

Firstsource Solutions Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2012

(Rs. in millions, except per share data)

Particulars	Quarter ended June 30,	Quarter ended March 31,	Quarter ended June 30,	Year ended March 31,
	2012	2012	2011	2012
	(Audited)	(Audited)	(Audited)	(Audited)
Revenue from operations	6,852.43	6,258.89	5,188.92	22,548.51
Other operating income, net	(100.73)	(40.64)	41.84	1.41
Total income from operations	6,751.70	6,218.25	5,230.76	22,549.92
Expenses				
Employee benefits expense	4,661.00	4,255.70	3,461.53	15,224.95
Depreciation and amortisation	222.21	218.31	219.59	892.63
Other expenses	1,534.02	1,434.30	1,340.48	5,474.11
Total expenses	6,417.23	5,908.31	5,021.60	21,591.69
Profit from operations before other income and finance costs	334.47	309.94	209.16	958.23
Other income	192.63	116.16	44.07	386.49
Profit from ordinary activities before finance costs	527.10	426.10	253.23	1,344.72
Finance costs	189.19	174.57	99.61	584.88
Profit from ordinary activities before tax	337.91	251.53	153.62	759.84
Tax expense	42.91	21.75	45.87	137.73
Net profit from ordinary activities after tax	295.00	229.78	107.75	622.11
Minority Interest	5.20	(0.98)	1.30	1.80
Net profit for the period	289.80	230.76	106.45	620.31
Paid-up Equity Share Capital (Face Value of Share Rs. 10)	4,307.76	4,307.76	4,306.54	4,307.76
Reserves excluding Revaluation Reserve	-	-	-	9,991.07
Earning Per Share (Rs.) : (not annualised)				
-Basic	0.67	0.54	0.25	1.44
-Diluted	0.65	0.53	0.25	1.44
Particulars of shareholding				
Public shareholding				
- Number of shares of Rs. 10	34,52,36,587	34,52,36,587	34,51,14,087	34,52,36,587
- Percentage of shareholding	80.14%	80.14%	80.14%	80.14%
Promoters` and promoter group shareholding				
a) Pledged/ Encumbered				
- Number of shares	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
b) Non-encumbered				
- Number of shares	8,55,39,720	8,55,39,720	8,55,39,720	8,55,39,720
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	19.86%	19.86%	19.86%	19.86%

Notes to financials results :

- The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on July 30, 2012. The standalone financial results for the quarter ended June 30, 2012 are available on the Company's website (www.firstsource.com) and the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
- The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances/ transactions and resulting unrealised profits in full. Unrealised losses resulting from intra-group transactions have also been eliminated unless cost cannot be recovered. Minority interest's share of profits or losses is adjusted against income to arrive at the net income attributable to the Company's shareholders.
- Effective year ended March 31, 2009, the company has early adopted Accounting Standard (AS) 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).
- The Company has filed an application with the Bombay High Court for the merger of its wholly owned subsidiary, Rev IT Systems Private Limited with the Company effective 1 April 2011.

5. Standalone Information (Audited)

	Quarter ended June 30, 2012	Quarter ended March 31, 2012	Quarter ended June 30, 2011	Year ended 31 March 2012
Total income from operations	1,955.00	1,890.31	1,828.42	7,542.56
Net profit before taxation	141.19	91.82	71.37	418.58
Net profit after taxation	141.19	106.83	71.70	453.59

6. During the quarter, no equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.

7. During the quarter, 2 complaints were received from investors which were resolved. There was no complaint pending at the beginning and at the end of the quarter.

8. During the quarter, the Company has sold the investment in its subsidiary "Firstsource Solutions S.A." .

9. The Company acquired 80% ownership in "Twin Lakes Property LLC - II", effective April 1, 2012.

10. Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.

Segment Reporting

Particulars	Quarter ended June 30, 2012	Quarter ended March 31, 2012	Quarter ended June 30, 2011	Year ended 31 March 2012
	(Audited)	(Audited)	(Audited)	(Audited)
	Segment Revenue			
a) UK	2,253.05	1,846.64	1,689.79	7,071.98
b) USA and Canada	3,284.74	3,150.45	2,794.80	11,687.33
c) India	661.38	655.89	623.92	2,700.61
d) Rest of the World	653.26	605.91	80.41	1,088.59
Total	6,852.43	6,258.89	5,188.92	22,548.51
Less: Inter Segment Revenue	-	-	-	-
Net Segment Revenue	6,852.43	6,258.89	5,188.92	22,548.51
Segment results before tax and finance costs				
a) UK	367.06	229.58	373.18	1,161.71
b) USA and Canada	353.46	325.58	263.14	1,187.21
c) India	(59.55)	(5.07)	28.30	209.03
d) Rest of the World	66.26	44.00	28.20	108.79
Total	727.23	594.09	692.82	2,666.74
i) Finance costs	(189.19)	(174.57)	(99.61)	(584.88)
ii) Other unallocable expenditure net of unallocable Income	(200.13)	(167.99)	(439.59)	(1,322.02)
Profit before tax and minority interest	337.91	251.53	153.62	759.84

Capital Employed

a) UK	1,661.96	1,460.90	1,398.37	1,460.90
b) USA and Canada	26,028.82	23,710.59	20,719.68	23,710.59
c) India	435.99	334.80	566.74	334.80
d) Rest of the World	520.07	454.53	94.38	454.53
e) Unallocated	9,021.35	9,579.14	6,197.26	9,579.14
	37,668.19	35,539.96	28,976.43	35,539.96

Notes on segment information

Primary segments

The Primary segment of the company is geography, identified on the basis of the location of the customer which in the opinion of management, is the predominant source of risk and rewards. The business of the Group is organized into four key geographic segments comprising United Kingdom, United States of America and Canada, India and Rest of the World.

Capital Employed

Capital employed comprises debtors including unbilled receivables and goodwill on consolidation directly attributable to the reportable segments. As the fixed assets and services are used interchangeably between the segments by the Group's businesses and liabilities contracted have not been identified to any of the reportable segments, the Group believes that it is currently not practicable to provide segment disclosures relating to these assets and liabilities and hence, has been included under unallocated.

By order of the Board
For Firstsource Solutions Limited

Firstsource Solutions Limited

AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2012

(Rs. in millions, except per share data)

Particulars	Quarter ended June 30,	Quarter ended March 31,	Quarter ended June 30,	Year ended March 31,
	2012	2012	2011	2012
	(Audited)	(Audited)	(Audited)	(Audited)
Revenue from operations	2,054.03	1,924.25	1,800.73	7,596.70
Other operating income, net	(99.03)	(33.94)	27.69	(54.14)
Total income from operations	1,955.00	1,890.31	1,828.42	7,542.56
Expenses				
Employee benefits expense	1,112.89	1,095.29	1,014.57	4,264.82
Depreciation and amortisation expense	143.70	152.73	144.92	598.79
Other expenses	660.84	671.51	658.43	2,623.95
Total Expenses	1,917.43	1,919.53	1,817.92	7,487.56
Profit / (Loss) from operations before other income and finance costs	37.57	(29.22)	10.50	55.00
Other income	263.88	277.20	153.70	1,019.23
Profit from ordinary activities before finance costs	301.45	247.98	164.20	1,074.23
Finance costs	160.26	156.16	92.83	655.65
Profit from ordinary activities before tax	141.19	91.82	71.37	418.58
Tax expense	-	(15.01)	(0.33)	(35.01)
Net profit from ordinary activities after tax	141.19	106.83	71.70	453.59
Paid-up Equity Share Capital (Face Value of Share Rs. 10)	4,307.76	4,307.76	4,306.54	4,307.76
Reserves excluding Revaluation Reserve				4,493.22
Earning Per Share (Rs.) (not annualised)				
-Basic	0.33	0.25	0.17	1.05
-Diluted	0.33	0.25	0.17	1.05
Particulars of shareholding				
Public shareholding				
- Number of shares of Rs. 10	34,52,36,587	34,52,36,587	34,51,14,087	34,52,36,587
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a) Pledged/ Encumbered				
- Number of shares	-	-	-	-
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Notes to financials results :

- The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on July 30, 2012.
- The Company has filed an application with the Bombay High Court for the merger of its wholly owned subsidiary, Rev IT Systems Private Limited with the Company effective 1 April 2011. Pending approval of the Honourable High Court at Mumbai, no effect of the Scheme is given in the above financial results.
- Effective year ended March 31, 2009, the Company has early adopted Accounting Standard (AS) 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).
- During the quarter, no Equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.
- During the quarter, 2 complaints were received from investors which were resolved. There was no complaint pending at the beginning and at the end of the quarter.
- Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.

By order of the Board
For Firstsource Solutions Limited

Mumbai, India
July 30, 2012

Rajesh Subramaniam
Managing Director and CEO