

Firstsource Solutions Limited
AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2011

(Rs. in lakhs, except per share data)

Particulars	Quarter ended December 31,	Quarter ended September 30,	Quarter ended December 31,	Nine months ended December 31,		Year ended March 31,
	2011	2011	2010	2011	2010	2011
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income from services	5,81,36.37	5,28,70.60	5,04,82.41	16,28,96.21	14,70,71.37	20,11,01.83
Other operating income	(4,29.91)	4,32.10	9,77.58	4,20.54	38,15.94	44,25.95
Total income from operations	5,77,06.46	5,33,02.70	5,14,59.99	16,33,16.75	15,08,87.31	20,55,27.78
Personnel costs	3,99,49.78	3,51,27.64	3,23,21.48	10,96,92.68	9,32,30.62	12,72,99.42
Operating costs	1,34,53.75	1,35,54.84	1,26,70.26	4,03,98.06	3,72,61.26	4,99,08.99
Depreciation and amortisation	22,96.36	22,50.90	23,15.58	67,43.16	65,74.39	89,07.64
Profit before other income, finance charges, taxation and minority interest	20,06.57	23,69.32	41,52.67	64,82.85	1,38,21.04	1,94,11.73
Other income	63.34	5,10.77	11,21.28	7,05.51	13,77.12	14,18.97
Profit before finance charges, taxation and minority interest	20,69.91	28,80.09	52,73.95	71,88.36	1,51,98.16	2,08,30.70
Finance charges, net	4,17.57	3,09.42	8,62.48	14,29.10	25,66.37	33,00.54
Loss / (Gain) on FCCB buyback, net	7,14.11	(37.94)	-	6,76.18	-	-
Profit before taxation and minority interest	9,38.23	26,08.61	44,11.47	50,83.08	1,26,31.79	1,75,30.16
Provision for taxation						
a) Current tax expenses including foreign taxes	10,08.34	5,90.41	9,42.60	21,32.58	25,58.03	32,51.78
b) Deferred tax (release) / charge	(2,25.03)	18.63	2,36.87	(1,05.39)	7,29.49	11,97.29
c) Minimum alternate tax credit entitlement	(5,49.47)	(1,41.81)	(3,44.30)	(8,67.38)	(8,64.67)	(9,55.61)
Profit after taxation and before minority interest	7,04.39	21,41.38	35,76.30	39,23.27	1,02,08.94	1,40,36.70
Minority Interest	18.78	(3.97)	80.03	27.79	1,84.02	1,85.77
Net profit after taxation and minority interest	6,85.61	21,45.35	34,96.27	38,95.48	1,00,24.92	1,38,50.93
Paid-up Equity Share Capital (Face Value of Share Rs. 10)	-	-	-	4,30,77.63	4,30,06.51	4,30,63.82
Reserves excluding Revaluation Reserve	-	-	-	9,61,09.48	9,74,81.47	9,92,08.17
Earning Per Share (Rs.) : (Not Annualized)						
-Basic	0.16	0.50	0.81	0.90	2.33	3.22
-Diluted	0.16	0.48	0.73	0.90	2.11	2.91
Aggregate of non-promoter shareholding (unaudited)						
- Number of shares of Rs. 10	345,236,587	345,236,587	343,065,761	345,236,587	343,065,761	345,098,462
- Percentage of shareholding	80.14%	80.14%	79.76%	80.14%	79.76%	80.14%
Promoters` and promoter group shareholding						
a) Pledged/ Encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	85,539,720	85,539,720	87,072,421	85,539,720	87,072,421	85,539,720
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100%
- Percentage of shares (as a % of the total share capital of the company)	19.86%	19.86%	20.24%	19.86%	20.24%	19.86%

Notes to financials results :

1. The above results were reviewed by the Audit Committee on January 30, 2012 and adopted by the Board of Directors at their meeting held on January 31, 2012. The standalone financial results for the nine months and quarter ended December 31, 2011 are available on the Company's website (www.firstsource.com) and the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

2. The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances/ transactions and resulting unrealised profits in full. Unrealised losses resulting from intra-group transactions have also been eliminated unless cost cannot be recovered. Minority interest's share of profits or losses is adjusted against income to arrive at the net income attributable to the

3. During the quarter and nine months ended 31 December 2011, pursuant to RBI notification, the Company has bought back and cancelled 216 and 426 FCCBs of the face value of USD 100,000 each under the Automatic route. The Company has recognised net loss of Rs 714.11 lakh and Rs 676.18 lakh (31 Decemeber 2010: Nil) for the quarter and nine months ended 31 December 2011 on the said buyback.

4. Effective year ended March 31, 2009, the company has early adopted Accounting Standard (AS) 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).

5. Standalone Information (Audited)

	Quarter ended December 31,	Quarter ended September 30,	Quarter ended December 31,	Nine months ended 31 December		Year ended 31 March
	2011	2011	2010	2011	2010	2011
Total income from operations	1,88,39.14	1,93,99.15	1,80,07.99	5,65,22.46	5,20,01.11	7,02,96.86
Net profit before taxation	17,11.36	8,42.53	17,44.44	32,67.51	54,58.53	69,56.00
Net profit after taxation	19,38.68	8,13.57	17,11.80	34,69.23	51,67.72	66,28.69

6. Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.

7. During the quarter, no Equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.

8. During the quarter, 10 complaints were received from investors which were resolved. There was no complaint pending at the beginning and at the end of the quarter.

Segment Reporting						
Particulars	Quarter ended December 31,	Quarter ended September 30,	Quarter ended December 31,	Nine months ended 31 December		Year ended March 31,
	2011	2011	2010	2011	2010	2011
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Segment Revenue						
a) UK	1,83,93.30	1,69,62.16	1,66,33.94	5,22,53.36	4,34,49.72	6,14,53.22
b) USA and Canada	2,98,96.62	2,75,24.28	2,78,10.98	8,53,68.86	8,58,99.61	11,52,91.96
c) India	69,07.51	73,00.48	55,14.12	2,04,47.24	1,61,78.09	2,22,54.02
d) Rest of the World	29,38.94	10,83.68	5,23.37	48,26.75	15,43.95	21,02.63
Total	5,81,36.37	5,28,70.60	5,04,82.41	16,28,96.21	14,70,71.37	20,11,01.83
Less: Inter Segment Revenue	-	-	-	-	-	-
Net Segment Revenue	5,81,36.37	5,28,70.60	5,04,82.41	16,28,96.21	14,70,71.37	20,11,01.83
Segment results before taxation and interest						
a) UK	28,45.64	31,23.19	43,88.80	93,21.50	1,27,72.08	1,74,53.64
b) USA and Canada	27,23.92	32,60.96	56,22.52	86,16.25	1,27,13.92	1,66,96.28
c) India	7,29.72	11,28.28	2,46.15	21,41.03	11,25.20	16,62.69
d) Rest of the World	1,78.23	1,87.63	2,32.46	6,47.90	6,56.69	8,46.65
Total	64,77.51	77,00.06	1,04,89.93	2,07,26.68	2,72,67.89	3,66,59.26
i) Finance charges, net	(11,31.68)	(3,09.42)	(8,62.48)	(21,05.28)	(25,66.37)	(33,00.54)
ii) Other unallocable expenditure net of unallocable Income	(44,07.60)	(47,82.03)	(52,15.98)	(1,35,38.32)	(1,20,69.73)	(1,58,28.56)
Profit before taxation and minority interest	9,38.23	26,08.61	44,11.47	50,83.08	1,26,31.79	1,75,30.16
Capital Employed						
a) UK				1,40,63.09	1,20,64.26	1,12,68.49
b) USA and Canada				24,45,56.64	20,27,98.85	20,56,19.23
c) India				66,65.68	53,06.10	46,37.87
d) Rest of the World				23,56.91	3,94.29	2,24.76
e) Unallocated				8,73,96.06	6,52,80.76	7,04,38.71
				35,50,38.38	28,58,44.26	29,21,89.06
Notes on segment information						
<i>Primary segments</i>						
	The Primary segment of the company is geography, identified on the basis of the location of the customer which in the opinion of management, is the predominant source of risk and rewards. The business of the Group is organized into four key geographic segments comprising United Kingdom, United States of America and Canada, India and Rest of the World.					
<i>Capital Employed</i>						
	Capital employed comprises debtors including unbilled receivables and goodwill on consolidation directly attributable to the reportable segments. As the fixed assets and services are used interchangeably between the segments by the Group's businesses and liabilities contracted have not been identified to any of the reportable segments, the Group believes that it is currently not practicable to provide segment disclosures relating to these assets and liabilities and hence, has been included under unallocated.					
	By order of the Board For Firstsource Solutions Limited					
Mumbai, India January 31, 2012	Alexander Matthew Vallance Managing Director and CEO					

Firstsource Solutions Limited

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2011

(Rs. in lakhs, except per share data)

Particulars	Quarter ended December 31,	Quarter ended September 30,	Quarter ended December 31,	Nine months ended December 31,		Year ended March 31,
	2011	2011	2010	2011	2010	2011
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income from services	1,94,96.24	1,92,20.90	1,71,34.40	5,67,24.46	4,84,93.40	6,65,78.92
Other operating income	(6,57.10)	1,78.25	8,73.59	(2,02.00)	35,07.71	37,17.94
Total income from operations	1,88,39.14	1,93,99.15	1,80,07.99	5,65,22.46	5,20,01.11	7,02,96.86
Total Expenditure						
Personnel costs	1,10,29.55	1,05,20.10	93,15.67	3,16,95.34	2,73,43.77	3,66,66.52
Operating costs	62,63.38	66,91.81	66,17.10	1,95,24.38	1,74,55.65	2,38,50.50
Depreciation and amortisation	15,04.12	15,07.34	14,91.95	44,60.61	41,30.39	57,37.95
Profit before other income, finance charges and taxation	42.09	6,79.90	5,83.27	8,42.13	30,71.30	40,41.89
Other income	4,88.59	6,82.03	8,38.76	13,92.10	14,52.95	16,83.29
Profit before finance charges and taxation	5,30.68	13,61.93	14,22.03	22,34.23	45,24.25	57,25.18
Finance charges, net	(18,94.79)	5,57.34	(3,22.41)	(17,09.46)	(9,34.28)	(12,30.82)
Loss / (gain) on FCCB buyback, net	7,14.11	(37.94)	-	6,76.18	-	-
Profit before taxation	17,11.36	8,42.53	17,44.44	32,67.51	54,58.53	69,56.00
Provision for taxation						
a) Current tax expenses	4,13.15	2,28.62	4,00.46	8,67.83	12,20.37	15,51.54
b) Deferred tax release	(91.01)	(57.85)	(81.11)	(2,02.16)	(2,56.97)	(5,40.80)
c) Minimum alternate tax credit entitlement	(5,49.46)	(1,41.81)	(2,86.71)	(8,67.39)	(6,72.59)	(6,83.43)
Net profit after taxation	19,38.68	8,13.57	17,11.80	34,69.23	51,67.72	66,28.69
Paid-up Equity Share Capital (Face Value of Share Rs. 10)				4,30,77.63	4,30,13.82	4,30,63.82
Reserves excluding Revaluation Reserve				5,27,71.00	6,19,28.11	6,05,40.68
Earning Per Share (Rs.) :						
-Basic	0.45	0.19	0.40	0.81	1.20	1.54
-Diluted	0.25	0.19	0.39	0.81	1.17	1.52
Aggregate of non- promoter shareholding (unaudited)						
- Number of shares of Rs. 10	345,236,587	345,236,587	343,065,761	345,236,587	343,065,761	345,098,462
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Promoters' and promoter group shareholding						
a) Pledged/ Encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	85,539,720	85,539,720	87,072,421	85,539,720	87,072,421	85,539,720
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	19.86%	19.86%	20.24%	19.86%	20.24%	19.86%

Notes to financials results :

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Mumbai, India
January 31, 2012

Alexander Matthew Vallance
Managing Director and CEO