

Tech Mahindra acquires Hutchison Global Services

Equity buyout will augur a near USD 1 Bn business in key markets

Sep 4, 2012, Mumbai: Tech Mahindra Limited, a leading provider of solutions and services to the telecommunications industry, today announced the acquisition of 100% stake in Hutchison Global Services Private Limited for US \$ 87.1 m, payable upfront.

Hutchison Global Services (HGS) provides customer lifecycle operations to clients in UK, Ireland and Australia and has an associate base of over 11,500 employees. HGS operates out of Mumbai and Pune and is among the largest captives in the Telecom Domain.

This acquisition builds on the significant relationship between Tech Mahindra and the Hutchison group across multiple countries. The acquisition will provide significant enhancement of Tech Mahindra's expertise in the customer management space and will thus be a key component of its strategic plans going forward. In addition, the acquisition will enable Tech Mahindra to leverage the acquired capabilities and scale for expanding the scope of their existing services to other parts of the Hutchison group, and also to other customers and verticals.

As part of the deal, the clients of Hutchison Global Services have committed to procure services worth US\$ 845 million over a 5 year period, and have agreed to Hutchison Global Services being their exclusive provider of certain agreed services in India.

"This acquisition is in line with our growth plans and is a logical next step in extending our relationship with Hutchison. We are committed to this opportunity and excited about the possibilities this acquisition opens up," said **Vineet Nayar**, Executive Vice Chairman, Tech Mahindra.

"With this acquisition, we further strengthen our leadership position in the telecom domain. Hutchison's focused service portfolio combined with our domain knowledge, geographic spread and execution excellence will help us become the undisputed leaders in this space, and extend these services to other verticals and markets" added **CP Gurnani**, Managing Director, Tech Mahindra.

“This acquisition is not just strategic, but also best in class. We are taking over an experienced work force that will be a huge asset to our organization. We will leverage the combined strengths of both companies to deliver greater value to our existing customers and explore broader opportunities for growth” said **Sujit Baksi**, President, Corporate Affairs and Business Service Group, Tech Mahindra.

Kotak Investment Banking acted as the exclusive financial advisor for Tech Mahindra, while Hutchison was advised by Goldman Sachs. Ernst & Young Private Limited and AZB Partners acted as tax and legal advisors respectively for Tech Mahindra, while Khaitan & Co., acted as the legal advisors for Hutchison.

About Tech Mahindra

Tech Mahindra is a leading provider of solutions and services to the telecommunications industry with a majority stake owned by Mahindra & Mahindra Limited, in partnership with British Telecommunications plc.

Tech Mahindra serves telecom service providers, equipment manufacturers, software vendors and systems integrators worldwide and their proven delivery models, distinctive IT skills and decades of domain expertise enable clients to maximize returns on their IT investment. Tech Mahindra registered revenue of USD 1,156million in the year ended March 31, 2012 and is ably supported by 40,000 + professionals who provide a unique blend of culture, domain expertise and in-depth technology skill-sets.

Tech Mahindra’s Development centers are ISO 9001:2008, ISO 27001:2005, ISO 20001:2005, BS 25999-2: 2007 certified. Tech Mahindra has principal offices in the UK, United States, Germany, UAE, Egypt, Singapore, India, Thailand, Taiwan, Malaysia, Philippines, Canada and Australia.

Tech Mahindra Ltd is part of the US \$15.4 billion Mahindra Group, a global industrial federation of companies and one of the top 10 business houses based in India. The Group’s interests span automotive products, aviation, components, farm equipment, financial services, hospitality, information technology, logistics, real estate and retail.