

Firstsource reports Third Quarter Fiscal 2014 revenues of ₹7,998 million

Up Y-o-Y growth of 12.1%, Q-o-Q by 1.1%

Operating EBIT of ₹742 million

Up Y-o-Y by 44.6%, Q-o-Q by 7.4%

PAT (profit after tax) of ₹483 million

Up Y-o-Y by 16.5%, Q-o-Q by 7.9%

Mumbai, January 31, 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 ended December 2013 according to Indian GAAP.

Highlights for the Quarter ended December 31, 2013:

- Revenues of ₹7,998 million, up 1.1% Q-o-Q compared to ₹7,908 million for the quarter ended September 2013 and up 12.1% Y-o-Y compared to ₹7,132 million for the quarter ended December 2012.
- Operating EBIT (earnings before interest and tax) of ₹742 million, up 7.4% Q-o-Q compared to ₹691 million for the quarter ended September 2013 and up 44.6% Y-o-Y compared to ₹513 million for the quarter ended December 2012.
- PAT (profit after tax) of ₹483 million, up 7.9% Q-o-Q compared to ₹448 million for the quarter ended September 2013 and up 16.5% Y-o-Y compared to ₹415 million for the quarter ended December 2012.
- Cash position is at ₹1,876 million.
- Employee strength at 29,946 as of December 31, 2013. Reduction of 444 employees in the quarter.
- Q3 annualized attrition (post 180 days) :
 - Offshore (India and Philippines) – 49.2% compared to 57.3% in Q2 FY2014
 - Onshore (US and Europe) – 33.8% compared to 47.4% in Q2 FY2014
 - Domestic (India and Sri Lanka) – 92.8% compared to 85.6% in Q2 FY2014
- As of December 31, 2013, Firstsource derived 47% revenues from the US, 36% from UK and 17% from Rest of World, including India.
- As of December 31, 2013, Firstsource derived 44% revenues from Telecom & Media, 32% from Healthcare, 23% from BFSI and 1% from others.

Key Company Highlights during the quarter:

- **Debt repayment:** Firstsource Group USA, wholly owned subsidiary of Firstsource Solutions successfully made its third quarterly principal repayment of USD11.25 million on its outstanding debt on December 31, 2013.
- **New Center:** Expanded operations in Philippines with the second delivery center in Cebu.
- **Awards & Accolades**
 - Received the *Frost & Sullivan* ‘2013 North American – “New Product Innovation award” for Contact Center Outsourcing for its analytics proposition - First Customer Intelligence.
 - 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 our 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.
 - 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.
 - Firstsource received the Silver accreditation by *Investors-In-People (IIP) for the UK*. This achievement highlights and benchmarks our good 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*. This recognition highlights Firstsource’s commitment and efforts in going the extra mile to meet client satisfaction. The company has received this recognition for the third year in a row.

Commenting on the performance, **Sanjiv Goenka, Chairman RP-Sanjiv Goenka Group and Firstsource**, said, “The commitment to focus on improving margins and bottom-line continues. The operating profits (EBIT) have improved in absolutes by 44.6% with margin expansion of 2.1%. Costs have reduced and loss making accounts have been terminated. Our focus on the UK market as a key onshore delivery geography continues to be strengthened. We believe the Healthcare business and Customer Management segment will be important areas of growth.”

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).

Press Release



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