

Firstsource Solutions Limited



Profit and Loss account summary (consolidated figures)

(As per Indian Accounting Standards)

In INR million, except per share data

Particulars	Quarter ended		Growth % in Q2 FY18 over Q2 FY17	Quarter ended	Growth % in Q2 FY18 over Q1 FY18
	September 30, 2017	September 30, 2016		June 30, 2017	
INCOME					
Income from services	8,463.75	8,572.11	-1.3%	8,506.65	-0.5%
Other Operating Income	265.94	271.44	-2.0%	270.81	-1.8%
REVENUES FROM OPERATIONS	8,729.69	8,843.55	-1.3%	8,777.46	-0.5%
EXPENDITURE					
Operating expenses	1,691.48	1,767.86	-4.3%	1,829.79	-7.6%
Personnel expenses	5,941.49	5,949.92	-0.1%	5,941.54	0.0%
	7,632.97	7,717.78	-1.1%	7,771.33	-1.8%
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	1,096.72	1,125.77	-2.6%	1,006.13	9.0%
Operating EBITDA %	12.6%	12.7%		11.5%	
Depreciation / amortization	162.31	160.47	1.1%	152.85	6.2%
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	934.41	965.30	-3.2%	853.28	9.5%
Operating EBIT %	10.7%	10.9%		9.7%	
Interest Income / (expense), net	(81.77)	(102.97)	-20.6%	(83.15)	-1.7%
Other Income / (expense)	(16.00)	(1.74)	819.5%	23.40	-
PROFIT/(LOSS) BEFORE TAX (PBT)	836.64	860.59	-2.8%	793.53	5.4%
PBT (% of Total Income)	9.6%	9.7%		9.0%	
Taxes	149.10	148.59	0.3%	139.52	6.9%
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	687.54	712.00	-3.4%	654.01	5.1%
Minority Interest	0.04	(0.61)	-	0.04	-
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	687.50	712.61	-3.5%	653.97	5.1%
PAT (% of Total Income)	7.9%	8.1%		7.5%	
EARNINGS PER SHARE (Equity shares of par value ₹ 10/ each)					
Basic	1.01	1.05		0.96	
Diluted	1.00	1.04		0.95	

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Particulars	Six Months Ended		Growth
	September 31, 2017	September 30, 2016	%
INCOME			
Income from services	16,970.40	17,324.64	-2.0%
Other Operating Income	536.75	454.35	18.1%
REVENUES FROM OPERATIONS	17,507.15	17,778.99	-1.5%
EXPENDITURE			
Operating expenses	3,521.27	3,693.83	-4.7%
Personnel expenses	11,883.03	11,767.00	1.0%
	15,404.30	15,460.83	-0.4%
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	2,102.85	2,318.16	-9.3%
Operating EBITDA %	12.0%	13.0%	
Depreciation / amortization	315.16	323.46	-2.6%
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	1,787.69	1,994.70	-10.4%
Operating EBIT %	10.2%	11.2%	
Interest Income / (expense), net	(211.23)	(228.69)	-7.6%
Other Income / (expense)	53.71	11.00	388.3%
PROFIT/(LOSS) BEFORE TAX (PBT)	1,630.17	1,777.01	-8.3%
PBT (% of Total Income)	9.3%	10.0%	
Taxes	288.62	331.28	-12.9%
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	1,341.55	1,445.73	-7.2%
Minority Interest	0.08	(0.49)	-
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	1,341.47	1,446.22	-7.2%
PAT (% of Total Income)	7.7%	8.1%	
EARNINGS PER SHARE (Equity shares of par value ₹ 10/ each)			
Basic	1.97	2.14	
Diluted	1.95	2.11	

Firstsource Solutions Limited



Balance sheet summary (consolidated figures)

(As per Indian Accounting Standards)

In INR million

Particulars	As on	
	September 30, 2017	June 30, 2017
EQUITY AND LIABILITIES		
Shareholder's funds		
Share capital	6,822.41	6,818.62
Reserve and surplus	14,805.67	14,046.33
	21,628.08	20,864.95
Minority interest	11.90	11.71
Non-current liabilities		
Long-term borrowings	2,437.39	2,989.21
Deferred Tax Liability	468.65	435.27
Provision for Employee Benefits	71.49	263.50
	2,977.53	3,687.98
Current liabilities		
Short-term borrowings	6,167.32	5,719.32
Trade payables	1,204.41	1,316.98
Other Financial Liabilities	351.31	364.70
Other Current Liability	1,319.49	1,003.24
Provision for Employee Benefits	304.48	81.22
	9,347.01	8,485.46
	33,964.52	33,050.10
ASSETS		
Non-current assets		
Goodwill on consolidation	19,347.24	19,146.77
Fixed assets	1,586.74	1,523.96
Investments	105.22	105.68
Other financial assets	371.15	594.25
Income Tax Assets	632.63	491.94
Deferred Tax Assets	1,885.06	1,739.72
Other non-current assets	1,664.51	1,359.33
	25,592.55	24,961.65
Current Assets		
Current investments	847.50	932.50
Trade receivables	3,968.94	3,680.11
Cash and cash equivalents	487.36	393.41
Other Financial Assets	2,404.77	2,467.90
Other current assets	663.40	614.53
	8,371.97	8,088.45
	33,964.52	33,050.10

Firstsource Solutions Limited



Cash Flow Statement (consolidated figures)

(As per Indian Accounting Standards)

In INR million

Particulars	Quarter ended September 30, 2017
Sources	
Net Cash accruals / (losses)	1,239
Increase in Shareholders' Funds	9
Interest and dividend Received	4
Sale of Fixed Assets	9
Decrease in Net Current Assets	208
Total Sources	1,470
Uses	
Taxes paid	305
Capital Expenditure	215
Interest Expense	95
Decrease in Borrowings (incl CC & FCNR)	858
Total Uses	1,474
Surplus / (Deficit)	(3)
Effect of exchange rate on translation of subsidiaries	12
Opening Cash and Cash Equivalents	1,326
Closing Cash and Cash Equivalents	1,335

OPERATING METRICS

Revenue by Industry					
	Quarter Ended			Year Ended	
	Sep 30, 2017	Sep 30, 2016	Jun 30, 2017	Mar 31, 2017	Mar 31, 2016
BFSI	29.2%	35.5%	27.1%	31.8%	23.4%
Telecom & Media	34.7%	29.8%	36.6%	32.2%	37.4%
Healthcare	36.0%	34.5%	36.2%	35.8%	38.9%
Others	0.1%	0.2%	0.1%	0.3%	0.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Revenue by Geography					
	Quarter Ended			Year Ended	
	Sep 30, 2017	Sep 30, 2016	Jun 30, 2017	Mar 31, 2017	Mar 31, 2016
US (including Canada)	52.2%	55.1%	52.6%	55.3%	54.3%
UK	45.2%	38.1%	41.2%	38.0%	37.6%
India	2.6%	5.9%	6.2%	5.8%	6.3%
Rest of world*	0.0%	0.9%	0.0%	0.9%	1.8%
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	
	Sep 30, 2017	Sep 30, 2016	Jun 30, 2017	Mar 31, 2017	Mar 31, 2016
Offshore	21.3%	20.6%	20.7%	21.3%	21.1%
Domestic	2.6%	5.9%	6.2%	5.8%	6.3%
Onshore	76.1%	73.5%	73.1%	72.9%	72.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Revenue by Business Segment					
	Quarter Ended			Year Ended	
	Sep 30, 2017	Sep 30, 2016	Jun 30, 2017	Mar 31, 2017	Mar 31, 2016
Customer management	53.7%	51.3%	49.5%	50.0%	47.1%
Healthcare	33.6%	31.9%	33.9%	33.0%	36.2%
Collections	10.1%	10.9%	10.5%	11.2%	10.5%
Domestic (India)	2.6%	5.9%	6.2%	5.8%	6.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Client Concentration					
	Quarter Ended			Year Ended	
	Sep 30, 2017	Sep 30, 2016	Jun 30, 2017	Mar 31, 2017	Mar 31, 2016
Client contribution to revenues					
Top customer	29.1%	19.8%	27.8%	22.0%	21.9%
Top 5 customers	47.3%	44.1%	46.9%	43.0%	44.3%
Employee and Seats Metrics					
	Quarter Ended			Year Ended	
	Sep 30, 2017	Sep 30, 2016	Jun 30, 2017	Mar 31, 2017	Mar 31, 2016
Total employees (end of period)	19,194	24,910	25,013	25,871	23,886
Net Addition	(5,819)	762	(858)	1,985	(1,399)
Employees in India	8,866	15,100	15,146	15,446	14,051
Employees outside India	10,328	9,810	9,867	10,425	9,835
Number of seats	17,215	22,797	23,136	22,880	23,096
Seat fill factor	76%	72%	73%	79%	68%
Attrition Snapshot					
				Post 180 days attrition - Quarter annualized	
				Q2 FY18	Q1 FY18
Domestic (India)				0.0%	94.4%
Offshore (India and Philippines)				38.8%	40.5%
Onshore (US and Europe)				53.0%	48.2%
Other Metrics					
				Period ended	
				Sep 30, 2017	Jun 30, 2017
Capital Expenditure (In INR million)				214.7	218.1