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Q2FY18 Revenue up by 14.7 % Q-o-Q to Rs 697 million

Declared Interim Dividend of Rs. 4/ Share

Chennai, 26th October, 2017: SQS India BFSI Ltd. (BSE: 533121) (NSE: SQSBFSI), announced its **second quarter and half year** results ended on 30th September, 2017. SQS India BFSI is a specialist in providing quality assurance services for Banking, Financial and Insurance (BFSI) Software, and an independent quality assurance service provider listed in India. The results are available on the company's website, <http://www.sqs-bfsi.com>

PERFORMANCE HIGHLIGHTS

Consolidated Q2FY18 Q-o-Q Review

- The operating revenue was Rs 697 million in Q2FY18 as compared to Rs 607 million during the last quarter; a growth of 14.7%.
- Total income was Rs 699 million in Q2FY18 as compared to Rs 611 million during the previous quarter; a growth of 14.4%.
- EBITDA stood at Rs 104 million with the margin at 15.0% in Q2FY18 as compared to Rs 124 million with the margin at 20.5 % during the previous quarter .
- Profit after tax stood at Rs 74 million during the quarter under review as compared to Rs 87 million during Q1FY18, reflecting a forex gain of Rs 19 million as compared to forex gain of Rs 28 million in Q1FY18.
- Basic EPS dropped by 18.5% at Rs 6.87 as compared to Rs 8.43 for Q1FY18.



- The Company's net cash position stood at Rs 748 million during the quarter under review.

Consolidated H1FY18 Review

- The operating revenue was Rs 1,304 million during the half year under review as compared to Rs 1,415 million during the corresponding first half of previous year.
- Total income was Rs 1,310 million for the H1FY18 as compared to Rs 1,420 million during the corresponding first half of previous year.
- EBITDA stood at Rs 228 million with the margin at 17.5% in H1FY18 as compared to Rs 301 million with the margin at 21.3% in H1FY17.
- Profits After Tax increased by 8.4% to Rs 161 million in H1FY18 as compared to Rs 148 million in corresponding first half of previous year.
- Basic EPS stood at Rs 15.30 in H1FY18 as against Rs 14.29 in H1FY17, an increase of 7.1%.
- The Company's net cash position stood at Rs 748 million during the half year ended under review as compared to Rs 762 million in Sep 30, 2016.

Commenting on the results, Ms. Aarti Arvind, Managing Director & CEO, SQS India BFSI, said

"Our top line grew very well and had higher revenue across most regions. A good portion of the increase was in Europe from some of our larger clients in Belgium and Spain. We had some challenges on margins due to specific accounts and also with us investing more in the US market which is expected to help us to grow this key region. We are also pleased to declare an interim dividend of Rs 4 per share"

About SQS India BFSI

SQS India BFSI Limited is the leading Business Assurance and Testing Specialist focusing exclusively on the Financial Sector. With a successful track record of over 15 years, and more than 14 million person hours of Testing, the company has served 150 plus customers in APAC, USA, UK and Middle East.



It is a public company listed in both BSE and NSE with its registered office in Chennai. The company is ISO 9001:2008 and ISO 27001:2013 certified, both its Chennai Test Centres are SSAE 16/ISAE 3402 compliant and one of the centres is PCI: DSS compliant.

SQS India BFSI Limited helps clients reduce software product life cycle costs and develop 'business ready software' within compressed timelines, through intense domain focus, structured software Testing Methodologies, offshore delivery, and test automation expertise. The company also has the distinction of maintaining high standards in execution, coverage, quality and confidentiality.

Its financial software testing services have helped system integrators and product development companies to achieve near defect-free rollouts of software products such as PRIME, TS2®, VisionPLUS®, Oracle FLEXCUBE®, T24, Equation, B@ncs24, CS Eximbills, FinnOne™, Kondor+, Pan Credit, TS2, Siebel, Newton, Kastle, Genius, Premia, MIDAS, ClarityQ and Finacle.

SQS India BFSI Limited is part of the SQS Group, the world's leading specialist in software quality. SQS' position and expertise as the market leader are the result of over 30 years of successful consultancy.

For more information, see www.sqs-bfsi.com

About SQS Software Quality Systems

SQS is the leading global provider of quality assurance services for digital business processes. This position stems from over 30 years of successful consultancy operations. SQS consultants provide solutions for all aspects of quality throughout the whole software product lifecycle driven by a standardised methodology, industrialised automation processes and deep domain knowledge in various industries.

Headquartered in Cologne, Germany, the company now employs approximately 4,400 staff. SQS has offices in Germany, UK, US, Australia, Austria, Egypt, Finland, France, India, Ireland, Italy, Malaysia, the Netherlands, Norway, Singapore, South Africa, Sweden, Switzerland and UAE. In addition, SQS maintains a minority stake in a company in Portugal. In 2016, SQS generated revenues of €327.1 million.

SQS is the first German company to have a primary listing on AIM, a market operated by the London Stock Exchange. In addition, SQS shares are also traded on the German Stock Exchange in Frankfurt am Main.



With over 10,000 completed projects under its belt, SQS has a strong client base, including half of the DAX 30, nearly a third of the EURO STOXX 50 and 20 per cent of the FTSE 100 companies.

For more information, see www.sqs.com

For further information, please contact:

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