

Europe @ Work - 1st Half Viewing



**Banking &
Financial Services**



**Transportation &
Hospitality**



Insurance



Preview @

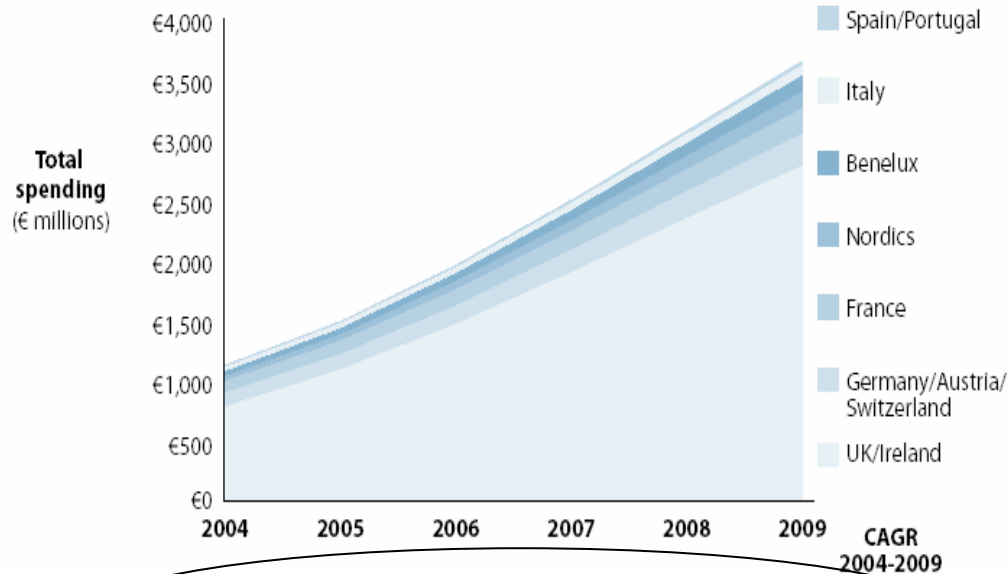
Analyst Meet

18th July 2006

Sunil

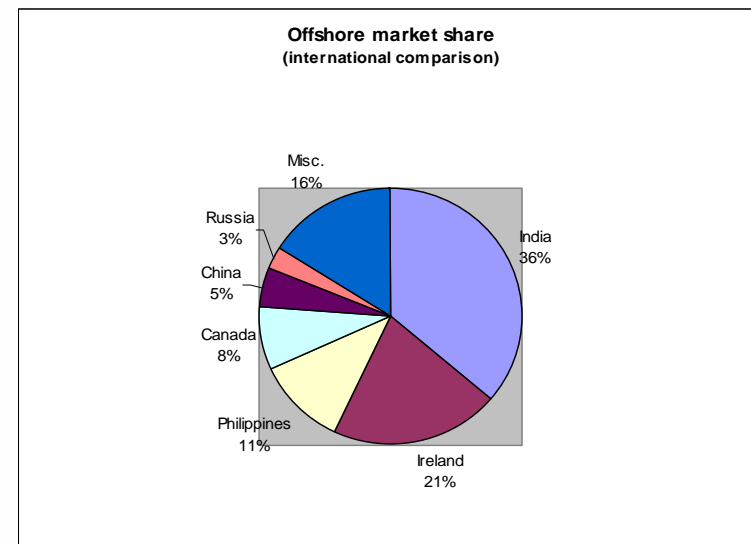
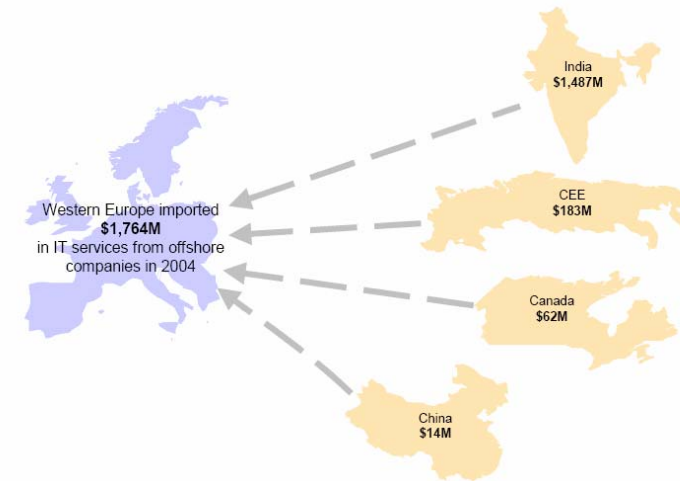
Europe's - Spending !!!

The spreadsheet detailing this forecast is available online.



| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | CAGR 2004-2009 |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| UK/Ireland | 768 | 1,076 | 1,453 | 1,882 | 2,332 | 2,766 | 29% |
| Germany/Austria/Switzerland | 115 | 126 | 153 | 185 | 223 | 266 | 18% |
| France | 97 | 111 | 134 | 157 | 183 | 212 | 17% |
| Nordics | 40 | 52 | 67 | 86 | 110 | 138 | 28% |
| Benelux | 38 | 50 | 65 | 83 | 105 | 133 | 28% |
| Italy | 39 | 43 | 49 | 63 | 74 | 86 | 17% |
| Spain/Portugal | 16 | 18 | 21 | 27 | 31 | 36 | 17% |
| Total (€ millions) | €1,113 | €1,476 | €1,943 | €2,483 | €3,057 | €3,636 | 27% |

(numbers have been rounded)



Source: Forrester Research, Inc.

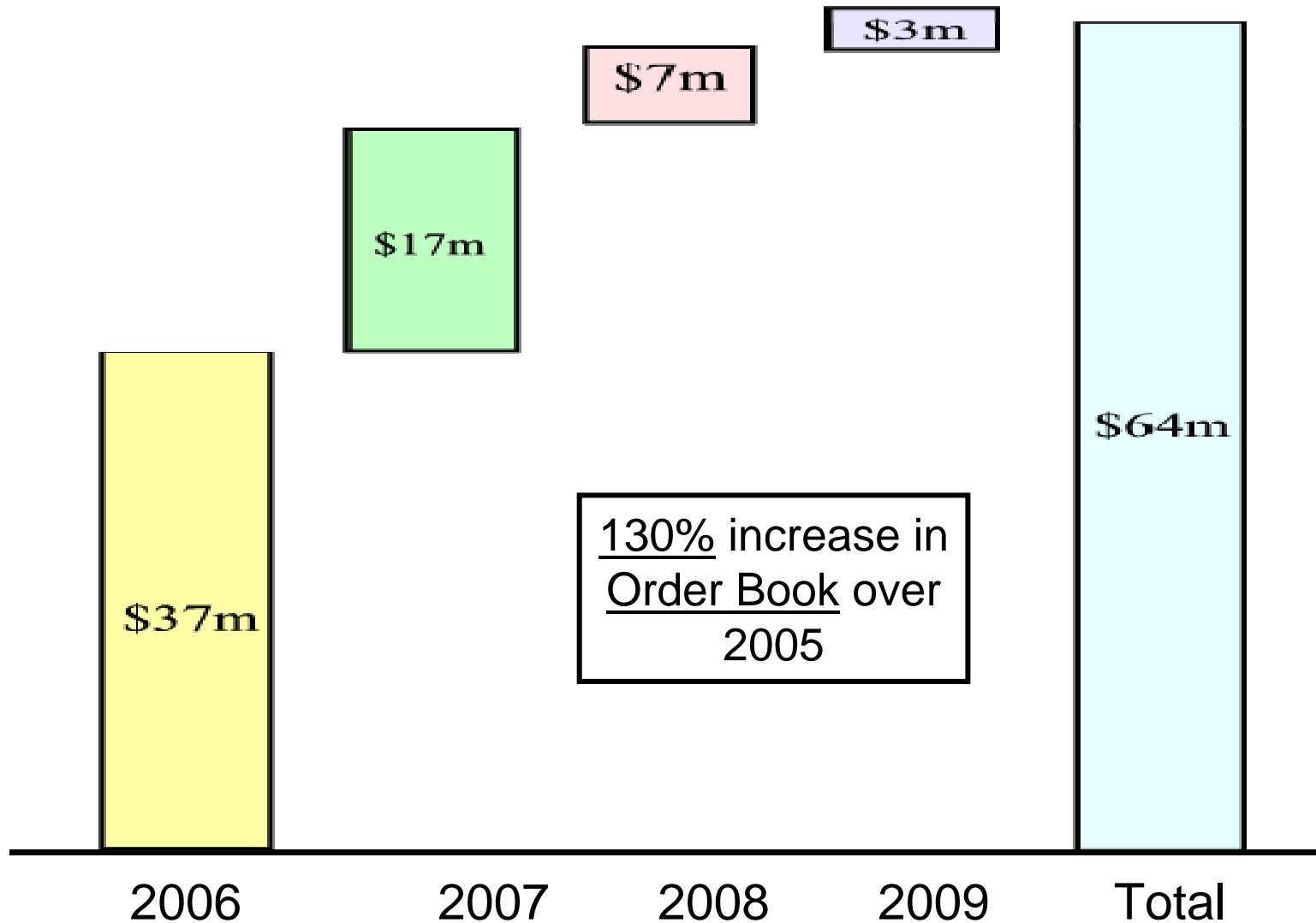
Current Environment

- Market conducive to Off-shore
- Europe highly demanding on service delivery
- Focus on business value improvement and RoI
- Highly reference based buying
- IT efficiency continues to be a priority,
- Regulatory changes adding to IT budgets
- Distinct streams of customer behaviour
 - high cultural and linguistic diversity

Trends

- More than 30 percent of leading European businesses already include nearshore or offshore in their business and IT plans
- Transition from internal staff to external service providers – AMS opportunities
- Countries with high acceptance of outsourcing (UK, Nordic countries) will grow faster than Central and Southern Europe
- Mood changing from cost savings to Business Process Efficiency
- Investment in new technologies and solutions with a clear business case
- Consulting and systems integration picking up fast
- Nearshore to Eastern Europe will play a big part
- BFSI investing heavily in customer service

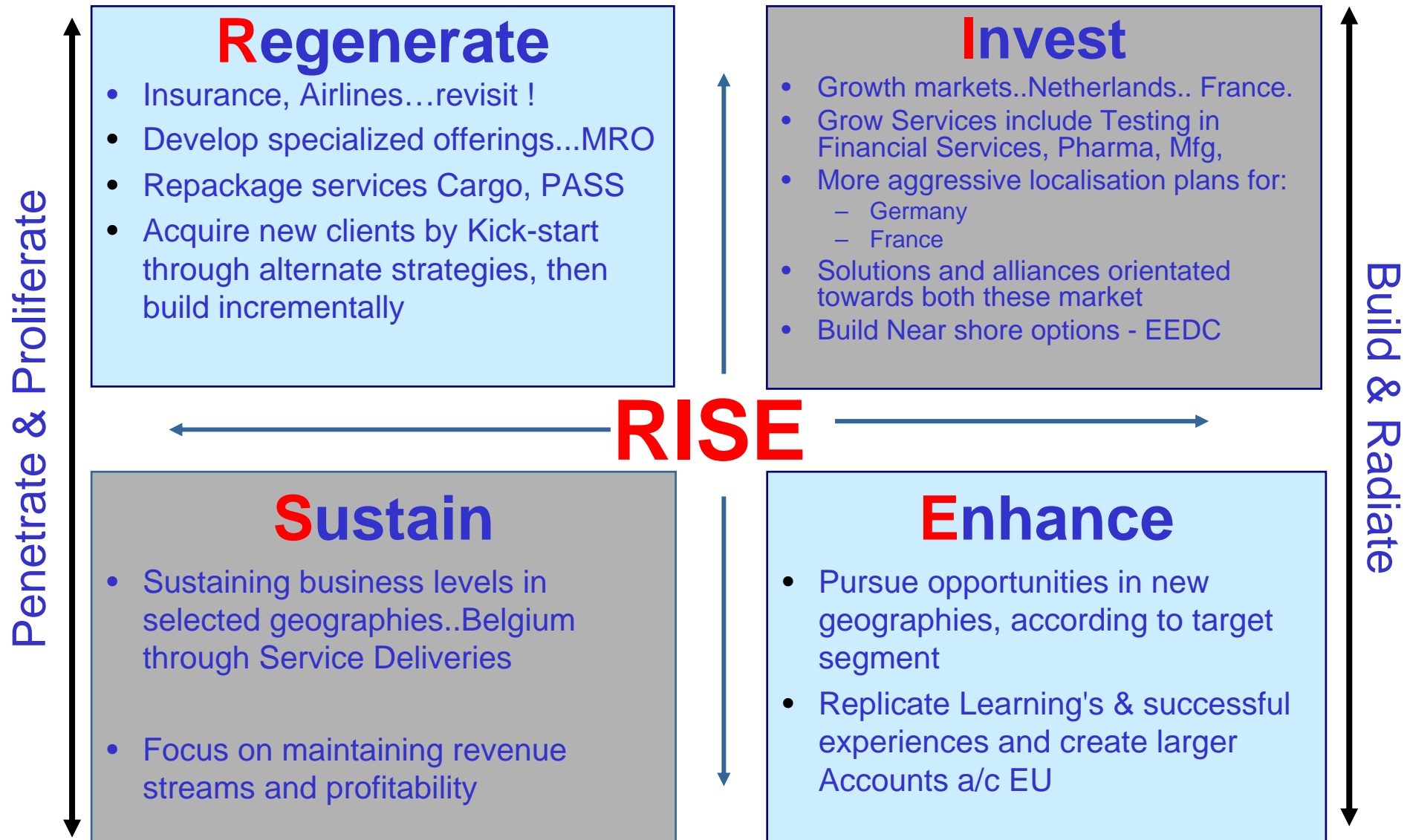
Europe's Order Book is growing rapidly supporting envisaged growth



Hexaware Position

- Strong Europe story – 26.5% of Corporate Revenues
- Good presence in Major European markets
- Strong repeat business – 90%
 - **1 Client** >\$10 M
 - **2 Clients** \$5 to \$10M
 - **5 Clients** \$3 to \$5M
 - **10 Clients** > 1M
- \$64 Million Order Book - 130% increase over 2005
- Strong BFSI focus augurs well in Europe
- Exploring setting up of Eastern Europe Development Centre
- Acquisition plans in Europe will further boost capabilities, relationships and growth

Strategic Focus going forward – ‘RISE’



ECO System...Critical To Operations Build-Enhance-Maintain



Enhancing this Eco system will be a continuos task !

| |
|------------|
| No change |
| Accelerate |
| New in 06 |

ROY Focus

- Germany
 - Will Spear head European growth...very strong pipe
 - Expect to sign 5-6 clients
 - Sales team in place...kick-in visible
- R.O. E. M continue deliver growth
- New Region
 - Scandinaviakick-off, kicking in
 - Netherlands... Convert the strong pipe-line
- Relationship Management ...Continues
 - Excess of 90% growth from Existing Clients
 - Accelerate Ramping up ...Existing.a/c & New wins
- Leveraging on references & relationships

Thank You