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

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**FORM 8-K**

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**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 29, 2010*

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**ALTISOURCE PORTFOLIO SOLUTIONS S.A.**

(Exact name of Registrant as specified in its charter)

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**Luxembourg**  
(State or other jurisdiction of  
incorporation)

**001-34354**  
(Commission File Number)

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

**2, rue Jean Bertholet**  
**L-1233, 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)

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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))
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**Item 2.02 Results of Operations and Financial Condition.**

On July 29, 2010, Altisource Portfolio Solutions S.A. issued a press release announcing financial results for its quarter ended June 30, 2010.

A copy of the press release is attached hereto as Exhibit 99.1. All information in the press release is furnished but not filed.

**Non-GAAP Financial Information**

Altisource discloses the following financial measure that is calculated and presented on a basis other than in accordance with generally accepted accounting principles in the United States of America (“non-GAAP”) in the attached press release:

- Altisource evaluates performance based on several factors, of which the primary financial measure is income before interest, tax, depreciation and amortization (“EBITDA”). The Company believes that this non-GAAP financial measure is useful to investors and analysts in analyzing and assessing its overall business performance, for making operating and compensation decisions and for forecasting and planning future periods. The Company uses non-GAAP financial measures as a tool to enhance its understanding of certain aspects of its financial performance and to provide incremental insight into the underlying factors and trends affecting both the Company’s performance and its cash-generating potential. The Company believes that disclosing non-GAAP financial measures to the readers of its financial statements provides such readers with useful supplemental data that allows for greater transparency in the review of its financial and operational performance and enables investors to more fully understand trends in its current and future performance.

Reconciliation of this non-GAAP financial measure to the most directly comparable financial measures calculated and presented in accordance with GAAP is included in the attached press release. This non-GAAP financial measure should be considered in addition to and not as a substitute for, or superior to, financial measures presented in accordance with GAAP.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
Exhibit 99.1	Press release of Altisource Portfolio Solutions S.A. dated July 29, 2010.

**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: August 2, 2010

**Altisource Portfolio Solutions S.A.**

By: /s/ Robert D. Stiles  
Name: Robert D. Stiles  
Title: Chief Financial Officer

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION CONTACT:

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**ALTISOURCE ANNOUNCES SECOND QUARTER RESULTS**

**Luxembourg, Luxembourg**, 29 July, 2010 — Altisource Portfolio Solutions S.A. (“Altisource” or the “Company”) (NASDAQ: ASPSP), a provider of services focused on high-value, knowledge based functions principally related to real estate and mortgage portfolio management, asset recovery and customer relationship management, today announced preliminary financial results for quarter ended June 30, 2010.

**Second Quarter 2010 Highlights**

- Total Revenue of \$71.3 million for quarter ended June 30, 2010 reflecting a 43% increase over the same quarter in 2009 and a 17% increase over first quarter 2010. Total Revenue was \$132.3 million for six months ended June 30, 2010 reflecting a 43% increase over the same period in 2009.
  - Service Revenue of \$58.9 million for quarter ended June 30, 2010 reflecting a 28% increase over the same quarter in 2009 and a 14% increase over first quarter 2010. Service Revenue was \$110.6 million for six months ended June 30, 2010 reflecting a 26% increase over the same period in 2009.
- EBITDA of \$16.4 million for quarter ended June 30, 2010 reflecting a 28% increase over the same quarter in 2009 and a 44% increase over first quarter 2010. EBITDA was \$27.8 million for six months ended June 30, 2010 reflecting a 26% increase over the same period in 2009.
- Net income attributable to shareholders was \$16.3 million, or \$0.62 per fully-diluted share, for the quarter ended June 30, 2010 compared to \$7.0 million, or \$0.29 per fully-diluted share, for the second quarter in 2009. Net income attributable to shareholders was \$6.3 million, or \$0.25 per fully-diluted share, for the first quarter 2010. Net income attributable to shareholders was \$22.7 million, or \$0.87 per fully-diluted share for the six months ended June 30, 2010 compared to \$11.5 million, or \$0.48 per fully-diluted share, for the same period in 2009.
- Estimated effective tax rate for the full year 2010 revised to 12.5%. The Company expects that our estimated effective tax rate will approximate 12% for the next several years beyond 2010. The revised estimate was due to the receipt of a favorable ruling in June 2010 regarding the treatment of certain intangibles that exist for purposes of determining the Company’s taxable income. The ruling is retroactive to 2009.

## Financial Results

<i>(in thousands, except per share data)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Service Revenue	\$ 58,910	\$ 46,085	\$ 110,566	\$ 87,698
Reimbursable Expenses	11,141	3,718	19,671	4,724
Cooperative Non-controlling Interest	1,297	—	2,084	—
Total Revenue	71,348	49,803	132,321	92,422
Cost of Revenue	32,923	26,631	63,431	53,628
Reimbursable Expenses	11,141	3,718	19,671	4,724
Gross Profit	27,284	19,454	49,219	34,070
Selling, General and Administrative Expenses	12,787	8,673	25,172	16,151
Income from Operations	14,497	10,781	24,047	17,919
Other Income (Expense), net	40	(772)	(32)	(1,391)
Income before Income Taxes and Non-controlling Interests	14,537	10,009	24,015	16,528
Income Tax Benefit (Provision)	3,107	(2,994)	722	(5,074)
Net Income	17,644	7,015	24,737	11,454
Net Income Attributable to Non-controlling Interests	(1,297)	—	(2,084)	—
Net Income Attributable to Shareholders	\$ 16,347	\$ 7,015	\$ 22,653	\$ 11,454
Earnings Per Share:				
Basic	\$ 0.65	\$ 0.29	\$ 0.91	\$ 0.48
Diluted	\$ 0.62	\$ 0.29	\$ 0.87	\$ 0.48
Weighted Average Shares Outstanding:				
Basic	25,226	24,050	24,960	24,050
Diluted	26,247	24,050	25,965	24,050
Transactions with Related Parties:				
Revenue	\$ 35,784	\$ 22,464	\$ 65,035	\$ 41,187
Selling, General and Administrative Expenses	\$ 264	\$ 1,843	\$ 588	\$ 3,786
Interest Expense	\$ —	\$ 528	\$ —	\$ 1,097
Reconciliation to EBITDA:				
Income before Income Taxes and Non-controlling Interests	14,537	10,009	24,015	16,528
Interest, net	20	796	39	1,410
Depreciation and Amortization	1,688	1,358	3,211	2,793
Amortization of Intangibles	1,450	699	2,639	1,336
Net income Attributable to Non-controlling Interests	\$ (1,297)	\$ —	\$ (2,084)	\$ —
EBITDA	\$ 16,398	\$ 12,862	\$ 27,820	\$ 22,067

## Revenue

The following table presents revenue by segment:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
<b>Mortgage Services</b>				
Service Revenue	\$ 35,412	\$ 20,302	\$ 63,537	\$ 36,996
Reimbursable Expenses	10,367	3,718	18,249	4,724
Cooperative Non-controlling Interest	1,297	—	2,084	—
<b>Mortgage Services — Total Revenue</b>	<b>47,076</b>	<b>24,020</b>	<b>83,870</b>	<b>41,720</b>
<b>Financial Services</b>				
Service Revenue	14,706	16,469	29,691	33,787
Reimbursable Expenses	774	—	1,422	—
<b>Financial Services — Total Revenue</b>	<b>15,480</b>	<b>16,469</b>	<b>31,113</b>	<b>33,787</b>
Technology Products	12,485	12,109	24,459	22,682
Eliminations	(3,693)	(2,795)	(7,121)	(5,767)
<b>Total Revenue</b>	<b>\$ 71,348</b>	<b>\$ 49,803</b>	<b>\$ 132,321</b>	<b>\$ 92,422</b>

Service Revenue consists of amounts attributable to the Company's fee for service businesses. Reimbursable Expenses consists of amounts that the Company incurs on behalf of customers in performing fee based services that are passed on directly to customers without any additional markup. Cooperative Non-controlling Interest represents amounts attributable to the members of Best Partners Mortgage Cooperative, Inc. which does business as "Lenders One." Lenders One is managed by The Mortgage Partnership of America L.L.C. ("MPA") and consolidated under the variable interest methodology.

Total Revenue for the Mortgage Services segment doubled year to date as compared to the prior year principally as a result of the Company's expansion of its residential default and real estate services. Sequentially, Mortgage Services Total Revenue grew \$10.3 million or 28% primarily driven by Altisource's expanded footprint as well as strong performance across all services that benefit Ocwen Financial Corporation's ("Ocwen") growing loan servicing portfolio. MPA, which was acquired in the first quarter of 2010, contributed \$3.5 million of revenue during the second quarter, of which \$1.3 million was recorded as Cooperative non-controlling interest.

Altisource continues to expand its default services. As of June 30, 2010, the Company:

- Delivered its REO brokerage disposition services in 18 states with over 5,700 properties listed with brokers (compared to 10 states and approximately 4,800 properties listed with brokers as of March 31, 2010);
- Managed property preservation services nationally for over 10,200 properties (compared to over 7,500 properties as of March 31, 2010); and
- Provided default management services, particularly non-legal processing for foreclosure attorneys, in 24 states (compared to 13 as of March 31, 2010).

In May, Ocwen announced its acquisition of HomeEq Servicing from Barclays which is expected to add approximately 190,000 loans to the roughly 400,000 loans currently serviced by Ocwen. Assuming the transaction closes September 1st, Altisource would expect to see referrals from this acquisition during the fourth quarter resulting in revenue growth principally in 2011. At the completion of this transaction, Ocwen's portfolio, measured by unpaid principal balance, will exceed \$80 billion compared to \$40 billion at the time of Altisource's separation from Ocwen.

Financial Services revenue declined both for the quarter and year to date when compared to prior year as the Company continues to operate in a difficult economic environment. Sequentially, revenues were essentially flat to the first quarter due to increased placements from a customer we began servicing in 2009.

Technology Products revenue increased year over year primarily as a result of growth in REALServicing™ fees. Revenue increased sequentially \$0.5 million or 4% principally as a result of increased revenues associated with Ocwen's larger loan portfolio.

## EBITDA

The following table presents EBITDA by segment:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Mortgage Services	\$ 14,345	\$ 8,693	\$ 25,166	\$ 14,266
Financial Services	212	276	454	728
Technology Products	5,540	5,743	10,616	8,923
Corporate and Eliminations	(3,699)	(1,850)	(8,416)	(1,850)
<b>Total EBITDA</b>	<b>\$ 16,398</b>	<b>\$ 12,862</b>	<b>\$ 27,820</b>	<b>\$ 22,067</b>

For our Mortgage Services and Financial Services segment, the Company believes that EBITDA divided by Service Revenue (versus Total Revenue) is the margin that most reflects the segment's operating strength and appropriately adjusts for revenues that are essentially pass-through costs. The following table presents the most relevant EBITDA margin by segment:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Mortgage Services(1)	41%	43%	40%	39%
Financial Services(1)	1%	2%	2%	2%
Technology Products(2)	44%	47%	43%	39%
Total Company(1)	28%	28%	25%	25%

(1) Based upon EBITDA / the applicable Service Revenue

(2) Based upon EBITDA/Technology Products Total Revenue

Mortgage Services EBITDA for the six months ended June 30, 2010 increased to \$25.2 million, a 76% increase over the comparable six months for 2009. In addition, this segment achieved a 33% sequential increase in EBITDA over the first quarter 2010. The growth in EBITDA was predominantly driven by the expansion of Altisource's national footprint and the increase in Ocwen's residential loan portfolio. Mortgage Services achieved EBITDA margins based upon Service Revenue year to date of 40% which compares favorably to the comparable prior year period. Sequentially, EBITDA margins based upon Service Revenue improved from 38% in the first quarter of 2010 to 41% in the second quarter 2010.

Financial Services EBITDA declined \$0.3 million year over year despite a revenue decline of \$2.7 million which reflects the cost savings initiatives we undertook in the second half of 2009. In August 2010, the Company will begin the installation of a new collection system. Once fully operational in 2011, this system is expected to result in significant cost savings as well as increased revenues due to improved collector performance.

Technology Products achieved EBITDA margins of 43% year to date. Sequentially margins improved from 42% to 44%. The Company is increasing expenditures in technology software and hardware to support its commercialization efforts, Ocwen's growing servicing portfolio and Altisource's growth.

Corporate and Eliminations EBITDA improved sequentially as a result of a reduction in professional fees. Amounts in the prior year represent one time separation costs as other corporate costs were allocated among the segments by

our former parent Ocwen. Subsequent to the Separation Date this segment includes costs recognized by us related to corporate support functions such as finance, legal, human resources and customer behavior.

### ***Income Taxes***

The Company revised its estimated effective tax rate for the full year 2010 to 12.5% in the second quarter. The revised estimate was due to the receipt of a favorable ruling in June 2010 regarding the treatment of certain intangibles that exist for purposes of determining the Company's taxable income. The ruling is retroactive generally to the time of the Company's separation from Ocwen. As a result of the ruling, the Company recognized a \$3.4 million credit attributable to 2009 in the second quarter. The net impact of the 2009 credit and the current year provision was a credit of \$0.7 million recognized for the six months ended June 30, 2010. Income tax provision on income before income tax differs from amounts that would be computed by applying the Luxembourg federal corporate income tax rate of 28.6% primarily because of the effect of enacted tax statutes in multiple jurisdictions, the treatment of intangibles for tax purposes and differing tax rates outside of Luxembourg.

Altisource expects that its estimated effective tax rate will approximate 12% for the next several years beyond 2010.

### ***Non-GAAP Measures***

The Company utilizes a number of different financial measures, both United States generally accepted accounting principles ("GAAP") and non-GAAP, in analyzing and assessing its overall business performance, for making operating decisions, for compensation decisions and for forecasting and planning future periods. The Company considers the use of non-GAAP financial measures, including EBITDA, helpful in assessing its current financial performance, ongoing operations and prospects for the future. While the Company uses non-GAAP financial measures as a tool to enhance its understanding of certain aspects of its financial performance and to provide incremental insight into the underlying factors and trends affecting both the Company's performance and its cash-generating potential, the Company does not consider these measures to be a substitute for, or superior to, the information provided by GAAP financial measures. Consistent with this approach, the Company believes that disclosing non-GAAP financial measures to the readers of its financial statements provides such readers with useful supplemental data that, while not a substitute for GAAP financial measures, allows for greater transparency in the review of its financial and operational performance and enables investors to more fully understand trends in its current and future performance.

### ***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 our 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 "Statement Regarding Forward-Looking Information," "Risk Factors" and other sections of the Company's Form 10-K and other filings with the Securities and Exchange Commission.

### ***About Altisource***

Altisource Portfolio Solutions S.A. (NASDAQ: ASPS) is a provider of services focused on high value, knowledge-based functions principally related to real estate and mortgage portfolio management, asset recovery and customer relationship management. Utilizing its integrated technology that includes decision models and behavioral based scripting engines, Altisource provides solutions that improve its clients' performance and maximize their returns. Additional information is available at [www.altisource.com](http://www.altisource.com).