

# 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 FY19 over Q2 FY18	Quarter ended	Growth % in Q2 FY19 over Q1 FY19
	September 30, 2018	September 30, 2017		June 30, 2018	
<b>INCOME</b>					
Income from services	9,442.00	8,463.75	11.6%	9,059.79	4.2%
Other Operating Income	105.40	265.94	-60.4%	131.34	-19.8%
<b>REVENUES FROM OPERATIONS</b>	<b>9,547.40</b>	<b>8,729.69</b>	<b>9.4%</b>	<b>9,191.13</b>	<b>3.9%</b>
<b>EXPENDITURE</b>					
Operating expenses	1,765.60	1,691.48	4.4%	1,699.88	3.9%
Personnel expenses	6,453.48	5,941.49	8.6%	6,210.12	3.9%
	8,219.08	7,632.97	7.7%	7,910.00	3.9%
<b>OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	<b>1,328.32</b>	<b>1,096.72</b>	<b>21.1%</b>	<b>1,281.13</b>	<b>3.7%</b>
Operating EBITDA %	13.9%	12.6%		13.9%	
Depreciation / amortization	184.03	162.31	13.4%	179.87	2.3%
<b>OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>1,144.29</b>	<b>934.41</b>	<b>22.5%</b>	<b>1,101.26</b>	<b>3.9%</b>
Operating EBIT %	12.0%	10.7%		12.0%	
Interest Income / (expense), net	(51.57)	(81.77)	-36.9%	(55.90)	-7.7%
Other Income / (expense)	(8.33)	(16.00)	-47.9%	10.09	-
<b>PROFIT/(LOSS) BEFORE TAX (PBT)</b>	<b>1,084.39</b>	<b>836.64</b>	<b>29.6%</b>	<b>1,055.45</b>	<b>2.7%</b>
PBT (% of Total Income)	11.4%	9.6%		11.5%	
Taxes	156.45	149.10	4.9%	169.34	-7.6%
<b>PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>	<b>927.94</b>	<b>687.54</b>	<b>35.0%</b>	<b>886.11</b>	<b>4.7%</b>
Minority Interest	(0.09)	0.04	-	(0.01)	-
<b>PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)</b>	<b>928.03</b>	<b>687.50</b>	<b>35.0%</b>	<b>886.12</b>	<b>4.7%</b>
PAT (% of Total Income)	9.7%	7.9%		9.6%	
<b>EARNINGS PER SHARE</b> (Equity shares of par value ` 10/ each)					
Basic	1.35	1.01		1.29	
Diluted	1.33	1.00		1.28	

# Firstsource Solutions Limited



## Profit and Loss account (consolidated figures)

(As per Indian Accounting Standards)

In INR million, except per share data

Particulars	Year Ended		Growth
	September 30, 2018	September 30, 2017	%
<b>INCOME</b>			
Income from services	18,501.79	16,970.40	9.0%
Other Operating Income	236.74	536.75	-55.9%
<b>REVENUES FROM OPERATIONS</b>	<b>18,738.53</b>	<b>17,507.15</b>	<b>7.0%</b>
<b>EXPENDITURE</b>			
Operating expenses	3,465.48	3,521.27	-1.6%
Personnel expenses	12,663.60	11,883.03	6.6%
	16,129.08	15,404.30	4.7%
<b>OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	<b>2,609.45</b>	<b>2,102.85</b>	<b>24.1%</b>
<b>Operating EBITDA %</b>	<b>13.9%</b>	<b>12.0%</b>	
Depreciation / amortization	363.90	315.16	15.5%
<b>OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>2,245.55</b>	<b>1,787.69</b>	<b>25.6%</b>
<b>Operating EBIT %</b>	<b>12.0%</b>	<b>10.2%</b>	
Interest Income / (expense), net	(107.45)	(211.23)	-49.1%
Other Income / (expense)	1.74	53.71	-96.8%
<b>PROFIT/(LOSS) BEFORE TAX (PBT)</b>	<b>2,139.84</b>	<b>1,630.17</b>	<b>31.3%</b>
<b>PBT (% of Total Income)</b>	<b>11.4%</b>	<b>9.3%</b>	
Taxes	325.79	288.62	12.9%
<b>PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>	<b>1,814.05</b>	<b>1,341.55</b>	<b>35.2%</b>
Minority Interest	(0.10)	0.08	-
<b>PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)</b>	<b>1,814.15</b>	<b>1,341.47</b>	<b>35.2%</b>
<b>PAT (% of Total Income)</b>	<b>9.7%</b>	<b>7.66%</b>	
<b>EARNINGS PER SHARE</b> (Equity shares of par value ` 10/ each)			
Basic	2.63	1.97	
Diluted	2.61	1.95	

**Balance sheet**  
(consolidated figures)

(As per Indian Accounting Standards)

In INR million

Particulars	As on	
	September 30, 2018	June 30, 2018
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill on consolidation	21,410.34	20,256.03
Fixed assets	1,609.81	1,503.79
Investments	122.08	121.01
Other financial assets	327.06	314.72
Income Tax Assets	689.32	645.87
Deferred Tax Assets	2,320.11	2,203.21
Other non-current assets	2,261.12	2,218.97
	<b>28,739.84</b>	<b>27,263.60</b>
<b>Current Assets</b>		
Current investments	80.00	460.00
Trade receivables	4,402.06	4,084.23
Cash and cash equivalents	660.89	873.32
Other Financial Assets	1,837.01	1,620.06
Other current assets	753.68	747.08
	<b>7,733.64</b>	<b>7,784.69</b>
	<b>36,473.48</b>	<b>35,048.29</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholder's funds</b>		
Share capital	6,903.64	6,885.02
Reserve and surplus	18,116.31	17,976.50
	<b>25,019.95</b>	<b>24,861.52</b>
<b>Minority interest</b>	<b>12.34</b>	<b>13.37</b>
<b>Non-current liabilities</b>		
Long-term borrowings	95.93	121.01
Deferred Tax Liability	354.90	287.20
Other Financial Liability	472.83	137.96
Provision for Employee Benefits	65.74	63.74
	<b>989.40</b>	<b>609.91</b>
<b>Current liabilities</b>		
Short-term borrowings	6,475.56	6,292.49
Trade payables	1,144.13	1,024.39
Other Financial Liabilities	1,969.41	1,242.18
Other Current Liability	431.76	504.69
Provision for Employee Benefits	300.01	263.19
Provision for Tax	130.92	236.55
	<b>10,451.79</b>	<b>9,563.49</b>
	<b>36,473.48</b>	<b>35,048.29</b>

# Firstsource Solutions Limited



## Cash Flow Statement (consolidated figures)

In INR million

Particulars	Quarter ended September 30, 2018
<b>Sources</b>	
Net Cash accruals / (losses)	1,328.81
Increase in Shareholders' Funds	63.80
Interest and dividend Received	9.40
Proceeds from buy-back by FDS Sri Lanka	17.40
Increase in current liabilities	272.09
<b>Total Sources</b>	<b>1,691.50</b>
<b>Uses</b>	
Increase in debtors	534.35
Taxes paid	278.30
Capital Expenditure	155.34
Dividend payout (including DDT)	1,247.73
Interest Expense	73.22
<b>Total Uses</b>	<b>2,288.94</b>
Surplus / (Deficit)	<b>-597.43</b>
Effect of exchange rate on translation of subsidiaries	4.96
Opening Cash and Cash Equivalents	1,333.36
Closing Cash and Cash Equivalents	740.89

**OPERATING METRICS**

Revenue by Industry					
	Quarter Ended			Year Ended	
	Sep 30, 2018	Sep 30, 2017	Jun 30, 2018	Mar 31, 2018	Mar 31, 2017
BFSI	36.0%	29.2%	35.1%	29.2%	31.8%
Telecom & Media	27.9%	34.7%	28.7%	33.9%	32.2%
Healthcare	34.8%	36.0%	35.3%	36.8%	35.8%
Others	1.3%	0.1%	0.9%	0.1%	0.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Revenue by Geography					
	Quarter Ended			Year Ended	
	Sep 30, 2018	Sep 30, 2017	Jun 30, 2018	Mar 31, 2018	Mar 31, 2017
USA	55.1%	52.2%	54.1%	53.6%	55.3%
UK	43.8%	45.2%	44.7%	43.6%	38.0%
India	1.1%	2.6%	1.2%	2.8%	5.8%
Rest of world*	0.0%	0.0%	0.0%	0.0%	0.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
* Rest of world (RoW) primarily includes Europe (excluding UK), Australia and Sri Lanka					
Revenue by Delivery location					
	Quarter Ended			Year Ended	
	Sep 30, 2018	Sep 30, 2017	Jun 30, 2018	Mar 31, 2018	Mar 31, 2017
Offshore	19.9%	23.9%	23.1%	24.1%	27.1%
Onshore	80.1%	76.1%	76.9%	75.9%	72.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Revenue by Business Segment					
	Quarter Ended			Year Ended	
	Sep 30, 2018	Sep 30, 2017	Jun 30, 2018	Mar 31, 2018	Mar 31, 2017
Customer management	55.7%	56.3%	55.8%	55%	56%
Healthcare	32.6%	33.6%	32.9%	35%	33%
Collections	11.7%	10.1%	11.3%	10%	11%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Client Concentration					
	Quarter Ended			Year Ended	
	Sep 30, 2018	Sep 30, 2017	Jun 30, 2018	Mar 31, 2018	Mar 31, 2017
Client contribution to revenues					
Top customer	23.8%	29.1%	24.7%	28.3%	22.0%
Top 5 customers	41.6%	47.3%	42.7%	46.3%	43.0%
Employee and Seats Metrics					
	Quarter Ended			Year Ended	
	Sep 30, 2018	Sep 30, 2017	Jun 30, 2018	Mar 31, 2018	Mar 31, 2017
Total employees (end of period)	19,615	19,194	18,759	18,703	25,871
Net Addition	856	(5,819)	56	(7,168)	1,985
Employees in India	9,040	8,866	8,664	8,809	15,446
Employees outside India	10,575	10,328	10,095	9,894	10,425
Number of seats	16,617	17,215	16,287	16,679	22,880
Seat fill factor	71%	76%	74%	79%	79%
Attrition Snapshot					
				Post 180 days attrition - Quarter annualized	
				Q2 FY19	Q1 FY19
Offshore (India and Philippines)				44.8%	51.7%
Onshore (US and Europe)				54.9%	48.7%
Other Metrics					
				Quarter ended	
				Sep 30, 2018	Jun 30, 2018
Capital Expenditure (In INR million)				155.3	164.6