Firstsource Solutions Limited

Profit and Loss account summary
(consolidated figures)

firstsource

(As per Indian GAAP)

In Rs million, except per share data

Particulars	Quarter ended		Growth % in Q1 FY12 over Q1 FY11	Quarter ended	Growth % in Q1 FY12 over Q4 FY11
	Jun 30, 2011	Jun 30, 2010		Mar 31, 2011	
INCOME					
Income from services	5,188.9	4,758.8		5,403.1	
Other Operating Income	41.8	148.3		61.0	
REVENUES FROM OPERATIONS	**5,230.8**	**4,907.0**	**6.6%**	**5,464.1**	**-4.3%**
EXPENDITURE					
Operating expenses	1,340.5	1,227.9		1,265.7	
Personnel expenses	3,461.5	2,998.5		3,406.9	
	4,802.0	4,226.4		4,672.5	
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	**428.8**	**680.7**	**-37.0%**	**791.5**	**-45.8%**
Operating EBITDA %	**8.2%**	**13.9%**		**14.5%**	
Depreciation / amortization	219.6	212.9		233.3	
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	**209.2**	**467.8**	**-55.3%**	**558.2**	**-62.5%**
Operating EBIT %	**4.0%**	**9.5%**		**10.2%**	
Interest Income / (expense), net	(34.4)	(57.1)		(43.1)	
Exchange gain/ (loss) on Foreign currency loan	(0.6)	2.7		4.9	
Amortized (cost) on fair value of FCCB	(35.2)	(30.4)		(35.3)	
Other Income / (expense)	14.7	23.5		5.1	
PROFIT/(LOSS) BEFORE TAX (PBT)	**153.6**	**406.6**	**-62.2%**	**489.8**	**-68.6%**
PBT (% of Total Income)	**2.9%**	**8.2%**		**9.0%**	
Taxes	45.9	79.7		107.1	
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	**107.8**	**326.9**	**-67.0%**	**382.8**	**-71.9%**
Minority Interest	1.3	6.2		0.2	
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	**106.5**	**320.7**	**-66.8%**	**382.6**	**-72.2%**
PAT (% of Total Income)	**2.0%**	**6.5%**		**7.0%**	
EARNINGS PER SHARE (Equity shares of par value Rs 10/ each)					
Basic	0.25	0.75		0.89	
Diluted	0.25	0.68		0.80	

Firstsource Solutions Limited

Balance sheet summary
(consolidated figures)

firstsource

(As per Indian GAAP)

In Rs million

Particulars	As on	
	Jun 30, 2011	Mar 31, 2011
SOURCES OF FUNDS		
Shareholder's funds		
Share capital	4,306.5	4,306.4
Reserve and surplus	9,834.3	9,920.8
	14,140.85	14,227.2
Minority interest	13.8	1.1
Deferred tax liability, net	69.0	58.0
Loan funds		
Secured loans	2,912.0	3,346.6
Unsecured loans	11,840.8	11,586.1
	14,752.8	14,932.7
	28,976.4	**29,218.9**
APPLICATION OF FUNDS		
Goodwill on consolidation	20,512.6	20,454.0
Fixed assets		
Gross block	7,651.8	7,594.5
Less: Accumulated depreciation and amortization	5,618.3	5,420.5
Net block	2,033.4	2,174.0
Add: Capital work in progress (including capital advances)	119.1	111.4
	2,152.6	2,285.3
Investments	1,009.0	1,329.3
Current assets, loans and advances		
Sundry debtors	3,105.4	2,388.7
Unbilled revenues	865.6	1,036.7
Cash and bank balances	2,898.6	3,246.2
Loans and advances	1,599.1	1,685.4
	8,468.6	8,357.0
Less: Current liabilities and provisions		
Current liabilities	2,635.6	2,727.4
Provisions	530.7	479.4
	3,166.3	3,206.8
Net current assets	5,302.3	5,150.2
	28,976.4	**29,218.9**

Cash and Cash Equivalents	3,907.6	4,575.5
Net Debt	10,845.3	10,357.2
Net Debt / Equity (x)	0.77	0.73

Firstsource Solutions Limited

Cash Flow Statement
(consolidated figures)

(As per Indian GAAP)

In Rs million

Particulars	Jun 30, 2011
Sources	
Net Cash accruals / (losses)	454
Increase in Shareholders' Funds	0
Total Sources	**455**
Uses	
Increase in Net current Assets	509
Taxes paid	5
Capital Expenditure	90
Business Acquisition, net of cash aquired	42
Interest Expense, Net	36
Decrease in Borrowings (incl CC & FCNR)	441
Total Uses	**1,123**
Surplus / (Deficit)	(668)
Opening Cash and Cash Equivalents	4,576
Closing Cash and Cash Equivalents	3,908

Firstsource Solutions Limited

OPERATING METRICS

Revenue by Industry

	Quarter Ended			Year Ended	
	Jun 30, 2011	Jun 30, 2010	Mar 31, 2011	Mar 31, 2011	Mar 31, 2010
BFSI	30.0%	23.5%	30.9%	26.3%	23.0%
Telecom & Media	34.2%	37.0%	33.7%	36.6%	37.7%
Healthcare	35.0%	37.9%	34.5%	35.7%	37.5%
Others	0.8%	1.7%	0.9%	1.4%	1.9%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Revenue by Geography

	Quarter Ended			Year Ended	
	Jun 30, 2011	Jun 30, 2010	Mar 31, 2011	Mar 31, 2011	Mar 31, 2010
US (including Canada)	54.2%	61.6%	54.4%	57.3%	60.4%
UK	32.6%	26.7%	33.3%	30.6%	27.0%
India	11.7%	10.6%	11.3%	11.1%	11.9%
Rest of world	1.6%	1.1%	1.0%	1.0%	0.7%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Revenue by Delivery location

	Quarter Ended			Year Ended	
	Jun 30, 2011	Jun 30, 2010	Mar 31, 2011	Mar 31, 2011	Mar 31, 2010
Offshore	23.8%	27.7%	24.0%	26.9%	28.9%
Domestic	12.2%	10.6%	11.3%	11.1%	11.9%
Onshore	64.0%	61.7%	64.8%	62.0%	59.3%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Client Concentration

	Quarter Ended			Year Ended	
	Jun 30, 2011	Jun 30, 2010	Mar 31, 2011	Mar 31, 2011	Mar 31, 2010
Client contribution to revenues					
Top customer	13.1%	11.3%	13.0%	11.7%	12.0%
Top 5 customers	39.3%	30.6%	38.1%	34.0%	32.5%

Employee and Seats Metrics

	Quarter Ended			Year Ended	
	Jun 30, 2011	Jun 30, 2010	Mar 31, 2011	Mar 31, 2011	Mar 31, 2010
Total employees (end of period)	29,664	24,697	26,413	26,413	24,860
Net Addition	3,251	(163)	(255)	1,553	3,290
Employees in India	22,482	18,726	19,632	19,632	18,784
Employees outside India	7,182	5,971	6,781	6,781	6,076
Number of seats	23,342	20,544	22,681	22,681	19,556
Seat fill factor	74%	75%	71%	71%	80%

Attrition Snapshot

	Post 180 days attrition - Quarter annualized	
	Q1 FY12	Q4 FY11
Domestic (India and Sri Lanka)	81.6%	91.2%
Offshore (India and Philippines)	58.7%	65.9%
Onshore (US and UK)	32.8%	33.6%

Other Metrics

	Period ended	
	Quarter ended Jun 30, 2011	Year ended Mar 31, 2011
Capital Expenditure (INR million)	62.1	470.9