



FOR IMMEDIATE RELEASE

**Oracle Financial Services Software Reports Q2 Fiscal Year 2016
Revenue for the Quarter of Rs. 1,003 Crore up 6% Year-over-Year;
Net Income of Rs. 323 Crore up 2% Year-over-Year**

Mumbai, India, November 5, 2015: Oracle Financial Services Software Limited (Reuters: ORCL.BO and ORCL.NS), a majority owned subsidiary of Oracle, today announced Indian GAAP results for the quarter ended September 30, 2015. Net income was Rs. 323 Crore up 2% compared the quarter ended September 30, 2014. Consolidated revenue for the quarter was Rs. 1,003 Crore up 6% over the quarter ended September 30, 2014. The operating income for the quarter was Rs. 428 Crore up 27% over the quarter ended September 30, 2014.

The products business posted revenue of Rs. 826 Crore and operating margins of 49%, while the services business posted revenue of Rs. 148 Crore and operating margins of 21%.

“We are pleased to report that we have doubled license revenue and the number of customer deals in the quarter as compared to same quarter last year. We are seeing an increased demand for our banking solutions around the globe, as banks are innovating their service offering across the existing customer segments and to the millennial customers. We also see increasing investments in compliance solutions to meet expanding regulatory requirements,” said Chet Kamat, Managing Director and CEO of Oracle Financial Services Software.

“We have continued delivering strong operating results, with operating margins for the quarter at 43%. During the quarter, our banking products and analytical applications business grew 9% year-over-year. Our other operating metrics are healthy; Days of Sales Outstanding continues to be in the low 50s, all of which is a result of our disciplined conduct of business,” said Makarand Padalkar, Chief Financial Officer for Oracle Financial Services Software.

Business Highlights

- The Company signed new license deals amounting to US\$ 16 million in the quarter.
- New customers signed are deploying the applications for their business operations in US, Bangladesh, Vietnam, Pakistan, Singapore, China, Malaysia, Belarus, Azerbaijan and Zambia.
- 15 customers went live on Oracle Financial Services products for their operations during the quarter.

- PASHA Bank OJSC, one of Azerbaijan's largest banks, has selected Oracle FLEXCUBE to improve its go-to-market time for new products, reduce operational costs and drive growth internationally.
- One of the Vietnam's top 10 largest private banks has chosen Oracle FLEXCUBE as its core banking platform for its technology transformation and consolidation program.
- Two banks in Pakistan selected Oracle Financial Services Analytical Applications to support their Financial Crime and Compliance initiatives.
- An Islamic bank in Malaysia selected Oracle FLEXCUBE to run its core banking operations.
- Leading global bank selected Oracle Financial Crime and Compliance Management to address the regulatory and compliance requirements across all jurisdictions of its worldwide operations.
- A major bank in Africa has selected Oracle FLEXCUBE Universal Banking to run its core operations.
- Oracle Financial Services Analytical Applications wins the OpsRisk&Regulations2015 award for the Best Regulatory Reporting Platform Award.

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**Q2 FY 2015-16 : FINANCIAL RESULTS
CONSOLIDATED STATEMENTS OF OPERATIONS
(In INR Millions, except per share data)**

Particulars	Three Months Ended				% Increase (Decrease)
	Sept 30, 2015	% of Revenues	Sept 30, 2014	% of Revenues	
REVENUES					
Products	8,262	82%	7,561	80%	9%
Services	1,478	15%	1,683	18%	(12%)
BPO - Services	294	3%	201	2%	46%
Total Revenues	10,034	100%	9,445	100%	6%
SEGMENT RESULTS					
Products	4,089	49%	3,214	43%	27%
Services	312	21%	321	19%	(3%)
BPO - Services	107	37%	12	6%	792%
Total	4,509	45%	3,547	38%	27%
Unallocable expenses	(233)	(2%)	(192)	(2%)	22%
OPERATING INCOME	4,276	43%	3,355	36%	27%
Interest and other income, net	662	7%	1,494	16%	(56%)
INCOME BEFORE PROVISION OF TAXES	4,938	50%	4,849	51%	2%
Provision for taxes	1,712	18%	1,671	18%	3%
NET INCOME	3,226	32%	3,178	34%	2%
Earnings per share of Rs 5/- each (in Rs)					
Basic	38.10		37.75		1%
Diluted	37.85		37.54		1%

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**FY 2015-16 YEAR TO DATE : FINANCIAL RESULTS
CONSOLIDATED STATEMENTS OF OPERATIONS
(In INR Millions, except per share data)**

Particulars	Six Months Ended				% Increase (Decrease)
	Sept 30, 2015	% of Revenues	Sept 30, 2014	% of Revenues	
REVENUES					
Products	17,110	83%	16,514	82%	4%
Services	2,918	14%	3,226	16%	(10%)
BPO - Services	572	3%	435	2%	32%
Total Revenues	20,600	100%	20,175	100%	2%
SEGMENT RESULTS					
Products	8,578	50%	7,685	47%	12%
Services	521	18%	690	21%	(25%)
BPO - Services	(217)	-38%	63	15%	(443%)
Total	8,882	43%	8,438	42%	5%
Unallocable expenses	(452)	(2%)	(415)	(2%)	9%
OPERATING INCOME	8,430	41%	8,023	40%	5%
Interest and other income, net	1,606	8%	2,998	15%	(46%)
INCOME BEFORE PROVISION OF TAXES	10,036	49%	11,021	55%	(9%)
Provision for taxes	3,517	17%	3,898	19%	(10%)
NET INCOME	6,519	32%	7,123	35%	(8%)
Earnings per share of Rs 5/- each (in Rs)					
Basic	77.01		84.62		(9%)
Diluted	76.51		84.25		(9%)

Oracle Financial Services Software Limited
Q2 FY 2015-16 Financial Results
SUPPLEMENTAL OPERATING MATRICES

	Financial Year 2014-15					Financial Year 2015-16				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Segmental Revenue (INR Mn)										
Product Business	8,953	7,561	7,546	7,755	31,815	8,847	8,262			
Services Business	1,542	1,683	1,497	1,470	6,192	1,440	1,478			
BPO Business	234	201	334	273	1,042	279	294			
Total	10,729	9,445	9,377	9,498	39,049	10,566	10,034			
Geographic Revenues										
Products Business										
NAMER	26%	30%	28%	26%	28%	31%	26%			
JAPAC	37%	35%	36%	33%	35%	33%	39%			
EMEA	37%	36%	36%	40%	37%	36%	36%			
Services Business										
NAMER	60%	54%	59%	69%	61%	71%	71%			
JAPAC	13%	17%	14%	8%	13%	10%	9%			
EMEA	27%	29%	28%	23%	26%	19%	20%			
Total Company										
NAMER	32%	34%	34%	34%	34%	37%	34%			
JAPAC	33%	31%	32%	29%	31%	29%	33%			
EMEA	36%	34%	34%	37%	35%	33%	33%			
Revenue Analysis by Type										
Product Revenues										
License Fees	20%	7%	13%	16%	15%	18%	13%			
Professional Services	54%	62%	57%	57%	57%	56%	59%			
Maintenance	26%	31%	30%	27%	29%	26%	28%			
Services Revenues										
Fixed Price	25%	22%	21%	22%	23%	21%	19%			
Time & Material Basis	75%	78%	79%	78%	77%	79%	81%			
On-site	36%	48%	37%	39%	40%	37%	37%			
Off-shore	64%	52%	63%	61%	60%	63%	63%			
Customer Concentration										
Product Customers										
Top Customer	13%	16%	13%	15%	14%	12%	13%			
Top 5 Customers	33%	34%	32%	33%	32%	32%	33%			
Top 10 Customers	43%	41%	40%	43%	39%	41%	43%			
Services Customers										
Top Customer	11%	13%	13%	12%	12%	16%	15%			
Top 5 Customers	43%	42%	47%	45%	43%	50%	51%			
Top 10 Customers	67%	68%	70%	70%	67%	73%	74%			
Total Company										
Top Customer	11%	12%	10%	12%	11%	10%	10%			
Top 5 Customers	30%	31%	30%	30%	29%	30%	30%			
Top 10 Customers	39%	39%	38%	41%	37%	38%	40%			
Trade Receivables										
0-180 days	94%	98%	96%	96%	96%	93%	96%			
More than 180 days	6%	2%	4%	4%	4%	7%	4%			
DSO (Days)	39	68	63	51	51	46	51			
Attrition Rate (TTM)	23%	24%	23%	22%	22%	22%	22%			
Staff Data *										
Products Business	5,794	5,947	6,072	6,072	6,072	6,065	6,248			
Services Business	2,121	2,036	1,998	1,925	1,925	1,821	1,696			
BPO Business	670	701	705	676	676	667	690			
Corporate	269	264	257	255	255	242	242			
Total	8,854	8,948	9,032	8,928	8,928	8,795	8,876			

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.

About Oracle

Oracle offers a comprehensive and fully integrated stack of cloud applications and platform services. For more information about Oracle (NYSE:ORCL), visit oracle.com.

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“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 November 5, 2015. Oracle Financial Services Software Limited undertakes no duty to update any statement in light of new information or future events.

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