

FOR IMMEDIATE RELEASE

**Firstsource reports third quarter fiscal 2010 revenues of Rs. 4909 million
Y-o-Y growth of 10.5%, Q-o-Q growth of 0.4%,**

**Operating EBIT of Rs 467 million
Y-o-Y growth of 133%, down Q-o-Q by 4.3%,**

**Net Profit of Rs. 333 million
Y-o-Y growth of 188.1%, Q-o-Q growth of 14.4%**

Mumbai, January 27, 2010: Firstsource Solutions Limited (NSE:FSL, BSE:532809), among India's leading pure-play BPO companies reported its consolidated financial results for the quarter ended December 2009 according to Indian GAAP.

Highlights for the Quarter ended December 31, 2009

- Revenues of Rs. 4,909 million, up 10.5% Y-o-Y compared to Rs. 4,442 million for the quarter ended December 2008 and up 0.4% Q-o-Q compared to Rs 4,887 million for the quarter ended September 2009.
- Operating EBIT of Rs. 467 million, up 133% Y-o-Y compared to Rs 201 million for the quarter ended December 2008 and down 4.3% Q-o-Q compared to Rs 488 million for the quarter ended September 2009
 - Q-o-Q reduction is due to lesser number of working days in the quarter, continuing ramps in the Telecom & Media business unit and lower than expected volumes in Asia Business unit.
- PAT of Rs 333 million, up 188.1% Y-o-Y compared to Rs. 116 million for the quarter ended December 2008 and up 14.4% Q-o-Q compared to Rs 291 million for the quarter ended September 2009.
- Firstsource derived 58% revenue from the US, 28% from UK and 13% from the Domestic market.
- Firstsource derived 22% revenue from BFSI vertical, 40% from Telecoms & Media, 36% from Healthcare and 2% of revenue from others.
- Employee strength at 27,308 as of December 31, 2009 as compared to 26,432 employees on September 30, 2009.

- Q3 annualized attrition (post 180 days) :
 - Offshore (India/ Argentina/ Philippines) – 43.7 % compared to 39.1 % in Q2 FY2010
 - Onshore (US/ UK) – 34.1 % compared to 42.4% in Q2 FY2010
 - Domestic – 68.3 % compared to 76.9% in Q2 FY2010

- Appointment to the Board

Mr. Matthew Vallance, President BFSI & Telecoms and MD Europe, has been inducted to the Board of Firstsource Solutions as Joint Managing Director.

- Awards & Certifications
 - Recognized among Top 25 companies in India for Excellence in Corporate Governance for the year 2009 by the Institute of Company Secretaries of India (ICSI)
 - Firstsource received third annual HFMA peer review designation for eligibility services, receivables management, collection services and the Medical Advantage Plan (MAP™) program
 - Firstsource ranked second among US companies for Revenue Cycle Management Services including Extended Business Office to Transformational Services by KLAS, a leading research organization.

Commenting on the performance **Ananda Mukerji, MD & CEO**, said, “Performance in the year to date continues to be strong. In the nine months of this fiscal we have seen both growth in revenues and improvement in profitability. Telecom has been a particularly strong performing sector as have been the healthcare provider and credit card collections businesses.”

Carl Saldanha, Global CFO, said, “This quarter we have seen a decline in margins both due to seasonal weakness and continuing ramps in a number of business units. We expect margins to recover in the next quarter with positive seasonality and ramps completed. “

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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