

Oracle Financial Services Software Limited

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

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2013

PART I

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

Particulars	STANDALONE					CONSOLIDATED	
	Quarter ended			Year ended March 31,		Year ended March 31,	
	March 31, 2013	December 31, 2012	March 31, 2012	2013	2012	2013	2012
	Audited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
1 INCOME							
(a) Revenue from operations	73,946	72,616	72,560	293,770	260,585	347,400	314,668
Total income from operations	73,946	72,616	72,560	293,770	260,585	347,400	314,668
2 EXPENSES							
(a) Employee costs	37,256	36,061	32,661	143,571	125,326	172,436	151,870
(b) Travel related expenses (net of recoveries)	2,212	3,720	3,087	12,382	10,798	16,458	14,451
(c) Professional fees	2,845	4,262	3,406	13,460	13,957	18,105	20,050
(d) Other expenses	2,881	1,705	1,444	12,052	11,556	18,485	17,186
(e) Depreciation and amortisation	1,500	1,478	1,142	5,861	4,012	6,550	4,662
Total expenses	46,694	47,226	41,740	187,326	165,649	232,034	208,219
3 Profit from operations before other income, exceptional items and tax	27,252	25,390	30,820	106,444	94,936	115,366	106,449
4 Other income, net	10,401	11,947	5,626	44,032	37,503	45,954	42,175
5 Profit from ordinary activities before exceptional items and tax	37,653	37,337	36,446	150,476	132,439	161,320	148,624
6 Exceptional items, net [Refer note 7 below]	-	-	31,083	-	24,150	-	(6,933)
7 Profit before tax	37,653	37,337	67,529	150,476	156,589	161,320	141,691
8 Tax expenses							
(a) Current tax [Refer note 6 below]	11,082	10,935	16,851	47,822	47,170	54,418	50,302
(b) Deferred tax	(55)	881	728	(272)	496	(612)	460
Total tax expenses	11,027	11,816	17,579	47,550	47,666	53,806	50,762
9 Net profit for the period	26,626	25,521	49,950	102,926	108,923	107,514	90,929
10 Paid up equity share capital (face value ₹ 5 each, fully paid)	4,203	4,201	4,199	4,203	4,199	4,203	4,199
11 Reserves as per balance sheet				725,031	620,493	736,440	627,538
12 Earnings per share (face value ₹ 5 each)							
₹	31.68	30.38	59.50	122.52	129.78	127.98	108.34
Basic (in ₹)	31.54	30.24	59.38	121.96	129.65	127.40	108.23

See Dividend note to the financial results

PART II

A PARTICULARS OF SHAREHOLDING							
1 Aggregate of public shareholding							
Number of shares	16,583,780	16,544,476	16,492,059	16,583,780	16,492,059	16,583,780	16,492,059
Percentage of shareholding	19.73	19.69	19.64	19.73	19.64	19.73	19.64
2 Promoters and Promoter Group Shareholding							
a) Pledged / Encumbered							
Number of Shares	-	-	-	-	-	-	-
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-	-
Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-	-
b) Non-encumbered							
Number of shares	67,481,698	67,481,698	67,481,698	67,481,698	67,481,698	67,481,698	67,481,698
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100	100	100
Percentage of shares (as a % of the total share capital of the Company)	80.27	80.31	80.36	80.27	80.36	80.27	80.36

B INVESTOR COMPLAINTS

Particulars	No. of Complaints
Complaints outstanding on January 01, 2013	1
Complaints received during the quarter ended March 31, 2013	0
Complaints disposed off during the quarter ended March 31, 2013	0
Complaints outstanding on March 31, 2013	1

Notes to financial results :

- 1 The above standalone and consolidated financial results have been approved by the Board at its meeting held on May 7, 2013. There are no qualifications in the report issued by the Auditors.
- 2 The figures for the quarter ended March 31, 2013 and March 31, 2012 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2013 and March 31, 2012 respectively and unaudited published year-to-date figures up to December 31, 2012 and December 31, 2011 respectively, being the end of the third quarter of the respective financial years, which were subjected to limited review.
- 3 During the quarter and year ended March 31, 2013, the Company allotted 39,304 and 91,721 equity shares, respectively, of face value of ₹ 5 each on exercise of stock options by eligible employees under the prevailing ESOP schemes.
- 4 Revenue from product licenses and related activities for the year ended March 31, 2012 includes prior year reversal of ₹ 1,596 lacs.
- 5 Employee costs for the year ended March 31, 2013 are net of ₹ 634 lacs and ₹ 869 lacs in the standalone and the consolidated financial results respectively, pertaining to write back of bonus provision of earlier year no longer required.
- 6 In the standalone financial results, current tax charge for the quarter and year ended March 31, 2013 includes prior period and prior year net reversal of ₹ 239 lacs and ₹ 2,954 lacs respectively. In the consolidated financial results, current tax charge for the year ended March 31, 2013 includes prior year net reversal of ₹ 3,212 lacs.
- 7 Particulars of exceptional items, net

(₹ in lacs)

Particulars	STANDALONE					CONSOLIDATED	
	Quarter ended			Year ended March 31,		Year ended March 31,	
	March 31, 2013	December 31, 2012	March 31, 2012	2013	2012	2013	2012
	Audited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
Dividend income [Refer note (a) below]	-	-	31,083	-	31,083	-	-
Claim against the Company [Refer note (b) below]	-	-	-	-	(6,933)	-	(6,933)
Total	-	-	31,083	-	24,150	-	(6,933)

- (a) During the quarter and year ended March 31, 2012, the Company has received dividend of ₹ 18,333 lacs and ₹ 12,750 lacs from its wholly owned subsidiaries Oracle Financial Services Software B.V. and Oracle Financial Services Software Pte. Ltd respectively. Considering the amount of dividend received, the same has been disclosed as an exceptional item.
- (b) A customer had filed a lawsuit against the Company and one of its subsidiaries, claiming damages of upwards of ₹ 57,842 lacs. During the year ended March 31, 2012, the Company settled the said customer dispute for full release of all alleged claims and accordingly recorded the full settlement amount, net of insurance claim and disclosed the same as an exceptional item.
- 8 Particulars of other income, net

(₹ in lacs)

Particulars	STANDALONE					CONSOLIDATED	
	Quarter ended			Year ended March 31,		Year ended March 31,	
	March 31, 2013	December 31, 2012	March 31, 2012	2013	2012	2013	2012
	Audited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
Interest income	10,899	9,886	7,656	39,989	26,975	40,346	27,411
Exchange (loss) gain, net	(605)	2,011	(2,145)	3,761	10,564	5,048	14,445
Miscellaneous income (expense), net	107	50	115	282	(36)	560	319
Total	10,401	11,947	5,626	44,032	37,503	45,954	42,175

Statement of assets and liabilities

(₹ in lacs)

Particulars	STANDALONE		CONSOLIDATED	
	Year ended March 31,		Year ended March 31,	
	2013	2012	2013	2012
	Audited	Audited	Audited	Audited
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	4,203	4,199	4,203	4,199
(b) Reserves and surplus	725,031	620,493	736,440	627,538
	729,234	624,692	740,643	631,737
2 Share application money pending allotment	-	12	-	12
3 Minority interest	-	-	-	-
4 Non-current liabilities				
(a) Deferred tax liability	-	-	396	926
(b) Other long-term liabilities	1,831	1,332	2,770	2,285
(c) Long-term provisions	4,215	3,324	6,011	5,636
	6,046	4,656	9,177	8,847
5 Current liabilities				
(a) Trade payables	1,392	1,817	2,369	2,722
(b) Other current liabilities	86,745	72,159	77,041	69,180
(c) Short-term provisions	9,172	8,046	12,452	9,300
	97,309	82,022	91,862	81,202
TOTAL - EQUITY AND LIABILITIES	832,589	711,382	841,682	721,798

(₹ in lacs)

Particulars	STANDALONE		CONSOLIDATED	
	Year ended March 31,		Year ended March 31,	
	2013	2012	2013	2012
	Audited	Audited	Audited	Audited
B ASSETS				
1 Non-current assets				
(a) Fixed assets	38,724	40,997	39,911	42,714
(b) Goodwill on consolidation			60,866	60,866
(c) Non-current investments	72,824	72,824	-	-
(d) Deferred tax assets	6,677	6,406	7,118	7,073
(e) Long-term loans and advances	66,074	53,834	61,279	49,628
(f) Other non-current assets	1,584	1,429	13	29
	185,883	175,490	169,187	160,310
2 Current assets				
(a) Current investments	100	100	100	100
(b) Trade receivables	96,858	114,429	72,796	89,721
(c) Cash and bank balances	501,834	351,092	547,103	394,760
(d) Short-term loans and advances	6,686	28,874	7,896	29,391
(e) Other current assets	41,228	41,397	44,600	47,516
	646,706	535,892	672,495	561,488
TOTAL - ASSETS	832,589	711,382	841,682	721,798

10 Reporting segmentwise revenue, results and capital employed, under clause 41 of the listing agreement

(₹ in lacs)

Particulars	STANDALONE				CONSOLIDATED	
	Quarter ended		Year ended March 31,		Year ended March 31,	
	March 31, 2013	December 31, 2012	March 31, 2012	2013	2012	
	Audited	Unaudited	Unaudited	Audited	Audited	Audited
(a) Segment revenue						
Product licenses and related activities	57,893	54,104	57,543	223,973	191,217	260,110
IT solutions and consulting services	16,053	18,512	15,017	69,797	69,368	77,375
Business process outsourcing services	-	-	-	-	-	9,915
	73,946	72,616	72,560	293,770	260,585	347,400
(b) Segment results						
Product licenses and related activities	27,548	22,132	30,936	100,703	88,210	106,211
IT solutions and consulting services	1,599	5,286	1,884	13,043	16,882	15,860
Business process outsourcing services	-	-	-	-	-	3,938
	29,147	27,418	32,820	113,746	105,092	126,009
Interest income	10,899	9,886	7,656	39,989	26,975	40,346
Other un-allocable (expenses) income, net	(2,393)	33	(4,030)	(3,259)	372	(5,035)
Exceptional items	-	-	31,083	-	24,150	-
Profit before taxes	37,653	37,337	67,529	150,476	156,589	161,320
(c) Capital employed						
Product licenses and related activities	60,991	66,682	85,453	60,991	85,453	90,576
IT solutions and consulting services	28,239	31,502	35,924	28,239	35,924	23,081
Business process outsourcing services	-	-	-	-	-	894
Unallocable	640,004	603,662	503,315	640,004	503,315	626,092
	729,234	701,846	624,692	729,234	624,692	740,643

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 expenses which are not directly attributable to a business segment are shown as unallocable 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 revenues, deposits for premises and fixed assets. Segment liabilities primarily include deferred revenues, advance from customers, accrued employee costs and other current liabilities. While most of 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 The Board has appointed Ms. Samantha Wellington as an Additional Director w.e.f April 10, 2013.
- 12 Previous quarter's / year's figures have been reclassified, where necessary, to conform with current year's presentation.
- 13 The above financial results are also available on the Company's website: www.oracle.com/financialservices

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

Mumbai, India
May 7, 2013

Chaitanya Kamat
Managing Director & Chief Executive Officer