



## West Corporation Reports Record First Quarter Earnings



OMAHA, Neb., April 24, 2001 – West Corporation (NASDAQ:WSTC or “West”), a leading provider of innovative full service customer relationship management solutions using the latest in voice and Internet technology, announced today results for the first quarter of 2001. Revenues expanded by 19.4% to \$203.0 million during the first quarter and net income increased 28.2% to \$21.8 million for the same period. The company cites its continued ability to cross-sell its suite of services and deepen existing client relationships for its solid performance this quarter.

“Despite today’s less favorable market conditions, we are very pleased with our first quarter results,” commented Thomas B. Barker, President and Chief Executive Officer. “Our premium brand customer base is focused on attracting and retaining customers. They turn to us as a partner to manage their customer relationships and transactions through our suite of integrated services. We are proud of our ability to manage our cost structure and control expenses in anticipation of softening market conditions. As a result, we are well-positioned to handle changes in the economy and remain optimistic in our ability to meet our stated financial objectives for the rest of the year.”

### Operating Results

#### First Quarter Highlights

- For the quarter ended March 31, 2001, revenues expanded 19.4% to \$203.0 million from \$170.1 million in the prior years first quarter.
- Operating income rose by 28.3% to \$33.9 million, up from \$26.4 million in the comparable period of 2000. Net income increased 28.2% to \$21.8 million from \$17.0 million last year.
- EBITDA (earnings before interest, taxes, depreciation and amortization) rose 22.6% to \$46.0 million from \$37.6 million in the prior year comparable period.
- Fully diluted earnings per share for the quarter was 32 cents, versus 25 cents in the first quarter 2000.

“Our pre-tax margins reflect our ability to generate additional operating efficiencies and focus on cost reduction opportunities across the company. SG&A expense as a percentage of revenues continued to decline by approximately 1.2% for the quarter, compared to the first quarter of 2000,” commented Michael Micek, Chief Financial Officer of West. “During the quarter, we increased our total number of workstations from 10,147 to 10,878. The majority of this increase occurred at our newly opened contact center in Beaumont, Texas and we expect to continue to expand during the second and third quarters of 2001.”

### Margins

Operating margins rose to 16.7% in the first quarter of 2001 from 15.5% in the same period of last year. Operating margin gains are primarily the result of reductions in SG&A expense as a percentage of revenues due to more efficient utilization of assets across the company. SG&A represented 32.6% of revenues in the current year first quarter, down from 33.8% of revenues in the comparable period last year. Net margins increased to 10.8% in the first quarter of 2001, up from 10.0% in the same period last year.

### Balance Sheet

West’s balance sheet remains strong and as of March 31, 2001, the company had cash and cash equivalents totaling \$142.1 million, an increase of 31.4% since year-end. In addition, West also invested \$14.7 million in capital expenditures related to contact center expansion that was financed entirely through operating cash flows. The company maintains a favorable 2.6-to-1 current ratio, which is an improvement from the December 31, 2000 ratio of 2.1-1.

### Outlook

“Our solid performance this quarter validates our full-service model and demonstrates the value we continue to deliver to our clients,” explained Barker. “Our variable cost structure enables us to react quickly to market changes and is instrumental in our continued competitive performance. Additionally, we have entered into several substantial relationships with new clients in the communications, insurance, and ISP industries that we anticipate will impact our

performance in the second half of 2001. We remain cautiously optimistic in our ability to meet our annual projections," he concluded.

#### About West Corporation

West Corporation is a leading provider of innovative, full-service customer care solutions that help Fortune 500 companies acquire, retain and grow profitable customer relationships. West has the technology and experience needed to create customized solutions that work for traditional business ventures. West's customer relationship management solutions incorporate agent and automated services using the latest in voice and Internet technology.

Founded in 1986 and headquartered in Omaha, Nebraska, West has a team of approximately 25,000 employees, including an IT staff of approximately 780, occupying 30 state-of-the-art contact centers and seven interactive automated voice and data processing centers across North America and in India.

Statements which are not historical facts contained in this release are forward-looking statements that involve risks and uncertainties. Such risks and uncertainties include, but are not limited to: planned expansion of operating facilities; labor market conditions; mergers, acquisitions, or joint ventures, including their execution; customer concentrations; technological innovation; and general economic conditions. Further information regarding the factors that could cause actual results to differ from expected or projected results can be found in documents filed by the Company with the United States Securities and Exchange Commission (the "SEC").

