SEC/SE/069/19-20
Chennai, July 31, 2019

1) Manager – CRD,
BSE Ltd.,
P J Towers, Dalal Street,
Mumbai – 400 001

Fax No.022-22722037/39/41
Tel: 022 - 22728013/8390/8307
Scrip Code: 533121
ISIN No. INE201K01015

2) Listing Manager,
National Stock Exchange of India Ltd.,
'Exchange Plaza'
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

Fax: 022- 26598237/38
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Scrip Code: EXPLEOSOL
ISIN No. INE201K01015

Sub: Intimation of proposed press release for Financial Results – Q1 2019-20 of Expleo Solutions Limited (Formerly known as SQS India BFSI Limited).

Dear Sir/Madam,

Please find attached a press release proposed to be issued on the Financial Results for the quarter ended June 30, 2019.

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

Thanking you,

Yours faithfully,
For Expleo Solutions Limited
(Formerly known as SQS India BFSI Limited)

SESHADRI SAMPATH KUMAR
Digitally signed by SESHADRI SAMPATH KUMAR
Date: 2019.07.31 20:54:21 +05'30'

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

Q1FY20 Revenue down by 8.6% Q-o-Q to Rs 599 million

Chennai, 31 July, 2019: Expleo Solutions Limited (formerly known as SQS India BFSI Limited) (BSE: 533121) (NSE: EXPLEOSOL), announced its **first quarter** results ended on 30th June, 2019. Expleo Solutions 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 Q1FY20 Q-o-Q Review

- The operating revenue was Rs 599 million in Q1FY20 as compared to Rs 655 million during the previous quarter; a decrease of 8.6%.
- Total income was Rs 620 million in Q1FY20 as compared to Rs 671 million during the previous quarter; a decrease of 7.6%. Total income for the quarter includes Rs 9.75 million towards sale of SEIS Scrips compared to previous quarter Rs 13 million.
- EBITDA stood at Rs 104 million with the margin at 17.4% in Q1FY20 as compared to Rs 135 million with the margin at 20.6% during the previous quarter; down by 320 bps.
- Profit after tax stood at Rs 67 million during the quarter under review as compared to Rs 93 million during the previous quarter.
- Basic EPS stood at Rs 6.20 as compared to Rs 8.71 for Q4FY19.
- The Company's net cash position stood at Rs 747 million during the quarter under review as compared to Rs 987 million for Q4FY19.

Consolidated Q1FY20 Y-o-Y Review

- The operating revenue was Rs 599 million in Q1FY20 as compared to Rs 731 million in Q1FY19; a decrease of 18.1%.
- Total income was Rs 620 million in Q1FY20 as compared to Rs 741 million in Q1FY19; a decrease of 16.3%. Total income for the quarter includes Rs 9.75 million towards sale of SEIS Scrips compared to Rs 7 million in Q1FY19.
- EBITDA stood at Rs 104 million with the margin at 17.4% in Q1FY20 as compared to Rs 129 million with the margin at 17.7% in Q1FY19.
- Profit after tax stood at Rs 67 million in Q1FY20 as compared to Rs 85 million in Q1FY19, reflecting a decrease of 21.6%.
- Basic EPS stood at Rs 6.20 as compared to Rs 7.82 for Q1FY19.
- The Company's net cash position stood at Rs 747 million during the quarter under review as compared to Rs 904 million for Q1FY19.

Commenting on the results, Mr. Balaji Viswanathan, Managing Director & CEO, Expleo Solutions Limited (Formerly known as SQS India BFSI Limited), *said "The quarter gone by had significant setbacks which is continuing since the JFM of 2019. Our traditionally strong markets i.e., UK and Europe are seeing a slight pause and resulted in a decline of over 23% compared to last year, while some of the other geographies are showing growth, this steep decline in our strong hold has been difficult to bridge. We expect that things will improve from Q4 (JFM of 2020) onwards. The decline in margins are in line with the revenue drop and we have a strong focus on our costs. We added 5 new clients in the Asia region this quarter and grew with many of our existing clients. While the Top 10 client contribution decline to 58%, we added strategic and high potential clients which should augur well for us in the coming quarters. While we are working on reversing this trend of revenue decline, we are also investing in adding new capabilities and competencies in Digital technologies, Automation and Dev Ops which will help us in leveraging the domain competency combined with this technical skills"*

About Expleo Solutions Limited

Expleo Solutions Limited (formerly known as SQS India BFSI Limited) is part of Expleo Group, a trusted partner for end-to-end and integrated engineering, quality and management consulting services for digital transformation. Our combined group offers access to sector-specific expertise and best practices across consultancy and business agility, product design, production and in-service support, as well as continuous quality.

Expleo Solutions Limited is the leading Business Assurance and Testing Specialist focusing exclusively on the Financial Sector. With a successful track record of over 20 years, we help our clients to roll out their products and services on schedule, whilst mitigating quality risks. Our end-to-end expertise spans business agility, continuous quality and management consulting. Providing best-shoring solutions, our clients benefit from secure, controlled and customer-centric delivery centres, combined with Expleo's global delivery model and capabilities. 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.

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

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

About Expleo Technology Germany GmbH

Expleo Technology is the leading global provider of quality assurance services for digital business. This position stems from over 30 years of successful consultancy operations. Our local heritage dates back 40 years, with a proud history in engineering and quality assurance. Expleo Technology consultants provide solutions for all aspects of quality throughout the whole software product lifecycle driven by a standardized methodology, industrialized automation processes and deep domain knowledge in various industries.

Headquartered in Cologne, Germany, our 2,500 strong team, based in all major German cities, brings global delivery capabilities for engineering services, quality services and management consulting, reinforcing our position as a partner of trust with our industry-leading clients.

For more information, see www.expleogroup.com

For further information, please contact:

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