



firstsource

Firstsource Solutions Limited
(Formerly ICICI OneSource Limited)

Q1 TOTAL INCOME OF RS. 2,822 MILLION, GROWTH OF 75% Y-o-Y PAT AT RS. 443 MILLION, UP 232% Y-o-Y

HIGHLIGHTS OF QUARTER ENDED JUNE 30, 2007

- Strong revenue growth with total income at Rs. 2,822 million for quarter ended June 2007, a growth of 75% over corresponding quarter of the previous year and 2% growth over the previous quarter.
- Profit after tax Rs. 443 million for quarter ended June 2007, a growth of 232% over corresponding quarter of the previous year and 27% growth over previous quarter.
- 15.7% PAT compared to 8.3% in the corresponding quarter of previous year.
- EPS for the quarter ended June 2007 was Rs 0.99 per share
- Impact of rupee appreciation has been mitigated by pro-active hedging and by diversification of revenue stream.

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2007

(Rupees in million)

Particulars	Quarter ended June 30,		Year ended March 31,
	2007	2006	2007
	(Audited)	(Unaudited)	(Audited)
Income from services	2,536.87	1,608.69	8,168.48
Other operating income	163.28	-	129.13
	2,700.15	1,608.69	8,297.61
Other income	121.37	1.79	101.71
Total Income	2,821.52	1,610.48	8,399.32
Personnel costs	1,416.44	786.02	4,135.65
Operating costs	731.89	537.51	2,518.20
Interest (Income) / cost, net	(19.76)	17.56	77.66
Depreciation and amortisation	188.90	131.24	641.46
Net Profit before tax and minority interest	504.05	138.15	1,026.35
Provision for Taxation			
a) Current tax expenses (Incl. foreign tax)	96.27	2.41	39.39
b) Fringe benefit tax	3.93	3.16	15.33
c) Deferred tax charge /(release)	(38.35)	-	5.41
Net Profit after tax and before minority interest	442.20	132.58	966.22
Minority Interest	(0.89)	(0.97)	(6.31)
Net Profit After Tax	443.09	133.55	972.53
Paid-up Equity Share Capital (Face Value of Share Rs.: 10)	4,251.57	2,020.49	4,250.84
Paid-up Preference Share Capital (Face Value of Share Rs.: 10)	-	3,555.50	-
Reserves excluding Revaluation Reserve			6,414.74
Earning Per Share (Rs.) : (Not Annualized)			
- Basic	1.04	0.66	3.67
- Diluted	0.99	0.37	2.50
Aggregate of non-promoter shareholding (unaudited)			
- Number of shares of Rs. 10	318,907,172	24,065,412	318,834,297
- Percentage of shareholding	75.01%	11.91%	75.01%

Firstsource Solutions Limited (as standalone entity) (Formerly known as ICICI OneSource Limited)

FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2007

(Rupees in million)

Particulars	Quarter ended June 30,		Year ended March 31,
	2007	2006	2007
	(Audited)	(Unaudited)	(Audited)
Income from services	1,132.88	952.24	4,326.82
Other Income	47.83	1.79	65.83
Total Income	1,180.71	954.03	4,392.65
Personnel costs	558.62	435.73	1,967.62
Operating costs	383.46	319.18	1,244.16
Interest cost, net	(45.66)	4.16	5.78
Depreciation and amortisation	123.49	92.93	412.47
Profit before Tax	160.80	102.03	762.62
Provision for Taxation			
a) Current tax expenses	8.08	1.35	5.36
b) Fringe benefit tax	3.53	3.00	14.44
c) Deferred tax charge /(release)	(40.39)	-	-
Profit after Tax	189.58	97.68	742.82
Paid-up Equity Share Capital (Face Value of Share Rs.: 10)	4,251.57	2,020.49	4,250.84
Paid-up Preference Share Capital (Face Value of Share Rs.: 10)	-	3,555.50	-
Reserves excluding Revaluation Reserve			6,039.05
Earning Per Share (Rs.) : (Not Annualized)			
- Basic	0.45	0.48	2.80
- Diluted	0.42	0.27	1.91
Aggregate of non-promoter shareholding (unaudited)			
- Number of shares of Rs. 10	318,907,172	24,065,412	318,834,297
- Percentage of shareholding	75.01%	11.91%	75.01%

Notes to Financials Results : (1) The above results were reviewed by the Audit Committee and taken on record by Board of Directors at their meeting held on 28 July, 2007. There are no qualification in the auditors report for these periods.

(2) Statement of Utilization of issue proceeds as of June 30, 2007.	
Amount Raised through public issue	3,840.00
Issue related expenses	197.96
Net Proceeds	3,642.04
Utilization:	Actuals
Setting up of new facilities	429.93
Repayment of External commercial borrowing	209.38
Held under Mutual Fund and Bank deposit	3,002.73
	3,642.04

(3) 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. Minority interest's share of net assets is disclosed separately in the balance sheet. (4) Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary. (5) During the quarter, 527 Investors' complaints were received, 574 were resolved including 70 pending at the beginning of quarter and 23 were pending at the end of the quarter, which have since been resolved. (6) During the quarter 72,875 Equity Shares were issued pursuant to exercise of Options under the Employee Stock Option Schemes of the Company.

SEGMENT REPORTING

(Rupees in million)

Particulars	Quarter ended June 30,		Year ended March 31,
	2007	2006	2007
	(Audited)	(Unaudited)	(Audited)
Segment Revenue			
a) UK	1,116.26	757.13	3,975.75
b) USA and Canada	1,138.90	802.98	3,863.72
c) India	277.01	44.10	310.72
d) Rest of the world	4.70	4.48	18.29
Total	2,536.87	1,608.69	8,168.48
Less: Inter Segment Revenue	-	-	-
Net Segment Revenue	2,536.87	1,608.69	8,168.48
Segment results before Tax and Interest			
a) UK	304.18	387.36	1,311.94
b) USA and Canada	236.84	175.69	719.74
c) India	58.37	14.56	31.80
d) Rest of the world	1.60	2.74	10.07
Total	600.99	580.35	2,073.55
i) Interest Expenses, net	19.76	(17.56)	(77.66)
ii) Other unallocable expenditure net off unallocable Income	(116.69)	(424.64)	(969.54)
Profit before tax and minority interest	504.06	138.15	1,026.35
Capital Employed			
a) UK	687.16	471.89	614.21
b) USA and Canada	573.51	334.28	673.83
c) India	145.44	46.72	44.41
d) Rest of the world	2.98	3.24	2.92
	1409.09	856.13	1335.37

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 management opinion, is the predominant source of risk and rewards. The Group business is organized into four key geographics segments comprising United States of America and Canada, United Kingdom, India and Rest of the World.

Capital Employed: Capital employed comprises debtors, classified by 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.

By order of the Board

Ananda Mukerji
Managing Director and CEO

Mumbai, India
July 28, 2007

Firstsource Solutions Limited

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