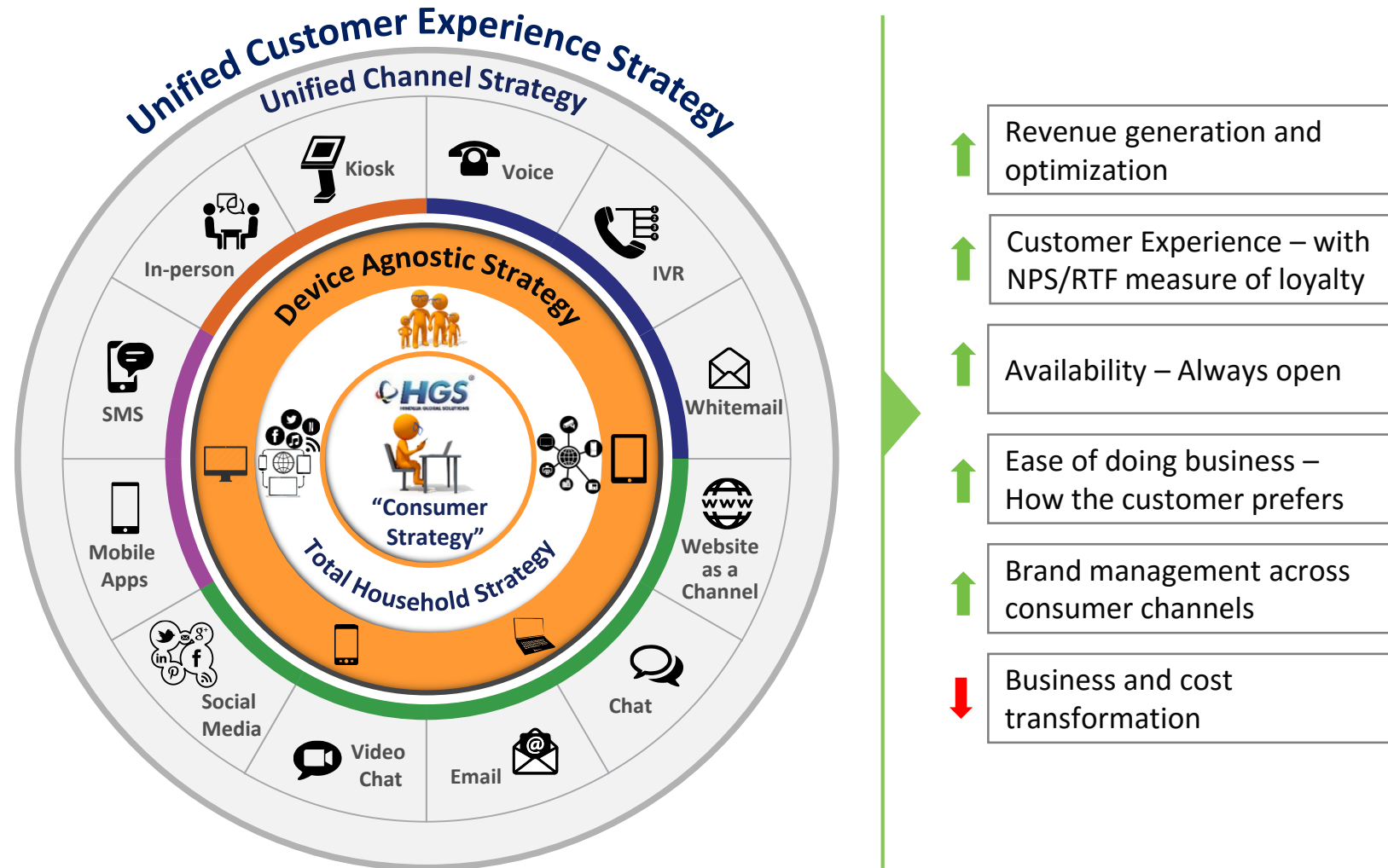


Source: Gartner BPO Revenue Forecast 2013 -2019

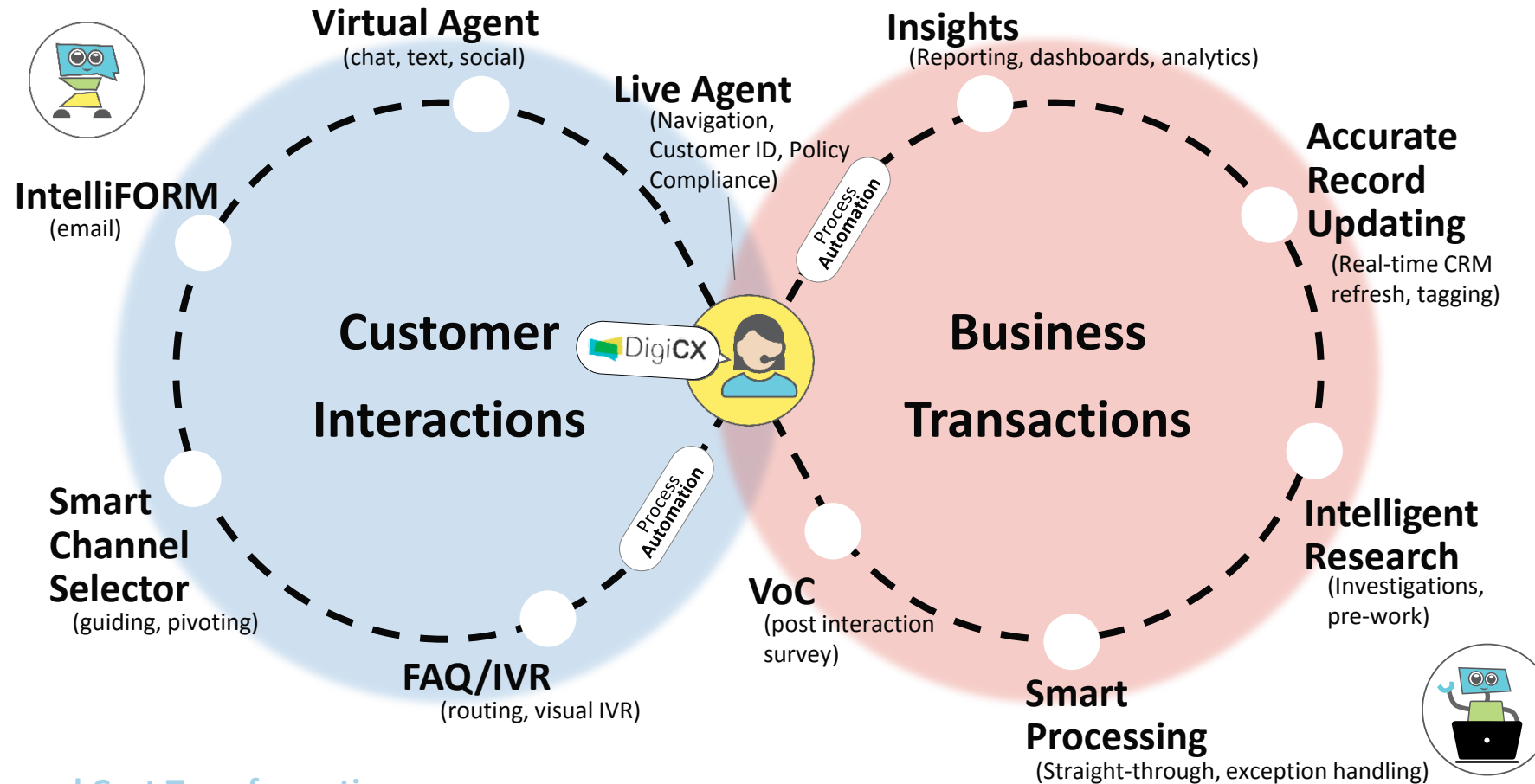
Digital and Automation/RPA

HGS is developing industry leading Digital Customer Experience solutions, creating value for our clients, and their customers

Enabling the Optimized Consumer Journey... with clear objectives in mind



Automation everywhere enables each touchpoint through the digital end-to-end journey



Beyond Cost Transformation...



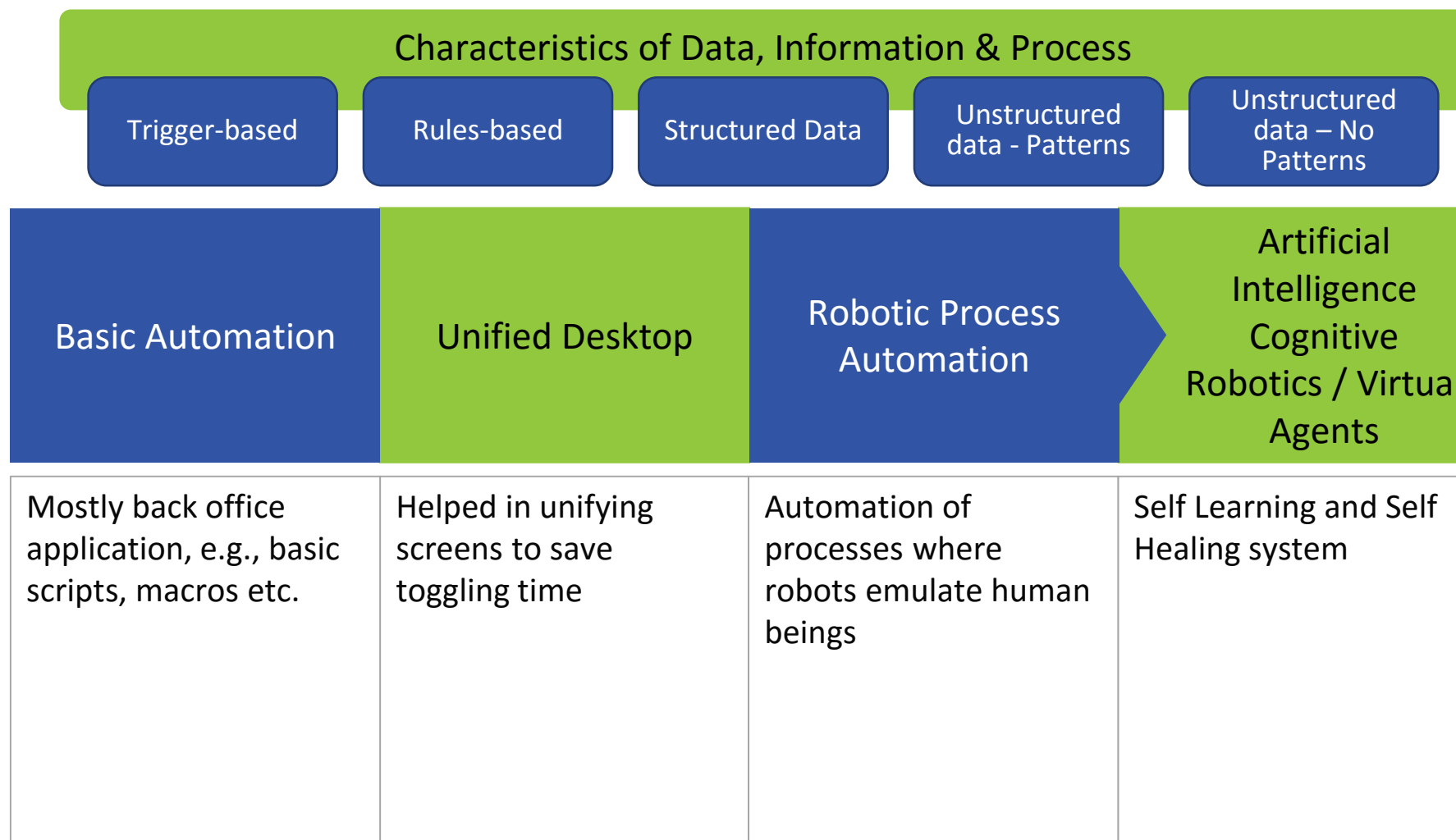
Always Open

Agile Business

Reduce Errors

Reduce Time

Optimize CX



HGS expertise in Automation Design

AI will help BPaaS penetrate into the core, “heart of the business” processes

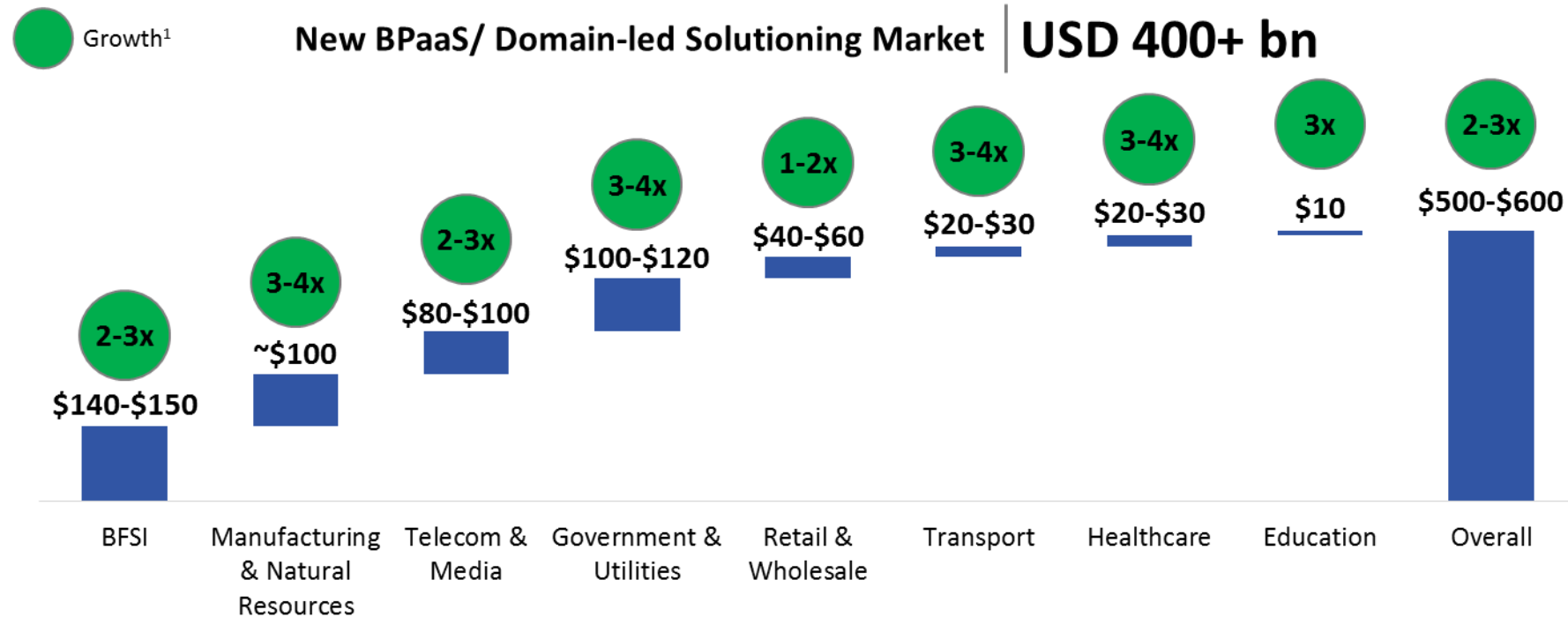
Current scope of BPM/
BPaaS



AI to expand the scope of
BPM/ BPaaS 2-3x



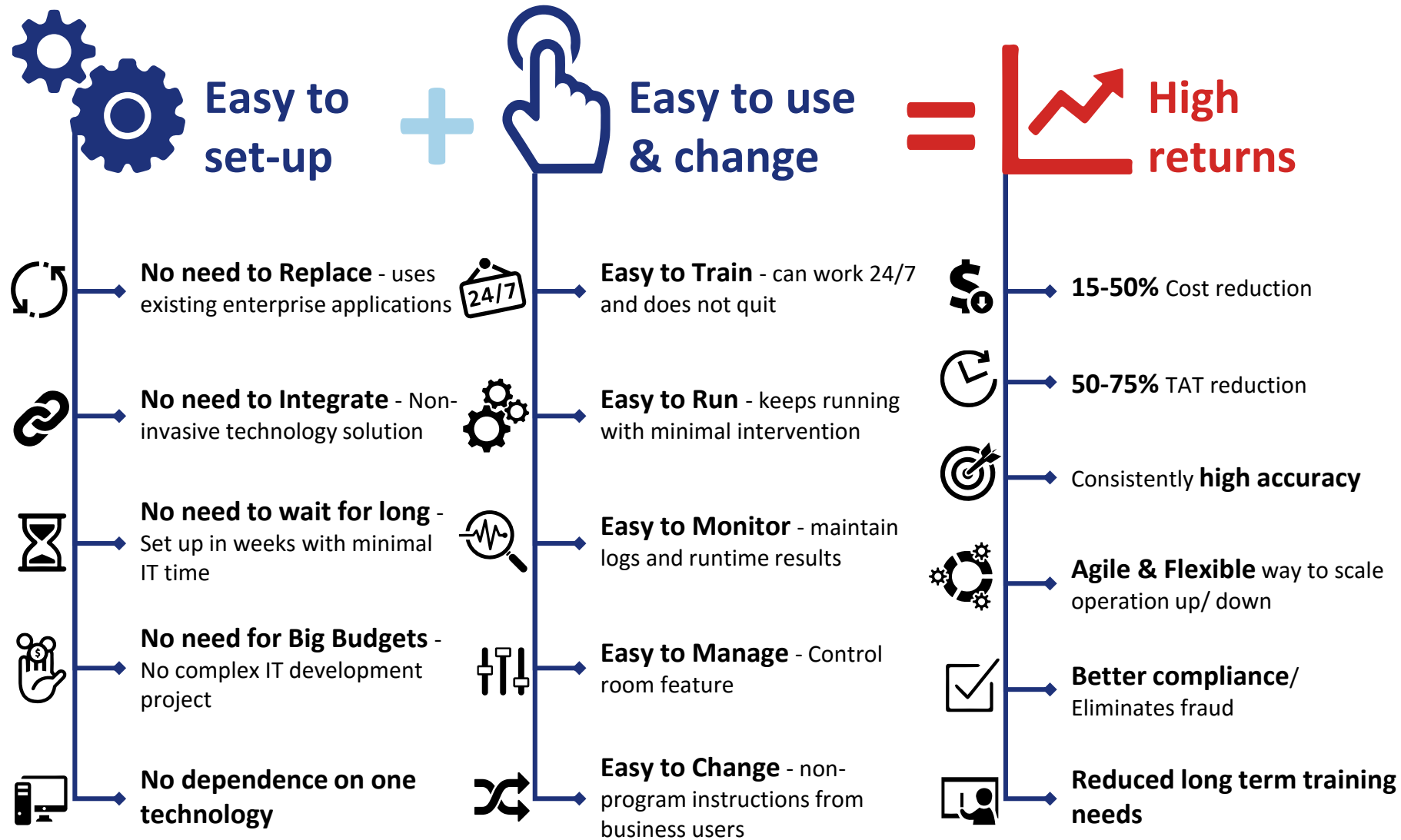
AI-led addressable market – BPaaS/ Domain-led solutioning (USD billion)



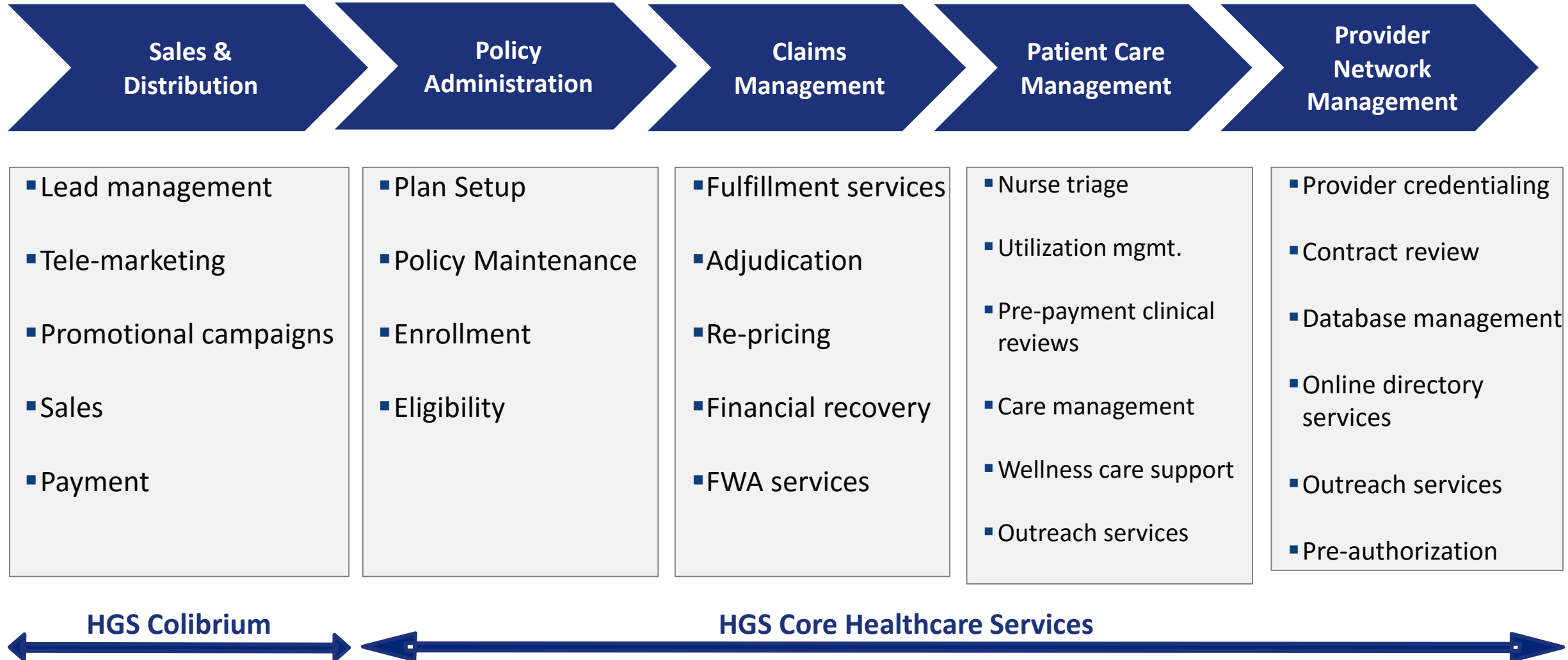
¹ As a multiple of current market size

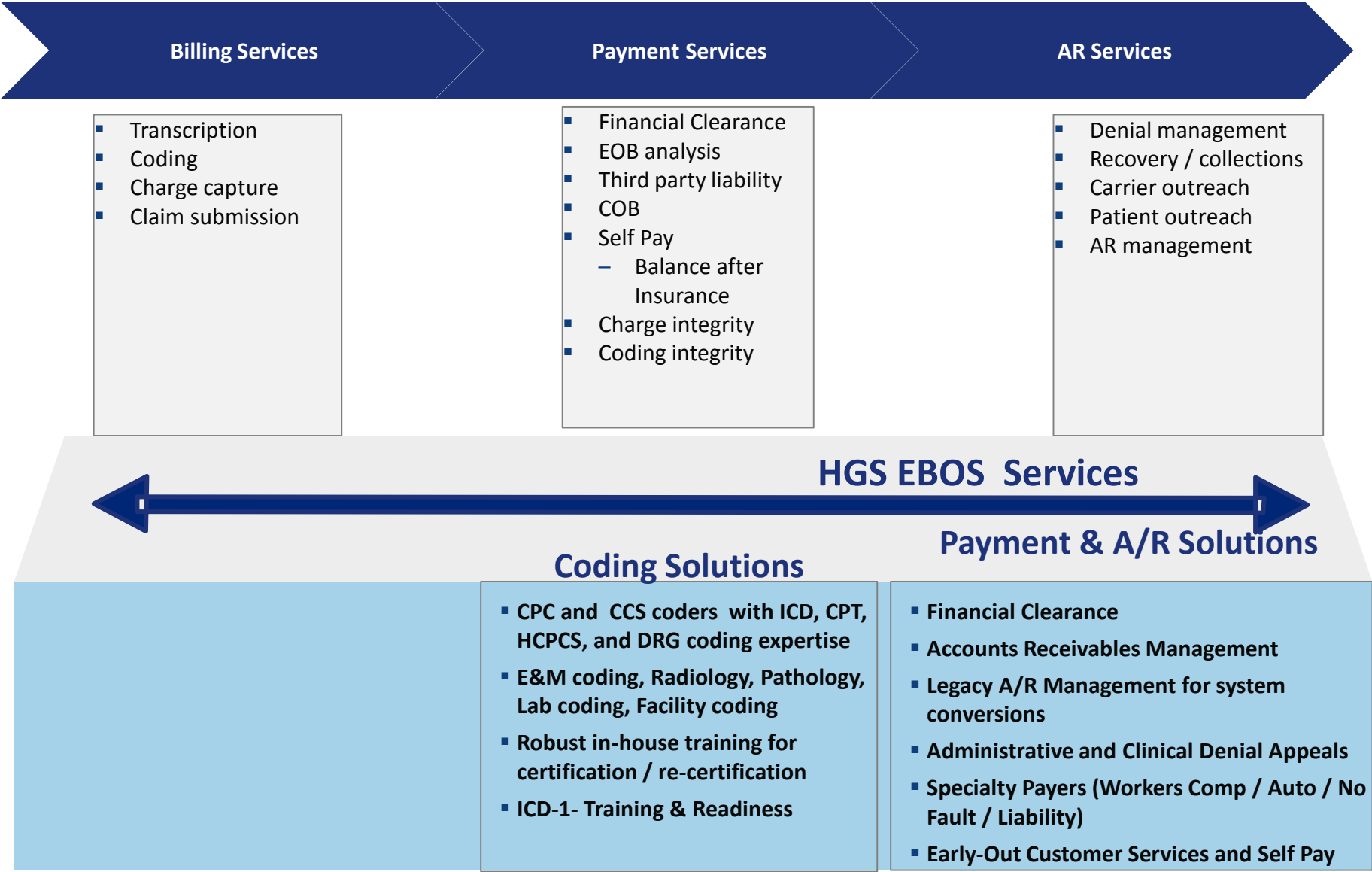
Sources: NASSCOM, BCG analysis

Key Highlights of HGS Process Automation Solution



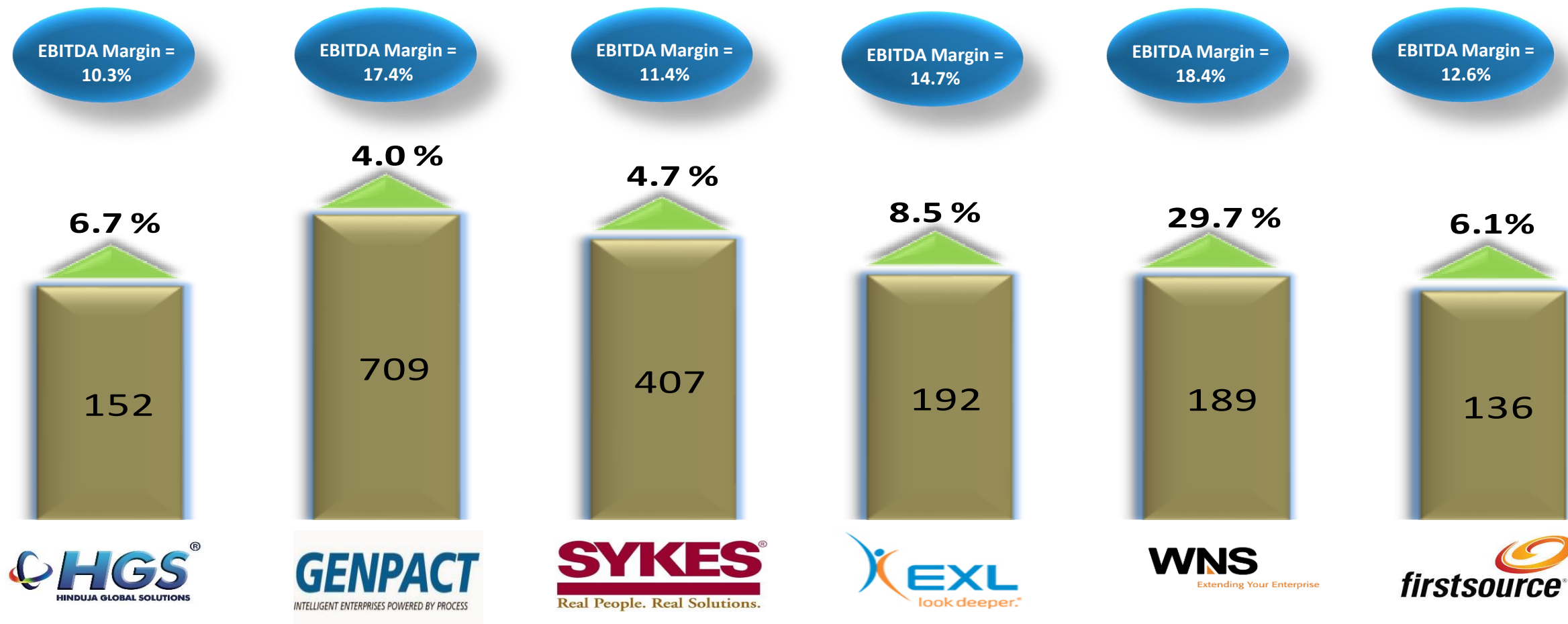
Healthcare Practice overview





Peer Comparison

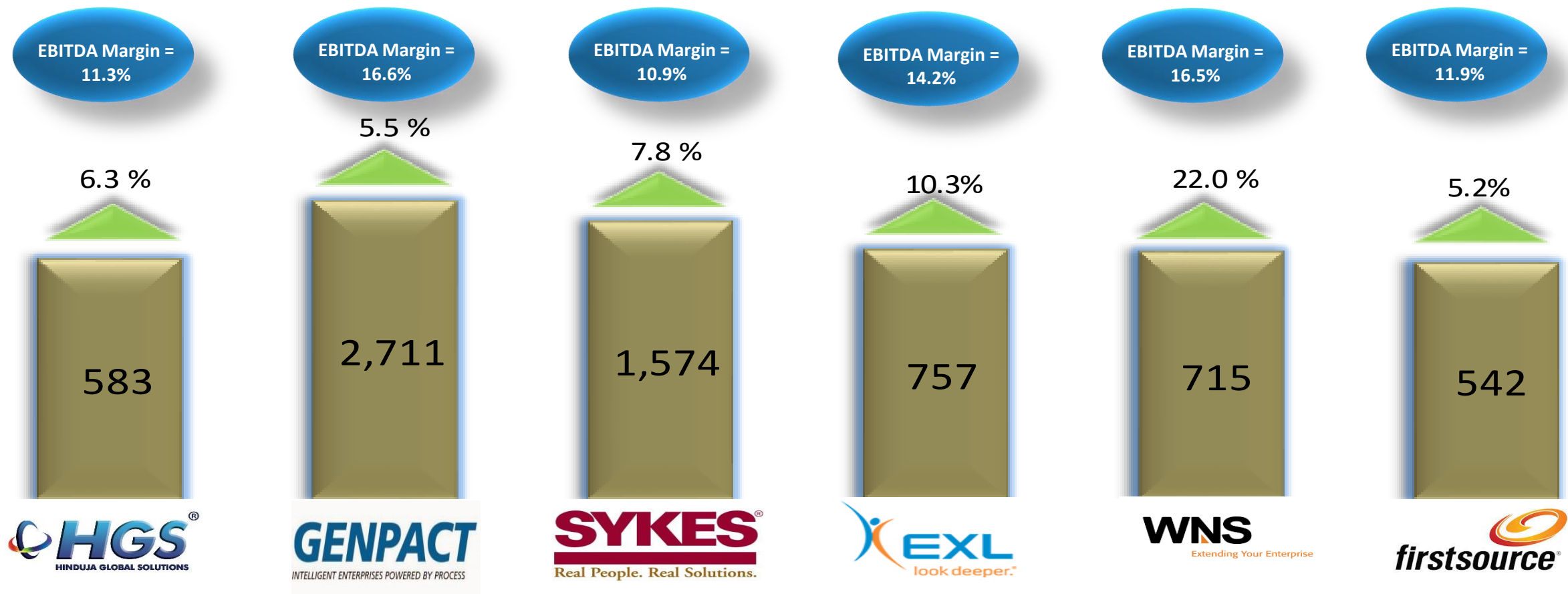
Revenue (In \$ Mn) YoY Revenue Growth (%)



* \$/RE exchange rate used – INR 64.36 to the dollar for QE Dec17)

Peer Comparison: TTM Ending Dec 2017

■ Revenue (In \$ Mn) ▲ TTM Revenue Growth (%)



* \$/RE exchange rate used – INR 64.92 to the dollar (average for the period Nov'16 to Dec'17)

Thank You