

MphasiS to acquire Digital Risk LLC for USD \$175 Million Move to attain leadership position in the US Mortgage Services Market

Orlando, Florida, USA and Bangalore India, December 3, 2012:

MphasiS (an HP Company) today announced a definitive agreement to acquire Orlando, Florida, USA based Digital Risk LLC. Digital Risk is one of the largest independent providers of Risk, Compliance and Transaction Management solutions to the United States mortgage market. The acquisition is an all cash deal valued at USD\$ 175 million with an additional earn-out component.

Digital Risk provides highly specialized Risk, Compliance and Transaction Management solutions for the mortgage industry. Digital Risk's proprietary **Making Mortgages Safe™** solutions suite is deployed by over 15 blue chip clients across key mortgage constituencies – Originators, Insurers, Issuers and Investors. Digital Risk is licensed to operate in 46 states in the United States.

In August 2012, Digital Risk was named as one of America's entrepreneurial growth leaders by Inc. Magazine. Digital Risk ranked number 11 among the fastest growing private financial services companies in the US, in 2012 Inc. 500 list.

Digital Risk is expected to register revenues of USD \$127 million in CY2012. The company has grown at a revenue CAGR of 70% in the last 3 years.

"We began our journey of transformation in 2010 focusing on the Financial Services Industry. This acquisition is central to our strategy of offering specialized services in chosen segments. Digital Risk offers highly specialized services in risk and compliance area, specific to mortgage industry. Their analytics platform combined with 1500 mortgage specialists makes them unique and differentiated. I am delighted to have Digital Risk with their strong brand join our family." said **Ganesh Ayyar, Chief Executive Officer – MphasiS**.

"The need for risk management in the mortgage market is not only a US issue but also a global necessity. This acquisition provides the industry and clients a unique offering," said **Peter Kassabov, Chairman and Chief Executive Officer - Digital Risk**. "We've developed proven processes, analytics and technology that are making mortgages safe and this expertise applies to markets outside the U.S. We are thrilled to merge our talent and expertise with that of MphasiS to set a global standard for making mortgages safe." said Peter.

The transaction is currently expected to close by January 31, 2013 subject to regulatory approvals and other customary closing conditions. Upon completion of the transaction, Digital Risk will operate as a standalone business unit retaining its brand identity. Digital Risk's founders will continue to lead the company, with Peter Kassabov reporting to Ganesh Ayyar, CEO MphasiS. Digital Risk's, management team and employees will remain with the company and continue serving their customers. This acquisition significantly enhances MphasiS' onshore presence in the US. MphasiS has plans to expand its footprint in United States creating up to 500 new US jobs in the near future.

"The subprime mortgage crisis set off a chain of events from rising mortgage losses, to a decline in mortgage-backed securities issuance to increased federal and state regulation," said **Craig Focardi, Senior Research Director - CEB TowerGroup**. "From 2009-2011, per loan origination costs increased by 40 percent and servicing costs increased by 36

percent, according to Mortgage Bankers Association. Risk management and compliance activities such as quality control, loan purchase due diligence, loan portfolio surveillance and analytics are a large share of these cost increases. To reduce internal fixed costs, financial institutions need to make improvements in these areas, which is essential for producing defect free loans and restoring sustainability to US residential mortgage marketing and securitization."

In this transaction, Avendus Capital acted as the exclusive financial advisor and Goodwin Procter LLP acted as legal advisor to MphasiS. Portico Capital Securities, LLC served as financial advisor to Digital Risk and Katz, Teller, Brant & Hild acted as legal advisor to Digital Risk.

About Digital Risk

Digital Risk is one of the largest providers of mortgage risk and compliance management solutions. The company provides buyers and sellers of mortgages and mortgage backed securities the analytical, technological and risk management services they need to achieve their goals. The Digital Risk platform delivers transparency at the loan level and precise risk assessment throughout the entire mortgage value chain. With over 1,500 U.S. based professionals, the company counts the nation's leading servicers, originators, aggregators and investors among its clients. Digital Risk is independent and not affiliated with any originator, issuer, servicer or investor. Headquartered in Orlando, Digital Risk has additional operations in New York, Dallas, Denver, Chicago, Boca Raton, Tampa and Jacksonville.

About MphasiS

MphasiS (an HP Company) is a USD 1 billion global service provider, delivering technology based solutions to clients across the world. We service clients in a variety of industries, including Banking and Capital Markets, Insurance, Manufacturing and Communications. MphasiS' integrated service offerings in Applications, Infrastructure Services, and Business Process Outsourcing help organizations adapt to changing market conditions and derive maximum value from IT investments. For more information about MphasiS, log on to www.MphasiS.com

LEGAL NOTICE REGARDING FORWARD LOOKING STATEMENTS

Certain statements in this release are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. These risks and uncertainties include, but are not limited to, expected benefits from the acquisition by MphasiS of Digital Risk and various economic, political, regulatory or other conditions. MphasiS does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company. Additional information about such risks can be found on the company's website at www.MphasiS.com

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