

Firstsource reports Fiscal 2014 revenues of ₹31,059 million
Y-o-Y growth of 10.2%

Operating EBIT of ₹2,864 million
Up Y-o-Y by 49.8%

PAT (profit after tax) of ₹1,930 million
Up Y-o-Y by 31.6%

EBIT and PAT margins expanded by 2.4% and 1% respectively during the year

Mumbai, May 02, 2014: Firstsource Solutions Limited (NSE:FSL, BSE:532809), a global provider of customized Business Process Management (BPM) services company today reported its consolidated financial results for the quarter and year ended March 2014 according to Indian GAAP.

Financial Highlights for Year ended March 2014:

- Revenues at ₹31,059 million for the year ended March 2014, a growth of 10.2% over corresponding period of the previous year.
- Operating EBIT of ₹2,864 million for the year ended March 2014, up 49.8% over corresponding period of the previous year.
- Profit after tax ₹1,930 million for the year ended March 2014, up 31.6% over corresponding period of the previous year.
- EPS for the year is ₹2.93 (basic) and ₹2.82 (diluted).
- Debt repayment: Firstsource Group USA, wholly owned subsidiary of Firstsource Solutions successfully made the principal repayment of USD 45 million during the year.
- Employee strength at 27,666 as of March 31, 2014. Reduction of 4,200 employees during the year
- As of March 31, 2014, Firstsource derived 48% revenues from the US, 36% from UK and 16% from Rest of World, including India.
- As of March 31, 2014, Firstsource derived 43% revenues from Telecom & Media, 34% from Healthcare, 22% from BFSI and 1% from others.
- As of March 31, 2014, Firstsource has 46 centers, compared to 47 as on March 31, 2013.
 - Added 1 delivery center in Philippines
 - Two centers reduced in India

Firstsource fourth quarter revenues at ₹7,962 million (Y-o-Y growth of 11.7%, flat Q-o-Q),
Operating EBIT at ₹808 million (Y-o-Y growth of 31.8%, Q-o-Q growth of 9.0%)
PAT at ₹588 million (Y-o-Y growth of 46.4%, Q-o-Q growth of 21.8%)

Highlights for the Quarter ended March 31, 2014:

- Revenues of ₹7,962 million, down 0.4% Q-o-Q compared to ₹7,998 million for the quarter ended December 2013 and up 11.7% Y-o-Y compared to ₹7,125 million for the quarter ended March 2013.
- Operating EBIT (earnings before interest and tax) of ₹808 million, up 9.0% Q-o-Q compared to ₹742 million for the quarter ended December 2013 and up 31.8% Y-o-Y compared to ₹613 million for the quarter ended March 2013.
- PAT (profit after tax) of ₹588 million, up 21.8% Q-o-Q compared to ₹483 million for the quarter ended December 2013 and up 46.4% Y-o-Y compared to ₹402 million for the quarter ended March 2013.
- Cash position is at ₹1,889 million.
- Employee strength at 27,666 as of March 31, 2014. Reduction of 2,280 employees in the quarter.
- Q4 annualized attrition (post 180 days) :
 - Offshore (India and Philippines) – 54.8% compared to 49.2% in Q3 FY2014
 - Onshore (US and Europe) – 38.6% compared to 33.8% in Q3 FY2014
 - Domestic (India and Sri Lanka) – 85.6% compared to 92.8% in Q3 FY2014

Business Highlights for FY 2013-14:

• **New business/ client wins:**

- Won a 2 year contract in the Customer Management business with the wireless division of a leading US based telecom company
- Won additional business in Mortgage Back-office and Mortgage telephony for an existing UK based leading banking client
- Secured a contract with a leading utilities and FTSE100 company in the UK for customer management services to the MVNO business
- Signed an additional contract with UK's leading entertainment and communications company to provide a range of services such as Broadband support (Voice) and support for Billing & Technical queries for TV, BB & Telephony products (Web Chat).
- Won an additional contract with an existing client – a leading credit card issuer in the UK. The contract is for CPI (Card Protection) and IPA (Identity Protection) queries.
- Added a new logo to the Healthcare Payer clientele list in US. to provide Claims Adjudication from the US
- Won a Customer Management and Complaints Management contract with a leading UK financial services company.
- Won a Customer Insight Analytics and Consulting contract with a leading Irish Bank
- Secured a contract with a US based multinational wireless technology company to provide high end technical support through email & webchat service.

- **New Center:** Expanded operations in Philippines with the second delivery center in Cebu, a center of excellence in the financial services business.
- **Innovative Productized Services:** Firstsource launched **First Customer Intelligence:** Provides actionable insights from multichannel customer interactions. **FirstChat:** a web-based customer engagement solution to enhance Customer Engagement strategies for organisations and **First Smartomation:** a proprietary process automation solution that integrates multiple systems, creates new interfaces and reduces complex processes. **First Resolve:** An end to end Claims Management solution.
- Firstsource strengthened its **Rights Management solution** (to deliver Licensing and Acquiring Rights and Permissions for 3rd Party copyright content) with the Patent issued to its partner Digi-Express® in the Publishing business.

Commenting on the performance, **Sanjiv Goenka, Chairman, RP-Sanjiv Goenka Group and Firstsource Solutions** said, *"Fiscal 14 has been a year of strong profitable growth with a net profit growth of 31.6% over the past year. We continue to deepen and strengthen our relationship with our clients through new value added services. A conscious decision to terminate non-profitable accounts will yield benefit in the ensuing year. As we step into FY15, our focus continues to be on profitability and margin accretive growth."*

Awards & Accolades

- Recognized as one of UK's leading outsourcing providers by the **National Outsourcing Association (NOA) Awards**. Firstsource also won two other prestigious awards:
 - BPO Project of the Year 2013 (for the work with Sky)
 - Outsourcing Service Provider of the Year.
- Awarded the 'Outsourcing Partnership of the Year' in the **European Call Centre and Customer Service Awards 2013** for our longstanding relationship with Sky.
- Won the **"Outsourcing Excellence Award 2013"** at the 17th Annual Outsourcing Excellence Awards held in Texas, US, for the "Best Business Process" category in partnership with Giffgaff Ltd.
- Awarded 'Employer of the Year 2013' in Northern Ireland by the **UTV Business Eye Awards**. This is in addition to the Business in the Community 'Employer of Choice' and Irish News 'Innovative Employer' awards received in the previous quarters.
- Awarded the Employer of Choice at the annual **Business in the Community Northern Ireland (BITCNI) Awards** in Belfast, Northern Ireland.
- The **Irish News Workplace and Employment Awards** awarded Firstsource the accolade of Innovative Employer Award 2013 in Ireland.
- Received the **Frost & Sullivan '2013 North American – "New Product Innovation award"** for Contact Center Outsourcing for its analytics proposition - First Customer Intelligence.

Industry Rankings & Recognitions

- Firstsource received the Silver accreditation by **Investors-In-People (IIP) for the UK**. This achievement highlights and benchmarks our best practices in relation to investing in people and commitment to continuous improvement.
- Featured among the **100 best BPO companies** by **Global Services' Annual GS100 2013**. The company has received this recognition for the third year in a row.
- Firstsource has been **ranked #24 by The International Association of Outsourcing Professionals (IAOP)** in the 2013 Global Outsourcing 100® rankings.

About Firstsource:

Firstsource (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL@IN) is a leading global provider of customized Business Process Management (BPM) services to the Healthcare, Telecom & Media and Banking & Financial Services industries. The company's 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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