Date: 24th October, 2018

To,
The Manager Listing,
**Bombay Stock Exchange Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort,
Mumbai – 400 023

To,
The Manager Listing,
**National Stock Exchange of India Limited**
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051

Subject: Presentation to Analysts on the financial results for the quarter ended 30th September, 2018

Dear Sir / Madam,

This is with reference to and in continuation of our letter dated October 1, 2018, wherein we have intimated that the Company will hosting conference call with Analyst on 24th October, 2018 at 5.00 pm for discussion on the financial results of the Company for the quarter ended September 30, 2018.

In this regard, we have enclosed the presentation to be made to Analysts during the conference call on the financial results and performance of the Company for the quarter ended September 30, 2018.

This is also being made available at the website of the Company i.e [www.hexaware.com](http://www.hexaware.com)

Kindly take the same on your record.

Thanking you,
Yours faithfully,
For **Hexaware Technologies Limited**

[Signature]

Gunjan Methi
Company Secretary
24th October 2018
Q3 2018 Update
Investor
SAFE HARBOR STATEMENT

Certain statements on this presentation concerning our future growth prospects and other non-historical information may constitute forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in such 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. Certain information appearing on this presentation was derived from our internal sources, which we believe to be reliable. However, we do not guarantee the accuracy or completeness of such information. Additional information regarding factors that may impact our business and financial results is included in our public filings with the Securities and Exchange Commission, including our annual report on Form 10-K.
## Key Financials for Q3 2018

<table>
<thead>
<tr>
<th></th>
<th>Q3 2018</th>
<th>Q2 2018</th>
<th>GROWTH QoQ</th>
<th>GROWTH YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>171.1</td>
<td>168.3</td>
<td>1.6%</td>
<td>11.1%</td>
</tr>
<tr>
<td>EBITDA * (before ESOP cost)</td>
<td>29.9</td>
<td>27.6</td>
<td>8.2%</td>
<td>6.3%</td>
</tr>
<tr>
<td>EBITDA * %</td>
<td>17.5%</td>
<td>16.4%</td>
<td>1.1%</td>
<td>-0.8%</td>
</tr>
<tr>
<td>EBITDA (after ESOP cost)</td>
<td>28.6</td>
<td>26.2</td>
<td>9.1%</td>
<td>6.4%</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>16.7%</td>
<td>15.6%</td>
<td>1.1%</td>
<td>-0.7%</td>
</tr>
<tr>
<td>PAT</td>
<td>24.27</td>
<td>22.69</td>
<td>6.9%</td>
<td>10.2%</td>
</tr>
<tr>
<td>PAT %</td>
<td>14.2%</td>
<td>13.5%</td>
<td>0.7%</td>
<td>-0.1%</td>
</tr>
<tr>
<td>Diluted EPS (INR)</td>
<td>5.70</td>
<td>5.09</td>
<td>12.1%</td>
<td>20.4%</td>
</tr>
</tbody>
</table>

*Figures for previous periods have been restated in accordance with Ind AS 18.*

Amounts in USD million

www.hexaware.com | © Hexaware Technologies. All rights reserved
Revenue Impacts for Q3

- Supply side issues for talent in US
- Delayed transitions/Ramps-ups
- Cross currency
- Unseasonal furloughs
Revenue Analysis - QoQ

2.7% Volume Growth

USD Mn

Revenue Q2 18: 168.3
Volume: 8.60
Furlough: (0.57)
Calendar: (0.97)
Mix: (2.58)
FX (mainly cross currency): (0.77)
Bill Rates: (0.94)
Revenue Q3 18: 171.1

Increases
Decreases

www.hexaware.com | © Hexaware Technologies. All rights rese
Gross Margin Analysis - QoQ

SG&A ↓ 13 bps QoQ

<table>
<thead>
<tr>
<th>Category</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forex Impact</td>
<td>(0.37)</td>
</tr>
<tr>
<td>Debtors provisioning / Marketing cost</td>
<td>(0.26)</td>
</tr>
<tr>
<td>Volume Leverage</td>
<td>(0.21)</td>
</tr>
<tr>
<td>Other Cost Savings</td>
<td>(0.43)</td>
</tr>
<tr>
<td>Total</td>
<td>33.5</td>
</tr>
</tbody>
</table>

www.hexaware.com | © Hexaware Technologies. All rights reserved
Movement of Top 20 Customers

Top 20 Accounts by Q3 Revenue

Q3 2018 vs. Q3 2017

<table>
<thead>
<tr>
<th>In</th>
<th>Out</th>
</tr>
</thead>
<tbody>
<tr>
<td>American investment management company</td>
<td>American outsourcing company</td>
</tr>
<tr>
<td>European telecommunications company</td>
<td>Global financial services company</td>
</tr>
<tr>
<td>French multinational insurance company</td>
<td>International airline company</td>
</tr>
<tr>
<td>Multinational technological manufacturing company</td>
<td>Multinational finance and insurance company</td>
</tr>
<tr>
<td>Print and digital document solutions provider</td>
<td>Multinational information technology company</td>
</tr>
</tbody>
</table>
USD 25 million NN Deal wins in Q3-18

- Application and Infrastructure support for a global banking and financial services company
- Network operations center for an American energy company
- Application support for a Finnish manufacturing and technology company
Employee Metrics

**UTILIZATION**

Steady increase in Utilization

- Q3 2016: 74.1%
- Q4 2016: 78.6%
- Q1 2017: 78.9%
- Q2 2017: 80.8%
- Q3 2017: 79.7%
- Q4 2017: 80.9%
- Q1 2018: 81.3%
- Q2 2018: 78.2%
- Q3 2018: 79.0%

**EMPLOYEE ATTRITION**

Uptaken Attrition

- Q3 2016: 16.5%
- Q4 2016: 16.1%
- Q1 2017: 14.9%
- Q2 2017: 13.8%
- Q3 2017: 13.7%
- Q4 2017: 13.1%
- Q1 2018: 13.4%
- Q2 2018: 14.4%
- Q3 2018: 15.0%

*Net headcount addition during the quarter (incl. trainees) – 693*
EU, H&I and IMS led Growth

**GEOGRAPHY**

<table>
<thead>
<tr>
<th>Region</th>
<th>GROWTH</th>
<th>GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>2.1%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Europe</td>
<td>6.5%</td>
<td>30.3%</td>
</tr>
<tr>
<td>APAC</td>
<td>-7.7%</td>
<td>8.3%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1.6%</td>
<td>11.1%</td>
</tr>
</tbody>
</table>

**VERTICAL**

<table>
<thead>
<tr>
<th>Vertical</th>
<th>GROWTH</th>
<th>GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>QoQ</td>
<td>YoY</td>
</tr>
<tr>
<td>BFS</td>
<td>0.9%</td>
<td>9.0%</td>
</tr>
<tr>
<td>GTT</td>
<td>-3.9%</td>
<td>-11.2%</td>
</tr>
<tr>
<td>H&amp;I</td>
<td>11.4%</td>
<td>25.7%</td>
</tr>
<tr>
<td>M&amp;C</td>
<td>-5.8%</td>
<td>23.3%</td>
</tr>
<tr>
<td>PS</td>
<td>5.2%</td>
<td>9.3%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1.6%</td>
<td>11.1%</td>
</tr>
</tbody>
</table>
Guidance

- Above 20% growth for year, based on Sept currency
- EPS: 11-12% on reported currency
- Revenue:
Revenue

Q3 2018

- CC revenue at $171.8 mn; ↑ 2.1% QoQ; ↑ 11.8% YoY
- $ Revenue at $171.1 mn; ↑ 1.6% QoQ; ↑ 11.1% YoY
- ₹ Revenue at Rs 12,096 mn; ↑ 6.4% QoQ; ↑ 21.8% YoY
# Outstanding Hedge Position and Rates

<table>
<thead>
<tr>
<th>Currency Pair</th>
<th>Amount (Mn.)</th>
<th>Avg. Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>USDINR ($)</td>
<td>170.40</td>
<td>70.81</td>
</tr>
<tr>
<td>EURNR (€)</td>
<td>6.17</td>
<td>86.91</td>
</tr>
<tr>
<td>GBPNR (£)</td>
<td>11.80</td>
<td>97.16</td>
</tr>
<tr>
<td><strong>Total ($)</strong></td>
<td><strong>192.94</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Note** -

1. Hedges outstanding are full-term hedges.
2. **EUR converted @ 1.1583/USD & GBP converted @ 1.3049/USD.**
3. **Avg. Rate=Average of the forward rate at which the hedges have been booked with the banks.**
Forex Gain/(Loss)

- As compared to the forex gain of $4.30 Mn in Q2'18, the forex gain this quarter was $3.30 Mn.
- Forex Losses expected at ~$1.27 Mn in Q4'18 and ~$1.31 Mn in Q1'19 at exchange rate of INR 72.49/ USD.
Balance Sheet Updates

**CASH & CASH EQUIVALENTS**
Cash and Cash Equivalents at US$ 100.6 Mn (₹ 7,292 Mn)

**DAYS SALES OUTSTANDING**
Days Sales Outstanding (DSO) for Q3 2018 at 58 days; 83 days including unbilled

**DIVIDEND**
INR 2.50 per share (125%)
Dividend Payout including taxes ₹ 894.67 Mn ($ 12.2 Mn)

**Tax:** ETR at 19.1% in Q3 18 vs 20% in Q2 18

**Capex:** $2.4 Mn capex in Q3 2018 ($6.4 mn YTD) – Capex for 2018 - $17.5 mn - should end year with capex of $14 mn.
Thank you