

## Firstsource Solutions Limited

### AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

(Rupees in millions, except per share data)

Particulars	Quarter ended			Year ended	
	March 31 2016	December 31 2015	March 31 2015	March 31 2016	March 31 2015
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
<b>Income from operations</b>					
Income from operations	8,561.28	8,008.86	7,343.85	31,746.92	30,033.78
Other operating income, net	169.09	169.45	196.56	555.97	312.74
<b>Total income from operations</b>	<b>8,730.37</b>	<b>8,178.31</b>	<b>7,540.41</b>	<b>32,302.89</b>	<b>30,346.52</b>
<b>Expenses</b>					
Employee benefit expense	5,804.13	5,579.11	4,888.26	21,721.74	20,171.50
Depreciation and amortisation	146.95	159.94	179.82	661.96	721.82
Other expenses	1,764.31	1,593.92	1,659.24	6,533.01	6,367.40
<b>Total expenses</b>	<b>7,715.39</b>	<b>7,332.97</b>	<b>6,727.32</b>	<b>28,916.71</b>	<b>27,260.72</b>
<b>Profit from operations before other income and finance costs</b>	<b>1,014.98</b>	<b>845.34</b>	<b>813.09</b>	<b>3,386.18</b>	<b>3,085.80</b>
Other income	19.28	20.57	3.77	94.44	65.23
<b>Profit from ordinary activities before finance costs</b>	<b>1,034.26</b>	<b>865.91</b>	<b>816.86</b>	<b>3,480.62</b>	<b>3,151.03</b>
Finance costs	128.92	123.68	173.69	524.38	710.86
<b>Profit from ordinary activities before tax</b>	<b>905.34</b>	<b>742.23</b>	<b>643.17</b>	<b>2,956.24</b>	<b>2,440.17</b>
Tax expense	109.02	69.99	21.68	302.17	95.40
<b>Net profit from ordinary activities after tax</b>	<b>796.32</b>	<b>672.24</b>	<b>621.49</b>	<b>2,654.07</b>	<b>2,344.77</b>
Minority Interest	(0.37)	1.82	(1.66)	4.38	1.59
<b>Net profit after tax and minority interest</b>	<b>796.69</b>	<b>670.42</b>	<b>623.15</b>	<b>2,649.69</b>	<b>2,343.18</b>
Paid-up equity share capital (Face value of share Rs. 10)	6,733.15	6,727.26	6,662.91	6,733.15	6,662.91
Reserves excluding revaluation reserve	-	-	-	17,517.65	14,223.26
Earning per share (Rs.) : (not annualized)					
- Basic	1.18	1.00	0.94	3.96	3.53
- Diluted	1.14	0.96	0.89	3.78	3.34

#### Notes to financial results :

- The above results were reviewed by the Audit Committee on May 12, 2016 and adopted by the Board of Directors at their meeting held on May 12, 2016. The standalone financial results for the quarter and year ended March 31, 2016 are available on the Company's website (www.firstsource.com) and the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
- 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. Minority interest's share of profits or losses is adjusted against income to arrive at the net income attributable to the Company's shareholders.
- Effective year ended March 31, 2009, the Company has early adopted Accounting Standard 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).
- Standalone information (Audited)

Particulars	Quarter ended			Year ended	
	March 31 2016	December 31 2015	March 31 2015	March 31 2016	March 31 2015
Total income from operations	2,089.96	2,280.43	2,207.03	8,748.78	9,141.39
Net profit before taxation	333.64	523.49	266.17	1,741.19	1,599.18
Net profit after taxation	276.94	433.13	285.23	1,497.36	1,637.54

- During the quarter ended March 31, 2016, 589,175 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.
- Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.
- Statement of assets and liabilities (Consolidated - Audited)

Particulars	As at March 31,	
	2016	2015
<b>Shareholders' funds</b>		
Share capital	6,733.15	6,662.91
Reserves and surplus	17,517.65	14,223.26
<b>Total Shareholders' funds</b>	<b>24,250.80</b>	<b>20,886.17</b>
Share application money received under ESOP scheme	-	0.20
<b>Minority interest</b>	<b>19.71</b>	<b>16.31</b>
<b>Non-current liabilities</b>		
Long-term borrowings	4,269.65	4,142.98
Deferred tax liabilities, net	272.20	344.72
Long-term provisions	161.31	177.53
<b>Total Non-current liabilities</b>	<b>4,703.16</b>	<b>4,665.23</b>
<b>Current liabilities</b>		
Short-term borrowings	1,525.33	3,160.30
Trade payables	890.70	832.76
Other current liabilities	5,009.74	4,564.58
Short-term provisions	272.77	139.82
<b>Total Current liabilities</b>	<b>7,698.54</b>	<b>8,697.46</b>
<b>Total - EQUITY AND LIABILITIES</b>	<b>36,672.21</b>	<b>34,265.37</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill on consolidation	24,692.41	23,336.35
Fixed assets		
- Tangible assets	891.85	770.73
- Intangible assets	435.97	332.19
- Capital work-in-progress	78.80	84.68
	<b>1,406.62</b>	<b>1,187.60</b>
Non-current investments	83.80	57.55
Long-term loans and advances	2,460.79	2,220.78
Other non-current assets	144.09	27.02
<b>Total Non-current assets</b>	<b>28,787.71</b>	<b>26,829.30</b>
<b>Current assets</b>		
Current investments	767.74	676.11
Trade receivables	3,040.75	2,889.51
Cash and bank balances	689.10	802.29
Short-term loans and advances	662.16	439.25
Other current assets	2,724.75	2,628.91
<b>Total Current assets</b>	<b>7,884.50</b>	<b>7,436.07</b>
<b>TOTAL ASSETS</b>	<b>36,672.21</b>	<b>34,265.37</b>

#### SEGMENT REPORTING

Particulars	Quarter ended			Year ended	
	March 31 2016	December 31 2015	March 31 2015	March 31 2016	March 31 2015
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
<b>Segment revenue</b>					
a) UK	3,262.42	3,169.89	2,639.01	11,879.34	10,778.35
b) USA and Canada	4,663.60	4,215.42	3,952.89	17,305.69	14,795.40
c) India	499.40	491.02	579.70	1,987.93	2,462.05
d) Rest of the world	135.86	132.53	172.25	573.96	1,997.98
<b>Total</b>	<b>8,561.28</b>	<b>8,008.86</b>	<b>7,343.85</b>	<b>31,746.92</b>	<b>30,033.78</b>
Less: Inter segment revenue	-	-	-	-	-
<b>Net segment revenue</b>	<b>8,561.28</b>	<b>8,008.86</b>	<b>7,343.85</b>	<b>31,746.92</b>	<b>30,033.78</b>
<b>Segment results before tax and finance costs</b>					
a) UK	616.85	696.99	644.11	2,392.29	2,236.95
b) USA and Canada	628.82	381.83	539.64	1,996.56	1,944.56
c) India	26.22	31.94	19.19	151.67	221.85
d) Rest of the World	32.64	33.36	19.02	151.52	225.86
<b>Total</b>	<b>1,304.53</b>	<b>1,144.12</b>	<b>1,221.96</b>	<b>4,692.04</b>	<b>4,629.22</b>
i) Finance costs	(128.92)	(123.68)	(173.69)	(524.38)	(710.86)
ii) Other unallocable expenditure net of unallocable Income	(270.27)	(278.21)	(405.10)	(1,211.42)	(1,478.19)
<b>Profit before tax and minority interest</b>	<b>905.34</b>	<b>742.23</b>	<b>643.17</b>	<b>2,956.24</b>	<b>2,440.17</b>
<b>Capital Employed</b>					
a) UK	1,428.62	1,331.57	1,136.45	1,428.62	1,136.45
b) USA and Canada	27,402.57	27,104.60	25,849.63	27,402.57	25,849.63
c) India	397.52	456.71	465.03	397.52	465.03
d) Rest of the World	76.10	84.58	81.30	76.10	81.30
e) Unallocated	2,466.87	2,623.69	2,325.22	2,466.87	2,325.22
	<b>31,771.68</b>	<b>31,601.15</b>	<b>29,857.63</b>	<b>31,771.68</b>	<b>29,857.63</b>

#### 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 (USA), 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

Kolkata, India  
May 12, 2016

Rajesh Subramaniam  
Managing Director and CEO

Firstsource Solutions Limited, CIN: L64202MH2001PLC134147

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