

Q 3 FY2009-10 Performance Review

Disclaimer

This presentation may include statements that are not historical in nature and that may be characterised as “forward-looking statements”, including those related to future financial and operating results, future opportunities and the growth of selected verticals in which the organisation is currently engaged or proposes to enter in future. You should be aware that future results could differ materially from past performance and also those contained the forward-looking statements, which are based on current expectations of the organisation’s management and are subject to a number of risk and uncertainties. These risks and other factors are described in Allsec’s annual reports published for the last ended fiscal year. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company. The information presented herein should not be construed as earnings guidance under the terms of the stock exchange listing agreements.

- **Business Update**
- **Performance Review & Analysis**
- **Revenue Analysis and HR**

BUSINESS UPDATE- Q3 2009-10



Standalone Company

Though revenues were at the same levels of Q2, net profit in Q3 was higher by Rs. 187 L as compared to Q2 mainly due to lower costs and higher other income.

▪ Domestic voice BPO

- Significant growth trend in domestic revenues continued.
- Revenues remained at the same levels between Q3 - 2010 and Q2 2010
- Revenues in telecom vertical is growing.

▪ HR BPO

- Client list growing – 5% revenue growth in domestic HR BPO on Q on Q basis.

▪ International business:

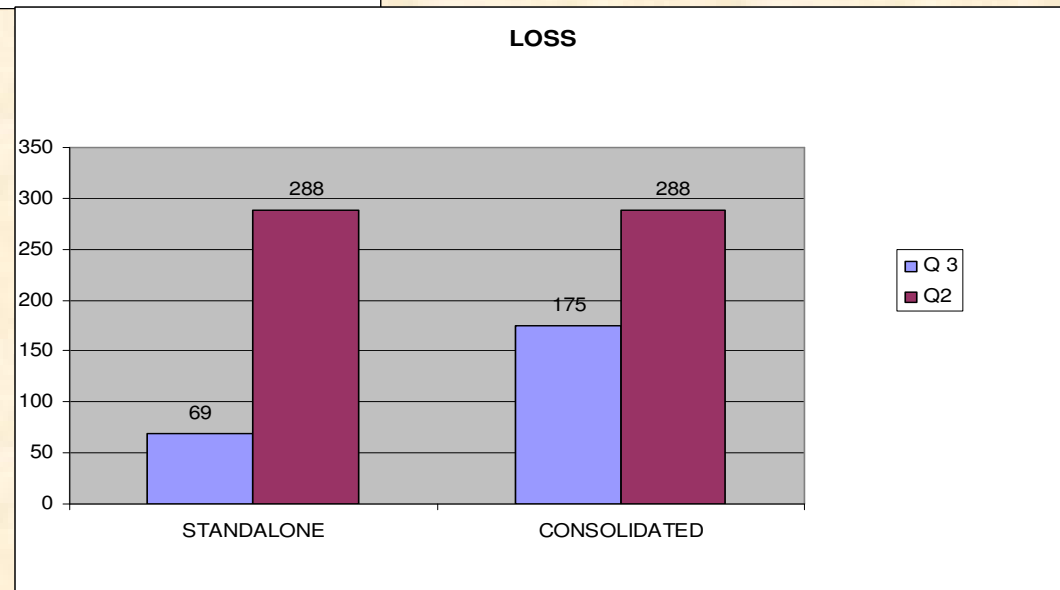
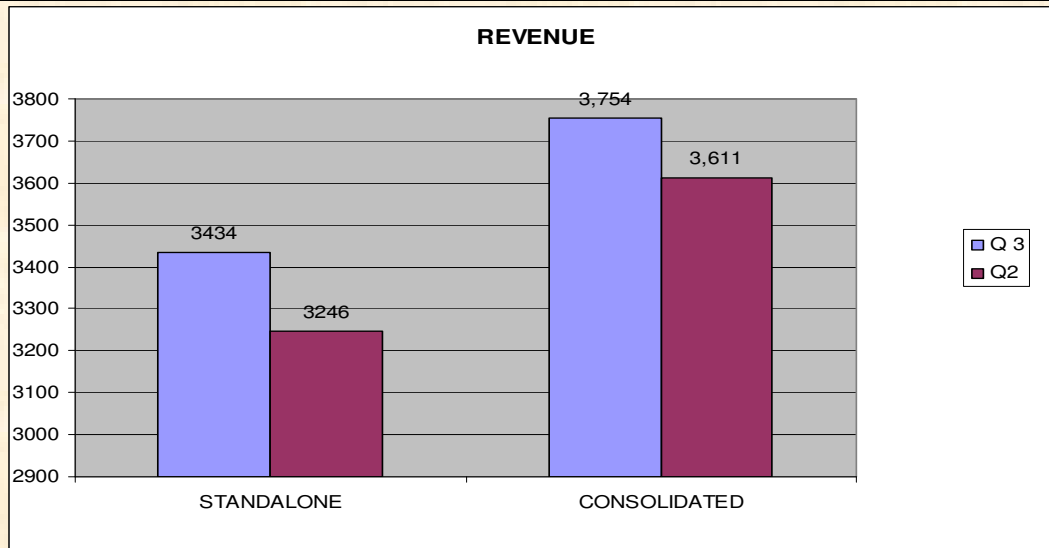
India Operations

- Revenues in Q3 were lower by 2% compared to Q2 2010 mainly due to lower foreign exchange rates in Q3 while earnings were higher in Q3 by 3% in Dollar Terms.

Manila Operations

- Revenue growth witnessed negative growth in Q3 compared to Q2 due to loss of one client and reduced volumes in another client.
- Scope for enhanced business & utilization levels at Manila.

REVENUE AND PROFITABILITY



PERFORMANCE ANALYSIS

- Results Advertisement copies
- Standalone Results analysis
- Consolidated Results analysis

Unaudited Results for the Quarter Ended Dec 2009 - Newspaper



Allsec Technologies Limited

Regd. Office : 7-H, Century Plaza , 560/562 Anna Salai, Teynampet, Chennai - 600 018.

Corp. Office : 46-B Velachery Main Road, Velachery, Chennai - 600 042.

Un-Audited Consolidated Financial Results for the Quarter and Nine Months Period ended December 31, 2009

(Rupees in Lakhs except EPS and shareholding data)

		Quarter ended		Nine months ended		Year ended
		31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08	31-Mar-09
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
	Income					
1	Net Sales / Income from Operations	3,444.29	2,849.61	9,881.64	7,375.47	10,382.91
	Other Operating Income		-			-
		3,444.29	2,849.61	9,881.64	7,375.47	10,382.91
2	Expenditure					
a	Connectivity Cost	202.36	306.28	638.46	768.66	1,026.95
b	Staff Cost	2,577.43	1,983.70	7,184.36	5,722.74	7,675.20
c	Other Expenditure	805.76	779.15	2,647.41	2,199.09	3,175.04
d	Depreciation and Amortisation	334.98	299.21	917.76	852.65	1,158.44
e	Total	3,920.53	3,368.34	11,387.99	9,543.14	13,035.63
3	Profit / (Loss) from Operations before Other Income and Interest	(476.24)	(518.73)	(1,506.35)	(2,167.67)	(2,652.72)
4	Other Income	309.69	306.79	608.88	1,388.70	1,744.34
5	Profit / (Loss) before Interest	(166.55)	(211.94)	(897.47)	(778.97)	(908.38)
6	Interest	8.11	13.74	32.20	33.08	39.93
7	Profit / (Loss) before Tax	(174.66)	(225.68)	(929.67)	(812.05)	(948.31)
	Exceptional items	-	-	-	-	-
	Profit / (Loss) from Ordinary Activities before tax	(174.66)	(225.68)	(929.67)	(812.05)	(948.31)
8	Provision for Taxation					
	- Current Tax	0.16	1.64	1.99	4.66	4.62
	- MAT Credit entitlement (including credit in respect of earlier year)	-	-	-	-	-
	- Deferred Tax	-	-	-	-	-
	- Fringe Benefit Tax	-	7.14	-	16.15	20.57
	Net Profit / (Loss) from Ordinary Activities after Taxes	(174.82)	(234.46)	(931.66)	(832.86)	(973.50)
	Extraordinary Item (net of tax expense)	-	-	-	-	-
9	Net Profit / (Loss) for the year	(174.82)	(234.46)	(931.66)	(832.86)	(973.50)
10	Paid up Equity Share Capital	1,523.83	1,523.83	1,523.83	1,523.83	1,523.83
11	Reserves (at year end excluding Revaluation Reserve)	-	-	-	-	11,951.84
12	Earning per Share (Rs.)					
	Basic	(1.15)	(1.54)	(6.11)	(5.47)	(6.39)
	Diluted	(1.15)	(1.54)	(6.11)	(5.47)	(6.39)
		[Not Annualised]	[Not Annualised]	[Not Annualised]	[Not Annualised]	
13	Aggregate of Public Shareholding					
	Number of shares	10,573,163	10,975,224	10,573,163	10,975,224	10,817,955
	Percentage of shareholding	69%	73%	69%	73%	71%
	Promoters and Promoter Group Shareholding					
a	Pledged / Encumbered					
	Number of shares	Nil	Nil	Nil	Nil	Nil
	Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group) (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil
b	Non - encumbered					
	Number of shares	4,665,163	4,665,163	4,665,163	4,665,163	4,420,371
	Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group) (as a % of the total share capital of the Company)	100%	100%	100%	100%	100%
		31%	31%	31%	31%	29%

Unaudited Results for the Quarter Ended Dec 2009 – Newspaper (contd)

Notes :

- 1 The un-audited financial results of the Company (standalone and consolidated) for the quarter and nine months period ended December 31, 2009 have been reviewed by the Audit Committee at the meeting held on January 29, 2010 and approved by the Board of Directors at their meeting held on January 29, 2010. The standalone financial results of the Company for the quarter ended December 31, 2009 approved by the Board of Directors at their meeting held of January 29, 2010 has been subject to a limited review by the statutory auditors. Full details of the standalone results for the quarter and nine months period ended December 31, 2009 are available on the company's website under investors section (www.allsectech.com) and also reported to stock exchanges -- NSE & BSE.
- 2 The consolidated results for the quarter and nine months period ended December 31, 2009 includes the results of the Company's subsidiaries - Allsectech Inc, USA; and Allsectech Manila Inc, Philippines.
- 3 During the year ended March 31, 2007, the company had made a preferential issue of securities amounting to Rs.8,107.12 lakhs. The proceeds from the issue after meeting issue expenses has been utilised for making investments in subsidiaries and development of additional facilities. Unutilized amount of Rs. 3,275.84 lakhs as at December 31, 2009 has been deployed in mutual funds and bank deposits.
- 4 Other expenditure for the quarter and nine months period ended December 31, 2009 includes net foreign exchange loss of Rs. 84.02 lakhs and Rs. 279.03 lakhs respectively. The net foreign exchange gain of Rs. 181.18 lakhs and Rs. 1,066.39 lakhs for the quarter and nine months period ended December 31, 2008 and Rs. 1,283.56 lakhs for the year ended March 31, 2009 are reported under Other Income.
- 5 The statutory auditors have, in their limited review report for the quarter ended December 31, 2009 on the standalone financial results, observed that "The net sundry debtors as at December 31, 2009, of Rs 387.04 million, include receivables from two foreign customers aggregating Rs. 145.84 million, which are substantially overdue. These customers have, in a communication to the Company, confirmed the dues to the Company and have stated that they are currently evaluating options to generate liquidity to settle their obligations. Based on the foregoing, management believes that these balances are fully recoverable and is of the opinion that no provision is required in this regard. In view of the above, and having regard to the significant uncertainty involved, we are unable to comment on the provisions required, if any, for such balances. Our audit report for the year ended March 31, 2009 and limited review reports for the quarters ended June 30, 2009 and September 30, 2009 were qualified in respect of the above matter." The Company's management believes that these balances are fully recoverable and is of the opinion that no provision is required in this regard. These two customers have, in a communication to the Company, confirmed the dues to them and have stated that they are evaluating options to generate liquidity to settle their obligations. This may be treated as management response to the observations in Auditor's review report.
- 6 The Company's operations relate to a single segment "ITES-BPO".
- 7 Previous year / period figures have been regrouped / reclassified wherever necessary to conform with current year / period figures.
- 8 The Company had no investor complaints pending at the beginning of the last quarter of current year, has not received any investor complaints during the last quarter, and no investor complaints remain unresolved as at the end of the quarter.

For and on behalf of the Board of Directors

Place : Chennai
Date : January 29, 2010

A Saravanan
Director & President

Unaudited Results for the quarter ended Dec 2009 – Stock Exchange notification



Allsec Technologies Limited
 Regd. Office : 7-H, Century Plaza , 560/562 Anna Salai, Teynampet, Chennai - 600 018.
 Corp. Office : 46-B Velachery Main Road, Velachery, Chennai - 600 042.
Un-Audited Financial Results for the Quarter and Nine Months Period ended December 31, 2009

(Rupees in Lakhs except EPS and shareholding data)

		Standalone Results					Consolidated Results				
		Quarter ended		Nine months ended		Year ended	Quarter ended		Nine months ended		Year ended
		31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08	31-Mar-09	31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08	31-Mar-09
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
1	Income										
	Net Sales / Income from Operations	3,124.77	2,588.14	8,877.17	6,844.09	9,649.22	3,444.29	2,849.61	9,881.64	7,375.47	10,382.91
	b. Other Operating Income	-	-	-	-	-	-	-	-	-	-
		3,124.77	2,588.14	8,877.17	6,844.09	9,649.22	3,444.29	2,849.61	9,881.64	7,375.47	10,382.91
2	Expenditure										
	a Connectivity Cost	188.85	264.03	598.87	749.63	995.49	202.36	306.28	638.46	768.66	1,026.95
	b Staff Cost	2,364.66	1,734.17	6,545.20	5,208.00	6,938.67	2,577.43	1,983.70	7,184.36	5,722.74	7,675.20
	c Other Expenditure	687.60	813.89	2,318.91	2,031.63	2,869.85	805.76	779.15	2,647.41	2,199.09	3,175.04
	d Depreciation and Amortisation	254.11	216.41	677.17	634.16	844.84	334.98	299.21	917.76	852.65	1,158.44
	e Total	3,495.22	3,028.50	10,140.15	8,623.42	11,648.85	3,920.53	3,368.34	11,387.99	9,543.14	13,035.63
3	Profit / (Loss) from Operations before Other Income &	(370.45)	(440.36)	(1,262.98)	(1,779.33)	(1,999.63)	(476.24)	(1,506.35)	(1,567.35)	(2,167.67)	(2,652.72)
4	Other Income	309.34	610.58	608.44	1,060.73	1,335.44	309.69	306.79	608.88	1,388.70	1,744.34
5	Profit / (Loss) before Interest	(61.11)	170.22	(654.54)	(718.60)	(664.19)	(166.55)	(211.94)	(897.47)	(778.97)	(908.38)
6	Interest	7.55	12.95	30.46	31.46	38.06	8.11	13.74	32.20	33.08	39.93
7	Profit / (Loss) after Interest but before Exceptional Items	(68.66)	157.27	(685.00)	(750.06)	(702.25)	(174.66)	(225.68)	(929.67)	(812.05)	(948.31)
8	Exceptional items	-	-	-	-	-	-	-	-	-	-
7	Profit / (Loss) before Taxes	(68.66)	157.27	(685.00)	(750.06)	(702.25)	(174.66)	(225.68)	(929.67)	(812.05)	(948.31)
8	Provision for Taxation										
	- Current Tax	-	-	-	-	-	0.16	1.64	1.99	4.66	4.62
	- MAT Credit entitlement (including credit in respect of earlier year)	-	-	-	-	-	-	-	-	-	-
	- Deferred Tax	-	-	-	-	-	-	-	-	-	-
	- Fringe Benefit Tax	-	7.14	-	16.15	20.57	-	7.14	-	16.15	20.57
	Net Profit / (Loss) from Ordinary Activities after Taxes	(68.66)	150.13	(685.00)	(766.21)	(722.82)	(174.82)	(234.46)	(931.66)	(832.86)	(973.50)
	Extraordinary Item (net of tax expense)	-	-	-	-	-	-	-	-	-	-
9	Net Profit / (Loss) for the year	(68.66)	150.13	(685.00)	(766.21)	(722.82)	(174.82)	(234.46)	(931.66)	(832.86)	(973.50)
10	Paid up Equity Share Capital	1,523.83	1,523.83	1,523.83	1,523.83	1,523.83	1,523.83	1,523.83	1,523.83	1,523.83	1,523.83
11	Reserve excluding Revaluation Reserve	-	-	-	-	12,831.94	-	-	-	-	11,951.84
12	Earning per Share (Rs.)										
	Basic	(0.45)	0.99	(4.50)	(5.03)	(4.74)	(1.15)	(1.54)	(6.11)	(5.47)	(6.39)
	Diluted	(0.45)	0.99	(4.50)	(5.03)	(4.74)	(1.15)	(1.54)	(6.11)	(5.47)	(6.39)
		[Not Annualised]	[Not Annualised]	[Not Annualised]	[Not Annualised]		[Not Annualised]	[Not Annualised]	[Not Annualised]	[Not Annualised]	
13	Aggregate of Public Shareholding										
	Number of shares	10,573,163	10,975,224	10,573,163	10,975,224	10,817,955	10,573,163	10,975,224	10,573,163	10,975,224	10,817,955
	Percentage of shareholding	69%	72%	69%	72%	71%	69%	72%	69%	72%	71%
	Promoters and Promoter Group Shareholding										
a	Pledged / Encumbered										
	Number of shares	Nil	-	Nil	-	Nil	Nil	-	Nil	-	Nil
	Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	Nil	-	Nil	-	Nil	Nil	-	Nil	-	Nil
	(as a % of the total share capital of the Company)	Nil	-	Nil	-	Nil	Nil	-	Nil	-	Nil
b	Non - encumbered										
	Number of shares	4,665,163	-	4,665,163	-	4,420,371	4,665,163	-	4,665,163	-	4,420,371
	Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100%	-	100%	-	100%	100%	-	100%	-	100%
	(as a % of the total share capital of the Company)	31%	-	31%	-	29%	31%	-	28%	-	29%

Unaudited Results for the quarter ended Dec 2009 – Stock Exchange notification (contd..)

Notes :

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- 3 During the year ended March 31, 2007, the Company had made a preferential issue of securities amounting to Rs.8,107.12 lakhs. The proceeds from the issue after meeting issue expenses has been utilised for making investments in subsidiaries and development of additional facilities. Unutilized amount of Rs. 3,275.84 lakhs as at December 31, 2009 has been deployed in mutual funds and bank deposits.
- 4 In the Standalone results, other expenditure for the quarter ended and nine months period ended December 31, 2009 includes net foreign exchange loss of Rs. 73.89 lakhs and Rs. 289.37 lakhs respectively. The net foreign exchange gain of Rs. 499.24 lakhs and Rs. 817.79 lakhs for the quarter and nine months period ended December 31, 2008 and Rs. 973.58 lakhs for the year ended March 31, 2009 are reported under Other Income. In the Consolidated results, other expenditure for the quarter and nine months period ended December 31, 2009 includes net foreign exchange loss of Rs. 84.02 lakhs and Rs. 279.03 lakhs respectively. The net foreign exchange gain of Rs. 181.18 lakhs and Rs. 1,066.39 lakhs for the quarter and nine months period ended December 31, 2008 and Rs. 1,283.56 lakhs for the year ended March 31, 2009 are reported under Other Income.
- 5 The statutory auditors, have in their limited review report for the quarter ended December 31, 2009 on the standalone financial results, observed that "The net sundry debtors as at December 31, 2009, of Rs 387.04 million, include receivables from two foreign customers aggregating Rs. 145.84 million, which are substantially overdue. These customers have, in a communication to the Company, confirmed the dues to the Company and have stated that they are currently evaluating options to generate liquidity to settle their obligations. Based on the foregoing, management believes that these balances are fully recoverable and is of the opinion that no provision is required in this regard. In view of the above, and having regard to the significant uncertainty involved, we are unable to comment on the provisions required, if any, for such balances. Our audit report for the year ended March 31, 2009 and limited review reports for the quarters ended June 30, 2009 and September 30, 2009 were qualified in respect of the above matter." The Company's management believes that these balances are fully recoverable and is of the opinion that no provision is required in this regard. These two customers have, in a communication to the Company, confirmed the dues to the Company and have stated that they are evaluating options to generate liquidity to settle their obligations. This may be treated as management response to the observations in Auditor's review report.
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For and on behalf of the Board of Directors

Place : Chennai

Date : January 29, 2010

A Saravanan
Director & President

Allsec Standalone – Quarterly Performance Comparison – QoQ- Q3 2009-10 Vs Q2 2009-10



Particulars (Rs Lakhs)	Q3, 2009-10	Q2, 2009-10	YTD Q3 2009-10	YE 2008-09
Income – Operations	3125	3157	8877	9649
Income – Others	309	89	608	1335
Income – Total	3434	3246	9485	10984
Connectivity Costs	189	191	599	995
Staff Costs	2364	2303	6545	6939
Gross Margin	881	752	2341	3050
Other Operating Expenses	688	767	2319	2869
EBITDA/ (LOSS)	193	(15)	22	181
Depreciation & Non Cash Expenses	254	226	677	845
Finance Charges	8	15	30	38
Profit /(Loss) before Taxes	(69)	(256)	(685)	(702)
Profit/(Loss) after Taxes	(69)	(251)	(685)	(722)

Allsec Standalone - Quarterly Performance Comparison – YoY- Q3 2009-10 Vs Q3 2008-09



Particulars (Rs Lakhs)	Q3, 2009-10	Q3, 2008-09	YE 2008- 09
Income – Operations	3125	2588	9649
Income – Others	309	610	1335
Income – Total	3434	3198	10984
Connectivity Costs	189	264	995
Staff Costs	2364	1734	6939
Gross Margin	881	1200	3050
Other Operating Expenses	688	813	2869
EBITDA/ (LOSS)	193	387	181
Deprn & Non Cash Expenses	254	216	845
Finance Charges	8	13	38
PBT/(LBT)	(69)	158	(702)
Profit /(Loss) after Taxes	(69)	150	(722)

Subsidiaries Performance : Philippines - Allsectech Manila Inc

Q 3 Vs Q2 2009-10 and 9 Months ended 2009-10 Year Ended March 09



Particulars (Converted in Rs Lakhs)	Q3 2009-10	Q2 2008-09	YTD Q3 2009-10	2008-09
Income – Operations	234	277	791	669
Income – Others	(19)	6	1	12
Income – Total	215	283	792	681
Connectivity & other direct exp	13	13	40	32
Staff Costs	181	162	499	522
Gross Margin	21	108	253	127
Other Indirect Expenses	87	91	307	298
EBITDA	(66)	17	(54)	(171)
Deprn & Non Cash Expenses	67	65	194	251
Finance Charges	0.3	0.3	1	1
Profit /(Loss) Before Taxes	(133)	(48)	(249)	(423)
Profit /(Loss) after Taxes	(133)	(48)	(249)	(423)

Subsidiaries Performance : USA - Allsectech Inc, Q 3 Vs Q2 2009-10 and 9 Months ended 2009-10 Year Ended March 09



Particulars (Converted in Rs Lakhs)	Q3 2009-10	Q2 2009-10	YTD Q3 2009-10	2008-09
Income – Operations	784	772	1458	1521
Income – Others	9	-	-	406
Income – Total	793	772	1458	1927
Connectivity	-	-	-	-
Staff Costs	700	685	1324	1474
Gross Margin	93	87	134	453
Other Indirect Expenses	52	58	123	277
EBITDA	41	29	11	176
Deprn & Non Cash Expenses	1	2	5	8
Finance Charges	0.3	0.3	0.5	1
Profit /(Loss) Before Taxes	40	27	5	167
Profit /(LOSS) after Taxes	40	25	2	163

Consolidated Group – Performance Comparison - QoQ Q3 2009-10 Vs Q2 2009-10, 9 ME 09 & FY 2008 - 09



Particulars (Rs Lakhs)	Q3 2009-10	Q2 2009-10	YTD Q3 2009-10	FY 2009-10
Income – Operations	3444	3522	9892	10383
Income – Others	310	89	609	1744
Income – Total	3754	3611	10501	12127
Connectivity	202	204	638	1027
Staff cost	2577	2495	7184	7675
Gross Margin	975	912	2679	3425
Other Op expenditure	806	881	2647	3175
EBITDA	169	31	32	250
Depreciation & Non Cash Expenses	335	307	918	1158
Finance Charges	9	16	32	40
Profit /(Loss) before Taxes	(175)	(292)	(919)	(948)
Profit /(Loss) after Taxes	(175)	(288)	(921)	(973)

Consolidated Group – Performance Comparison - YoY

Q3 2009-10 Vs Q3 2008-09

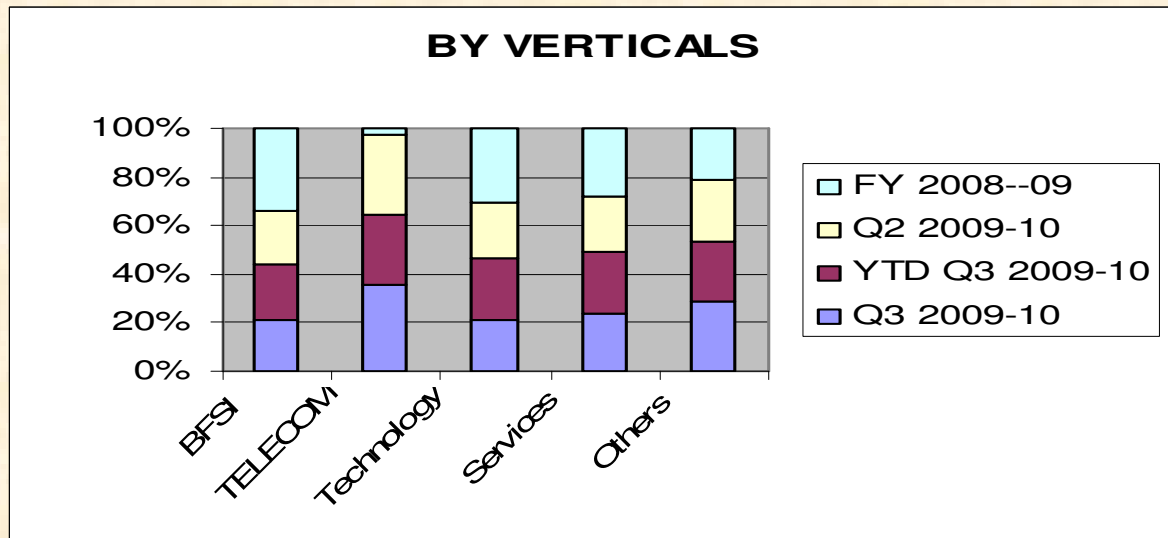
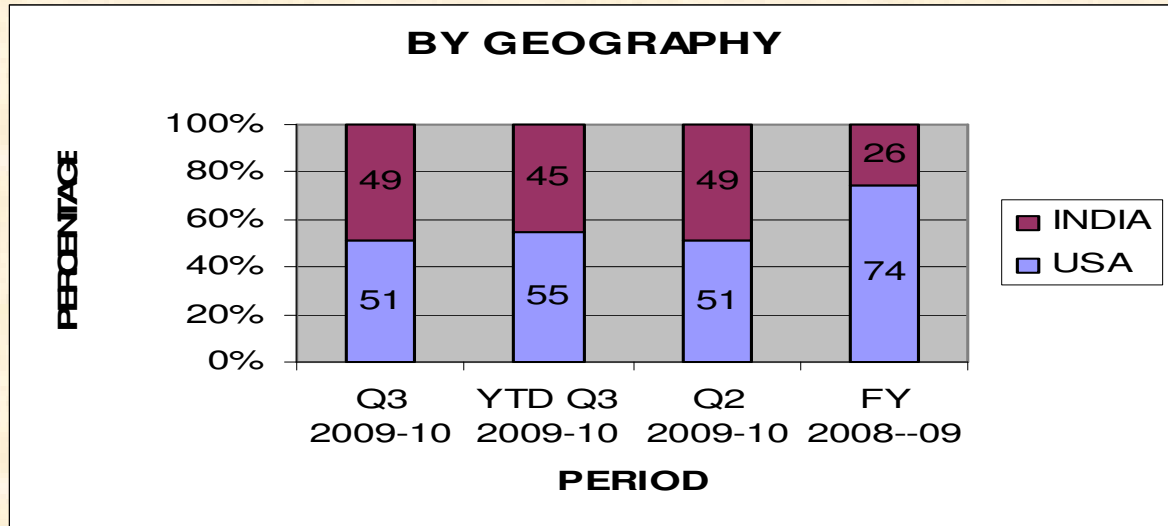


Particulars (Rs Lakhs)	Q3 2009-10	Q3 2008-09
Income – Operations	3444	2850
Income – Others	310	306
Income – Total	3754	3156
Connectivity	202	306
Staff cost	2577	1984
Gross Margin	975	866
Other Op expenditure	806	779
EBITDA	169	87
Depreciation & Non Cash Expenses	335	299
Finance Charges	9	14
<i>Profit /(Loss) before Taxes</i>	(175)	(226)
<i>Profit /(Loss) after Taxes</i>	(175)	(234)

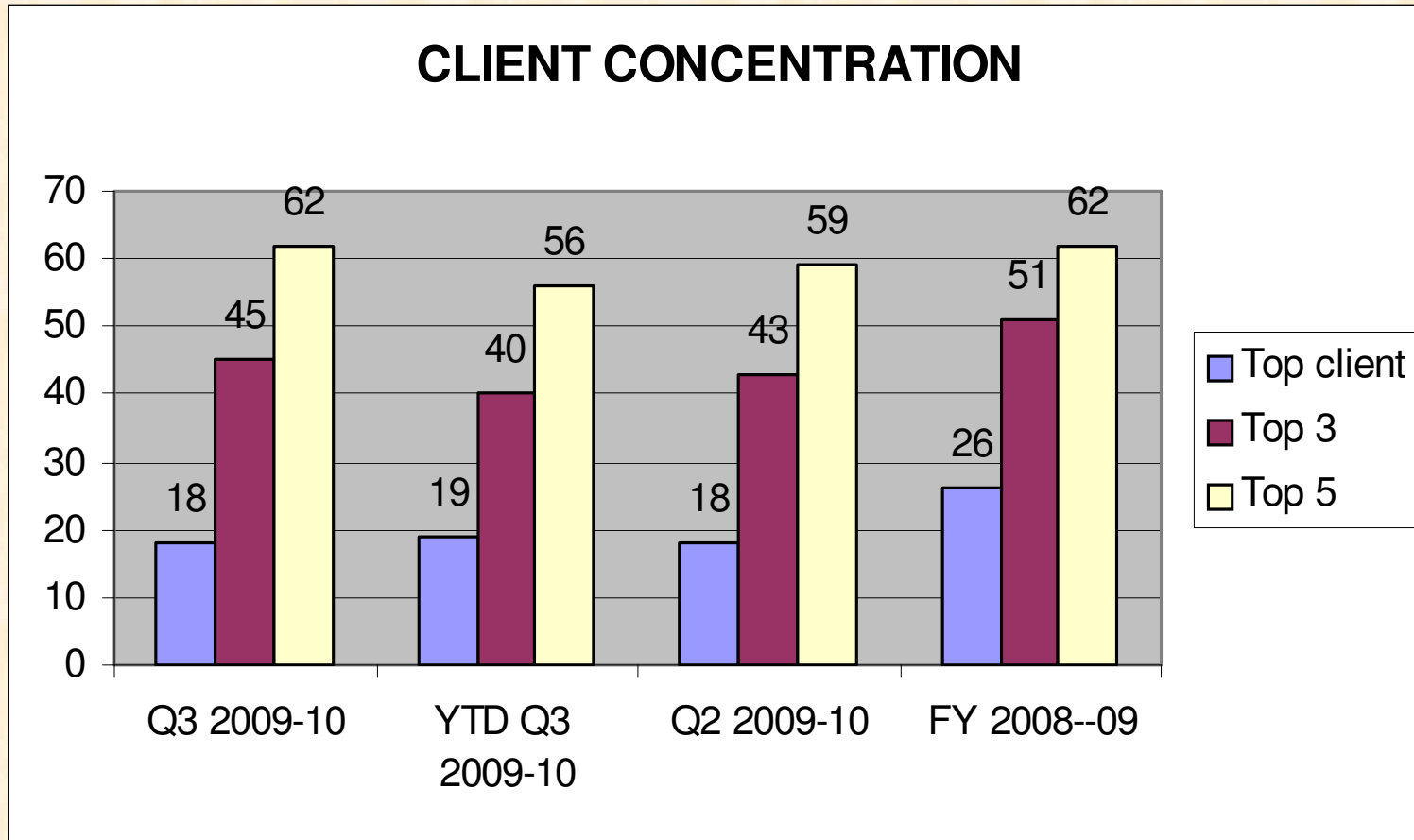
Revenue Analysis and Head count

- Client Concentration
- Revenue Segment wise splits
- Revenues -Graphical Analysis
- HR Count

Allsec standalone Client Concentration



Allsec standalone – Top clients contribution to revenue



Allsec standalone – Revenue Split – Service Line, Geography and verticals

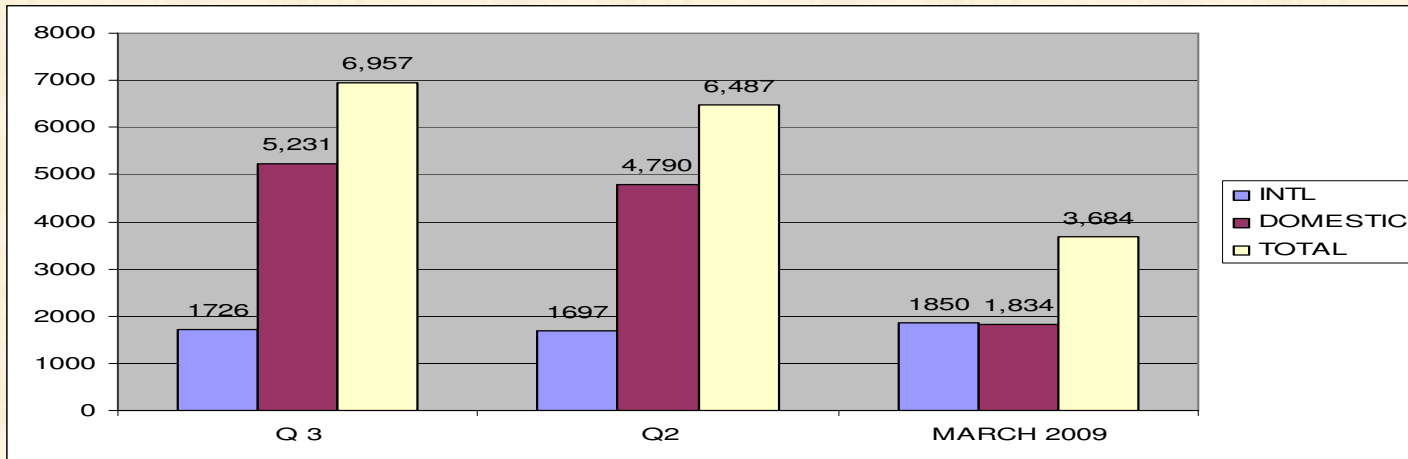


As % of Revenues	Q3 2009-10	Q2 2009-10	YTD Q3 2009-10	2008-09
International - Inbound and Non Voice	18	19	19	36
International – Outbound	34	32	36	38
Domestic – Voice	41	40	36	16
Domestic HR-BPO	9	9	9	10
TOTAL	100	100	100	100

Country of origin Revenue in %	Q3 2009-10	Q2 2009-10	YTD Q3 2009-10	FY 2008-09
USA	51	51	55	74
INDIA	49	49	45	26

Industry Served	Q3 2009-10	Q2 2009-10	YTD Q3 2009-10	FY 2008-09
BFSI	30	32	33	49
TELECOM	28	26	22	2
Technology	12	13	14	17
Services	22	22	24	26
Others	8	7	7	6

Allsec stand alone – Employee Numbers



At period end

	Q3 2009-10	Q2 2009-10	FY 2008-09
International	1726	1697	1850
Domestic	5231	4790	1834
TOTAL	6957	6487	3684

Note : i Domestic business includes Voice services and HR-BPO
 ii Staff in corporate & support functions utilised interchangeably.