

FOR IMMEDIATE RELEASE

**Firstsource reports first quarter fiscal 2010 revenues of Rs. 4,845 million
Q-o-Q growth of 2.6%, Y-o-Y growth of 18.8%**

**Operating EBIT of Rs 469 million
Q-o-Q growth of 30.5%, Y-o-Y growth of 22.9%**

Mumbai, July 29, 2009: Firstsource Solutions Limited (NSE:FSL, BSE:532809), among India's leading pure-play BPO companies reported its consolidated financial results for the quarter ended June 2009 according to Indian GAAP.

Highlights for the Quarter ended June 30, 2009

- Revenues of Rs. 4,845 million, up 2.6% Q-o-Q compared to Rs 4,723 million for the quarter ended March 2009 and up 18.8% Y-o-Y compared to Rs 4,079 million for the quarter ended June 2008.
- Operating EBIT of Rs. 469 million, up 30.5% Q-o-Q compared to Rs 360 million for the quarter ended March 2009 and up 22.9% Y-o-Y compared to Rs 382 million for the quarter ended June 2008.
 - Strong performance from Healthcare vertical due to catch up in payment delays and larger approval of high dollar claims
 - Higher contribution from Telecom & Media and BFSI vertical on the back of improved in productivity and efficiencies
 - Impact of Q1 seasonality fall off in BFSI collections business not as pronounced and also mitigated by improved productivity
 - Favorable exchange rate
- PAT of Rs 380 million, down 7.0% Q-o-Q compared to Rs. 409 million for the quarter ended March 2009.
 - Quarter ended March 2009 (previous quarter) had unusual income from gain on FCCB buyback which, net of certain one time expenses, resulted in higher profit for the quarter.
- Employee strength at 23,355 as of June 30, 2009.

- Q1 annualized attrition (post 180 days) :
 1. Offshore (India, Argentina and Philippines) – 31.3% compared to 35.8% in Q4 FY09
 2. Onshore (US and UK) – 33.0% compared to 38.4% in Q4FY09
 3. Domestic – 86.6% compared to 74.1% in Q4FY09
- Recognised as one of the Top 100 companies in the world by **CIO** magazine for innovative use of IT.

Commenting on the performance **Ananda Mukerji, MD & CEO** said, “It has been a strong quarter from both a growth and margins perspective. While there is greater stability in the business environment, we are still cautious about immediate growth prospects. Our value proposition continues to be very strong and while we anticipate some degree of volatility in the quarters ahead, overall, in FY10 we expect to see positive growth and improvement in margins.”

Carl Saldanha, Global CFO said, “Q1 performance has exceeded our expectations largely due to improved performance of our BFSI Collections business and the Healthcare provider business. We continue to focus on overall margin improvements across all our verticals.”

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).

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