

Hexaware revenue in constant currency at \$116.4 Mn, up 1.6% QoQ; up 21.4% YoY

Revenue at \$114.9 in reported currency, up 0.3% QoQ; up 19.9% YoY

EBIT at \$18.6 Mn; up 11.3% YoY

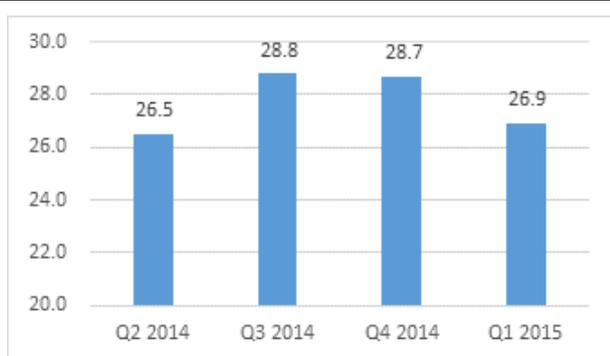
Net Income at \$13.4 Mn, up 17.3% YoY

USD Mn	Q1 15	Growth	
		QoQ	YoY
Revenue (Constant Currency)	116.4	1.6%	21.4%

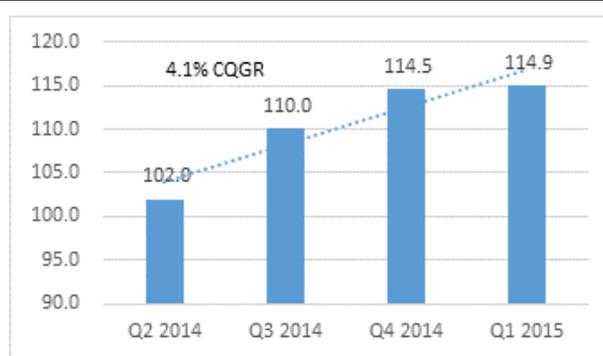
₹ Mn	Q1 15	Growth	
		QoQ	YoY
Revenue	7,134	0.2%	21.1%
EBIT	1,155	-11.5%	12.6%
PAT	833	-4.5%	18.6%

USD Mn	Q1 15	Growth	
		QoQ	YoY
Revenue	114.9	0.3%	19.9%
EBIT	18.6	-11.5%	11.3%
PAT	13.4	-4.6%	17.3%

Return on Equity (%)



Revenue (US\$) performance



Performance Highlights in US\$ terms

Revenue

- Q1 2015 revenue at \$116.4 Mn in constant currency; up 1.6% QoQ & 21.4% YoY
- Q1 2015 revenue at \$114.9 Mn; up 0.3% QoQ & 19.9% YoY

Profitability

- Gross margin for Q1 2015 at 35.7%
- EBITDA for Q1 2015 at \$20.4 Mn, up 10.7% from \$18.5 Mn in Q1 2014; QoQ growth was (10.4%); EBITDA margin at 17.8%
- EBIT at \$18.6 Mn, up 11.3% from \$16.7 Mn in Q1 2014; QoQ growth was (11.5%); EBIT margin at 16.2%

- **Q1 2015 PAT at \$13.4 Mn, up 17.3% from \$11.4 Mn in Q1 2014; QoQ growth was (4.6%); PAT margin at 11.7%**
- **Return on Equity (RoE) at 26.9% at the end of Q1 2015**

Cash

- **Cash & Cash equivalents at the end of March 2015 at US\$ 56.34 mn**
- **Days of Sales Outstanding (DSO) was 51 days at the end of Q1 2015**
- **First Interim Dividend of ₹2.00 (100%) for Q1 2015**

New Wins

- **10 new clients added in Q1 2015**

Human Capital

- **Headcount stood at 10,100 at the end of Q1 2015; up 84 QoQ and 1,148 YoY**
- **129 fresh graduate engineers added in Q1 2015**
- **Utilisation improved to 73.6% (including trainees) in the quarter**
- **Attrition at the end of March 2015 was at 16.6%**

Performance highlights in ₹ terms

- **Q1 2015 revenue at ₹713.4 Crores; up 0.2% QoQ and 21.1% YoY**
- **EBITDA for Q1 2015 at ₹127.0 crores; up 12.1% from ₹113.3 crores in Q1 2014. QoQ growth of (10.4%)**
- **EBIT for Q1 2015 at ₹115.5 crores; up 12.6% from ₹102.5 crores in Q1 2014; QoQ growth of (11.5%)**
- **Q1 2015 PAT at ₹83.3 crores; up 18.6% from ₹70.3 crores in Q1 2014; QoQ growth of (4.5%).**
- **Cash & Cash equivalents at the end of March 2015 at ₹352 crores**

Mumbai – April 29, 2015: Hexaware Technologies Limited, a leading global provider of IT, BPO and Consulting services has just reported results for the first quarter of the calendar year ended March 31, 2015.

“This Quarter we have continued to invest in new solutions, improving client management and in Sales and Marketing which will yield result in the future quarters.” remarked **Atul Nishar, Chairman, Hexaware Technologies Limited.**

“We are pleased to have delivered a modest revenue growth in a seasonally difficult quarter. We remain confident of our future and continue to invest in our growth. ”, stated **R Srikrishna, CEO & Executive Director, Hexaware Technologies Limited.**

First Interim Dividend of 2015

The Board of Directors declared a first interim dividend of ₹ 2.00 per share (100%) on equity shares of ₹ 2.00 each. The book closure date is fixed as Thursday, May 7, 2015 for determining the shareholders entitled for this first interim dividend of the year 2015. The payment shall be made on May 12, 2015. This would result in a cash outflow of ₹ 72.48 Crores for dividend payment including tax, amounting to a dividend payout ratio of 87% for Q1 2015.

Business Update

Americas led the geographic growth while Travel and Transportation led growth among verticals in Q1 2015. Application Development & Maintenance (ADM) led growth among service lines in value terms, while BPS clocked the highest percentage increase in Q1 2015.

During the previous quarter, the Company added 10 new clients across all its key focus areas. The company added 4 clients in the Manufacturing and Consumer Vertical, 2 clients each in Banking and Financial Services, Healthcare & Insurance and Travel and Transportation Segment. Of the 10 clients added in Q1 2015, 4 customers are based in Americas, 3 each in Europe and Asia Pacific (APAC) region.

From a horizontal service line perspective, 3 clients each were added in Enterprise Solutions and Applications Development & Maintenance (ADM), 2 clients each in Business Process Services (BPS) and Quality Assurance and Testing Services (QATS).

Foreign Exchange Cover

The Company has hedges worth \$ 196.80 mn at an effective rate of ₹ 66.56 and € 7.12 mn at an effective exchange rate of ₹ 75.86 maturing over the course of the next eight quarters (from Apr 2015 to Mar 2017).

Awards and Recognition

During the last quarter, Hexaware was recognized as the "100 MOST TALENTED GLOBAL HR LEADERS" during World HRD Congress held by CHRO ASIA.

Hexaware has won the ICAI Award for Excellence in Reporting for the second consecutive year.

Hexaware has been mentioned in different Gartner reports during Q1 2015. These reports are titled:

1. "Market Trends: SAP Service Provider Opportunities in a Postmodern ERP World"
2. "Market Guide for Midmarket SAP Service Providers"
3. "The Gartner CRM Vendor Guide, 2015"
4. "Market Guide for Higher Education Student Information Systems"
5. "Market Share: IT Services, 2014"

Gartner does not endorse any vendor, product or service depicted in its research publications, and does not advise technology users to select only those vendors with the highest ratings. Gartner research publications consist of the opinions of Gartner's research organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

About Hexaware

Hexaware is a leading global provider of IT, BPS and consulting services. The Company focuses on key domains such as Banking, Financial Services, Capital Market, Healthcare, Insurance, Travel, Transportation, Logistics, Manufacturing and Consumer. Our business philosophy, "Your Success is Our Focus", is demonstrated through the success we ensure for our clients. Hexaware focuses on delivering business results and leveraging technology solutions by specializing in Application Development & Maintenance, Enterprise Solutions, Human Capital Management, Business Intelligence & Analytics, Quality Assurance and Testing Services, Remote Infrastructure Management Services and Business Process Services. Founded in 1990, Hexaware has a well-established global delivery model armed with proven proprietary tools and methodologies, skilled human capital and SEI CMMI-Level 5 certification. For additional information logon to: www.hexaware.com

Safe Harbor Statement

Certain statements in this press release 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 in India, 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.

For more information contact:

Sreedatri Chatterjee

Hexaware Technologies Limited

Tel: +91 (22) 6654 2682 / 83

e-mail: sreedatric@hexaware.com

Consolidated Audited Income Statement (as per Indian GAAP)

₹ Mn

Head	Quarterly Data				
	Q1 15	Q4 14	QoQ%	Q1 14	YoY%
Revenues	7,134	7,118	0.2%	5,889	21.1%
Direct Costs	4,587	4,456	2.9%	3,723	23.2%
Gross Profit	2,547	2,662	-4.3%	2,166	17.6%
Selling / General And Administration	1,277	1,244	2.7%	1,033	23.7%
EBITDA	1,270	1,418	-10.4%	1,133	12.1%
Depreciation and Amortization	115	113	1.8%	108	7.0%
Operating Profit = EBIT	1,155	1,305	-11.5%	1,025	12.6%
Other Income (net)	38	36	4.1%	85	-55.9%
Forex Gains / (Losses)	(134)	(148)	-9.7%	(135)	-0.8%
Exceptional Item	-	(66)			
Profit Before Tax	1,058	1,126	-6.1%	975	8.5%
Provision for Tax	225	254	-11.5%	272	-17.4%
Profit After Tax	833	873	-4.5%	703	18.6%

Key Ratios	Q1 15	Q4 14	QoQ%	Q1 14	YoY%
Gross Margin	35.7%	37.4%	-1.7%	36.8%	-1.1%
SG&A to Revenue	17.9%	17.5%	0.4%	17.5%	0.4%
EBITDA	17.8%	19.9%	-2.1%	19.2%	-1.4%
Operating / EBIT Margin	16.2%	18.3%	-2.1%	17.4%	-1.2%
Profit before tax	14.8%	15.8%	-1.0%	16.6%	-1.8%
Profit after Tax	11.7%	12.3%	-0.6%	11.9%	-0.2%
EPS-INR					
Basic	2.77	2.90	(0.13)	2.34	0.43
Diluted	2.76	2.89	(0.13)	2.33	0.43

Consolidated Audited Balance Sheet (as per Indian GAAP) ₹ Mn

Head	As at Mar 31 2015	As at Dec 31 2014	As at Mar 31 2014
Equity & Liabilities			
Equity Share Capital	602	602	601
Reserves	12,608	12,557	12,225
Forex MTM	69	(253)	(662)
Non Current Liability	313	294	224
Liability - Forex (MTM)		77	4
Dividend Pending Payout	725	906	1,405
Other Current Liabilities	3,535	3,353	2,824
Total Sources of Funds	17,852	17,536	16,622
Assets			
Net Fixed Assets	5,473	5,489	5,332
Deferred Tax Asset (Net)	241	175	42
Long Term Loans and Advances	1,696	1,399	1,355
Non Current Assets / Investments	80	109	8
Cash and cash equivalent	3,521	4,939	4,434
Current Assets			
Debtors	4,069	3,656	3,089
Current Asset - Forex (MTM)	137		387
Others	2,635	1,768	1,975
Total Current assets	6,841	5,424	5,450
Total Uses of Funds	17,852	17,536	16,622

Financial and Operational Metrics
Performance Review

Revenue Growth	INR, Mn	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14	FY 14
	Revenue from Operations		7,134	7,118	6,706	6,104	5,889
% , q-o-q		0	6	10	4	(5)	13
Other Income		38	36	24	73	85	219

Vertical Split#	%	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14	FY 14
	Banking and Financial Services		37.4	36.9	36.3	33.4	32.3
Travel & Transportation		16.5	15.6	16.1	18.3	18.0	16.9
Healthcare & Insurance		15.6	15.5	15.9	16.8	17.5	16.4
Manufacturing, Consumer & others		30.5	32.0	31.7	31.5	32.2	31.9
Total		100.0	100.0	100.0	100.0	100.0	100.0

Service Lines Split#	%	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14	FY 14
	Application Development & Maintenance (ADM)		37.6	36.4	36.8	36.3	37.5
Enterprise Solutions		15.5	16.6	17.1	18.6	18.1	17.6
Testing / QATS (Quality Assurance and Testing Services)		20.7	20.9	20.2	19.9	21.1	20.5
Business Intelligence & Analytics		15.4	15.4	15.2	14.3	13.4	14.7
Business Process Services (BPS)		4.8	4.3	4.2	4.0	3.7	4.1
Infrastructure Management Services (IMS)		6.0	6.4	6.5	6.9	6.2	6.4
Total		100.0	100.0	100.0	100.0	100.0	100.0

Geography#	%	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14	FY 14
	Americas		80.8	78.8	78.8	78.7	78.1
Europe		13.1	15.1	14.3	14.2	14.3	14.5
Asia Pacific		6.1	6.1	6.9	7.1	7.6	6.9
Total		100.0	100.0	100.0	100.0	100.0	100.0

Onsite: Offshore Mix	%	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14	FY 14
	Onsite		58.9	57.6	56.2	54.8	52.9
Offshore		41.1	42.4	43.8	45.2	47.1	44.5
Total		100.0	100.0	100.0	100.0	100.0	100.0

Client data

Repeat Business	%	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14
			95.2	95.5	95.7	94.8

Clients billed	No	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14
			227	236	233	238

Clients added	No	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14	FY 14
			10	10	10	13	11

DSO	Days	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14
	Billed		51	47	47	51
Including Unbilled Accruals		77	63	68	69	70

Revenue Concentration	%	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14	FY 14
	Top 1		14.9	14.9	14.4	13.4	14.1
Top 5		42.8	40.0	38.2	37.4	38.2	37.6
Top 10		55.5	53.1	51.4	50.9	50.7	51.3

Client Size	Nos (Last Twelve Months)	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14
	More than \$ 1 Mn +		62	61	61	56
Between \$ 1 to 5 Mn		42	40	42	40	41
Between \$ 5 to 10 Mn		11	13	11	8	6
Between \$ 10 to 20 Mn		4	3	4	4	5
Over \$ 20 Mn		5	5	4	4	4

People Numbers	IT Services %	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14
	Billable Personnel					
Onsite		22.1%	21.1%	20.4%	19.7%	18.6%
Offshore		69.3%	71.1%	71.7%	72.0%	73.1%
Total		91.4%	92.2%	92.1%	91.7%	91.7%
Marketing (Incl. Sales Support)		3.1%	2.1%	2.1%	2.3%	2.3%
Others (Incl. Tech. Support)		5.5%	5.7%	5.8%	6.0%	6.0%
Grand Total		100.0%	100.0%	100.0%	100.0%	100.0%

Utilization	%	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14	FY 14
	Including Trainees		73.6	73.0	70.3	70.8	72.9

Attrition Rate	%	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14
	Last Twelve Months		16.6	14.1	13.0	12.7

Rupee Dollar Rate		Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14	FY 14
	Period Closing rate		62.50	63.04	61.75	60.18	59.92
Period average rate		62.07	62.14	60.94	59.87	61.45	61.10

#Vertical, Service Lines and Geographies have been reclassified from Q1 2015 and previous period figures have been restated. This reclassification represents our current organization structure.

Details of Cash and Cash Equivalents

₹ Mn

Bank / Institution Name	Current Account	Deposit Account	Total
Bank of America	1,158.51	-	1,158.51
IDBI Bank Ltd	606.36	111.11	717.48
Commerz bank	112.85	1.05	113.90
HDFC Bank Ltd	77.82	-	77.82
DBS bank	48.72	14.66	63.38
National Australia Bank Ltd	58.00	-	58.00
CITI Bank	41.56	-	41.56
Rabo	25.83	-	25.83
Bank Of India	21.34	-	21.34
Banco Santander	15.31	-	15.31
Societe Generale	15.07	-	15.07
The Royal Bank of Scotland	3.04	10.11	13.15
Metropolitan Bank	12.37	-	12.37
ICICI bank Ltd	11.48	-	11.48
UBS Bank	9.46	-	9.46
Kotak Bank	5.25	-	5.25
State Bank of India	3.78	-	3.78
ABN Amro Bank	2.42	0.70	3.12
Bawag P.S.K. Bank	2.76	-	2.76
Andhra Bank	1.58	-	1.58
HSBC Bank Ltd	-	0.99	0.99
Mizuho Bank	0.50	-	0.50
IndusInd Bank	0.39	-	0.39
BANAMEX	0.39	-	0.39
Handelsbanken	0.38	-	0.38
UCO Bank	0.23	-	0.23
Bradesco	0.17	-	0.17
Canara Bank	0.14	-	0.14
CASH	0.02	-	0.02
Remit In transit	17.04	-	17.04
Grand Total	2,252.75	138.61	2,391.36

Details of Investments in Mutual Funds

₹ Mn

HDFC Mutual Fund	342.57
Reliance Mutual Fund	251.08
Kotak Mutual Fund	207.36
ICICI Prudential Mutual Fund	177.75
SBI Mutual Fund	100.58
L&T Mutual Fund	50.30
Grand Total	1,129.64

Consolidated Audited Income Statement (as per Indian GAAP)

USD K

Head	Quarterly Data				
	Q1 15	Q4 14	QoQ%	Q1 14	YoY%
Revenues	114,918	114,539	0.3%	95,874	19.9%
Direct Costs	73,902	71,713	3.1%	60,615	21.9%
Gross Profit	41,016	42,826	-4.2%	35,259	16.3%
Selling / General And Administration	20,571	20,003	2.8%	16,796	22.5%
EBITDA	20,445	22,823	-10.4%	18,463	10.7%
Depreciation and Amortization	1,859	1,825	1.9%	1,757	5.8%
Operating Profit = EBIT	18,586	20,998	-11.5%	16,706	11.3%
Other Income (net)	605	581	4.1%	1,381	-56.2%
Forex Gains / (Losses)	(2,171)	(2,398)	-9.5%	(2,189)	-0.8%
Exceptional Item	-	(1,056)			
Profit Before Tax	17,020	18,125	-6.1%	15,897	7.1%
Provision for Tax	3,613	4,078	-11.4%	4,472	-19.2%
Profit After Tax	13,407	14,047	-4.6%	11,426	17.3%

Key Ratios	Q1 15	Q4 14	QoQ%	Q1 14	YoY%
Gross Margin	35.7%	37.4%	-1.7%	36.8%	-1.1%
SG&A to Revenue	17.9%	17.5%	0.4%	17.5%	0.4%
EBITDA	17.8%	19.9%	-2.1%	19.3%	-1.5%
Operating / EBIT Margin	16.2%	18.3%	-2.1%	17.4%	-1.2%
Profit before tax	14.8%	15.8%	-1.0%	16.6%	-1.8%
Profit after Tax	11.7%	12.3%	-0.6%	11.9%	-0.2%