Date: 31st July, 2017

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 June, 2017

Dear Sir / Madam,

This is with reference to and in continuation of our letter dated July 21, 2017, wherein we have intimated that Company will hosting conference call with Analyst on 31st July, 2017 at 5.00 pm for discussion on the financial results of the Company for Q2 2017.

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 Q2 2017.

This is also being made available at the website of the Company i.e www.hexaware.com

Kindly take the same on your record.

Thanking you,
Yours faithfully,
For Hexaware Technologies Limited

Gunjan Methi
Company Secretary
Safe Harbor Statement

Certain statements on 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 IT services 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-time frame 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 Hexaware 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.
# Key Financials for Q2 2017

<table>
<thead>
<tr>
<th></th>
<th>Q2 2017</th>
<th>Q1 2017</th>
<th>GROWTH QoQ</th>
<th>GROWTH YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>152.61</td>
<td>144.75</td>
<td>5.4%</td>
<td>17.7%</td>
</tr>
<tr>
<td>EBITDA * (before ESOP cost)</td>
<td>26.66</td>
<td>25.35</td>
<td>5.2%</td>
<td>30.3%</td>
</tr>
<tr>
<td>EBITDA * %</td>
<td>17.5%</td>
<td>17.5%</td>
<td>0.0%</td>
<td>1.7%</td>
</tr>
<tr>
<td>EBITDA (after ESOP cost)</td>
<td>24.79</td>
<td>24.54</td>
<td>1.0%</td>
<td>25.4%</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>16.2%</td>
<td>17.0%</td>
<td>-0.7%</td>
<td>1.0%</td>
</tr>
<tr>
<td>PAT</td>
<td>18.99</td>
<td>17.23</td>
<td>10.2%</td>
<td>30.1%</td>
</tr>
<tr>
<td>PAT %</td>
<td>12.4%</td>
<td>11.9%</td>
<td>0.5%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Diluted EPS (INR)</td>
<td>4.08</td>
<td>3.77</td>
<td>8.4%</td>
<td>26.8%</td>
</tr>
</tbody>
</table>

* Excludes ESOP Cost of $1.88 M in Q2 and $0.81 M in Q1

* Figures for previous periods have been restated in accordance with IndAS

* Amounts in USD million
Revenue Analysis - QoQ

6.4% Volume Growth

USD Min.

130 135 140 145 150 155

Revenue Q1.17  Volume  Calendar  Mix  FX  Bill Rates  Revenue Q2.17

144.7 9.40 0.35 (0.51) 0.75 (2.12) 152.6

Increases
Decreases
Gross Margin Analysis - QoQ

SG&A ↑ 27 bps QoQ
SG&A at $26.6 mn in Q2 17 vs $24.8 mn in Q1 17
- Forex (23) bps
- Others (04) bps
Higher SG&A cost due to investment in Marketing Cost & Branding offset by Volume Impact
# Movement of Top 20 Customers

**Top 20 Accounts by LTM Revenue**

**Q2 2017 vs. Q2 2016**

**In**
- Specialized Payment Products and Services Provider
- Top Skincare Line
- Premier Chain of Fitness Centers
- World’s leading Airline
- Multinational Information Technology Company
- UK’s largest insurance companies
- American worldwide financial services company

**Out**
- Fortune 500 Construction & Mining company
- American Investment Management Firm
- Leading Canadian Airline
- Global Banking & Financial Services Co.
- Actuarial, underwriting & other services provider to insurers
- Multinational Insurance Firm
- Global Document Solution & Service provider
Improved Depth of Customer Relationships

Growth and Client Concentration remain unaffected with client change based Q2 2017
Strategy Proof Points

USD 40 million NN Deal wins in Q2-17

**Shrink IT**
- Automation-led Back and Front Office Operations Transformation for a Global Warranty Provider
- RAISE IT led end-to-end Infrastructure Management for a British Auction House

**Grow Digital**
- Strategic Product Engineering Partner for a Global Rating and Analytics Advisory
- Transforming Customer Experience for a large Fashion e-commerce Company
- Digitalize Omni-Channel, Data Management and Transformation Services for a Global Retail Consumer Financials Company
APAC led Growth

<table>
<thead>
<tr>
<th>GEOGRAPHY</th>
<th>GROWTH QoQ</th>
<th>GROWTH YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>4.3%</td>
<td>17.5%</td>
</tr>
<tr>
<td>Europe</td>
<td>7.0%</td>
<td>5.3%</td>
</tr>
<tr>
<td>APAC</td>
<td>15.1%</td>
<td>43.9%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>5.4%</td>
<td>17.7%</td>
</tr>
</tbody>
</table>
BFS led Growth

<table>
<thead>
<tr>
<th>VERTICAL</th>
<th>GROWTH QoQ</th>
<th>GROWTH YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking &amp; Financial Services</td>
<td>7.1%</td>
<td>27.6%</td>
</tr>
<tr>
<td>Travel &amp; Transportation</td>
<td>3.5%</td>
<td>9.0%</td>
</tr>
<tr>
<td>Healthcare &amp; Insurance</td>
<td>5.0%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Manufacturing &amp; Consumer, and Others</td>
<td>4.1%</td>
<td>14.2%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>5.4%</td>
<td>17.7%</td>
</tr>
</tbody>
</table>
BPS led Growth

<table>
<thead>
<tr>
<th>HORIZONTAL</th>
<th>GROWTH QoQ</th>
<th>GROWTH YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Development &amp; Maintenance (ADM)</td>
<td>6.5%</td>
<td>17.7%</td>
</tr>
<tr>
<td>Enterprise Solutions (ES)</td>
<td>1.0%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Digital Assurance / Testing (DA)</td>
<td>-0.6%</td>
<td>15.2%</td>
</tr>
<tr>
<td>Business Intelligence &amp; Analytics (BIBA)</td>
<td>6.8%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Business Process Services (BPS)</td>
<td>18.0%</td>
<td>30.0%</td>
</tr>
<tr>
<td>Infrastructure Management Services (IMS)</td>
<td>9.4%</td>
<td>61.8%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>5.4%</td>
<td>17.7%</td>
</tr>
</tbody>
</table>
Updated Guidance

- CY17 Revenue and EBITDA to grow by 14-15%

- We lost a portion of business from a Top 5 client during the quarter
  - Partial impact in Q3 and full impact in Q4
    - This impact is accounted for in the revised guidance above
    - Incremental impact of (roughly) 2.5 - 3% for the full year FY18

- Q4 Outlook
  - Q4 will have the full impact of above client and previously announced in-sourcing
  - Post that impact, Q4 likely to be close to double-digit growth YoY (without furloughs)
Finance Update
Revenue

Q2 2017 constant currency revenue at $151.8 mn; ↑ 4.9% QoQ; ↑ 18.2% YoY
Q2 17 $ Revenue at $152.6 mn; ↑ 5.4% QoQ; ↑ 17.7% YoY
Q2 17 INR Revenue at Rs 9,836 mn; ↑ 2.4% QoQ; ↑ 13.1% YoY

![Revenue Chart](chart.png)
# Outstanding Hedge Position and Rates

## Outstanding Hedge Position

<table>
<thead>
<tr>
<th>Currency Pair</th>
<th>Amount (Mn.)</th>
<th>Avg. Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>USDINR ($)</td>
<td>141.66</td>
<td>72.35</td>
</tr>
<tr>
<td>EURNR (€)</td>
<td>3.95</td>
<td>81.21</td>
</tr>
<tr>
<td>GBPNNR (£)</td>
<td>4.20</td>
<td>96.68</td>
</tr>
<tr>
<td><strong>Total ($)</strong></td>
<td><strong>151.61</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Note:**

1. Hedges outstanding are full-term hedges.
2. EUR converted @ 1.1410/USD & GBP converted @ 1.2970/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 $0.23 Mn in Q1’17, the forex gain this quarter was $2.14 Mn.
- Forex gains expected are ~$2.05 Mn in Q3’17 and ~$2.22 Mn in Q4’17 at an exchange rate of INR 64.58 / USD.
Balance Sheet Updates

**CASH & CASH EQUIVALENTS**
Cash and Cash Equivalents* at US$ 66.5 Mn (INR 4,295 Mn)

**DAYS SALES OUTSTANDING**
Days Sales Outstanding (DSO) for Q2 2017 at 45 days; 70 days including unbilled

**DIVIDEND**
INR 1.00 per share (50%)
Dividend Payout including taxes INR 357.1 Mn ($ 5.5 Mn)

Tax: ETR at 22.9% in Q2 17 vs 23.7% in Q1 17 – More new business in new SEZ
Capex : $2.3 Mn capex in Q2 2017
Thank you

www.hexaware.com