

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 Q1 FY15 over Q1 FY14	Quarter ended March 31, 2014	Growth % in Q1 FY15 over Q4 FY14
	June 30, 2014	June 30, 2013			
INCOME					
Income from services	7,619.34	7,234.29	5.3%	8,063.43	-5.5%
Other Operating Income	(63.30)	(43.07)	-	(101.39)	-
REVENUES FROM OPERATIONS	7,556.04	7,191.22	5.1%	7,962.04	-5.1%
EXPENDITURE					
Operating expenses	1,550.69	1,463.44	6.0%	1,577.58	-1.7%
Personnel expenses	5,074.92	4,922.20	3.1%	5,395.38	-5.9%
	6,625.61	6,385.64	3.8%	6,972.96	-5.0%
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	930.43	805.58	15.5%	989.08	-5.9%
Operating EBITDA %	12.3%	11.2%		12.4%	
Depreciation / amortization	175.46	181.66	-3.4%	181.01	-3.1%
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	754.97	623.92	21.0%	808.07	-6.6%
Operating EBIT %	10.0%	8.7%		10.1%	
Interest Income / (expense), net	(177.01)	(206.61)	-14.3%	(191.36)	-7.5%
Other Income / (expense)	(16.97)	12.44	-236.4%	(16.62)	2.1%
PROFIT/(LOSS) BEFORE TAX (PBT)	560.99	429.75	30.5%	600.09	-6.5%
PBT (% of Total Income)	7.4%	6.0%		7.6%	
Taxes	27.85	20.13	38.3%	10.37	168.6%
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	533.14	409.62	30.2%	589.72	-9.6%
Minority Interest	0.66	(0.85)	-	1.25	-
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	532.48	410.47	29.7%	588.47	-9.5%
PAT (% of Total Income)	7.0%	5.7%		7.4%	
EARNINGS PER SHARE (Equity shares of par value INR 10/ each)					
Basic	0.81	0.62		0.89	
Diluted	0.77	0.61		0.86	

Balance sheet summary

(As per Indian GAAP)

(consolidated figures)

In INR million

Particulars	As on	
	June 30, 2014	March 31, 2014
EQUITY AND LIABILITIES		
Shareholder's funds		
Share capital	6,614.21	6,597.35
Reserve and surplus	14,935.71	14,316.86
	21,549.92	20,914.21
Share application money pending allotment	0.89	0.66
Minority interest	15.10	14.35
Non-current liabilities		
Long-term borrowings	6,016.16	6,641.50
Deferred tax liability, net	323.93	317.17
Other Long term liabilities	205.18	199.53
Long-term provisions	250.72	239.83
	6,795.99	7,398.03
Current liabilities		
Short-term borrowings	3,046.52	2,458.83
Trade payables	1,333.18	1,129.31
Other current liabilities	4,394.46	4,786.89
Short-term provisions	195.15	192.25
	8,969.31	8,567.28
	37,331.21	36,894.52
ASSETS		
Non-current assets		
Goodwill on consolidation	26,049.81	25,940.39
Fixed assets	1,301.64	1,367.90
Non-current investments	27.05	26.39
Long-term loans and advances	1,163.07	1,179.07
Other non-current assets	972.49	899.54
	29,514.06	29,413.29
Current Assets		
Current investments	27.00	26.00
Trade receivables	3,124.48	3,019.26
Cash and cash equivalents	2,072.56	1,863.21
Short-term loans and advances	416.41	410.28
Other current assets	2,176.70	2,162.48
	7,817.15	7,481.23
	37,331.21	36,894.52

Firstsource Solutions Limited



Cash Flow Statement

(As per Indian GAAP)

(consolidated figures)

In INR million

Particulars	Quarter ended June, 2014
Sources	
Net Cash accruals / (losses)	962
Increase in Shareholders' Funds	24
Interest and dividend Received	2
Increase in Borrowings	580
Decrease in Net current Assets	(363)
Sale of Fixed Assets	1
Total Sources	1,207
Uses	
Taxes paid	92
Capital Expenditure	58
Interest Expense	158
Decrease in Borrowings (incl CC & FCNR)	680
Total Uses	988
Surplus / (Deficit)	218
Effect of exchange rate on translation of subsidiaries	(9)
Opening Cash and Cash Equivalents	1,917
Closing Cash and Cash Equivalents	2,127

OPERATING METRICS
Revenue by Industry

	Quarter Ended			Year Ended	
	June 30, 2014	June 30, 2013	Mar 31, 2014	Mar 31, 2014	Mar 31, 2013
BFSI	21.4%	22.4%	22.3%	22.6%	23.7%
Telecom & Media	43.8%	45.4%	42.8%	44.6%	44.0%
Healthcare	34.7%	31.5%	34.4%	32.5%	31.7%
Others	0.1%	0.7%	0.4%	0.3%	0.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Geography

	Quarter Ended			Year Ended	
	June 30, 2014	June 30, 2013	Mar 31, 2014	Mar 31, 2014	Mar 31, 2013
US (including Canada)	47.5%	45.8%	48.4%	46.7%	46.2%
UK	35.9%	34.5%	35.3%	35.6%	34.2%
India	8.1%	10.5%	7.9%	8.8%	10.5%
Rest of world*	8.5%	9.2%	8.3%	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	
	June 30, 2014	June 30, 2013	Mar 31, 2014	Mar 31, 2014	Mar 31, 2013
Offshore	26.1%	21.9%	23.1%	22.8%	21.1%
Domestic	8.1%	11.3%	8.7%	9.6%	11.2%
Onshore	65.8%	66.9%	68.2%	67.7%	67.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Client Concentration

	Quarter Ended			Year Ended	
	June 30, 2014	June 30, 2013	Mar 31, 2014	Mar 31, 2014	Mar 31, 2013
Client contribution to revenues					
Top customer	24.0%	18.5%	23.0%	20.8%	16.7%
Top 5 customers	46.0%	42.7%	45.7%	45.0%	45.5%

Employee and Seats Metrics

	Quarter Ended			Year Ended	
	June 30, 2014	June 30, 2013	Mar 31, 2014	Mar 31, 2014	Mar 31, 2013
Total employees (end of period)	27,147	31,623	27,666	27,666	31,872
Net Addition	(519)	(249)	(2,280)	(4,206)	1,786
Employees in India	17,853	20,671	17,927	17,927	20,987
Employees outside India	9,294	10,952	9,739	9,739	10,885
Number of seats	23,711	23,637	23,388	23,388	24,053
Seat fill factor	73%	82%	77%	77%	82%

Attrition Snapshot

	Post 180 days attrition - Quarter annualized	
	Q1 FY15	Q4 FY14
Domestic (India and Sri Lanka)	102.5%	85.6%
Offshore (India and Philippines)	56.6%	54.8%
Onshore (US and Europe)	46.4%	38.6%

Other Metrics

	Quarter ended	
	June 30, 2014	Mar 31, 2014
Capital Expenditure (In INR million)	58	115