

## **Firstsource reports Second Quarter Fiscal 2014 revenues of ₹ 7,908 million**

**Up Y-o-Y growth of 10.2%, Q-o-Q by 10.0%**

**Operating EBIT of ₹ 691 million**

**Up Y-o-Y by 52.9%, Q-o-Q by 10.7%**

**PAT (profit after tax) of ₹ 448 million**

**Up Y-o-Y by 24.5%, Q-o-Q by 9.0%**

**EBIT up by 67.3% and PAT up by 32.2% for Half year ended Sept 30, 2013**

**EBIT and PAT margins expanded by 3.1% and 1% during the same period**

**Mumbai, October 23, 2013:** 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 September 2013 according to Indian GAAP.

### **Highlights for the Quarter ended September 30, 2013:**

- Revenues of ₹ 7,908 million, up 10.0% Q-o-Q compared to ₹ 7,191 million for the quarter ended June 2013 and up 10.2% Y-o-Y compared to ₹ 7,176 million for the quarter ended September 2012.
- Operating EBIT (earnings before interest and tax) of ₹ 691 million, up 10.7% Q-o-Q compared to ₹ 624 million for the quarter ended June 2013 and up 52.9% Y-o-Y compared to ₹ 452 million for the quarter ended September 2012.
- PAT (profit after tax) of ₹ 448 million, up 9.0% Q-o-Q compared to ₹ 410 million for the quarter ended June 2013 and up 24.5% Y-o-Y compared to ₹ 359 million for the quarter ended September 2012.
- Cash position is at ₹ 1,500 million.
- Employee strength at 30,390 as of September 30, 2013. Reduction of 1,233 employees in the quarter.
- Q2 annualized attrition (post 180 days) :
  - Offshore (India and Philippines) – 57.3% compared to 52.7% in Q1 FY2014
  - Onshore (US and Europe) – 47.4% compared to 39.9% in Q1 FY2014
  - Domestic (India and Sri Lanka) – 85.6% compared to 101.3% in Q1 FY2014
- As of September 30, 2013, Firstsource derived 46% revenues from the US, 36% from UK and 18% from Rest of World, including India.
- As of September 30, 2013, Firstsource derived 45% revenues from Telecom & Media, 32% from Healthcare, 22% 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 second quarterly principal repayment of USD11.25 million on its outstanding debt on Sept. 30<sup>th</sup>, 2013.
- **New Appointment:** Firstsource appointed Stephanie Wilson as Executive Vice President - Operations for Europe and US. Stephanie will be responsible for Client engagement and Operations for the Customer Management business.
- **New Business:**
  - L.A. Care Health Plan – Added a new logo to the Healthcare Payer clientele list in US. The company will provide Claims Adjudication support from the US.
  - Won an additional contract with an existing client – a leading credit card issuer in the UK. The contract is for CPI (Card Protection) and IPA (Identity Protection) queries and will be managed from the UK center.
  - Signed an additional contract with the Largest Pay TV Provider in the UK to provide a range of services such as Broadband support (Voice) and support for Billing & Technical queries for TV, BB & Telephony products (Web Chat). These will be delivered from Northern Ireland and India.

## Financial Highlights for half-year ended September 2013:

- Revenues at ₹ 15,099 million for the half year ended September 2013, a growth of 8.4% over corresponding period of the previous year.
- Operating EBIT of ₹ 1,315 million for the half year ended September 2013, up 67.3% over corresponding period of the previous year.
- Profit after tax ₹ 858 million for the half year ended September 2013, up 32.2% over corresponding period of the previous year.

Speaking on the occasion, **Sanjiv Goenka, Chairman, RP-Sanjiv Goenka Group and Firstsource**, said, *“I am delighted with the progress that Firstsource has made over the quarters. The company’s focus on driving value and customer satisfaction is razor sharp and we are seeing results to this effect. I believe that Firstsource is well positioned for growth in the BPM industry.”*

Commenting on the performance, **Rajesh Subramaniam, Managing Director & Chief Executive Officer**, said, *“Our second quarter results have demonstrated margin expansion on the back of a strong operational performance. We continue on the path of profitable growth. Our investment in productisation of services is seeing traction from clients and a concerted effort is being made to broaden our capability suite of value added services. The quarterly repayment of USD 11.25 million on the outstanding debt was successfully paid.”*

## About Firstsource:

Firstsource (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL@IN) is a leading global provider of customized Business Process Outsourcing (BPO) 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](http://www.firstsource.com)).

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