

# Firstsource Solutions Limited



## Profit and Loss account summary

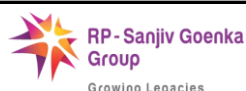
(As per Indian GAAP)

(consolidated figures)

In INR million, except per share data

Particulars	Quarter ended		Growth % in Q4 FY14 over Q4 FY13	Quarter ended December 31, 2013	Growth % in Q4 FY14 over Q3 FY14
	March 31, 2014	March 31, 2013			
<b>INCOME</b>					
Income from services	8,063.43	7,136.79	13.0%	7,993.54	0.9%
Other Operating Income	(101.40)	(11.50)	-	4.10	-
<b>REVENUES FROM OPERATIONS</b>	<b>7,962.04</b>	<b>7,125.29</b>	<b>11.7%</b>	<b>7,997.64</b>	<b>-0.4%</b>
<b>EXPENDITURE</b>					
Operating expenses	1,577.59	1,460.31	8.0%	1,554.87	1.5%
Personnel expenses	5,395.39	4,834.56	11.6%	5,511.49	-2.1%
	6,972.98	6,294.87	10.8%	7,066.37	-1.3%
<b>OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	<b>989.06</b>	<b>830.42</b>	<b>19.1%</b>	<b>931.27</b>	<b>6.2%</b>
<b>Operating EBITDA %</b>	<b>12.4%</b>	<b>11.7%</b>		<b>11.6%</b>	
Depreciation / amortization	181.00	217.54	-16.8%	189.72	-4.6%
<b>OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>808.06</b>	<b>612.88</b>	<b>31.8%</b>	<b>741.55</b>	<b>9.0%</b>
<b>Operating EBIT %</b>	<b>10.1%</b>	<b>8.6%</b>		<b>9.3%</b>	
Interest Income / (expense), net	(191.36)	(197.90)	-3.3%	(205.30)	-6.8%
Other Income / (expense)	(16.63)	(11.73)	41.8%	(3.87)	329.3%
<b>PROFIT/(LOSS) BEFORE TAX (PBT)</b>	<b>600.07</b>	<b>403.25</b>	<b>48.8%</b>	<b>532.37</b>	<b>12.7%</b>
<b>PBT (% of Total Income)</b>	<b>7.6%</b>	<b>5.7%</b>		<b>6.7%</b>	
Taxes	10.36	1.95	432.0%	47.68	-78.3%
<b>PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>	<b>589.71</b>	<b>401.31</b>	<b>46.9%</b>	<b>484.70</b>	<b>21.7%</b>
Minority Interest	1.25	(0.77)	-	1.60	-
<b>PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)</b>	<b>588.47</b>	<b>402.07</b>	<b>46.4%</b>	<b>483.10</b>	<b>21.8%</b>
<b>PAT (% of Total Income)</b>	<b>7.4%</b>	<b>5.6%</b>		<b>6.0%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value INR 10/ each)					
Basic	0.89	0.61		0.73	
Diluted	0.86	0.60		0.71	

# Firstsource Solutions Limited



## Profit and Loss account summary (consolidated figures)

(As per Indian GAAP)

In INR million, except per share data

Particulars	Financial Year ended		Growth (%)
	March 31, 2014	March 31, 2013	
<b>INCOME</b>			
Income from services	31,270.23	28,440.18	10.0%
Other Operating Income	(211.47)	(254.83)	-
<b>REVENUES FROM OPERATIONS</b>	<b>31,058.76</b>	<b>28,185.35</b>	<b>10.2%</b>
<b>EXPENDITURE</b>			
Operating expenses	6,143.46	6,041.02	1.7%
Personnel expenses	21,294.05	19,348.71	10.1%
	27,437.51	25,389.73	8.1%
<b>OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	<b>3,621.25</b>	<b>2,795.61</b>	<b>29.5%</b>
<b>Operating EBITDA %</b>	<b>11.7%</b>	<b>9.9%</b>	
Depreciation / amortization	757.02	883.97	-14.4%
<b>OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>2,864.23</b>	<b>1,911.65</b>	<b>49.8%</b>
<b>Operating EBIT %</b>	<b>9.2%</b>	<b>6.8%</b>	
Interest Income / (expense), net	(823.75)	(198.09)	-
Exchange gain/ (loss) on Foreign currency loan		2.22	-
Amortized (cost) on fair value of FCCB		(106.40)	-
Other Income / (expense)	(7.69)	(17.43)	-
<b>PROFIT/(LOSS) BEFORE TAX (PBT)</b>	<b>2,032.79</b>	<b>1,591.94</b>	<b>27.7%</b>
<b>PBT (% of Total Income)</b>	<b>6.5%</b>	<b>5.7%</b>	
Taxes	100.89	129.24	-21.9%
<b>PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>	<b>1,931.91</b>	<b>1,462.70</b>	<b>32.1%</b>
Minority Interest	2.29	(3.22)	-
<b>PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)</b>	<b>1,929.62</b>	<b>1,465.92</b>	<b>31.6%</b>
<b>PAT (% of Total Income)</b>	<b>6.2%</b>	<b>5.2%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value INR 10/ each)			
Basic	2.93	2.91	
Diluted	2.82	2.82	

**Balance sheet summary**

(As per Indian GAAP)

(consolidated figures)

In INR million

Particulars	As on	
	Mar 31, 2014	Mar 31, 2013
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholder's funds</b>		
Share capital	6,597.35	6,576.74
Reserve and surplus	14,316.86	10,559.64
	20,914.21	17,136.38
<b>Share application money pending allotment</b>	0.66	-
<b>Minority interest</b>	14.35	11.36
<b>Non-current liabilities</b>		
Long-term borrowings	6,641.50	8,500.64
Deferred tax liability, net	317.17	282.90
Other Long term liabilities	199.53	328.92
Long-term provisions	201.04	223.59
	7,359.24	9,336.05
<b>Current liabilities</b>		
Short-term borrowings	2,458.83	1,628.60
Trade payables	1,129.31	1,361.22
Other current liabilities	4,825.67	4,163.17
Short-term provisions	192.25	87.10
	8,606.06	7,240.09
	<b>36,894.52</b>	<b>33,723.88</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill on consolidation	25,940.39	23,601.03
Fixed assets	1,367.90	1,561.55
Non-current investments	26.39	26.81
Long-term loans and advances	1,179.07	1,339.37
Other non-current assets	899.54	651.10
	29,413.29	27,179.86
<b>Current Assets</b>		
Current investments	26.00	-
Trade receivables	3,019.26	3,865.84
Cash and cash equivalents	1,863.21	901.01
Short-term loans and advances	410.28	319.73
Other current assets	2,162.48	1,457.44
	7,481.23	6,544.02
	<b>36,894.52</b>	<b>33,723.88</b>

# Firstsource Solutions Limited



## Cash Flow Statement

(As per Indian GAAP)

(consolidated figures)

In INR million

Particulars	Quarter ended Mar, 2014	Year ended Mar 31, 2014
<b>Sources</b>		
Net Cash accruals / (losses)	1,100	3,504
Increase in Shareholders' Funds	15	27
Interest and dividend Received	2	9
Increase in Borrowings	334	662
Decrease in Net current Assets	0	1,248
Sale of Fixed Assets	0	237
<b>Total Sources</b>	<b>1,451</b>	<b>5,687</b>
<b>Uses</b>		
Taxes paid	132	417
Capital Expenditure	115	360
Interest Expense	198	805
Decrease in Borrowings (incl CC & FCNR)	677	2,748
<b>Total Uses</b>	<b>1,123</b>	<b>4,330</b>
Surplus / (Deficit)	329	1,357
Effect of exchange rate on translation of subsidiaries	(317)	(371)
Opening Cash and Cash Equivalents	1,905	930
Closing Cash and Cash Equivalents	1,917	1,917

**OPERATING METRICS**
**Revenue by Industry**

	Quarter Ended			Year Ended	
	Mar 31, 2014	Mar 31, 2013	Dec 31, 2013	Mar 31, 2014	Mar 31, 2013
BFSI	22.3%	22.4%	23.7%	22.6%	23.7%
Telecom & Media	42.8%	45.4%	43.8%	44.6%	44.0%
Healthcare	34.4%	31.5%	31.9%	32.5%	31.7%
Others	0.4%	0.7%	0.6%	0.3%	0.7%
<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	
	Mar 31, 2014	Mar 31, 2013	Dec 31, 2013	Mar 31, 2014	Mar 31, 2013
US (including Canada)	48.4%	46.1%	46.6%	46.7%	46.2%
UK	35.3%	33.8%	36.5%	35.6%	34.2%
India	7.9%	11.3%	8.3%	8.8%	10.5%
Rest of world*	8.3%	8.8%	8.5%	8.9%	9.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

\* Rest of world (RoW) primarily includes Europe (excluding UK), Australia and Sri Lanka

**Revenue by Delivery location**

	Quarter Ended			Year Ended	
	Mar 31, 2014	Mar 31, 2013	Dec 31, 2013	Mar 31, 2014	Mar 31, 2013
Offshore	23.1%	20.3%	20.6%	22.8%	21.1%
Domestic	8.7%	12.0%	9.4%	9.6%	11.2%
Onshore	68.2%	67.7%	70.0%	67.7%	67.7%
<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	
	Mar 31, 2014	Mar 31, 2013	Dec 31, 2013	Mar 31, 2014	Mar 31, 2013
Client contribution to revenues					
Top customer	23.0%	17.7%	21.8%	20.8%	16.7%
Top 5 customers	45.7%	44.6%	45.4%	45.0%	45.5%

**Employee and Seats Metrics**

	Quarter Ended			Year Ended	
	Mar 31, 2014	Mar 31, 2013	Dec 31, 2013	Mar 31, 2014	Mar 31, 2013
Total employees (end of period)	27,666	31,872	29,946	27,666	31,872
Net Addition	(2,280)	(30)	(444)	(4,206)	1,786
Employees in India	17,927	20,987	19,652	17,927	20,987
Employees outside India	9,739	10,885	10,294	9,739	10,885
Number of seats	23,388	24,053	23,545	23,388	24,053
Seat fill factor	77%	82%	78%	77%	82%

**Attrition Snapshot**

	Post 180 days attrition - Quarter annualized	
	Q4 FY14	Q3 FY14
Domestic (India and Sri Lanka)	85.6%	92.8%
Offshore (India and Philippines)	54.8%	49.2%
Onshore (US and Europe)	38.6%	33.8%

**Other Metrics**

	Quarter ended	
	Mar 31, 2014	Dec 31, 2013
Capital Expenditure (In INR million)	115.0	113.0