

Firstsource reports Second Quarter Fiscal 2016 revenues of Rs 7,925 million

Q-o-Q growth of 6.1%, Y-o-Y growth of 2.4%

Operating EBIT of Rs 801 million

Up Q-o-Q by 10.5% and Y-o-Y by 3.9%

PAT (profit after tax) of Rs 619 million

Up Q-o-Q by 9.6% and Y-o-Y by 1.1%

October 29, 2015: At its Board meeting held in Kolkata today, Firstsource Solutions Limited (NSE:FSL, BSE:532809), a RP-Sanjiv Goenka Group Company and a global provider of customized Business Process Management (BPM) services, reported its consolidated financial results for the second quarter ended September 2015 according to Indian GAAP.

Highlights for the Quarter ended September 30, 2015:

- Revenues of Rs 7,925 million, up 6.1% Q-o-Q compared to Rs 7,469 million for the quarter ended June 2015 and up 2.4% Y-o-Y compared to Rs 7,740 million for the quarter ended September 2014.
- Operating EBIT (earnings before interest and tax) of Rs 801 million, up 10.5% Q-o-Q compared to Rs 725 million for the quarter ended June 2015 and up 3.9% Y-o-Y compared to Rs 771 million for the quarter ended September 2014.
- PAT (profit after tax) of Rs 619 million, up 9.6% Q-o-Q compared to Rs 564 million for the quarter ended June 2015 and up 1.1% Y-o-Y compared to Rs 612 million for the quarter ended September 2014.
- Cash position is at Rs 1,723 million.
- Employee strength at 23,658 as of September 30, 2015. Reduction of 281 employees in the quarter.
- Q2 annualized attrition (post 180 days):
 - Offshore (India and Philippines) - 44.9% compared to 50.3% in Q1 FY2016
 - Onshore (US and Europe) - 48.9% compared to 46.4% in Q1 FY2016
 - Domestic (India and Sri Lanka) – 76.0% compared to 95.7% in Q1 FY2016
- As of September 30, 2015, Firstsource derived 54.8% revenues from the US, 37.0% from the UK and 8.2% from Rest of World, including India.
- As of September 30, 2015, Firstsource derived 38.4% revenues from Telecom & Media, 39.2% from

Healthcare, 22.2% from BFSI and 0.2% from other verticals.

Key Company Highlights during the Quarter:

Business highlights:

- Debt repayment: Firstsource Group USA, wholly owned subsidiary of Firstsource Solutions successfully made the quarterly principal repayment of USD11.25million on its outstanding debt on Sep 30, 2015.
- Signed a large transformational deal with UK's largest retail bank and mortgage lender. The transformational nature of this deal involves significant elements of process re-engineering and automation.
- Firstsource forayed into the E-commerce space in India with a new contract win with one of the top e-commerce player. Firstsource will provide Inbound Customer Service for this client.
- Partnered with NICE solutions to help enhance the end-user experience. The NICE solution will enable Firstsource to uncover business insights by automatically analyzing, identifying, quantifying and monitoring customer interactions based on multiple dimensions.
- Partnered with Ulster University – the second largest university in UK - to give Firstsource employees an opportunity to earn a degree in Customer Contact Management.

Commenting on the results, Firstsource Chairman Sanjiv Goenka says, *“These results reflect organisational transformation that we are aiming at Firstsource by realigning to market realities and enhancing customer experience. We are happy with the Profits, which have grown 9.6 % this quarter. Our expansion into newer verticals such as e-commerce as well as recent client wins globally, further signifies we are moving along a strong growth path. Moving forward, FSL will continue to focus on Customer Management and Healthcare where we expect to see higher sales and an improvement in cost efficiencies.”*

Rewards & Recognitions:

- Awarded the 2015 Frost & Sullivan Asia Pacific Best Practices Award for Customer Value Enhancement in the Contact Center Outsourcing domain.
- Won 2 awards at the UK Customer Experience Awards 2015:
 - With NOW TV, the ‘Business Change or Transformation - Transformation at the Heart’ category. NOW TV is an Online Television service powered and owned by Sky.
 - The Silver Award with giffgaff in the ‘Technology and Telecoms - Amazing Customer

Experience' category.

- Won 2 awards for HR best practices in India:
 - JetSet program won the Best First Time Managers Development Program of Asia at the Best Leadership Development Practices of Asia 2015 conducted by the Learning & Organisational Development (L&OD) Roundtable.
 - Firstsource Academy won in the Corporate Best HR practices category at the NHRD HR Showcase 2015.
- Ranked #19 in Ulster Business “Top 100 Companies” in Northern Ireland.

About Firstsource

Firstsource (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL@IN), a RP-Sanjiv Goenka Group company is a global provider of customized BPO (Business Process Outsourcing) services to the Banking & Financial Services, Insurance, Telecommunications, Media and Publishing and Healthcare sectors. The company’s clients include FTSE 100, Fortune 500 and Nifty 50 companies. Firstsource has a “Rightshore” delivery model with operations in India, Philippines, Sri Lanka, UK and USA. (www.firstsource.com).

For More Information Please Contact:

Media	Investors
joyneel.mukherjee@rp-sg.in (+91 85848 20335)	ganesh.iyer@firstsource.com +91(22) 6666 0808 +91 9892002590
Sarika.rath@firstsource.com (+91 98863 78198)	dpingle@christensenir.com +91 (22) 4215 0210 +91 98339 04971
Melissa.rodriques@firstsource.com (+91 98336 43485)	