

PRESS RELEASE

FOR IMMEDIATE PUBLICATION

Hexaware acquires FocusFrame, a US based specialized testing consulting firm

-
- Hexaware acquires FocusFrame in an all cash deal for \$ 34.3 mn
 - Acquisition positions the company at the high end of Testing Solutions market
 - FocusFrame's Mexico center enhances Hexaware's global deliver capabilities
-

Mumbai/ Mountain View, CA, November 6, 2006: Hexaware Technologies, a leading global IT & BPO services provider, today signed an agreement to acquire 100% equity of FocusFrame Inc. in an all cash deal for \$34.3 mn. The acquisition is likely to close within 6 weeks.

As per the terms of the agreement, \$ 25 mn will be paid in cash on closing with the balance amount being paid out over 24 months contingent on meeting projected revenue and margin targets. FocusFrame co-founders – Vaughn Paladin and Suri Chawla - will continue to run the operations as a fully owned subsidiary of Hexaware Technologies Ltd.

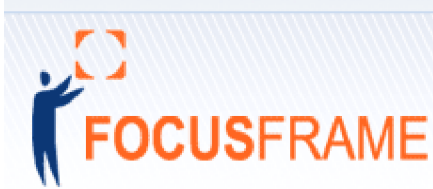
The acquisition will be EPS accretive for Hexaware.

FocusFrame is a California-based firm specializing in automated testing of ERP and custom applications. Their business revolves around systems verification, Quality Strategy and IT Governance solutions, and various functional, performance, and system stress verification exercises.

It is the largest pure play partner of Mercury Interactive, the world's leading Quality and BTO vendor. A Premium partner, FocusFrame has won Partner of the Year award for last two years, and is the only Mercury partner to win awards in the last four Mercury World events. It is also a Gold level Partner for SAP, performing functional and performance validation work for SAP users.

Independent Testing and Verification services is among the fastest growing business opportunities for offshore vendors. Gartner estimates the global market for independent Testing at \$ 13 billion by 2010. Meta Group estimates the offshoring based Testing market to exceed \$ 1 billion in 2007.

Commenting on the acquisition, Atul Nishar, Executive Chairman of Hexaware said, "Hexaware's Testing Practice currently has 400 consultants, 15 clients and contributes to 7.6% of the revenue. This acquisition completes the required set of Testing competencies that would allow increase in market share and accelerate growth. FocusFrame's Mexico center is ready for scaling up as Hexaware's sixth full fledged global delivery center."



FocusFrame has a patented 'Accelerator' technology that consists of pre-defined business process testing components and functional libraries for SAP, Siebel and several other platforms. Its unique SAP Accelerator allows SAP users to reduce upto 40% of their testing costs.

"FocusFrame's partnership with Mercury and SAP opens huge new opportunities for Hexaware. Their "Accelerator" technology can be applied to practically any enterprise platform, including Peoplesoft and .Net. Such new tools will greatly enhance our ability to provide our customers with the most advanced automated testing frameworks, significantly reducing their testing costs and time," added Rusi Brij, Vice-Chairman and CEO.

FocusFrame is likely to achieve revenues of \$ 24 mn for CY 06, with about 14% PBT margin. 85% of its revenues come from US, with the remaining from European clients. The company has 9 Fortune 500 customers and has 7 'million-dollar' clients. It has over 200 employees, a third of them located at the development center in Mexico.

Vaughn Paladin, Co-founder and CEO of FocusFrame said, "This merger is a perfect fit as it allows us to continue to deliver high quality, industry-leading testing solutions on a significantly larger scale."

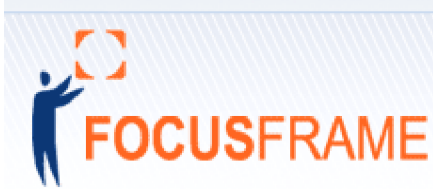
"We can now leverage Hexaware's global delivery capabilities to offer an enhanced value proposition to much larger client base and our key partners," said Suri Chawla, Co-founder and President of FocusFrame.

About Hexaware

Hexaware is a leading global provider of IT and BPO services, with a client base that includes 40 Fortune 500 / Global 500 companies. Hexaware has achieved leadership position in domains such as Banking, Financial, Insurance, Leasing, Transportation and HR. Hexaware focuses on delivering real business results from technology solutions and specializes in Business Analytics, Enterprise Applications and Legacy Modernization. Hexaware has been providing technology solutions for business for 16 years and offers world class service delivery, technology expertise and talent. For additional information logon to www.hexaware.com

About FocusFrame

FocusFrame is a leading provider of Business Technology Optimization consulting services. Our objective is to build long-term, value-based relationships with our clients that reduce enterprise business system failures, risks, and costs. The firm's specialty is end-to-end enterprise systems validation and optimization for CRM, ERP, and Web based business technologies. This is accomplished with a suite of services that utilizes proprietary process methodology, highly skilled professionals, and third-party automation validation & optimization tools. FocusFrame is a global firm with offices in the US, Europe, and Mexico.



Safe Harbor:

Certain statements on 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, 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:
Swapna Bhandarkar
Hexaware Technologies Limited
Tel : 022-6654 2682 / 83
Fax : 022-2287 2939
e-mail: swapnab@hexaware.com/
investor.relations@hexaware.com

Issued on behalf of Hexaware
Technologies Limited by
Piya Roy
Adfactors PR Pvt Ltd.
Tel: +91 9820740379
e-mail: piya.roy@adfactorspr.com