

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 Q4 FY10 over Q4 FY09	Quarter ended Dec 31, 2009	Growth % in Q4 FY10 over Q3 FY10
	Mar 31, 2010	Mar 31, 2009			
INCOME					
Income from services	5,008.0	4,746.2		4,839.9	
Other Operating Income	59.4	(23.2)		68.7	
REVENUES FROM OPERATIONS	5,067.4	4,723.0	7.3%	4,908.5	3.2%
EXPENDITURE					
Operating expenses	1,254.3	1,384.7		1,223.5	
Personnel expenses	3,107.9	2,730.9		3,003.0	
Total (B)	4,362.2	4,115.5		4,226.5	
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	705.2	607.4	16.1%	682.0	3.4%
Operating EBITDA %	13.9%	12.9%		13.9%	
Depreciation / amortization	204.5	246.1		214.8	
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	500.6	361.4	38.5%	467.2	7.2%
Operating EBIT %	9.9%	7.7%		9.5%	
Extraordinary (expense)	-	(138.2)		-	
Interest Income / (expense), net	(65.8)	(87.2)		(56.7)	
Exchange gain/ (loss) on Foreign currency loan	(5.6)	(13.1)		(7.3)	
Gain/(loss) due to Exchange var. and amortized (cost) on fair value of FCCB	(30.2)	(32.6)		(28.2)	
Gain on FCCB Buy back	-	635.0			
Other Income / (expense)	8.3	(297.5)		22.4	
PROFIT/(LOSS) BEFORE TAX (PBT)	407.2	427.9	-4.8%	397.5	2.5%
PBT (% of Total Income)	8.0%	9.7%		8.1%	
Taxes	50.6	19.3		64.3	
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	356.7	408.6	-12.7%	333.2	7.0%
Minority Interest	0.5	(0.2)		0.1	
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	356.1	408.8	-12.9%	333.2	6.9%
PAT (% of Total Income)	7.0%	9.2%		6.8%	
EARNINGS PER SHARE (Equity shares of par value Rs 10/ each)					
Basic	0.83	0.95		0.78	
Diluted	0.74	0.95		0.70	

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Particulars	Year ended		Growth (%)
	Mar 31, 2010	Mar 31, 2009	
INCOME			
Income from services	19,539.1	17,525.2	
Other Operating Income	168.8	(31.5)	
REVENUES FROM OPERATIONS	19,707.9	17,493.7	12.7%
EXPENDITURE			
Operating expenses	4,872.9	4,963.9	
Personnel expenses	12,029.7	10,211.1	
Total (B)	16,902.7	15,175.0	
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	2,805.2	2,318.7	21.0%
EBITDA %	14.2%	13.3%	
Depreciation / amortization	872.6	935.9	
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	1,932.5	1,382.8	39.8%
EBIT %	9.8%	7.9%	
Extraordinary (expense)	(84.0)	(138.2)	
Interest Income / (expense), net	(229.3)	(125.4)	
Exchange gain/ (loss) on Foreign currency loan	(111.2)	(18.5)	
Gain/(loss) due to Exchange var. and amortized (cost) on fair value of FCCB	(115.3)	(892.1)	
Gain on FCCB Buy back	73.9	635.0	
Other Income / (expense)	136.2	(336.7)	
PROFIT/(LOSS) BEFORE TAX (PBT)	1,602.8	506.9	216.2%
PBT (% of Total Income)	8.1%	3.0%	
Taxes	237.6	199.1	
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	1,365.2	307.8	
Minority Interest	4.5	1.1	
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	1,360.7	306.7	343.6%
PAT (% of Total Income)	6.9%	1.8%	
EARNINGS PER SHARE (Equity shares of par value Rs 10/ each)			
Basic	3.17	0.72	
Diluted	2.84	0.72	

Firstsource Solutions Limited



Balance sheet summary
(consolidated figures)

(As per Indian GAAP)

In Rs million

Particulars	As on	
	Mar 31, 2010	Mar 31, 2009
SOURCES OF FUNDS		
Shareholder's funds		
Share capital	4,292.1	4,281.9
Share application money	3.5	-
Reserve and surplus	9,948.2	9,512.4
	14,243.7	13,794.3
Minority interest	49.8	54.7
Loan funds		
Secured loans	2,786.9	1,855.6
Unsecured loans	10,791.6	12,090.0
	13,578.5	13,945.6
	27,871.9	27,794.6
APPLICATION OF FUNDS		
Goodwill on consolidation	20,725.9	22,875.6
Fixed assets		
Gross block	6,432.5	6,348.2
Less: Accumulated depreciation and amortization	4,674.6	4,157.5
Net block	1,757.9	2,190.7
Add: Capital work in progress (including capital advances)	80.1	70.2
	1,838.0	2,261.0
Investments	1,005.3	18.2
Deferred tax asset, (net)	55.0	140.5
Current assets, loans and advances		
Sundry debtors	2,610.6	2,379.5
Unbilled revenues	673.0	605.0
Cash and bank balances	1,217.5	966.9
Loans and advances	2,011.4	1,187.1
	6,512.5	5,138.6
Less: Current liabilities and provisions		
Current liabilities	1,620.1	2,029.5
Provisions	644.8	609.7
	2,264.9	2,639.2
Net current assets	4,247.6	2,499.4
	27,871.9	27,794.6
Net Debt	11,355.6	12,960.5
Net Debt / Equity (x)	0.80	0.94
Net Debt / Operating EBITDA (x)	4.05	5.59

Firstsource Solutions Limited



OPERATING METRICS

Revenue by Industry					
	Quarter Ended			Year Ended	
	Mar 31, 2010	Mar 31, 2009	Dec 31, 2009	Mar 31, 2010	Mar 31, 2009
BFSI	24.1%	24.3%	22.0%	23.0%	25.2%
Telecom & Media	38.1%	33.7%	39.6%	37.7%	32.4%
Healthcare	36.0%	39.8%	36.5%	37.5%	39.9%
Others	1.7%	2.2%	1.9%	1.9%	2.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Geography					
	Quarter Ended			Year Ended	
	Mar 31, 2010	Mar 31, 2009	Dec 31, 2009	Mar 31, 2010	Mar 31, 2009
US (including Canada)	61.2%	63.6%	58.1%	60.4%	63.0%
UK	27.1%	24.0%	28.5%	27.0%	26.0%
India	11.0%	11.9%	12.7%	11.9%	10.8%
Rest of world	0.8%	0.5%	0.7%	0.7%	0.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Delivery location					
	Quarter Ended			Year Ended	
	Mar 31, 2010	Mar 31, 2009	Dec 31, 2009	Mar 31, 2010	Mar 31, 2009
Offshore	28.4%	28.3%	28.6%	28.9%	30.5%
Domestic	11.0%	11.9%	12.7%	11.9%	10.8%
Onshore	60.6%	59.8%	58.6%	59.3%	58.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Client Concentration					
	Quarter Ended			Year Ended	
	Mar 31, 2010	Mar 31, 2009	Dec 31, 2009	Mar 31, 2010	Mar 31, 2009
Client contribution to revenues					
Top customer	12.0%	10.7%	13.3%	12.0%	10.3%
Top 5 customers	31.5%	31.7%	34.8%	32.5%	31.2%

Employee and Seats Metrics					
	Quarter Ended			Year Ended	
	Mar 31, 2010	Mar 31, 2009	Dec 31, 2009	Mar 31, 2010	Mar 31, 2009
Total employees (end of period)	24,860	21,570	27,308	24,860	21,570
Net Addition	(2,448)	(950)	876	3,290	4,201
Employees in India	18,784	16,859	21,377	18,784	16,859
Employees outside India	6,076	4,711	5,931	6,076	4,711
Number of seats	19,556	18,932	19,407	19,556	18,932
Seat fill factor	80%	70%	80%	80%	70%

Attrition Snapshot		
	Post 180 days attrition - Quarter annualized	
	Q4 FY10	Q3 FY10
Domestic	NA*	68.3%
Offshore (India and Philippines)	43.5%	43.7%
Onshore (US and UK)	34.5%	34.1%

Other Metrics		
	Year ended	
	Mar 31, 2010	Mar 31, 2009
Capital Expenditure (INR million)	480.1	981.0

* Attrition metric in domestic business is not relevant for the quarter in the context of significant downsizing due to lower volumes.