

February 09, 2015

To:

National Stock Exchange of India Limited (Scrip Code: FSL)
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (East),
Mumbai - 400 051

BSE Limited (Scrip Code: 532809)
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Dear Madam/ Sir,

**Sub: Clause 41: Declaration of Audited Standalone and Consolidated financial results for
the quarter ended December 31, 2014 (Q3 FY 2014-15)**

We wish to inform you that the Board of Directors of the Company have, at their meeting held today i.e. February 09, 2015, approved the Audited Standalone and Consolidated financial Results for the quarter ended December 31, 2014, copies of which are enclosed herewith alongwith copies of Auditors' Reports thereon.

We are also enclosing herewith copy of Press release relating to the financial results.

We request you to take the above on record.

Thanking you,

For Firstsource Solutions Limited



Sanjay Gupta
Senior VP- Corporate Affairs & Company Secretary

Firstsource Solutions Limited AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014 CIN: L64202MH2001PLC134147 Registered office: 5th Floor, Paradigm 'B' wing, Mindspace, Link Road, Malad (West), Mumbai 400 064 Tel: + 91 22 66660888 Fax: + 91 22 6666 0887 web: www.firstsource.com, email-complianceofficer@firstsource.com (Rs. in millions, except per share data and per equity data)						
Particulars	Quarter ended			Nine months ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2014	2014	2013	2014	2013	2014
	(Audited) *	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income from operations						
Income from operations	7,372.59	7,698.00	7,993.54	22,689.93	23,206.80	31,270.23
Other operating income, net	137.63	41.85	4.09	116.18	(110.08)	(211.47)
Total income from operations	7,510.22	7,739.85	7,997.63	22,806.11	23,096.72	31,058.76
Expenses						
Employee benefits expense	5,019.77	5,196.91	5,511.50	15,283.24	15,898.67	21,294.05
Depreciation and amortisation	189.28	177.26	189.71	542.00	576.01	757.02
Other expenses	1,554.89	1,594.22	1,554.86	4,708.16	4,565.88	6,143.46
Total expenses	6,763.94	6,968.39	7,256.07	20,533.40	21,040.56	28,194.53
Profit from operations before other income and finance costs	746.28	771.46	741.56	2,272.71	2,056.16	2,864.23
Other income	24.73	46.97	2.43	61.46	30.19	20.04
Profit from ordinary activities before finance costs	771.01	818.43	743.99	2,334.17	2,086.35	2,884.27
Finance costs	172.74	180.70	211.61	537.17	653.64	851.47
Profit from ordinary activities before tax	598.27	637.73	532.38	1,797.00	1,432.71	2,032.80
Tax expense	21.16	24.71	47.68	73.72	90.52	100.89
Net profit from ordinary activities after tax	577.11	613.02	484.70	1,723.28	1,342.19	1,931.91
Minority Interest	1.98	0.61	1.60	3.25	1.04	2.29
Net profit after tax and minority interest	575.13	612.41	483.10	1,720.03	1,341.15	1,929.62
Paid-up Equity Share Capital (Face Value of Share Rs. 10)	6,651.40	6,630.05	6,587.35	6,651.40	6,587.35	6,597.35
Reserves excluding Revaluation Reserve				17,229.33	13,831.62	14,316.86
Earnings Per Share (Rs.) : (Not Annualized)						
-Basic	0.87	0.93	0.73	2.60	2.04	2.93
-Diluted	0.81	0.87	0.71	2.43	1.98	2.82
Particulars of shareholding						
Public shareholding						
- Number of shares of Rs. 10	291,163,261	289,028,015	284,758,328	291,163,261	284,758,328	285,758,203
- Percentage of shareholding	43.77%	43.59%	43.23%	43.77%	43.23%	43.31%
Promoters' and promoter group shareholding						
a) Pledged / Encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	373,976,673	373,976,673	373,976,673	373,976,673	373,976,673	373,976,673
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	56.23%	56.41%	56.77%	56.23%	56.77%	56.69%
Notes to financials results :						
1. The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on February 9, 2015. The standalone financial results for the quarter and nine months ended December 31, 2014 are available on the Company's website (www.firstsource.com) and the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).						
2. The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances/ transactions and resulting unrealised profits in full. Minority interest's share of profits or losses is adjusted against income to arrive at the net income attributable to the Company's shareholders.						
3. Effective year ended March 31 2009, the Company has early adopted Accounting Standard (AS) 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).						
4. Standalone Information (Audited)						
Particulars	Quarter ended			Nine months ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2014	2014	2013	2014	2013	2014
Total income from operations	2,337.03	2,385.05	2,357.83	6,934.36	6,984.35	9,173.28
Net profit before taxation	449.95	527.50	362.83	1,360.75	971.57	1,344.70
Net profit after taxation	458.82	537.93	362.83	1,380.05	971.57	1,344.70
5. During the quarter ended December 31, 2014, 2,135,246 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.						
6. During the quarter ended December 31, 2014, 7 complaints were received from investors which were resolved. There was no complaint pending at the beginning and at the end of the quarter.						
7. Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.						



Segment Reporting						
Particulars	Quarter ended			Nine month ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2014	2014	2013	2014	2013	2014
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Segment Revenue						
a) UK	2,621.03	2,784.62	2,916.02	8,139.34	8,266.94	11,135.07
b) USA and Canada	3,616.13	3,606.25	3,728.58	10,842.51	10,699.60	14,583.73
c) India	626.23	641.71	666.52	1,882.35	2,151.65	2,784.20
d) Rest of the World	509.20	665.42	682.42	1,825.73	2,088.61	2,767.23
Total	7,372.59	7,698.00	7,993.54	22,689.93	23,206.80	31,270.23
Less: Inter Segment Revenue	-	-	-	-	-	-
Net Segment Revenue	7,372.59	7,698.00	7,993.54	22,689.93	23,206.80	31,270.23
Segment results before tax and finance costs						
a) UK	613.43	553.77	534.97	1,592.84	1,324.86	1,905.51
b) USA and Canada	398.08	465.82	428.38	1,404.92	1,334.89	1,804.27
c) India	55.24	88.18	129.97	202.65	288.16	369.13
d) Rest of the World	75.59	67.15	33.85	206.84	250.34	266.36
Total	1,142.34	1,174.92	1,127.17	3,407.25	3,198.25	4,345.27
i) Finance costs	(172.73)	(180.70)	(211.61)	(537.17)	(653.64)	(851.47)
ii) Other unallocable expenditure net of unallocable Income	(371.34)	(356.49)	(383.18)	(1,073.08)	(1,111.90)	(1,461.00)
Profit before tax and minority interest	598.27	637.73	532.38	1,797.00	1,432.71	2,032.80
Capital Employed						
a) UK	1,303.42	1,216.29	1,644.49	1,303.42	1,644.49	1,475.99
b) USA and Canada	29,484.65	28,800.85	28,383.99	29,484.65	28,383.99	27,207.95
c) India	486.57	494.75	428.50	486.57	428.50	771.28
d) Rest of the World	759.31	646.72	568.87	759.31	568.87	881.29
e) Unallocated	1,780.24	1,980.10	1,289.44	1,780.24	1,289.44	1,559.41
Total	33,814.19	33,138.71	32,315.29	33,814.19	32,315.29	31,895.92
Notes on segment information						
<i>Primary segments</i>						
The Primary segment of the company is geography, identified on the basis of the location of the customer which in the opinion of management, is the predominant source of risk and rewards. The business of the Group is organized into four key geographic segments comprising United Kingdom, United States of America and Canada, India and Rest of the World.						
<i>Capital Employed</i>						
Capital employed comprises debtors including unbilled receivables and goodwill on consolidation directly attributable to the reportable segments. As the fixed assets and services are used interchangeably between the segments by the Group's businesses and liabilities contracted have not been identified to any of the reportable segments, the Group believes that it is currently not practicable to provide segment disclosures relating to these assets and liabilities and hence, has been included under unallocated.						
By order of the Board For Firstsource Solutions Limited  Rajesh Subramaniam Managing Director and CEO						
Mumbai, India February 9, 2015						



B S R & Co. LLP

Chartered Accountants

1st Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

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Independent Auditors' Report

To the Board of Directors of Firstsource Solutions Limited

Report on the Consolidated Quarterly and Year to Date Financial Results of Firstsource Solutions Limited Pursuant to Clause 41 of the Listing Agreement

We have audited the consolidated financial results of Firstsource Solutions Limited ('the Company') and its subsidiaries for the quarter ended 31 December 2014 and year to date financial results for the period from 1 April 2014 to 31 December 2014 attached herewith, being submitted by the Company pursuant to the requirements of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been audited by us.

Management's Responsibility for the Consolidated Financial Results

These consolidated quarterly financial results as well as year to date consolidated financial results have been prepared on the basis of the interim condensed consolidated financial statements and in compliance with Clause 41 of the Listing Agreement, which is the responsibility of the Company's management. These interim condensed consolidated financial statements have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standard) Rules, 2006 which continues to apply under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2004 and other accounting principles generally accepted in India. Additionally, the Company has early adopted Accounting Standard (AS) 30, Financial Instruments: Recognition and Measurement, read with AS-31, Financial Instruments – Presentation, along with prescribed limited revisions to other accounting standards, issued by the Institute of Chartered Accountants of India.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial results that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial results based on our audit of such interim condensed consolidated financial statements. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



Independent Auditors' Report (*Continued*)

Firstsource Solutions Limited

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the interim condensed consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the interim condensed consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the interim condensed consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the interim condensed consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated quarterly financial results as well as the year to date consolidated financial results:

- i. include the consolidated quarterly financial results as well as year to date consolidated financial result of the following entities:
 - a. Firstsource Solutions Limited
 - b. Firstsource Group USA, Inc.
 - c. Firstsource Solutions UK Limited
 - d. Firstsource Solutions S.A.
 - e. Firstsource Advantage LLC
 - f. Firstsource Business Process Services, LLC
 - g. MedAssist Holding, Inc
 - h. Firstsource Solutions USA LLC
 - i. Firstsource Transaction Services LLC
 - j. Firstsource Dialog Solutions (Private) Limited
 - k. Anunta Tech Infrastructure Services Limited
 - l. Firstsource BPO Ireland Limited
 - m. One Advantage LLC
- ii. are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- iii. give a true and fair view of the consolidated net profit and other financial information for the quarter ended 31 December 2014 and year to date results for the period from 1 April 2014 to 31 December 2014.



Independent Auditors' Report (*Continued*)

Firstsource Solutions Limited

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 3 to the consolidated financial results that describes the early adoption by the Company of AS 30, Financial Instruments: Recognition and Measurement, read with AS 31, Financial Instruments– Presentation along with prescribed limited revisions to other Accounting Standards, issued by the Institute of Chartered Accountants of India, as in management's opinion, it more appropriately reflects the nature/ substance of the related transactions. AS 30, along with limited revisions to the other accounting standards, has not currently been notified by the National Advisory Committee on Accounting Standards (NACAS) pursuant to the Companies (Accounting Standards) Rules, 2006 which continues to apply under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2004. Consequent to early adoption of AS 30 and the related limited revisions, consolidated profit after taxation for the quarter ended 31 December 2014 and for the period from 1 April 2014 to 31 December 2014 is higher by Rs 50 million and 72 million respectively.

Report on Other Legal and Regulatory Requirements

Further, we also report that we have, on the basis of books of account and other records and information and explanations given to us by the management, verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing agreement and found the same to be correct.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Rajesh Mehra

Partner

Membership No: 103145

Mumbai

9 February 2015

Firstsource Solutions Limited

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014

CIN: L64202MH2001PLC134147

Registered office: 5th Floor, Paradigm 'B' wing, Mindspace, Link Road, Malad (West), Mumbai 400 064

Tel: + 91 22 66660888 Fax: + 91 22 6666 0887 web: www.firstsource.com, email-complianceofficer@firstsource.com

(Rs. in millions, except per share data)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31,
	2014	2014	2013	2014	2013	2014
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income from operations						
Income from operations	2,220.02	2,346.44	2,433.17	6,849.46	7,230.26	9,541.72
Other operating income, net	117.01	38.61	(75.34)	84.90	(245.91)	(368.44)
Total income from operations	2,337.03	2,385.05	2,357.83	6,934.36	6,984.35	9,173.28
Expenses						
Employee benefits expense	1,109.20	1,111.94	1,200.85	3,289.17	3,571.30	4,607.91
Depreciation and amortisation	115.09	117.80	130.46	351.17	405.74	527.19
Other expenses	666.25	675.50	672.01	2,001.79	1,995.78	2,668.42
Total expenses	1,890.54	1,905.24	2,003.32	5,642.13	5,972.82	7,803.52
Profit from operations before other income and finance costs	446.49	479.81	354.51	1,292.23	1,011.53	1,369.76
Other income	67.72	99.04	51.36	234.31	87.21	152.13
Profit from ordinary activities before finance costs	514.21	578.85	405.87	1,526.54	1,098.74	1,521.89
Finance costs	64.26	51.35	43.04	165.79	127.17	177.19
Profit from ordinary activities before tax	449.95	527.50	362.83	1,360.75	971.57	1,344.70
Tax expense	(8.87)	(10.43)	-	(19.30)	-	-
Net profit from ordinary activities after tax	458.82	537.93	362.83	1,380.05	971.57	1,344.70
Paid-up Equity Share Capital (Face Value of Share Rs. 10)	6,651.40	6,630.05	6,587.35	6,651.40	6,587.35	6,597.35
Reserves excluding Revaluation Reserve				9,025.74	6,421.58	7,204.60
Earnings Per Share (Rs.) (not annualised)						
-Basic	0.69	0.81	0.55	2.08	1.48	2.04
-Diluted	0.65	0.76	0.53	1.95	1.44	1.96
Particulars of shareholding						
Public shareholding						
- Number of shares of Rs. 10	291,163,261	289,028,015	284,758,328	291,163,261	284,758,328	285,758,203
- Percentage of shareholding	43.77%	43.59%	43.23%	43.77%	43.23%	43.31%
Promoters' and promoter group shareholding						
a) Pledged / Encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	373,976,673	373,976,673	373,976,673	373,976,673	373,976,673	373,976,673
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	56.23%	56.41%	56.77%	56.23%	56.77%	56.69%

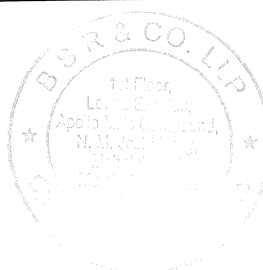
Notes to financials results :

- The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on February 9, 2015.
- Effective year ended March 31, 2009, the Company has early adopted Accounting Standard (AS) 30 "Financial Instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).
- During the quarter ended December 31, 2014, 2,135,246 Equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.
- During the quarter ended December 31, 2014, 7 complaints were received from investors which were resolved. There was no complaint pending at the beginning and at the end of the quarter.
- Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.

By order of the Board
For Firstsource Solutions Limited

Rajesh Subramaniam
Managing Director and CEO

February 9, 2015



B S R & Co. LLP

Chartered Accountants

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Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

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Fax +91 (22) 3090 2511

Independent Auditors' Report

To the Board of Directors of Firstsource Solutions Limited

Report on the Quarterly and Year to Date Financial Results of Firstsource Solutions Limited Pursuant to Clause 41 of the Listing Agreement

We have audited the financial results of Firstsource Solutions Limited ('the Company') for the quarter ended 31 December 2014 and year to date financial results for the period from 1 April 2014 to 31 December 2014 attached herewith, being submitted by the Company pursuant to the requirements of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been audited by us.

Management's Responsibility for the Financial Results

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim condensed financial statements and in compliance with Clause 41 of the Listing Agreement, which is the responsibility of the Company's management. These interim condensed financial statements have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standard) Rules, 2006 which continues to apply under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2004 and other accounting principles generally accepted in India. Additionally, the Company has early adopted Accounting Standard (AS) 30, Financial Instruments: Recognition and Measurement, read with AS-31, Financial Instruments – Presentation, along with prescribed limited revisions to other accounting standards, issued by the Institute of Chartered Accountants of India.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial results that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial results based on our audit of such interim condensed financial statements. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



Independent Auditors' Report (*Continued*)

Firstsource Solutions Limited

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the interim condensed financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the interim condensed financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the interim condensed financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the interim condensed financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the quarterly financial results as well as the year to date financial results:

- i. are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- ii. give a true and fair view of the net profit and other financial information for the quarter ended 31 December 2014 and year to date results for the period from 1 April 2014 to 31 December 2014.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 to the financial results that describes the early adoption by the Company of AS 30, Financial Instruments: Recognition and Measurement, read with AS 31, Financial Instruments – Presentation, along with prescribed limited revisions to other Accounting Standards, issued by the Institute of Chartered Accountants of India, as in management's opinion, it more appropriately reflects the nature/ substance of the related transactions. AS 30, along with limited revisions to the other accounting standards, has not currently been notified by the National Advisory Committee on Accounting Standards (NACAS) pursuant to the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2004. Consequent to early adoption of AS 30 and the related limited revisions, profit after taxation for the quarter ended 31 December 2014 is higher by Rs 7 million and for the period from 1 April 2014 to 31 December 2014 is lower by Rs 31 million.



Independent Auditors' Report (*Continued*)

Firstsource Solutions Limited

Report on Other Legal and Regulatory Requirements

Further, we also report that we have, on the basis of books of account and other records and information and explanations given to us by the management, verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing agreement and found the same to be correct.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Rajesh Mehra

Partner

Membership No: 103145

Mumbai
9 February 2015

Firstsource reports Third Quarter Fiscal 2015 revenues of ₹7,510 Million

Y-o-Y decline of 6.1%,

Operating EBIT of ₹746 Million

Up Y-o-Y by 0.6%,

PAT (profit after tax) of ₹575 Million

Down Q-o-Q by 6.1%, Up Y-o-Y by 19.0%,

For Nine months ended Dec 31, 2014, Revenue decreased by 1.3%, EBIT increased by 10.5% and

PAT increased by 28.3%

EBIT and PAT margins expanded by 1.1% and 1.7% during the same period

Mumbai, February 09, 2015: 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 December 2014 according to Indian GAAP.

Highlights for the Quarter ended December 31, 2014:

- Revenues of ₹7,510 Million, down 3% Q-o-Q compared to ₹7,740 Million for the quarter ended September 2014 and down 6.1% Y-o-Y compared to ₹7,998 Million for the quarter ended December 2013.
- Operating EBIT (earnings before interest and tax) of ₹746 Million, down 3.3% Q-o-Q compared to ₹771 Million for the quarter ended September 2014 and up 0.6% Y-o-Y compared to ₹742 Million for the quarter ended December 2013.
- PAT (profit after tax) of ₹575 Million, down 6.1% Q-o-Q compared to ₹612 Million for the quarter ended September 2014 and up 19% Y-o-Y compared to ₹483 Million for the quarter ended December 2013.
- Cash position is at USD23 Million.
- Employee strength at 26,621 as of December 31, 2014. Reduction of 302 employees in the quarter.
- Q3 annualized attrition (post 180 days) :
 - Offshore (India and Philippines) - 47.1% compared to 49.6% in Q2 FY2015
 - Onshore (US and Europe) – 37.4% compared to 43.6% in Q2 FY2015
 - Domestic (India and Sri Lanka) - 80.6% compared to 85.7% in Q2 FY2015

- As of December 31, 2014, Firstsource derived 49% revenues from the US, 36% from UK and 16% from Rest of World, including India.
- As of December 31, 2014, Firstsource derived 44% revenues from Telecom & Media, 36% from Healthcare, 20% from BFSI.

Key Company Highlights during the Quarter:

- **Debt repayment:** Firstsource Group USA, wholly owned subsidiary of Firstsource Solutions successfully made its seventh quarterly principal repayment of USD11.25 Million on its outstanding debt on Dec. 31st, 2014
- **New Business:** Firstsource reported additional wins of approx. USD9.8 Million ACV (annual contract value) for the quarter across the business verticals with existing customers.
- **Awards & recognitions**
 - Awarded the “Telecommunications Utilities and High-Tech Outsourcing Project of the Year Award 2014” for its partnership with giffgaff at the National Outsourcing Association’s (NOA) awards 2014
 - First Customer Intelligence, the company’s flagship product, won the “2014 Technology Leadership Award” at the 2014 Ventana Research Summit. The award recognizes Firstsource for the development of First Customer Intelligence (FCI) solution, using Verint technology.
 - Ranked #16 in Business World’s biggest employers List

Commenting on the results, Sanjiv Goenka, Chairman, RP-Sanjiv Goenka Group and Firstsource, said, *“I am delighted with the progress that Firstsource has made in the first 3 quarters of this fiscal, registering a 28 % profit growth. I am further pleased to announce that the company has made inroads and won incremental wins from existing customers and this further demonstrates the value proposition that Firstsource provides to its customers worldwide.”*

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, Philippines, Sri Lanka, UK and U.S. (www.firstsource.com).

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