

Firstsource Solutions Limited



Profit and Loss account summary
(consolidated figures)

(As per Indian GAAP)

In Rs million, except per share data

Particulars	Quarter ended		Growth % in Q1 FY11 over Q1 FY10	Quarter ended Mar 31, 2010	Growth % in Q1 FY11 over Q4 FY10
	Jun 30, 2010	Jun 30, 2009			
INCOME					
Income from services	4,758.8	4,807.4		5,008.0	
Other Operating Income	148.3	37.4		59.4	
REVENUES FROM OPERATIONS	4,907.0	4,844.8	1.3%	5,067.4	-3.2%
EXPENDITURE					
Personnel expenses	2,998.5	2,843.0		3,107.9	
Operating expenses	1,227.9	1,303.7		1,254.3	
	4,226.4	4,146.7		4,362.2	
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	680.7	698.1	-2.5%	705.2	-3.5%
Operating EBITDA %	13.9%	14.4%		13.9%	
Depreciation / amortization	212.9	227.0		204.5	
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	467.8	471.1	-0.7%	500.6	-6.6%
Operating EBIT %	9.5%	9.7%		9.9%	
Extraordinary (expense)	-	(84.0)		-	
Interest Income / (expense), net	(57.1)	(46.1)		(65.8)	
Exchange gain/ (loss) on Foreign currency loan	2.7	(55.7)		(5.6)	
Amortized (cost) on fair value of FCCB	(30.4)	(29.2)		(30.2)	
Gain on FCCB Buy back	-	73.9		-	
Other Income / (expense)	23.5	117.7		8.3	
PROFIT/(LOSS) BEFORE TAX (PBT)	406.6	447.7	-9.2%	407.2	-0.2%
PBT (% of Total Income)	8.2%	9.0%		8.0%	
Taxes	79.7	64.9		50.6	
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	326.9	382.9	-14.6%	356.7	-8.3%
Minority Interest	6.2	2.7		0.5	
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	320.7	380.2	-15.6%	356.1	-9.9%
PAT (% of Total Income)	6.5%	7.7%		7.0%	
EARNINGS PER SHARE (Equity shares of par value Rs 10/ each)					
Basic	0.75	0.89		0.83	
Diluted	0.68	0.78		0.74	

Firstsource Solutions Limited



Balance sheet summary
(consolidated figures)

(As per Indian GAAP)

In Rs million

Particulars	As on	
	Jun 30, 2010	Mar 31, 2010
SOURCES OF FUNDS		
Shareholder's funds		
Share capital	4,297.7	4,292.1
Share application money	-	3.5
Reserve and surplus	9,918.7	9,948.2
	14,216.4	14,243.7
Minority interest	58.5	49.8
Loan funds		
Secured loans	2,811.0	2,786.9
Unsecured loans	11,383.6	10,791.6
	14,194.6	13,578.5
	28,469.4	27,871.9
APPLICATION OF FUNDS		
Goodwill on consolidation	21,322.4	20,725.9
Fixed assets		
Gross block	6,549.4	6,432.5
Less: Accumulated depreciation and amortization	4,846.1	4,674.6
Net block	1,703.3	1,757.9
Add: Capital work in progress (including capital advances)	20.4	80.1
	1,723.7	1,838.0
Investments	1,020.6	1,005.3
Deferred tax asset, (net)	60.7	55.0
Current assets, loans and advances		
Sundry debtors	2,666.4	2,610.6
Unbilled revenues	640.5	673.0
Cash and bank balances	1,711.8	1,217.5
Loans and advances	1,914.9	2,011.4
	6,933.5	6,512.5
Less: Current liabilities and provisions		
Current liabilities	1,672.8	1,620.1
Provisions	918.7	644.8
	2,591.4	2,264.9
Net current assets	4,342.1	4,247.6
	28,469.4	27,871.9
Net Debt	11,462.3	11,355.6
Net Debt / Equity (x)	0.81	0.80

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OPERATING METRICS

Revenue by Industry					
	Quarter Ended			Year Ended	
	Jun 30, 2010	Jun 30, 2009	Mar 31, 2010	Mar 31, 2010	Mar 31, 2009
BFSI	23.5%	23.3%	24.1%	23.0%	25.2%
Telecom & Media	37.0%	35.0%	38.1%	37.7%	32.4%
Healthcare	37.9%	39.9%	36.0%	37.5%	39.9%
Others	1.7%	1.9%	1.7%	1.9%	2.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Geography					
	Quarter Ended			Year Ended	
	Jun 30, 2010	Jun 30, 2009	Mar 31, 2010	Mar 31, 2010	Mar 31, 2009
US (including Canada)	61.6%	62.8%	61.2%	60.4%	63.0%
UK	26.7%	25.4%	27.1%	27.0%	26.0%
India	10.6%	11.2%	11.0%	11.9%	10.8%
Rest of world	1.1%	0.5%	0.8%	0.7%	0.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Delivery location					
	Quarter Ended			Year Ended	
	Jun 30, 2010	Jun 30, 2009	Mar 31, 2010	Mar 31, 2010	Mar 31, 2009
Offshore	27.7%	29.4%	28.4%	28.9%	30.5%
Domestic	10.6%	11.2%	11.0%	11.9%	10.8%
Onshore	61.7%	59.3%	60.6%	59.3%	58.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Client Concentration					
	Quarter Ended			Year Ended	
	Jun 30, 2010	Jun 30, 2009	Mar 31, 2010	Mar 31, 2010	Mar 31, 2009
Client contribution to revenues					
Top customer	11.3%	10.4%	12.0%	12.0%	10.3%
Top 5 customers	30.6%	30.6%	31.5%	32.5%	31.2%

Employee and Seats Metrics					
	Quarter Ended			Year Ended	
	Jun 30, 2010	Jun 30, 2009	Mar 31, 2010	Mar 31, 2010	Mar 31, 2009
Total employees (end of period)	24,697	23,355	24,860	24,860	21,570
Net Addition	(163)	1,785	(2,448)	3,290	4,201
Employees in India	18,726	18,416	18,784	18,784	16,859
Employees outside India	5,971	4,939	6,076	6,076	4,711
Number of seats	20,544	19,587	19,556	19,556	18,932
Seat fill factor	75%	73%	80%	80%	70%

Attrition Snapshot		
	Post 180 days attrition - Quarter annualized	
	Q1 FY11	Q4 FY10
Domestic	94.9%	NA*
Offshore (India and Philippines)	55.4%	43.5%
Onshore (US and UK)	39.7%	34.5%

Other Metrics		
	Period ended	
	Quarter ended Jun 30, 2010	Year ended Mar 31, 2010
Capital Expenditure (INR million)	99.9	480.1