



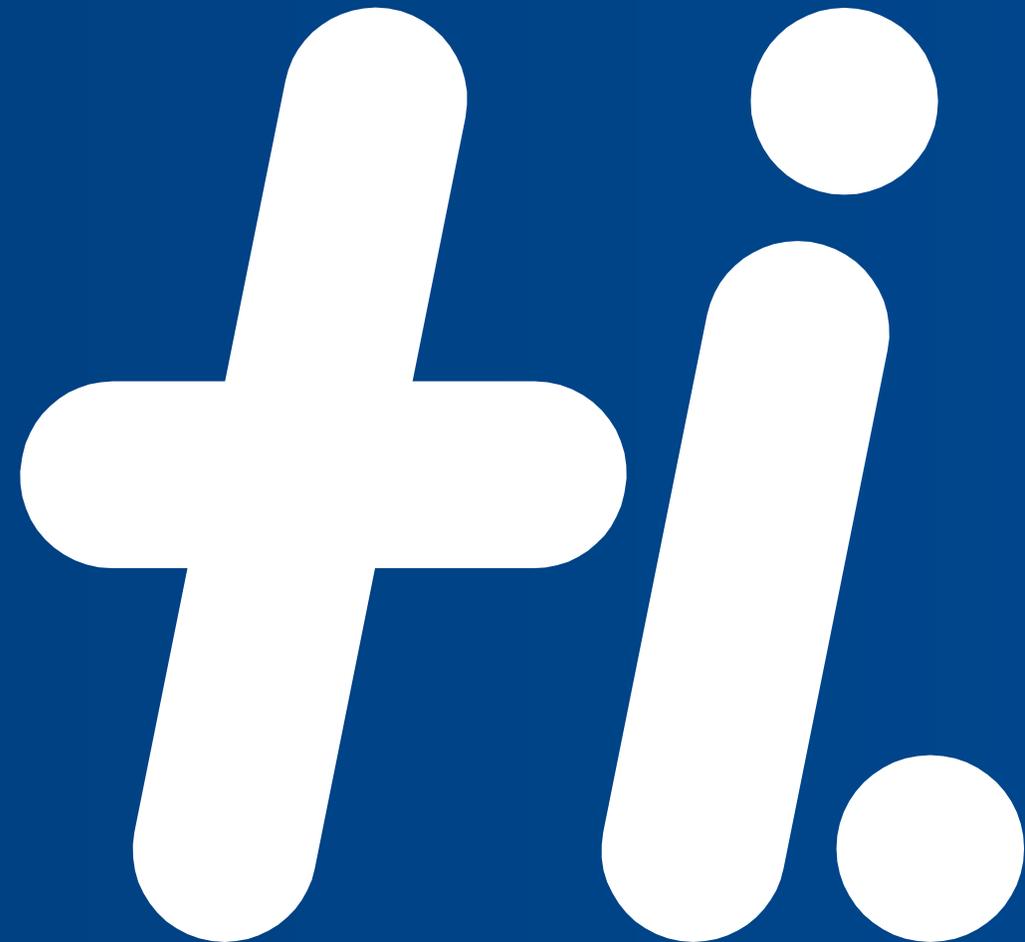
Investor Update Q3 2017

1 November 2017

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

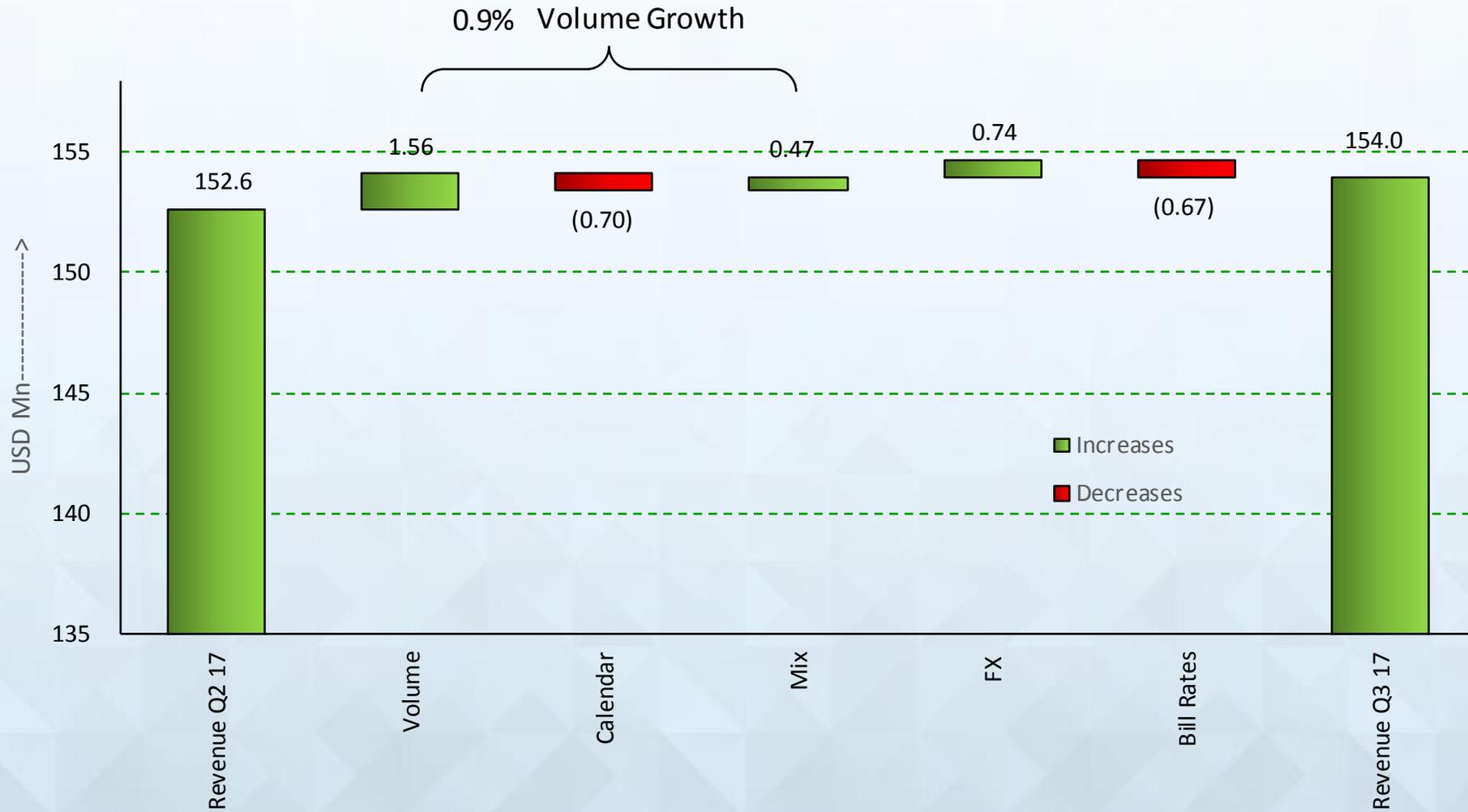
Business Update



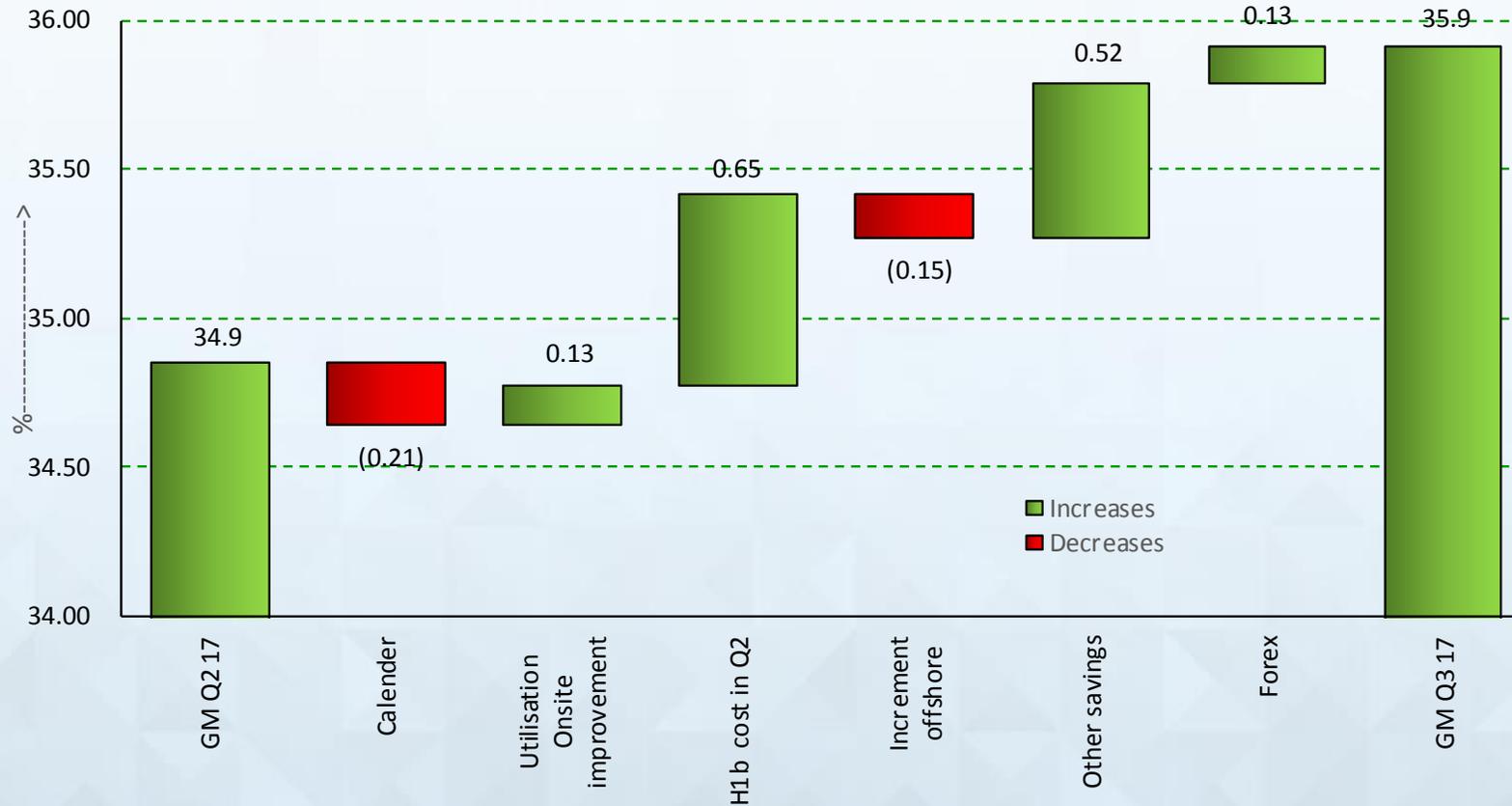
Key Financials for Q3 2017

	Q3 2017	Q2 2017	GROWTH QoQ	GROWTH YoY
Revenue	154.03	152.61	0.9%	13.9%
EBITDA (before ESOP cost)	28.13	26.66	5.5%	11.7%
EBITDA %	18.3%	17.5%	0.8%	-0.3%
EBITDA (after ESOP cost)	26.86	24.79	8.4%	11.4%
EBITDA %	17.4%	16.2%	1.2%	-0.4%
PAT	22.03	18.99	16.0%	28.8%
PAT %	14.3%	12.4%	1.8%	1.6%
Diluted EPS (INR)	4.74	4.08	16.0%	26.0%

Revenue Analysis - QoQ



Gross Margin Analysis - QoQ



SG&A ↑ 27 bps QoQ

SG&A at \$ 26.6 mn in Q2 17 vs \$26.6 mn in Q2 17

Higher SG&A cost due to investment in Marketing Cost & Branding, debtors provisioning & other G&A cost

Movement of Top 20 Customers

Top 20 Accounts by LTM Revenue

Q3 2017 vs. Q3 2016

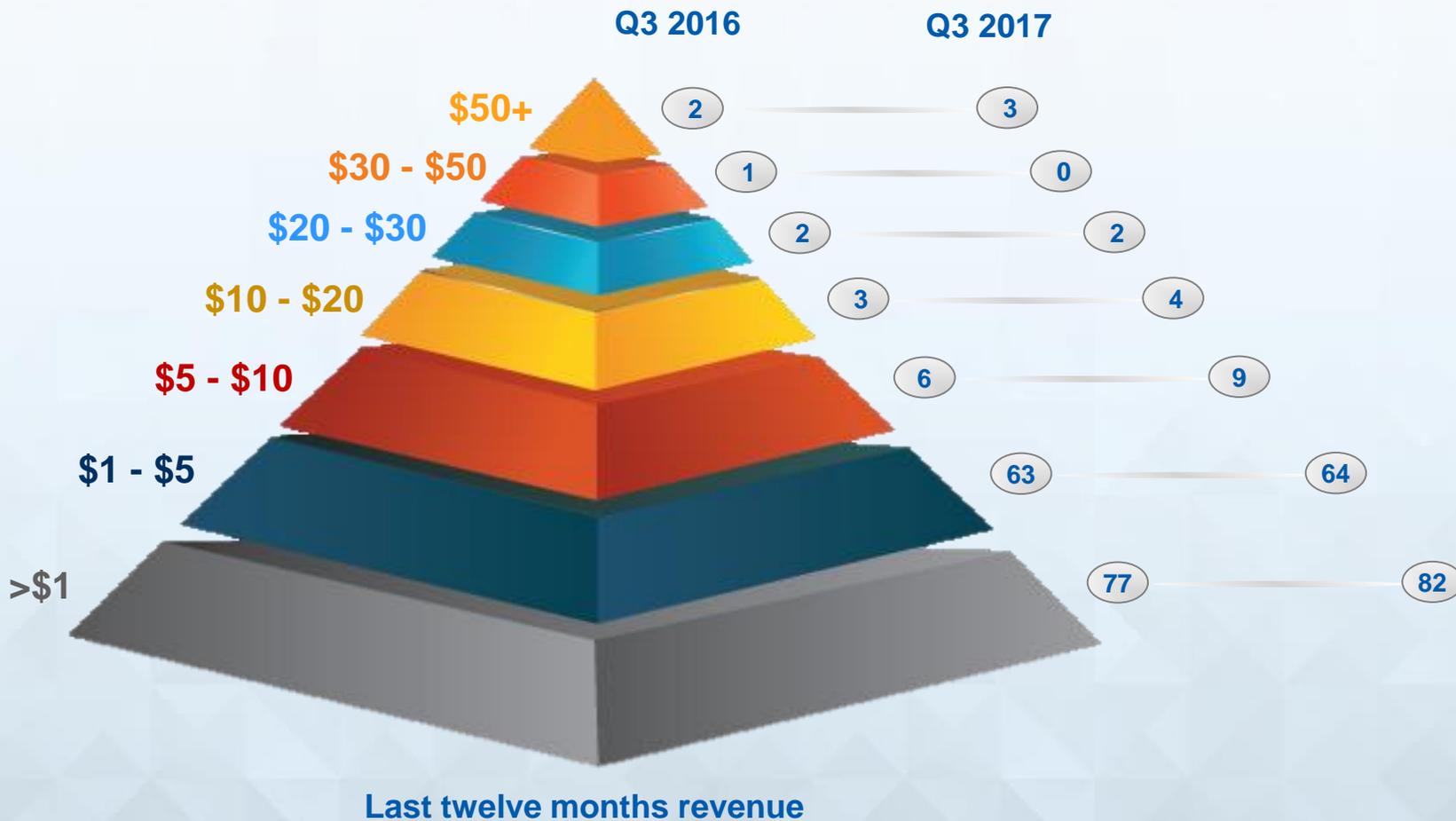
In

- Specialized Payment Products and Services Provider
- World's leading Airline
- Premier Chain of Fitness Centers
- Multinational Information Technology Company
- Global Risk Management Company
- European Public Finance Company

Out

- Fortune 500 Construction & Mining company
- Leading Canadian Airline
- Global Banking & Financial Services Co.
- Multinational Insurance Firm
- Actuarial, underwriting & other services provider to insurers
- Multinational conglomerate

Improved Depth of Customer Relationships



TOP CLIENTS	CONTRIBUTION GROWTH	GROWTH QoQ
Top 5 Clients	-2.7%	-4.9%
Top 10 Clients	-1.7%	-2.1%
Top 20 Clients	-1.4%	-1.1%
Other Clients	1.4%	5.1%

TOP CLIENTS	REVENUE GROWTH QoQ	REVENUE GROWTH YoY
Top 5 Clients	-4.9%	5.3%
Next 5 Clients	10.4%	57.9%
Next 10 Clients	12.6%	31.2%

Strategy Proof Points

USD 43 million NN Deal wins in Q3-17



Shrink IT

- End to End integration for a worldwide mechanical solutions provider.
- Automation led managed services help desk & production support for a large Indian life insurance company.



Grow Digital

- Enhancing Risk Management product and Digital Content Management for Global Risk Management Company.
- Automating Policy & Claims conversion as part of core insurance transformation for a Top 5 Belgian insurer.
- Customer Experience Transformation using Chat bots and AR for a multinational imaging and electronics company.

Employee Metrics

UTILIZATION *

Utilization maintained at high levels



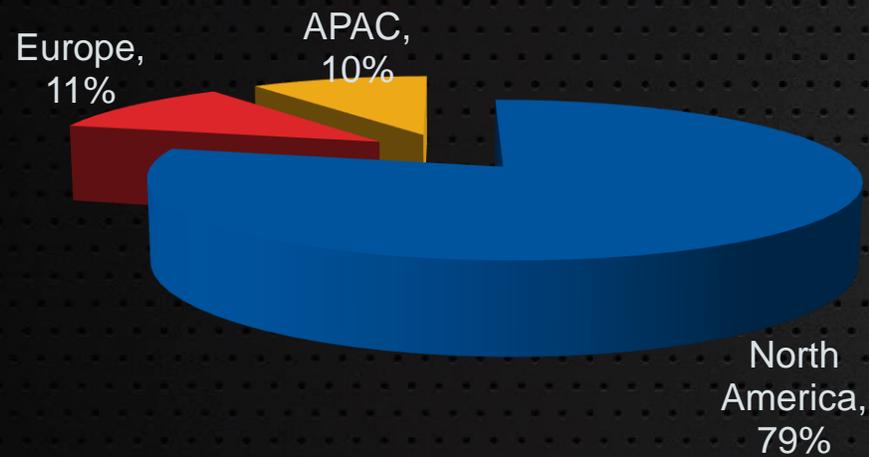
EMPLOYEE ATTRITION

Attrition back to low levels



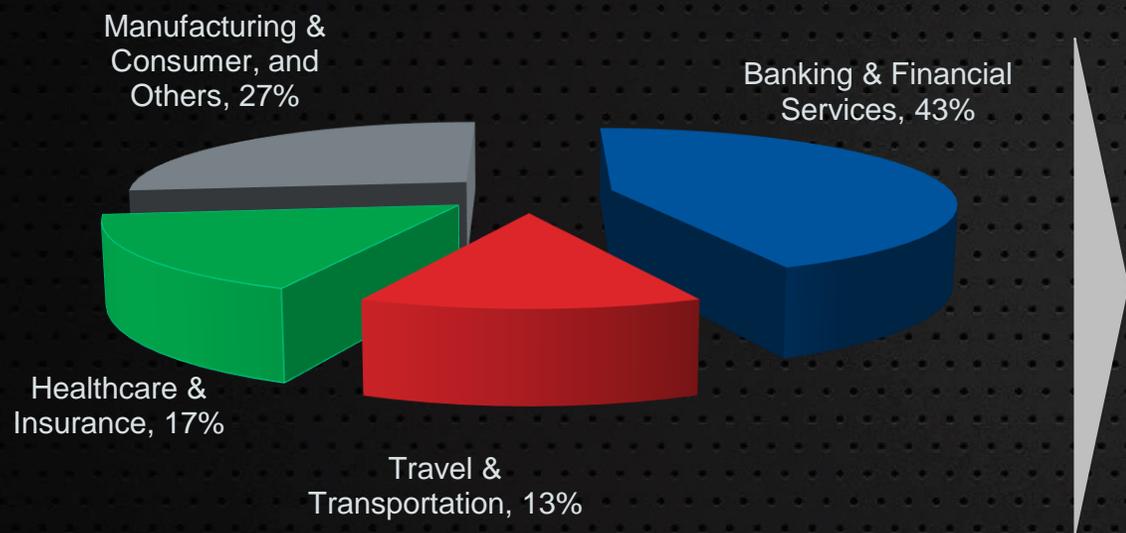
Net headcount addition during the quarter (incl. trainees) – 390

APAC led Growth



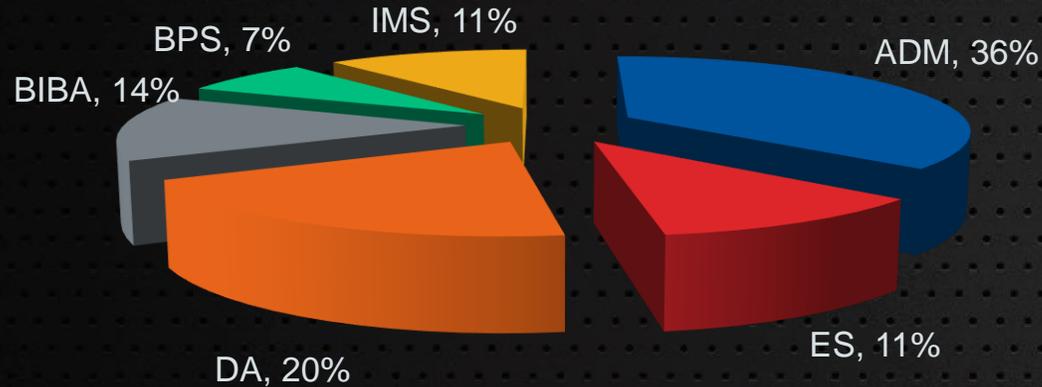
GEOGRAPHY	GROWTH QoQ	GROWTH YoY
North America	-1.2%	9.9%
Europe	2.5%	11.8%
APAC	20.0%	68.3%
TOTAL	0.9%	13.9%

H&I led Growth



VERTICAL	GROWTH QoQ	GROWTH YoY
Banking & Financial Services	1.0%	18.7%
Travel & Transportation	-0.6%	3.6%
Healthcare & Insurance	7.4%	17.8%
Manufacturing & Consumer, and Others	-2.0%	9.8%
TOTAL	0.9%	13.9%

IMS led Growth



HORIZONTAL ⁽¹⁾	GROWTH QoQ	GROWTH YoY
Application Development & Maintenance (ADM)	0.5%	14.9%
Enterprise Solutions (ES)	-1.7%	-1.2%
Digital Assurance/ Testing (DA)	2.3%	12.2%
Business Intelligence & Analytics (BIBA)	-0.4%	3.7%
Business Process Services (BPS)	2.5%	21.6%
Infrastructure Management Services (IMS)	3.4%	48.0%
TOTAL	0.9%	13.9%

(1) Horizontals have been regrouped and reclassified from Q1 2016 to represent our current organization structure

Updated Guidance

- **Revenue for full year**
 - Achievement to be in Upper end of 14-15% guidance
- **EBIDTA for full year**
 - Previous guidance was that EBIDTA growth will be in line with revenue growth, i.e – 14-15%
 - Updated Guidance: EBIDTA Growth (post ESOP) – 16.5-17.5%.
- **Q4 outlook**
 - Will have full impact of both Top 5 customer revenue drops
 - Will still be close to double digit YoY growth.

Finance Update



Revenue

Q3 2017 constant currency revenue at \$153.3 mn; ↑ 0.4% QoQ; ↑ 13.3% YoY

Q3 17 \$ Revenue at \$154.0 mn; ↑ 0.9% QoQ; ↑ 13.9% YoY

Q3 17 INR Revenue at Rs 9,931 mn; ↑ 1.0% QoQ; ↑ 9.8% YoY



Outstanding Hedge Position and Rates

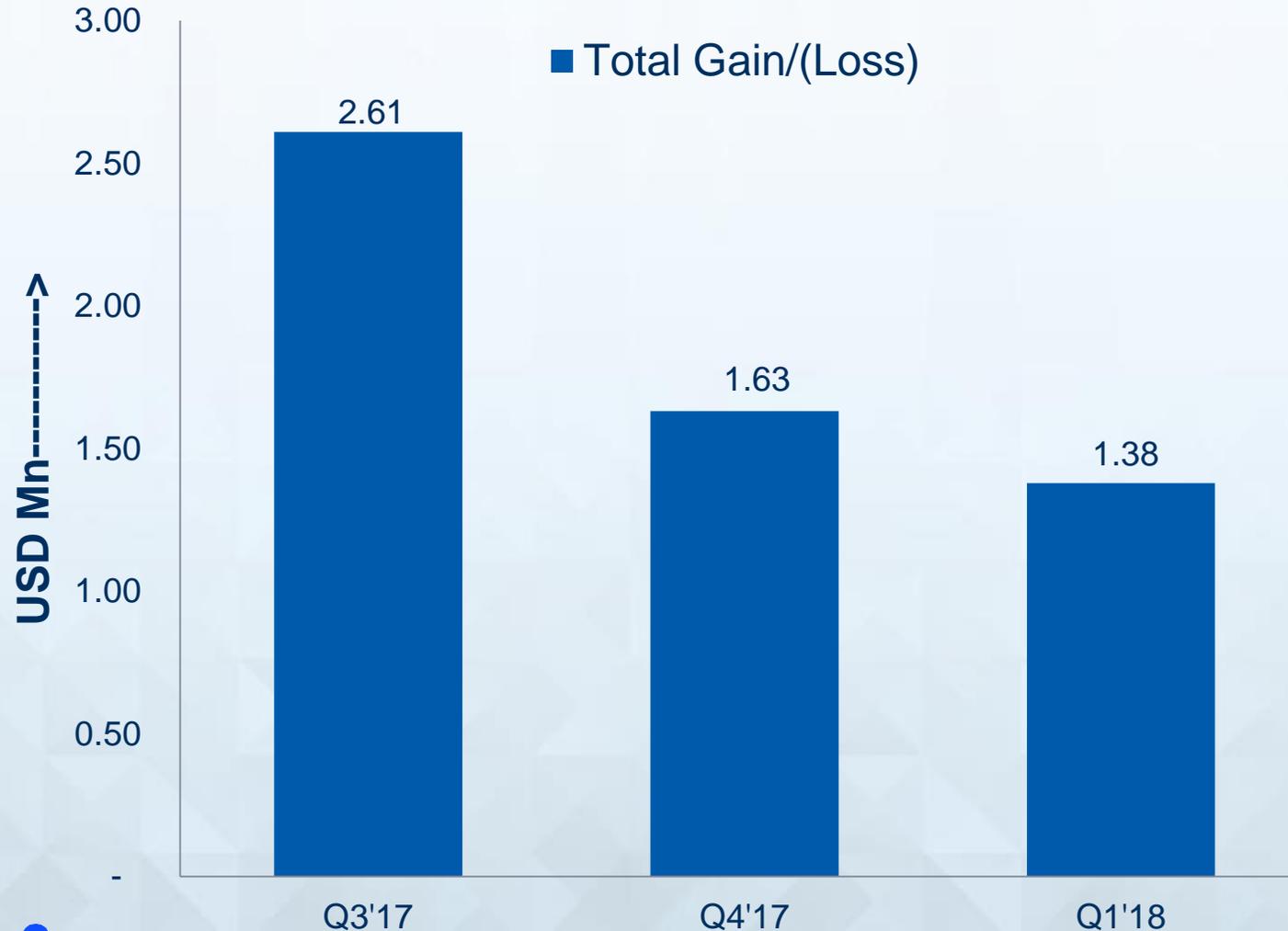
Outstanding Hedge Position

Currency Pair	Amount (Mn.)	Avg. Rate
USDINR (\$)	152.88	71.38
EURNR (€)	3.90	81.61
GBPNR (£)	7.50	91.81
Total (\$)	167.52	

Note -

- 1. Hedges outstanding are full-term hedges.*
- 2. EUR converted @ 1.1812/USD & GBP converted @ 1.3384/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 \$2.14 Mn in Q2'17, the forex gain this quarter was \$2.61 Mn.
- Forex gains expected are ~\$1.63 Mn in Q4'17 and ~\$1.38 Mn in Q1'18 at exchange rate of INR 65.2850 / USD.

Balance Sheet Updates

CASH & CASH EQUIVALENTS

Cash and Cash Equivalents* at US\$ 70.73 Mn (INR 4,617 Mn)

DAYS SALES OUTSTANDING

Days Sales Outstanding (DSO) for Q3 2017 at 47 days; 72 days including unbilled

DIVIDEND

INR 1.00 per share (50%)

Dividend Payout including taxes INR 357.1 Mn (\$ 5.5 Mn)

Tax: : ETR at 19.0% in Q3 17 vs 22.9% in Q2 17 – One time reduction in US / NOL in RT adjusted – Underlying ETR – 21.6%

Capex : \$3.65 Mn capex in Q3 2017 – YTD capex spend- US\$ 12.60 Mn.



**Innovative
Services**

**Passionate
Employees**

**Delighted
Customers**

Thank you