

10th November 2021

To:

**National Stock Exchange of
India Limited (Scrip Code: FSL)**
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (East),
Mumbai - 400 051

**BSE Limited (Scrip Code:
532809)**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Dear Madam/ Sir,

Sub: Post intimation of Analyst/ Institutional Investor Call

Pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are enclosing herewith a copy of the presentation regarding conference call held with the analysts and investors, on the financial results of the Company for the quarter and half-year ended 30th September 2021.

This is for your information and record.

Thanking you,

For **Firstsource Solutions Limited**

Pooja Nambiar
Company Secretary & Compliance Officer

Encl.: A/a

FIRSTSOURCE SOLUTIONS LTD.,

Paradigm B, 5th Floor, Mindspace, New Link Road, Malad (W), Mumbai - 400 064, India.
Tel: +91 22 6666 0888 | Fax: +91 22 6666 0887 | Web: www.firstsource.com



Q2 FY2022 Earnings Update



Disclaimer

Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in BPO services including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, time and cost overruns on client contracts, client concentration, our ability to manage ramp-ups and growth, our ability to manage our international operations, reduced demand in our key focus verticals, disruptions in telecom infrastructure and technology, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, performance of our subsidiaries, withdrawal of government fiscal incentives, political instability, legal restrictions on raising capital and acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. Firstsource may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.



Summary of Performance During the Quarter



REVENUES

₹ 14,286 Million
(US\$ 193.0 Million)

YoY growth of 20.3%
Constant Currency growth of 18.5%



OPERATING MARGIN

₹ 1,791 Million
(Margin 12.5%)

YoY Margin expansion of 111 bps



PROFIT AFTER TAX

₹ 1,350 Million
(Margin 9.5%)

YoY Margin expansion of 59 bps



EARNINGS PER SHARE (Diluted)

₹ 1.96
per share

Q2FY'21 at ₹ 1.50 per share

Summary of Performance During First Half



REVENUES

₹ 29,134 Million
(US\$ 394.3 Million)

YoY growth of 29.5%
Constant Currency growth of 27.9%



OPERATING MARGIN

₹ 3,591 Million
(Margin 12.3%)

YoY Margin expansion of 109 bps



PROFIT AFTER TAX

₹ 2,695 Million
(Margin 9.3%)

YoY Margin expansion of 63 bps

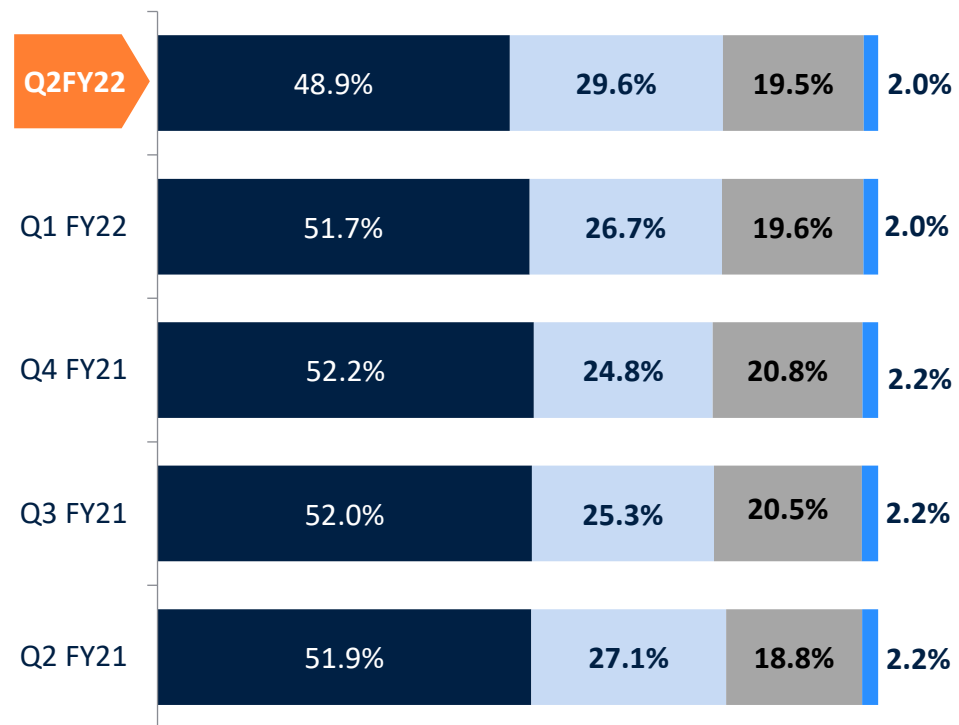


EARNINGS PER SHARE (Diluted)

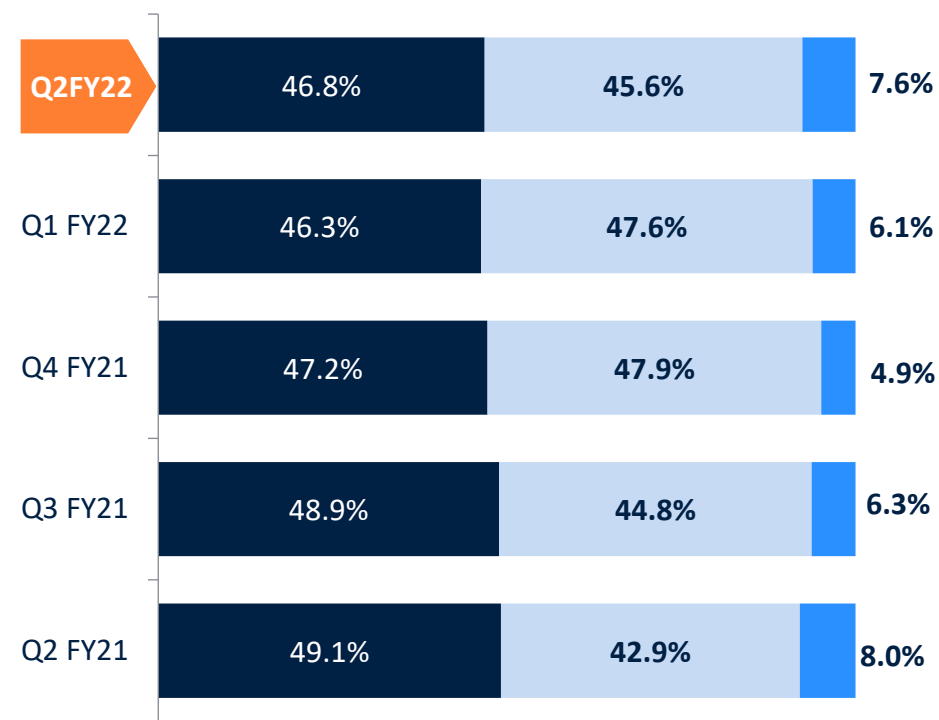
₹ 3.82
per share

H1FY'21 at ₹ 2.77 per share

REVENUE SPLIT BY VERTICALS

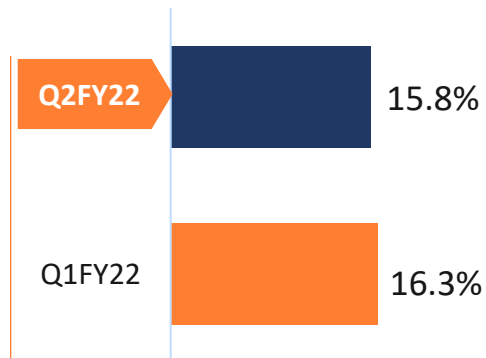


REVENUE SPLIT BY SERVICE LINES



Client Concentration

Top Client



19.8 years

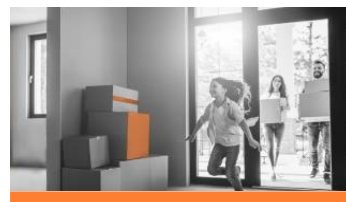
Total Tenure

Top 5 Clients



14.6 years

Average Tenure



4 of Top 15
Mortgage servicers in the US



2 of Top 6
Retail banks in the UK



6 of Top 15
Mortgage Lenders in the US



1,000+
Hospitals in the US



7 of Top 10
Health insurance/ managed care companies in the US



1 of Top 3
Utility companies in the UK



5 of Top 10
Credit card issuers in the US



1 of Top 2
Broadcasting and media companies in the UK



2 of Top 6
Telecom and broadcasting companies in the US



Annexure

Financial Performance (Quarterly)

In ₹ million	Q2 FY 2020	Q3 FY 2020	Q4 FY2020	Q1 FY 2021	Q2 FY 2021	Q3 FY 2021	Q4 FY 2021	Q1 FY 2022	Q2 FY 2022
Income from services	9,715	10,446	10,673	10,537	11,783	13,510	14,496	14,780	14,182
Other operating Income	134	89	132	85	94	142	132	68	104
Revenue from operations	9,849	10,535	10,804	10,622	11,877	13,652	14,628	14,848	14,286
Revenue from operations (USD Mn)	\$ 140	\$ 148	\$ 149	\$ 141	\$ 160	\$ 185	\$ 200	\$ 201	\$ 193
<i>QoQ Growth % - Constant Currency</i>	<i>1.1%</i>	<i>4.7%</i>	<i>0.6%</i>	<i>-4.3%</i>	<i>12.2%</i>	<i>14.6%</i>	<i>7.0%</i>	<i>0.5%</i>	<i>-4.0%</i>
<i>YoY Growth % - Constant Currency</i>	<i>4.5%</i>	<i>8.3%</i>	<i>8.2%</i>	<i>1.6%</i>	<i>13.1%</i>	<i>23.8%</i>	<i>31.7%</i>	<i>38.5%</i>	<i>18.5%</i>
Personnel Expense	6,722	7,053	7,350	7,128	7,985	9,503	10,057	10,219	9,728
Operating Expense	1,803	1,816	1,813	1,826	2,016	2,046	2,229	2,246	2,171
Operating EBITDA	1,325	1,666	1,641	1,668	1,876	2,103	2,342	2,383	2,388
<i>Operating EBITDA %</i>	<i>13.4%</i>	<i>15.8%</i>	<i>15.2%</i>	<i>15.7%</i>	<i>15.8%</i>	<i>15.4%</i>	<i>16.0%</i>	<i>16.1%</i>	<i>16.7%</i>
Depreciation / amortization	455	484	474	498	519	513	534	584	597
Operating Margin	870	1,182	1,168	1,170	1,358	1,590	1,809	1,800	1,791
<i>Operating Margin %</i>	<i>8.8%</i>	<i>11.2%</i>	<i>10.8%</i>	<i>11.0%</i>	<i>11.4%</i>	<i>11.6%</i>	<i>12.4%</i>	<i>12.1%</i>	<i>12.5%</i>
Other Income / (expense)	65	2	(16)	(7)	16	7	(29)	(10)	0
Interest Income / (expense), net	(129)	(148)	(121)	(128)	(119)	(122)	(127)	(136)	(148)
Profit Before Taxes and exceptional item	806	1,036	1,031	1,035	1,254	1,476	1,652	1,654	1,644
<i>Profit Before Taxes and exceptional item %</i>	<i>8.2%</i>	<i>9.8%</i>	<i>9.5%</i>	<i>9.7%</i>	<i>10.6%</i>	<i>10.8%</i>	<i>11.3%</i>	<i>11.1%</i>	<i>11.5%</i>
Exceptional Item	-	-	-	-	-	-	(1,099)	-	-
Profit Before Taxes	806	1,036	1,031	1,035	1,254	1,476	553	1,654	1,644
<i>Profit Before Taxes %</i>	<i>8.2%</i>	<i>9.8%</i>	<i>9.5%</i>	<i>9.7%</i>	<i>10.6%</i>	<i>10.8%</i>	<i>3.8%</i>	<i>11.1%</i>	<i>11.5%</i>
Taxes and Minority Interest	132	140	115	148	201	265	87	309	293
Profit After Tax	674	895	916	887	1,053	1,210	467*	1,345	1,350
<i>Profit After Tax %</i>	<i>6.8%</i>	<i>8.5%</i>	<i>8.5%</i>	<i>8.3%</i>	<i>8.9%</i>	<i>8.9%</i>	<i>3.2%</i>	<i>9.1%</i>	<i>9.5%</i>
Diluted EPS (₹ /Share)	0.97	1.29	1.31	1.27	1.50	1.72	0.66	1.91	1.96

* For Q4 FY21, PAT excluding the exceptional charge is INR 1,309 Mn or 8.9%

Financial Performance (Yearly)

In ₹ million	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY2021	H1FY22
Income from services	31,617	34,569	34,315	37,867	40,502	50,327	28,962
Other operating Income	556	987	1,038	396	484	453	172
Revenue from operations	32,173	35,556	35,352	38,263	40,986	50,780	29,134
Revenue from operations (USD Mn)	\$ 491	\$ 530	\$ 548	\$ 548	\$ 578	\$ 685	\$ 394
<i>YoY Growth % - Constant Currency</i>	<i>2.0%</i>	<i>12.9%</i>	<i>2.8%</i>	<i>2.0%</i>	<i>6.6%</i>	<i>17.9%</i>	<i>27.9%</i>
Personnel Expense	21,727	23,834	23,955	25,573	27,735	34,672	19,946
Operating Expense	6,545	7,342	6,809	7,336	6,962	8,065	4,417
Operating EBITDA	3,901	4,380	4,589	5,355	6,289	8,042	4,771
<i>Operating EBITDA %</i>	<i>12.1%</i>	<i>12.3%</i>	<i>13.0%</i>	<i>14.0%</i>	<i>15.3%</i>	<i>15.8%</i>	<i>16.4%</i>
Depreciation / amortization	609	590	659	744	1,852	2064	1,180
Operating Margin	3,292	3,790	3,930	4,610	4,437	5,979	3,591
<i>Operating Margin %</i>	<i>10.2%</i>	<i>10.7%</i>	<i>11.1%</i>	<i>12.0%</i>	<i>10.8%</i>	<i>11.8%</i>	<i>12.3%</i>
Other Income / (expense)	77	(21)	(11)	(26)	17	(13)	(9)
Interest Income / (expense), net	(507)	(400)	(338)	(225)	(512)	(496)	(284)
Profit Before Taxes and exceptional item	2,862	3,369	3,580	4,359	3,942	5,469	3,297
<i>Profit Before Taxes and exceptional item %</i>	<i>8.9%</i>	<i>9.5%</i>	<i>10.1%</i>	<i>11.4%</i>	<i>9.6%</i>	<i>10.8%</i>	<i>11.3%</i>
Exceptional Item	-	-	-	-	-	(1,151)	-
Profit Before Taxes	2,862	3,369	3,580	4,359	3,942	4,318	3,297
<i>Profit Before Taxes %</i>	<i>8.9%</i>	<i>9.5%</i>	<i>10.1%</i>	<i>11.4%</i>	<i>9.6%</i>	<i>8.5%</i>	<i>11.3%</i>
Taxes and Minority Interest	257	569	315	581	545	702	602
Profit After Tax	2,605	2,800	3,265	3,778	3,397	3,617*	2,695
<i>Profit After Tax %</i>	<i>8.1%</i>	<i>7.9%</i>	<i>9.2%</i>	<i>9.9%</i>	<i>8.3%</i>	<i>7.1%</i>	<i>9.3%</i>
Diluted EPS (₹ /Share)	3.72	4.08	4.73	5.45	4.89	5.13	3.82

* For FY2021, PAT excluding the exceptional charge is INR 4,499 Mn or 8.9%

Addition of Q1 & Q2 EPS nos will not add up to H1FY22 EPS due to change in no. of shares

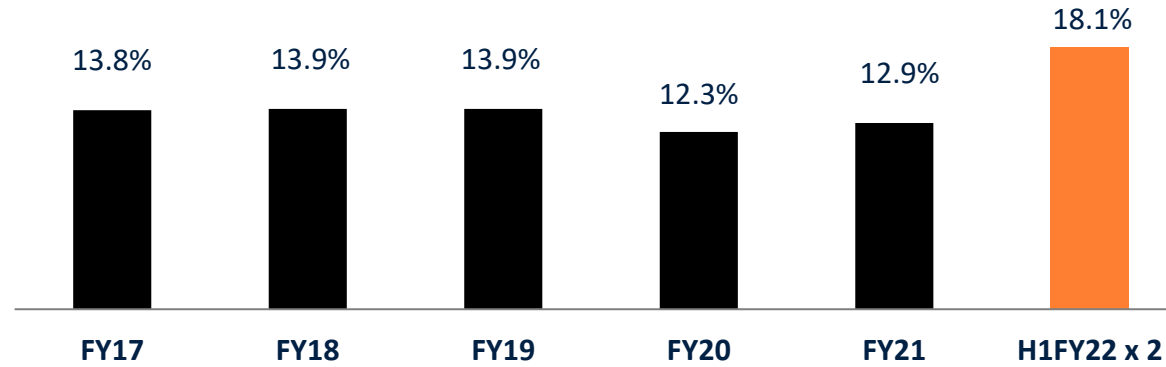
Balance Sheet and Cash Flow Statement

In ₹ million	As at 30-Sep-21	As at 31-Mar-21
Equity And Liabilities		
Share Capital	6,970	6,961
Reserves & Surplus	22,737	21,032
Non - Controlling Interest	5	5
Borrowings	5,556	6,045
Other Non - Current Liabilities	7,930	5,438
Current liabilities	6,186	8,816
Total	49,385	48,297
Assets		
Goodwill on Consolidation	22,275	21,948
Fixed Assets	8,649	8,028
Cash and Cash Equivalents	1,230	1,373
Current Investments	947	826
Trade Receivables (Billed + Unbilled)	8,267	8,431
Non - Current Assets	5,972	6,008
Current Assets	2,045	1,683
Total	49,385	48,297

In ₹ million	Quarter ended 30-Sep-21	Six Months ended 30-Sep-21
Cash Flow from Operating Activities		
Operating Margin	1,791	3,591
Adj: Non Cash and Other Income / (Expense)	788	1,373
Operating Cash before Working Capital	2,579	4,964
Add: Working Capital Changes	107	(1,729)
Less: Income Taxes Paid	(257)	(561)
Net Cash generated from Operating Activities	2,429	2,674
Cash Flow from Investing Activities		
Capital Expenditure (net)	(158)	(281)
(Investments)/ Proceeds from Current Investments	(121)	(104)
Proceeds from redemption of Debentures	2	2
Net Cash used in Investing Activities	(277)	(384)
Cash Flow from Financing Activities		
Net Increase / (Decrease) in Borrowings	(646)	(488)
Purchase of Non-controlling Interest in a subsidiary	(887)	(887)
Net Interest Paid (as per Ind AS 116)	(155)	(302)
Payment of Lease Liabilities	(265)	(508)
Increase in Shareholder's Funds	9	37
Purchase for Employee Stock Option Trust	(306)	(306)
Net Cash used in Financing Activities	(2,251)	(2,455)
Net Increase / (Decrease) in Cash and Cash Equivalents	(99)	(165)
Opening Cash and Cash Equivalents	1,340	1,373
Earmarked Balances with Banks	(0)	20
Foreign Exchange (Gain) on Translating Cash and Cash Equivalents	(11)	2
Closing Cash and Cash Equivalents	1,230	1,230
Cash and Cash Equivalents Including Current Investments	2,177	2,177

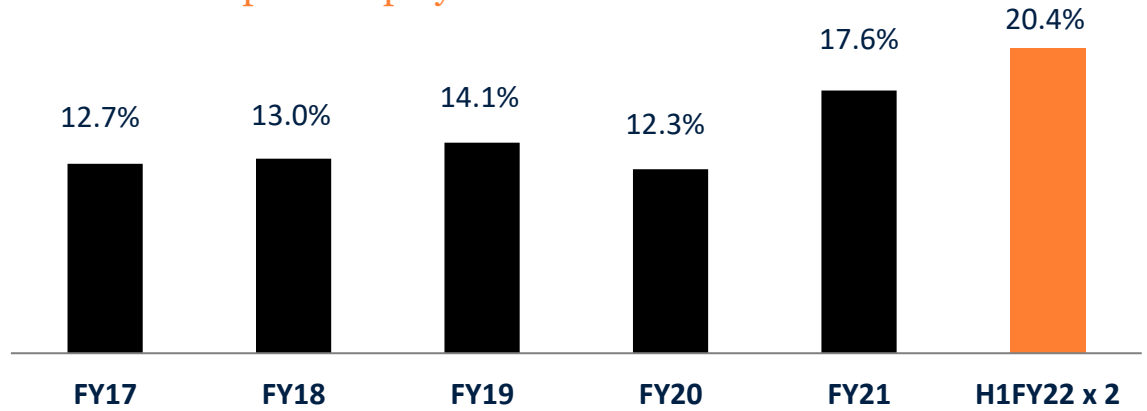
Key Performance Indicators

Return on Equity

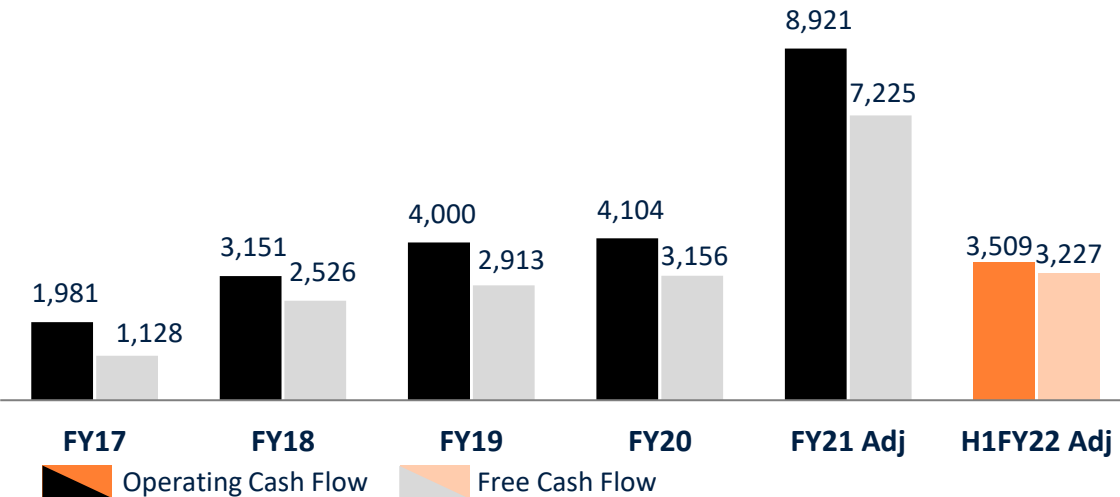


Note: FY21 ROE will be 16.1% excluding for exceptional item

Return on Capital Employed

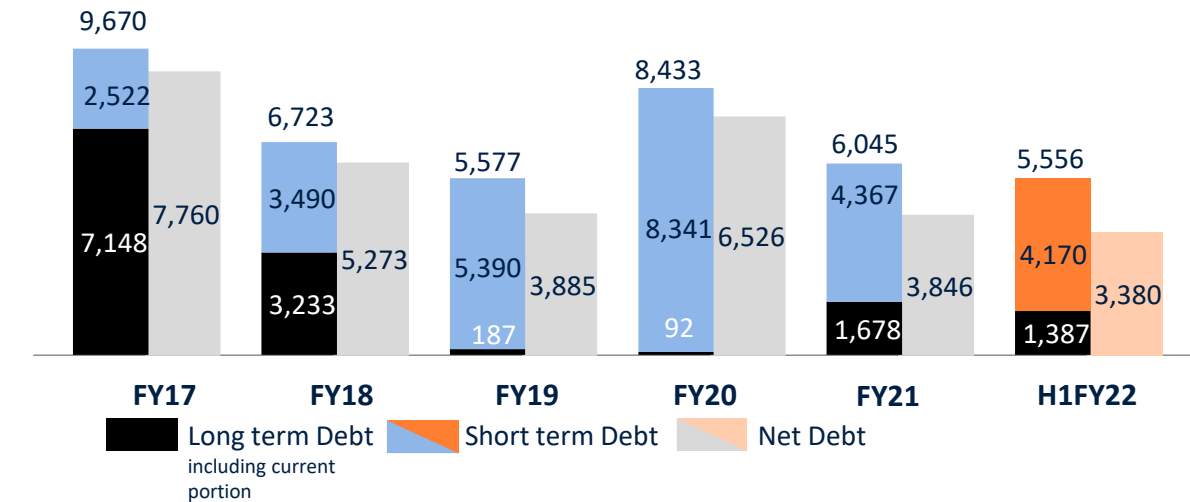


Cash Flow



Note: FY21 and Q1 FY22 OCF and FCF adjusted for advance received from customers

Debt Position



Operating Metrics

	Particulars	Q2 FY 2020	Q3 FY 2020	Q4 FY2020	Q1 FY 2021	Q2 FY 2021	Q3 FY 2021	Q4 FY 2021	Q1 FY 2022	Q2 FY 2022
Revenue by Vertical	Banking & Financial Services	40.4%	42.9%	42.8%	51.2%	51.9%	52.0%	52.2%	51.7%	48.9%
	Healthcare	34.5%	32.4%	31.3%	29.9%	27.1%	25.3%	24.8%	26.7%	29.6%
	Communications Media & Tech	22.0%	21.9%	22.9%	16.2%	18.8%	20.5%	20.8%	19.6%	19.5%
	Diverse Industries	3.1%	2.8%	3.0%	2.7%	2.2%	2.2%	2.2%	2.0%	2.0%
Revenue by Service Lines	Digitally Empowered Contact Centre	51.6%	49.8%	51.2%	47.8%	49.1%	48.9%	47.2%	46.3%	46.8%
	Intelligent Back Office	42.8%	45.0%	42.5%	44.2%	42.9%	44.8%	47.9%	47.6%	45.6%
	Platforms, Automation & Analytics	5.6%	5.2%	6.3%	8.0%	8.0%	6.3%	4.9%	6.1%	7.6%
Revenue by Geography	US	61.6%	63.3%	63.2%	69.1%	68.1%	67.1%	67.4%	67.6%	68.4%
	UK	36.9%	35.3%	35.3%	29.7%	30.6%	31.5%	31.5%	31.1%	30.1%
	Rest of World	1.5%	1.4%	1.5%	1.2%	1.3%	1.4%	1.1%	1.3%	1.5%
Revenue by Delivery	Offshore	22.8%	25.2%	25.6%	24.8%	27.0%	29.8%	30.6%	29.3%	31.0%
	Onshore	77.2%	74.8%	74.4%	75.2%	73.0%	70.2%	69.4%	70.7%	69.0%
Top Clients Revenue	Top client %	19.8%	19.5%	20.3%	13.7%	16.2%	17.5%	17.5%	16.3%	15.8%
	Top 5 client %	39.5%	42.1%	42.2%	39.9%	40.4%	41.4%	42.3%	42.0%	41.2%
Other Metrics	Total employees (end of period)	20,001	20,482	21,203	21,831	23,960	26,618	28,004	27,916	27,835
	• Employees in India	10,493	10,982	11,450	11,684	13,536	15,381	16,289	16,677	16,976
	• Employees outside India	9,508	9,500	9,753	10,147	10,424	11,237	11,715	11,239	10,859
	Net Addition	1,451	481	721	628	2,129	2,658	1,386	(88)	(81)
	Offshore Attrition*	40.0%	36.0%	33.5%	15.1%	26.3%	28.8%	28.6%	29.2%	36.2%
	Onshore Attrition*	54.6%	45.8%	41.9%	30.2%	47.3%	34.6%	40.0%	54.8%	68.8%

*Post 180 days attrition - Quarter annualized

Forex Hedges

Outstanding FX hedges at \$81.6 million for USD and £46.7 million for GBP

Period	GBP-INR		USD INR	
	Hedged	Average Rate	Hedged	Average Rate
0-12 Months	£ 34.3	Rs 110.4 /£	\$ 71.6	Rs 76.9 /\$
13-24 Months	£ 12.4	Rs 117.1 /£	\$ 10.0	Rs 80.2 /\$

Prior Period Reports

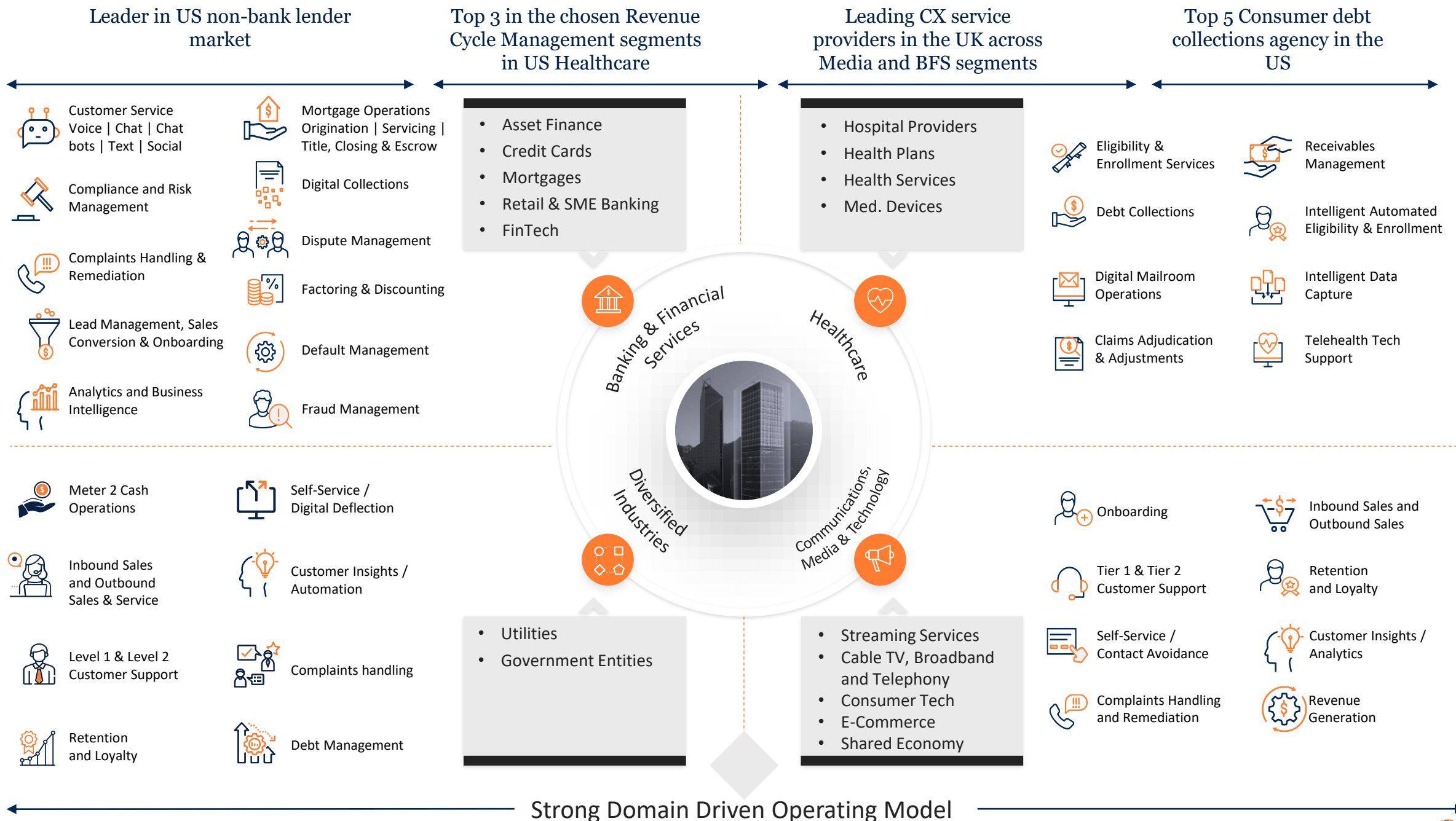
(Hyperlinks)

ANNUAL REPORT					PUBLISHED RESULTS					INVESTOR PRESENTATIONS					PRESS RELEASE				
FY2021					FY2022	Q1	Q2			FY2022	Q1	Q2			FY2022	Q1	Q2		
FY2020					FY2021	Q1	Q2	Q3	Q4	FY2021	Q1	Q2	Q3	Q4	FY2021	Q1	Q2	Q3	Q4
FY2019					FY2020	Q1	Q2	Q3	Q4	FY2020	Q1	Q2	Q3	Q4	FY2020	Q1	Q2	Q3	Q4
FY2018					FY2019	Q1	Q2	Q3	Q4	FY2019	Q1	Q2	Q3	Q4	FY2019	Q1	Q2	Q3	Q4
					FY2018	Q1	Q2	Q3	Q4	FY2018	Q1	Q2	Q3	Q4	FY2018	Q1	Q2	Q3	Q4

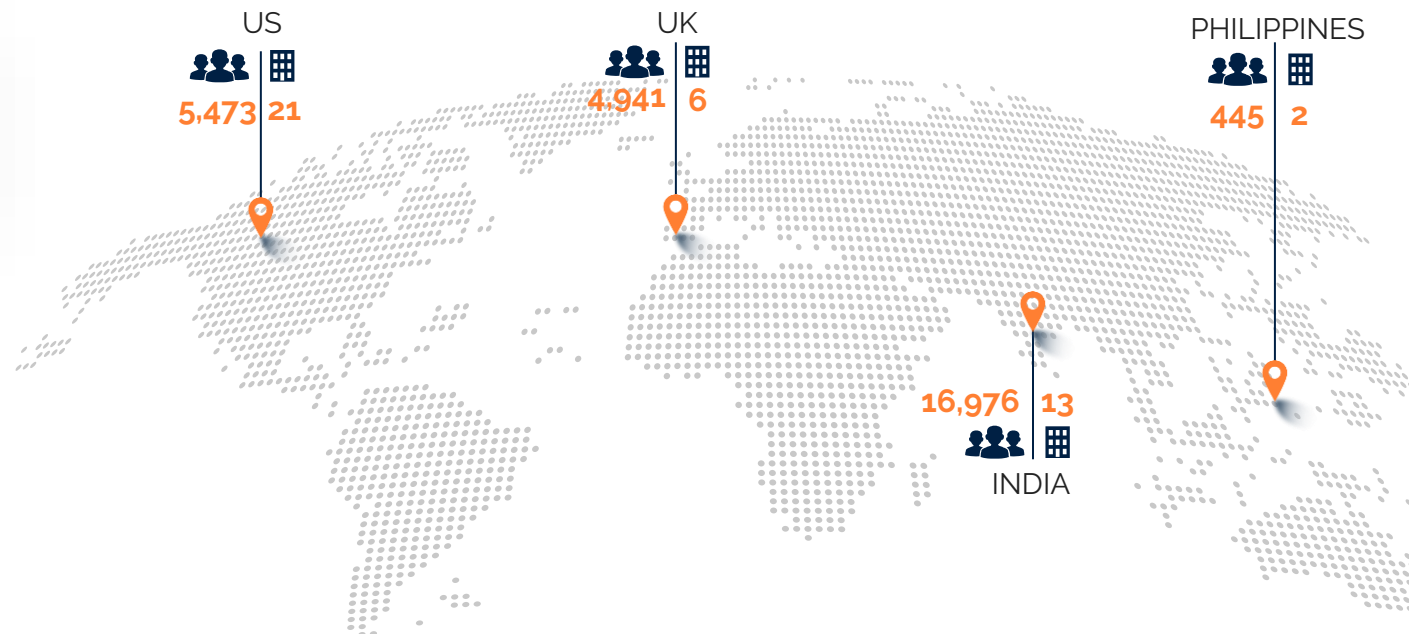
FACT SHEET					TRANSCRIPTS					SHAREHOLDING PATTERN				
FY2022	Q1	Q2			FY2022	Q1	Q2			FY2022	Q1	Q2		
FY2021	Q1	Q2	Q3	Q4	FY2021	Q1	Q2	Q3	Q4	FY2021	Q1	Q2	Q3	Q4
FY2020	Q1	Q2	Q3	Q4	FY2020	Q1	Q2	Q3	Q4	FY2020	Q1	Q2	Q3	Q4
FY2019	Q1	Q2	Q3	Q4	FY2019	Q1	Q2	Q3	Q4	FY2019	Q1	Q2	Q3	Q4
FY2018	Q1	Q2	Q3	Q4	FY2018	Q1	Q2	Q3	Q4	FY2019	Q1	Q2	Q3	Q4

[Click Here](#)

To subscribe for future updates



About Us



- Established in **2001**
- Revenues of **INR 51.0 Billion**
(approximately \$685 Million) in FY2021
- 27,835 Firstsourcers**
across US, UK, India and Philippines
- Leaders in chosen segments**
across Banking & Financial Services, Healthcare,
Communications, Media & Technology and Diversified Industries
- Domain driven BPM services company**
Leveraging a 'Digital First, Digital Now' approach to solve key customer problems
- 150+ global clients including**
17 Fortune 500 companies and 9 FTSE 100 companies
- Publicly Traded on Indian Stock Exchanges**
NSE: FSL BSE: 532809 Reuters: FISO.BO Bloomberg: FSOL@IN

Part of RP-Sanjiv Goenka Group



Power



Carbon Black



Consumer & Retail



Media & Entertainment



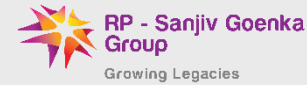
Education & Infrastructure



IT-Enabled Services



Sports



Combined Revenues of \$3.6 Billion in FY2021



Select Awards



International Customer Experience Awards

2020: Firstsource, jointly with a client, won Silver Award for Best Customer Experience Strategy



Contact Centre Network Northern Ireland Awards

2020: Best Homeworking Programme for Derry Center
2019: Outsourced Contact Centre of the Year award with our client
2018: Won in the Support Team of the Year category



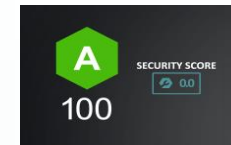
Welsh Contact Centre Awards

2020: Contact Centre Manager of the Year
2019: Gold for People Engagement
2018: Gold for Outsourced Contact Centre of the Year and People Engagement



NelsonHall

Positioned as a **'Leader'** in NEAT Evaluation for 'Overall Mortgage & Loan Services' and 'Support for New Digital Business Models'
 Positioned as a **'Leader'** in its 'Intelligent Automation in Banking NEAT 2021' report



"A-100" by SecurityScorecard™

2021: Rated 'A-100' by SecurityScorecard™ - a testament to our robust security posture across technology platforms, cloud solutions and applications, and our best practices-based security protocols.



Ranked as top Business Process Services (BPS) provider in 'BPS Top 50™' report.
 Firstsource was also placed as Top 10 Service Providers by Growth by the industry research firm.

Industry Associations



Corporate Management

Senior Leadership



Vipul Khanna

MD & Chief Executive Officer



Dinesh Jain

Finance



Prashanth Nandella

Operations



Randall Shafer

Healthcare
Provider



Venkatgiri Vandali

Healthcare



Deb Biswas

Communications,
Media & Technology



Siddharth Parashar

Europe Business



Arjun Mitra

Collections



Steven Schachter

Mortgage



Shuchika Sahay

Human Resources



Sundara Sukavanam

Digital Services



Rajlakshmi Raghavan

Marketing &
Communication

Helping customers *stay ahead of the curve* through transformational technologies and capabilities

Firstsource Solutions Limited, an RP-Sanjiv Goenka Group company, is a leading provider of transformational solutions and services spanning the customer lifecycle across Healthcare, Banking and Financial Services, Communications, Media and Technology and other industries.

Our 'Digital First, Digital Now' approach helps organizations reinvent operations and reimagine business models, enabling them to deliver moments that matter and build competitive advantage.

With an established presence in the US, the UK, India and the Philippines, we act as a trusted growth partner for over 100 leading global brands, including several Fortune 500 and FTSE 100 companies.

www.firstsource.com

