

**FOR IMMEDIATE RELEASE**

**Firstsource reports FY 2007- 08 total income of Rs. 13,337 million  
And PAT of Rs. 1,316 million**

**Income growth of 59.1% compared to FY 2006-07**

**PAT growth of 35.3% compared to FY 2006-07**

**Mumbai, April 29, 2008:** Firstsource Solutions Limited (NSE:FSL, BSE:532809), among India's leading pure-play BPO companies reported its consolidated financial results for the quarter and financial year ended March 2008 according to Indian GAAP.

**Highlights of financial year ended March 2008**

- Total Income for FY 2007-08 at Rs. 13,337 million Y-o-Y growth of 59.1%
- Revenue from Operations at Rs. 12,988 million Y-o-Y growth of 56.3%
- Operating EBIT at Rs. 1,479 million, Y-o-Y growth of 45.7%
- Profit after tax is Rs. 1,316 million ; Y-o-Y growth 35.3%
- Diluted EPS for the year is Rs. 2.83 against Rs. 2.50 in FY 2007.

**Highlights of Quarter ended March 31, 2008**

- Total Income was Rs. 3,792 million Y-o-Y growth of 37.5% and Q-o-Q growth of 0.6%
- Revenue from Operations at Rs. 3,756 million Y-o-Y growth of 35.4% and Q-o-Q growth of 1.6%
- Operating EBIT at Rs. 396 million, Y-o-Y growth of 4.4% and Q-o-Q growth of 25.8%
- Profit after tax at Rs. 210 million; down 39.8% Y-o-Y and up 1.9% Q-o-Q. PAT is lower for the quarter by Rs. 192.5 million on account of Mark-to-Market exchange loss on FCCB.
- Firstsource's employee strength was 17,369 as of March 2008.
- Q4 annualized attrition (post 180 days) of 38.9% as compared to 34.4% in the previous quarter.

### Highlights for FY 2007-08

- Crossed Rs.1, 000 crores in revenue.
- Acquired MedAssist Inc., the largest provider of revenue cycle management services to hospitals in the US. This provides Firstsource with a comprehensive offering for the healthcare industry in the US for both payor and provider segments.
- Firstsource successfully diversified its business by increasing revenues from the Asia-Pacific region, including India, to 10.8% of the company's income from services as compared to 3.8% last year.
- Firstsource expanded its global delivery capability by opening operations in Manila, Philippines and also deepened its US footprint by adding centers in Salt Lake City and Colorado Springs.
- Firstsource became one of the top 1,000 companies in the world to adopt desktop virtualization, a cutting-edge technology solution that increases security of data, improves availability and cuts technology costs.
- Firstsource continued its focus on process excellence and continuous process improvement and was the recipient of five awards for Six Sigma Excellence from the International Quality & Productivity Center (IQPC).
- Firstsource continued its thrust on best-in-class quality standards.
  1. During the year it's Kolkata, Belfast and Londonderry centers got ISO 27001 certified.
  2. MedAssists' Eligibility services, Receivables Management Services, Healthcare Collections services and the MedAssist Advantage Plan (**MAP™**) were peer reviewed by the Healthcare Financial Management Association (HFMA). Peer Review consists of a rigorous evaluation by a peer review panel consisting of current customers, prospective customers and HFMA members. Products and services that earn the 'HFMA Peer Reviewed' designation have demonstrated their value, marketplace acceptance and effectiveness and accuracy as a business solution.

**Outlook:**

The company expects the growth momentum to continue in spite of a difficult business environment and sees topline growth for FY09 at about 33-38% in US dollar terms.

Commenting on the performance **Ananda Mukerji, MD & CEO** said, "We are pleased to have maintained our growth momentum in spite of a difficult business environment. One of the significant highlights of the year was the acquisition of MedAssist. This enables us to create a comprehensive offering for the healthcare industry, where we expect to see continued growth. While there are likely to be challenges in the current year in some of our target markets, particularly in BFSI, we believe the proposition for outsourcing and offshoring of business processes continues to be strong and will deliver long term value to our customers."

**Rajesh Subramaniam, CFO** said, "We see a marked improvement in our operations performance in Q4 over Q3 with Operating EBIT improving from 8.5% to 10.5%, however on account of a Mark-to-Market loss on the FCCB our net margins are down in Q4 over Q3."

**About Firstsource**

Firstsource (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL@IN) is among India's leading BPO (business process outsourcing) service providers. Firstsource provides customized business process management to global leaders in the Banking & Financial Services, Telecom & Media and Healthcare sectors. Its clients include Fortune 500 banks, telecommunications companies and healthcare companies. Firstsource has a global delivery model with operations in India, US, UK, Argentina and Philippines. ([www.firstsource.com](http://www.firstsource.com)).

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