July 25, 2000

West TeleServices Corp. Second Quarter Earnings Up 42.1% to $15.7 Million; Revenues Rise 24.2% to $171.5 Million

Second Quarter 2000 Summary

-- Revenues increased 24.2% to $171.5 million compared to second quarter 1999 --

-- Net income expands to $15.7 million, up 42.1% from the comparable prior year period --

-- Operating income climbs 38.8% to $24.3 million

OMAHA. Neb., Jul 25 - West TeleServices Corporation (Nasdaq: WTSC), a leading provider of innovative full service customer care solutions using the latest in voice and Internet technology, announced today record revenue for the quarter ended June 30. The quarterly revenue gain reflects robust growth in each of the company's three divisions, an increase in the number of workstations and higher per workstation revenues. Operating income and net profits grew faster than revenues as a result of margin improvement resulting from a significant reduction in selling, general and administrative expense as a percentage of revenues. The Company also successfully completed a secondary offering of 4.1 million shares of common stock on May 3rd, 2000.

"Our outstanding performance this quarter, which exceeded even our high internal expectations, produced revenue growth of 24% and a 42% increase in net income. These results continue to validate our commitment to deliver quality services that are well above the industry standard," commented Thomas B. Barker, President and Chief Executive Officer. "Each division is contributing significantly to our growth, resulting in a well-balanced revenue mix. Our robust sales pipeline will continue to drive our growth throughout the second half of 2000 and we look forward to implementing various strategic initiatives during this period."

Barker continued, "Accelerated revenue growth from both new and expanded client relationships was driven by the implementation of new initiatives such as our iCare platform that integrates e-commerce with our traditional business. In addition to the two contact centers we opened earlier this year, we commenced training at our new center in Huntsville, Alabama.

Operating Results

For the quarter ended June 30, 2000, revenues increased 24.2% to $171.5 million from $138.1 million in last year's second quarter. Operating income grew 38.8% to $24.3 million versus $17.5 million in the prior year comparable quarter. Net income rose dramatically, up 42.1% to $15.7 million from $11.1 million last year. Fully diluted earnings per share was 23 cents versus 17 cents in the prior year second quarter. EBITDA (earnings before interest, taxes, depreciation and amortization) increased 29.2% to $35.0 million from $27.1 million in second quarter 1999.

For the first half ended June 30, 2000, revenues grew 23.7% to $341.6 million from $276.1 million in first half 1999. Operating income increased by 30.1% to $51.1 million from $39.3 million in the comparable 1999 period. Net income rose 31.1% to $32.7 million from $25.0 million in the prior year first half. EBITDA expanded 26.3% to $72.5 million from $57.4 million in first half 1999.

During the second quarter, the revenue mix remained balanced across the three service platforms with Operator Teleservices revenues representing 48.4% of revenues. Direct and Interactive Teleservices contributed 34.1% and 17.5%, respectively, of total revenues. For the first half ended June 30, 2000, Operator Teleservices comprised 49.3% of revenues, Direct Teleservices represented 32.3% of revenues, and Interactive Teleservices constituted 18.4% of revenues.

Commented Barker, "We are pleased to see revenue growth and a strong revenue contribution from each of our three divisions. In addition, our effective deployment and utilization of assets have resulted in improved efficiency, as measured by our revenues per workstation. Revenues per workstation for Operator and Direct Teleservices grew to $15,063 from $13,273 in the second quarter of 1999. Since the beginning of the year we have increased the total number of workstations to 9,544 from 8,364."

Margins

As a percentage of revenues, operating income increased significantly to 14.2% in the second quarter of 2000 from 12.7% in the 1999 second quarter. For the six months ended June 2000, operating income as a percentage of revenues increased to 15.0% from 14.2% in the comparable 1999 period, in-line with the annual target (15%). Operating margin improvements can be attributed primarily to reductions in SG&A expense as a percentage of revenues. In the second quarter of 2000, SG&A as a percentage of revenues declined to 33.8% from 35.6% in last year's second quarter. For the first six months of 2000, SG&A as a percentage of revenues fell to 33.7% from 33.9% in the comparable 1999 period.

Balance Sheet

West's balance sheet remained strong with a current ratio of 2.3 to 1. Cash and short-term investments totaled $88.0 million. During the second quarter, West financed $10.0 million of equipment purchases with a promissory note. The remaining $4.7 million of property and equipment purchases were financed through operating cash flows.

During the first six months of 2000, West invested $37.2 million in capital expenditures for contact center expansion. The company opened and began processing calls in contact centers in Oklahoma City, Oklahoma and Erie, Pennsylvania. Mike Micek, Chief Financial Officer noted, "During the first six months of 2000, we increased the total number of work stations to 9,544, up from 8,364 at year-end. This is attributable to the opening of the two new contact centers, which together added 643 new workstations to our network. A third new contact center, located in Huntsville, Alabama that created approximately 1,100 jobs, began training in June and processing calls in July."

About West TeleServices

West TeleServices Corporation is a leading provider of innovative, full-service customer care solutions that help Fortune 500 and E-100 companies acquire, retain and grow profitable customer relationships. West has the technology and experience needed to create customized solutions that work for both e-Business initiatives and traditional business ventures. West's customer contact 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 22,000 employees, including an IT staff of over 750, operating 27 state-of-the-art contact centers and seven interactive automated voice and data processing centers across North America.

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").