Financial Release March 31, 2014

Q1 2014 revenue at US$ 95.8 mn; at ₹589 Crores

First Interim Dividend of 2014: ₹3.00 per share

- ***Revenue at $ 95.8 mn up 2% Y-o-Y in $ terms (up 16%Y-o-Y in ₹terms to ₹ 589 Crores)***
- ***Revenue down 4.3% sequentially in $ terms at $ 95.8 mn (down 5% Q-o-Q in ₹terms to ₹589 Crores)***
- ***Q1 2014 Gross margin down 90 bps Y-o-Y; down 300 bps Q-o-Q to 36.8%***
- ***EBITDA margin for Q1 2014 at 19.2% stable Y-o-Y; down 330 bps Q-o-Q***
- ***Q1 2014 Profit after Tax (PAT) at ₹70.3 Crores***
- ***Q1 2014 Diluted Earnings per share (EPS) at ₹2.33***
- ***Return on Equity (RoE) at 24% at the end of Q1 2014***
- ***Cash & Cash equivalents at the end of March 2014 at ₹443 Crores***
- ***First Interim Dividend at ₹3.00 for Q1 2014***
- ***Days of Sales Outstanding (DSO) was 48 days at the end of Q1 2014***
- ***11 new clients added in Q1 2014; 235 active clients currently***
- ***167 Fresh graduate engineers added during Q1 2014***
- ***Attrition for the quarter ended March 2014 was at 12.8%***

Mumbai – April 29, 2014: Hexaware Technologies Limited, a leading global provider of IT, BPO and Consulting services has just reported the results for the first quarter of the calendar year ended March 31, 2014.

Organization Updates

Hexaware has been re-assessed at Level 5 of the Capability Maturity Model Integration (CMMI), using the multi-model approach for Development and Services version 1.3. The scope of the assessment covers software development, maintenance, testing, production support and infrastructure management services in its centers in India and Mexico. Hexaware was found to be the 10th organization in the world, and only the second in Mexico to receive a CMMI Version 1.3 Level 5 distinction.

P R Chandrasekar, CEO and Vice Chairman, **Hexaware Technologies Limited** stated "Though this quarter has been soft, we expect a healthy growth in revenue in Q2 2014 on the back of the visibility from our existing customers and our deal pipeline. To enable the Company's future growth prospects, Hexaware has invested by adding 167 freshers offshore during the quarter. In addition, the Company has further strengthened its field sales force by a gross addition of 14 personnel for sales and marketing activities."

Keeping with the growth focus, **P R Chandrasekar** added "We have engaged a leading consulting firm to provide advisory on sharpening the 'Go to Market' strategy, conducting

portfolio assessment of our micro-verticals and to institutionalize sales excellence processes. This initiative will drive the Company on its long term growth path."

First Interim Dividend of 2014

The Board of Directors declared a first interim dividend of ₹ 3.00 per share (150%) on equity shares of ₹ 2/- each. The record date is fixed as Monday, 12th May 2014 for determining the shareholders entitled for this first interim dividend of the year 2014. The payment shall be made on May 16th, 2014. This would result in a cash outflow of ₹ 105.0 Crores for dividend payment including tax, amounting to a dividend payout ratio of 150% for Q1 2014.

Payment of the 2013 Final Dividend

Final dividend for the year 2013 was ₹ 1.00 per share (50%). Total dividend comprising three interim and final dividend for 2013 amounts to ₹ 11.10 per share, (555%) up from ₹ 5.40 per share (270%) for the year 2012.

Business Update

During the quarter, Hexaware experienced decline in revenue from some of its Top 10 customers. This was primarily due to some project closures as well as budget re-allocation to other initiatives on the client side. However, the relationships with all these customers continue to be strong and the Company expects a healthy growth from the same set of clients in the coming quarters.

During the previous quarter, the Company added 11 new clients across all its key focus areas. Of these, 1 client was added in the Banking and Financial Services (BFS) Domain and 2 clients each were added in the Healthcare & Insurance (H&I) space and in the Travel and Transportation Vertical and 3 clients in the Manufacturing Vertical. Of the 11 clients added in Q1 2014, 5 customers are based in Americas, and 6 in Asia Pacific (APAC) region.

From a horizontal service line perspective, 6 clients were added in Human Capital Space (Enterprise Solutions), 2 clients in Business Intelligence and Business Analytics (BI/ BA) Horizontal and 1 client each in Quality Assurance and Testing Services (QATS) and Remote Infrastructure Management Services (Remote IMS) service line.

With this backdrop, the Company expects to register healthy revenue growth Q-o-Q and an improvement in Operating Margin in Q2 2014.

Foreign Exchange Cover

The Company has hedges worth $ 143.9 mn at an effective rate of ₹ 58.35 and € 7.4 mn at an effective exchange rate of ₹ 76.44 maturing over the course of the next six quarters (from April 2014 to July 2015).

Awards and Recognition

Hexaware has received the "CISO Hall Of Fame" award from CISO Platform (India) for its excellence in the deployment and sustenance of Information security within the Organization. This award has been given in recognition of receiving the Top 100 CISO Awards for the last four years continuously.

Hexaware has been mentioned as one of the Tier 3 India-based Remote Infrastructure Management (RIM) providers in the Gartner report titled, "Competitive Landscape: India-Based

RIM Providers Are Starting to Break Away From the Clutter" dated 05 March 2014 by analyst Arup Roy.

Hexaware has been mentioned as one of the largest providers of project-based CRM services that operate in North America, in the Gartner report titled, "The Gartner CRM Vendor Guide, 2014" dated 10 March 2014 by analysts Jim Davies, Ed Thompson, Gareth Herschel and many others.

Hexaware has been mentioned as a medium-sized systems integrator with considerable mobile testing experience in the Ovum report titled "Mobile Application Testing" dated 27 February 2014, by analyst Chandranshu Singh.

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 & BPO and consulting services. The Company focuses on key domains such as Banking, Financial Services, Insurance, Travel, Transportation, Logistics, Life Sciences and Healthcare. 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 Business Intelligence & Analytics, Enterprise Solutions, Quality Assurance and Testing Services, Remote Infrastructure Management Services and Legacy Modernization. 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