

Firstsource Solutions Limited



Profit and Loss account summary
(consolidated figures)

(As per Indian GAAP)

In INR million, except per share data

Particulars	Quarter ended		Growth % in Q2 FY15 over Q2 FY14	Quarter ended	Growth % in Q2 FY15 over Q1 FY15
	September 30, 2014	September 30, 2013		June 30, 2014	
INCOME					
Income from services	7,698.00	7,978.97	-3.5%	7,619.34	1.0%
Other Operating Income	41.85	(71.10)	-	(63.30)	-
REVENUES FROM OPERATIONS	7,739.85	7,907.87	-2.1%	7,556.04	2.4%
EXPENDITURE					
Operating expenses	1,591.09	1,547.58	2.8%	1,550.69	2.6%
Personnel expenses	5,200.04	5,464.97	-4.8%	5,074.92	2.5%
	6,791.13	7,012.55	-3.2%	6,625.61	2.5%
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	948.72	895.32	6.0%	930.43	2.0%
Operating EBITDA %	12.3%	11.3%		12.3%	
Depreciation / amortization	177.26	204.64	-13.4%	175.46	1.0%
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	771.46	690.68	11.7%	754.97	2.2%
Operating EBIT %	10.0%	8.7%		10.0%	
Interest Income / (expense), net	(174.13)	(228.61)	-23.8%	(177.01)	-1.6%
Other Income / (expense)	40.40	8.51	374.7%	(16.97)	-
PROFIT/(LOSS) BEFORE TAX (PBT)	637.73	470.58	35.5%	560.99	13.7%
PBT (% of Total Income)	8.2%	6.0%		7.4%	
Taxes	24.71	22.71	8.8%	27.85	-11.3%
PROFIT/(LOSS) AFTER TAX BEFORE MINORITY INTEREST	613.02	447.87	36.9%	533.14	15.0%
Minority Interest	0.61	0.29	110.3%	0.66	-7.6%
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	612.41	447.58	36.8%	532.48	15.0%
PAT (% of Total Income)	7.9%	5.7%		7.0%	
EARNINGS PER SHARE (Equity shares of par value ` 10/ each)					
Basic	0.93	0.68		0.81	
Diluted	0.87	0.67		0.77	

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Particulars	Six Months ended		Growth
	September 30, 2014	September 30, 2013	(%)
INCOME			
Income from services	15,317.34	15,213.26	0.7%
Other Operating Income	(21.45)	(114.17)	-81.2%
REVENUES FROM OPERATIONS	15,295.89	15,099.09	1.3%
EXPENDITURE			
Operating expenses	3,141.78	3,011.02	4.3%
Personnel expenses	10,274.96	10,387.17	-1.1%
	13,416.74	13,398.19	0.1%
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	1,879.15	1,700.90	10.5%
Operating EBITDA %	12.3%	11.3%	
Depreciation / amortization	352.72	386.30	-8.7%
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	1,526.43	1,314.60	16.1%
Operating EBIT %	10.0%	8.7%	
Interest Income / (expense), net	(351.14)	(435.41)	-19.4%
Other Income / (expense)	23.44	21.14	10.9%
PROFIT/(LOSS) BEFORE TAX (PBT)	1,198.73	900.33	33.1%
PBT (% of Total Income)	7.8%	6.0%	
Taxes	52.56	42.84	22.7%
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	1,146.17	857.49	33.7%
Minority Interest	1.27	(0.56)	-
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	1,144.90	858.05	33.4%
PAT (% of Total Income)	7.5%	5.7%	
EARNINGS PER SHARE (Equity shares of par value ` 10/ each)			
Basic	1.73	1.30	
Diluted	1.62	1.28	

Firstsource Solutions Limited



Balance sheet summary
(consolidated figures)

(As per Indian GAAP)

In INR million

Particulars	As on	
	Sept 30, 2014	June 30, 2014
EQUITY AND LIABILITIES		
Shareholder's funds		
Share capital	6,630.05	6,614.21
Reserve and surplus	16,160.32	14,935.71
	22,790.37	21,549.92
Share application money pending allotment	0.11	0.89
Minority interest	16.09	15.10
Non-current liabilities		
Long-term borrowings	5,454.77	6,016.16
Deferred tax liability, net	323.55	323.93
Other Long term liabilities	199.83	205.18
Long-term provisions	267.86	250.72
	6,246.01	6,795.99
Current liabilities		
Short-term borrowings	3,030.73	3,046.52
Trade payables	1,069.91	1,333.18
Other current liabilities	4,574.89	4,394.46
Short-term provisions	143.46	195.15
	8,818.99	8,969.31
	37,871.57	37,331.21
ASSETS		
Non-current assets		
Goodwill on consolidation	26,712.47	26,049.81
Fixed assets	1,238.58	1,301.64
Non-current investments	56.97	27.05
Long-term loans and advances	1,067.70	1,163.07
Other non-current assets	1,090.49	972.49
	30,166.21	29,514.06
Current Assets		
Current investments	237.00	27.00
Trade receivables	2,905.89	3,124.48
Cash and cash equivalents	1,606.02	2,072.56
Short-term loans and advances	438.25	416.41
Other current assets	2,518.20	2,176.70
	7,705.36	7,817.15
	37,871.57	37,331.21

Firstsource Solutions Limited**Cash Flow Statement**
(consolidated figures)**firstsource**
(As per Indian GAAP)

In INR million

Particulars	Quarter ended Sept 30, 2014
Sources	
Net Cash accruals / (losses)	955
Increase in Shareholders' Funds	25
Interest and dividend Received	2
Fixed Assets	6
Total Sources	988
Uses	
Increase in Net current Assets	77
Taxes paid	146
Capital Expenditure	44
Interest Expense	167
Decrease in Borrowings (incl CC & FCNR)	801
Total Uses	1,235
Surplus / (Deficit)	(247)
Effect of exchange rate on translation of subsidiaries	(9)
Opening Cash and Cash Equivalents	2,127
Closing Cash and Cash Equivalents	1,870

Firstsource Solutions Limited



OPERATING METRICS

Revenue by Industry

	Quarter Ended			Year Ended	
	Sept 30, 2014	Sept 30, 2013	June 30, 2014	Mar 31, 2014	Mar 31, 2013
BFSI	19.8%	22.4%	21.4%	22.6%	23.7%
Telecom & Media	45.9%	44.7%	43.8%	44.6%	44.0%
Healthcare	34.3%	32.3%	34.7%	32.5%	31.7%
Others	0.0%	0.6%	0.1%	0.3%	0.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Geography

	Quarter Ended			Year Ended	
	Sept 30, 2014	Sept 30, 2013	June 30, 2014	Mar 31, 2014	Mar 31, 2013
US (including Canada)	46.7%	45.8%	47.5%	46.7%	46.2%
UK	36.3%	35.8%	35.9%	35.6%	34.2%
India	8.3%	9.1%	8.1%	8.8%	10.5%
Rest of world*	8.7%	9.3%	8.5%	8.9%	9.1%
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	
	Sept 30, 2014	Sept 30, 2013	June 30, 2014	Mar 31, 2014	Mar 31, 2013
Offshore	26.0%	21.4%	26.1%	22.8%	21.1%
Domestic	8.4%	10.0%	8.1%	9.6%	11.2%
Onshore	65.7%	68.6%	65.8%	67.7%	67.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Client Concentration

	Quarter Ended			Year Ended	
	Sept 30, 2014	Sept 30, 2013	June 30, 2014	Mar 31, 2014	Mar 31, 2013
Client contribution to revenues					
Top customer	24.9%	18.9%	24.0%	20.8%	16.7%
Top 5 customers	45.5%	44.9%	46.0%	45.0%	45.5%

Employee and Seats Metrics

	Quarter Ended			Year Ended	
	Sept 30, 2014	Sept 30, 2013	June 30, 2014	Mar 31, 2014	Mar 31, 2013
Total employees (end of period)	26,923	30,390	27,147	27,666	31,872
Net Addition	(224)	(1,233)	(519)	(4,206)	1,786
Employees in India	17,703	20,055	17,853	17,927	20,987
Employees outside India	9,220	10,335	9,294	9,739	10,885
Number of seats	23,593	23,664	23,711	23,388	24,053
Seat fill factor	73%	81%	73%	77%	82%

Attrition Snapshot

	Post 180 days attrition - Quarter annualized	
	Q2 FY15	Q1 FY15
Domestic (India and Sri Lanka)	85.7%	102.5%
Offshore (India and Philippines)	49.6%	56.6%
Onshore (US and Europe)	43.6%	46.4%

Other Metrics

	Period ended	
	Sept 30, 2014	June 30, 2014
Capital Expenditure (In INR million)	44.0	58.0