

Press Release

**Firstsource reports Fiscal 2017 revenues of Rs 35,556 million
Y-o-Y growth of 10.5%**

**Operating EBIT of Rs 3,790 million
Up Y-o-Y by 15.1%**

**PAT (profit after tax) of Rs 2,800 million
Up Y-o-Y by 7.5%**

EBIT and PAT margins expanded by 43 bps and 22 bps respectively during the year

Kolkata, May 5, 2017: At its board meeting held in Kolkata today, Firstsource Solutions Limited (NSE:FSL, BSE:532809), a global provider of customized Business Process Management (BPM) services and an RP-Sanjiv Goenka Group company, reported its consolidated financial results for the quarter and year ended March 2017 according to Indian GAAP.

Financial Highlights for Year ended March 2017:

- Revenues at Rs 35,556 million for the year ended March 2017, a growth of 10.5% over corresponding period of the previous year.
- Operating EBIT of Rs 3,790 million for the year ended March 2017, up 15.1% over corresponding period of the previous year.
- Profit after tax Rs 2,800 million for the year ended March 2017, up 7.5% over corresponding period of the previous year.
- EPS for the year is Rs 4.14 (basic) and Rs 4.08 (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 25,871 as of March 31, 2017. Addition of 1,985 employees during the year.
- As of March 31, 2017, Firstsource derived 55% revenues from the US, 38% from UK and 7% from Rest of World, including India.
- As of March 31, 2017, Firstsource derived 32% revenues from Telecom & Media, 36% from Healthcare and 32% from Banking, Financial Services and Insurance (BFSI).
- As of March 31, 2017, Firstsource has 48 centers, compared to 45 as on March 31, 2016.
 - o Added 2 delivery centers in the US, 2 delivery centers in the UK and reduced one in India

Mr. Sanjiv Goenka, Chairman, RP-Sanjiv Goenka Group and Firstsource Solutions said, “We have successfully navigated headwinds and continued our trajectory of growth for the year with revenues growing by 10.5% Y-o-Y and Operating EBIT expanding 15% Y-o-Y. The most significant highlight of the year has been the 10-year deal we signed with Sky, one of our long-standing clients, making us their only outsourced partner in the UK for TV and broadband customer support services. During the year, we expanded into the US mortgage industry with the acquisition of the BPO division of ISGN Corporation. I am confident that we will continue to grow in FY18, continue to innovate and deploy tangible differentiators that give us the competitive edge to win high-impact transformational deals.”

**Firstsource fourth quarter revenues at Rs 8,923 million
(Y-o-Y growth of 2.6%)**

**Operating EBIT at Rs 880 million
(Y-o-Y de-growth of 10.0%)**

**PAT at Rs 654 million
(Y-o-Y de-growth of 15.7%)**

Highlights for the Quarter ended March 31, 2017:

- Revenues of Rs 8,923 million, up 2.6% Y-o-Y compared to Rs 8,694 million for the quarter ended March 2016.
- Operating EBIT (earnings before interest and tax) of Rs 880 million, down 10.0% Y-o-Y compared to Rs 978 million for the quarter ended March 2016.
- PAT (profit after tax) of Rs 654 million, down 15.7% Y-o-Y compared to Rs 775 million for the quarter ended March 2016.
- Cash position is at Rs 1,910 million.
- Employee strength at 25,871 as of March 31, 2017. Reduction of 121 employees in the quarter.
- Q4 annualized attrition (post 180 days) :
 - Offshore (India and Philippines) – 42.2% compared to 37.5% in Q3 FY2017
 - Onshore (US and Europe) – 40.7% compared to 38.2% in Q3 FY2017
 - Domestic (India and Sri Lanka) – 81.1% compared to 76.4% in Q3 FY2017

Key Highlights for Fourth Quarter FY2016-17:

Business Highlights

- As part of the 10-year partnership deal with Sky, Firstsource welcomed 1200 new employees in its Derby site in the UK.
- Firstsource Transaction Services, LLC, part of Firstsource Solutions, partnered with Dynamic Healthcare Systems, a leading provider of enterprise-wide solutions, to strengthen health plans in handling their increasingly complex back office operations.

Debt repayment: Firstsource Group USA, wholly-owned subsidiary of Firstsource Solutions successfully made the quarterly principal repayment of USD 11.25million of its outstanding debt on March 31, 2017.

Rewards & Recognitions:

- Triple win at the Welsh Contact Centre Awards 2017 in the UK in the categories of Most Diverse Workplace, Trainer of the Year and Special Industry Champions.
- Awarded the prestigious Global HR Excellence Awards 2017 in the category of 'Innovation in Retention Strategy'. Firstsource was recognised for its' employee retention practices and policies.

Additional highlights for FY2016-17:

Rewards & Recognitions

- Won the Bronze award in the 'Customer Service Team of the Year' category, jointly with client, giffgaff at the European Contact Center & Customer Service Awards (ECCCSA). The award recognises Firstsource's work with the leading mobile network provider to deliver top quality member experience.
- Received the Gold Award jointly with NOW TV in the 'Technology and Telecoms' category and Silver Award in partnership with giffgaff in the 'Engaging Customers Online' categories at the UK Customer Experience Awards, 2016
- Declared 1st Runner-up at the 'Best Adversity Management Stories of Asia' 2016 Awards. Firstsource presented the Adversity Management Story around the Chennai floods in Nov-Dec 2015
- Recognised in the '100 Best Companies for Women in India' by the 2016 Working Mother & AVTAR Best Companies for Women in India. This recognition came for the increase in number of women in the workforce, contributing to growth of women employees in the nation- all the while, offering an inclusive and flexible work environment to women employees.
- Won the Best Employer Brand Award for 'Excellence in building the Employer Brand as an Employer of Choice' at the 11th Employer Branding Awards. The award is a celebration of Best Talent in Human Resources Development, for having a distinct identity that is visible through the HR practices, policies and strategy.
- Dual-award win at the Asia Pacific HRM Congress Awards, 2016 in the categories - Organisation with Innovative HR Practices and Young HR Professional
- Won three awards at the Asia's Best Employer Brand Awards, 2016 in the categories - Best B-school recruiting programme, Organisation with Innovative HR Practices and Best HR Strategy in line with Business
- Won the Employer of Choice Award for the second time at the annual Business in the Community Northern Ireland Awards. Recognised for demonstrating excellence in motivating and developing employees in a healthy and inclusive workplace which offers opportunities for all.
- Awarded the Employee Champion Award at the Aer Lingus Viscount Awards in association with Ulster Business in the UK. This award has come in recognition for all the work done on mental health and wellbeing.

Analyst Recognition

- Gartner's Magic Quadrant has positioned Firstsource as a 'Challenger' in the Customer Management (CM) Contact Centre BPO report for 2016/17, improving on its 2015/16 'Niche Player' rating.

- ISGN Solutions, a FSL company mentioned as a 'High Performer' amongst industry peers in HfS Blueprint Report: Mortgage As-A-Service 2016.
- The Healthcare Payer business was recognised in Everest's 2017 Healthcare Payer BPO PEAK matrix as a 'Major Contender'.

Rankings

- Ranked #6 and #18 by NASSCOM in the Annual Rankings for the 'Top 10 BPM Exporters' and 'Top 20 IT-BPM Employers' in India for 2016, respectively
- Ranked #15 in the Top 50 Largest Employers in Northern Ireland, and #49 in the Top 100 Largest Profit Earning Northern Ireland registered companies by Belfast Telegraph's Top Company ratings.

About Firstsource:

Firstsource Solutions Limited, a RP-Sanjiv Goenka Group company (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, the UK, the US and the Philippines. (www.firstsource.com)

Contact:

joyneel.mukherjee@rp-sg.in	(+91 85848 20335)
Sarika.rath@firstsource.com	(+91 98863 78198)