



SQS India BFSI Limited
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CIN: L64202TN1998PLC066604

SEC/SE/228/16-17
Chennai, 02 February 2017

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 – Q3 2016-17 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 December 31, 2016.

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

Thanking you,

Yours faithfully,

For SQS India BFSI Limited



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



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9MFY17 Revenue up by 5% Y-o-Y to Rs 2,024 million

Chennai, 2nd February, 2017: SQS India BFSI Ltd. (BSE: 533121) (NSE: SQSBFSI), announced its **third quarter** results ended on 31st December 2016. 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 9MFY17 Review

- Operating revenue increased by 5.5% to Rs 2,024 million during the 9m period under review, compared to Rs 1,919 million in the corresponding period of the previous year.
- Total income was Rs 2,030 million for the 9m period ended December 31, 2016 as compared to Rs 1,927 million in the corresponding period of the previous year, up by 5.3%.
- EBITDA stood at Rs 394 million with the margin at 19.5% during the 9m period under review, compared to Rs 377 million (margin at 19.6%) during the corresponding 9m period of previous year, up by 4.7%.
- Net profit stood at Rs 188 million for the 9m period ended December 31, 2016 as compared to Rs 263 million in the corresponding period of the previous year; a drop of 28.7% over the corresponding period previous year, due to loss on account of exchange fluctuations of Rs 66 million, compared to exchange gain of Rs 54 million in the previous year for same period.
- Basic EPS stood at Rs 17.6 compared to Rs 24.9 in the previous year for same period.



Consolidated Q3 FY17 Y-o-Y Review

- Q3 FY17 operating revenue was Rs 609 million compared to Rs 671 million during the previous year same quarter.
- Total income was Rs 610 million compared to Rs 672 million during the previous year same quarter; drop of 9%.
- Company reported EBITDA of Rs 99 million compared to Rs 132 million during the corresponding quarter in the previous year.
- EBITDA Margin stood at 16.2% for Q3 FY17 compared to 19.7% in Q3 FY16.
- Profit after tax stood at Rs 38 million in Q3FY17 compared to Rs 74 million during the previous year same quarter. Loss on account of exchange fluctuations was at Rs 24 million, compared to exchange loss of Rs 7 million in the previous year for same period.
- Basic EPS was at Rs 3.6 compared to Rs 6.9 for Q3 FY16.

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

"We have had healthy growth in the previous nine months due to certain large onsite projects which now have been completed. These engagements have moved to a maintenance phase and offshore model, hence the revenue from these specific engagements has come down. Traction in the US is yet to result in further client wins but we see a lot of potential in the digital space and expect some of our newer market offering to help grow this market."

About SQS India BFSI

SQS India BFSI Limited is the leading Quality Assurance Specialist focusing exclusively on the Financial Sector. With a successful track record of 18 years, and more than 16 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 Delivery 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 Quality Assurance Methodologies, offshore delivery, and test automation expertise. The company also has the distinction of maintaining high standards in execution, coverage, quality and confidentiality.



Its Quality Assurance services in BFSI 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 world's leading specialist in software quality. SQS provides end-to-end business process quality assurance for software based systems. SQS consultants identify and mitigate business risk in technology led transformations utilising standardised methodology, industrialised automation solutions, global delivery and deep domain knowledge across multiple industries. Through specialisation SQS provides the objectivity which delivers certainty.

Headquartered in Cologne, Germany, the company now employs approximately 4,600 staff. SQS has offices in Germany, the UK, Australia, Egypt, Finland, France, India, Ireland, Italy, Malaysia, the Netherlands, Norway, Austria, Singapore, Sweden, Switzerland, South Africa, the UAE and the US. In addition, SQS maintains a minority stake in a company in Portugal. In 2015, SQS generated revenues of 320.7 million Euros

This position stems from over 30 years of successful consultancy operations. 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 STOXX 50 and 20 per cent of the FTSE 100 companies.

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.

For more information, see www.sqs.com

For further information, please contact:

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