

Date: October 25, 2016

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: Outcome of Board Meeting as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir / Madam,

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Audited Consolidated and Standalone Financial Results of Hexaware Technologies Limited for the quarter ended September 30, 2016 approved by the Board of Directors at its meeting held today along with the press release and the audit report. Board Meeting for discussion of financial results commenced at 11.45 am and concluded at 1.35 pm.

Further we wish to inform you that the Board of Directors of the Company has declared payment of interim dividend @ Re. 1/- per share (50%) on equity shares of Rs. 2/- each. The record date for interim dividend is fixed as Monday, November 7, 2016 to ascertain the number of shareholders of the Company entitled for the payment of interim dividend. The interim dividend on equity shares as declared in the Board Meeting today shall be paid on Friday, November 11, 2016.

Mr. Jimmy Mahtani, Non-Executive Director has been appointed as the Vice Chairman of the Board.

Further to our intimation dated October 20, 2016 and in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company at its meeting held on October 25, 2016 has approved a proposal to buyback up to 5,694,835 fully paid up equity shares of the Company ("**Equity Shares**") for an aggregate amount not exceeding Rs. 1,367 million (Rupees one thousand three hundred sixty seven million) being 1.9% of the total paid up Equity Share Capital as on September 30, 2016 at Rs. 240/- (Rupees two hundred forty) per Equity Share (hereinafter the "**Buyback**"). The Buyback is proposed to be made from the shareholders of the Company on a proportionate basis under the tender offer route using the stock exchange mechanism in accordance with the provisions contained in the SEBI (Buyback of Securities) Regulation, 1998 ("**Buyback Regulations**") and the Companies Act, 2013 and rules made thereunder, details of which are enclosed hereto in **Annexure A**.

The Board of Directors has noted the intention of HT Global IT Solutions Holdings Ltd, promoter of the Company to participate in the Buyback.

The Buyback is subject to approval of the members by means of a special resolution through a postal ballot. The public announcement setting out the process, timelines and other requisite details will be released in due course in accordance with the Buyback Regulations.

The pre-buyback shareholding pattern as on September 30, 2016 is enclosed in **Annexure B**. This is also being made available at the website of the Company i.e. www.hexaware.com



The Board of Directors has appointed the undersigned as the Compliance Officer for the purposes of the Buyback.

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

Kindly acknowledge receipt and take the same on your record.

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


Gunjan Methi
Company Secretary



ANNEXURE A

Details of the Buyback

1.	Number of securities proposed to be bought back	Upto 5,694,835 Equity Shares of face value Rs 2 each
2.	Number of securities proposed to be bought back as a percentage of the existing share capital	The number of equity shares proposed to be bought back represents 1.9% of the paid up capital of the Company as on September 30, 2016
3.	Buy-back price	Rs 240/- per Equity Share
4.	Actual securities in number and percentage of the existing paid up capital bought back	NA The proposed buyback exceeds 10% of the paid up Equity Share capital of the Company and as such is subject to approval of its shareholders through a special resolution.



ANNEXURE B

Category of shareholder	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A) Promoter & Promoter Group	21,50,47,193	71.23
(B) Public	8,59,60,413	28.47
(C1) Shares underlying DRs	9,03,616	0.30
Grand Total	30,19,11,222	100



**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM STANDALONE
FINANCIAL RESULTS
TO THE BOARD OF DIRECTORS OF
HEXAWARE TECHNOLOGIES LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of **HEXAWARE TECHNOLOGIES LIMITED** ("the Company") for the Quarter and Nine Months ended 30th September, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related condensed interim financial statements, in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- (ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the Quarter and Nine Months ended 30th September, 2016.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Abhijit A. Damle
Partner
(Membership No.102912)

MUMBAI, 25th October, 2016

INDEPENDENT AUDITORS' REPORT ON AUDIT OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF HEXAWARE TECHNOLOGIES LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **HEXAWARE TECHNOLOGIES LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the Quarter and Nine Months ended 30th September, 2016 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related condensed interim consolidated financial statements, which is in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



3. We did not audit the condensed interim financial statements of eight subsidiaries included in the consolidated financial results, whose condensed interim financial statements reflect total revenues of Rs. 13,216.26 lakhs and Rs. 38,847.89 lakhs and total profit after tax of Rs. 442.53 lakhs and Rs. 769.55 lakhs for the Quarter and Nine Months ended 30th September, 2016 respectively, as considered in the consolidated financial results. These interim financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.
4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors referred to in paragraph 3 above, the Statement:
- a. includes the results of the following entities:
Hexaware Technologies Limited, Hexaware Technologies Inc., Hexaware Technologies Mexico S. De. R.L. De. C.V., Hexaware Technologies UK Ltd., Hexaware Technologies Asia Pacific Pte Limited, Hexaware Technologies GmbH, Hexaware Technologies Canada Limited, Risk Technology International Limited, Hexaware Technologies DO Brazil Ltd, Guangzhou Hexaware Information Technologies Company Limited, Hexaware Technologies Limited Liability Company, Hexaware Technologies Saudi (Limited Liability Company) and Hexaware Technologies Romania SRL;
 - b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - c. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Group for the Quarter and Nine Months ended 30th September, 2016.
5. The consolidated financial results includes the unaudited interim financial information of two subsidiaries, whose interim financial information reflect total revenue of Rs. Nil and total profit/(loss) after tax of Rs. Nil for the Quarter and Nine Months ended 30th September, 2016, as considered in the consolidated financial results. Our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited interim financial information. In our opinion and according to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our opinion on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Abhijit A. Damle
Partner

(Membership No.102912)

MUMBAI, 25th October, 2016

A) CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 30TH SEPTEMBER 2016

(Rupees in Lakhs except per share data)

PARTICULARS	QUARTER ENDED 30th SEP'2016 AUDITED	QUARTER ENDED 30th JUN'2016 AUDITED	QUARTER ENDED 30th SEP'2015 AUDITED	NINE MONTHS ENDED 30th SEP'2016 AUDITED	NINE MONTHS ENDED 30th SEP'2015 AUDITED	YEAR ENDED 31st DEC'2015 AUDITED
INCOME						
INCOME FROM OPERATIONS	90,414.86	86,966.54	81,838.90	259,402.63	230,401.68	312,352.28
EXPENSES						
EMPLOYEE BENEFITS EXPENSE	49,672.28	48,074.22	45,237.63	145,984.80	128,735.80	175,210.78
SOFTWARE AND DEVELOPMENT EXPENSES	15,893.07	16,258.59	13,883.14	45,961.56	39,128.02	54,040.31
OPERATING AND OTHER EXPENSES	8,373.18	8,627.75	6,992.71	24,298.83	19,950.56	27,408.09
EMPLOYEE STOCK OPTION COMPENSATION COST	714.57	466.25	1,115.85	1,914.46	2,034.37	2,111.03
DEPRECIATION AND AMORTISATION	1,417.46	1,385.96	1,207.10	4,186.65	3,510.03	4,824.68
TOTAL EXPENSES	76,070.56	74,812.77	68,436.43	222,346.30	193,358.78	263,594.89
PROFIT FROM OPERATIONS BEFORE OTHER INCOME, EXCHANGE RATE DIFFERENCE AND INTEREST	14,344.30	12,153.77	13,402.47	37,056.33	37,042.90	48,757.39
OTHER INCOME (NET)	41.30	95.48	150.26	245.11	723.27	901.76
EXCHANGE RATE DIFFERENCE (NET) GAIN / (LOSS)	636.90	1,224.51	826.54	2,304.20	118.17	813.99
PROFIT BEFORE INTEREST AND TAX	15,022.50	13,473.76	14,379.27	39,605.64	37,884.34	50,473.14
INTEREST	11.67	1.29	6.57	13.32	8.31	11.89
PROFIT BEFORE TAX	15,010.83	13,472.47	14,372.70	39,592.32	37,876.03	50,461.25
TAX EXPENSE	3,866.35	3,472.63	3,211.27	10,029.48	8,491.03	11,140.12
PROFIT AFTER TAX	11,144.48	9,999.84	11,161.43	29,562.84	29,385.00	39,321.13
PAID UP EQUITY SHARE CAPITAL (FACE VALUE OF RS. 2/- PER SHARE)	6,038.22	6,036.29	6,030.12	6,038.22	6,030.12	6,031.26
RESERVES AND SURPLUS						137,289.54
EARNINGS PER SHARE (Rupees)						
BASIC	3.69	3.31	3.70	9.80	9.75	13.05
DILUTED	3.66	3.29	3.67	9.72	9.66	12.94

B) CONSOLIDATED SEGMENT REPORTING

PARTICULARS	QUARTER ENDED 30th SEP'2016 AUDITED	QUARTER ENDED 30th JUN'2016 AUDITED	QUARTER ENDED 30th SEP'2015 AUDITED	NINE MONTHS ENDED 30th SEP'2016 AUDITED	NINE MONTHS ENDED 30th SEP'2015 AUDITED	YEAR ENDED 31st DEC'2015 AUDITED
REVENUE BY INDUSTRY SEGMENT						
TRAVEL AND TRANSPORTATION	13,094.76	12,568.26	13,655.83	38,228.07	38,825.80	52,400.80
BANKING AND FINANCIAL SERVICES	37,614.03	34,758.51	30,787.63	104,543.32	85,871.76	116,608.40
INSURANCE AND HEALTHCARE	14,504.92	14,834.64	13,440.29	43,710.31	36,726.20	50,959.33
MANUFACTURING, CONSUMER AND OTHERS	25,201.15	24,805.13	23,955.15	72,920.93	68,977.92	92,383.75
NET REVENUE FROM OPERATIONS	90,414.86	86,966.54	81,838.90	259,402.63	230,401.68	312,352.28
SEGMENT RESULT BEFORE TAX						
TRAVEL AND TRANSPORTATION	2,395.03	2,079.31	2,804.04	6,766.07	7,234.46	9,747.37
BANKING AND FINANCIAL SERVICES	4,713.88	3,446.08	3,954.26	11,416.40	11,023.23	14,215.51
INSURANCE AND HEALTHCARE	3,249.61	3,133.19	2,879.51	8,967.30	8,097.78	10,769.29
MANUFACTURING, CONSUMER AND OTHERS	5,403.24	4,881.15	4,971.76	14,093.21	14,197.46	18,849.90
TOTAL	15,761.76	13,539.73	14,609.57	41,242.98	40,552.93	53,582.07
ADD : OTHER INCOME	41.30	95.48	150.26	245.11	723.27	901.76
ADD : EXCHANGE RATE DIFFERENCE (NET) GAIN / (LOSS)	636.90	1,224.51	826.54	2,304.20	118.17	813.99
LESS : INTEREST	11.67	1.29	6.57	13.32	8.31	11.89
LESS : OTHER UN-ALLOCABLE EXPENDITURE	1,417.46	1,385.96	1,207.10	4,186.65	3,510.03	4,824.68
PROFIT BEFORE TAX	15,010.83	13,472.47	14,372.70	39,592.32	37,876.03	50,461.25

Notes on segment information

Principal segments

The Company has identified business segment as the primary segment. Business segments have been identified taking into account the services offered to customers globally operating in different industry segments, differing risks and returns, the organizational and the internal reporting systems.

Segment assets and liabilities

Assets and liabilities contracted have not been identified to any of the reportable segments as the assets are used interchangeably between segments and it is not practicable to reasonably allocate the liabilities to individual segments. Accordingly no disclosure relating to segment assets and segment liabilities are made.

C) HEXAWARE TECHNOLOGIES LIMITED - INDIA - STANDALONE BASIS
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 30TH SEPTEMBER 2016

(Rupees in Lakhs except per share data)

PARTICULARS	QUARTER ENDED 30th SEP'2016 AUDITED	QUARTER ENDED 30th JUN'2016 AUDITED	QUARTER ENDED 30th SEP'2015 AUDITED	NINE MONTHS ENDED 30th SEP'2016 AUDITED	NINE MONTHS ENDED 30th SEP'2015 AUDITED	YEAR ENDED 31st DEC'2015 AUDITED
INCOME						
INCOME FROM OPERATIONS	37,145.65	33,447.27	34,838.93	102,420.34	96,648.50	129,359.73
EXPENSES						
EMPLOYEE BENEFITS EXPENSE	18,302.68	16,719.85	16,644.06	52,059.15	46,624.55	63,446.53
SOFTWARE AND DEVELOPMENT EXPENSES	980.93	1,183.99	1,500.49	3,290.91	4,359.31	5,698.49
OPERATING AND OTHER EXPENSES	4,485.80	4,340.67	3,862.95	12,657.84	10,739.98	14,980.40
EMPLOYEE STOCK OPTION COMPENSATION COST	714.57	466.25	1,115.85	1,914.46	2,034.37	2,111.03
DEPRECIATION AND AMORTISATION	1,080.89	1,042.20	1,017.83	3,199.23	3,009.94	4,083.63
TOTAL EXPENSES	25,564.87	23,752.96	24,141.18	73,121.59	66,768.15	90,320.08
PROFIT FROM OPERATIONS BEFORE OTHER INCOME, EXCHANGE RATE DIFFERENCE AND INTEREST	11,580.78	9,694.31	10,697.75	29,298.75	29,880.35	39,039.65
OTHER INCOME (NET)	194.97	210.19	196.93	601.65	815.73	1,033.60
EXCHANGE RATE DIFFERENCE (NET) GAIN / (LOSS)	464.30	868.87	809.69	1,796.28	335.63	735.29
PROFIT BEFORE INTEREST AND TAX	12,240.05	10,773.37	11,704.37	31,696.68	31,031.71	40,808.54
INTEREST	9.31	0.36	0.01	9.86	0.10	2.91
PROFIT BEFORE TAX	12,230.74	10,773.01	11,704.36	31,686.82	31,031.61	40,805.63
TAX EXPENSE	2,762.47	2,309.73	2,271.15	6,647.04	5,830.16	7,508.44
PROFIT AFTER TAX	9,468.27	8,463.28	9,433.21	25,039.78	25,201.45	33,297.19
PAID UP EQUITY SHARE CAPITAL (FACE VALUE OF RS. 2/- PER SHARE)	6,038.22	6,036.29	6,030.12	6,038.22	6,030.12	6,031.26
RESERVES AND SURPLUS						104,963.98
EARNINGS PER SHARE (Rupees)						
BASIC	3.14	2.80	3.13	8.30	8.37	11.05
DILUTED	3.11	2.78	3.10	8.23	8.28	10.96

D) Notes:-

1) The Consolidated audited financial results and standalone audited financial results of the Company, reviewed and recommended by the Audit Committee, were taken on record by the Board of Directors of the Company at its meeting held on 25th October, 2016.

The Company has opted to publish only consolidated audited financial results, along with information on audited standalone results as per the amended guidelines issued by the Securities and Exchange Board of India. Standalone audited results are available on the Company's website.

2) Information on segments has been disclosed on a consolidated basis in accordance with Accounting Standard 17 "Segment Reporting"

3) The Board of Directors approved a buyback proposal, subject to approval of the Shareholders, for purchase by the Company of upto 5.7 million shares of Rs. 2 each (representing 1.9% of total equity capital) from the shareholders of the Company on a proportionate basis by way of a tender offer route at a price of Rs. 240 per equity share for an aggregate amount not exceeding Rs. 1,367 million in accordance with the provisions of the Companies Act, 2013 and SEBI (Buy Back of Securities) Regulations, 1998.

4) The Board of Directors have declared an Interim dividend of Re. 1/- per share (50%) on an equity share of Rs. 2/- each, at its meeting held on 25th October, 2016.

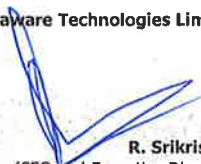
5) Figures for the previous period/year have been regrouped wherever necessary to conform to the current period/year.

Place : Mumbai
Date : 25th October, 2016

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For Hexaware Technologies Limited


R. Srikrishna
(CEO and Executive Director)



Hexaware Reports Stellar Quarter

Q3 Constant Currency Revenue at \$135.9 Mn, up 4.8% QoQ

Profitability outgrows Revenue; EBITDA* margins up 210 bps QoQ

New Customer deals of \$42 Mn TCV signed in Q3 2016

Board approved share buyback of up to 5.69 Mn shares at a price of ₹ 240 per equity share for an aggregate amount not exceeding ₹ 1,367 Mn (\$20.5 Mn)

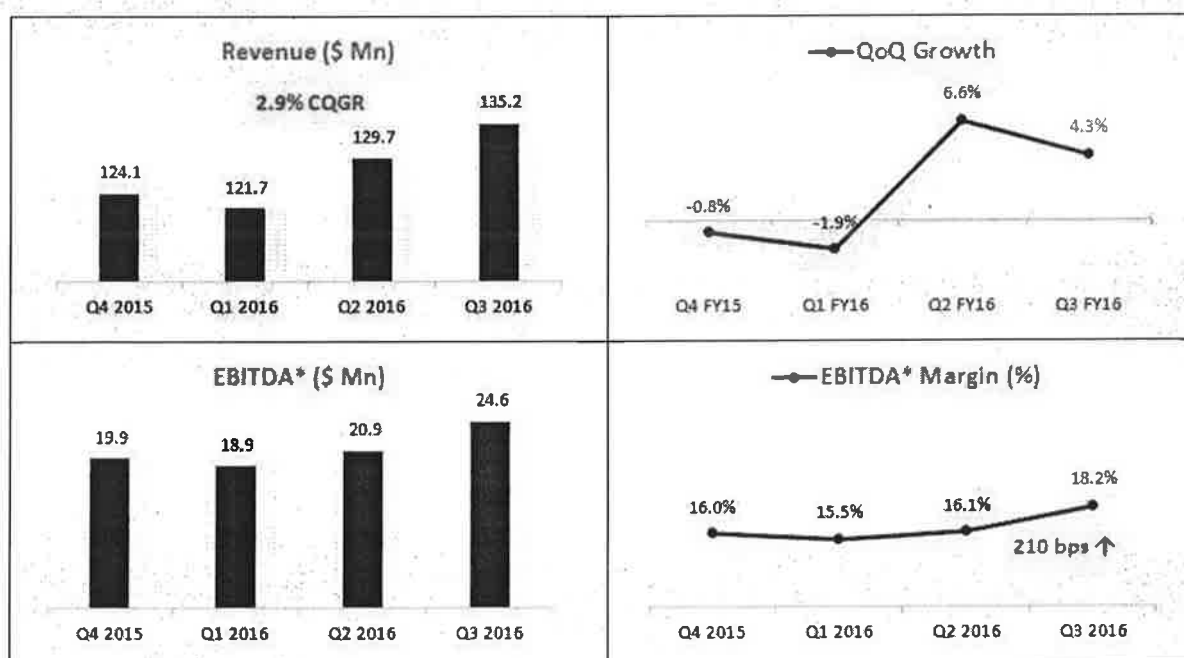
USD Mn	Q3 16	Growth	
		QoQ	YoY
Revenue (Constant Currency)	135.9	4.8%	8.9%

₹ Mn	Q3 16	Growth	
		QoQ	YoY
Revenue	9,041	4.0%	10.5%
EBITDA*	1,648	17.6%	4.8%
EBIT	1,434	18.0%	7.0%
PAT	1,114	11.4%	-0.1%

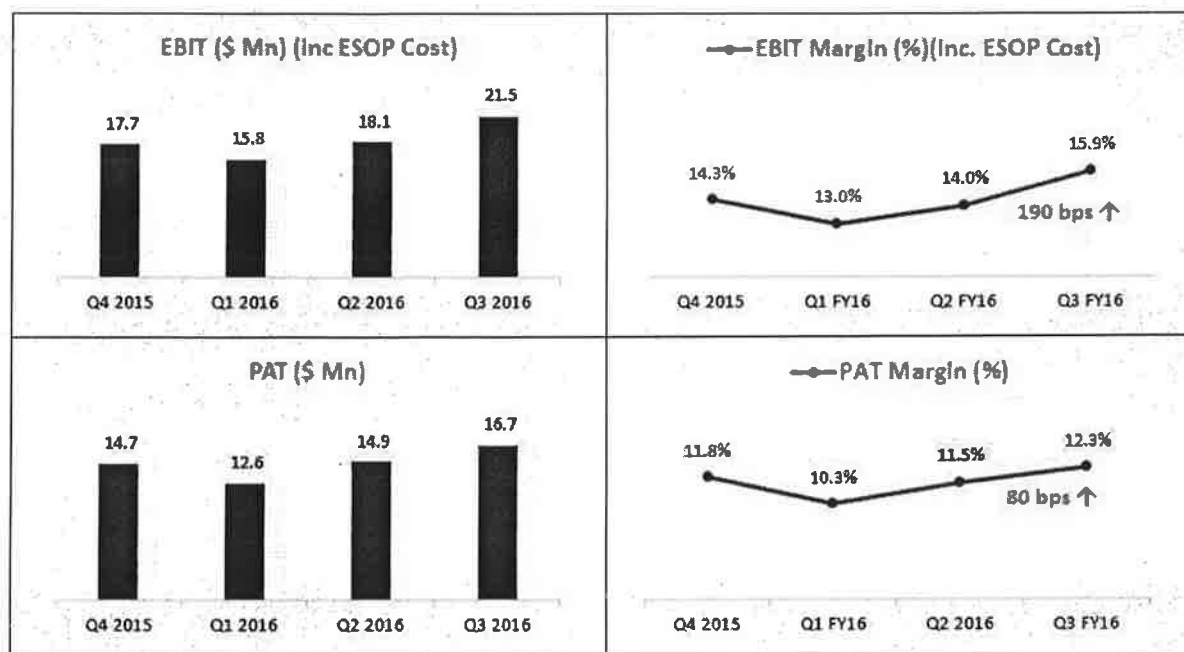
USD Mn	Q3 16	Growth	
		QoQ	YoY
Revenue	135.2	4.3%	8.1%
EBITDA*	24.6	18.1%	2.5%
EBIT	21.5	18.6%	4.7%
PAT	16.7	11.9%	-2.2%

EBITDA* - Excludes ESOP Cost

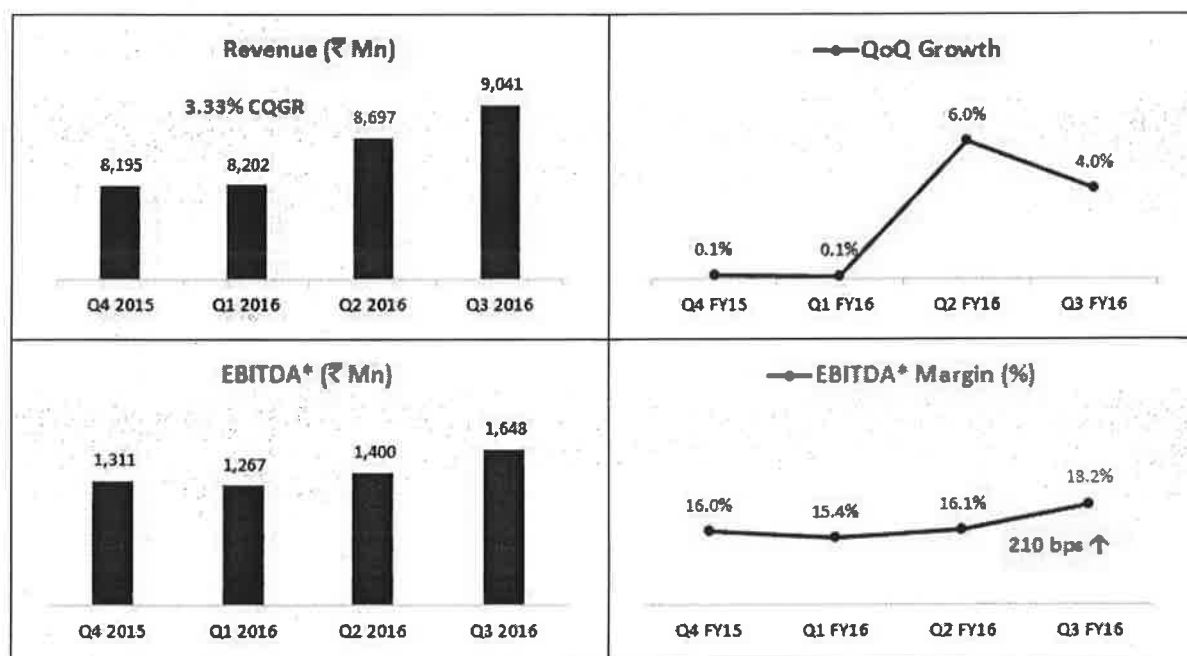
Q3 Performance Highlights in US\$ terms

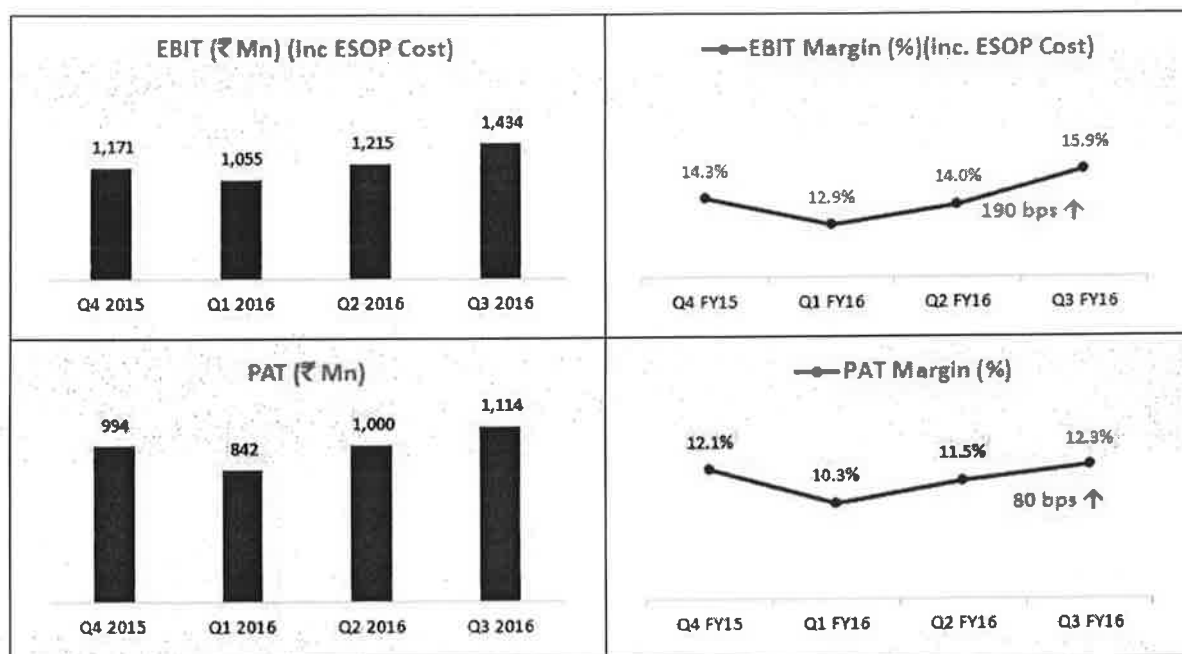


EBITDA* excludes ESOP Cost

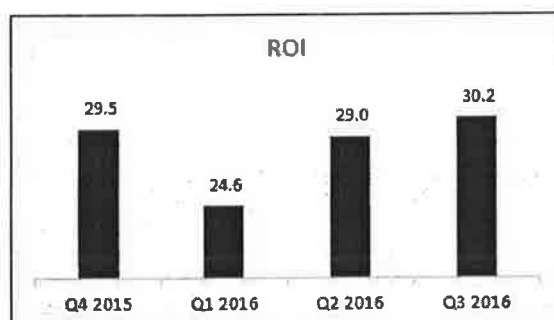


Q3 Performance Highlights in ₹ terms





ROI



Cash

- Cash & Cash equivalents at the end of September 2016 at US\$ 51.4 Mn; ₹ 343 crores
- Days of Sales Outstanding (DSO) was 50 days at the end of Q3 2016
- Third Interim Dividend of ₹ 1.00 (50%) for Q3 2016

New Wins

- 6 new clients signed in Q3 2016 with TCV of US\$ 42 Mn

Buyback

- Board of Directors approved a buyback proposal, subject to approval of shareholders, for purchase by the company of up to 5.69 Mn shares at a price of ₹ 240 per equity share for an aggregate amount not exceeding ₹ 1,367 Mn (\$20.5 Mn).

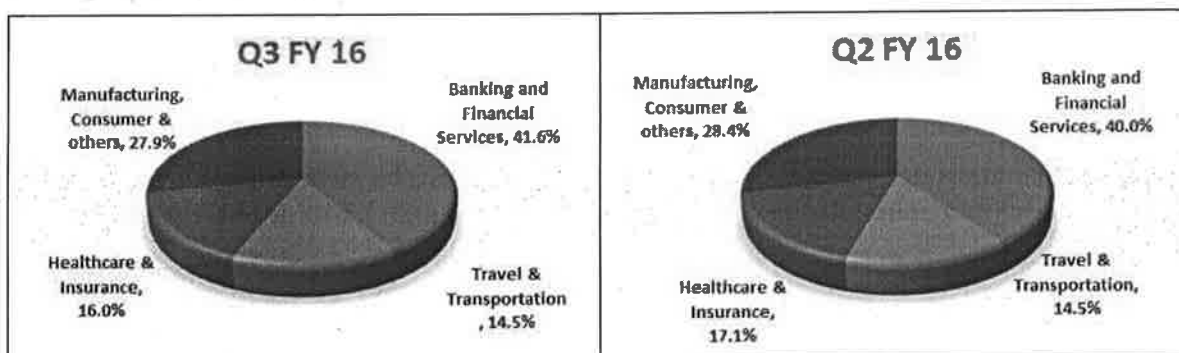
"Buyback is the most efficient way of returning Capital back to the shareholders" stated **Rajesh Kanani, Chief Financial Officer, Hexaware Technologies Limited.**

Human Capital

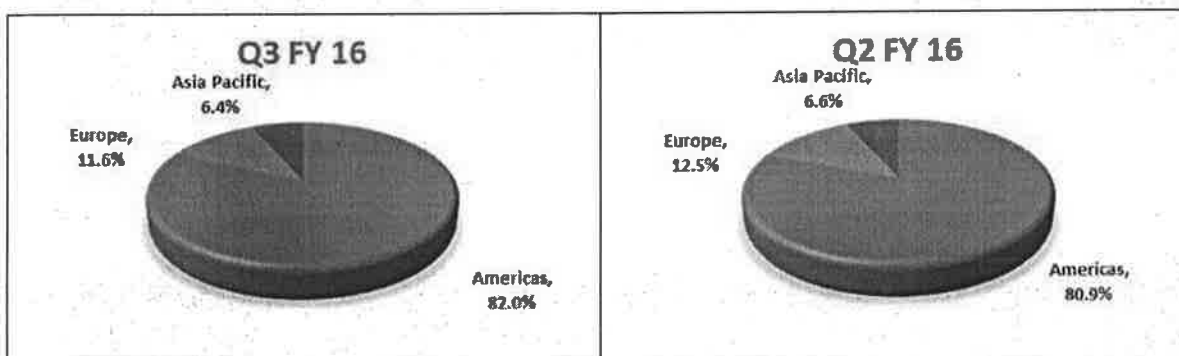
- Headcount stood at 11,859 at the end of Q3 2016; up 518 YoY, down 16 QoQ.
- Utilization stood at 74.1% (including trainees) in the Quarter
- Attrition at the end of September 2016 was at 16.5%

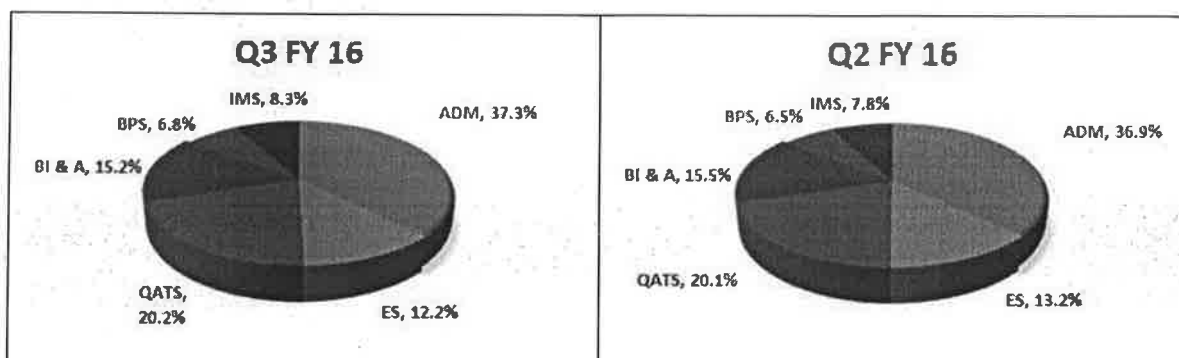
Revenue Split

Vertical Split



Geography Split



Service Lines Split*Revenue Growth*

Particulars	Segments	30-Sep-16	
		Q o Q	Y o Y
Geography	Americas	5.6%	10.4%
	Europe **	-3.5%	-5.0%
	Asia Pacific	2.7%	5.5%
Service Lines Split	Application Devt & Maint (ADM)	5.3%	8.0%
	Enterprise Solutions (ES)	-3.5%	-9.2%
	Testing / Digital Assurance (QATS)	4.7%	4.9%
	Business Intelligence & Analytics (BI&A)	2.3%	11.8%
	Business Process Services (BPS)	9.6%	28.4%
	Infrastructure Management Services (IMS)	11.2%	29.7%
Vertical Split	Banking & Financial Services	8.6%	19.5%
	Travel & Transportation	4.5%	-6.2%
	Healthcare & Insurance	-1.9%	5.6%
	Manufacturing, Consumer & others	1.9%	2.9%

** - In constant currency terms, Europe remained flat QoQ and grew 1.06% YoY

Mumbai – October 25, 2016: Hexaware Technologies Limited, a leading global provider of IT, BPS and Consulting services has reported stellar results for the third quarter of the calendar year ended September 30, 2016.

"This Quarter, Hexaware witnessed an excellent all-round growth. Profitability outgrew revenue with EBITDA margins up 210 bps QoQ. A culture of automation first, focused growth aspirations and client centric innovation remain fundamental to the Company." remarked **Atul Nishar, Chairman, Hexaware Technologies Limited.**

"We continue to build solid momentum and volume growth across multiple verticals and service lines. Our strategy of Shrink IT, Grow Digital is uniquely differentiated from the traditional service providers

and we have confidence that we will deliver differentiated performance.” stated **R Srikrishna, CEO & Executive Director, Hexaware Technologies Limited.**

Booking Update

Strong TCV Booking of \$42 Mn from new customers:

Shrink IT

- Automation led Application Management transformation for a global publisher and distributor of Children’s books, print and digital material
- Human Resources Operation optimization through Automation for one of the largest independent professional employer organizations in North America

Grow Digital

- Business Transformation for one of the top skincare lines to initiate and integrate their e-commerce with Order to Cash Process

Business Update

In Q3 2016, Americas led the geographic growth with 5.6% QoQ and 10.4% YoY growth. Banking and Financial Services (BFS) showed a healthy growth of 8.6% QoQ and 19.5% YoY. Infrastructure Management Services (IMS) delivered strong growth of 11.2% QoQ and 29.7% YoY. Business Process Services (BPS) grew 9.6% QoQ and 28.4% YoY.

Corporate Update

Mr. Jimmy Mahtani, Non-Executive Director has been appointed as the Vice Chairman of the Board. Mr. Bharat Shah and Mr. Dileep Choksi, Independent Directors were reappointed for a period of three years w.e.f October 17, 2016.

Buyback of Shares

The Board of Directors approved a buyback proposal, subject to approval of shareholders, for purchase by the company of up to 5.69 Mn equity shares of ₹ 2 each (representing 1.9% of total equity capital) from the shareholders of the company on a proportionate basis by way of a tender offer. The buyback price will be ₹ 240 per equity share payable in cash for an aggregate amount not exceeding ₹ 1,367 Mn (\$20.5 Mn) in accordance with the provision of Companies Act, 2013 and the SEBI (Buy Back of Securities) Regulations, 1998 (Buyback Regulations). Additional information regarding the terms and conditions of the buyback will be disclosed in due course in accordance with Buyback Regulations.

Third Interim Dividend of 2016

The Board of Directors declared a third interim dividend of ₹ 1.00 per share (50%) on equity shares of ₹ 2.00 each. The record date is fixed as Monday, November 7th, 2016 for determining the shareholders entitled for this third interim dividend of the year 2016. The payment shall be made on November 11, 2016. This would result in a cash outflow of ₹ 36.3 Crores for dividend payment including tax, resulting in a dividend payout ratio of 32.6% for Q3 2016.

Earlier in the year, the Board of Directors declared a first interim dividend of ₹ 2.50 per share (125%) and a second interim dividend of ₹ 1.00 per share (50%) on equity shares of ₹ 2.00 each. Including the third interim dividend, the dividends declared including tax for the first three quarters of 2016

total to ₹ 163.5 Crores, amounting to a dividend payout ratio of 55%. This brings the interim dividends for the first three quarters of 2016 to ₹ 4.50 per share (225%).

Foreign Exchange Cover

The Company has hedges worth \$ 142.32 Mn at an average exchange rate of ₹ 72.11, € 4.30 Mn at an average exchange rate of ₹ 80.64 and £ 4.20 Mn at an average exchange rate of ₹ 105.06 maturing over the course of the next eight quarters (from October 2016 to September 2018).

Facility Update

Hexaware inaugurated its latest Global Delivery Centre (GDC) in Bucharest, Romania. It is a significant milestone in the growth journey of the Company.

The Bucharest Global Delivery centre is situated in a prime location and in close proximity to several key clients within the European region. The state of the art infrastructure enables the Company to undertake critical IT and Business process projects, which need delivery within the European region and adds to Hexaware's capability in delivering its services in several European languages from within the same regulatory region and time zone.

The Company will be recruiting from the region's significant population of talented technology professionals and graduates for its new centre, which will have an initial capacity for 150 consultants. Hexaware will commence recruitment from local universities and engineering schools starting next year. The hiring of experienced professionals will continue on an on-going basis from the local markets.

Awards and Recognition

Hexaware has been awarded the prestigious CIO100 Award for Year 2016 from IDG India. The award was given in two categories for the Transformative & Collaboration initiatives done by the Company.

Hexaware has won the Brand Revitalization and Brand Excellence in IT/ITeS sector awards at the 7th CMO Asia Awards for Branding & Marketing.

Hexaware ranks top among 27 different vendors in IT outsourcing client satisfaction study in Europe conducted by WhiteLane Research Dated 14th July 2016 by analyst John Leigh.

IDC Insight provides review of the recent Hexaware's Hexarising Event in the Report Titled "Hexaware: Transforming the Customer Experience to a Digital World" Dated 19th July by Analyst David Tapper and Peter Martson.

Hexaware has been stated as an IT Service Provider providing Targeted Analytics and Building Models for specific industry verticals in the Ovum Report titled "Market Landscape: Self-Service Visual Business Intelligence/Analytics, 2016" dated 7th July 2016 by analyst Surya Mukherjee.

Hexaware identified as High Achiever in Nelson Hall's NEAT Vendor Evaluation for Software Testing under Overall, Digital Focus, Efficiency Focus and Transformation Focus Market Segments Dated 26th July by Analyst Dominique Raviart.

Hexaware has been mentioned in "Aspirants" category in the Everest Report titled "Capital Markets BPO- Service Provider Landscape with PEAK Matrix Assessment- 2016" Dated 9th August 2016 by Analyst Anupam Jain, Manu Aggarwal.

Hexaware has been mentioned in "Major Contenders" category and adjudged as "Star Performer" in the Everest Report titled "Multi Processing Human Resource Outsourcing Service Providers Assessment 2016" Dated 16th August by Analyst Anil Vijayan and Rajesh Ranjan.

Hexaware has been mentioned in "Major Contenders" category and adjudged as "Star Performer" in the Everest Report titled IT Outsourcing in Global Capital Markets Service Providers Assessment 2016 Dated 16th September by Analyst Ankur Seth and Aadithya Jain.

Hexaware has been mentioned in "Major Contenders" category and in the Everest Report titled Life Sciences Digital IT Services PEAK Matrix Assessment 2016 dated 22nd September by Analyst Jimit Arora.

About Hexaware

Hexaware is a leading global provider of IT, Application, Infrastructure, BPO and Digital services. Our business philosophy of *Shrink IT, Grow Digital* allows customers to significantly shrink commodity IT spend while partnering with them to embrace digitalization. The Company focuses on key domains such as Banking, Financial Services, Capital Market, Healthcare, Insurance, Manufacturing, Retail, Education, Telecom, Travel, Transportation and Logistics. Hexaware is committed to deliver business results and leverage technology solutions by specializing in Application Development & Maintenance, Business Intelligence & Analytics, Quality Assurance and Testing Services, Infrastructure Management Services, Business Process Services and Enterprise Solutions. Founded in 1990, Hexaware has a well-established global delivery model armed with 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.

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Consolidated Audited Income Statement (as per Indian GAAP)

₹ Mn

Head	Quarterly Data				
	Q3 16	Q2 16	QoQ%	Q3 15	YoY%
Revenues	9,041	8,697	4.0%	8,184	10.5%
Direct Costs	5,766	5,645	2.1%	5,186	11.2%
Gross Profit	3,276	3,052	7.3%	2,998	9.3%
Selling / General And Administration	1,628	1,652	-1.4%	1,426	14.2%
EBITDA* excluding ESOP Costs	1,648	1,400	17.6%	1,572	4.8%
ESOP Costs	71	47	53.3%	112	-36.0%
EBITDA	1,576	1,354	16.4%	1,461	7.9%
Depreciation and Amortization	142	139	2.3%	121	17.4%
Operating Profit = EBIT	1,434	1,215	18.0%	1,340	7.0%
Other Income (net)	3	10	-69.3%	14	-79.7%
Forex Gains / (Losses)	64	122	-48.0%	83	-22.9%
Profit Before Tax	1,501	1,347	11.4%	1,437	4.4%
Provision for Tax	387	347	11.3%	321	20.4%
Profit After Tax	1,114	1,000	11.4%	1,116	-0.1%

Key Ratios	Q3 16	Q2 16	QoQ%	Q3 15	YoY%
Gross Margin	36.2%	35.1%	1.1%	36.6%	-0.4%
SG&A to Revenue	18.0%	19.0%	-1.0%	17.4%	0.6%
EBITDA* excluding ESOP Costs	18.2%	16.1%	2.1%	19.2%	-1.0%
EBITDA	17.4%	15.6%	1.8%	17.9%	-0.5%
Operating / EBIT Margin	15.9%	14.0%	1.9%	16.4%	-0.5%
Profit before tax	16.6%	15.5%	1.1%	17.6%	-1.0%
Profit after Tax	12.3%	11.5%	0.8%	13.6%	-1.3%
EPS-INR					
Basic	3.69	3.31	0.38	3.70	(0.01)
Diluted	3.66	3.29	0.37	3.67	(0.01)

Consolidated Audited Balance Sheet (as per Indian GAAP)

₹ Mn

Head	As at Sept 30 2016	As at June 30 2016	As at Sept 30 2015
Equity & Liabilities			
Equity Share Capital	604	604	603
Reserves	15,221	14,501	13,592
Hedging Reserve	307	79	(80)
Non Current Liability	440	399	352
Liability - Forex (MTM)			77
Dividend Pending Payout	363	363	816
Other Current Liabilities	4,866	4,994	4,338
Total Sources of Funds	21,802	20,941	19,698
Assets			
Net Fixed Assets	8,001	7,553	6,113
Deferred Tax Asset (Net)	306	285	271
Long Term Loans and Advances	1,647	1,726	1,702
Non Current Assets / Investments	108	25	49
Cash and cash equivalent	3,426	3,180	3,816
Current Assets			
Debtors	4,906	4,436	4,808
Current Asset - Forex (MTM)	359	106	
Others	3,049	3,629	2,940
Total Current assets	8,314	8,171	7,748
Total Uses of Funds	21,802	20,941	19,698

Financial and Operational Metrics

Performance Review

Revenue Growth

₹, Mn	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15	FY 15
Revenue from Operations	9,041	8,697	8,202	8,195	8,184	31,235
% , q-o-q	4	6	0	0	6	15
Other Income	3	10	11	18	14	90

Vertical Split#

%	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15	FY 15
Banking and Financial Services	41.6	40.0	39.2	37.5	37.6	37.3
Travel & Transportation	14.5	14.5	15.3	16.6	16.7	16.8
Healthcare & Insurance	16.0	17.1	17.5	17.4	16.4	16.3
Manufacturing, Consumer & others	27.9	28.4	28.0	28.5	29.3	29.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

Service Lines Split#

%	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15	FY 15
Application Development & Maintenance (ADM)	37.3	36.9	37.8	38.1	37.3	37.7
Enterprise Solutions	12.2	13.2	13.7	14.3	14.6	14.7
OATS / Digital Assurance	20.2	20.1	20.2	20.6	20.8	20.8
Business Intelligence & Analytics	15.2	15.5	15.2	14.0	14.7	14.8
Business Process Services (BPS)	6.8	6.5	5.8	5.7	5.7	5.4
Infrastructure Management Services (IMS)	8.3	7.8	7.3	7.3	6.9	6.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

Geography#

%	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15	FY 15
Americas	82.0	80.9	81.4	80.8	80.2	80.4
Europe	11.6	12.5	12.0	12.5	13.2	13.0
Asia Pacific	6.4	6.6	6.6	6.7	6.6	6.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

Onsite: Offshore Mix

%	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15	FY 15
Onsite	65.6	63.9	63.1	62.3	60.8	60.8
Offshore (Incl. Nearshore)	34.4	36.1	36.9	37.7	39.2	39.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

Client data

Repeat Business

%	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15
	95.4	95.2	94.7	95.7	95.3

Clients billed

No	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15
	222	226	229	226	223

Clients added

No	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15	FY 15
	7	6	10	9	9	37

DSO

Days	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15
Billed	50	46	49	49	54
Including Unbilled Accruals	75	74	78	72	80

Revenue Concentration

%	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15	FY 15
Top 5	47.0	43.1	42.9	42.2	42.7	43.0
Top 10	58.3	55.2	55.3	54.7	54.4	55.1

Client Size

Nos (Last Twelve Months)	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15
More than \$ 1 Mn +	77	76	73	69	65
Between \$ 1 to 5 Mn	63	62	58	53	48
Between \$ 5 to 10 Mn	6	6	6	7	8
Between \$ 10 to 20 Mn	3	3	5	5	5
Over \$ 20 Mn	5	5	4	4	4

People Numbers

IT Services %	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15
Billable Personnel					
Onsite	25.0%	23.5%	21.8%	20.5%	20.6%
Offshore	65.4%	66.7%	69.2%	69.2%	69.7%
Total	90.4%	90.2%	91.0%	89.7%	90.3%
Marketing (Incl. Sales Support)	4.7%	4.9%	4.2%	3.9%	3.7%
Others (Incl. Tech. Support)	4.9%	4.9%	4.8%	6.4%	6.0%
Grand Total	100.0%	100.0%	100.0%	100.0%	100.0%

Utilization

%	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15	FY 15
	74.1	70.0	69.6	69.7	70.4	71.4

Attrition Rate

%	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15
Last Twelve Months	16.5	16.6	16.0	16.9	17.4

Rupee Dollar Rate

	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15	FY 15
Period Closing rate	66.62	67.53	66.26	66.16	65.59	66.16
Period average rate	66.87	67.04	67.49	66.03	65.40	66.03

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

Consolidated Income Statement (as per Indian GAAP)

USD K

Head	Quarterly Data				
	Q3 16	Q2 16	QoQ%	Q3 15	YoY%
Revenues	135,239	129,677	4.3%	125,132	8.1%
Direct Costs	86,241	84,179	2.4%	79,290	8.8%
Gross Profit	48,998	45,497	7.7%	45,842	6.9%
Selling / General And Administration	24,350	24,634	-1.2%	21,795	11.7%
EBITDA* excluding ESOP Costs	24,648	20,864	18.1%	24,047	2.5%
ESOP Costs	1,068	697	53.2%	1,707	-37.4%
EBITDA	23,580	20,166	16.9%	22,341	5.5%
Depreciation and Amortization	2,120	2,067	2.5%	1,845	14.9%
Operating Profit = EBIT	21,460	18,099	18.6%	20,495	4.7%
Other Income (net)	44	143	-69.4%	220	-80.1%
Forex Gains / (Losses)	954	1,823	-47.7%	1,248	-23.6%
Profit Before Tax	22,457	20,065	11.9%	21,964	2.2%
Provision for Tax	5,785	5,170	11.9%	4,911	17.8%
Profit After Tax	16,673	14,895	11.9%	17,053	-2.2%

Key Ratios	Q3 16	Q2 16	QoQ%	Q3 15	YoY%
Gross Margin	36.2%	35.1%	1.1%	36.6%	-0.4%
SG&A to Revenue	18.0%	19.0%	-1.0%	17.4%	0.6%
EBITDA* excluding ESOP Costs	18.2%	16.1%	2.1%	19.2%	-1.0%
EBITDA	17.4%	15.6%	1.8%	17.9%	-0.5%
Operating / EBIT Margin	15.9%	14.0%	1.9%	16.4%	-0.5%
Profit before tax	16.6%	15.5%	1.1%	17.6%	-1.0%
Profit after Tax	12.3%	11.5%	0.8%	13.6%	-1.3%