

# Firstsource Solutions Limited



**Profit and Loss account summary**  
(consolidated figures)

(As per Indian GAAP)

*In Rs million, except per share data*

Particulars	Quarter ended		Growth % in Q2 FY09 over Q2 FY08	Quarter ended Jun 30, 2008	Growth % in Q2 FY09 over Q1 FY09
	Sep 30, 2008	Sep 30, 2007			
<b>INCOME</b>					
Income from services	4,290.1	2,587.6		4,015.6	
Other Operating Income	(40.3)	176.0		63.3	
<b>REVENUES FROM OPERATIONS</b>	<b>4,249.8</b>	<b>2,763.6</b>	<b>53.8%</b>	<b>4,078.9</b>	<b>4.2%</b>
<b>EXPENDITURE</b>					
Operating expenses	1,155.1	763.5		1,126.7	
Personnel expenses	2,450.2	1,464.8		2,347.0	
<b>Total (B)</b>	<b>3,605.3</b>	<b>2,228.3</b>		<b>3,473.8</b>	
<b>OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	<b>644.5</b>	<b>535.3</b>	<b>20.4%</b>	<b>605.1</b>	<b>6.5%</b>
<b>Operating EBITDA %</b>	<b>15.2%</b>	<b>19.4%</b>		<b>14.8%</b>	
Depreciation / amortization	211.6	213.9		223.3	
<b>OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>432.9</b>	<b>321.4</b>	<b>34.7%</b>	<b>381.9</b>	<b>13.4%</b>
<b>Operating EBIT %</b>	<b>10.2%</b>	<b>11.6%</b>		<b>9.4%</b>	
Extraordinary expense	-	30.0		-	
Interest expense, net	6.7	23.6		15.8	
Exchange (gain)/ loss on Foreign currency loan	(1.8)	0.7		7.3	
Foreign Exchange variation on FCCB	(23.4)	-		801.6	
Amortised cost on Fair value of FCCB	51.8	-			
Other Income	(45.2)	202.2		16.8	
<b>PROFIT/(LOSS) BEFORE TAX (PBT)</b>	<b>354.5</b>	<b>469.4</b>	<b>-24.5%</b>	<b>(426.1)</b>	<b>-183.2%</b>
<b>PBT (% of Total Income)</b>	<b>8.4%</b>	<b>15.8%</b>		<b>-10.4%</b>	
Taxes	72.6	14.6		74.3	
<b>PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>	<b>281.9</b>	<b>454.8</b>	<b>-38.0%</b>	<b>(500.4)</b>	<b>-156.3%</b>
Minority Interest	(0.9)	(1.2)		0.1	
<b>PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)</b>	<b>282.8</b>	<b>455.9</b>	<b>-38.0%</b>	<b>(500.5)</b>	<b>-156.5%</b>
<b>PAT (% of Total Income)</b>	<b>6.7%</b>	<b>15.4%</b>		<b>-12.2%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value Rs 10/ each)					
Basic	0.66	1.07		(1.17)	
Diluted	0.52	1.02		(1.17)	

## PROFIT & EPS EXCLUDING FOREIGN EXCHANGE VARIATION IMPACT AND AMORTISATION ON FCCB

<b>PBT (excluding exchange variation and amortisation on FCCB)</b>	382.9	469.4	<b>-18.4%</b>	375.5	<b>2.0%</b>
<b>PBT (% of Total Income)</b>	<b>9.1%</b>	<b>15.8%</b>		<b>9.2%</b>	
<b>PAT (excluding exchange variation and amortisation on FCCB)</b>	311.2	455.9	<b>-31.7%</b>	301.1	<b>3.4%</b>
<b>PAT (% of Total Income)</b>	<b>7.4%</b>	<b>15.4%</b>		<b>7.4%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value Rs 10/ each)					
Basic	0.73	1.07		0.70	
Diluted	0.57	1.02		0.55	

# Firstsource Solutions Limited

Profit and Loss account summary  
(consolidated figures)



(As per Indian GAAP)

In Rs million, except per share data

Particulars	Half year ended		Growth (%)
	Sep 30, 2008	Sep 30, 2007	
<b>INCOME</b>			
Income from services	8,305.7	5,124.5	
Other Operating Income	23.0	370.3	
<b>REVENUES FROM OPERATIONS</b>	<b>8,328.7</b>	<b>5,494.8</b>	<b>51.6%</b>
<b>EXPENDITURE</b>			
Operating expenses	2,281.8	1,493.0	
Personnel expenses	4,797.2	2,881.3	
<b>Total (B)</b>	<b>7,079.0</b>	<b>4,374.2</b>	
<b>EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	<b>1,249.6</b>	<b>1,120.5</b>	<b>11.5%</b>
<b>EBITDA %</b>	<b>15.0%</b>	<b>20.4%</b>	
Depreciation / amortization	434.8	402.8	
<b>EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>814.8</b>	<b>717.7</b>	<b>13.5%</b>
<b>EBIT %</b>	<b>9.8%</b>	<b>13.1%</b>	
Extraordinary expense	-	30.0	
Interest expense, net	22.5	3.8	
Exchange (gain)/ loss on Foreign currency loan	5.5	(41.7)	
Foreign Exchange variation on FCCB	778.3	-	
Amortised cost on Fair value of FCCB	51.8	-	
Other Income	(28.4)	247.8	
<b>PROFIT/(LOSS) BEFORE TAX (PBT)</b>	<b>(71.6)</b>	<b>973.4</b>	<b>-107.4%</b>
<b>PBT (% of Total Income)</b>	<b>-0.9%</b>	<b>17.0%</b>	
Taxes	146.9	76.5	
<b>PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>	<b>(218.5)</b>	<b>897.0</b>	
Minority Interest	(0.8)	(2.1)	
<b>PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)</b>	<b>(217.7)</b>	<b>899.0</b>	<b>-124.2%</b>
<b>PAT (% of Total Income)</b>	<b>-2.6%</b>	<b>15.7%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value Rs 10/ each)			
Basic	(0.51)	2.11	
Diluted	(0.51)	2.02	

## PROFIT & EPS EXCLUDING FOREIGN EXCHANGE VARIATION IMPACT AND AMORTISATION ON FCCB

<b>PBT (excluding exchange variation and amortisation on FCCB)</b>	758.4	973.4	-22.1%
<b>PBT (% of Total Income)</b>	<b>9.1%</b>	<b>17.0%</b>	
<b>PAT (excluding exchange variation and amortisation on FCCB)</b>	612.3	899.0	-31.9%
<b>PAT (% of Total Income)</b>	<b>7.4%</b>	<b>15.7%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value Rs 10/ each)			
Basic	1.43	2.11	
Diluted	1.12	2.02	

# Firstsource Solutions Limited



## OPERATING METRICS

### Revenue by Industry

	Quarter Ended			Year Ended	
	Sep 30, 2008	Sep 30, 2007	June 30, 2008	Mar 31, 2008	Mar 31, 2007
BFSI	25.7%	35.6%	27.7%	30.8%	51.8%
Telecom & Media	32.7%	43.2%	30.8%	36.0%	34.0%
Healthcare	39.1%	17.4%	39.0%	29.8%	9.1%
Others	2.5%	3.8%	2.5%	3.4%	5.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

### Revenue by Geography

	Quarter Ended			Year Ended	
	Sep 30, 2008	Sep 30, 2007	June 30, 2008	Mar 31, 2008	Mar 31, 2007
US (including Canada)	62.3%	44.8%	61.8%	54.0%	47.3%
UK	26.8%	41.8%	27.9%	35.0%	48.7%
India	10.7%	13.2%	10.2%	10.8%	3.8%
Rest of world	0.2%	0.2%	0.1%	0.1%	0.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

### Revenue by Delivery location

	Quarter Ended			Year Ended	
	Sep 30, 2008	Sep 30, 2007	June 30, 2008	Mar 31, 2008	Mar 31, 2007
Offshore	42.2%	61.0%	42.0%	50.4%	68.7%
Onshore	57.8%	39.0%	58.0%	49.6%	31.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

### Client Concentration

	Quarter Ended			Year Ended	
	Sep 30, 2008	Sep 30, 2007	June 30, 2008	Mar 31, 2008	Mar 31, 2007
Client contribution to revenues					
Top customer	10.0%	17.4%	9.9%	14.4%	14.5%
Top 5 customers	32.2%	45.0%	30.9%	37.4%	51.4%

### Employee and Seats Metrics

	Quarter Ended			Year Ended	
	Sep 30, 2008	Sep 30, 2007	June 30, 2008	Mar 31, 2008	Mar 31, 2007
Total employees (end of period)	19,576	16,590	18,353	17,369	14,396
Net Addition	1,223	1,276	984	2,973	6,046
Attrition % (post 180 days) - Annualised	45.4%	35.0%	38.7%	34.3% *	26.7% *
Employees in India	15,050	12,658	13,906	13,159	12,214
Employees outside India	4,526	3,932	4,447	4,210	2,182
Number of seats	15,538	13,545	14,968	14,989	11,286
Seat fill factor	75%	77%	76%	73%	71%

\* LTM (Last Twelve Months)

### Other Metrics

	Period ended	
	Six months ended Sep 30, 2008	Year ended Mar 31, 2008
Capital Expenditure (INR million)	403.5	1,153.9