



SEC/SE/097/19-20

Chennai, October 31, 2019

**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
P J Towers, Dalal Street,  
Mumbai – 400 001  
Scrip Code: 533121

**National Stock Exchange of India Limited,**  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai - 400 051  
Scrip Code: EXPLEOSOL

**Sub: Intimation of proposed press release for Financial Results – Q2 2019-20 of Expleo Solutions Limited (Formerly known as SQS India BFSI Limited).**

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Dear Sir/Madam,

Please find attached a press release proposed to be issued on the Financial Results for the quarter and half year ended September 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)

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

Encl : As above.



## **Q2FY20 Revenue up by 9.7% Q-o-Q to Rs 657 million**

**Chennai, 31<sup>st</sup> October, 2019:** Expleo Solutions Limited (formerly known as SQS India BFSI Limited) (BSE: 533121) (NSE: EXPLEOSOL), announced its **Second quarter and half year** results ended on 30<sup>th</sup> September, 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 Q2FY20 Q-o-Q Review**

- The operating revenue was Rs 657 million in Q2FY20 as compared to Rs 599 million during the previous quarter; an increase of 9.7%.
- Total income was Rs 658 million in Q2FY20 as compared to Rs 620 million during the previous quarter; an increase of 6.2%. Total income for previous quarter includes Rs 9.75 million towards Sscript Sales.
- EBITDA stood at Rs 144 million with the margin at 22.0% in Q2FY20 as compared to Rs 104 million with the margin at 17.4% during the previous quarter; up by 462 bps.
- Profit after tax stood at Rs 84 million during the quarter under review as compared to Rs 67 million during the previous quarter, an increase of 25.7%.
- Basic EPS stood at Rs 8.55 as compared to Rs 6.20 for Q1FY20.
- The Company's net cash position stood at Rs 763 million during the quarter under review as compared to Rs 747 million for Q1FY20.

## Consolidated H1FY20 Y-o-Y Review

- The operating revenue was Rs 1,256 million during the half year under review as compared to Rs 1,489 million during the corresponding first half of previous year, reflecting a drop of 15.7%. Operating revenue for H1FY20 includes Rs 9.75 million towards sale of SEIS Scrips as compared to Rs 15 million in H1FY19
- Total income was Rs 1,278 million for the H1FY20 as compared to Rs 1,504 million during the corresponding first half of previous year. .
- EBITDA stood at Rs 249 million with the margin at 19.8% in H1FY20 as compared to Rs 301 million with the margin at 20.2% in H1FY19
- Profit after tax stood at Rs 151 million in H1FY20 as compared to Rs 220 million in corresponding first half of previous year. .
- Basic EPS stood at Rs 14.87 in H1FY20 as against Rs 20.56 in H1FY19.
- The Company's net cash position stood at Rs 763 million during the half year under review as compared to Rs 760 million in Sep 30, 2018.

*Commenting on the results, Mr. Balaji Viswanathan, Managing Director & CEO, Expleo Solutions Limited (Formerly known as SQS India BFSI Limited), said "Second quarter of FY20 we saw continued softness in demand in some of our Key UK/European Markets. We also saw the demand slowing down in some of our Key clients resulting in a marginal reduction in the Top client contribution. However, we saw strong demand in our other traditional markets in Asia. The demand for services such as RPA, API Banking, Automation and Dev Ops are on the rise and we have been able to increase our service offerings in some of these during this quarter and the coming quarters look promising as well. We expect the slow down in demand in the Key Markets; should improve in the coming quarters. We have added new clients and have renewed with a couple of key clients during this quarter. We continue to invest in Upskilling and right skilling apart from signing a couple of strategic partnerships to drive Technology led Domain growth. On the Cost front, due to prudent cost management and investing in the right areas we have been able to improve our Margins and keeping it in line despite shortfall in revenues."*



## About Expleo Solutions Limited

**Expleo Solutions Limited (formerly known as 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.

Expleo Solutions 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 Eximills, FinnOne™, Kondor+, Pan Credit, TS2, Siebel, Newton, Kastle, Genius, Premia, MIDAS, ClarityQ and Finacle.

Expleo Solutions Limited is part of the Expleo Group, the World's leading specialist in software quality. Expleo' 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](http://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. Expleo Technology 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, Expleo Technology maintains a minority stake in a company in Portugal. In 2016, Expleo Technology generated revenues of €327.1 million.

For more information, see [www.sqs.com](http://www.sqs.com)

**For further information, please contact:**

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