

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **July 26, 2012**

ALTISOURCE PORTFOLIO SOLUTIONS S.A.
(Exact name of Registrant as specified in its charter)

Luxembourg
(State or other jurisdiction of
incorporation)

001-34354
(Commission File Number)

Not Applicable
(I.R.S. Employer
Identification No.)

**291, Route d'Arlon
L-1150 Luxembourg
Grand Duchy of Luxembourg**
(Address of principal executive offices including zip code)

+352 2469 7900
(Registrant's telephone number, including area code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition

On July 26, 2012, Altisource Portfolio Solutions S.A. ("Altisource") issued a press release announcing financial results for its quarter ended June 30, 2012. A copy of the press release is attached hereto as Exhibit 99.1.

The information in this Item 2.02, including the information in Exhibit 99.1 attached hereto pertaining to this Item 2.02, is furnished solely pursuant to Item 2.02 of this Form 8-K. Consequently, pursuant to this Item 2.02, it is not deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that Section. It may only be incorporated by reference in another filing under the Securities Exchange Act of 1934 or Securities Act of 1933 if such subsequent filing specifically references this Item 2.02 of this Form 8-K.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Description
Exhibit 99.1	Press release of Altisource Portfolio Solutions S.A. dated July 26, 2012.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 26, 2012

Altisource Portfolio Solutions S.A.

By: /s/ Michelle D. Esterman
Name: Michelle D. Esterman
Title: Chief Financial Officer



FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION CONTACT:

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ALTISOURCE ANNOUNCES SECOND QUARTER RESULTS

Luxembourg, Luxembourg, 26 July 2012

Altisource™ (NASDAQ: ASPS) today reported net income attributable to Altisource of \$28.1 million or \$1.13 per diluted share for the three months ended June 30, 2012, an increase in net income and diluted earnings per share from the three months ended June 30, 2011 of 110% and 117%, respectively. This compares with net income attributable to Altisource of \$13.4 million or \$0.52 per diluted share for the three months ended June 30, 2011. Service revenue was \$118.1 million for the three months ended June 30, 2012, a 63% increase when compared to the three months ended June 30, 2011.

The increase in net income is primarily from stronger service revenue growth in the higher margin Mortgage Services segment relative to the other segments. This was driven by the servicing portfolio growth experienced by the Company's largest customer, Ocwen Financial Corporation ("Ocwen") and expanded capture rate of Ocwen's default related business.

Second quarter highlights include:

- Average loans serviced by Ocwen, on the REALServicing® platform were 0.7 million for the quarter
- Cash flows from operations for the quarter were \$26.3 million representing \$0.22 for every dollar of service revenue
- Over 7,000 REO assets were sold through the Company's web based portal during the quarter
- Origination related service revenue increased 73% to \$8.3 million in the quarter compared to the second quarter of 2011

Gross profit as a percentage of service revenue improved to 44% for the three months ended June 30, 2012 compared to 42% for the three months ended June 30, 2011. The increase is primarily from the higher level of service revenue growth in the higher margin Mortgage Services segment relative to the other segments.

Income from operations as a percentage of service revenue improved to 27% for the three months ended June 30, 2012 compared to 22% for the three months ended June 30, 2011. In addition to the gross profit margin expansion, operating income margin also improved from the stabilization of selling, general and administrative expenses on higher service revenue.

Stock Repurchase Update

In May 2012, the Company's shareholders approved a new stock repurchase program, which replaces the previous stock repurchase program. Under the new plan, the Company is authorized to purchase up to 3.5 million shares of common stock in the open market. Since no common stock was repurchased during the second quarter of 2012, 3.5 million shares of common stock remain available for repurchase under the plan.

Forward-Looking Statements

This press release contains forward-looking statements that involve a number of risks and uncertainties. Those forward-looking statements include all statements that are not historical fact, including statements about management's beliefs and expectations. Forward-looking statements are based on management's beliefs as well as assumptions made by and information currently available to management. Because such statements are based on expectations as to future economic performance and are not statements of historical fact, actual results may differ materially from those projected. The Company undertakes no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise. The risks and uncertainties to which forward-looking statements are subject include, but are not limited to: Altisource's ability to retain existing customers and attract new customers; general economic and market conditions; governmental regulations, taxes and policies; availability of adequate and timely sources of liquidity and other risks and uncertainties detailed in the "Forward-Looking Statements," "Risk Factors" and other sections of the Company's Form 10-K and other filings with the Securities and Exchange Commission.

Webcast

Altisource will host a webcast at 11:00 a.m. EDT today to discuss second quarter results. A link to the live audio webcast will be available on the Company's website through the Investor Relations home page. Those who want to listen to the call should go to the website fifteen minutes prior to the call to register, download and install any necessary audio software. A replay of the conference call will be available via the website approximately two hours after the conclusion of the call.

About Altisource

ALTISOURCE PORTFOLIO SOLUTIONS S.A.
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited, in thousands, except per share data)

Financial Results

Results of operations for the three and six months ended June 30, 2012 and 2011 are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2012	2011	2012	2011
Service revenue				
Mortgage Services	\$ 89,999	\$ 45,513	\$ 169,319	\$ 88,853
Financial Services	16,057	17,213	33,817	36,133
Technology Services	17,886	13,572	34,908	26,288
Eliminations	(5,823)	(3,794)	(11,456)	(7,040)
	<u>118,119</u>	<u>72,504</u>	<u>226,588</u>	<u>144,234</u>
Reimbursable expenses	24,815	19,459	53,520	35,100
Non-controlling interests	1,271	1,305	3,163	2,604
Total revenue	<u>144,205</u>	<u>93,268</u>	<u>283,271</u>	<u>181,938</u>
Cost of revenue	67,923	43,638	130,978	82,946
Reimbursable expenses	24,815	19,459	53,520	35,100
Gross profit	<u>51,467</u>	<u>30,171</u>	<u>98,773</u>	<u>63,892</u>
Selling, general and administrative expenses	19,018	13,904	36,033	30,158
Income from operations	<u>32,449</u>	<u>16,267</u>	<u>62,740</u>	<u>33,734</u>
Other (expense) income, net	(321)	270	(672)	614
Income before income taxes and non-controlling interests	<u>32,128</u>	<u>16,537</u>	<u>62,068</u>	<u>34,348</u>
Income tax provision	(2,776)	(1,847)	(5,595)	(3,534)
Net income	<u>29,352</u>	<u>14,690</u>	<u>56,473</u>	<u>30,814</u>
Net income attributable to non-controlling interests	(1,271)	(1,305)	(3,163)	(2,604)
Net income attributable to Altisource	<u>\$ 28,081</u>	<u>\$ 13,385</u>	<u>\$ 53,310</u>	<u>\$ 28,210</u>
Earnings per share:				
Basic	<u>\$ 1.20</u>	<u>\$ 0.54</u>	<u>\$ 2.28</u>	<u>\$ 1.14</u>
Diluted	<u>\$ 1.13</u>	<u>\$ 0.52</u>	<u>\$ 2.15</u>	<u>\$ 1.09</u>
Weighted average shares outstanding:				
Basic	<u>23,316</u>	<u>24,625</u>	<u>23,353</u>	<u>24,734</u>
Diluted	<u>24,846</u>	<u>25,773</u>	<u>24,850</u>	<u>25,851</u>
Transactions with related parties:				
Revenue	<u>\$ 88,153</u>	<u>\$ 53,694</u>	<u>\$ 170,933</u>	<u>\$ 102,484</u>
Selling, general and administrative expenses	<u>\$ 606</u>	<u>\$ 455</u>	<u>\$ 1,180</u>	<u>\$ 846</u>

ALTISOURCE PORTFOLIO SOLUTIONS S.A.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited, in thousands, except per share data)

	June 30, 2012	December 31, 2011
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 45,159	\$ 32,125
Accounts receivable, net	70,321	52,005
Prepaid expenses and other current assets	5,745	5,002
Deferred tax assets, net	2,730	1,133
Total current assets	<u>123,955</u>	<u>90,265</u>
Premises and equipment, net	41,162	25,600
Deferred tax assets, net	4,460	4,373

Intangible assets, net	60,634	64,950
Goodwill	14,915	14,915
Investment in equity affiliate	13,891	14,470
Other assets	8,710	9,586

Total assets	<u>\$ 267,727</u>	<u>\$ 224,159</u>
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LIABILITIES AND EQUITY

Current liabilities:

Accounts payable and accrued expenses	\$ 50,740	\$ 44,867
Capital lease obligations — current	518	634
Other current liabilities	10,228	9,939
Total current liabilities	<u>61,486</u>	<u>55,440</u>

Capital lease obligations — non-current	—	202
Other non-current liabilities	2,502	2,574

Commitments and contingencies

Equity:

Common stock (\$1.00 par value; 100,000 shares authorized; 25,413 shares issued and 23,319 outstanding as of June 30, 2012; 25,413 shares issued and 23,405 outstanding as of December 31, 2011)	25,413	25,413
Additional paid-in-capital	84,121	83,229
Retained earnings	175,074	126,161
Treasury stock, at cost (2,094 shares as of June 30, 2012 and 2,008 shares as of December 31, 2011)	(82,414)	(72,048)
Altisource equity	202,194	162,755
Non-controlling interests	1,545	3,188
Total equity	<u>203,739</u>	<u>165,943</u>

Total liabilities and equity	<u>\$ 267,727</u>	<u>\$ 224,159</u>
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