

Firstsource reports Third Quarter Fiscal 2013 revenues of ₹ 7,132 million

Y-o-Y growth of 23.6%, Flat Q-o-Q

Operating EBIT of ₹ 513 million

Up Y-o-Y by 155.5%, up Q-o-Q by 13.5%

PAT (profit after tax) of ₹ 415 million

Up Y-o-Y by 504.9%, up Q-o-Q by 15.4%

Mumbai, February 14, 2013: Firstsource Solutions Limited (NSE:FSL, BSE:532809), one among India's leading Business Process Outsourcing (BPO) companies reported its consolidated financial results for the quarter ended December 2012 according to Indian GAAP.

Highlights for the Quarter ended December 31, 2012:

- Revenues of ₹ 7,132 million, up 23.6% Y-o-Y compared to ₹ 5,771 million for the quarter ended December 2011, and flat Q-o-Q compared to ₹ 7,176 million for the quarter ended September 2012.
- Operating EBIT (earnings before interest and tax) of ₹ 513 million, up 155.5% Y-o-Y compared to ₹ 201 million for the quarter ended December 2011 and up 13.5% Q-o-Q compared to ₹ 452 million for the quarter ended September 2012.
- PAT (profit after tax) of ₹ 415 million, up 504.9% Y-o-Y compared to ₹ 69 million for the quarter ended December 2011 and up 15.4% Q-o-Q compared to ₹ 359 million for the quarter ended September 2012.
- Cash position is at ₹ 832 million.
- Employee strength at 31,902 as of December 31, 2012 reduction of 463 employees in the quarter.
- Q3 annualized attrition (post 180 days) :
 - Offshore (India and Philippines) – Up to 59.4% compared to 55.9% in Q2 FY2013
 - Onshore (US and Europe) – Down to 35.8% compared to 45.2% in Q2 FY2013
 - Domestic (India and Sri Lanka) – Down to 86.0% compared to 89.7% in Q2 FY2013
- As of December 31, 2012, Firstsource derived 45% revenues from the US, 35% from UK and 20% from Rest of World, including India.
- As of December 31, 2012, Firstsource derived 45% revenues from Telecom & Media, 31% from Healthcare, 23% from BFSI and 1% from others.

Key Company Highlights during the quarter:

- **New Promoter at Firstsource:**

The RP-Sanjiv Goenka Group completed the acquisition of 49.5% shares of Firstsource Solutions Ltd through a wholly owned subsidiary of CESC Limited. This strategic investment in Firstsource makes the RP-Sanjiv Goenka Group the single largest shareholder. They have further acquired 7.36% in the open offer process taking their total shareholding to 56.86%.

- **Mr. Sanjiv Goenka appointed Chairman of the Firstsource Board of Directors:**

Mr. Sanjiv Goenka, Chairman, RP-Sanjiv Goenka Group was appointed Chairman of the Board at Firstsource Solutions Ltd.

- **FCCB Repayment**

Firstsource completed the repayment of the outstanding FCCB amounting to USD 237mn on Dec 4, 2012. The company met its FCCB obligations in full.

- **Appointments**

- David Strickler was appointed President and CEO for the Healthcare Provider Group.
- Dinesh Jain was elevated to Chief Financial Officer of the Company. Dinesh has been with the company since inception and was the Jt.CFO.
- Tim Franklin was appointed Senior Strategy Advisor in UK to focus on Banking and Financial Services Sector businesses.

- **Alliances**

- Firstsource Transaction Services and Monument Systems LLC formed an alliance to Offer Right-Sized BPO Outsourcing to Health Plan Market in US.
- Firstsource Solutions USA and Medical Reimbursements of America (MRA) announced a strategic partnership that provides Firstsource customers with integrated access to MRA's Accident Claims Management™ solution.

- **Awards & Accolades**

- Recognized as one of UK's leading outsourcing providers by the National Outsourcing Association (NOA) Awards. Firstsource also won three other prestigious awards:
 - Telecommunications, Utilities and High-Tech Outsourcing Project of the Year
 - Innovation in Outsourcing
 - Outsourcing Contact Centre Provider of the Year

- Awarded the 'Outsourcer of the Year' in the European Call Centre and Customer Service Awards 2012. The award is an endorsement of how Firstsource works with clients to deliver tangible value and bring in the positive change that is needed in the increasingly complex world of customer management.

Financial highlights for nine months ended December 2012:

- Revenues at ₹ 21,060 million for the nine months ended December 2012, compared to ₹ 16,332 million, growth of 29.0% over corresponding period of the previous year.
- Operating EBIT of ₹ 1,299 million for the nine months ended December 2012, compared to ₹ 648 million, up 100.3% over corresponding period of the previous year.
- Profit after tax ₹ 1,064 million for the nine months ended December 2012 compared to ₹ 390 million, up 173.1% over corresponding period of the previous year.

Commenting on the occasion, **Mr. Rajesh Subramaniam, MD & CEO** said, "It has been a successful third quarter for the company. We repaid our outstanding FCCBs of USD 237 million. The RP-Sanjiv Goenka Group entered the company as a new strategic investor. It has also been a quarter with strong operating performance, significant margin expansion and a build up of a healthy sales pipeline, all of which positions us well for next year."

About Firstsource:

Firstsource (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL@IN) is a leading global provider of customized Business Process Outsourcing (BPO) services to the Healthcare, Telecom & Media and Banking & Financial Services industries. Its' clients include Fortune 500, FTSE 100 & Nifty 50 companies. Firstsource has a "rightshore" delivery model with operations in India, Ireland, Philippines, Sri Lanka, UK and U.S. (www.firstsource.com).

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