

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 Q4 FY18 over Q4 FY17	Quarter ended	Growth % in Q4 FY18 over Q3 FY18
	March 31, 2018	March 31, 2017		December 31, 2017	
INCOME					
Income from services	8,713.16	8,643.69	0.8%	8,631.41	0.9%
Other Operating Income	259.78	279.33	-7.0%	240.97	7.8%
REVENUES FROM OPERATIONS	8,972.94	8,923.02	0.6%	8,872.38	1.1%
EXPENDITURE					
Operating expenses	1,620.97	1,766.34	-8.2%	1,666.42	-2.7%
Personnel expenses	6,027.09	6,166.64	-2.3%	6,044.63	-0.3%
	7,648.06	7,932.98	-3.6%	7,711.05	-0.8%
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	1,324.88	990.04	33.8%	1,161.33	14.1%
Operating EBITDA %	14.8%	11.1%		13.1%	
Depreciation / amortization	172.34	110.44	56.0%	171.74	0.3%
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	1,152.54	879.60	31.0%	989.59	16.5%
Operating EBIT %	12.8%	9.9%		11.2%	
Interest Income / (expense), net	(83.50)	(99.24)	-15.9%	(90.00)	-7.2%
Other Income / (expense)	(30.96)	(19.43)	59.3%	12.25	-
PROFIT/(LOSS) BEFORE TAX (PBT)	1,038.08	760.93	36.4%	911.84	13.8%
PBT (% of Total Income)	11.6%	8.5%		10.3%	
Taxes	109.40	111.95	-2.3%	(83.71)	-230.7%
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	928.68	648.98	43.1%	995.55	-6.7%
Minority Interest	0.43	(4.70)	-	0.08	-
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	928.25	653.68	42.0%	995.47	-6.7%
PAT (% of Total Income)	10.3%	7.3%		11.2%	
EARNINGS PER SHARE (Equity shares of par value ₹ 10/ each)					
Basic	1.36	0.96		1.46	
Diluted	1.35	0.95		1.45	

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In INR million, except per share data

Particulars	Year Ended		Growth
	March 31, 2018	March 31, 2017	%
INCOME			
Income from services	34,314.97	34,569.11	-0.7%
Other Operating Income	1,037.50	986.99	5.1%
REVENUES FROM OPERATIONS	35,352.47	35,556.10	-0.6%
EXPENDITURE			
Operating expenses	6,808.66	7,341.83	-7.3%
Personnel expenses	23,954.75	23,834.37	0.5%
	30,763.41	31,176.20	-1.3%
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	4,589.06	4,379.90	4.8%
Operating EBITDA %	13.0%	12.3%	
Depreciation / amortization	659.24	589.61	11.8%
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	3,929.82	3,790.29	3.7%
Operating EBIT %	11.1%	10.7%	
Interest Income / (expense), net	(338.43)	(399.90)	-15.4%
Other Income / (expense)	(11.30)	(21.22)	-46.7%
PROFIT/(LOSS) BEFORE TAX (PBT)	3,580.09	3,369.17	6.3%
PBT (% of Total Income)	10.1%	9.5%	
Taxes	314.31	576.79	-45.5%
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	3,265.78	2,792.38	17.0%
Minority Interest	0.59	(7.58)	-
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	3,265.19	2,799.96	16.6%
PAT (% of Total Income)	9.2%	7.87%	
EARNINGS PER SHARE (Equity shares of par value ₹ 10/ each)			
Basic	4.78	4.14	
Diluted	4.73	4.08	

Firstsource Solutions Limited



Balance sheet summary (consolidated figures)

(As per Indian Accounting Standards)

In INR million

Particulars	As on	
	March 31, 2018	March 31, 2017
ASSETS		
Non-current assets		
Goodwill on consolidation	19,308.07	19,223.62
Fixed assets	1,510.35	1,497.38
Investments	122.62	105.84
Other financial assets	332.33	741.73
Income Tax Assets	679.24	752.70
Deferred Tax Assets	2,175.49	1,608.95
Other non-current assets	1,956.68	1,732.81
	26,084.78	25,663.03
Current Assets		
Current investments	220.00	1,522.67
Trade receivables	3,784.79	3,065.44
Cash and cash equivalents	1,230.00	387.31
Other Financial Assets	1,911.36	2,354.65
Other current assets	744.77	513.08
	7,890.92	7,843.15
	33,975.70	33,506.18
EQUITY AND LIABILITIES		
Shareholder's funds		
Share capital	6,865.23	6,813.08
Reserve and surplus	16,652.37	13,466.95
	23,517.60	20,280.03
Minority interest	12.53	11.75
Non-current liabilities		
Long-term borrowings	142.20	3,579.94
Deferred Tax Liability	264.29	418.37
Other Financial Liability	161.46	0.00
Provision for Employee Benefits	51.73	95.22
	619.68	4,093.53
Current liabilities		
Short-term borrowings	6,580.95	6,066.84
Trade payables	915.69	993.77
Other Financial Liabilities	1,468.73	982.90
Other Current Liability	415.83	502.51
Provision for Employee Benefits	294.71	275.12
Provision for Tax	149.98	299.73
	9,825.89	9,120.87
	33,975.70	33,506.18

Firstsource Solutions Limited**Cash Flow Statement**
(consolidated figures)

(As per Indian Accounting Standards)

In INR million

Particulars	Quarter ended March 31, 2018	Year ended March 31, 2018
Sources		
Net Cash accruals / (losses)	1,441.86	4,774.70
Increase in Shareholders' Funds	66.03	141.92
Sale of Fixed Assets	0.00	10.64
Increase in Short Term Borrowings	54.07	968.48
Decrease in Net Current Assets	356.26	0.00
Proceeds from Divestment of Domestic Business	0.00	150.00
Total Sources	1,918.22	6,045.74
Uses		
Increase in Net Current Assets	0.00	304.36
Taxes paid	136.35	764.11
Capital Expenditure	172.93	791.23
Amount paid for Sky Contract	0.00	349.50
Interest Expense	83.50	338.43
Repayment of Borrowings	1,453.40	4,001.08
Total Uses	1,846.18	6,548.72
Surplus / (Deficit)	72.04	(502.98)
Effect of exchange rate on translation of subsidiaries	3.52	43.00
Opening Cash and Cash Equivalents	1,374.45	1,909.98
Closing Cash and Cash Equivalents	1,450.00	1,450.00

OPERATING METRICS

Revenue by Industry					
	Quarter Ended			Year Ended	
	Mar 31, 2018	Mar 31, 2017	Dec 31, 2017	Mar 31, 2018	Mar 31, 2017
BFSI	31.4%	28.0%	29.3%	29.2%	31.8%
Telecom & Media	31.0%	33.4%	33.3%	33.9%	32.2%
Healthcare	37.6%	38.1%	37.4%	36.8%	35.8%
Others	0.0%	0.5%	0.0%	0.1%	0.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Revenue by Geography					
	Quarter Ended			Year Ended	
	Mar 31, 2018	Mar 31, 2017	Dec 31, 2017	Mar 31, 2018	Mar 31, 2017
US (including Canada)	55.6%	55.4%	54.0%	53.6%	55.3%
UK	43.2%	38.0%	45.0%	43.6%	38.0%
India	1.2%	6.1%	1.0%	2.8%	5.8%
Rest of world*	0.0%	0.4%	0.0%	0.0%	0.9%
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	
	Mar 31, 2018	Mar 31, 2017	Dec 31, 2017	Mar 31, 2018	Mar 31, 2017
Offshore	22.9%	21.8%	22.9%	24.1%	27.1%
Onshore	77.1%	78.2%	77.1%	75.9%	72.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Revenue by Business Segment					
	Quarter Ended			Year Ended	
	Mar 31, 2018	Mar 31, 2017	Dec 31, 2017	Mar 31, 2018	Mar 31, 2017
Customer management	53.5%	52.6%	54.5%	55.0%	55.8%
Healthcare	35.2%	35.2%	35.5%	34.5%	33.0%
Collections	11.3%	12.2%	10.0%	10.5%	11.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Client Concentration					
	Quarter Ended			Year Ended	
	Mar 31, 2018	Mar 31, 2017	Dec 31, 2017	Mar 31, 2018	Mar 31, 2017
Client contribution to revenues					
Top customer	27.0%	24.0%	29.2%	28.3%	22.0%
Top 5 customers	45.1%	42.6%	47.5%	46.3%	43.0%
Employee and Seats Metrics					
	Quarter Ended			Year Ended	
	Mar 31, 2018	Mar 31, 2017	Dec 31, 2017	Mar 31, 2018	Mar 31, 2017
Total employees (end of period)	18,703	25,871	19,226	18,703	25,871
Net Addition	(523)	(121)	32	(7,168)	1,985
Employees in India	8,809	15,446	8,850	8,809	15,446
Employees outside India	9,894	10,425	10,376	9,894	10,425
Number of seats	16,679	22,880	17,294	16,679	22,880
Seat fill factor	79%	79%	79%	79%	79%
Attrition Snapshot					
				Post 180 days attrition - Quarter annualized	
				Q4 FY18	Q3 FY18
Offshore (India and Philippines)				46.6%	39.8%
Onshore (US and Europe)				47.3%	39.4%
Other Metrics					
				Quarter ended	
				Mar 31, 2018	Dec 31, 2017
Capital Expenditure (In INR million)				172.9	185.5