

Oracle Financial Services Software Limited

Unaudited Condensed Consolidated Balance Sheet as at June 30, 2015

(Amounts in ₹ million)

	June 30, 2015	March 31, 2015
<u>EQUITY AND LIABILITIES</u>		
Shareholders' funds		
Share capital	423.15	423.07
Reserves and surplus	37,396.82	34,017.61
	37,819.97	34,440.68
Share application money pending allotment	26.21	0.63
Non- current liabilities		
Deferred tax liability	1.91	19.11
Other Long-term liabilities	189.73	220.99
Long-term provisions	877.39	840.84
	1,069.03	1,080.94
Current liabilities		
Trade payable	212.53	361.76
Other current liabilities	7,155.74	6,932.87
Short-term provisions	20,082.48	19,890.09
	27,450.75	27,184.72
TOTAL	66,365.96	62,706.97
<u>ASSETS</u>		
Non-current assets		
Fixed assets		
Tangible assets	2,844.20	3,024.40
Intangible assets	6,086.63	6,086.63
Capital work-in-progress	9.43	3.33
Non-current investments	-	-
Deferred tax assets	1,106.53	1,006.09
Long-term loans and advances	5,115.14	5,865.65
	15,161.93	15,986.10
Current assets		
Trade receivables	5,673.80	6,016.21
Cash and bank balances	38,913.54	35,638.25
Short-term loans and advances	1,016.14	793.39
Other current assets	5,600.55	4,273.02
	51,204.03	46,720.87
TOTAL	66,365.96	62,706.97

Notes attached herein form an integral part of the unaudited condensed consolidated balance sheet.

Oracle Financial Services Software Limited

Unaudited Condensed Consolidated Statement of Profit and Loss for three month period ended June 30, 2015

(Amounts in ₹ million, except share data)

Three month period ended June 30,

	2015	2014
<u>INCOME</u>		
Revenue from operations	10,565.63	10,729.80
Other income, net		
Interest income	664.18	1,540.69
Foreign exchange gain (loss), net	320.28	(89.37)
Miscellaneous income, net	(39.50)	52.12
Total income	11,510.59	12,233.24
<u>EXPENSES</u>		
Employee cost	4,787.36	4,568.14
Travel related expenses (net of recoveries)	349.22	317.66
Professional fees	320.15	465.91
Other expenses	376.14	522.53
Depreciation and amortisation	141.77	187.19
Total expenses	5,974.64	6,061.43
Profit before exceptional item and tax	5,535.95	6,171.81
Exceptional item [Refer note 5]	(437.17)	-
Profit before tax	5,098.78	6,171.81
Tax expenses		
Current tax	1,921.71	2,319.35
Deferred tax	(116.24)	(91.86)
Total tax expenses	1,805.47	2,227.49
Profit for the period	3,293.31	3,944.32
Earnings per equity share of par value of ₹ 5 (June 30, 2014 ₹ 5) each (in ₹)		
Basic	38.92	46.87
Diluted	38.71	46.71
Number of shares used in computing earnings per share		
Basic	84,624,040	84,147,099
Diluted	85,080,298	84,445,304

Notes attached herein form an integral part of the unaudited condensed consolidated statement of profit and loss.

Oracle Financial Services Software Limited

Notes annexed to and forming part of the unaudited condensed consolidated financial statements for three month period ended June 30, 2015

(Amount in ₹ millions, except share data)

1. Background and nature of operations

Oracle Financial Services Software Limited (“OFSS” or the “Company”) was incorporated in India with limited liability on September 27, 1989. The Company along with its subsidiaries and associate is principally engaged in the business of providing information technology solutions and business process outsourcing services to the financial services industry worldwide. OFSS has a suite of banking products, which caters to the needs of corporate, retail, investment banking, treasury operations and data warehousing.

Oracle Financial Services Software Limited is a subsidiary of Oracle Global (Mauritius) Limited (“Oracle”) with Oracle having 74.50% ownership interest in the Company as at June 30, 2015.

The Company has following subsidiaries and associate (hereinafter collectively referred as the “Group”):

Companies	Country of Incorporation	Ownership Interest	Relationship
Direct holding			
Oracle Financial Services Software B.V.	The Netherlands	100%	Subsidiary
Oracle Financial Services Software Pte. Ltd.	Singapore	100%	Subsidiary
Oracle Financial Services Software America, Inc.	United States of America	100%	Subsidiary
ISP Internet Mauritius Company	Republic of Mauritius	100%	Subsidiary
Oracle (OFSS) Processing Services Limited	India	100%	Subsidiary
Oracle (OFSS) ASP Private Limited	India	100%	Subsidiary
Oracle Financial Services Software Chile Limitada	Chile	100%	Subsidiary
Oracle Financial Services Software (Shanghai) Limited	Republic of China	100%	Subsidiary
Login SA	France	33%	Associate
Subsidiaries of Oracle Financial Services Software America, Inc.			
Oracle Financial Services Software, Inc.	United States of America	100%	Subsidiary
Mantas Inc.	United States of America	100%	Subsidiary
Subsidiaries of Mantas Inc.			
Sotas Inc.	United States of America	100%	Subsidiary
Subsidiaries of Sotas Inc.			
Mantas India Private Limited	India	100%	Subsidiary
Subsidiary of Oracle Financial Services Software B.V.			
Oracle Financial Services Software SA	Greece	100%	Subsidiary
Subsidiary of Oracle Financial Services Software Pte Ltd.			
Oracle Financial Services Consulting Pte. Ltd.	Singapore	100%	Subsidiary
Subsidiaries of ISP Internet Mauritius Company			
Oracle (OFSS) BPO Services Inc.	United States of America	100%	Subsidiary
Oracle (OFSS) BPO Services Limited	India	100%	Subsidiary

Oracle Financial Services Software Limited

Notes annexed to and forming part of the unaudited condensed consolidated financial statements for three month period ended June 30, 2015

2. Accounting policies

The Group has followed the same accounting policies in preparing the interim financial statements as were followed for the year ended March 31, 2015.

3. Capital Commitments

(Amounts in ₹ million)

Particulars	June 30, 2015	March 31, 2015
Contracts remaining to be executed on capital account not provided for (net of advances)	183.33	177.24

4. SEGMENT INFORMATION

The Group is organized by business segment and geographically. For management purposes the Group is primarily organised on a worldwide basis into three business segments:

- a) Product licenses and related activities ('Products')
- b) IT solutions and consulting services ('Services') and
- c) Business Processing Services ('BPO - Services')

Three month period ended June 30, 2015

(Amounts in ₹ million)

Particulars	Products	Services	BPO - Services	Total
Revenue from operations	8,847.10	1,440.08	278.45	10,565.63
Segment result [Refer note 5]	4,488.48	208.74	(324.72)	4,372.50
Unallocable expenses				(218.68)
Interest income				664.18
Foreign exchange gain, net				320.28
Miscellaneous income, net				(39.50)
Profit before tax				5,098.78
Tax expenses				(1,805.47)
Profit for the period				3,293.31

Three month period ended June 30, 2014

(Amounts in ₹ million)

Particulars	Products	Services	BPO - Services	Total
Revenue from operations	8,953.00	1,542.50	234.30	10,729.80
Segment result	4,471.03	368.76	51.44	4,891.23
Unallocable expenses				(222.86)
Interest income				1,540.69
Foreign exchange loss, net				(89.37)
Miscellaneous income, net				52.12
Profit before tax				6,171.81
Tax expenses				(2,227.49)
Profit for the period				3,944.32

Oracle Financial Services Software Limited

Notes annexed to and forming part of the unaudited condensed consolidated financial statements for three month period ended June 30, 2015

Three month period ended June 30, 2015 (Amounts in ₹ million)

Particulars	Other information				Total
	Products	Services	BPO - Services	Unallocable	
Capital expenditure by segment					
Tangible assets	20.21	6.23	-	5.78	32.22
Depreciation and amortisation	102.53	26.38	7.33	5.53	141.77
Other non cash expenses	(26.71)	23.59	-	-	(3.12)
Segment assets	15,738.77	3,017.36	297.16	47,312.67	66,365.96
Segment liabilities	6,856.00	1,073.70	582.70	20,007.38	28,519.78
Share application money pending allotment	-	-	-	26.21	26.21
Shareholders' funds	-	-	-	37,819.97	37,819.97

Three month period ended June 30, 2014 (Amounts in ₹ million)

Particulars	Other information				Total
	Products	Services	BPO - Services	Unallocable	
Capital expenditure by segment					
Tangible assets	17.26	5.28	2.78	2.83	28.15
Depreciation and amortisation	124.81	39.39	10.97	12.02	187.19
Other non cash expenses	80.18	19.78	-	-	99.96
Segment assets	17,620.56	3,332.99	265.03	80,559.33	101,777.91
Segment liabilities	6,706.65	1,334.11	148.50	1,863.57	10,052.83
Share application money pending allotment	-	-	-	2.60	2.60
Shareholders' funds	-	-	-	91,722.48	91,722.48

5. During the three month period ended June 30, 2015, the Company has provided an amount of ₹ 437.17 million in relation to an Arbitration award passed against a wholly owned subsidiary company. This provision is disclosed as an exceptional item. The subsidiary company is in the process of lodging an appeal against this Arbitration award.

6. Prior period's figures have been reclassified, where necessary to conform with current period's presentation.

Oracle Financial Services Software Limited

Unaudited Condensed Consolidated Statement of Cash Flow for the three month period ended June 30, 2015

	(Amounts in ₹ million)	
	Three month period ended June 30,	
	2015	2014
Net cash provided by operating activities	2,986.44	4,357.79
Net cash provided by (used in) investing activities	980.94	(2,866.03)
Net cash provided by financing activities	58.84	11.34
Net increase in cash and cash equivalents	4,026.22	1,503.10
Cash and cash equivalents at beginning of the period	5,914.49	5,194.12
Effect of exchange difference on cash and bank balances	157.26	(119.49)
Cash and cash equivalents at end of the period	10,097.97	6,577.73

Component of cash and cash equivalents

Balances with banks:		
Current accounts	7,011.41	5,917.73
Deposit accounts with original maturity of less than 3 months	2,985.00	660.00
Unclaimed dividend account*	101.56	-
Total cash and cash equivalents	10,097.97	6,577.73

*These balances will be utilized only towards the respective unpaid dividend.