



FIRSTSOURCE REPORTS FISCAL 2007 TOTAL INCOME OF RS. 8,399.3 MILLION, GROWTH OF 52.8 % Y-o-Y.

PAT AT RS. 972.5 MILLION, UP 294.2 % Y-o-Y.

Mumbai April 27, 2007: Firstsource Solutions Limited (NSE: FSL.NS, BSE: FSL.BO), among India's top 3 pure-play BPO companies reported its consolidated financial results according to Indian GAAP for the quarter and financial year ended March 31, 2007.

Highlights of fiscal 2006-07

- **Total Income for 2006-07 at Rs. 8,399.3 million for the year ended March 31, 2007; YoY growth of 52.8%**
- **Profit after tax is Rs. 972.5 million for the year ended March 31, 2007; YoY growth 294.2%**
- **EPS on fully diluted basis for the year is Rs. 2.50**

Highlights of Quarter ended March 31, 07

- **Total Income for quarter ended March 31, 2007 at Rs. 2,768.0 million up 24% versus previous quarter and 71.2% versus corresponding quarter of previous year**
- **Profit after tax was Rs. 349.1 million; up 15.6% versus previous quarter and 60.6% versus corresponding quarter of previous year**
- **EPS on a fully diluted basis for the quarter is Rs. 0.85**

Imp Highlights of FY 2006-07

Firstsource Client addition

- Firstsource added 22 clients in FY 2006-07
- Total number of clients as of March 31, 2007: 76 including 3 of the 5 largest US banks, 5 of 10 largest credit card companies in the US, 2 of the world's Top 10 telecom companies and 3 "Fortune 100" healthcare companies
- Top 5 clients contributed 51.4% of revenue in FY07 and 5 clients had revenues over Rs. 500 million
- Revenues from existing clients contributed nearly 94.2% to revenues

Firstsource expanded its Global Delivery footprint

- As of March 31, 2007 Firstsource had 24 centers with operations across India, US, UK & Argentina
- During the year, Firstsource added 13 delivery centers; 8 overseas and 5 in India. The overseas centers are in Northern Ireland, Buenos Aires, Argentina and in the US. Firstsource's 5 centers in India are in Kolkata, Chennai, Vijaywada, Trichy & Kochi
- Firstsource's Philippines centre is expected to commence operations in Q1 fiscal 2008. This centre will initially have 150 seats

Firstsource struck important alliances and made a strategic acquisition

- In April 2006 Firstsource entered into a strategic partnership with Metavante Corp. Metavante holds 20.18% stake in the company as of March 31, 2007
- Metavante is the third largest provider of technology products and services to the financial services industry in the United States
- Firstsource is Metavante's exclusive offshore and preferred onshore BPO partner and has access to Metavante's banking domain consultants and preferred rights to the use of its widely-accepted technology platforms for providing outsourcing services to Metavante's over 1,000 clients which include, along with 91 of top 100 US banks, super-regional, regional and local banks and financial institutions
- In January 2007 Firstsource acquired BPM Inc., a Delaware-based healthcare claims outsourcing company in the United States. The acquisition helped Firstsource deepen its proposition in the Healthcare vertical with enhanced capabilities in complex claims adjudication

Firstsource entered Domestic BPO market

- Firstsource set up four new centers in Vijaywada, Kochi, Hubli & Trichy to provide BPO services to Hutch, a leading provider of telecom services in India
- Centers to have approx 2,000 seats
- Firstsource views the domestic market as a very large opportunity where high quality BPO companies with international experience can bring significant value
- NASSCOM-IDC estimates the domestic ITES-BPO market to be in the region of Rs. 66.08 billion with BFSI-Telecom verticals accounting for over 70% of the demand

Firstsource Focus on Operational Excellence

- Firstsource's focus on institutionalizing process improvement and transformation resulted in Firstsource winning the "Best Defect Elimination award at the IQPC European Six Sigma Excellence Awards in the Service & Transaction category" and the second place award at the IQPC Six Sigma Excellence Awards in Miami, US in the Healthcare category this past year. Both awards were won against stiff competition from the world's leading organizations
- Recent NASSCOM-McKinsey study points out that Operational Excellence is the next frontier in outsourcing and indicates that there is potential for BPOs to reduce costs by 20-30% through Operational Excellence

Human Resource update

- Firstsource added 6,046 employees added for the full year with 3,679 added in the last quarter
- Firstsource has 14,396 employees as on March 31, 2007
- The annual attrition for FY 2007 was 42.2% (post 90 days)
- Firstsource has 2,182 employees overseas

Appointments to the Board

- Mr. Raju Venkatraman, President and COO has been inducted to the Board of Firstsource Solutions as Joint Managing Director

Firstsource listed on the NSE and BSE on February 22, 2007

- Firstsource's IPO was oversubscribed 50 times with global demand of over US \$5bn at the top end of the price band
- Retail tranche oversubscribed 11.5 times, Non-institutional tranche was oversubscribed 40.7 times, Institutional (QIB) tranche subscribed 72.3 times from extremely high quality register of nearly 175 investors
- About 350,000 retail investors participated in Firstsource's issue
- Firstsource has 141,098 shareholders as of March 31, 2007

Outlook

The company expects the strong growth momentum of the last few years to continue and sees topline growth for FY08 at about 50%.

Commenting on the performance, **Ananda Mukerji, MD & CEO** said, "It's been a year of all-round achievement. We continued to grow both revenues and profits. Considerable progress was made in expanding our global delivery footprint with new centers being set up in USA, UK and Argentina. We also deepened our capabilities in the healthcare vertical and entered the domestic market with a significant contract. And last but not the least was Firstsource's listing on the Indian stock exchanges and the beginning of our relationship with global and Indian investors. We see a continued strong demand with clients looking for financially strong vendors with a sustained track record of delivery."

Commenting on the financial performance, **Rajesh Subramaniam, CFO** said, "Growth in profits and margin expansion this financial year has been on the back of high revenue growth, benefits from economies of scale and operational efficiency. Going forward we see growth coming from strong demand in all our three verticals. In the BFSI sector for both collections and the joint Metavante-Firstsource service proposition, as also from healthcare services and the telecom business."



About Firstsource (formerly ICICI OneSource)

Firstsource (NSE: FSL.NS, BSE: FSL.BO) is among India's top 3 pure-play BPO (business process outsourcing) service providers. Firstsource provides customized business process transformation to global leaders in the Banking & Financial Services, Telecom & Media and Healthcare sectors. It's 76 clients include six "Fortune Global 500" banks, two "Fortune Global 500" telecommunications companies and three "Fortune 100" healthcare companies. Firstsource has a global delivery model with operations in India, US, UK & Argentina and a center under development in Philippines (www.firstsource.com).

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