

Firstsource Solutions Limited



Profit and Loss account summary (consolidated figures)

(As per Indian Accounting Standards)

In INR million, except per share data

Particulars	Quarter ended		Growth % in Q3 FY18 over Q3 FY17	Quarter ended	Growth % in Q3 FY18 over Q2 FY18
	December 31, 2017	December 31, 2016		September 30, 2017	
INCOME					
Income from services	8,631.41	8,600.78	0.4%	8,463.75	2.0%
Other Operating Income	240.97	253.31	-4.9%	265.94	-9.4%
REVENUES FROM OPERATIONS	8,872.38	8,854.09	0.2%	8,729.69	1.6%
EXPENDITURE					
Operating expenses	1,666.42	1,881.66	-11.4%	1,691.48	-1.5%
Personnel expenses	6,044.63	5,900.73	2.4%	5,941.49	1.7%
	7,711.05	7,782.39	-0.9%	7,632.97	1.0%
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	1,161.33	1,071.70	8.4%	1,096.72	5.9%
Operating EBITDA %	13.1%	12.1%		12.6%	
Depreciation / amortization	171.74	155.71	10.3%	162.31	5.8%
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	989.59	915.99	8.0%	934.41	5.9%
Operating EBIT %	11.2%	10.3%		10.7%	
Interest Income / (expense), net	(90.00)	(92.61)	-2.8%	(81.77)	10.1%
Other Income / (expense)	12.25	7.84	56.3%	(16.00)	-
PROFIT/(LOSS) BEFORE TAX (PBT)	911.84	831.22	9.7%	836.64	9.0%
PBT (% of Total Income)	10.3%	9.4%		9.6%	
Taxes	(83.71)	133.55	-162.7%	149.10	-156.1%
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	995.55	697.67	42.7%	687.54	44.8%
Minority Interest	0.08	(2.39)	-	0.04	-
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	995.47	700.06	42.2%	687.50	44.8%
PAT (% of Total Income)	11.2%	7.9%		7.9%	
EARNINGS PER SHARE (Equity shares of par value ₹ 10/ each)					
Basic	1.46	1.03		1.01	
Diluted	1.45	1.02		1.00	

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Particulars	Nine Months Ended		Growth
	December 31, 2017	December 31, 2016	%
INCOME			
Income from services	25,601.81	25,925.42	-1.2%
Other Operating Income	777.72	707.66	9.9%
REVENUES FROM OPERATIONS	26,379.53	26,633.08	-1.0%
EXPENDITURE			
Operating expenses	5,187.69	5,575.49	-7.0%
Personnel expenses	17,927.66	17,667.73	1.5%
	23,115.35	23,243.22	-0.6%
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	3,264.18	3,389.86	-3.7%
Operating EBITDA %	12.4%	12.7%	
Depreciation / amortization	486.90	479.17	1.6%
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	2,777.28	2,910.69	-4.6%
Operating EBIT %	10.5%	10.9%	
Interest Income / (expense), net	(254.93)	(321.30)	-20.7%
Other Income / (expense)	19.66	18.84	4.4%
PROFIT/(LOSS) BEFORE TAX (PBT)	2,542.01	2,608.23	-2.5%
PBT (% of Total Income)	9.6%	9.8%	
Taxes	204.91	464.84	-55.9%
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	2,337.10	2,143.39	9.0%
Minority Interest	0.16	(2.88)	-
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	2,336.94	2,146.27	8.9%
PAT (% of Total Income)	8.9%	8.06%	
EARNINGS PER SHARE (Equity shares of par value ₹ 10/ each)			
Basic	3.42	3.17	
Diluted	3.40	3.13	

Firstsource Solutions Limited



Balance sheet summary (consolidated figures)

(As per Indian Accounting Standards)

In INR million

Particulars	As on	
	December 31, 2017	September 30, 2017
EQUITY AND LIABILITIES		
Shareholder's funds		
Share capital	6,852.60	6,822.41
Reserve and surplus	15,678.79	14,805.67
	22,531.39	21,628.08
Minority interest	11.58	11.90
Non-current liabilities		
Long-term borrowings	1,300.94	2,437.39
Deferred Tax Liability	239.74	468.65
Provision for Employee Benefits	83.49	71.49
	1,624.17	2,977.53
Current liabilities		
Short-term borrowings	6,267.45	6,167.32
Trade payables	993.51	1,204.41
Other Financial Liabilities	202.91	351.31
Other Current Liability	1,482.24	1,319.49
Provision for Employee Benefits	204.28	304.48
	9,150.39	9,347.01
	33,317.53	33,964.52
ASSETS		
Non-current assets		
Goodwill on consolidation	18,946.12	19,347.24
Fixed assets	1,446.50	1,586.74
Investments	105.24	105.22
Other financial assets	380.85	371.15
Income Tax Assets	558.08	632.63
Deferred Tax Assets	2,057.45	1,885.06
Other non-current assets	1,646.98	1,664.51
	25,141.22	25,592.55
Current Assets		
Current investments	362.61	847.50
Trade receivables	3,984.00	3,968.94
Cash and cash equivalents	1,011.85	487.36
Other Financial Assets	2,173.78	2,404.77
Other current assets	644.07	663.40
	8,176.31	8,371.97
	33,317.53	33,964.52

Firstsource Solutions Limited



Cash Flow Statement (consolidated figures)

(As per Indian Accounting Standards)

In INR million

Particulars	Quarter ended December 31, 2017
Sources	
Net Cash accruals / (losses)	1,155.32
Increase in Shareholders' Funds	54.19
Interest and dividend Received	1.62
Decrease in Net Current Assets	189.61
Total Sources	1,400.74
Uses	
Taxes paid	128.71
Capital Expenditure	185.49
Interest Expense	129.29
Decrease in Borrowings (incl CC & FCNR)	922.49
Total Uses	1,365.98
Surplus / (Deficit)	34.76
Effect of exchange rate on translation of subsidiaries	4.83
Opening Cash and Cash Equivalents	1,334.86
Closing Cash and Cash Equivalents	1,374.45

OPERATING METRICS

Revenue by Industry						
	Quarter Ended			Year Ended		
	Dec 31, 2017	Dec 31, 2016	Sep 30, 2017	Mar 31, 2017	Mar 31, 2016	
BFSI	29.3%	31.3%	29.2%	31.8%	23.4%	
Telecom & Media	33.3%	32.9%	34.7%	32.2%	37.4%	
Healthcare	37.4%	35.6%	36.0%	35.8%	38.9%	
Others	0.0%	0.2%	0.1%	0.3%	0.3%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	
Revenue by Geography						
	Quarter Ended			Year Ended		
	Dec 31, 2017	Dec 31, 2016	Sep 30, 2017	Mar 31, 2017	Mar 31, 2016	
US (including Canada)	54.0%	56.2%	52.2%	55.3%	54.3%	
UK	45.0%	37.6%	45.2%	38.0%	37.6%	
India	1.0%	5.6%	2.6%	5.8%	6.3%	
Rest of world*	0.0%	0.6%	0.0%	0.9%	1.8%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	
* Rest of world (RoW) primarily includes Europe (excluding UK), Australia and Sri Lanka						
Revenue by Delivery location						
	Quarter Ended			Year Ended		
	Dec 31, 2017	Dec 31, 2016	Sep 30, 2017	Mar 31, 2017	Mar 31, 2016	
Offshore	22.9%	28.5%	23.9%	27.1%	27.4%	
Onshore	77.1%	71.5%	76.1%	72.9%	72.6%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	
Revenue by Business Segment						
	Quarter Ended			Year Ended		
	Dec 31, 2017	Dec 31, 2016	Sep 30, 2017	Mar 31, 2017	Mar 31, 2016	
Customer management	54.5%	56.1%	56.3%	55.8%	53.3%	
Healthcare	35.5%	33.0%	33.6%	33.0%	36.2%	
Collections	10.0%	10.8%	10.1%	11.2%	10.5%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	
Client Concentration						
	Quarter Ended			Year Ended		
	Dec 31, 2017	Dec 31, 2016	Sep 30, 2017	Mar 31, 2017	Mar 31, 2016	
Client contribution to revenues						
Top customer	29.2%	23.5%	29.1%	22.0%	21.9%	
Top 5 customers	47.5%	45.3%	47.3%	43.0%	44.3%	
Employee and Seats Metrics						
	Quarter Ended			Year Ended		
	Dec 31, 2017	Dec 31, 2016	Sep 30, 2017	Mar 31, 2017	Mar 31, 2016	
Total employees (end of period)	19,226	25,992	19,194	25,871	23,886	
Net Addition	32	1,082	(5,819)	1,985	(1,399)	
Employees in India	8,850	15,573	8,866	15,446	14,051	
Employees outside India	10,376	10,419	10,328	10,425	9,835	
Number of seats	17,294	22,370	17,215	22,880	23,096	
Seat fill factor	79%	75%	76%	79%	68%	
Attrition Snapshot						
				Post 180 days attrition - Quarter annualized		
				Q3 FY18	Q2 FY18	
Domestic (India)				0.0%	0.0%	
Offshore (India and Philippines)				39.8%	38.8%	
Onshore (US and Europe)				39.4%	53.0%	
Other Metrics						
				Period ended		
				Dec 31, 2017	Sep 30, 2017	
Capital Expenditure (In INR million)				185.5	214.7	