

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 FY11 over Q4 FY10	Quarter ended Dec 31, 2010	Growth % in Q4 FY11 over Q3 FY11
	Mar 31, 2011	Mar 31, 2010			
INCOME					
Income from services	5,403.1	5,008.0		5,048.2	
Other Operating Income	61.0	59.4		97.8	
REVENUES FROM OPERATIONS	5,464.1	5,067.4	7.8%	5,146.0	6.2%
EXPENDITURE					
Operating expenses	1,264.8	1,247.3		1,203.2	
Personnel expenses	3,406.9	3,107.9		3,232.2	
	4,671.7	4,355.2		4,435.4	
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	792.4	712.2	11.3%	710.6	11.5%
Operating EBITDA %	14.5%	14.1%		13.8%	
Depreciation / amortization	233.3	204.5		231.6	
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	559.1	507.6	10.1%	479.1	16.7%
Operating EBIT %	10.2%	10.0%		9.3%	
Extraordinary (expense)	-	-		(63.8)	
Interest Income / (expense), net	(43.1)	(72.9)		(54.9)	
Exchange gain/ (loss) on Foreign currency loan	4.9	(5.6)		0.7	
Amortized (cost) on fair value of FCCB	(35.3)	(30.2)		(32.1)	
Other Income / (expense)	4.2	8.3		112.1	
PROFIT/(LOSS) BEFORE TAX (PBT)	489.8	407.2	20.3%	441.1	11.0%
PBT (% of Total Income)	9.0%	8.0%		8.4%	
Taxes	107.1	50.6		83.5	
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	382.8	356.7	7.3%	357.6	7.0%
Minority Interest	0.2	0.5		8.0	
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	382.6	356.1	7.4%	349.6	9.4%
PAT (% of Total Income)	7.0%	7.0%		6.6%	
EARNINGS PER SHARE (Equity shares of par value Rs 10/ each)					
Basic	0.89	0.83		0.81	
Diluted	0.80	0.74		0.73	

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(Consolidated numbers)

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In Rs million, except per share data

Particulars	Year ended		Growth (%)
	Mar 31, 2011	Mar 31, 2010	
INCOME			
Income from services	20,110.2	19,539.1	
Other Operating Income	442.6	168.8	
REVENUES FROM OPERATIONS	20,552.8	19,707.9	4.3%
EXPENDITURE			
Operating expenses	4,927.1	4,872.9	
Personnel expenses	12,729.9	12,029.7	
Total (B)	17,657.0	16,902.7	
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	2,895.7	2,805.2	3.2%
Operating EBITDA %	14.1%	14.2%	
Depreciation / amortization	890.8	872.6	
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	2,005.0	1,932.6	3.7%
Operating EBIT %	9.8%	9.8%	
Extraordinary (expense)	(63.8)	(84.0)	
Interest Income / (expense), net	(208.2)	(229.3)	
Exchange gain/ (loss) on Foreign currency loan	7.2	(111.2)	
Amortised (cost) on fair value of FCCB	(129.0)	(115.3)	
Gain on FCCB Buy back	-	73.9	
Other Income / (expense)	141.9	136.2	
PROFIT/(LOSS) BEFORE TAX (PBT)	1,753.0	1,602.8	9.4%
PBT (% of Total Income)	8.5%	8.1%	
Taxes	349.4	237.6	
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	1,403.7	1,365.2	
Minority Interest	18.6	4.5	
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	1,385.1	1,360.7	1.8%
PAT (% of Total Income)	6.7%	6.9%	
EARNINGS PER SHARE (Equity shares of par value Rs 10/ each)			
Basic	3.22	3.17	
Diluted	2.91	2.84	

Firstsource Solutions Limited



Balance sheet summary
(consolidated figures)

(As per Indian GAAP)

In Rs million

Particulars	As on	
	Mar 31, 2011	Mar 31, 2010
SOURCES OF FUNDS		
Shareholder's funds		
Share capital	4,306.4	4,292.1
Share application money	-	3.5
Reserve and surplus	9,920.8	9,948.2
	14,227.2	14,243.7
Minority interest	1.1	49.8
Deferred tax liability, net	58.0	
Loan funds		
Secured loans	3,346.6	2,786.9
Unsecured loans	11,586.1	10,791.6
	14,932.7	13,578.5
	29,218.9	27,871.9
APPLICATION OF FUNDS		
Goodwill on consolidation	20,454.0	20,725.9
Fixed assets		
Gross block	7,594.5	6,432.5
Less: Accumulated depreciation and amortization	5,420.5	4,674.6
Net block	2,174.0	1,757.9
Add: Capital work in progress (including capital advances)	111.4	80.1
	2,285.3	1,838.0
Investments	1,329.3	1,005.3
Deferred tax asset, (net)	-	55.0
Current assets, loans and advances		
Sundry debtors	2,388.7	2,610.6
Unbilled revenues	1,036.7	673.0
Cash and bank balances	3,246.2	1,217.5
Loans and advances	1,685.4	1,774.9
	8,357.0	6,276.0
Less: Current liabilities and provisions		
Current liabilities	2,742.4	1,691.0
Provisions	464.4	337.4
	3,206.8	2,028.4
Net current assets	5,150.2	4,247.6
	29,218.9	27,871.9
Cash and Cash Equivalents	4,575.5	2,222.8
Net Debt	10,357.2	11,355.6
Net Debt / Equity (x)	0.73	0.80
Net Debt / Operating EBITDA (x)	3.58	4.05

Firstsource Solutions Limited



OPERATING METRICS

Revenue by Industry					
	Quarter Ended			Year Ended	
	Mar 31, 2011	Mar 31, 2010	Dec 31, 2010	Mar 31, 2011	Mar 31, 2010
BFSI	30.9%	24.1%	27.4%	26.3%	23.0%
Telecom & Media	33.7%	38.1%	36.8%	36.6%	37.7%
Healthcare	34.5%	36.0%	34.3%	35.7%	37.5%
Others	0.9%	1.7%	1.5%	1.4%	1.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Geography					
	Quarter Ended			Year Ended	
	Mar 31, 2011	Mar 31, 2010	Dec 31, 2010	Mar 31, 2011	Mar 31, 2010
US (including Canada)	54.4%	61.2%	55.1%	57.3%	60.4%
UK	33.3%	27.1%	32.9%	30.6%	27.0%
India	11.2%	11.0%	10.9%	11.1%	11.9%
Rest of world	1.0%	0.8%	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	
	Mar 31, 2011	Mar 31, 2010	Dec 31, 2010	Mar 31, 2011	Mar 31, 2010
Offshore	24.0%	28.4%	27.3%	26.9%	28.9%
Domestic	11.3%	11.0%	10.9%	11.1%	11.9%
Onshore	64.8%	60.6%	61.7%	62.0%	59.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Client Concentration					
	Quarter Ended			Year Ended	
	Mar 31, 2011	Mar 31, 2010	Dec 31, 2010	Mar 31, 2011	Mar 31, 2010
Client contribution to revenues					
Top customer	13.0%	12.0%	12.2%	11.7%	12.0%
Top 5 customers	38.1%	31.5%	36.0%	34.0%	32.5%

Employee and Seats Metrics					
	Quarter Ended			Year Ended	
	Mar 31, 2011	Mar 31, 2010	Dec 31, 2010	Mar 31, 2011	Mar 31, 2010
Total employees (end of period)	26,413	24,860	26,668	26,413	24,860
Net Addition	(255)	(2,448)	1,759	1,553	3,290
Employees in India	19,632	18,784	19,919	19,632	18,784
Employees outside India	6,781	6,076	6,749	6,781	6,076
Number of seats	22,681	19,556	20,844	22,681	19,556
Seat fill factor	71%	80%	75%	71%	80%

Attrition Snapshot				
			Post 180 days attrition - Quarter annualized	
			Q4 FY11	Q3 FY11
Domestic			91.2%	76.9%
Offshore (India and Philippines)			65.9%	54.8%
Onshore (US and UK)			33.6%	35.2%

Other Metrics			
		Year ended	
		Mar 31, 2011	Mar 31, 2010
Capital Expenditure (INR million)		470.9	480.1