

Firstsource Solutions Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2012

(Rs. in millions, except per share data)

Particulars	Quarter ended March 31,	Quarter ended December 31,	Quarter ended March 31,	Year ended March 31,	
	2012	2011	2011	2012	2011
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income from operations	6,258.89	5,813.63	5,403.05	22,548.51	20,110.18
Other operating income, net	(40.64)	(42.99)	61.00	1.41	442.60
Total income from operations	6,218.25	5,770.64	5,464.05	22,549.92	20,552.78
Expenses					
Employee benefits expense	4,255.70	3,994.98	3,406.88	15,224.95	12,729.94
Depreciation and amortisation expense	218.31	229.64	233.33	892.63	890.76
Other expenses	1,434.30	1,345.37	1,264.77	5,474.11	4,990.91
Total expenses	5,908.31	5,569.99	4,904.98	21,591.69	18,611.61
Profit from operations before other income and finance costs	309.94	200.65	559.07	958.23	1,941.17
Other income	116.16	62.20	32.32	386.49	206.29
Profit from ordinary activities before finance costs	426.10	262.85	591.39	1,344.72	2,147.46
Finance costs	174.57	169.03	101.55	584.88	394.45
Profit from ordinary activities before tax	251.53	93.82	489.84	759.84	1,753.01
Tax expense	21.75	23.38	107.07	137.73	349.34
Net profit from ordinary activities after tax	229.78	70.44	382.77	622.11	1,403.67
Minority interest	(0.98)	1.88	0.18	1.80	18.58
Net profit for the period	230.76	68.56	382.59	620.31	1,385.09
Paid-up Equity Share Capital (Face Value of Share Rs. 10)	-	-	-	4,307.76	4,306.38
Reserves excluding Revaluation Reserve	-	-	-	9,991.07	9,920.82
Earning Per Share (Rs.) : (Not Annualized)					
-Basic	0.54	0.16	0.89	1.44	3.22
-Diluted	0.53	0.16	0.80	1.44	2.91
Particulars of shareholding					
Public shareholding					
- Number of shares of Rs. 10	345,236,587	345,236,587	345,098,462	345,236,587	345,098,462
- Percentage of shareholding	80.14%	80.14%	80.14%	80.14%	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	85,539,720	85,539,720	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%
- Percentage of shares (as a % of the total share capital of the company)	19.86%	19.86%	19.86%	19.86%	19.86%

Notes to financials results :

1. The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on May 15, 2012. The standalone financial results for the year and quarter ended March 31, 2012 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 Company's shareholders.

3. 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).

4. The company has filed an application to stock exchanges for the merger of its wholly owned subsidiary, Rev IT Systems Private Limited with the Company effective 1 April 2011.

5. Standalone Information (Audited)

	Quarter ended March 31,	Quarter ended December 31,	Quarter ended March 31,	Year ended 31 March	
	2012	2011	2011	2012	2011
Total income from operations	1,890.31	1,883.91	1,829.58	7,542.56	7,029.68
Net profit before taxation	91.82	171.13	149.74	418.58	695.60
Net profit after taxation	106.83	193.86	146.09	453.59	662.87

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

9. Statement of assets and liabilities (Consolidated - Audited)

	As at March 31, 2012	As at March 31, 2011
Shareholders' funds		
Share capital	4,307.76	4,306.38
Reserves and surplus	9,991.07	9,920.82
Sub-total - Shareholders' funds	14,298.83	14,227.20
Minority interest	13.26	1.08
Non-current liabilities		
Long-term borrowings	9,258.83	14,040.21
Deferred tax liabilities, net	110.16	57.95
Other long-term liabilities	651.66	646.16
Long-term provisions	20.93	259.12
Sub-total - Non-current liabilities	10,041.58	15,003.44
Current liabilities		
Short-term borrowings	366.74	431.82
Trade payables	1,815.60	1,497.75
Other current liabilities	12,493.76	1,059.10
Short-term provisions	285.10	205.27
Sub-total - Current liabilities	14,961.20	3,193.94
Total - Equities and liabilities	39,314.87	32,425.66
Non-current assets		
Fixed assets	1,957.22	2,283.48
Goodwill on consolidation	23,108.58	20,454.03
Non-current investments	16.00	8.61
Long-term loans and advances	1,257.44	836.25
Other non-current assets	345.83	330.64
Sub-total - Non-current assets	26,685.07	23,913.01
Current assets		
Current investments	784.31	1,320.73
Trade receivables	3,514.70	2,388.73
Cash and cash equivalents	6,828.68	3,244.17
Short-term loans and advances	365.17	380.69
Other current assets	1,136.94	1,178.33
Sub-total - Current assets	12,629.80	8,512.65
Total - Assets	39,314.87	32,425.66

Segment Reporting

Particulars	Quarter ended March 31,	Quarter ended December 31,	Quarter ended March 31,	Year ended 31 March	
	2012	2011	2011	2012	2011
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Segment Revenue					
a) UK	1,846.64	1,839.33	1,800.35	7,071.98	6,145.32
b) USA and Canada	3,150.45	2,989.66	2,939.24	11,687.33	11,529.20
c) India	655.89	690.75	607.59	2,700.61	2,225.40
d) Rest of the World	605.91	293.89	55.87	1,088.59	210.26
Total	6,258.89	5,813.63	5,403.05	22,548.51	20,110.18
Less: Inter Segment Revenue	-	-	-	-	-
Net Segment Revenue	6,258.89	5,813.63	5,403.05	22,548.51	20,110.18
Segment results before tax and finance costs					
a) UK	229.58	284.56	529.34	1,161.71	1,806.55
b) USA and Canada	325.58	272.39	398.24	1,187.21	1,669.63
c) India	(5.07)	72.97	53.75	209.03	166.27
d) Rest of the World	44.00	17.82	19.00	108.79	84.67
Total	594.09	647.74	1,000.33	2,666.74	3,727.12
i) Finance costs	(174.57)	(169.03)	(101.55)	(584.88)	(394.45)
ii) Other unallocable expenditure net of unallocable Income	(167.99)	(384.89)	(408.94)	(1,322.02)	(1,579.66)
Profit before tax and minority interest	251.53	93.82	489.84	759.84	1,753.01

Capital Employed

a) UK	1,460.90	1,126.85
b) USA and Canada	23,710.59	20,561.92
c) India	334.80	463.79
d) Rest of the World	454.53	22.48
e) Unallocated	9,579.14	7,043.87
	35,539.96	29,218.91

Notes on segment information

Primary segments

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.

Capital Employed

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
May 15, 2012

Alexander Matthew Vallance
Managing Director and CEO

Firstsource Solutions Limited

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2012

(Rs. in millions, except per share data)

Particulars	Quarter ended March 31, 2012	Quarter ended December 31, 2011	Quarter ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
	Income from operations	1,924.25	1,949.62	1,808.56	7,596.70
Other operating income, net	(33.94)	(65.71)	21.02	(54.14)	371.79
Total income from operations	1,890.31	1,883.91	1,829.58	7,542.56	7,029.68
Expenses					
Employee benefits expense	1,095.29	1,102.96	932.28	4,264.82	3,666.65
Depreciation and amortisation expense	152.73	150.41	160.76	598.79	573.80
Other expenses	671.51	626.34	639.49	2,623.95	2,385.05
Total Expenses	1,919.53	1,879.71	1,732.53	7,487.56	6,625.50
Profit / (Loss) from operations before other income and finance costs	(29.22)	4.20	97.05	55.00	404.18
Other income	277.20	289.53	123.26	1,019.23	559.55
Profit from ordinary activities before finance costs	247.98	293.73	220.31	1,074.23	963.73
Finance costs	156.16	122.60	70.57	655.65	268.13
Profit from ordinary activities before tax	91.82	171.13	149.74	418.58	695.60
Tax Expense	(15.01)	(22.73)	3.65	(35.01)	32.73
Net profit from ordinary activities after tax	106.83	193.86	146.09	453.59	662.87
Paid-up Equity Share Capital (Face Value of Share Rs. 10)				4,307.76	4,306.38
Reserves excluding Revaluation Reserve				4,493.22	4,917.35
Earning Per Share (Rs.) (not annualised)					
-Basic	0.25	0.45	0.34	1.05	1.54
-Diluted	0.25	0.25	0.34	1.05	1.52
Particulars of shareholding					
Public shareholding					
- Number of shares of Rs. 10	345,236,587	345,236,587	345,098,462	345,236,587	345,098,462
- Percentage of shareholding	80.14%	80.14%	80.14%	80.14%	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	85,539,720	85,539,720	85,539,720
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	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%	19.86%

Notes to financials results :

- The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on May 15, 2012.
- The company has filed an application to stock exchanges for the merger of its wholly owned subsidiary, Rev IT Systems Private Limited with the Company effective 1 April 2011.
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- Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.
- Statement of Assets and liabilities (Audited)

	As at March 31, 2012	As at March 31, 2011
	Shareholders' funds	
Share capital	4,307.76	4,306.38
Reserves and surplus	4,493.22	4,917.35
	8,800.98	9,223.73
Non-current liabilities		
Long-term borrowings	101.33	12,676.66
Long-term provisions	-	247.71
	101.33	12,924.37
Current liabilities		
Short-term borrowings	366.74	431.82
Trade payables	628.46	558.50
Other current liabilities	12,927.66	1,310.97
Short-term provisions	101.22	66.53
	14,024.08	2,367.82
Total - Equities and liabilities	22,926.39	24,515.92
Non current assets		
Fixed assets	1,383.96	1,574.51
Non-current investments	11,608.39	10,063.77
Deferred tax assets	392.84	357.77
Long-term loans and advances	975.38	740.79
Other non-current assets	312.26	270.36
	14,672.83	13,007.20
Current Assets		
Current investments	307.00	986.83
Trade receivables	1,551.99	1,529.88
Cash and cash equivalents	5,563.29	1,475.63
Short-term loans and advances	599.76	6,922.59
Other current assets	231.52	593.79
Net current assets	8,253.56	11,508.72
Total - Assets	22,926.39	24,515.92

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For Firstsource Solutions Limited

Mumbai, India
May 15, 2012

Alexander Matthew Vallance
Managing Director and CEO