

August 09, 2018

BSE Limited
Corporate Relation Dept.
P. J. Towers, Dalal Street
Mumbai 400 001.
Scrip Code : 532859

National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051.
Symbol : HGS

Dear Sirs,

Sub: Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended June 30, 2018

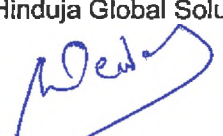
This has further reference to our letter of even date on outcome of Board Meeting. We are enclosing herewith the following:

- Earning Press Release being issued by the Company
- Q1 FY2019 Financials & Fact Sheet

You are requested to kindly put up the above documents on your Website.

Thanking you,

Yours truly,
For Hinduja Global Solutions Limited



Makarand Dewal
Company Secretary

Encl: a/a

Q1 FY2019 EARNINGS PRESS RELEASE

HGS ANNOUNCES RESULTS FOR Q1 FY2019

Mumbai, India, August 09, 2018: Hinduja Global Solutions (HGS) (listed in BSE & NSE) today announced its unaudited First Quarter results for FY2019.

Speaking on the results, **Partha DeSarkar, CEO of HGS** said: “HGS continued its business momentum in the first quarter of FY2019. For the second quarter in a row, overall revenues crossed the Rs. 10,000 million mark to register Rs. 11,008 million, an increase of 18.7 % YoY. Of this, 5% was organic, 4.7% from forex gains and the rest 9% came from the acquisitions of AxisPoint Health and Element Solutions.

During the quarter, we signed nine new logos, expanded our relationships with eight existing clients and won five DigiCX deals, reflecting how our offerings are resonating with the evolving needs of clients. Looking at the sales pipeline, we see big opportunities for our technology-led services including DigiCX, analytics, cloud services, RPA and machine learning, and continue to invest in strengthening our capabilities. The healthcare vertical posted strong growth and accounted for over 50% of the revenues for the third quarter in a row. The two recent acquisitions helped increase share of healthcare vertical revenues from 51% to 54%.

From a margin perspective, the performance of legacy business was as per our expectations. EBITDA margins stood at 9.5%, excluding the acquired businesses. While most of our businesses showed good growth, the India CRM business continues to see twin pressures of drop in volumes from telecom clients and increase in minimum wages.

Element Solutions has done well and we expect this business to play a key role in driving our digital offerings in the social media and cloud segments. AxisPoint Health’s performance was below expectations, with costs higher than anticipated. We have initiated the necessary cost management measures and these are expected to be in place in Q3.”

Financial Highlights for Q1 FY2019

- HGS reported a YoY revenue growth of 18.7%% at Rs. 11,008 million
- Organic revenue growth in constant currency terms was 5%
- EBITDA, excluding the acquired businesses, was Rs. 971.1 million; EBITDA margins stood at 9.55%
- Overall EBITDA, including the Element and Axis Point acquired businesses, was Rs. 731.5 million and EBITDA margin was 6.6%
- PAT was Rs. 403.0 million, a YoY drop of 9.1%; Net margins stood at 3.7%
- Capital expenditure for the quarter was Rs. 393 million
- Generated 22% of the YTD FY2019 EBITDA into Free Cash
- Reduction in net debt of Rs. 6 million in Q1 FY2019; Gross Debt as at 30th June 2018 stood at Rs 5,848 million
- Interim Dividend of Rs 2.50 /share

Q1 FY2019 EARNINGS PRESS RELEASE

Consolidated Financial Highlights

(Rs. Million)	Quarter 1		YoY Growth	Quarter 4 FY2018	QoQ Growth
	FY2018	FY2019			
Operating Revenues	9,272	11,008	18.70%	10,039	9.70%
EBITDA	1,002	731	-27.00%	1,019	-28.20%
EBITDA Margin	10.80%	6.60%		10.20%	
Profit Before Tax	579	597	3.20%	670	-10.80%
PBT Margin	6.20%	5.40%		6.70%	
Profit After Tax	443.3	403	-9.10%	513	-21.60%
PAT Margin	4.50%	3.70%		5.10%	
Basic EPS (Rs)	21.4	19.4	-9.40%	24.7	-21.60%

Business Highlights for Q1 FY2019

- **Client Wins:**
 - Signed nine new clients across BFSI, Retail and Consumer verticals till date in the year. This includes a significant engagement to provide Social Media-related services to a large retailer in the US.
 - Expanded engagements with eight existing clients
 - Won five DigiCX deals
- At the end of 30th June, 2018, HGS had 261 core BPM clients (post the two acquisitions in April 2018) and 639 HRO/Payroll processing clients.
- **New Delivery Centers:** In Q1, HGS added a center in Pune, and gained five new centers in Chicago (Illinois), Austin (Texas), Denver (Colorado), Puerto Rico and Vishakhapatnam through acquisitions. HGS had 75 global delivery centers across seven countries as of 30th June, 2018.
- **Mergers & Acquisitions:**
 - Integration underway for the recent acquisitions of AxisPoint Health and Element Solutions LLC, USA
 - In July 2018, HGS received approval from the National Company Law Tribunal, Mumbai Bench on the scheme of amalgamation of wholly-owned subsidiary, HGS International Services Private Limited (HGSISPL) with HGS. The merger process has been completed on 1st August, 2018.
- **Employee Headcount:** 44,854 as on 30th June 2018
- **Awards & Recognition:**
 - Leader in ISG Provider Lens - Social Business and Collaboration Quadrant report, May 2018
 - Ranked in "Everest Group BPS Top 50 2018" list, June 2018
 - Major Contender in Everest Group Contact Center Outsourcing (CCO) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018, June 2018
 - Gold at American Business Awards (Stevie Awards) for Business-to-Business services, May 2018
 - Gold at Customer Sales and Service World (CSSW) for Best Multichannel Customer Service, June 2018
 - Third Consecutive Gold at 2018 Contact Center World Americas Awards for Best Use of Self-Service technology, June 2018

Q1 FY2019 EARNINGS PRESS RELEASE

About Hinduja Global Solutions (HGS):

A global leader in business process management (BPM) and optimizing the customer experience lifecycle, HGS is helping make its clients more competitive every day. HGS combines technology-powered services in automation, analytics and digital with domain expertise focusing on back office processing, contact centers and HRO solutions to deliver transformational impact to clients. Part of the multi-billion dollar conglomerate Hinduja Group, HGS takes a true “globally local” approach, with over 44,854 employees across 75 delivery centers in seven countries making a difference to some of the world’s leading brands across nine key verticals. For the year ended 31st March 2018, HGS had revenues of Rs. 38,494 million (US\$ 597 million).

Visit www.teamhgs.com to learn how HGS can help make your business more competitive.

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:

Srinivas Palakodeti

Hinduja Global Solutions Limited

Tel: +91 80 4643 1000

Email: pala@teamhgs.com

R. Ravi

Hinduja Global Solutions Limited

Tel: +91 22 2496 0707

Email: ravi.r@teamhgs.com

HGS Q1FY2019 FINANCIALS AND FACT SHEET

Hinduja Global Solutions Limited					
Consolidated Quarterly Profit & Loss Account				Unaudited	
(Rs Million)					
Particulars	Q1FY19	Q4FY18	Q1FY18	QQ Growth	YY Growth
Overseas Revenues	9,687.3	8,632.0	7,760.3	12.2%	24.8%
Domestic Revenues	1,321.0	1,406.9	1,511.2	-6.1%	-12.6%
Other Operating Income	0.0	0.0	0.0		
Revenues From Operations	11,008.3	10,038.9	9,271.5	9.7%	18.7%
Employee Costs	7,752.9	6,657.9	6,226.9	16.4%	24.5%
Other Operating Expenses	2,524.0	2,362.0	2,042.6	6.9%	23.6%
Total Operating Expenses	10,276.8	9,019.9	8,269.5	13.9%	24.3%
EBITDA	731.5	1,019.0	1,002.0	-28.2%	-27.0%
EBITDA Margin	6.6%	10.2%	10.8%		
Depreciation & Amortisation	354.3	319.1	366.9	11.0%	-3.4%
Interest & Finance Charges	95.0	88.5	91.9	7.3%	3.4%
Other Income	314.9	178.3	35.4		
Goodwill Impairment	0.0	120.0	0.0		
Profit Before Tax	597.1	669.7	578.6	-10.8%	3.2%
Provision for Taxation	194.3	156.1	135.3		
Net Profit/(Loss)	402.8	513.6	443.3	-21.6%	-9.1%
Items that will not be reclassified into P&L	-	(66.9)	67.7		
Items that will be reclassified into P&L	(260.6)	(105.8)	4.2		
Total Comprehensive Income	142.2	340.9	515.2		
Shares Outstanding (Mn)	20.800	20.800	20.743		
Earnings/Share (Rs)	19.37	24.69	21.37	-21.6%	-9.4%
Dividend/Share (Rs)	2.5	2.5	2.5		

Hinduja Global Solutions				
Leverage Profile		Unaudited		
(Rs Million)				
Particulars	Q3FY18	Q4FY18	Q1FY19	
Total Gross Debt	5,508	5,854	5,848	
Less Cash & Treasury	4,666	5,687	4,626	
Net Debt/(Net Cash)	842	167	1,222	
Networth	14,589	14,821	15,274	
Net Debt/TTM EBITDA	0.20	0.04	0.32	
Gross Debt/ TTM EBITDA	1.28	1.44	1.54	
Net Debt/Equity	0.06	0.01	0.08	

Hinduja Global Solutions			
Summary Balance Sheet	Unaudited		
(Rs Million)			
Particulars	Q1FY18	FY2018	Q1FY19
Shareholders' Funds	13,854	14,823	15,274
Total Gross Debt	5,961	5,854	5,848
Other Current & Non-Current Liabilities	4,915	5,527	6,197
Capital Employed	24,730	26,204	27,319
Fixed Assets & Intangibles	9,635	9,200	10,517
Other Non-Current Assets	2,306	3,165	3,088
Total Non-Current Assets	11,941	12,365	13,605
Sundry Debtors & Other Current Assets	8,015	8,152	9,087
Cash & Treasury Surpluses	4,774	5,687	4,627
Total Current Assets	12,789	13,839	13,714
Capital Deployed	24,730	26,204	27,319

Hinduja Global Solutions			
Summary Cash Flow Statement		Unaudited	
(Rs Million)			
Particulars	Q1FY19	FY2018	Q1FY19
Cash Flow From Ops. & After WC Changes	1,269	3,517	555
Cash Flow Due to Net Capital Expenditure	(395)	(1,261)	(393)
Cash Flow Due to Other Investing Activities	0	143	15
Other Items	0	0	(1,144)
Cash Flow From Investing Activities	874	2,399	(967)
Proceeds/(Repayment) of Debt	(586)	(762)	(6)
Cash from Interest & Others	(90)	(348)	(95)
Dividends Paid	0	(250)	0
Proceeds From Share Issuance	0	25	8
Cash Flow From Financing Activities	(676)	(1,335)	(93)
Net Inc./(Dec) in Cash & Cash Equivalents	198	1,111	(1,060)
BOY - Cash & Treasury Surpluses	4,576	4,576	5,687
EOY - Cash & Treasury Surpluses	4,774	5,687	4,627

REVENUE BY CURRENCY

Particulars	Q1FY2018		Q2FY2018		Q3FY2018		Q4FY2018		Q1FY2019	
	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms
From USD	6,128	66.1%	6,321	67.1%	6,732	69.0%	6,965	69.4%	7,816	71.0%
From CAD	949	10.2%	941	10.0%	926	9.5%	982	9.8%	1,101	10.0%
From GBP	684	7.4%	667	7.1%	635	6.5%	685	6.8%	771	7.0%
From INR	1,511	16.3%	1,496	15.9%	1,464	15.0%	1,407	14.0%	1,321	12.0%

Note: Q1FY19 numbers are not audited and does include AxisPoint and Elements.

REVENUE BY DELIVERY

Particulars	Q1FY2018		Q2FY2018		Q3FY2018		Q4FY2018		Q1FY2019	
	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms
USA & Jamaica	2,570	27.7%	2,734	29.0%	3,102	31.8%	3,012	30.0%	3,853	35.0%
India (Domestic)	1,511	16.3%	1,508	16.0%	1,458	14.9%	1,405	14.0%	1,321	12.0%
India (International)	1,854	20.0%	1,791	19.0%	1,914	19.6%	2,008	20.0%	2,092	19.0%
India Operations	3,365	36.3%	3,299	35.0%	3,372	34.6%	3,413	34.0%	3,413	31.0%
Canada	927	10.0%	943	9.2%	897	10.0%	1,004	10.0%	1,101	10.0%
Philippines	1,721	19.0%	1,791	17.9%	1,749	19.0%	1,907	18.0%	1,981	18.0%
UK/EU	684	7.0%	660	6.5%	637	7.0%	703	6.0%	660	6.0%
Middle East	4	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%

Note: Q1FY19 numbers are not audited and does include AxisPoint and Elements.

REVENUE BY VERTICALS

Particulars	Q1FY2018		Q2FY2018		Q3FY2018		Q4FY2018		Q1FY2019	
	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms
Technology & Telecom	2,034	21.9%	1,885	20.0%	1,854	19.0%	1,907	19.0%	1,871	17.0%
Healthcare & Insurance	4,349	46.9%	4,525	48.0%	4,976	51.0%	5,120	51.0%	5,944	54.0%
Consumer & Retail	1,173	12.7%	1,225	13.0%	1,268	13.0%	1,305	13.0%	1,321	12.0%
Banking & Financials	765	8.3%	754	8.0%	781	8.0%	803	8.0%	881	8.0%
Media & Entertainment	358	3.9%	377	4.0%	390	4.0%	392	3.9%	425	3.9%
Chemicals & Biotech	152	1.6%	141	1.5%	146	1.5%	151	1.5%	165	1.5%
Others	440	4.7%	518	5.5%	341	3.5%	361	3.6%	401	3.6%

Note: Q1FY19 numbers are not audited and does include AxisPoint and Elements.

ONSHORE TO OFFSHORE REVENUE MIX

Particulars	Q1FY2018		Q2FY2018		Q3FY2018		Q4FY2018		Q1FY2019	
	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms
Onshore Revenues	4,942	53.3%	5,062	53.7%	5,230	53.6%	5,200	51.8%	5,978	54.3%
Offshore Revenues *	4,330	46.7%	4,364	46.3%	4,527	46.4%	4,839	48.2%	5,031	45.7%

Note: Q1FY19 numbers are not audited and does include AxisPoint and Elements. Offshore includes Nearshore Revenues.

CLIENT CONCENTRATION

Particulars	Q1FY2018		Q2FY2018		Q3FY2018		Q4FY2018		Q1FY2019	
	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms
Top Customer	1,762	19.0%	1,697	18.0%	1,756	18.0%	1,807	18.0%	1,871	17.0%
Top - 5 Customers	4,821	52.0%	4,807	51.0%	4,976	51.0%	5,120	51.0%	5,174	47.0%
Top - 10 Customers	5,934	64.0%	5,938	63.0%	6,147	63.0%	6,525	65.0%	6,605	60.0%
Top - 20 Customers	6,954	75.0%	7,164	76.0%	7,318	75.0%	7,630	76.0%	7,816	71.0%

Note: Q1FY19 numbers are not audited and does include AxisPoint and Elements.

REGIONWISE EMPLOYEE TRENDS (NOS)										
Particulars	Q1FY2018		Q2FY2018		Q3FY2018		Q4FY2018		Q1FY2019	
	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms
India	30,130	67.1%	30,354	66.1%	29,563	63.8%	27,432	62.0%	27,148	60.5%
Philippines	7,240	16.1%	7,771	16.9%	8,394	18.1%	8,330	18.8%	8,271	18.4%
US/Jamaica	4,080	9.1%	4,625	10.1%	5,057	10.9%	4,580	10.3%	5,112	11.4%
Canada	2,222	5.0%	1,838	4.0%	2,113	4.6%	2,709	6.1%	3,077	6.9%
UK/Europe	1,205	2.7%	1,338	2.9%	1,194	2.6%	1,214	2.7%	1,246	2.8%
Total Headcount	44,877		45,926		46,321		44,265		44,854	

Note: Q1FY19 Employee strength includes AxisPoint and Elements

CAPEX to OPEX SEATS										
Particulars	Q1FY2018		Q2FY2018		Q3FY2018		Q4FY2018		Q1FY2019	
	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms
Capex Seats	35,624	84.8%	35,979	84.0%	34,975	83.6%	35,637	83.1%	35,690	80.2%
Opex Seats	6,406	15.2%	6,837	16.0%	6,837	16.4%	7,243	16.9%	8,817	19.8%
Total Seats	42,030		42,816		41,812		42,880		44,507	

REVENUE RUN RATE (NOS)					
Particulars	Q1FY2018	Q2FY2018	Q3FY2018	Q4FY2018	Q1FY2019
Above Rs200mn/Quarter	7	9	9	9	11
Above Rs150mn/Quarter	9	12	11	11	11
Above Rs100mn/Quarter	13	15	15	15	19
Above Rs50mn/Quarter	31	30	29	28	37
Above Rs10mn/Quarter	70	67	68	73	89

AVERAGE MONTHLY REVENUE PER EMPLOYEE (RUPEES)					
Particulars	Q1FY2018	Q2FY2018	Q3FY2018	Q4FY2018	Q1FY2019
India Overall	38,608	37,649	37,579	40,669	40,327
Philippines	79,209	77,995	72,150	75,789	75,313
Jamaica	75,317	76,479	78,881	79,657	83,176
US Domestic	232,447	228,094	220,084	236,945	227,060
UK/Europe	202,474	174,974	167,664	189,669	189,936
Canada	137,529	154,594	151,333	135,750	127,193
Overall	69,361	69,206	70,514	73,881	82,349