SQS India BFSI Limited
6A, Sixth Floor, Prince Infocity II
No. 283/3 & 283/4
Rajiv Gandhi Salai (OMR)
Kandanchavadi, Chennai 600096, India

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info-india@sqs.com
www.sqs-bfsi.com
CIN: L64202TN1998PLC066604

SEC/SE/159/18-19
Chennai, 25 October 2018

The Listing Department
National Stock Exchange of India Ltd
Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051

Sub: Intimation of proposed press release for Financial Results – Q2 2018-19 of SQS India BFSI Limited
Ref: Company Symbol: SQSBFSI

Dear Sir/Madam,

Please find attached a press release proposed to be issued on the Financial Results for the quarter ended September 30, 2018.

You are requested to take the above on record and oblige.

Thanking you,

Yours faithfully,

For SQS India BFSI Limited

SESHADRI SAMPATH KUMAR
Digitally signed by SESHADRI SAMPATH KUMAR
Date: 2018.10.25 17:40:12 +05'30'

S. Sampath Kumar
Company Secretary and Compliance Officer
FCS No.3838

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Q2FY19 Revenue up by 8.8% Y-o-Y to Rs 758 million

Chennai, 25th October, 2018: SQS India BFSI Ltd. (BSE: 533121) (NSE: SQSBFSI), announced its **second quarter and half year** results ended on 30th September, 2018. 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 Q2FY19 Q-o-Q Review

- The operating revenue was Rs 758 million in Q2FY19 as compared to Rs 731 million during the previous quarter; a growth of 3.7%. Operating revenue for the quarter includes Rs 8 million towards sale of SEIS Scrips compared to previous quarter Rs 7 million.
- Total income was Rs 763 million in Q2FY19 as compared to Rs 741 million during the previous quarter; a growth of 3.0%.
- EBITDA stood at Rs 172 million with the margin at 22.7% in Q2FY19 as compared to Rs 129 million with the margin at 17.7% during the previous quarter; up by 501 bps.
- Profit after tax stood at Rs 135 million during the quarter under review as compared to Rs 85 million during Q1FY19, reflecting a forex gain of Rs 44 million as compared to forex loss of Rs 2 million in Q1FY19.
- Basic EPS stood at Rs 12.74 as compared to Rs 7.82 for Q1FY19.
- The Company's net cash position stood at Rs 760 million during the quarter under review as compared to Rs 904 million for Q1FY19.

Consolidated H1FY19 Y-o-Y Review

- The operating revenue was Rs 1,489 million during the half year under review as compared to Rs 1,304 million during the corresponding first half of previous year, reflecting a growth of 14.2%. Operating revenue for H1FY19 includes Rs 15 million towards sale of SEIS Scrips as compared to Rs 20 million in H1FY18.
- Total income was Rs 1,504 million for the H1FY19 as compared to Rs 1,310 million during the corresponding first half of previous year, a growth of 14.8%.
- EBITDA stood at Rs 301 million with the margin at 20.2% in H1FY19 as compared to Rs 227 million with the margin at 17.4% in H1FY18.
- Profit after tax stood at Rs 220 million in H1FY19 as compared to Rs 160 million in corresponding first half of previous year, reflecting a growth of 37.1%.
- Basic EPS stood at Rs 20.56 in H1FY19 as against Rs 15.30 in H1FY18, a growth of 34.4%.
- The Company's net cash position stood at Rs 760 million during the half year under review as compared to Rs 748 million in Sep 30, 2017.

Commenting on the results, Mr. Balaji Viswanathan, Managing Director & CEO, SQS India BFSI, said *"Our revenue grew by ~9% compared to same quarter last year and by 3.7% from last quarter. We saw marginal growth across all regions with UK and EMEA leading the pack and rather flat performance in US and Asia. The India domestic business grew albeit with some margin pressure. The Foreign Exchange gain contributed significantly to the improved margins. However, growth and retention of existing clients and foray into some of the new age Digitally Enabled services, Automation and Data Management helped in getting into new areas of offerings for us."*

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 9001:2015 and ISO 27001:2013 certified, both its Chennai Test Centres are SSAE 16/ISAE 3402 and 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. 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.

For more information, see www.sqs.com

For further information, please contact:

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