July 29, 2014

EXL and Carvajal Sign Memorandum of Understanding to Establish an Operations Management Joint Venture in Latin America

NEW YORK, July 29, 2014 (GLOBE NEWSWIRE) -- EXL (Nasdaq:EXLS), a leading business process solutions company, and Carvajal Tecnologia y Servicios (CT&S), a subsidiary of Carvajal S.A., today announced that they have signed a non-binding memorandum of understanding to establish a joint venture to address the growing demand for Spanish language-based operations management solutions delivered from Latin America. The solutions provided will include finance and accounting, complex customer services and clinical services. CT&S is expected to contribute its existing Finance & Accounting Outsourcing operations (Carvajal Servicios) to the joint venture, in which EXL will acquire a 51% stake.

The joint venture is intended to combine Carvajal Tecnologia y Servicios's local knowledge and brand with EXL's business process expertise and global best practices to service clients from world-class, Latin American facilities. The joint venture is expected to be headquartered in Cali, Colombia, and launch with over 500 skilled and experienced employees working from 5 centers across the region, including Colombia, Mexico, Peru, Ecuador and Panama. EXL plans to oversee delivery of a full range of Spanish-language operations management services for its clients in North America and Europe through the joint venture, which will also provide all finance and accounting outsourcing work for CT&S's Latin America-based clients.

"We are excited to have found a world-class partner in Carvajal, with whom we share similar values and compatibility based on a culture of professionalism, entrepreneurial zeal, client-centricity and integrity. EXL's clients serve a rapidly growing Hispanic customer base that requires Spanish language-based services, and we determined that partnering with a well-established and respected company is the best way to build EXL's ability to cater to this need," said Rohit Kapoor, Vice Chairman and Chief Executive Officer, EXL. "We are already in discussion with a number of clients about expanding our relationships with them to include Spanish as well as English language servicing. The formation of the joint venture will enable EXL to capitalize on the scale, recruiting brand equity and large operational delivery capabilities of Carvajal Tecnologia y Servicios and accelerate our time to market. The joint venture will also serve as EXL's initial foray into Latin America and, along with our partner Carvajal Tecnologia y Servicios, we have high expectations from the growth opportunities in this dynamic market."

"We view this joint venture as a way to maximize the value of this asset and achieve our vision to build a world class operations management business. CT&S has built a credible and competitive operation in its own right, and this joint venture will enhance the benefits for both clients and employees, " said Carlos Manuel Perez, President of Carvajal Tecnologia y Servicios. "EXL's contributions, such as its business process experts and Business EXLerator Framework[TM], which combine operations management expertise, sophisticated analytics and technology tools, will add tremendous value to what CT&S has already established, and the combination will be a formidable player in the market. This is an important decision for Carvajal Tecnologia y Servicios, and we believe we have chosen the right partner in EXL."

EXL and CT&S intend to enter into one or more definitive agreements to effectuate the terms of the memorandum of understanding. The execution of definitive documentation with respect to the joint venture remains subject to additional negotiations between the parties, completion of appropriate due diligence, approval of appropriate regulatory bodies and approval of the boards of directors of both companies. There can be no assurance that definitive documentation for the joint venture will be entered into by the parties or that the joint venture will be established.

About EXL

EXL (Nasdaq:EXLS) is a leading business process solutions company that looks deeper to drive business impact through integrated services and industry knowledge. EXL provides operations management, decision analytics and technology platforms to organizations in insurance, healthcare, banking and financial services, utilities, travel, and transportation and logistics, among others. We work as a strategic partner to help our clients streamline business operations, improve corporate finance, manage compliance, create new channels for growth and better adapt to change. Headquartered in New York and in business since 1999, EXL has more than 23,000 professionals in locations throughout the U.S., Europe and Asia. For more information, visit www.exlservice.com.

About Carvajal

The Carvajal organization is over a $1.7 billion conglomerate comprised of six divisions: Technology and Services, Education, Paper and Pulp, Packaging, Office Furniture & Logistic and Printing. Founded in 1904, Carvajal serves companies in the

consumer, industrial, healthcare, financial services, government, energy and telecommunications sectors. Their division Carvajal Tecnologia y Servicios provides services in Information Technology and Business Process operations has more than 10,000 professionals in locations throughout Latin America. We speed the profitable growth of our customers through effective management of optimized processes. For more information, visit www.carvajaltys.com

Forward Looking Statements

This press release contains forward-looking statements. You should not place undue reliance on those statements because they are subject to numerous uncertainties and factors relating to EXL's operations and business environment, all of which are difficult to predict and many of which are beyond EXL's control. Forward-looking statements include information concerning the consummation of the proposed joint venture, the joint venture's proposed business and prospects and EXL's possible or assumed future results of operations, including descriptions of its business strategy. These statements may include words such as "may," "will," "should," "believe," "expect," "anticipate," "intend," "plan," "estimate" or similar expressions. These statements are based on assumptions that we have made in light of management's experience in the industry as well as its perceptions of historical trends, current conditions, expected future developments and other factors it believes are appropriate under the circumstances. You should understand that these statements are not guarantees of performance or results. They involve known and unknown risks, uncertainties and assumptions. Although EXL believes that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect EXL's actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. These factors are discussed in more detail in EXL's filings with the Securities and Exchange Commission, including the Company's Annual Report on Form 10-K for the year ended December 31, 2013. These risks could cause actual results to differ materially from those implied by forward-looking statements in this release. You should keep in mind that any forward-looking statement made herein, or elsewhere, speaks only as of the date on which it is made. New risks and uncertainties come up from time to time, and it is impossible to predict these events or how they may affect the Company. EXL has no obligation to update any forward-looking statements after the date hereof, except as required by federal securities laws.

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CONTACT: Steven N. Barlow

         Head of Investor Relations, EXL

         212 624-5913

         ir@exlservice.com



         Carvajal Tecnologia y Servicios

         Juan Pablo Llano

         +57 1 4106766 Ext 12942

         juan.llano@carvajal.com
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