

**Oracle Financial Services Software Limited**

**Unaudited condensed balance sheet as at September 30, 2012**

(Amounts in ₹ million)

	September 30, 2012	March 31, 2012
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Shareholders' funds</b>		
Share capital	419.97	419.87
Reserves and surplus	67,156.45	62,049.31
	<b>67,576.42</b>	<b>62,469.18</b>
<b>Share application money pending allotment</b>	<b>5.68</b>	<b>1.24</b>
<b>Non-current liabilities</b>		
Other long-term liabilities	136.56	133.23
Long-term provisions	384.16	332.41
	<b>520.72</b>	<b>465.64</b>
<b>Current liabilities</b>		
Trade payables	214.57	181.74
Other current liabilities	7,468.29	7,215.90
Short-term provisions	869.44	804.45
	<b>8,552.30</b>	<b>8,202.09</b>
<b>TOTAL</b>	<b>76,655.12</b>	<b>71,138.15</b>
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Fixed assets		
Tangible assets	4,014.95	3,555.25
Intangible assets	-	-
Capital work-in-progress	134.53	544.47
Non-current investments	7,282.40	7,282.40
Deferred tax assets	750.29	640.56
Long-term loans and advances	5,845.92	5,383.44
Other non-current assets	150.74	142.86
	<b>18,178.83</b>	<b>17,548.98</b>
<b>Current assets</b>		
Current investments	9.98	9.98
Trade receivables	9,659.87	11,442.93
Cash and bank balances	43,546.47	35,109.20
Short-term loans and advances	1,544.11	2,887.35
Other current assets	3,715.86	4,139.71
	<b>58,476.29</b>	<b>53,589.17</b>
<b>TOTAL</b>	<b>76,655.12</b>	<b>71,138.15</b>

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

# Oracle Financial Services Software Limited

## Unaudited condensed statement of profit and loss for the three and six month period ended September 30, 2012

(Amounts in ₹ million, except share and per share data)

	Three month period ended September 30,		Six month period ended September 30,	
	2012	2011	2012	2011
<b><u>INCOME</u></b>				
Revenue from operations	6,599.63	6,183.45	14,720.85	12,002.41
Other income, net				
Interest income	1,038.71	648.69	1,920.40	1,245.17
Foreign exchange (loss) gain, net	(283.68)	663.54	235.42	708.00
Miscellaneous income (expense), net	3.03	(7.11)	12.53	(6.71)
Total income	7,357.69	7,488.57	16,889.20	13,948.87
<b><u>EXPENSES</u></b>				
Employee costs	3,623.17	3,099.21	7,025.42	6,026.55
Travel related expenses (net of recoveries)	275.49	233.72	644.95	497.94
Professional fees	295.49	393.38	635.28	706.02
Other expenses	306.82	384.97	746.60	672.74
Depreciation and amortisation	169.34	83.68	288.35	169.28
Total expenses	4,670.31	4,194.96	9,340.60	8,072.53
Profit before exceptional items and tax	2,687.38	3,293.61	7,548.60	5,876.34
Exceptional Items	-	(865.55)	-	(865.55)
Profit before tax	2,687.38	2,428.06	7,548.60	5,010.79
Tax expenses				
Current tax	949.88	1,125.32	2,580.44	1,973.51
Deferred tax	(57.56)	(351.46)	(109.73)	(343.22)
Total tax expenses	892.32	773.86	2,470.71	1,630.29
Profit for the period	1,795.06	1,654.20	5,077.89	3,380.50
Earnings per equity share of par value of ₹ 5 (September 30, 2011 ₹ 5) each (in ₹)				
Basic	21.37	19.71	60.46	40.28
Diluted	21.29	19.69	60.25	40.25
Number of shares used in computing earnings per share				
Basic	83,987,611	83,930,560	83,981,852	83,915,249
Diluted	84,321,916	83,998,357	84,283,187	83,997,877

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

# Oracle Financial Services Software Limited

Notes annexed to and forming part of the unaudited condensed accounts for the three and six month period ended September 30, 2012  
(Amounts in ₹ million)

## 1. Accounting Policies

The Company has followed the same accounting policies in preparing the interim financial statements as were followed for the year ended March 31, 2012.

## 2. Capital Commitments

Particulars	September 30, 2012	March 31, 2012
Contracts remaining to be executed on capital account not provided for (net of advances)	191.16	470.44

## 3. Segment information

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

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

### Three month period ended September 30, 2012

Particulars	Products	Services	Total
Revenue from operations	4,980.67	1,618.96	6,599.63
Segment result	1,968.87	143.79	2,112.66
Unallocable expenses			(183.34)
Interest income			1,038.71
Foreign exchange loss, net			(283.68)
Miscellaneous income, net			3.03
Profit before tax			2,687.38
Tax expenses			(892.32)
Profit for the period			1,795.06

### Three month period ended September 30, 2011

Particulars	Products	Services	Total
Revenue from operations	4,358.91	1,824.54	6,183.45
Segment result	1,747.04	567.80	2,314.84
Unallocable expenses			(326.35)
Interest income			648.69
Foreign exchange gain, net			663.54
Miscellaneous expense, net			(7.11)
Profit before exceptional items and tax			3,293.61
Exceptional items			(865.55)
Profit before tax			2,428.06
Tax expenses			(773.86)
Profit for the period			1,654.20

### Six month period ended September 30, 2012

Particulars	Products	Services	Total
Revenue from operations	11,197.66	3,523.19	14,720.85
Segment result	5,102.26	615.75	5,718.01
Unallocable expenses			(337.76)
Interest income			1,920.40
Foreign exchange gain, net			235.42
Miscellaneous income, net			12.53
Profit before tax			7,548.60
Tax expenses			(2,470.71)
Profit for the period			5,077.89

### Six month period ended September 30, 2011

Particulars	Products	Services	Total
Revenue from operations	8,216.18	3,786.23	12,002.41
Segment result	3,382.56	1,143.43	4,525.99
Unallocable expenses			(596.11)
Interest income			1,245.17
Foreign exchange gain, net			708.00
Miscellaneous expense, net			(6.71)
Profit before exceptional items and tax			5,876.34
Exceptional items			(865.55)
Profit before tax			5,010.79
Tax expenses			(1,630.29)
Profit for the period			3,380.50

# Oracle Financial Services Software Limited

Notes annexed to and forming part of the unaudited condensed accounts for the three and six month period ended September 30, 2012

(Amounts in ₹ million)

## Other information

### Three month period ended September 30, 2012

Particulars	Products	Services	Unallocable	Total
Capital expenditure by segment				
Tangible assets	68.20	33.38	105.23	206.81
Depreciation and amortisation	96.64	55.37	17.33	169.34
Other non cash expenses	(6.23)	(3.12)	-	(9.35)
Segment assets	12,215.26	4,906.02	59,533.84	76,655.12
Segment liabilities	6,612.31	1,727.93	732.78	9,073.02
Share application money pending allotment	-	-	5.68	5.68
Shareholders' funds	-	-	67,576.42	67,576.42

### Three month period ended September 30, 2011

Particulars	Products	Services	Unallocable	Total
Capital expenditure by segment				
Tangible assets	8.79	5.55	0.63	14.97
Depreciation and amortisation	27.42	35.14	21.12	83.68
Other non cash expenses	34.40	(6.77)	-	27.63
Segment assets	11,983.51	4,120.38	47,527.90	63,631.79
Segment liabilities	6,177.66	1,539.36	982.12	8,699.14
Share application money pending allotment	-	-	1.03	1.03
Shareholders' funds	-	-	54,931.62	54,931.62

### Six month period ended September 30, 2012

Particulars	Products	Services	Unallocable	Total
Capital expenditure by segment				
Tangible assets	144.44	84.62	520.07	749.13
Depreciation and amortisation	159.45	98.28	30.62	288.35
Other non cash expenses	98.42	6.45	-	104.87
Segment assets	12,215.26	4,906.02	59,533.84	76,655.12
Segment liabilities	6,612.31	1,727.93	732.78	9,073.02
Share application money pending allotment	-	-	5.68	5.68
Shareholders' funds	-	-	67,576.42	67,576.42

### Six month period ended September 30, 2011

Particulars	Products	Services	Unallocable	Total
Capital expenditure by segment				
Tangible assets	10.23	6.85	0.99	18.07
Depreciation and amortisation	57.71	79.25	32.32	169.28
Other non cash expenses	(9.73)	(30.78)	-	(40.51)
Segment assets	11,983.51	4,120.38	47,527.90	63,631.79
Segment liabilities	6,177.66	1,539.36	982.12	8,699.14
Share application money pending allotment	-	-	1.03	1.03
Shareholders' funds	-	-	54,931.62	54,931.62

- Employee costs for the six month period ended September 30, 2012 are net of ₹ 75.20 pertaining to write back of bonus provision of earlier year no longer required.
- A customer had filed a lawsuit against the Company and one of its subsidiaries, claiming damages of upwards of ₹ 5,784.19. While the claims were being rigorously defended by the Company and counter claims raised against the customer for breach of contract and outstanding fees, a mediation process had been initiated by the parties concerned. In respect of this claim, the Company had provided ₹ 865.55 in the three and six month period ended September 30, 2011 and disclosed the same as an exceptional item in the financial results. During the year ended March 31, 2012, the Company settled the said customer dispute for full release of all alleged claims and recorded ₹ 693.32, net of insurance claim and disclosed the same as an exceptional item.
- Revenue from product licenses and related activities for the six month period ended September 30, 2011 includes prior year reversal of ₹ 159.56.
- Prior period's figures have been reclassified, where necessary to conform with current period's presentation.

# Oracle Financial Services Software Limited

## Unaudited condensed statement of cash flow for the six month period ended September 30, 2012

(Amounts in ₹ million)

	Six month period ended September 30,	
	2012	2011
Net cash provided by operating activities	6,869.70	2,456.05
Net cash used in investing activities	(7,310.90)	(2,625.14)
Net cash provided by financing activities	29.48	43.45
Net decrease in cash and cash equivalents	(411.72)	(125.64)
Cash and cash equivalents at beginning of the period	1,598.75	1,077.47
Effect of exchange difference on cash and bank balances	(32.85)	(9.40)
<b>Cash and cash equivalents at end of the period</b>	<b>1,154.18</b>	<b>942.43</b>

### Component of cash and cash equivalents

Cash on hand	0.54	0.44
Cheques on hand	-	225.39
Balances with banks:		
Current accounts*	652.80	714.39
Deposit accounts with original maturity of less than 3 months	499.98	-
Unclaimed dividend accounts	0.86	2.21
<b>Total cash and cash equivalents</b>	<b>1,154.18</b>	<b>942.43</b>

\* Includes balance of ₹ Nil ( Sept 30, 2011 - ₹ 52.44 ) with Central Bank of Libya which is not freely remissible to the Company due to unstable conditions in Libya.