

Firstsource Solutions Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2015

CIN: L64202MH2001PLC134147

Registered office: 5th Floor, Paradigm 'B' wing, Mindspace, Link Road, Malad (West), Mumbai 400 064

Tel: + 91 22 66660888 Fax: + 91 22 6666 0887 web: www.firstsource.com, email: complianceofficer@firstsource.com

(Rs. in millions, except per share data and per equity data)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2015	2015	2014	2015	2014	2015
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income from operations						
Income from operations	8,008.86	7,792.68	7,372.59	23,185.64	22,689.93	30,033.78
Other operating income, net	169.45	132.10	137.63	386.88	116.18	312.74
Total income from operations	8,178.31	7,924.78	7,510.22	23,572.52	22,806.11	30,346.52
Expenses						
Employee benefits expense	5,579.11	5,341.88	5,019.77	15,917.61	15,283.24	20,171.50
Depreciation and amortisation	159.94	183.00	189.28	515.01	542.00	721.82
Other expenses	1,593.92	1,598.77	1,554.89	4,768.70	4,708.16	6,367.40
Total expenses	7,332.97	7,123.65	6,763.94	21,201.32	20,533.40	27,260.72
Profit from operations before other income and finance costs	845.34	801.13	746.28	2,371.20	2,272.71	3,085.80
Other income	20.57	9.17	24.73	75.16	61.46	65.23
Profit from ordinary activities before finance costs	865.91	810.30	771.01	2,446.36	2,334.17	3,151.03
Finance costs	123.68	129.84	172.74	395.46	537.17	710.86
Profit from ordinary activities before tax	742.23	680.46	598.27	2,050.90	1,797.00	2,440.17
Tax expense	69.99	60.61	21.16	193.15	73.72	95.40
Net profit from ordinary activities after tax	672.24	619.85	577.11	1,857.75	1,723.28	2,344.77
Minority interest	1.82	1.35	1.98	4.75	3.25	1.59
Net profit after tax and minority interest	670.42	618.50	575.13	1,853.00	1,720.03	2,343.18
Paid-up equity share capital (Face Value of Share Rs 10)	6,727.26	6,702.87	6,651.40	6,727.26	6,651.40	6,662.91
Reserves excluding revaluation reserve				16,689.40	17,229.33	14,223.26
Earnings per share (of Rs 10 each) : (not annualised)						
-Basic	1.00	0.92	0.87	2.77	2.60	3.53
-Diluted	0.96	0.89	0.81	2.65	2.43	3.34

Notes to financials results :

- The above results were reviewed by the Audit Committee on January 28, 2016 and adopted by the Board of Directors at their meeting held on January 28, 2016. The standalone financial results for the quarter and nine months ended December 31, 2015 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. 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 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).
- Standalone Information (Audited)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2015	2015	2014	2015	2014	2015
Total income from operations	2,280.43	2,267.87	2,337.03	6,658.82	6,934.36	9,141.39
Net profit before taxation	523.49	490.11	449.95	1,407.54	1,360.75	1,599.18
Net profit after taxation	433.13	466.13	458.82	1,220.41	1,380.05	1,637.54

5. During the quarter ended December 31, 2015, 2,438,200 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.

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

Segment Reporting						
Particulars	Quarter ended			Nine month ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2015	2015	2014	2015	2014	2015
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Segment revenue						
a) UK	3,169.89	2,886.15	2,621.03	8,616.92	8,139.34	10,778.35
b) USA and Canada	4,215.42	4,267.76	3,616.13	12,642.09	10,842.51	14,795.40
c) India	491.02	495.10	626.23	1,488.53	1,882.35	2,462.05
d) Rest of the World	132.53	143.67	509.20	438.10	1,825.73	1,997.98
Total	8,008.86	7,792.68	7,372.59	23,185.64	22,689.93	30,033.78
Less: Inter segment revenue	-	-	-	-	-	-
Net segment revenue	8,008.86	7,792.68	7,372.59	23,185.64	22,689.93	30,033.78
Segment results before tax and finance costs						
a) UK	696.99	618.08	613.43	1,775.44	1,592.84	2,236.95
b) USA and Canada	381.83	449.10	398.08	1,367.74	1,404.92	1,944.56
c) India	43.10	46.56	55.24	125.45	202.65	263.42
d) Rest of the World	33.36	36.70	75.59	118.88	206.84	225.86
Total	1,155.28	1,150.44	1,142.34	3,387.51	3,407.25	4,670.79
i) Finance costs	(123.68)	(129.84)	(172.74)	(395.46)	(537.17)	(710.86)
ii) Other unallocable expenditure net of unallocable income	(289.37)	(340.14)	(371.33)	(941.15)	(1,073.08)	(1,519.76)
Profit before tax and minority interest	742.23	680.46	598.27	2,050.90	1,797.00	2,440.17
Capital employed						
a) UK	1,331.57	1,409.59	1,303.42	1,331.57	1,303.42	1,136.45
b) USA and Canada	27,104.60	27,280.72	29,484.65	27,104.60	29,484.65	25,849.63
c) India	456.71	395.49	486.57	456.71	486.57	465.03
d) Rest of the World	84.58	87.09	759.31	84.58	759.31	81.30
e) Unallocated	2,623.69	2,203.05	1,780.24	2,623.69	1,780.24	2,325.22
Total	31,601.15	31,375.94	33,814.19	31,601.15	33,814.19	29,857.63

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 (UK), United States of America and Canada (USA), 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

Kolkata, India
January 28 2016

Rajesh Subramaniam
Managing Director and CEO

Firstsource Solutions Limited

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2015

CIN: L64202MH2001PLC134147

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	2015	2015	2014	2015	2014	2015
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income from operations						
Income from operations	2,121.29	2,158.78	2,220.02	6,331.86	6,849.46	8,895.21
Other operating income, net	159.14	109.09	117.01	326.96	84.90	246.18
Total income from operations	2,280.43	2,267.87	2,337.03	6,658.82	6,934.36	9,141.39
Expenses						
Employee benefits expense	1,092.27	1,050.46	1,109.20	3,163.80	3,289.17	4,377.19
Depreciation and amortisation	70.70	104.26	115.09	279.30	351.17	464.30
Other expenses	597.47	645.91	666.25	1,872.97	2,001.79	2,685.16
Total expenses	1,760.44	1,800.63	1,890.54	5,316.07	5,642.13	7,526.65
Profit from operations before other income and finance costs	519.99	467.24	446.49	1,342.75	1,292.23	1,614.74
Other income	41.36	68.81	67.72	195.42	223.71	186.67
Profit from ordinary activities before finance costs	561.35	536.05	514.21	1,538.17	1,515.94	1,801.41
Finance costs	37.86	45.94	64.26	130.63	155.19	202.23
Profit from ordinary activities before tax	523.49	490.11	449.95	1,407.54	1,360.75	1,599.18
Tax expense	90.36	23.98	(8.87)	187.13	(19.30)	(38.36)
Net profit from ordinary activities after tax	433.13	466.13	458.82	1,220.41	1,380.05	1,637.54
Paid-up equity share capital (Face value of share Rs 10)	6,727.26	6,702.87	6,651.40	6,727.26	6,651.40	6,662.91
Reserves excluding revaluation reserve				10,624.99	9,025.74	9,620.16
Earnings per share (of Rs 10 each) : (not annualised)						
-Basic	0.65	0.70	0.69	1.83	2.08	2.47
-Diluted	0.62	0.67	0.65	1.75	1.95	2.33

Notes to financials results :

1. The above results were reviewed by the Audit Committee on January 28, 2016 and adopted by the Board of Directors at their meeting held on January 28, 2016.
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3. During the quarter ended December 31, 2015, 2,438,200 Equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.
4. Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.

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Rajesh Subramaniam
Managing Director and CEO