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.
Business Update Q2
# 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>Revenue</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>
Revenue Impacts for Q3

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

2.7% Volume Growth

USD Mn

- Increases
- Decreases

Revenue Q2 18
Volume
Furlough
Calendar
Mix
FX (mainly cross currency)
Bill Rates
Revenue Q3 18

168.3
8.60
(0.57)
(0.97)
(2.58)
(0.77)
(0.94)
171.1
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>37</td>
</tr>
<tr>
<td>Debtors provisioning / Marketing cost</td>
<td>(43)</td>
</tr>
<tr>
<td>Volume Leverage</td>
<td>27</td>
</tr>
<tr>
<td>Other Cost Savings</td>
<td>(08)</td>
</tr>
<tr>
<td>Total</td>
<td>13</td>
</tr>
</tbody>
</table>
Movement of Top 20 Customers

Top 20 Accounts by Q3 Revenue
Q3 2018 vs. Q3 2017

**In**
- American investment management company
- European telecommunications company
- French multinational insurance company
- Multinational technological manufacturing company
- Print and digital document solutions provider

**Out**
- American outsourcing company
- Global financial services company
- International airline company
- Multinational finance and insurance company
- Multinational information technology company
Improved Depth of Customer Relationships

Q3 2018 vs Q3 2017

<table>
<thead>
<tr>
<th>TOP CLIENTS</th>
<th>CONTRIBUTION GROWTH</th>
<th>GROWTH QoQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 5 Clients</td>
<td>-0.3%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Top 10 Clients</td>
<td>-0.6%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Top 20 Clients</td>
<td>-1.4%</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Other Clients</td>
<td>1.4%</td>
<td>5.7%</td>
</tr>
</tbody>
</table>

Q3 18 Top 20 accounts vs their previous quarter performance

<table>
<thead>
<tr>
<th>TOP CLIENTS</th>
<th>REVENUE GROWTH QoQ</th>
<th>REVENUE GROWTH YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 5 Clients</td>
<td>1.4%</td>
<td>11.0%</td>
</tr>
<tr>
<td>Next 5 Clients</td>
<td>2.0%</td>
<td>21.6%</td>
</tr>
<tr>
<td>Next 10 Clients</td>
<td>0.8%</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

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NN Wins

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

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q3 2016</th>
<th>Q4 2016</th>
<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
<th>Q4 2017</th>
<th>Q1 2018</th>
<th>Q2 2018</th>
<th>Q3 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilization</td>
<td>74.1%</td>
<td>78.6%</td>
<td>78.9%</td>
<td>80.8%</td>
<td>79.7%</td>
<td>80.9%</td>
<td>81.3%</td>
<td>78.2%</td>
<td>79.0%</td>
</tr>
</tbody>
</table>

**EMPLOYEE ATTRITION**

Uptaken Attrition

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q3 2016</th>
<th>Q4 2016</th>
<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
<th>Q4 2017</th>
<th>Q1 2018</th>
<th>Q2 2018</th>
<th>Q3 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attrition</td>
<td>16.5%</td>
<td>16.1%</td>
<td>14.9%</td>
<td>13.8%</td>
<td>13.7%</td>
<td>13.1%</td>
<td>13.4%</td>
<td>14.4%</td>
<td>15.7%</td>
</tr>
</tbody>
</table>

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

GEOGRAPHY | GROWTH QoQ | GROWTH YoY
---|---|---
North America | 2.1% | 8.6%
Europe | 6.5% | 30.3%
APAC | -7.7% | 8.3%
TOTAL | 1.6% | 11.1%

VERTICAL | GROWTH QoQ | GROWTH YoY
---|---|---
BFS | 0.9% | 9.0%
GTT | -3.9% | -11.2%
H&I | 11.4% | 25.7%
M&C | -5.8% | 23.3%
PS | 5.2% | 9.3%
TOTAL | 1.6% | 11.1%

HORIZONTAL (1) | GROWTH QoQ | GROWTH YoY
---|---|---
ADM | -0.2% | 10.0%
ES | -6.6% | -5.1%
DA | -2.5% | -1.9%
BIBA | 9.1% | 16.6%
BPS | 3.7% | 12.8%
IMS | 10.0% | 45.7%
TOTAL | 1.6% | 11.1%

(1) QoQ = Quarter on Quarter, YoY = Year on Year
Guidance

• Revenue:
  – 11-12% on reported currency

• EPS:
  – Above 20% growth for year, based on Sept currency
Finance Update
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

## Outstanding Hedge Position

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