

# Firstsource Solutions Limited



## Profit and Loss account summary (consolidated figures)

(As per Indian GAAP)

In ₹ million, except per share data

Particulars	Quarter ended		Growth % in Q3 FY12 over Q3 FY11	Quarter ended	Growth % in Q3 FY12 over Q2 FY12
	Dec 31, 2011	Dec 31, 2010		Sep 30, 2011	
<b>INCOME</b>					
Income from services	5,813.6	5,048.2		5,287.1	
Other Operating Income	(43.0)	97.8		43.2	
<b>REVENUES FROM OPERATIONS</b>	<b>5,770.6</b>	<b>5,146.0</b>	<b>12.1%</b>	<b>5,330.3</b>	<b>8.3%</b>
<b>EXPENDITURE</b>					
Operating expenses	1,345.4	1,203.2		1,355.5	
Personnel expenses	3,995.0	3,232.1		3,512.8	
	5,340.4	4,435.4		4,868.2	
<b>OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	<b>430.3</b>	<b>710.6</b>	<b>-39.4%</b>	<b>462.0</b>	<b>-6.9%</b>
<b>Operating EBITDA %</b>	<b>7.5%</b>	<b>13.8%</b>		<b>8.7%</b>	
Depreciation / amortization	229.6	231.6		225.1	
<b>OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>200.7</b>	<b>479.1</b>	<b>-58.1%</b>	<b>236.9</b>	<b>-15.3%</b>
<b>Operating EBIT %</b>	<b>3.5%</b>	<b>9.3%</b>		<b>4.4%</b>	
Extraordinary (expense)	-	(63.8)		-	
Interest Income / (expense), net	(6.6)	(54.8)		(21.1)	
Exchange gain/ (loss) on Foreign currency loan	0.2	0.7		26.4	
Gain / (loss) on FCCB Buy back	(71.4)	-		3.8	
Amortized (cost) on fair value of FCCB	(35.4)	(32.1)		(36.2)	
Other Income / (expense)	6.3	112.1		51.1	
<b>PROFIT/(LOSS) BEFORE TAX (PBT)</b>	<b>93.8</b>	<b>441.1</b>	<b>-78.7%</b>	<b>260.9</b>	<b>-64.0%</b>
<b>PBT (% of Total Income)</b>	<b>1.6%</b>	<b>8.4%</b>		<b>4.8%</b>	
Taxes	23.4	83.5		46.7	
<b>PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>	<b>70.4</b>	<b>357.6</b>	<b>-80.3%</b>	<b>214.1</b>	<b>-67.1%</b>
Minority Interest	1.9	8.0		(0.4)	
<b>PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)</b>	<b>68.6</b>	<b>349.6</b>	<b>-80.4%</b>	<b>214.5</b>	<b>-68.0%</b>
<b>PAT (% of Total Income)</b>	<b>1.2%</b>	<b>6.6%</b>		<b>4.0%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value ₹ 10/ each)					
Basic	0.16	0.81		0.50	
Diluted	0.16	0.73		0.48	

# Firstsource Solutions Limited



**Profit and Loss account summary**  
(Consolidated numbers)

(As per Indian GAAP)

In ₹ million, except per share data

Particulars	Nine Months ended		Growth (%)
	Dec 31, 2011	Dec 31, 2010	
<b>INCOME</b>			
Income from services	16,289.6	14,707.1	
Other Operating Income	42.1	381.6	
<b>REVENUES FROM OPERATIONS</b>	<b>16,331.7</b>	<b>15,088.7</b>	<b>8.2%</b>
<b>EXPENDITURE</b>			
Operating expenses	4,039.8	3,662.3	
Personnel expenses	10,969.3	9,323.1	
<b>Total (B)</b>	<b>15,009.1</b>	<b>12,985.4</b>	
<b>OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	<b>1,322.6</b>	<b>2,103.3</b>	<b>-37.1%</b>
<b>Operating EBITDA %</b>	<b>8.1%</b>	<b>13.9%</b>	
Depreciation / amortization	674.3	657.4	
<b>OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>648.3</b>	<b>1,445.9</b>	<b>-55.2%</b>
<b>Operating EBIT %</b>	<b>4.0%</b>	<b>9.6%</b>	
Extraordinary (expense)	-	(63.8)	
Interest Income / (expense), net	(62.1)	(165.2)	
Exchange gain/ (loss) on Foreign currency loan	25.9	2.3	
Amortised (cost) on fair value of FCCB	(106.8)	(93.7)	
Gain / (loss) on FCCB Buy back	(67.6)	-	
Other Income / (expense)	70.6	137.7	
<b>PROFIT/(LOSS) BEFORE TAX (PBT)</b>	<b>508.3</b>	<b>1,263.2</b>	<b>-59.8%</b>
<b>PBT (% of Total Income)</b>	<b>3.1%</b>	<b>8.3%</b>	
Taxes	116.0	242.3	
<b>PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>	<b>392.3</b>	<b>1,020.9</b>	
Minority Interest	2.8	18.4	
<b>PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)</b>	<b>389.5</b>	<b>1,002.5</b>	<b>-61.1%</b>
<b>PAT (% of Total Income)</b>	<b>2.4%</b>	<b>6.6%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value ₹ 10/ each)			
Basic	0.90	2.33	
Diluted	0.90	2.11	

# Firstsource Solutions Limited



**Balance sheet summary**  
(consolidated figures)

(As per Indian GAAP)

In ₹ million

Particulars	As on	
	Dec 31, 2011	Sep 30, 2011
<b>SOURCES OF FUNDS</b>		
<b>Shareholder's funds</b>		
Share capital	4,307.8	4,307.8
Reserve and surplus	9,610.9	9,736.6
	13,918.71	14,044.4
<b>Minority interest</b>	17.2	14.3
<b>Deferred tax liability, net</b>	131.0	114.1
<b>Loan funds</b>		
Secured loans	9,634.9	8,887.4
Unsecured loans	11,802.0	11,978.3
	21,437.0	20,865.7
	<b>35,503.8</b>	<b>35,038.6</b>
<b>APPLICATION OF FUNDS</b>		
<b>Goodwill on consolidation</b>	24,048.7	22,311.3
<b>Fixed assets</b>		
Gross block	7,733.8	7,512.7
Less: Accumulated depreciation and amortization	5,656.6	5,574.8
Net block	2,077.2	1,937.9
Add: Capital work in progress (including capital advances)	135.3	234.6
	2,212.5	2,172.5
<b>Investments</b>	698.5	1,117.6
<b>Current assets, loans and advances</b>		
Sundry debtors	3,103.9	2,846.6
Unbilled revenues	1,316.1	857.5
Cash and bank balances	5,838.1	7,909.5
Loans and advances	2,183.8	1,871.6
	12,441.8	13,485.2
<b>Less: Current liabilities and provisions</b>		
Current liabilities	3,257.1	3,454.8
Provisions	640.5	593.3
	3,897.6	4,048.1
<b>Net current assets</b>	8,544.2	9,437.1
	<b>35,503.8</b>	<b>35,038.6</b>
<b>Cash and Cash Equivalents</b>	6,536.5	9,027.2
<b>Net Debt</b>	14,900.4	11,838.6
<b>Net Debt / Equity (x)</b>	1.07	0.84

# Firstsource Solutions Limited

## Cash Flow Statement (consolidated figures)

  
**firstsource**  
(As per Indian GAAP)

In ₹ million

Particulars	Jun 30, 2011	Sep 30, 2011	Dec 31, 2011
<b>Sources</b>			
Net Cash accruals / (losses)	452	606	477
Increase in Shareholders' Funds	0	2	-
Increase in Borrowings (incl CC & FCNR)	-	5,531	-
Decrease in Net current Assets	-	241	-
<b>Total Sources</b>	<b>452</b>	<b>6,380</b>	<b>477</b>
<b>Uses</b>			
Increase in Net current Assets	518	-	706
Taxes paid	5	178	139
Capital Expenditure	89	197	226
Business Acquisition, net of cash acquired	33	160	-
Interest Expense, Net	36	29	95
Decrease in Borrowings (incl CC & FCNR)	441	-	2,182
<b>Total Uses</b>	<b>1,122</b>	<b>565</b>	<b>3,348</b>
Surplus / (Deficit)	(670)	5,815	(2,871)
Effect of exchange rate on translation of subsidiaries	2	(695)	380
Opening Cash and Cash Equivalents	4,576	3,908	9,027
Closing Cash and Cash Equivalents	3,908	9,027	6,537

# Firstsource Solutions Limited



## OPERATING METRICS

Revenue by Industry					
	Quarter Ended			Year Ended	
	Dec 31, 2011	Dec 31, 2010	Sep 30, 2011	Mar 31, 2011	Mar 31, 2010
BFSI	27.4%	27.4%	30.0%	26.3%	23.0%
Telecom & Media	37.4%	36.8%	35.2%	36.6%	37.7%
Healthcare	34.4%	34.3%	33.8%	35.7%	37.5%
Others	0.8%	1.5%	1.0%	1.4%	1.9%
<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	
	Dec 31, 2011	Dec 31, 2010	Sep 30, 2011	Mar 31, 2011	Mar 31, 2010
US (including Canada)	51.4%	55.1%	51.8%	57.3%	60.4%
UK	31.6%	33.0%	32.1%	30.6%	27.0%
India	11.9%	10.9%	14.1%	11.1%	11.9%
Rest of world*	5.1%	1.0%	2.1%	1.0%	0.7%
<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	
	Dec 31, 2011	Dec 31, 2010	Sep 30, 2011	Mar 31, 2011	Mar 31, 2010
Offshore	22.9%	27.3%	23.5%	26.9%	28.9%
Domestic	12.8%	10.9%	14.5%	11.1%	11.9%
Onshore	64.3%	61.7%	62.0%	62.0%	59.3%
<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	
	Dec 31, 2011	Dec 31, 2010	Sep 30, 2011	Mar 31, 2011	Mar 31, 2010
Client contribution to revenues					
Top customer	13.7%	12.2%	13.8%	11.7%	12.0%
Top 5 customers	40.7%	36.0%	41.5%	34.0%	32.5%

Employee and Seats Metrics					
	Quarter Ended			Year Ended	
	Dec 31, 2011	Dec 31, 2010	Sep 30, 2011	Mar 31, 2011	Mar 31, 2010
Total employees (end of period)	30,121	26,668	29,291	26,413	24,860
Net Addition	830	1,759	(373)	1,553	3,290
Employees in India	22,139	19,919	22,097	19,632	18,784
Employees outside India	7,982	6,749	7,194	6,781	6,076
Number of seats	23,587	20,844	22,519	22,681	19,556
Seat fill factor	75%	75%	78%	71%	80%

Attrition Snapshot		
	Post 180 days attrition - Quarter annualized	
	Q3 FY12	Q2 FY12
Domestic (India and Sri Lanka)	88.8%	74.7%
Offshore (India and Philippines)	56.4%	48.8%
Onshore (US and Europe)	37.7%	40.9%

Other Metrics		
	Period ended	
	Nine months ended Dec 31, 2011	Year ended Mar 31, 2011
Capital Expenditure (In ₹ million)	539.6	470.9