UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K/A

(Amendment No. 2)

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

Date of Report (Date of earliest event reported): **April 12, 2013**

ALTISOURCE PORTFOLIO SOLUTIONS S.A.

(Exact name of Registrant as specified in its charter)

Luxembourg	**001-34354**	**Not Applicable**
(State or other jurisdiction of incorporation)	(Commission File Number)	(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):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Explanatory Note

On April 18, 2013, Altisource Portfolio Solutions S.A. ("Altisource") filed a Current Report on Form 8-K, as amended by Amendment No. 1 on Form 8-K/A filed on April 29, 2013 (collectively, the "Original 8-K") to report a transaction with Ocwen Financial Corporation and its wholly-owned subsidiary, Ocwen Mortgage Servicing, Inc. (collectively, "Ocwen") to establish additional terms related to the existing services arrangements between Altisource and Ocwen in connection with Ocwen's acquisition of certain mortgage servicing platform assets of Residential Capital, LLC.

This Amendment No. 2 on Form 8-K/A is being filed to amend the Original 8-K to include the financial information referred to in Item 9.01(a) and (b) below relating to the transaction and to provide the consent of the independent auditors. Pursuant to the instructions to Item 9.01 of Form 8-K, Altisource hereby amends Item 9.01 of the Original 8-K to include financial statements, pro forma financial information and the consent of the independent auditors.

Forward-Looking Statements

Certain statements in this report on Form 8-K/A, including, but not limited to, assumptions related to the valuation of assets and estimates utilized in development of the unaudited pro forma combined financial statements are "forward-looking statements" made pursuant to the safe harbor provisions of the

Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified by the use of terminology such as “anticipate,” “intend,” “expect,” “may,” “could,” “should,” “would,” “plan,” “estimate,” “believe,” “predict,” “potential” or “continue” or the negative of these terms and other comparable terminology.

Forward-looking statements are not guarantees of future performance and involve a number of assumptions, risks and uncertainties that could cause actual results to differ materially. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the following:

- our ability to retain our existing customers, expand relationships and attract new customers;
- the level of loan delinquencies;
- the level of origination volume;
- technology failures;
- our business is dependent on the trend toward outsourcing;
- our ability to raise debt;
- success is dependent on our directors, executive officers and key personnel; and
- our ability to comply with and burdens imposed by changes in governmental regulations, taxes and policies.

Further information on the risks specific to our business are detailed within our other reports and filings with the Securities and Exchange Commission (“SEC”) including our Annual Report on Form 10-K for the year ended December 31, 2012, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K.

We caution you not to place undue reliance on these forward-looking statements as they reflect our view only as of the date of this report. We are under no obligation (and expressly disclaim any obligation) to update or alter any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired

Attached hereto as Exhibit 99.1 and incorporated by reference herein are the audited consolidated balance sheets of Executive Trustee Services, LLC as of December 31, 2012 and 2011, and the related consolidated statements of operations, changes in Parent Company investment and cash flows for each of the years ended December 31, 2012, 2011 and 2010.

(b) Pro Forma Financial Information

Attached hereto as Exhibit 99.2 and incorporated by reference herein are the unaudited pro forma combined balance sheet as of December 31, 2012 and the combined statement of operations for the year ended December 31, 2012.

(d) Exhibits

The following exhibits are filed as part of this report:

Exhibit Number	Description of Exhibit
23.1	Consent of Independent Auditors
99.1	Audited consolidated balance sheets of Executive Trustee Services, LLC as of December 31, 2012 and 2011, and the related consolidated statements of operations, changes in Parent Company investment and cash flows for each of the years ended December 31, 2012, 2011 and 2010
99.2	Unaudited pro forma combined balance sheet as of December 31, 2012 and the combined statement of operations for the year ended December 31, 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: June 26, 2013

Altisource Portfolio Solutions S.A.

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

Exhibit 23.1

Consent of Independent Auditors

The Board of Directors and Stockholders of Altisource Portfolio Solutions S.A.:

We consent to the incorporation by reference in Registration Statement No. 333-161175 on Form S-8 of Altisource Portfolio Solutions S.A. of our report dated June 26, 2013, relating to the consolidated balance sheets of Executive Trustee Services, LLC as of December 31, 2012 and December 31, 2011, and the related consolidated statements of operations, changes in Parent Company investment and cash flows for each of the three years in the period ended December 31, 2012 (which report expresses an unmodified opinion on such financial statements and includes an emphasis of matter paragraph regarding the purpose of the financial statements), appearing in this Current Report on Form 8-K/A of Altisource Portfolio Solutions S.A.

/s/ Deloitte & Touche LLP

Detroit, Michigan
June 26, 2013

EXECUTIVE TRUSTEE SERVICES, LLC

Consolidated Financial Statements

As of December 31, 2012 and 2011 and
for the Years Ended December 31, 2012, 2011 and 2010

Independent Auditors' Report

The Board of Directors and Stockholders of Altisource Portfolio Solutions S.A.:

We have audited the accompanying consolidated financial statements of Executive Trustee Services, LLC (the "Company"), a wholly-owned indirect subsidiary of Residential Capital, LLC, a wholly-owned indirect subsidiary of Ally Financial Inc. which are comprised of the Consolidated Balance Sheets as of December 31, 2012 and 2011, the related Consolidated Statements of Operations, changes in Parent Company Investment and Cash Flows for each of the three years in the period ended December 31, 2012 and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the 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, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2012 and 2011, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2012 in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter Regarding Purpose of Financial Statements

As discussed in Note 2 to the consolidated financial statements, the accompanying consolidated financial statements have been derived from the accounting records of Residential Capital, LLC and have been prepared for purposes of the transaction discussed in Note 1 to the consolidated financial statements. These consolidated financial statements include expense and other allocations from Residential Capital, LLC and as such, these consolidated financial statements may not be indicative of the Company's financial position, results of operations and its cash flows had it operated as a separate entity apart from Residential Capital, LLC. Our opinion is not modified with respect to this matter.

/s/ Deloitte & Touche LLP

Detroit, Michigan
June 26, 2013

EXECUTIVE TRUSTEE SERVICES, LLC
Consolidated Balance Sheets
(Dollars in thousands)

	December 31, 2012	December 31, 2011
ASSETS		
Assets:		

Prepaid expenses and other assets	$	184	$	349
Deferred tax assets		373		215
Total assets	$	557	$	564
LIABILITIES AND PARENT COMPANY INVESTMENT				
Liabilities:				
Accounts payable and accrued expenses	$	2,152	$	2,728
Commitments and contingencies (Note 7)				
Parent Company investment		(1,595)		(2,164)
Total liabilities and Parent Company investment	$	557	$	564

See accompanying notes to consolidated financial statements.

EXECUTIVE TRUSTEE SERVICES, LLC
Consolidated Statements of Operations
(Dollars in thousands)

	Year ended December 31,					
	2012		2011		2010	
Revenues	$	49,207	$	47,538	$	59,674
Operating expenses:						
Compensation and benefits		7,663		7,297		8,729
Occupancy and equipment		985		1,346		1,493
Professional services		267		376		295
Selling, general and administrative		4,130		3,979		4,418
Other operating expenses		—		957		1,056
Total operating expenses		13,045		13,955		15,991
Income from operations before income taxes		36,162		33,583		43,683
Income tax provision		(13,498)		(12,959)		(16,774)
Net income	$	22,664	$	20,624	$	26,909

See accompanying notes to consolidated financial statements.

EXECUTIVE TRUSTEE SERVICES, LLC
Consolidated Statements of Changes in Parent Company Investment
(Dollars in thousands)

	Parent Company investment	
Balance, December 31, 2009	$	(1,016)
Net income		26,909
Net change in Parent Company investment		(27,219)
Balance, December 31, 2010		(1,326)
Net income		20,624
Net change in Parent Company investment		(21,462)
Balance, December 31, 2011		(2,164)
Net income		22,664
Net change in Parent Company investment		(22,095)
Balance, December 31, 2012	$	(1,595)

See accompanying notes to consolidated financial statements.

EXECUTIVE TRUSTEE SERVICES, LLC
Consolidated Statements of Cash Flows
(Dollars in thousands)

	Year ended December 31, 2012	2011	2010
Cash flows from operating activities:			
Net income	$ 22,664	$ 20,624	$ 26,909
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	3	3	5
Deferred taxes	(158)	210	(240)
Changes in operating assets and liabilities:			
Prepaid expenses and other assets	162	(38)	106
Accounts payable and accrued expenses	(576)	663	439
Net cash flows provided by operating activities	22,095	21,462	27,219
Cash flows from financing activities:			
Net change in Parent Company investment	(22,095)	(21,462)	(27,219)
Net cash flows used in financing activities	(22,095)	(21,462)	(27,219)
Net change in cash and cash equivalents	$ —	$ —	$ —

See accompanying notes to consolidated financial statements.

EXECUTIVE TRUSTEE SERVICES, LLC
Notes to Consolidated Financial Statements

1. ORGANIZATION AND BASIS OF PRESENTATION

These consolidated financial statements are intended to present the financial condition, results of operations and cash flows of Executive Trustee Services, LLC and its subsidiaries (which may be referred to as ETS, the Company, we, us or our). ETS is a wholly-owned indirect subsidiary of Residential Capital, LLC ("ResCap" or the "Parent Company"), which is a wholly-owned indirect subsidiary of Ally Financial Inc. ("Ally"). The Company is headquartered in Fort Washington, Pennsylvania and provides recovery, non-judicial foreclosure trustee and reconveyance services.

ResCap Bankruptcy

On May 14, 2012, ResCap and certain of its wholly-owned subsidiaries filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York.

These consolidated financial statements do not purport to reflect or provide for the potential consequences of ResCap's bankruptcy proceedings on the Company, and they do not include any adjustments that might result from the outcome of these proceedings except to the extent they relate specifically to the Company. These consolidated financial statements are intended to present the operations of the Company, which operated as part of ResCap during all of the periods presented.

Transactions after Year-End

On February 15, 2013, Ocwen Loan Servicing, LLC ("Ocwen") acquired the rights to perform foreclosure trustee, reconveyance and recovery services from ResCap. ETS continued to perform foreclosure trustee services on the foreclosures referred to ETS prior to the sale. As of June 26, 2013, these foreclosures have been transferred to other service providers. The Company's consolidated financial statements have been prepared on a going concern basis taking into consideration the completion of the Ocwen acquisition. On April 12, 2013, Ocwen subsequently sold the exclusive rights to perform the recovery and foreclosure trustee services to Altisource Solutions S.à r.l. (the "Agreement"). The Agreement together with the existing services agreements and their amendments are collectively referred to as the Master Services Agreements. Altisource Solutions S.à r.l. is a wholly-owned subsidiary of Altisource Portfolio Solutions S.A. ("Altisource"). The right to perform reconveyance services was excluded from the Agreement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation —The consolidated financial statements have been prepared on a stand-alone basis and are derived from the consolidated financial statements and accounting records of ResCap, principally from records representing the Company's operations. The consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

The consolidated financial statements include the assets, liabilities, revenues and expenses directly attributable to our operations. All significant intercompany transactions and accounts have been eliminated in consolidation. Transactions between the Company and ResCap and its subsidiaries have been included in the consolidated financial statements. Receivables and payables resulting from these intercompany transactions have been classified as Parent Company investment in the consolidated balance sheets since there is no required payment term on such amounts.

The consolidated financial statements were prepared for the purpose of complying with Rule 3-05 of Regulation S-X of the Securities and Exchange Commission as the Agreement represents a significant acquisition (as defined) for Altisource. The consolidated financial statements may not be indicative of the Company's future performance and does not necessarily reflect what its consolidated results of operations, financial position and cash flows would have been had the Company operated as an independent entity during the periods presented.

Revenue Recognition — We recognize revenue from the services we provide in accordance with Financial Accounting Standards Board Accounting Standards Codification ("ASC") 605, *Revenue Recognition* ("ASC 605"). ASC 605 sets forth guidance as to when revenue is realized or realizable and earned, which is generally when all of the following criteria are met: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services have been performed; (3) the seller's price to the buyer is fixed or determinable; and (4) collectability is reasonably assured. Generally, the contract terms for these services are relatively short in duration, and we recognize revenue as the services are performed either on a transaction or a fixed price basis. For foreclosure trustee and reconveyance services, we recognize revenue for the majority of these services on completion of the service to our client. For recovery services, we generally earn fees as a percentage of the amount we collect on behalf of the investor.

Defined Contribution 401(k) Plan — Some of our employees participate in a defined contribution 401(k) plan sponsored by Ally under which we may make matching contributions equal to a discretionary percentage determined by us. We recorded expense related to the employer match of $0.3 million, $0.4 million and $0.5 million for the years ended December 31, 2012, 2011 and 2010, respectively, included in compensation and benefits in the consolidated statements of operations.

Corporate Allocations — The consolidated statements of operations include certain allocated corporate expenses of Ally and its subsidiaries attributable to the Company. Ally and certain of Ally's subsidiaries perform numerous functions on behalf of the Company including key functions such as cash and liquidity management, finance and accounting, accounts payable, legal, tax, facilities management, information technology support and systems and human resources, including employee benefit plans. Expenses associated with these functions have been allocated to the Company based on direct usage when identifiable, with the remainder allocated based on revenue, headcount or some other comparable measure.

Management believes such allocations are reasonable; however, these allocations may not reflect the expenses that would have been incurred if the Company had been an independent entity and had otherwise managed these functions. Actual costs that may have been incurred had the Company been operated as a stand-alone company would depend on a number of factors, including the chosen organizational structure, what functions were outsourced or performed by employees and strategic decisions made in areas such as information technology and infrastructure. These allocated expenses are presented as selling, general and administrative expenses in the consolidated statements of operations.

Contingent liabilities and the related expense associated with pending or threatened litigation against ResCap or its subsidiaries have historically been managed at a consolidated level by ResCap.

Income Taxes — On November 2, 2009, ResCap became a division of Ally, a corporation for U.S. income tax purposes and subject to corporate U.S. Federal, state and local taxes. ResCap is included in the consolidated Ally U.S. Federal and unitary and/or consolidated state income tax returns. The Company provided for U.S. Federal and state taxes on a stand-alone basis, which is consistent with the applicable tax sharing agreement between ResCap and Ally and among the ResCap subsidiaries, including the Company.

Income taxes are accounted for using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. The deferred tax asset balances as of December 31, 2012 and 2011 were allocated based on actual changes in balance sheet amounts. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are recognized subject to management's judgment that realization is more likely than not.

3. TRANSACTIONS WITH RELATED PARTIES

Substantially all of the Company's revenue is generated from provisioning services for the residential mortgage portfolio serviced by the Parent Company. The Parent Company utilizes a centralized approach to cash management and financing of operations. As a result of the Company's participation in the Parent Company's central cash management program, all of the Company's cash receipts are remitted to the Parent Company and all cash disbursements are funded by the Parent Company. The net amount of any receivable from the Parent Company is reported in the consolidated balance sheets as Parent Company investment as the receivable has no stated repayment terms and has historically not been settled. There are no interest charges associated with the receivable from the Parent Company.

4. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consist of the following as of December 31:

(Dollars in thousands)	December 31, 2012	December 31, 2011
Accrued expenses — general	$ 1,259	$ 736
Accrued expenses — salaries and benefits	685	1,919
Accounts payable — general	208	73
Total	$ 2,152	$ 2,728

5. REVENUES

Revenues are attributable to the Company's services as follows:

(Dollars in thousands)	Year ended December 31, 2012	2011	2010
Recovery services	$ 38,550	$ 32,644	$ 38,498
Foreclosure trustee services	8,784	13,129	19,307
Reconveyance services	1,873	1,765	1,869
Total	$ 49,207	$ 47,538	$ 59,674

6. INCOME TAXES

Components of the Company's income tax provision are as follows:

(Dollars in thousands)	Year ended December 31, 2012	2011	2010
Current:			
Federal	$ 12,812	$ 11,562	$ 15,508
State and local	844	1,187	1,506
	13,656	12,749	17,014
Deferred:			
Federal	(155)	192	(219)
State and local	(3)	18	(21)
	(158)	210	(240)
Total	$ 13,498	$ 12,959	$ 16,774

A reconciliation of the statutory U.S. Federal income tax rate to the effective income tax rate is shown in the following table:

	Year ended December 31,					
	2012		2011		2010	
(Dollars in thousands)	(In dollars)	(In percentages)	(In dollars)	(In percentages)	(In dollars)	(In percentages)
Income taxes at federal statutory rates	$ 12,657	35.00%	$ 11,754	35.00%	$ 15,289	35.00%
State and local tax, net	841	2.33	1,205	3.59	1,485	3.40
Total	$ 13,498	37.33%	$ 12,959	38.59%	$ 16,774	38.40%

At December 31, 2012 and 2011, we had no uncertain tax positions as defined by ASC 740, *Income Taxes*.

The tax effects of temporary differences that give rise to the Company's deferred tax assets are as follows:

(Dollars in thousands)	December 31, 2012	2011
Deferred tax assets:		
Employee benefits	$ 350	$ 169
State and local taxes	23	20
Accruals not currently deductible	—	26
Total	$ 373	$ 215

7. COMMITMENTS AND CONTINGENCIES

Litigation

From time to time, we are involved in legal proceedings arising in the ordinary course of business. We record a liability for litigation if an unfavorable outcome is probable and the amount of loss can be reasonably estimated, including expected insurance coverage. For proceedings where a range of loss is determined, we record a best estimate of loss within the range. When legal proceedings are material, we disclose the nature of the litigation and to the extent possible the estimate of loss or range of loss. In the opinion of management, after consultation with legal counsel and considering insurance coverage where applicable, the outcome of current legal proceedings both individually and in the aggregate will not have a material impact on our financial condition, results of operations or cash flows.

Lien

Certain of the Company's assets are subject to a lien for the benefit of Ally's senior secured credit facility and the Parent Company's secured notes.

8. SUBSEQUENT EVENTS

Management has evaluated subsequent events from the balance sheet date through June 26, 2013, the date at which these consolidated financial statements were issued, and determined there are no items to disclose, other than information disclosed in Note 1, Transactions after Year-End.

Exhibit 99.2

ALTISOURCE PORTFOLIO SOLUTIONS S.A.
UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET AND
STATEMENT OF OPERATIONS

On April 12, 2013, Altisource Solutions S.à r.l. (which may be referred to as Altisource S.à r.l., the Company, we, us or our), a wholly-owned subsidiary of Altisource Portfolio Solutions S.A. ("Altisource"), entered into an Agreement (the "Agreement") with Ocwen Financial Corporation and its wholly-owned subsidiary, Ocwen Mortgage Servicing, Inc. (collectively, "Ocwen"), to establish additional terms related to existing services arrangements between Altisource S.à r.l. and Ocwen in connection with Ocwen's acquisition of certain mortgage servicing platform assets of Residential Capital, LLC (the "ResCap Business"). The Agreement together with the existing services agreements and their amendments are collectively referred to as the Master Services Agreements.

The Agreement provides that during the term of the existing services arrangements (which currently have terms expiring on August 31, 2025, subject to certain renewal rights) between Altisource S.à r.l. and Ocwen, (i) Altisource S.à r.l. will be the exclusive provider, except as prohibited by applicable law, to Ocwen and all of its subsidiaries and affiliates, of certain services related to the ResCap Business, (ii) Ocwen will not establish similar fee-based businesses that would directly or indirectly compete with Altisource S.à r.l. services as they relate to the ResCap Business and (iii) Ocwen and all of its subsidiaries and affiliates will market and promote the utilization of Altisource S.à r.l.'s services to their various third party relationships. Additionally, the parties agreed to use commercially reasonable best efforts to ensure that the loans associated with the ResCap Business are boarded onto Altisource S.à r.l.'s mortgage servicing platform. The cash consideration paid by Altisource S.à r.l. to Ocwen under the Agreement totals $128.8 million, $80.0 million of which was paid on April 12, 2013, with the remaining $48.8 million paid on May 10, 2013. Ocwen will be responsible for all applicable conversion or other restructuring costs incurred by Altisource S.à r.l. to provide the services under the Agreement. Pursuant to the Master Services Agreements, Ocwen will continue to benefit from preferred pricing terms. For complete information on the terms and conditions related the relationship between Ocwen and Altisource, refer to the Master Services Agreements previously included as exhibits in Securities and Exchange Commission ("SEC") filings (see the exhibits attached to the Company's Current Reports on Form 8-K filed on April 4, 2013, October 5, 2012, August 16, 2012 and August 13, 2009).

This transaction has been accounted for by Altisource S.à r.l. as a business combination in accordance with Financial Accounting Standards Board Accounting Standards Codification 805, *Business Combinations.*

On March 29, 2013, Altisource S.à r.l., together with its subsidiaries, acquired certain fee-based businesses associated with Ocwen's acquisition of Homeward Residential, Inc. ("Homeward") (the "Homeward Acquisition"). As part of the Homeward Acquisition, Ocwen agreed not to develop similar fee-based businesses that would directly or indirectly compete with services provided by Altisource S.à r.l. relative to the Homeward servicing portfolio. Additionally, the terms of certain service agreements between Altisource S.à r.l. and Ocwen were amended to extend the term from 2020 to August 2025. Altisource S.à r.l. paid $87.0 million, subject to a working capital and net income adjustment within 90 days, for the Homeward fee-based businesses.

The unaudited pro forma combined statement of operations of Altisource that reflected the effect of the Homeward Acquisition were provided in Altisource's Current Report on Form 8-K/A filed with the SEC on June 12, 2013. The unaudited pro forma combined statement of operations combined the consolidated results of operations of Altisource for the year ended December 31, 2012 and the combined results of operations of the Homeward fee-based businesses for the year ended September 30, 2012 and was presented as if the Homeward Acquisition had occurred on January 1, 2012. An unaudited pro forma combined balance sheet was not included as the Homeward Acquisition was already reflected in Altisource's consolidated balance sheet as of March 31, 2013 as reported in its Quarterly Report on Form 10-Q filed with the SEC on April 25, 2013.

The unaudited pro forma combined balance sheet as of December 31, 2012 presented herein combines the consolidated balance sheets of Altisource, including the pro forma effect of the Homeward Acquisition, and Executive Trustee Services, LLC, a wholly-owned subsidiary of ResCap, ("ETS") as of December 31, 2012 and is presented as if the Agreement had been executed on December 31, 2012. The unaudited pro forma combined statement of operations for the year ended December 31, 2012 presented herein combines the unaudited pro forma combined statement of operations of Altisource, including the pro forma effect of the Homeward fee-based businesses, and the results of operations of ETS for the year ended December 31, 2012 and is presented as if the Agreement had been executed on January 1, 2012.

The historical consolidated financial information of Altisource and ETS have been adjusted in the unaudited pro forma combined balance sheet and statement of operations to give effect to pro forma events that are (1) directly attributable to the Agreement, (2) factually supportable and (3) expected to have a continuing impact on the combined results. The unaudited pro forma combined balance sheet and statement of operations should be read in conjunction with the accompanying notes thereto. In addition, the unaudited pro forma balance sheet and combined statement of operations were based on, and should be read in conjunction with, the:

- Historical audited consolidated financial statements of Altisource as of and for the year ended December 31, 2012 and the related notes that are included in its Annual Report on Form 10-K filed with the SEC on February 13, 2013;

- Unaudited pro forma statement of operations of Altisource, including the Homeward fee-based businesses, for the year ended December 31, 2012 and the related notes that are included in its Current Report on Form 8-K/A filed with the SEC on June 12, 2013; and

- Historical audited consolidated financial statements of ETS as of and for the year ended December 31, 2012 and the related notes that are included herein as Exhibit 99.1.

The unaudited pro forma combined balance sheet and statement of operations are provided for informational purposes only and are not necessarily, and should not be assumed to be, an indication of the results that would have been achieved had the Agreement been completed as of the dates indicated because of differences in business practices and cost structure between Altisource and ETS. In addition, the unaudited pro forma combined balance sheet and statement of operations do not purport to project the future operating results of the combined companies nor do they reflect expected realization of any cost savings associated with the Agreement.

ALTISOURCE PORTFOLIO SOLUTIONS S.A.
UNAUDITED PRO FORMA COMBINED BALANCE SHEET
December 31, 2012
(Dollars in thousands)

	Altisource historical	Homeward adjustments	ETS historical	Pro forma adjustments	Note 3	Altisource pro forma
ASSETS						
Current assets:						
Cash and cash equivalents	$ 105,502	$ 4,500	$ —	$ (14,700)	B	$ 95,302
Accounts receivable, net	88,955	7,539	—	—		96,494
Prepaid expenses and other current assets	7,618	347	184	(184)	A	7,965
Deferred tax assets, net	1,775	—	373	(373)	A	1,775
Total current assets	203,850	12,386	557	(15,257)		201,536
Premises and equipment, net	50,399	9	—	—		50,408
Deferred tax assets, net	4,073	—	—	—		4,073
Intangible assets, net	56,586	80,388	—	128,750	B	265,724
Goodwill	14,915	—	—	—		14,915
Investment in equity affiliate	12,729	—	—	—		12,729
Loan to Ocwen	75,000	—	—	—		75,000
Other assets	11,674	—	—	—		11,674
Total assets	$ 429,226	$ 92,783	$ 557	$ 113,493		$ 636,059
LIABILITIES AND EQUITY						
Current liabilities:						
Accounts payable and accrued expenses	$ 58,976	$ 5,833	$ 2,152	$ (2,152)	A	$ 64,809
Current portion of long-term debt	2,000	—	—	—		2,000
Current portion of capital lease obligations	233	—	—	—		233
Other current liabilities	10,423	—	—	—		10,423
Total current liabilities	71,632	5,833	2,152	(2,152)		77,465
Long-term debt, less current portion	196,027	86,950	—	114,050	B	397,027
Other non-current liabilities	1,738	—	—	—		1,738
Commitments and contingencies						
Equity:						
Common stock	25,413	—	—	—		25,413
Additional paid-in capital	86,873	—	—	—		86,873
Retained earnings — Altisource	124,127	—	—	—		124,127
Treasury stock, at cost	(77,954)	—	—	—		(77,954)
Altisource equity	158,459	—	—	—		158,459
Non-controlling interests	1,370	—	—	—		1,370
Parent Company investment	—	—	(1,595)	1,595	A	—
Total equity	159,829	—	(1,595)	1,595		159,829
Total liabilities and equity	$ 429,226	$ 92,783	$ 557	$ 113,493		$ 636,059

See accompanying notes to unaudited pro forma balance sheet and statement of operations.

ALTISOURCE PORTFOLIO SOLUTIONS S.A.
UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS
Year ended December 31, 2012
(Dollars in thousands, except per share data)

	Unaudited Altisource pro forma, including Homeward	ETS historical	Reclassi-fications	Note 2	Pro forma adjustments	Note 4	Altisource pro forma
Revenue	$ 666,876	$ 49,207	$ —		$ (1,873)	A	$ 714,210
Cost of revenue:							
Cost of revenue	410,006	—	8,915	A	(339)	A	418,582
Compensation and benefits	—	7,663	(7,663)	A	—		—
Occupancy and equipment	—	985	(985)	A	—		—
Professional services	—	267	(267)	A	—		—
Total cost of revenue	410,006	8,915	—		(339)		418,582
Gross profit	256,870	40,292	—		(1,534)		295,628

Selling, general and administrative expenses	102,195	4,130	—	16,580	A,B	122,905
Income from operations	154,675	36,162	—	(18,114)		172,723
Other income (expense), net:						
Interest expense	(6,091)	—	—	(6,692)	C	(12,783)
Other expense, net	(1,585)	—	—	—		(1,585)
Total other expense, net	(7,676)	—	—	(6,692)		(14,368)
Income before income taxes and non-controlling interests	146,999	36,162	—	(24,806)		158,355
Income tax provision	(10,305)	(13,498)	—	12,702	D	(11,101)
Net income	136,694	22,664	—	(12,104)		147,254
Net income attributable to non-controlling interests	(5,284)	—	—	—		(5,284)
Net income attributable to Altisource	$ 131,410	$ 22,664	$ —	$ (12,104)		$ 141,970
Earnings per share:						
Basic	$ 5.63					$ 6.08
Diluted	$ 5.26					$ 5.69
Weighted average shares outstanding:						
Basic	23,358					23,358
Diluted	24,962					24,962

See accompanying notes to unaudited pro forma balance sheet and statement of operations.

ALTISOURCE PORTFOLIO SOLUTIONS S.A.

Notes to Unaudited Pro Form Balance Sheet and Statement of Operations

1. Transaction

Management has prepared a preliminary allocation in which the entire Agreement consideration of $128.8 million was allocated to a customer relationship intangible asset with an associated estimated asset life of seven years based upon available information at the time of the Agreement. This preliminary allocation and assessment of asset life will be revised as additional information about the fair value of the asset becomes available but will not exceed 12 months from the Agreement date.

2. Reclassifications

Certain amounts in the historical consolidated statement of operations of ETS have been reclassified to conform to Altisource's presentation. The details of these reclassifications are as follows (dollar amounts below are in thousands):

A. To reclassify $8,915, which is the sum of following, to cost of revenue:

- $7,663 of compensation and benefits expense;
- $985 of occupancy and equipment expense; and
- $267 of professional services expense.

3. Unaudited Pro Forma Combined Balance Sheet

The unaudited pro forma combined balance sheet gives effect to the Agreement as if it had been executed on December 31, 2012. The pro forma adjustments to the Altisource unaudited pro forma combined balance sheet are based on the following adjustments to the historical consolidated balance sheets of Altisource and ETS (dollar amounts below are in thousands):

A. To eliminate the carrying value of assets, liabilities and equity that were not acquired or assumed as part of the Agreement:

- $184 of prepaid expenses and other current assets;
- $373 of deferred tax assets, net;
- $2,152 of accounts payable and accrued expenses; and
- $1,595 of Parent Company investment.

B. To record the customer relationship intangible asset acquired of $128,750 and the amount of additional long-term debt of $114,050 to equal the total pro forma debt of the Company of $397,027, with the remaining $14,700 of the Agreement consideration funded by cash on hand.

4. Unaudited Pro Forma Combined Statement of Operations

The unaudited pro forma combined statement of operations gives effect to the Agreement as if it had been executed on January 1, 2012. The pro forma adjustments to the Altisource unaudited pro forma combined statement of operations are based on the following adjustments to the historical consolidated statements of operations of Altisource and ETS (dollar amounts below are in thousands):

A. To eliminate revenue of $1,873, cost of revenue of $339 and selling, general and administrative expenses of $157 related to reconveyance services. Rights to perform these services were not granted to Altisource S.à r.l. as part of the Agreement. The reduction to cost of revenue and selling, general and

administrative expenses was determined by applying reconveyance services revenue as a percentage of total ETS revenue to the ETS expense amounts.

B. To record amortization expense of $16,737 related to the acquired customer relationship intangible asset.

C. To record additional interest expense of $6,692 on the new acquisition-related debt. Altisource's incremental senior secured term loan ("SSTL") bears interest at rates based upon, at our option, the Adjusted Eurodollar Rate or the Base Rate (each as defined in the Credit Agreement as amended by Amendment No. 1 to Credit Agreement dated May 7, 2013). Eurodollar Rate loans will bear interest at a rate per annum equal to the sum of (i) the greater of (x) the Adjusted Eurodollar Rate for the applicable interest period and (y) 1.25% plus (ii) a 4.50% margin. Base Rate loans will bear interest at a rate per annum equal to the sum of (i) the greater of (x) the Base Rate and (y) 2.25% plus (ii) a 3.50% margin. The interest rate as of the borrowing date was 5.75%. For purposes of this pro forma adjustment, an annual interest rate of 5.75% was utilized. The contractual quarterly principal repayments on the incremental SSTL were considered in determining the pro forma interest expense.

   Interest expense also includes amortization of deferred financing fees and original issue premium on the incremental SSTL using the effective interest rate method.

D. To reduce the income tax provision by $12,702 to adjust the provision to reflect a combined international, federal and state effective tax rate of 7.01%. We used the effective tax rate rather than our statutory tax rate of 28.8% because of a recurring Luxembourg rate benefit we receive.