

**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 month period ended June 30, 2012**

**PART I**

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

Particulars	Three month period ended		Year ended	
	June 30, 2012	March 31, 2012	June 30, 2011	March 31, 2012
	Unaudited	Unaudited	Unaudited	Audited
<b>1 INCOME FROM OPERATIONS</b>				
Revenue from operations	81,212	72,560	58,190	260,585
<b>Total income from operations (net)</b>	<b>81,212</b>	<b>72,560</b>	<b>58,190</b>	<b>260,585</b>
<b>2 EXPENSES</b>				
(a) Employee costs	34,022	32,661	29,273	125,326
(b) Travel related expenses (net of recoveries)	3,695	3,087	2,642	10,798
(c) Professional fees	3,398	3,406	3,126	13,957
(d) Other expenses	4,398	1,444	2,879	11,556
(e) Depreciation and amortisation	1,190	1,142	856	4,012
<b>Total expenses</b>	<b>46,703</b>	<b>41,740</b>	<b>38,776</b>	<b>165,649</b>
<b>3 Profit from operations before other income, exceptional items and tax (1-2)</b>	<b>34,509</b>	<b>30,820</b>	<b>19,414</b>	<b>94,936</b>
4 Other income, net	14,103	5,626	6,413	37,503
<b>5 Profit from ordinary activities before exceptional items and tax (3+4)</b>	<b>48,612</b>	<b>36,446</b>	<b>25,827</b>	<b>132,439</b>
6 Exceptional items, net (Refer note 8 below)	-	31,083	-	24,150
<b>7 Profit before taxes (5+6)</b>	<b>48,612</b>	<b>67,529</b>	<b>25,827</b>	<b>156,589</b>
8 Tax expenses				
(a) Current tax	16,306	16,851	8,482	47,170
(b) Deferred tax	(522)	728	82	496
<b>Total tax expenses</b>	<b>15,784</b>	<b>17,579</b>	<b>8,564</b>	<b>47,666</b>
<b>9 Net profit after tax for the period (7-8)</b>	<b>32,828</b>	<b>49,950</b>	<b>17,263</b>	<b>108,923</b>
10 Paid-up equity share capital (face value ₹ 5 each, fully paid)	4,199	4,199	4,196	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 ₹)	39.09	59.50	20.58	129.78
(b) Diluted (in ₹)	39.00	59.38	20.55	129.65

**PART II**

<b>A PARTICULARS OF SHAREHOLDING</b>				
<b>1 Public shareholding</b>				
Number of shares	16,497,363	16,492,059	16,432,554	16,492,059
Percentage of shareholding	19.64	19.64	19.58	19.64
<b>2 Promoters and Promoter Group Shareholding</b>				
(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
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100
Percentage of shares (as a % of the total share capital of the Company)	80.36	80.36	80.42	80.36

**B INVESTOR COMPLAINTS**

Particulars	No. of Complaints
Complaints outstanding on April 1, 2012	1
Complaints received during the three month period ended June 30, 2012	2
Complaints disposed off during the three month period ended June 30, 2012	2
Complaints outstanding on June 30, 2012	1

**Notes to financial results :**

- 1 The unaudited financial results for the three month period ended June 30, 2012 have been approved by the Board of Directors of the Company at its meeting held on August 2, 2012. The Statutory Auditors of the Company have carried out a Limited Review of the financial results for the three month period ended June 30, 2012. There are no qualifications in the Limited Review Report issued by the Auditors.
- 2 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 month period ended June 30, 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.
- 3 The figures of the three month period ended March 31, 2012 are the balancing figures between audited figures in respect of the full financial year and published year-to-date figures up to the third quarter.
- 4 During the three month period ended June 30, 2012, the Company allotted 5,304 equity shares of face value of ₹ 5 each on exercise of stock options by eligible employees under the ESOP 2002 Scheme and ESOP 2010 Scheme.
- 5 Employee costs for the three month period ended June 30, 2012 are net of ₹ 752 lacs pertaining to write back of bonus provision of earlier year no longer required.
- 6 Mr. William T. Comfort Jr. resigned from the Board with effect from the close of business hours of May 11, 2012. Mr. S. Venkatachalam, a Non Executive Independent Director was appointed as the Chairman of the Board with effect from May 12, 2012.
- 7 Revenue from product licenses and related activities for the three month period ended June 30, 2011 and for the year ended March 31, 2012 includes prior year reversal of ₹ 1,596 lacs.
- 8 Particulars of exceptional items, net

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

- (a) During the three month period 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. 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. During the three month period ended December 31, 2011, the Company settled the said customer dispute for full release of all alleged claims. In respect of this claim, the Company recorded ₹ 6,933 lacs, net of insurance claim, in the year ended March 31, 2012 and disclosed the same as an exceptional item.

**9 Particulars of other income, net**

Particulars	Three month period ended			Year ended
	June 30, 2012	March 31, 2012	June 30, 2011	March 31, 2012
	Unaudited	Unaudited	Unaudited	Audited
Interest income	8,817	7,656	5,965	26,975
Exchange gain / (loss), net	5,191	(2,145)	445	10,564
Miscellaneous income (expense), net	95	115	3	(36)
<b>Total</b>	<b>14,103</b>	<b>5,626</b>	<b>6,413</b>	<b>37,503</b>

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

( ₹ in lacs )

Particulars	Three month period ended			Year ended
	June 30, 2012	March 31, 2012	June 30, 2011	March 31, 2012
	Unaudited	Unaudited	Unaudited	Audited
(a) <b>Segment revenue</b>				
Product licenses and related activities	62,170	57,543	38,573	191,217
IT solutions and consulting services	19,042	15,017	19,617	69,368
	<b>81,212</b>	<b>72,560</b>	<b>58,190</b>	<b>260,585</b>
(b) <b>Segment results</b>				
Product licenses and related activities	31,334	30,936	16,355	88,210
IT solutions and consulting services	4,720	1,884	5,756	16,882
	<b>36,054</b>	<b>32,820</b>	<b>22,111</b>	<b>105,092</b>
Interest income	8,817	7,656	5,965	26,975
Other un-allocable income (expenses), net	3,741	(4,030)	(2,249)	372
Exceptional items	-	31,083	-	24,150
<b>Profit before taxes</b>	<b>48,612</b>	<b>67,529</b>	<b>25,827</b>	<b>156,589</b>
(c) <b>Capital employed</b>				
Product licenses and related activities	73,373	85,453	59,995	85,453
IT solutions and consulting services	38,835	35,924	32,712	35,924
Unallocable	545,389	503,315	439,833	503,315
	<b>657,597</b>	<b>624,692</b>	<b>532,540</b>	<b>624,692</b>

**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 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 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.

11 Unaudited consolidated results for the three month period ended June 30, 2012

( ₹ in lacs, except per share data)

Particulars	Three month period ended			Year ended
	June 30, 2012	March 31, 2012	June 30, 2011	March 31, 2012
	Unaudited	Unaudited	Unaudited	Audited
<b>Revenue from operations</b>	<b>94,633</b>	<b>86,251</b>	<b>71,208</b>	<b>314,668</b>
<b>Net profit after tax for the period</b>	<b>36,806</b>	<b>19,343</b>	<b>20,422</b>	<b>90,927</b>
Earnings per share (face value ₹ 5 each, fully paid)				
Basic (in ₹)	43.83	23.04	24.34	108.34
Diluted (in ₹)	43.72	22.99	24.31	108.23

12 The above 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 02, 2012

Chaitanya Kamat  
Managing Director & Chief Executive Officer