

# Firstsource Solutions Limited



## Profit and Loss account summary (consolidated figures)

(As per Indian GAAP)

In INR million, except per share data

Particulars	Quarter ended		Growth % in Q2 FY16 over Q2 FY15	Quarter ended	Growth % in Q2 FY16 over Q1 FY16
	September 30, 2015	September 30, 2014		June 30, 2015	
<b>INCOME</b>					
Income from services	7,792.68	7,698.00	1.2%	7,384.10	5.5%
Other Operating Income	132.10	41.85	215.6%	85.33	54.8%
<b>REVENUES FROM OPERATIONS</b>	<b>7,924.78</b>	<b>7,739.85</b>	<b>2.4%</b>	<b>7,469.43</b>	<b>6.1%</b>
<b>EXPENDITURE</b>					
Operating expenses	1,598.77	1,591.09	0.5%	1,576.01	1.4%
Personnel expenses	5,341.88	5,200.04	2.7%	4,996.62	6.9%
	6,940.65	6,791.13	2.2%	6,572.63	5.6%
<b>OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	<b>984.13</b>	<b>948.72</b>	<b>3.8%</b>	<b>896.80</b>	<b>9.7%</b>
<b>Operating EBITDA %</b>	<b>12.4%</b>	<b>12.3%</b>		<b>12.0%</b>	
Depreciation / amortization	183.00	177.26	3.2%	172.07	6.4%
<b>OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>801.13</b>	<b>771.46</b>	<b>3.9%</b>	<b>724.73</b>	<b>10.5%</b>
<b>Operating EBIT %</b>	<b>10.1%</b>	<b>10.0%</b>		<b>9.7%</b>	
Interest Income / (expense), net	(125.38)	(174.13)	-28.0%	(139.41)	-10.1%
Other Income / (expense)	4.72	40.40	-88.3%	42.89	-89.0%
<b>PROFIT/(LOSS) BEFORE TAX (PBT)</b>	<b>680.46</b>	<b>637.73</b>	<b>6.7%</b>	<b>628.21</b>	<b>8.3%</b>
<b>PBT (% of Total Income)</b>	<b>8.6%</b>	<b>8.2%</b>		<b>8.4%</b>	
Taxes	60.61	24.71	145.3%	62.55	-3.1%
<b>PROFIT/(LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>	<b>619.85</b>	<b>613.02</b>	<b>1.1%</b>	<b>565.66</b>	<b>9.6%</b>
Minority Interest	1.35	0.61	121.9%	1.58	-14.3%
<b>PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)</b>	<b>618.50</b>	<b>612.41</b>	<b>1.1%</b>	<b>564.08</b>	<b>9.6%</b>
<b>PAT (% of Total Income)</b>	<b>7.8%</b>	<b>7.9%</b>		<b>7.6%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value ` 10/ each)					
Basic	0.92	0.93		0.85	
Diluted	0.89	0.87		0.81	

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(As per Indian GAAP)

In INR million, except per share data

Particulars	Six Months ended		Growth
	September 30, 2015	September 30, 2014	(%)
<b>INCOME</b>			
Income from services	15,176.78	15,317.34	-0.9%
Other Operating Income	217.43	(21.45)	-
<b>REVENUES FROM OPERATIONS</b>	<b>15,394.21</b>	<b>15,295.89</b>	<b>0.6%</b>
<b>EXPENDITURE</b>			
Operating expenses	3,174.78	3,141.78	1.1%
Personnel expenses	10,338.50	10,274.96	0.6%
	13,513.28	13,416.74	0.7%
<b>OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	<b>1,880.93</b>	<b>1,879.15</b>	<b>0.1%</b>
<b>Operating EBITDA %</b>	<b>12.2%</b>	<b>12.3%</b>	
Depreciation / amortization	355.07	352.72	0.7%
<b>OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>1,525.86</b>	<b>1,526.43</b>	<b>0.0%</b>
<b>Operating EBIT %</b>	<b>9.9%</b>	<b>10.0%</b>	
Interest Income / (expense), net	(264.79)	(351.14)	-24.6%
Other Income / (expense)	47.60	23.44	103.1%
<b>PROFIT/(LOSS) BEFORE TAX (PBT)</b>	<b>1,308.67</b>	<b>1,198.73</b>	<b>9.2%</b>
<b>PBT (% of Total Income)</b>	<b>8.5%</b>	<b>7.8%</b>	
Taxes	123.16	52.56	134.3%
<b>PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>	<b>1,185.51</b>	<b>1,146.17</b>	<b>3.4%</b>
Minority Interest	2.93	1.27	-
<b>PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)</b>	<b>1,182.58</b>	<b>1,144.90</b>	<b>3.3%</b>
<b>PAT (% of Total Income)</b>	<b>7.7%</b>	<b>7.5%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value ` 10/ each)			
Basic	1.77	1.73	
Diluted	1.71	1.62	

# Firstsource Solutions Limited



## Balance sheet summary (consolidated figures)

(As per Indian GAAP)

In INR million

Particulars	As at	
	September 30, 2015	June 30, 2015
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholder's funds</b>		
Share capital	6,702.87	6,668.45
Reserve and surplus	15,836.90	14,871.96
	22,539.77	21,540.41
<b>Share application money pending allotment</b>	0.33	0.69
<b>Minority interest</b>	19.24	17.59
<b>Non-current liabilities</b>		
Long-term borrowings	5,715.57	6,305.15
Deferred tax liability, net	354.86	326.37
Other Long term liabilities	-	-
Long-term provisions	156.87	162.75
	6,227.30	6,794.27
<b>Current liabilities</b>		
Short-term borrowings	1,482.25	1,222.11
Trade payables	1,174.98	1,037.60
Other current liabilities	4,712.41	4,550.80
Short-term provisions	155.41	153.03
	7,525.05	6,963.54
	<b>36,311.69</b>	<b>35,316.50</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill on consolidation	24,452.11	23,749.76
Fixed assets	1,362.17	1,248.11
Non-current investments	57.83	57.74
Long-term loans and advances	1,226.44	1,198.99
Other non-current assets	1,116.16	1,093.09
	28,214.71	27,347.69
<b>Current Assets</b>		
Current investments	537.50	367.05
Trade receivables	3,086.24	2,892.46
Cash and cash equivalents	1,185.24	1,578.85
Short-term loans and advances	359.75	447.47
Other current assets	2,928.25	2,682.98
	8,096.98	7,968.81
	<b>36,311.69</b>	<b>35,316.50</b>

**Firstsource Solutions Limited****Cash Flow Statement**  
(consolidated figures)

(As per Indian GAAP)

In INR million

<b>Particulars</b>	<b>Quarter ended September 30, 2015</b>
<b>Sources</b>	
Net Cash accruals / (losses)	958
Increase in Shareholders' Funds	46
Interest and dividend Received	2
Sale of Fixed Assets	1
Increase in Borrowings	28
<b>Total Sources</b>	<b>1,035</b>
<b>Uses</b>	
Increase in Net current Assets	93
Taxes paid	112
Capital Expenditure	144
Interest Expense	157
Decrease in Borrowings	777
<b>Total Uses</b>	<b>1,282</b>
Surplus / (Deficit)	(248)
Effect of exchange rate on translation of subsidiaries	25
Opening Cash and Cash Equivalents	1,974
Closing Cash and Cash Equivalents	1,751

**OPERATING METRICS**

Revenue by Industry					
	Quarter Ended			Year Ended	
	Sep 30, 2015	Sep 30, 2014	Jun 30, 2015	Mar 31, 2015	Mar 31, 2014
BFSI	22.2%	19.8%	23.9%	21.5%	22.6%
Telecom & Media	38.4%	45.9%	36.5%	42.5%	44.6%
Healthcare	39.2%	34.3%	39.6%	35.8%	32.5%
Others	0.2%	0.0%	0.0%	0.2%	0.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Revenue by Geography					
	Quarter Ended			Year Ended	
	Sep 30, 2015	Sep 30, 2014	Jun 30, 2015	Mar 31, 2015	Mar 31, 2014
US (including Canada)	54.8%	46.7%	56.3%	49.2%	46.7%
UK	37.0%	36.3%	34.7%	35.9%	35.6%
India	6.4%	8.3%	6.8%	8.2%	8.8%
Rest of world*	1.8%	8.7%	2.2%	6.7%	8.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

\* Rest of world (RoW) primarily includes Europe (excluding UK), Australia and Sri Lanka

Revenue by Delivery location					
	Quarter Ended			Year Ended	
	Sep 30, 2015	Sep 30, 2014	Jun 30, 2015	Mar 31, 2015	Mar 31, 2014
Offshore	22.3%	26.0%	21.9%	25.0%	22.7%
Domestic	7.2%	8.4%	7.6%	8.3%	9.6%
Onshore	70.5%	65.7%	70.5%	66.7%	67.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Client Concentration					
	Quarter Ended			Year Ended	
	Sep 30, 2015	Sep 30, 2014	Jun 30, 2015	Mar 31, 2015	Mar 31, 2014
Client contribution to revenues					
Top customer	22.9%	24.9%	20.8%	23.5%	20.8%
Top 5 customers	44.2%	45.5%	41.9%	43.2%	45.0%

Employee and Seats Metrics					
	Quarter Ended			Year Ended	
	Sep 30, 2015	Sep 30, 2014	Jun 30, 2015	Mar 31, 2015	Mar 31, 2014
Total employees (end of period)	23,658	26,923	23,939	25,285	27,666
Net Addition	(281)	(224)	(1,346)	(2,381)	(4,206)
Employees in India	14,135	17,703	14,607	16,029	17,927
Employees outside India	9,523	9,220	9,332	9,256	9,739
Number of seats	23,159	23,593	22,984	24,001	23,388
Seat fill factor	67%	73%	68%	69%	77%

Attrition Snapshot		
	Post 180 days attrition - Quarter annualized	
	Q2 FY16	Q1 FY16
Domestic (India and Sri Lanka)	76.0%	95.7%
Offshore (India and Philippines)	44.9%	50.3%
Onshore (US and Europe)	48.9%	46.4%

Other Metrics		
	Period ended	
	Sep 30, 2015	Jun 30, 2015
Capital Expenditure (In INR million)	143.9	177.5