

# 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 Q3 FY15 over Q3 FY14	Quarter ended	Growth % in Q3 FY15 over Q2 FY15
	December 31, 2014	December 31, 2013		September 30, 2014	
<b>INCOME</b>					
Income from services	7,372.59	7,993.54	-7.8%	7,698.00	-4.2%
Other Operating Income	137.63	4.09	-	41.85	-
<b>REVENUES FROM OPERATIONS</b>	<b>7,510.22</b>	<b>7,997.63</b>	<b>-6.1%</b>	<b>7,739.85</b>	<b>-3.0%</b>
<b>EXPENDITURE</b>					
Operating expenses	1,554.89	1,554.86	0.0%	1,594.22	-2.5%
Personnel expenses	5,019.77	5,511.50	-8.9%	5,196.91	-3.4%
	6,574.66	7,066.36	-7.0%	6,791.13	-3.2%
<b>OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	<b>935.56</b>	<b>931.27</b>	<b>0.5%</b>	<b>948.72</b>	<b>-1.4%</b>
<b>Operating EBITDA %</b>	<b>12.5%</b>	<b>11.6%</b>		<b>12.3%</b>	
Depreciation / amortization	189.28	189.71	-0.2%	177.26	6.8%
<b>OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>746.28</b>	<b>741.56</b>	<b>0.6%</b>	<b>771.46</b>	<b>-3.3%</b>
<b>Operating EBIT %</b>	<b>9.9%</b>	<b>9.3%</b>		<b>10.0%</b>	
Interest Income / (expense), net	(142.87)	(205.30)	-30.4%	(174.13)	-18.0%
Other Income / (expense)	(5.14)	(3.87)	32.8%	40.40	-
<b>PROFIT/(LOSS) BEFORE TAX (PBT)</b>	<b>598.27</b>	<b>532.38</b>	<b>12.4%</b>	<b>637.73</b>	<b>-6.2%</b>
<b>PBT (% of Total Income)</b>	<b>8.0%</b>	<b>6.7%</b>		<b>8.2%</b>	
Taxes	21.16	47.68	-55.6%	24.71	-14.4%
<b>PROFIT/(LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>	<b>577.11</b>	<b>484.70</b>	<b>19.1%</b>	<b>613.02</b>	<b>-5.9%</b>
Minority Interest	1.98	1.60	23.8%	0.61	224.6%
<b>PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)</b>	<b>575.13</b>	<b>483.10</b>	<b>19.0%</b>	<b>612.41</b>	<b>-6.1%</b>
<b>PAT (% of Total Income)</b>	<b>7.7%</b>	<b>6.0%</b>		<b>7.9%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value ₹ 10/ each)					
Basic	0.87	0.73		0.93	
Diluted	0.81	0.71		0.87	

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(As per Indian GAAP)

In INR million, except per share data

Particulars	Nine Months ended		Growth
	December 31, 2014	December 31, 2013	(%)
<b>INCOME</b>			
Income from services	22,689.93	23,206.80	-2.2%
Other Operating Income	116.18	(110.08)	-205.5%
<b>REVENUES FROM OPERATIONS</b>	<b>22,806.11</b>	<b>23,096.72</b>	<b>-1.3%</b>
<b>EXPENDITURE</b>			
Operating expenses	4,708.16	4,565.88	3.1%
Personnel expenses	15,283.24	15,898.67	-3.9%
	19,991.40	20,464.55	-2.3%
<b>OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	<b>2,814.71</b>	<b>2,632.17</b>	<b>6.9%</b>
<b>Operating EBITDA %</b>	<b>12.3%</b>	<b>11.4%</b>	
Depreciation / amortization	542.00	576.01	-5.9%
<b>OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>2,272.71</b>	<b>2,056.16</b>	<b>10.5%</b>
<b>Operating EBIT %</b>	<b>10.0%</b>	<b>8.9%</b>	
Interest Income / (expense), net	(493.99)	(632.39)	-21.9%
Other Income / (expense)	18.28	8.94	104.5%
<b>PROFIT/(LOSS) BEFORE TAX (PBT)</b>	<b>1,797.00</b>	<b>1,432.71</b>	<b>25.4%</b>
<b>PBT (% of Total Income)</b>	<b>7.9%</b>	<b>6.2%</b>	
Taxes	73.72	90.52	-18.6%
<b>PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>	<b>1,723.28</b>	<b>1,342.19</b>	<b>28.4%</b>
Minority Interest	3.25	1.04	-
<b>PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)</b>	<b>1,720.03</b>	<b>1,341.15</b>	<b>28.3%</b>
<b>PAT (% of Total Income)</b>	<b>7.5%</b>	<b>5.8%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value ₹ 10/ each)			
Basic	2.60	2.04	
Diluted	2.43	1.98	

# Firstsource Solutions Limited



## Balance sheet summary (consolidated figures)

(As per Indian GAAP)

In INR million

Particulars	As on	
	Dec 31, 2014	Sept 30, 2014
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholder's funds</b>		
Share capital	6,651.40	6,630.05
Reserve and surplus	17,229.33	16,160.32
	23,880.73	22,790.37
<b>Share application money pending allotment</b>	8.45	0.11
<b>Minority interest</b>	18.50	16.09
<b>Non-current liabilities</b>		
Long-term borrowings	4,882.38	5,454.77
Deferred tax liability, net	382.84	323.55
Other Long term liabilities	-	199.83
Long-term provisions	245.92	267.86
	5,511.14	6,246.01
<b>Current liabilities</b>		
Short-term borrowings	3,199.37	3,030.73
Trade payables	1,149.42	1,069.91
Other current liabilities	4,617.64	4,574.89
Short-term provisions	99.19	143.46
	9,065.62	8,818.99
	<b>38,484.44</b>	<b>37,871.57</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill on consolidation	27,253.13	26,712.47
Fixed assets	1,222.66	1,238.58
Non-current investments	58.10	56.97
Long-term loans and advances	1,068.04	1,067.70
Other non-current assets	1,184.25	1,090.49
	30,786.18	30,166.21
<b>Current Assets</b>		
Current investments	27.00	237.00
Trade receivables	3,540.34	2,905.89
Cash and cash equivalents	1,372.88	1,606.02
Short-term loans and advances	357.52	438.25
Other current assets	2,400.52	2,518.20
	7,698.26	7,705.36
	<b>38,484.44</b>	<b>37,871.57</b>

**Firstsource Solutions Limited****Cash Flow Statement**

(consolidated figures)

(As per Indian GAAP)

In INR million

<b>Particulars</b>	<b>Quarter ended Dec 31, 2014</b>
<b>Sources</b>	
Net Cash accruals / (losses)	919
Increase in Shareholders' Funds	56
Interest and dividend Received	25
Fixed Assets	2
Increase in Borrowings (Bank overdraft)	130
<b>Total Sources</b>	<b>1,131</b>
<b>Uses</b>	
Increase in Net current Assets	595
Taxes paid	132
Capital Expenditure	64
Interest Expense	161
Decrease in Borrowings (incl CC & FCNR)	750
<b>Total Uses</b>	<b>1,702</b>
Surplus / (Deficit)	(571)
Effect of exchange rate on translation of subsidiaries	129
Opening Cash and Cash Equivalents	1,870
Closing Cash and Cash Equivalents	1,428

**OPERATING METRICS**

Revenue by Industry					
	Quarter Ended			Year Ended	
	Dec 31, 2014	Dec 31, 2013	Sept 30, 2014	Mar 31, 2014	Mar 31, 2013
BFSI	20.0%	23.7%	19.8%	22.6%	23.7%
Telecom & Media	44.3%	43.8%	45.9%	44.6%	44.0%
Healthcare	35.5%	31.9%	34.3%	32.5%	31.7%
Others	0.2%	0.6%	0.0%	0.3%	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>

Revenue by Geography					
	Quarter Ended			Year Ended	
	Dec 31, 2014	Dec 31, 2013	Sept 30, 2014	Mar 31, 2014	Mar 31, 2013
US (including Canada)	49.0%	46.6%	46.7%	46.7%	46.2%
UK	35.6%	36.5%	36.3%	35.6%	34.2%
India	8.5%	8.3%	8.3%	8.8%	10.5%
Rest of world*	6.9%	8.5%	8.7%	8.9%	9.1%
<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, 2014	Dec 31, 2013	Sept 30, 2014	Mar 31, 2014	Mar 31, 2013
Offshore	24.2%	20.6%	26.0%	22.8%	21.1%
Domestic	8.5%	9.4%	8.4%	9.6%	11.2%
Onshore	67.3%	70.0%	65.7%	67.7%	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	
	Dec 31, 2014	Dec 31, 2013	Sept 30, 2014	Mar 31, 2014	Mar 31, 2013
Client contribution to revenues					
Top customer	24.0%	21.8%	24.9%	20.8%	16.7%
Top 5 customers	43.9%	45.4%	45.5%	45.0%	45.5%

Employee and Seats Metrics					
	Quarter Ended			Year Ended	
	Dec 31, 2014	Dec 31, 2013	Sept 30, 2014	Mar 31, 2014	Mar 31, 2013
Total employees (end of period)	26,621	29,946	26,923	27,666	31,872
Net Addition	(302)	(444)	(224)	(4,206)	1,786
Employees in India	17,574	19,652	17,703	17,927	20,987
Employees outside India	9,047	10,294	9,220	9,739	10,885
Number of seats	23,698	23,545	23,593	23,388	24,053
Seat fill factor	72%	78%	73%	77%	82%

Attrition Snapshot		
	Post 180 days attrition - Quarter annualized	
	Q3 FY15	Q2 FY15
Domestic (India and Sri Lanka)	80.6%	85.7%
Offshore (India and Philippines)	47.1%	49.6%
Onshore (US and Europe)	37.4%	43.6%

Other Metrics		
	Period ended	
	Dec 31, 2014	Sept 30, 2014
Capital Expenditure (In INR million)	64.0	44.0