

August 12, 2016

To,  Asst. Vice President Listing & Compliance <b>National Stock Exchange of India Limited</b> Exchange Plaza Bandra-Kurla Complex Bandra (East) Mumbai 400 051  <b>Scrip Code – OFSS</b>	To,  Asst. General Manager Listing & Compliance <b>BSE Ltd.</b> 1 <sup>st</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001  <b>Scrip Code – 532466</b>
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**Sub: Decisions taken at the Board Meeting held today**

The Board of Directors of the Company at its meeting held today, *inter alia*, approved unaudited standalone and consolidated Ind-AS financial results for the quarter ended June 30, 2016.

We enclose herewith the following:

1. The unaudited standalone and consolidated financial results of the Company for the quarter ended June 30, 2016, along with the Limited Review Report thereon issued by M/s. S. R. Batliboi & Associates LLP, Statutory Auditors of the Company;
2. A press release.

The meeting started at 19.30 hours (IST) and was concluded at 21.15 hours (IST).

This is for your reference and records.

The above documents will also be uploaded on the Company's website.

Thanking you,

Yours sincerely,

**For Oracle Financial Services Software Limited**

  
**Onkarnath Banerjee**  
**Company Secretary & Compliance Officer**

Encl: as above

Registered Office : Oracle Park, Off Western Express Highway, Goregaon (East), Mumbai 400 063

Tel: + 91 22 6718 3000 Fax: + 91 22 6718 3001

CIN: L72200MH1989PLC053666

Website: www.oracle.com/financialservices

E-mail: investors-vp-ofss\_in\_grp@oracle.com

## Unaudited Standalone Financial Results for the Three Month Period Ended June 30, 2016

## PART I

(₹ in lacs, except share and per share data)

Particulars	Three month period ended			
	June 30, 2016	March 31, 2016	June 30, 2015	Year ended March 31, 2016
	Unaudited	Audited (*)	Unaudited	Audited
<b>1 INCOME</b>				
Revenue from operations	101,032	91,503	88,727	352,843
<b>Total income from operations</b>	<b>101,032</b>	<b>91,503</b>	<b>88,727</b>	<b>352,843</b>
<b>2 EXPENSES</b>				
(a) Employee costs	47,685	41,718	42,125	169,086
(b) Travel related expenses	5,189	4,702	4,313	18,476
(c) Professional fees	4,858	4,086	3,899	16,389
(d) Other expenses	3,698	7,458	5,574	18,391
(e) Depreciation and amortisation	1,832	1,243	1,341	4,977
<b>Total Expenses</b>	<b>63,262</b>	<b>59,207</b>	<b>57,252</b>	<b>227,319</b>
<b>3 Profit before other income</b>	<b>37,770</b>	<b>32,296</b>	<b>31,475</b>	<b>125,524</b>
4 Other income, net	4,737	5,763	7,351	21,287
<b>5 Profit before tax</b>	<b>42,507</b>	<b>38,059</b>	<b>38,826</b>	<b>146,811</b>
6 Tax expenses				
(a) Current tax	13,296	16,414	15,703	58,096
(b) Deferred tax	(347)	1,046	(1,789)	(1,061)
<b>Total tax expenses</b>	<b>12,949</b>	<b>17,460</b>	<b>13,914</b>	<b>57,035</b>
<b>7 Net profit for the period</b>	<b>29,558</b>	<b>20,599</b>	<b>24,912</b>	<b>89,776</b>
8 Other Comprehensive Income	(679)	(527)	(404)	(732)
<b>9 Total Comprehensive Income</b>	<b>28,879</b>	<b>20,072</b>	<b>24,508</b>	<b>89,044</b>
10 Paid up equity share capital (face value ₹ 5 each, fully paid)	4,245	4,243	4,232	4,243
11 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				391,483
12 Earnings per share (face value ₹ 5 each, fully paid)				
(a) Basic (in ₹)	34.02	23.66	28.96	105.08
(b) Diluted (in ₹)	33.93	23.56	28.81	104.52
See accompanying note to the financial results				

(\*) Refer note 4

## Notes to financial results :

- The above unaudited standalone financial results for the three month period ended June 30, 2016 have been approved by the Board of Directors of the Company at its meeting held on August 12, 2016. The Statutory Auditors of the Company have carried out a Limited Review of the financial results for the three month period ended June 30, 2016. There are no qualifications in the Limited Review Report issued by the Auditors.
- The Company adopted Indian Accounting Standard (Ind AS) from April 1, 2016, and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.
- As required by Circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016 issued by the Securities and Exchange Board of India ('SEBI'), the financial results and financial information for the quarter ended June 30, 2015 have been compiled by the management after making the necessary adjustments to give a true and fair view of the results in accordance with Ind AS. These have neither been audited nor reviewed. The Ind AS financial results and other financial information as of and for the year ended March 31, 2016 have been audited.

- 4 The figures for the three month period ended March 31, 2016 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2016 and unaudited year-to-date figures up to December 31, 2015, being the end of the third quarter of the financial year, which were subjected to limited review.
- 5 The Company has prepared reconciliation of profit under Indian GAAP vis-à-vis total comprehensive income under Ind AS for the year ended March 31, 2016 and for the three month periods ended March 31, 2016 and June 30, 2015.
- 6 During the three month period ended June 30, 2016, the Company allotted 51,434 equity shares of face value of ₹ 5 each on exercise of stock options by eligible employees under the prevailing ESOP schemes.
- 7 Current tax charge for the three month period and year ended March 31, 2016 includes provision made in relation to foreign tax receivable of ₹ 4,130 lacs.
- 8 Other expenses for the three month period ended June 30, 2015 and year ended March 31, 2016 include a provision of ₹1,545 lacs against equity investment and loan including interest thereon to a subsidiary company.
- 9 Particulars of other income, net

Particulars	Three month period ended			Year ended
	June 30, 2016	March 31, 2016	June 30, 2015	March 31, 2016
	Unaudited	Audited (*)	Unaudited	Audited
Finance income	4,023	3,652	7,590	21,518
Foreign exchange (loss) gain, net	462	1,637	274	(872)
Miscellaneous income	252	474	(513)	641
<b>Total</b>	<b>4,737</b>	<b>5,763</b>	<b>7,351</b>	<b>21,287</b>

(\*) Refer note 4

10 Reporting segmentwise revenue, results, assets and liabilities

Particulars	Three month period ended			Year ended
	June 30, 2016	March 31, 2016	June 30, 2015	March 31, 2016
	Unaudited	Audited (*)	Unaudited	Audited
<b>(a) Segment revenue</b>				
Product licenses and related activities	85,541	78,532	73,786	295,581
IT solutions and consulting services	15,491	12,971	14,941	57,262
	<b>101,032</b>	<b>91,503</b>	<b>88,727</b>	<b>352,843</b>
<b>(b) Segment results</b>				
Product licenses and related activities	37,728	36,049	32,690	129,490
IT solutions and consulting services	1,864	561	1,910	6,985
	<b>39,592</b>	<b>36,610</b>	<b>34,600</b>	<b>136,475</b>
Finance income	4,023	3,652	7,590	21,518
Other un-allocable income (expenses), net	(1,108)	(2,203)	(3,364)	(11,182)
<b>Profit before tax</b>	<b>42,507</b>	<b>38,059</b>	<b>38,826</b>	<b>146,811</b>
<b>(c) Segment assets</b>				
Product licenses and related activities	129,041	113,569	105,154	113,569
IT solutions and consulting services	27,429	21,421	22,167	21,421
Unallocable	365,437	367,256	469,982	367,256
	<b>521,907</b>	<b>502,246</b>	<b>597,303</b>	<b>502,246</b>
<b>(d) Segment liabilities</b>				
Product licenses and related activities	72,594	41,702	69,624	41,702
IT solutions and consulting services	14,097	8,208	15,762	8,208
Unallocable	7,954	56,610	7,897	56,610
	<b>94,645</b>	<b>106,520</b>	<b>93,283</b>	<b>106,520</b>

(\*) Refer note 4



**Notes on segment information:****Segment revenue and expense:**

Revenue is generated through licensing of software products as well as by providing software solutions to the customers including consulting services. The income and expenses which are not directly attributable to a business segment are classified as unallocable income and expenses.

**Segment assets and liabilities:**

Segment assets include all operating assets used by a segment and consist principally of trade receivables net of allowances, unbilled revenue, deposits for premises and fixed assets. Segment liabilities primarily includes deferred revenues, advance from customers, accrued employee cost and other current liabilities. While most such assets and liabilities can be directly attributed to individual segments, the carrying amount of certain assets and liabilities used jointly by two or more segments is allocated to the segment on a reasonable basis. Assets and liabilities that cannot be allocated between the segments are shown as part of unallocable assets and liabilities.

**11 Reconciliation between statement of profit and loss as previously reported (referred to as 'Previous GAAP') and Ind AS :**

Particulars	Three month period ended		Year ended
	March 31, 2016	June 30, 2015	March 31, 2016
	Audited (*)	Unaudited	Audited
<b>Net Profit under Previous GAAP</b>	<b>18,384</b>	<b>26,846</b>	<b>92,885</b>
Stock Compensation Charge	(633)	(771)	(2,941)
Fair valuation of Financial Assets along with Expected Credit Loss on financial assets	(558)	(127)	(189)
Deferred Taxes including taxes on undistributed earnings of subsidiaries	(1,550)	752	189
Deferral of revenue including discounting due to extended payment terms	3,731	(2,162)	(971)
Reclass of actuarial gain to Other components of equity	707	(85)	525
Exchange differences on translation of foreign operations	167	858	230
Provisions for current period made in subsequent periods	324	(252)	-
Others	27	(147)	48
<b>Net Profit under Ind AS</b>	<b>20,599</b>	<b>24,912</b>	<b>89,776</b>
Other Comprehensive Income	(527)	(404)	(732)
<b>Total Comprehensive Income under Ind AS</b>	<b>20,072</b>	<b>24,508</b>	<b>89,044</b>

(\*) Refer note 4

12 Mr. Derek H. Williams, Non-Executive Non-Independent Director of the Company, passed away on Saturday, July 23, 2016.

13 The above financial results are also available on the Company's website: [www.oracle.com/financialservices](http://www.oracle.com/financialservices)

For and on behalf of the Board of Directors  
Oracle Financial Services Software Limited

Chaitanya Kamat  
Managing Director & Chief Executive Officer

Mumbai, India  
Date: August 12, 2016

**Limited Review Report****Review Report to****The Board of Directors of Oracle Financial Services Software Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Oracle Financial Services Software Limited (the 'Company') for the quarter ended June 30, 2016 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We have not reviewed the accompanying statement of unaudited financial results and other financial information for the quarter ended June 30, 2015, which have been presented solely based on the information compiled by the Management.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

*Amit Majmudar***per Amit Majmudar**

Partner

Membership No.: 36656

Mumbai, India

August 12, 2016



**Oracle Financial Services Software Limited**

Registered Office : Oracle Park, Off Western Express Highway, Goregaon (East), Mumbai 400 063

Tel: + 91 22 6718 3000 Fax: + 91 22 6718 3001

CIN: L72200MH1989PLC053666

Website: www.oracle.com/financialservices

E-mail: investors-vp-ofss\_in\_grp@oracle.com

**Unaudited Consolidated Financial Results for the Three Month Period Ended June 30, 2016**

**PART I**

(` in lacs, except share and per share data)

Particulars	Three month period ended			
	June 30, 2016	March 31, 2016	June 30, 2015	Year ended March 31, 2016
	Unaudited	Audited *	Unaudited	Audited
<b>1 INCOME</b>				
Revenue from operations	117,713	106,424	104,831	413,122
Total income from operations	117,713	106,424	104,831	413,122
<b>2 EXPENSES</b>				
(a) Employee costs	54,953	48,844	48,836	194,958
(b) Travel related expenses	6,055	5,322	5,015	21,463
(c) Professional fees	4,376	3,632	3,459	14,536
(d) Other expenses	4,811	8,608	4,841	20,992
(e) Depreciation and amortisation	1,918	1,316	1,418	5,293
Total Expenses	72,113	67,722	63,569	257,242
3 Profit before other income and exceptional items	45,600	38,702	41,262	155,880
4 Other income, net	5,351	4,627	8,448	21,074
5 Profit before exceptional items	50,951	43,329	49,710	176,954
6 Exceptional item [Refer note 7]	-	-	(4,372)	(2,193)
7 Profit before tax	50,951	43,329	45,338	174,761
8 Tax expenses				
(a) Current tax	17,001	19,414	19,271	70,702
(b) Deferred tax	(688)	1,457	(1,982)	(832)
Total tax expenses	16,313	20,871	17,289	69,870
9 Net profit for the period	34,638	22,458	28,049	104,891
10 Share of (loss) / Profit of associates	(16)	(31)	(10)	(2)
11 Net Profit after taxes and share of profit	34,622	22,427	28,039	104,889
12 Other Comprehensive Income	1,271	1,979	1,010	5,233
13 Total Comprehensive Income	35,893	24,406	29,049	110,122
14 Paid up equity share capital (face value ₹ 5 each, fully paid)	4,237	4,235	4,223	4,235
15 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				463,123
16 Earnings per share (face value ₹ 5 each, fully paid)				
(a) Basic (in ₹)	40.79	26.43	33.13	123.78
(b) Diluted (in ₹)	40.68	26.32	32.96	123.12

See accompanying note to the financial results.

(\*) Refer note 4

**Notes to financial results :**

- The above unaudited consolidated financial results for the three month period ended June 30, 2016 have been approved by the Board of Directors of the Company at its meeting held on August 12, 2016. The Statutory Auditors of the Company have carried out a Limited Review of the consolidated financial results for the three month period ended June 30, 2016. There are no qualifications in the Limited Review Report issued by the Auditors.
- Oracle Financial Services Software Limited (the 'Company' or the 'Group') adopted Indian Accounting Standards (Ind AS) from April 1, 2016, and accordingly this consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34, 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.



- 3 As required by Circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016 issued by the Securities and Exchange Board of India ("SEBI"), the financial results and financial information for the quarter ended June 30, 2015 have been compiled by the management after making the necessary adjustments to give a true and fair view of the results in accordance with Ind AS. These have neither been audited nor reviewed. The Ind AS financial results and other financial information as of and for the year ended March 31, 2016 have been audited.
- 4 The figures for the three month period ended March 31, 2016 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2016 and unaudited year-to-date figures up to December 31, 2015, being the end of the third quarter of the financial year, which were subjected to limited review.
- 5 Current tax charge for the quarter and year ended March 31, 2016 includes provision made in relation to foreign tax receivable of ₹ 4,130 lacs.
- 6 During the three month period ended June 30, 2016, the Company allotted 51,434 equity shares of face value of ₹ 5 each on exercise of stock options by eligible employees under the prevailing ESOP schemes.
- 7 In the three month period ended June 30, 2015, the Company had charged an amount of ₹ 4,372 lacs in the consolidated financial results in relation to an Arbitration award passed against a wholly owned subsidiary company. The subsidiary company had settled the said dispute for full release of all claims and accordingly, the net charge for year ended March 31, 2016 is ₹ 2,193 lacs.
- 8 Particulars of other income, net

Particulars	Three month period ended			Year ended
	June 30, 2016	March 31, 2016	June 30, 2015	March 31, 2016
	Unaudited	Audited *	Unaudited	Audited
Finance income	4,150	3,747	7,680	21,802
Exchange gain (loss), net	551	(20)	1,163	(2,220)
Miscellaneous income, net	650	900	(395)	1,492
<b>Total</b>	<b>5,351</b>	<b>4,627</b>	<b>8,448</b>	<b>21,074</b>

9 Reporting segmentwise revenue, results, assets and liabilities

Particulars	Three month period ended			Year ended
	June 30, 2016	March 31, 2016	June 30, 2015	March 31, 2016
	Unaudited	Audited *	Unaudited	Audited
<b>(a) Segment revenue</b>				
Product licenses and related activities	99,820	91,164	87,580	346,804
IT solutions and consulting services	14,974	12,350	14,430	54,757
Business process outsourcing services	2,920	2,910	2,821	11,561
	<b>117,713</b>	<b>106,424</b>	<b>104,831</b>	<b>413,122</b>
<b>(b) Segment results</b>				
Product licenses and related activities	45,400	42,400	40,968	158,363
IT solutions and consulting services	1,899	579	1,525	6,124
Business process outsourcing services [Refer note 7]	892	951	(3,277)	1,807
	<b>48,191</b>	<b>43,930</b>	<b>39,216</b>	<b>166,294</b>
Finance income	4,150	3,747	7,680	21,802
Other un-allocable income (expenses), net	(1,390)	(4,348)	(1,558)	(13,335)
<b>Profit before tax</b>	<b>50,951</b>	<b>43,329</b>	<b>45,338</b>	<b>174,761</b>
<b>(c) Segment assets</b>				
Product licenses and related activities	191,642	173,964	154,293	173,964
IT solutions and consulting services	27,781	26,143	30,016	26,143
Business process outsourcing services	3,181	2,819	2,790	2,819
Unallocable	402,570	365,643	475,960	365,643
	<b>625,174</b>	<b>568,569</b>	<b>663,059</b>	<b>568,569</b>
<b>(d) Segment liabilities</b>				
Product licenses and related activities	84,772	70,404	70,755	70,404
IT solutions and consulting services	10,590	8,592	10,683	8,592
Business process outsourcing services [Refer note 7]	1,402	1,209	5,827	1,209
Unallocable	22,471	20,977	16,962	20,977
	<b>119,235</b>	<b>101,182</b>	<b>104,226</b>	<b>101,182</b>

(\*) Refer note 4

**Notes on segment information:**

**Segment revenue and expense:**

Revenue is generated through licensing of software products as well as by providing software solutions to the customers including consulting services and business process outsourcing services. The income and expenses which are not directly attributable to a business segment are classified as unallocable income and expenses.

**Segment assets and liabilities:**

Segment assets include all operating assets used by a segment and consist principally of trade receivables net of allowances, unbilled revenue, deposits for premises and fixed assets. Segment liabilities primarily includes deferred revenues, advance from customers, accrued employee cost and other current liabilities. While most such assets and liabilities can be directly attributed to individual segments, the carrying amount of certain assets and liabilities used jointly by two or more segments is allocated to the segment on a reasonable basis. Assets and liabilities that cannot be allocated between the segments are shown as part of unallocable assets and liabilities.

**10 Unaudited standalone results for the three month period ended June 30, 2016**

(₹ in lacs, except per share data)

Particulars	Three month period ended			Year ended
	June 30, 2016	March 31, 2016	June 30, 2015	March 31, 2016
	Unaudited	Audited *	Unaudited	Audited
Revenue from operations	101,032	91,503	88,727	352,843
Net profit after tax for the period	29,558	20,599	24,912	89,776
Earnings per share (face value ₹ 5 each, fully paid)				
Basic (in ₹)	34.02	23.66	28.96	105.08
Diluted (in ₹)	33.93	23.56	28.81	104.52

(\*) Refer note 4

**11 Reconciliation between consolidated statement of profit and loss as previously reported (referred to as 'Previous GAAP') and Ind AS :**

(₹ in lacs, except per share data)

Particulars	Three month period ended		Year ended
	March 31, 2016	June 30, 2015	March 31, 2016
	Audited *	Unaudited	Audited
Net Profit under Previous GAAP	22,436	32,933	116,578
Stock Compensation Charge	(799)	(886)	(3,489)
Fair valuation of Financial Assets along with Expected Credit Loss on financial assets	(507)	307	(442)
Provisions for current period made in subsequent periods	324	(252)	-
Deferred Taxes including taxes on undistributed earnings of subsidiaries	(1,975)	819	(170)
Reclass of actuarial gain to Other components of equity	767	(85)	585
Deferral of revenue including discounting due to extended payment terms	4,483	(2,485)	(972)
Exchange differences on translation of foreign operations	(2,259)	(2,299)	(7,273)
Others	(43)	(13)	72
Net Profit under Ind AS	22,427	28,039	104,889
Other Comprehensive Income	1,979	1,010	5,233
Total Comprehensive Income under Ind AS	24,406	29,049	110,122

(\*) Refer note 4

12 Mr. Derek H Williams, Non-Executive Non-Independent Director of the Company, passed away on July 23, 2016.

13 The above financial results are also available on the Company's website: [www.oracle.com/financialservices](http://www.oracle.com/financialservices)

  
For and on behalf of the Board of Directors  
Oracle Financial Services Software Limited

Mumbai, India  
August 12, 2016

Chaitanya Kamat  
Managing Director & Chief Executive Officer



**Limited Review Report****Review Report to****The Board of Directors of Oracle Financial Services Software Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Oracle Financial Services Software Limited (the 'Company'), its subsidiaries, an associate company and its controlled Employee Stock Option Trust, for the quarter ended June 30, 2016 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We have not reviewed the accompanying statement of unaudited consolidated financial results and other financial information for the quarter ended June 30, 2015, which have been presented solely based on the information compiled by the Management.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Amit Majmudar

Partner

Membership No.: 36656

Mumbai, India

August 12, 2016





**FOR IMMEDIATE RELEASE**

**Oracle Financial Services Software Reports Q1 Fiscal Year 2017 Net Income of Rs. 346 Crore  
up 23% Year-over-Year  
Revenue for the Quarter at Rs. 1177 Crore up 12% Year-over-Year**

Mumbai, India, August 12, 2016: Oracle Financial Services Software Limited (Reuters: ORCL.BO and ORCL.NS), a majority owned subsidiary of Oracle, today announced results for the quarter ended June 30, 2016 under Ind AS. Net income was Rs. 346 Crore, up 23% compared to the quarter ended June 30, 2015 and up 54% compared the quarter ended March 31, 2016. Consolidated revenue for the quarter was Rs.1177 Crore, up 12% compared to quarter ended June 30, 2015 and up 11% over the quarter ended March 31, 2016. The operating income for the quarter was Rs. 456 Crore, up 24% compared to quarter ended June 30, 2015 and up 18% over the quarter ended March 31, 2016.

The product business posted revenue of Rs. 998 Crore up 14% YoY and the operating margins for the quarter was 45%. The professional services business posted revenue of Rs. 150 Crore up 4% YoY and the operating margins was 13%.

Chet Kamat, managing director and chief executive officer for Oracle Financial Services Software, said, "our numbers this quarter show we are on a good trajectory for the year. We won several marquee customers for our portfolio of products and posted new license wins of \$30 million. We continue to focus on ensuring that our customers around the globe are successful in their innovation and transformation business objectives."

Makarand Padalkar, chief financial officer for Oracle Financial Services Software said "we are pleased with the all-round excellent performance; revenue growth was strong; operating income grew healthy 24% year over year and net income grew 23% year over year. With our strong focus on delivery, 30 of customers went live on our software this quarter."

**Business Highlights**

- The Company signed 18 new license deals and reported \$30.0 million U.S. dollars in revenue for the quarter.
- Newly signed customers for the quarter are deploying Oracle Financial Services applications for their business in America, Canada, Japan, China, Italy, Mexico, Afghanistan, Tajikistan, India, Brazil, the Caribbean and Egypt.





- 30 customers went live on Oracle Financial Services software during the quarter.
- Company has received approval for six of its R&D centers for weighted deduction benefit under Indian Income Tax from the Department of Science and Industrial Research, Government of India.
- A globally systemically important financial institution has selected Oracle Financial Services Analytical Applications to form part of an enterprise-wide architecture to transform the firm's enterprise regulatory reporting systems.
- A bank in Tajikistan that provides corporate and retail banking services to clients, correspondent banks and non-banking financial institutions has selected Oracle FLEXCUBE for its core banking operations. The bank operates cash, remittance, discounting, and loan operations and offers foreign currency exchange and other banking services.
- An American financial, retirement, investment and insurance company based in New York, with over \$500 billion in assets has selected Oracle Financial Services Analytical Applications to assist with its risk and compliance initiatives.
- A large U.S. based financial services firm has selected Oracle FLEXCUBE to assist in managing its multi-currency custodial business.
- Cabel, an IT service provider for the financial services industry in Italy since 1985 and Gold level member of Oracle Partner Network (OPN), has selected Oracle FLEXCUBE Universal Banking as the backbone of its private cloud core banking solution for the Italian banking sector.
- A major North American financial services and insurance firm has selected Oracle Financial Services Analytical Applications to transform their finance, treasury and risk capabilities. Oracle will deliver a cross-pillar arrangement including managed cloud services, development and software as a service.
- Bakhtar Bank in Afghanistan has selected Oracle FLEXCUBE for its core banking operations. A licensed Commercial Bank, Bakhtar has the 3<sup>rd</sup> largest network of branches in Afghanistan, helping the Afghan business community and locals with its 62 branches, covering 29 provinces. It is in the process of converting into the first full-fledged Islamic Bank of Afghanistan.
- Headquartered in Mexico City, Banco Invex, S.A. Institución de Banca Múltiple, Invex Grupo Financiero provides private banking and credit services in Mexico. Founded in 1994, the company collects deposits, provides loans, trust contracts, and securities. It has selected Oracle FLEXCUBE to underpin its banking operations.





- Oracle Financial Services Analytical Applications was named **Best Compliance Product of 2016** by Risk.net and Operational Risk. This was a great follow up to winning last year's Best Regulatory Platform.
- A large financial services firm in India selected Oracle FLEXCUBE Core Banking, Oracle Banking Digital Experience and Oracle FLEXCUBE Private Banking as the foundation of its new Payment Bank initiative.
- A Rural Credit Cooperative in China has selected Oracle FLEXCUBE to support its small to medium sized loans and micro-finance loans.
- A U.S.-based financial services holding company with nearly 5,000 employees that service clients around the country has selected Oracle Financial Services Analytical Applications to assist in managing operational risk.



**ORACLE FINANCIAL SERVICES SOFTWARE GROUP**

**Q1 FY 2016-17 : FINANCIAL RESULTS**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In INR Millions, except per share data)

Particulars	Three Months Ended				% Increase (Decrease)
	Jun 30, 2016	% of Revenues	Jun 30, 2015	% of Revenues	
<b>REVENUES</b>					
Products	9,982	85%	8,758	83%	14%
Services	1,497	13%	1,443	14%	4%
BPO - Services	292	2%	282	3%	4%
<b>Total Revenues</b>	<b>11,771</b>	<b>100%</b>	<b>10,483</b>	<b>100%</b>	<b>12%</b>
<b>SEGMENT RESULTS</b>					
Products	4,540	45%	4,097	47%	11%
Services	190	13%	152	11%	25%
BPO - Services	89	31%	(328)	-116%	(127%)
<b>Total</b>	<b>4,819</b>	<b>41%</b>	<b>3,921</b>	<b>37%</b>	<b>23%</b>
Unallocable expenses	(259)	(2%)	(232)	(2%)	12%
<b>OPERATING INCOME</b>	<b>4,560</b>	<b>39%</b>	<b>3,689</b>	<b>35%</b>	<b>24%</b>
Interest and other income, net	533	5%	844	8%	(37%)
<b>INCOME BEFORE PROVISION OF TAXES</b>	<b>5,093</b>	<b>44%</b>	<b>4,533</b>	<b>43%</b>	<b>12%</b>
Provision for taxes	1,631	14%	1,729	16%	(6%)
<b>NET INCOME</b>	<b>3,462</b>	<b>29%</b>	<b>2,804</b>	<b>27%</b>	<b>23%</b>
Earnings per share of Rs 5/- each (in Rs)					
Basic	40.79		33.13		23%
Diluted	40.68		32.96		23%



ORACLE FINANCIAL SERVICES SOFTWARE GROUP					
Q1 FY 2016-17 : FINANCIAL RESULTS					
CONSOLIDATED STATEMENTS OF OPERATIONS					
(In INR Millions, except per share data)					
Particulars	Three Months Ended				% Increase (Decrease)
	Jun 30, 2016	% of Revenues	Mar 31, 2016	% of Revenues	
<b>REVENUES</b>					
Products	9,982	85%	9,116	86%	9%
Services	1,497	13%	1,235	11%	21%
BPO - Services	292	2%	291	3%	0%
<b>Total Revenues</b>	<b>11,771</b>	<b>100%</b>	<b>10,642</b>	<b>100%</b>	<b>11%</b>
<b>SEGMENT RESULTS</b>					
Products	4,540	45%	4,240	47%	7%
Services	190	13%	58	5%	228%
BPO - Services	89	31%	95	33%	(6%)
<b>Total</b>	<b>4,819</b>	<b>41%</b>	<b>4,393</b>	<b>41%</b>	<b>10%</b>
Unallocable expenses	(259)	(2%)	(523)	(5%)	(50%)
<b>OPERATING INCOME</b>	<b>4,560</b>	<b>39%</b>	<b>3,870</b>	<b>36%</b>	<b>18%</b>
Interest and other income, net	533	5%	460	4%	16%
<b>INCOME BEFORE PROVISION OF TAXES</b>	<b>5,093</b>	<b>44%</b>	<b>4,330</b>	<b>40%</b>	<b>18%</b>
Provision for taxes	1,631	14%	2,087	20%	(22%)
<b>NET INCOME</b>	<b>3,462</b>	<b>29%</b>	<b>2,243</b>	<b>21%</b>	<b>54%</b>
Earnings per share of Rs 5/- each (in Rs)					
Basic	40.79		26.43		54%
Diluted	40.68		26.32		55%



**Oracle Financial Services Software Limited**  
**Q1 FY 2016-17 Financial Results**  
**SUPPLEMENTAL OPERATING MATRICES**

	Financial Year 2015-16					Financial Year 2016-17				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
<b>Segmental Revenue (INR Mn)</b>										
Product Business	8,758	8,163	8,643	9,116	34,680	9,982				
Services Business	1,443	1,482	1,316	1,235	5,476	1,497				
BPO Business	282	296	287	291	1,156	292				
Total	10,483	9,941	10,245	10,642	41,312	11,771				
<b>Geographic Revenues</b>										
<b>Products Business</b>										
NAMER	31%	26%	28%	33%	29%	29%				
JAPAC	33%	39%	34%	33%	34%	36%				
EMEA	36%	36%	38%	35%	36%	35%				
<b>Services Business</b>										
NAMER	71%	71%	73%	74%	72%	68%				
JAPAC	10%	9%	8%	7%	9%	7%				
EMEA	19%	20%	18%	19%	19%	25%				
<b>Total Company</b>										
NAMER	37%	34%	35%	39%	36%	35%				
JAPAC	29%	33%	30%	29%	30%	32%				
EMEA	33%	33%	35%	32%	34%	34%				
<b>Revenue Analysis by Type</b>										
<b>Product Revenues</b>										
License Fees	18%	13%	18%	14%	16%	20%				
Professional Services	56%	59%	54%	58%	57%	52%				
Maintenance	26%	28%	28%	28%	27%	28%				
<b>Services Revenues</b>										
Fixed Price	21%	19%	17%	17%	19%	17%				
Time & Material Basis	79%	81%	83%	83%	81%	83%				
On-site	37%	37%	39%	35%	37%	40%				
Off-shore	63%	63%	61%	65%	63%	60%				
<b>Customer Concentration</b>										
<b>Product Customers</b>										
Top Customer	12%	13%	10%	14%	11%	11%				
Top 5 Customers	32%	33%	34%	36%	32%	36%				
Top 10 Customers	41%	43%	45%	47%	42%	48%				
<b>Services Customers</b>										
Top Customer	16%	15%	15%	15%	15%	13%				
Top 5 Customers	50%	51%	51%	54%	50%	50%				
Top 10 Customers	73%	74%	74%	76%	73%	77%				
<b>Total Company</b>										
Top Customer	10%	10%	9%	12%	9%	9%				
Top 5 Customers	30%	30%	30%	32%	29%	31%				
Top 10 Customers	38%	40%	40%	43%	39%	43%				
<b>Trade Receivables</b>										
0-180 days	92%	96%	95%	92%	92%	93%				
More than 180 days	8%	4%	5%	8%	8%	7%				
DSO (Days)	45	50	43	68	68	67				
<b>Attrition Rate (TTM)</b>										
	22%	22%	22%	22%	22%	22%				
<b>Staff Data *</b>										
Products Business	6,065	6,248	6,143	6,150	6,150	6,166				
Services Business	1,821	1,696	1,657	1,645	1,645	1,581				
BPO Business	667	690	718	708	708	698				
Corporate	242	242	236	230	230	226				
Total	8,795	8,876	8,754	8,733	8,733	8,671				



### **About Oracle Financial Services Software Limited**

Oracle Financial Services Software Limited (referred to as "Oracle Financial Services Software") (Reuters: ORCL.BO & ORCL.NS) is a world leader in providing products and services to the financial services industry and is a majority owned subsidiary of Oracle Corporation. Oracle Corporation [NASDAQ: ORCL] is the world's most complete, open and integrated business software and hardware systems company. For more information, visit [www.oracle.com/financialservices](http://www.oracle.com/financialservices).

### **About Oracle**

Oracle engineers hardware and software to work together in the cloud and in your data center. For more information about Oracle (NYSE:ORCL), visit [oracle.com](http://oracle.com).

### **Trademark**

Oracle and Java are registered trademarks of Oracle Corporation and/or its affiliates. FLEXCUBE is a trademark of Oracle Financial Services Software and are registered in several countries. Other names may be trademarks of their respective owners.

"Safe Harbor" Statement: Statements in this press release relating to Oracle Financial Services Software Limited future plans and prospects are "forward-looking statements" and are subject to material risks and uncertainties. Many factors could affect our current expectations and our actual results, and could cause actual results to differ materially. All information set forth in this release is current as of August 12, 2016. Oracle Financial Services Software Limited undertakes no duty to update any statement in light of new information or future events.

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