

Oracle Financial Services Software Limited

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

Unaudited standalone financial results for the three and nine month period ended December 31, 2012

PART I

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

Particulars	Three month period ended			Nine month period ended		Year ended
	December 31, 2012	September 30, 2012	December 31, 2011	December 31, 2012	December 31, 2011	March 31, 2012
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 INCOME FROM OPERATIONS						
Revenue from operations	72,616	65,996	68,001	219,824	188,025	260,585
Total income from operations (net)	72,616	65,996	68,001	219,824	188,025	260,585
2 EXPENSES						
(a) Employee costs	36,061	36,232	32,400	106,315	92,666	125,326
(b) Travel related expenses (net of recoveries)	3,720	2,755	2,732	10,170	7,711	10,798
(c) Professional fees	4,262	2,955	3,491	10,615	10,551	13,957
(d) Other expenses	1,705	3,068	3,384	9,171	10,112	11,556
(e) Depreciation and amortisation	1,478	1,693	1,177	4,361	2,870	4,012
Total expenses	47,226	46,703	43,184	140,632	123,910	165,649
3 Profit from operations before other income, exceptional items and tax (1-2)	25,390	19,293	24,817	79,192	64,115	94,936
4 Other income, net	11,947	7,581	12,413	33,631	31,878	37,503
5 Profit from ordinary activities before exceptional items and tax (3+4)	37,337	26,874	37,230	112,823	95,993	132,439
6 Exceptional items, net (Refer note 7 below)	-	-	1,722	-	(6,933)	24,150
7 Profit before taxes (5+6)	37,337	26,874	38,952	112,823	89,060	156,589
8 Tax expenses						
(a) Current tax	10,935	9,499	10,583	36,740	30,318	47,170
(b) Deferred tax	881	(576)	3,201	(217)	(231)	496
Total tax expenses	11,816	8,923	13,784	36,523	30,087	47,666
9 Net profit after tax for the period (7-8)	25,521	17,951	25,168	76,300	58,973	108,923
10 Paid-up equity share capital (face value ₹ 5 each, fully paid)	4,201	4,200	4,197	4,201	4,197	4,199
11 Reserves as per balance sheet of previous accounting year						620,493
12 Earnings per share (face value ₹ 5 each, fully paid)						
(a) Basic (in ₹)	30.38	21.37	29.98	90.84	70.27	129.78
(b) Diluted (in ₹)	30.24	21.29	29.96	90.45	70.21	129.65

See accompanying note to the financial results

PART II

PARTICULARS OF SHAREHOLDING						
A						
1 Public Shareholding						
Number of shares	16,544,476	16,512,431	16,460,004	16,544,476	16,460,004	16,492,059
Percentage of shareholding	19.69	19.66	19.61	19.69	19.61	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
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100	100
Percentage of shares (as a % of the total share capital of the Company)	80.31	80.34	80.39	80.31	80.39	80.36

B INVESTOR COMPLAINTS

Particulars	No. of Complaints
Complaints outstanding on October 1, 2012	1
Complaints received during the three month period ended December 31, 2012	0
Complaints disposed off during the three month period ended December 31, 2012	0
Complaints outstanding on December 31, 2012	1

Notes to financial results :

- The unaudited financial results for the three and nine month period ended December 31, 2012 have been approved by the Board of Directors of the Company at its meeting held on January 29, 2013. The Statutory Auditors of the Company have carried out a Limited Review of the financial results for the three and nine month period ended December 31, 2012. There are no qualifications in the Limited Review Report issued by the Auditors.
- Pursuant to the Notification No. 447(E) dated February 28, 2011 and Notification No. 653(E) dated March 30, 2011, issued by the Ministry of Corporate Affairs, the Company has prepared its financial statements for the three and nine month period ended December 31, 2012 as per revised Schedule VI to the Companies Act, 1956. Accordingly, the previous periods' figures have also been regrouped/reclassified, wherever required to align the financial statements to the revised format.
- During the three month period ended December 31, 2012, the Company allotted 32,045 equity shares of face value of ₹ 5 each on exercise of stock options by eligible employees under the prevailing ESOP Schemes.
- Employee costs for three month period ended December 31, 2012 are net of ₹ 1,438 lacs pertaining to write back of bonus provision for the six month period ended September 30, 2012, no longer required. Employee costs for nine month period ended December 31, 2012 are net of ₹ 733 lacs pertaining to write back of bonus provision of earlier years, no longer required.
- During the three and nine month period ended December 31, 2011 and year ended March 31, 2012, the Company has recorded income tax expense of ₹ 137 lacs related to previous years.
- Revenue from product licenses and related activities for the nine month period ended December 31, 2011 and year ended March 31, 2012 includes prior year reversal of ₹ 1,596 lacs.
- Particulars of exceptional items, net

Particulars	Three month period ended			Nine month period ended		Year ended
	December 31, 2012	September 30, 2012	December 31, 2011	December 31, 2012	December 31, 2011	March 31, 2012
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Dividend income [Refer note (a) below]	-	-	-	-	-	31,083
Claim against the Company [Refer note (b) below]	-	-	1,722	-	(6,933)	(6,933)
Total	-	-	1,722	-	(6,933)	24,150

- (a) During the 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 three and nine month period ended December 31, 2011, the Company has settled the said customer dispute for full release of all alleged claims and accordingly has accounted the full settlement amount, net of insurance claim. As a result, the Company has reversed the excess provision of ₹ 1,722 lacs during the three month period ended December 31, 2011 and disclosed the same as an exceptional item.

8 Particulars of other income, net

Particulars	Three month period ended			Nine month period ended		Year ended
	December 31, 2012	September 30, 2012	December 31, 2011	December 31, 2012	December 31, 2011	March 31, 2012
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Interest income	9,886	10,387	6,867	29,090	19,318	26,975
Exchange gain / (loss), net	2,011	(2,836)	5,629	4,366	12,710	10,564
Miscellaneous income (expense), net	50	30	(83)	175	(150)	(36)
Total	11,947	7,581	12,413	33,631	31,878	37,503

9 Reporting segment wise revenue, results and capital employed

		(₹ in lacs)					
Particulars	Three month period ended			Nine month period ended		Year ended	
	December 31, 2012	September 30, 2012	December 31, 2011	December 31, 2012	December 31, 2011	March 31, 2012	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
(a) Segment revenue							
Product licenses and related activities	54,104	49,806	51,513	166,080	133,674	191,217	
IT solutions and consulting services	18,512	16,190	16,488	53,744	54,351	69,368	
	72,616	65,996	68,001	219,824	188,025	260,585	
(b) Segment results							
Product licenses and related activities	22,132	19,689	23,448	73,155	57,273	88,210	
IT solutions and consulting services	5,286	1,438	3,564	11,444	14,998	16,882	
	27,418	21,127	27,012	84,599	72,271	105,092	
Interest income	9,886	10,387	6,867	29,090	19,318	26,975	
Other unallocable income (expenses), net	33	(4,640)	3,351	(866)	4,404	372	
Exceptional items, net	-	-	1,722	-	(6,933)	24,150	
Profit before taxes	37,337	26,874	38,952	112,823	89,060	156,589	
(c) Capital employed							
Product licenses and related activities	66,682	56,030	54,717	66,682	54,717	85,453	
IT solutions and consulting services	31,502	31,781	25,525	31,502	25,525	35,924	
Unallocable	603,662	587,953	494,274	603,662	494,274	503,315	
	701,846	675,764	574,516	701,846	574,516	624,692	

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 shown 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 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 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 consolidated results for the three and nine month period ended December 31, 2012

		(₹ in lacs, except per share data)					
Particulars	Three month period ended			Nine month period ended		Year ended	
	December 31, 2012	September 30, 2012	December 31, 2011	December 31, 2012	December 31, 2011	March 31, 2012	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
Revenue from operations	85,275	79,346	81,592	259,255	228,417	314,668	
Net profit after tax for the period	26,829	15,744	30,297	79,379	71,586	90,927	
Earnings per share (face value ₹ 5 each, fully paid)							
Basic (in ₹)	31.94	18.75	36.09	94.51	85.30	108.34	
Diluted (in ₹)	31.79	18.67	36.07	94.10	85.23	108.23	

11 The Board appointed Mr. Richard Jackson as an Additional Director w.e.f. December 12, 2012

12 The above 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
January 29, 2013

Chaitanya Kamat
Managing Director & Chief Executive Officer